

Mr Laurent Schmitt
Secretary-General
ENTSO-E

Cc: Mr Alberto Pototschnig
ACER Director

Cc: Mr Klaus-Dieter Borchardt
Director
Internal Energy Market
DG ENER
European Commission

22 September 2017,

Dear Mr Schmitt,

I write on behalf of all Regulatory Authorities (NRAs) in order to inform you about the all Regulatory Authorities position regarding the methodologies for calculating scheduled exchanges resulting from single day-ahead and intraday coupling under Articles 43 and 56 of Commission Regulation (EU) 2015/1222 ("CACM Regulation").

These Articles provide that, by 16 months after the entry into force of the CACM Regulation, i.e. by 14 December 2016, TSOs which intend to calculate scheduled exchanges shall develop a proposal for a common methodology for this calculation. Some NRAs subsequently received these methodologies for calculating scheduled exchanges resulting from single day-ahead and intraday coupling on 14 December 2016.

Following the submission of the methodologies, NRAs did not agree with ENTSO-E's interpretation that only the TSOs calculating the scheduled exchanges by themselves, as opposed to those using the calculation done by the NEMOs in the algorithm, have to submit the methodologies. A letter was then sent by ACER on behalf of all NRAs to the European Commission on 14 March 2017 to ask for an interpretation on whether all TSOs, including those who did not submit the methodologies on 14 December 2016, should develop and submit for NRA approval a common methodology to calculate scheduled exchanges or not.

In its response of 1 June 2017, the European Commission stated that it is up to the NRAs to decide whether it is more efficient to involve all TSOs in the development of the scheduled exchanges methodologies or not. Thus all NRAs have agreed that all TSOs should submit a common methodology for both day-ahead and intraday.

All NRAs request that the common methodology for day-ahead describes the two options foreseen by TSOs for the calculation of scheduled exchanges, i.e. using the allocated flows calculated by the day-ahead coupling algorithm or setting scheduled exchanges calculators pursuant to Article 8.2(g). All NRAs reiterate that both methodologies for day-ahead and intraday shall describe the calculation as required in Articles 43 and 56 of the CACM Regulation.

As both the content and the scope of the methodologies for day-ahead and intraday will be substantially modified from the version originally submitted by a sub-group of TSOs, these methodologies will have to be consulted again by the TSOs pursuant to Article 12 of the CACM Regulation. Moreover, the sub-group of TSOs which have already submitted the methodologies should re-submit these new versions to their respective NRAs. TSOs are invited to engage with their national NRAs to discuss the formal process of the re-submission, especially whether or not TSOs need to withdraw their initial proposals.

After discussions between NRAs and ENTSO-E to agree on a feasible deadline, all NRAs request TSOs to submit the new versions of the common scheduled exchanges methodologies by 31 December 2017.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Mogg', with a stylized flourish at the end.

Lord Mogg