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**Proposal for nomination rules for Physical Transmission  
Rights for the bidding zone border(s) between  
Austria, Croatia, Czech Republic, Germany, Hungary, Poland,  
Slovakia, and Slovenia  
in accordance with Article 36 of Commission Regulation (EU)  
2016/1719 of 26 September 2016 establishing a Guideline on  
Forward Capacity Allocation**

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29 June 2018

All TSOs of the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia taking into account the following,

### Whereas

- (1) This document is the common proposal developed by the Transmission System Operators of the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia (hereafter referred to as “**related TSOs**”) for nomination rules for Physical Transmission Rights (hereafter referred to as the “**Proposal**”) in accordance with Article 36 of Commission Regulation (EU) 2016/1719 establishing a guideline on Forward Capacity Allocation (hereafter referred to as the “**FCA Regulation**”).
- (2) Article 31 of the FCA Regulation foresees that long-term cross-zonal capacity shall be allocated to market participants in the form of Physical Transmission Rights pursuant to the UIOSI principle or in the form of FTRs — options or FTRs — obligations. This Proposal only applies to the Physical Transmission Rights acquired in forward capacity allocation. It lays down the rules for nomination of Physical Transmission Rights for the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia.
- (3) In accordance with Article 36(2) of the FCA Regulation, this Proposal is subject to consultation. Article 6 of the FCA Regulation requires that proposals submitted at bilateral or at multilateral level shall consult at least the Member States concerned and that the consultation shall last for a period not less than one month. Accordingly, this Proposal was consulted from 27 June 2017 until 18 August 2017.
- (4) This Proposal is submitted for the approval of all National Regulatory Authorities (hereafter referred to as the “**NRAs**”) of the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia.
- (5) TSOs on the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia consider that the FCA Regulation allows the submission of this Proposal on bidding zone border level, since proposals for nomination rules for Scheduled Exchanges between bidding zones are not listed in Article 4 of the FCA Regulation. They acknowledge that Article 36(3) of the FCA Regulation requires all TSOs to progressively harmonise the nomination rules on all bidding zone borders on which Physical Transmission Rights are applied. The TSOs therefore undertake to progressively examine the potential and the need for harmonisation of these rules, taking into account their technical nature.
- (6) This Proposal generally contributes to the achievement of the objectives of Article 3 of the FCA Regulation. In particular, this Proposal serves the objective of promoting effective long-term cross-zonal trade with long-term hedging opportunities for market participants by promoting a transparent framework for the nomination rules for Physical Transmission Rights.
- (7) This Proposal contributes to the provision of non-discriminatory access to long-term cross-zonal capacity by detailing the process of nominating the Physical Transmission Rights already allocated in the long-term auctions (or the process of transferring that right in accordance with Article 44 of the FCA Regulation).
- (8) Furthermore, this Proposal ensures fair and non-discriminatory treatment of all affected parties, as it sets rules to be applied by all parties. Before being approved, the rules detailed in this Proposal are subject to public consultation in accordance with Article 6 of the FCA Regulation.
- (9) Regarding the objective of transparency and reliability of information on forward capacity allocation, this Proposal includes provisions on the necessary exchange of information between the holder of the transmission rights and the nomination platform for executing the nomination.

- (10) In conclusion, this Proposal contributes to the general objectives of the FCA Regulation to the benefit of all market participants and electricity end consumers.

SUBMIT THE FOLLOWING PROPOSAL TO ALL REGULATORY AUTHORITIES OF THE BIDDING ZONE BORDER(S) BETWEEN AUSTRIA, CROATIA, CZECH REPUBLIC, GERMANY, HUNGARY, POLAND, SLOVAKIA AND SLOVENIA:

## **TITLE 1**

### **General provisions**

#### **Article 1**

##### **Subject matter and scope**

1. This Proposal contains the terms and conditions for the nomination of Physical Transmission Rights on the bidding zone border(s) of related TSOs.
2. In accordance with the FCA Regulation and the applicable harmonised allocation rules for long-term transmission rights developed as per Article 51 of the FCA Regulation, this Proposal shall bind the holders of Physical Transmission Rights, their counterparties where applicable, and eligible parties acting on their behalf.

#### **Article 2**

##### **Definitions and interpretation**

1. Capitalised terms used in this Proposal shall have the meaning given to them in Article 2 of Regulation (EC) 714/2009, Article 2 of Regulation (EC) 2013/543, Article 2 of Regulation (EC) 2015/1222, Article 2 of Directive 2009/72/EC, Regulation (EU) 2016/1719 and in the applicable harmonised allocation rules for long-term transmission rights.
2. In addition, the following definitions shall apply:
  - (a) PTR means Physical Transmission Rights;
  - (b) COT means Cut-off-time.

#### **Article 3**

##### **Effective date and application**

This nomination rules Proposal shall enter into force in accordance with the applicable national regulatory regimes. The rules described in this Proposal shall apply on the earliest possible date following the approval of the respective NRAs in Accordance with Article 4 of the FCA Regulation. This date will be published for the bidding zone border(s) of the related TSOs on their website.

## TITLE 2

### Nomination rules

#### Article 4

#### **Entitlement of a physical transmission rights holder to nominate Scheduled Exchanges**

Physical transmission rights can be nominated by their holders, eligible or authorised persons - as applicable - fulfilling both the minimum technical requirements pursuant to Article 5 and the following prerequisites of the respective TSO:

|  |   |
|--|---|
| Germany/<br>Luxembourg<br>(50Hertz)      | PTRs can be nominated to 50Hertz by eligible persons fulfilling the minimum technical requirements to nominate to 50Hertz pursuant to Article 5. Eligible persons may be the following:<br>(a) the PTRs' holder; or<br>(b) the person notified by the PTRs' holder to the allocation platform and TSOs  |
| Austria<br>(APG)                         | In order to nominate PTRs to APG, the holders of PTRs and/or their counterparties and eligible parties acting on their behalf must have a Datenübermittlungsvertrags-Paar with APG and a BGV-Vertrag with APCS which together result in a valid Genehmigungsbeseheid from Energie-Control Austria. Furthermore the nomination has to be compliant with the most recently published version of Sonstige Marktregeln. |
| Czech<br>Republic<br>(CEPS)              | PTRs' holders must have a valid contract for imbalance settlement with Czech market operator as well as a valid grid access contract with CEPS.   |
| Croatia<br>(HOPS)                        | PTRs' holder must have a valid and effective Balance Responsibility Agreement signed with HOPS and/or valid Electricity Market Participation Agreement signed with Croatian Energy Market Operator (HROTE).   |
| Slovenia<br>(ELES)                       | PTRs' holders must have a Balance Group Contract signed with Slovenian Market Operator or Contract for settlement of imbalances with the Balance Responsible Party in Slovenia.   |
| Hungary<br>(MAVIR)                       | PTRs' holders must have a valid and effective balancing contract with MAVIR or membership of a Hungarian balance-group, and a valid and effective system usage contract.  |
| Poland<br>(PSE)                          | Nomination of PTRs can be done by market participant with valid balancing contract signed with PSE.   |
| Slovakia<br>(SEPS)                       | To be entitled to use PTRs market participant (PTRs' holder or his counterparty) must have concluded a valid and effective "Framework Agreement on Electricity Transmission through Connecting Lines" with SEPS and "Agreement on Settlement of Imbalances" with OKTE (Slovak Market Operator).   |
| Germany/<br>Luxembourg<br>(TenneT<br>DE) | PTRs can be nominated by eligible persons fulfilling the minimum technical requirements to nominate pursuant to Article 5. Eligible persons may be the following:<br>(a) the PTRs' holder; or<br>(b) the person notified by the PTRs' holder to the allocation platform and TSOs.   |

## Article 5

### Minimum technical requirements to nominate

Related TSOs set the following minimum technical requirements to access their local scheduling system to nominate PTRs:

|                                       |  |
|---------------------------------------|--|
| Germany/<br>Luxembourg<br>(50Hertz)   | Persons eligible to nominate PTRs for the relevant bidding zone borders to 50Hertz need to fulfil the following minimum technical requirements:<br>(a) having a valid and effective balancing contract with both concerned TSOs;<br>and<br>(b) having established electronic data interchange to the nomination system of both concerned TSOs.<br>( <a href="http://www.50hertz.com">www.50hertz.com</a> )           |
| Austria<br>(APG)                      | The nomination of a Scheduled Exchange to APG has to comply with a specific version of the scheduling format of ENTSOe (ESS) and is submitted via e-mail. All information and detailed parameters for assembling a correct Scheduled Exchange is published in the most recent version of the “sonstige Marktregeln, Kapitel 3”, published by Energie-Control Austria. ( <a href="http://www.apg.at">www.apg.at</a> ) |
| Czech<br>Republic<br>(CEPS)           | CEPS scheduling system is a web-based application with web service and e-mail communication support, to which the minimum technical requirements and used standards are published on CEPS web page ( <a href="http://www.ceps.cz">www.ceps.cz</a> ).   |
| Croatia<br>(HOPS)                     | HOPS scheduling system communicates via e-mail in standardized format, to which the minimum technical requirements are published on HOPS web ( <a href="http://www.hops.hr">www.hops.hr</a> ).   |
| Slovenia<br>(ELES)                    | ELES scheduling system is a web-based application, to which the minimum technical requirements are published on ELES homepage ( <a href="http://www.eles.si">www.eles.si</a> ).  |
| Hungary<br>(MAVIR)                    | MAVIR scheduling system is a web-based application, to which the minimum technical requirements are published on MAVIR homepage ( <a href="http://www.mavir.hu">www.mavir.hu</a> ).  |
| Poland<br>(PSE)                       | Access to WIRE communication system via TSO private network<br>WIRE standards (EDI standards) are published on PSE homepage ( <a href="http://www.pse.pl">www.pse.pl</a> ).  |
| Slovakia<br>(SEPS)                    | SEPS scheduling system is a web-based application, minimum technical requirements to access it are published on SEPS web page ( <a href="http://www.sepsas.sk">www.sepsas.sk</a> ).  |
| Germany/<br>Luxembourg<br>(TenneT DE) | Persons eligible to nominate PTRs for the relevant bidding zone border need to fulfil the following minimum technical requirements:<br>(a) having a valid and effective balancing responsible contract with both concerned TSOs; and<br>(b) having a connection to the nomination system of both concerned TSOs.<br>( <a href="http://www.tennet.eu">www.tennet.eu</a> )   |

## Article 6

### Description of the nomination process

1. Market participants, and eligible persons where applicable, shall send Scheduled Exchange(s) for bidding zone borders between related TSOs to both concerned TSOs before the long term nomination deadline pursuant to Article 7.
2. The technical requirements and specific rules for scheduling are described in Annex 1 to this Proposal, which constitutes an integral part of this Proposal. The latest version of regional nomination rules shall be published on the websites of concerned TSOs and/or the relevant Allocation Platform.

## **Article 7**

### **Nomination timings**

| Process                                    | Start of the process (CET)                           | End of the process (CET) |
|--|--|--------------------------|
| Long term nomination                       | D-2 12:00 or earlier according to local market rules | D-2 17:00                |
| Correction cycles of long term nominations | D-2 17:00  | D-2 18:00                |
| Long term matching cycle at COT            | D-2 18:00  | D-2 18:15                |

Relevant Allocation Platform shall publish information on its website on the long term nomination deadline. In case of any discrepancy between the deadline published by the relevant Allocation Platform and this valid and legally binding nomination rules Proposal, the latter shall prevail.

## **Article 8**

### **Format of nomination and communication**

1. Market participants, or eligible persons where applicable, shall nominate physical transmissions rights following the standards and formats provided in regional nomination rules referred to in Article 6(2).
2. Communication between market participants, or eligible persons where applicable, and TSOs shall follow the standard and formats provided in regional nomination rules referred to in Article 6(2).

## **TITLE 3**

### **Miscellaneous**

## **Article 9**

### **Amendment of the nomination rules**

Any change of the rules related to nomination of PTRs for a bidding zone border between related TSOs shall lead to an amendment of the present nomination rules Proposal in accordance with Article 4(12) of Regulation (EU) 2016/1719.

## **Article 10**

### **Language**

The reference language for this Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this Proposal into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 4(13) of the FCA Regulation and any version in another language the relevant TSOs shall, in accordance with national legislation, provide the relevant NRAs with an updated translation of the nomination rules Proposal.