



Mr. Alberto Pototschnig
Director
ACER

Cc: Mr. Gheorghe Visan
Chairman
Core Steering Group

Cc: Mr. Klaus-Dieter Borchardt,
Director IEM
DG ENER, European Commission

3 July 2019,

Subject: Referral of the Core LT TR Amendment Proposal

Dear Alberto,

I am writing to you on behalf of all Regulatory Authorities of the Core capacity calculation region with regards to the proposal for amendment to the regional design of long-term transmission rights (hereafter: “the Core LT TR Amendment Proposal”), pursuant to Article 4(12) and Article 31 of Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing guidelines on forward capacity allocation (hereafter: “the FCA Regulation”).

The date at which the last Core Regulatory Authority received the proposal from its TSO was 29 May 2019, thereby establishing the legal deadline for a Core Regulatory Authorities’ decision by 29 November 2019.

Article 4(9) of the FCA Regulation requires all Core Regulatory Authorities to consult and closely cooperate and coordinate with each other in accordance to reach an agreement and issue a decision on the Core LT TR Amendment Proposal.

All Core Regulatory Authorities have interacted, both internally and with the Core TSOs, on the Core LT TR Amendment Proposal. This process was initiated with the launch, by the Core TSOs, of the public consultation on the Amendment Proposal, which took place between 7 February and 7 March 2019.

The Core TSOs’ LT TR Amendment Proposal aims to change the type of long-term transmission rights on a number of bidding zone borders (notably NL-DE/LU, BE-DE/LU, FR-DE/LU, AT-CZ and AT-HU) to financial transmission rights – options (hereafter: “FTR-options”). These would either replace the current physical transmission rights with Use-It-Or-Sell-It principle (hereafter: “PTR-UIOSI”) or introduce them where no long-term transmission rights have been defined yet.



Despite their best efforts and the close interaction with exchange of individual positions, Core Regulatory Authorities have not been able to reach a common position as required by Article 4(9) of the FCA Regulation. In particular, no unanimous agreement to introduce FTR-options on the bidding zone border FR-DE/LU could be found among the Core Regulatory Authorities. A more detailed description of the individual and joint positions of the Core regulatory authorities that lie at the basis of this referral, shall be provided to you in a separate “non-paper” in the coming weeks.

In light of the different positions and pursuant to Article 4(10) of the FCA Regulation, Core Regulatory Authorities through their unanimous decision at the Core Energy Regulators’ Regional Forum via an electronic voting procedure on 3 July 2019, request the Agency to adopt a decision concerning the Core LT TR Amendment Proposal.

Core Regulatory Authorities anticipate that the Agency will give utmost consideration to their individual assessments and are ready to assist the Agency to develop and adopt its decision.

Yours sincerely,

Mathieu Fransen,
Chair of the Core Energy Regulators’ Regional Forum

Attachment: 2nd Amendment of the Core CCR TSOs’ regional design of long-term transmission rights based on Article 4(12) of Commission Regulation (EU) 2016/1719 – 04th April 2019.