

Forwards Capacity Allocation (FCA)

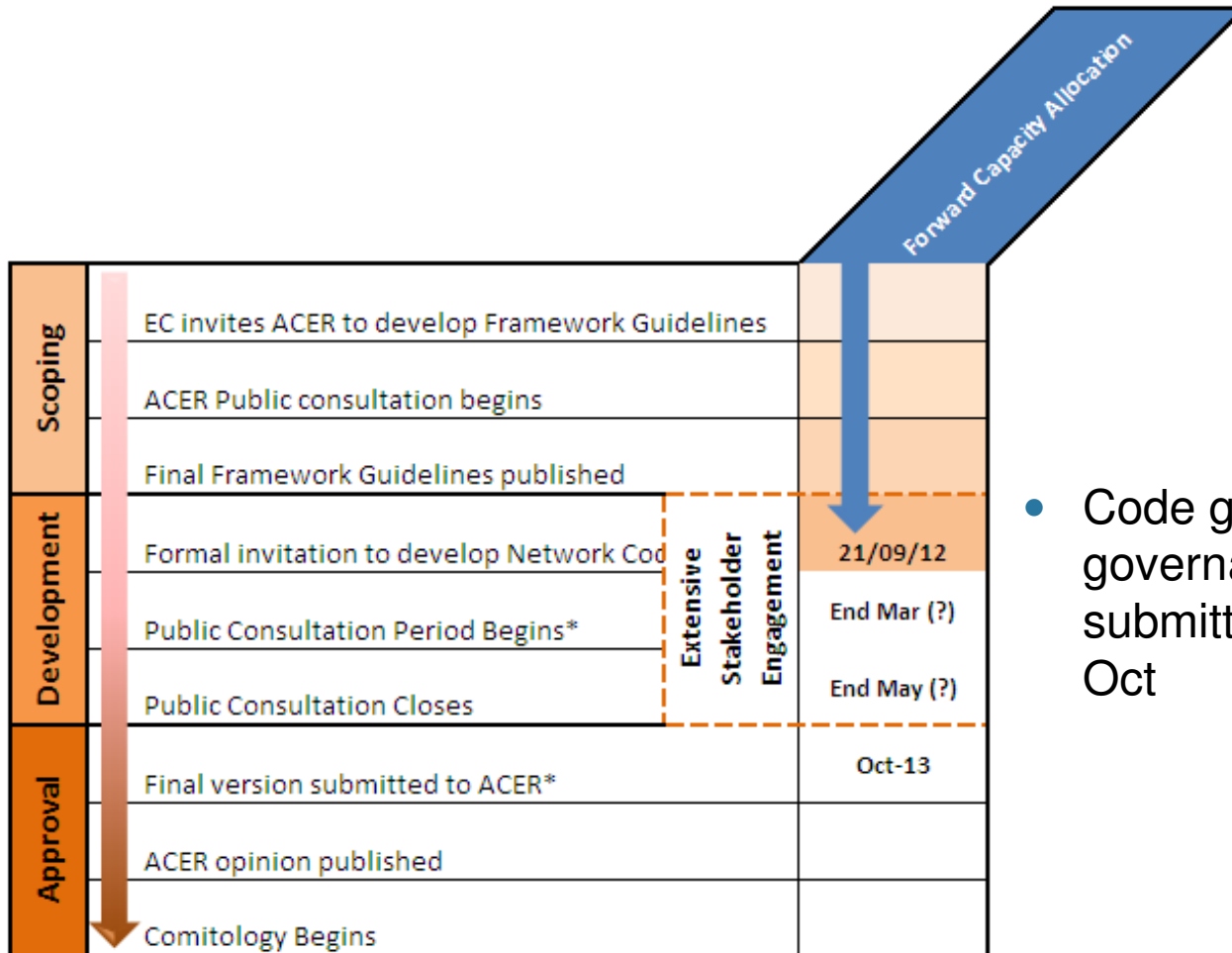
Code Drafter: Will Kirk-Wilson

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Introduction

- Forwards current status
- Target model
- Forwards overview
- TSO exemption text
- Firmness regime

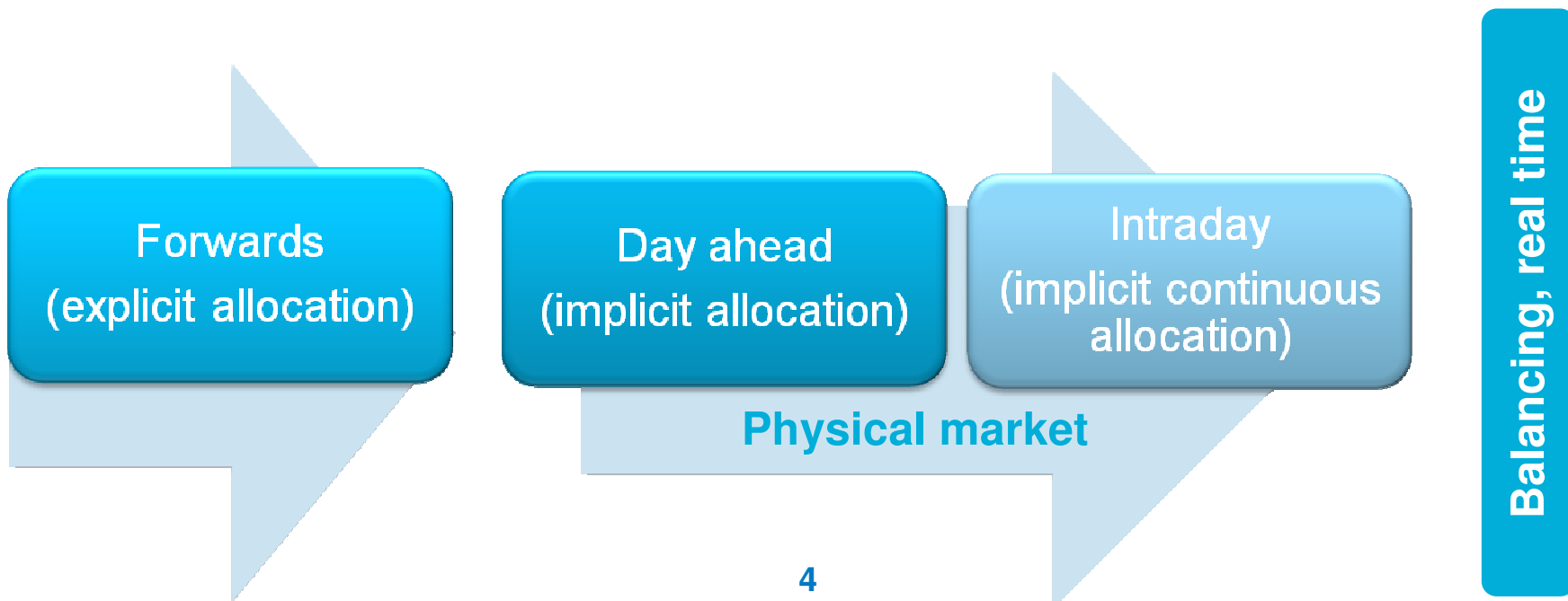
Forwards current status



- Code going ENTSO-E internal governance before being submitted to ACER for start Oct

Target model

- Create pan-European electricity market by removing barriers for cross border trading subject to network constraints
- Code high level, detail to come later



Forwards market overview

	Bidding zone/border	Capacity Calculation Region	Other	Pan European
Single allocation platform				✓
Harmonised [change round order] allocation rules				✓ **
Firmness rules		✓		*
Capacity calculation		✓		
Bidding zone review	✓	✓	✓	✓
Choice of PTR/FTR/CfD	✓	*		
PTR/FTR payouts	✓			*

* *ACER position*

* **Pan-European allocation rules, but regional specificities allowed*

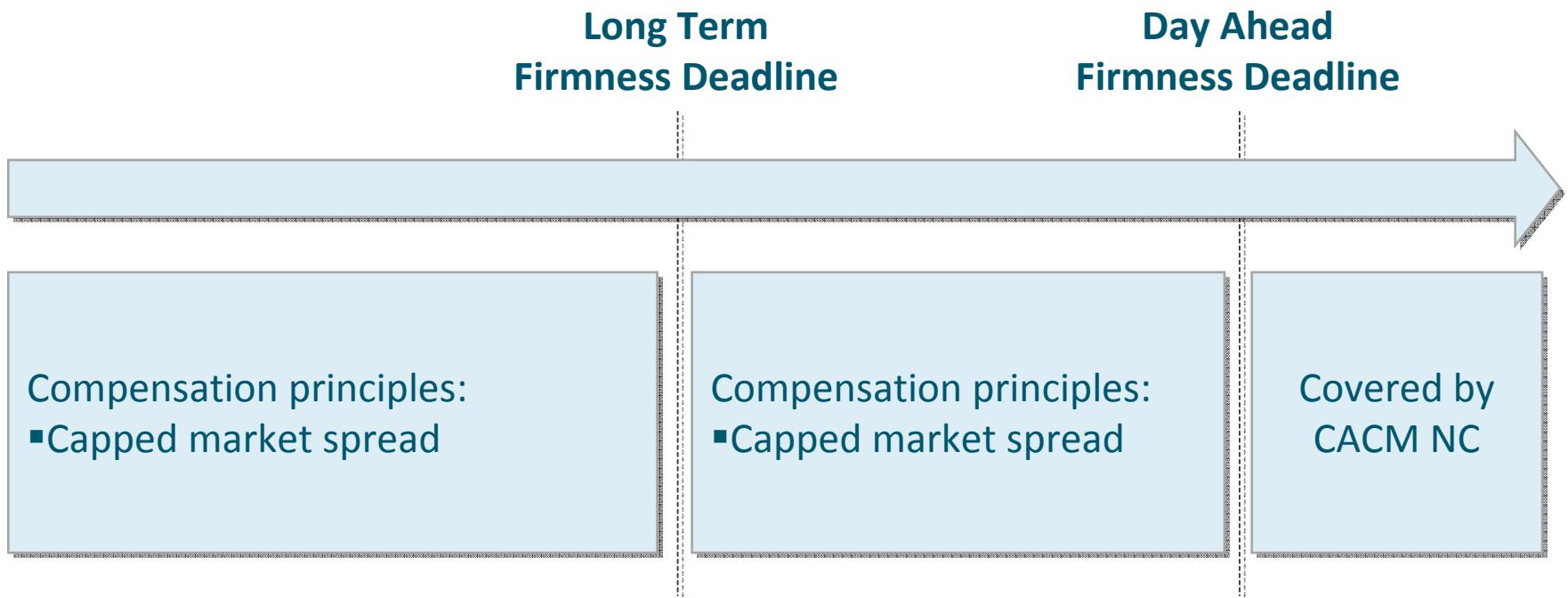
TSO/SO exemption text - agreed

Currently code refers to System Operator. However this concept is going to be replaced by TSO and a common piece of text (below) will be inserted into all ENCs.

“In Member States where more than one transmission system operator exists, this Regulation shall apply to all transmission system operators within that Member State. Where a transmission system operator does not have a function relevant to one or some obligations under this Network Code, Member States may under the national regulatory regime provide that the responsibility to comply with one or some obligations under this Network Code is assigned to one or more different transmission system operators. In case of such assignment, the Network Code shall apply accordingly to the transmission system operator(s) to which responsibilities have been assigned.”

Firmness

Title 3 – Chapter 7, Art 73-78



- **Carve out for outages of long duration (specifically mentions DC subsea cables)**
- **Long term firmness deadline is equivalent to nomination deadline for PTRs.**

Next steps

- Code been to ENTSO-E Market Committee – approved to be submitted to ACER start October
- No more changes to code will be made prior to this.
- ACER will then have three months to decide if it is compliant with framework guidelines and whether it should be submitted to the EC

How to get involved

- Get in touch with me.
- Joint European Standing Group (JESG)
- DECC/Ofgem workshop on FCA for stakeholders (16th October)
- DECC/Ofgem directly

Further Information

■ Target model

- Overview doc: <https://www.entsoe.eu/major-projects/network-code-development/>
- Framework Guidelines for both CACM and Forward Capacity Allocation:
http://www.acer.europa.eu/portal/page/portal/ACER_HOME/Public_Docs/Acts%20of%20the%20Agency/Framework%20Guideline/Framework_Guidelines_on_Capacity_Allocation_and_Congestion_M

■ CACM

- ENTSO-E's Network Code website: <https://www.entsoe.eu/major-projects/network-code-development/capacity-allocation-and-congestion-management/>
- Ofgem: <http://www.ofgem.gov.uk/Europe/EEM/Pages/EEM.aspx>
- ACER Recommendation:
http://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/Recommendations/ACER%20Recommendation%2001-2013.pdf
- (Annex): https://www.entsoe.eu/fileadmin/user_upload/library/resources/CACM/ACER_Annex_to_Recommendation_01-2013_on_the_Network_Code_on_CACM.pdf

■ Forwards

- ENTSO-E's Network Code website: <https://www.entsoe.eu/major-projects/network-code-development/forward-capacity-allocation/>
- ENTSO-E Consultation Portal: <https://www.entsoe.eu/consultations/>

Any questions?



Will Kirk-Wilson

01926 655424

07554 225984

William.kirkwilson@nationalgrid.com