ACER – Agency for the Cooperation of Energy Regulators Trg republike 3 SI-1000 Ljubljana Sent by e-mail: consultation2016E02@acer.europa.eu

Berne, 20 July 2016

swisselectric response to the ACER public consultation on the definition of capacity calculation regions

Dear Sir or Madam

swisselectric is an association representing the largest Swiss utilities, whose members comprise Axpo, Alpiq, and CKW. All are active in energy trading at European level. We thank you for giving us the opportunity to comment on the definition of capacity calculation regions (CCRs). We would like to give the following response to **Question 2** in particular:

Do you have comments on the description of the geographical evolution of the CCRs over time, as proposed by all TSOs in Annex 3 to the Explanatory document to the CCRs Proposal?

swisselectric is of the opinion that ACER should explicitly include the Swiss borders to the relevant CCRs in the final CCR proposal (cf. Annex 1 of the Explanatory document to all TSO's proposal for Capacity Calculation Regions) from the outset in order to take into consideration the relevance of Switzerland for the safe secure network operation of the Union electricity market.

Given the central geographical location and the role of the Swiss electricity network in Europe, it is crucial that it is taken into consideration in the capacity calculation processes both in the CCR CWE and in the CCR Italy North. Indeed, not taking into account the Swiss borders in the calculation of the capacities in Central Europe would be tantamount to <u>ignoring important</u> <u>interconnectors when calculating the capacities</u>.

Such an approach would not make sense from a technical point of view and would represent a <u>security issue for the continental electricity system</u> when the exchanges increase in Europe and systems are operated closer to their limits, since the transit flows through Switzerland (which account for about 10 % of all electricity exchanges in Europe) would be completely neglected. The strategic importance of the Swiss network for the safe operation of the EU grid

has been explicitly recognized in the latest draft version of the Guideline on electricity transmission system operation.

With respect to the other questions raised by ACER in the public consultation document, swisselectric contributed to the responses of EURELECTRIC, EFET, and the Market Parties Platform.

Feel free to liaise with Dr Michael Beer (michael.beer@swisselectric.ch, Phone +41 31 380 10 69) for any further details on the response provided above.

Yours sincerely

swisselectric

Beat Moser Director