



Integration of electricity market rules: are we on track to achieve an Internal Electricity Market?

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Achievements & next steps

	Achievements	Next steps	Date
Methodologies (art.9 CACM)	<ul style="list-style-type: none"> ✓ MCO Plan ✓ DA & ID Product methodology ✓ Back up methodology ✓ Min-Max price methodology 	<ul style="list-style-type: none"> • Algorithm methodology escalated to ACER 	?
Contractual framework	<ul style="list-style-type: none"> ✓ Interim NEMOs Cooperation Agreement (INCA) ✓ ID contracts (ANIDOA, IDOA) signature 	<ul style="list-style-type: none"> • All NEMO Cooperation Agreement (ANCA) • DA contracts: <ul style="list-style-type: none"> • All Nemo Day-ahead Operational Agreement (ANDOA) • Day Ahead Operational Agreement (DAOA, between NEMOs and TSOs) signature • Joint NEMO-TSO governance (CACM art 10) – High Level design 	12/18
Procedures	<ul style="list-style-type: none"> ✓ First draft of DA & ID algorithm change control procedure ✓ First draft of DA & ID algorithm monitoring procedures 	<ul style="list-style-type: none"> • Agreement with TSOs on algorithm change control procedures and algorithm monitoring procedures for DA & ID 	12/18
Go-Live		<ul style="list-style-type: none"> • SIDC go-live (1st wave) 	06/18
		<ul style="list-style-type: none"> • MNA technical readiness 	09/18
		<ul style="list-style-type: none"> • SIDC go-live (2nd wave) 	Q2/19
		<ul style="list-style-type: none"> • SDAC go-live 	?
R&D	<ul style="list-style-type: none"> ✓ Preliminary scope for DA Algorithm R&D finalized 	<ul style="list-style-type: none"> • ACER approval of methodologies needed to proceed 	

Single DA Coupling

- *Interim phase from Regional DA coupling to SDAC:*
 - interim co-existence between existing Regional DA coupling projects (MRC vs 4MMC) and CACM provisions (DAOA & IDOA contracts);
 - definition of an agreed timeline for SDAC operational go-live.
 - NEMOs encourage TSOs to finalize capacity calculation methodology a or to provide ATCs, in order to couple 4M and MRC asap sap
- *Algorithm R&D activity:*
 - R&D needed to ensure non-discriminatory access to existing NEMO/TSO products/functionalities and support of new ones (e.g. adequate scalability);
 - TSO involvement in R&D cost sharing needed, as R&D strongly influenced by TSO requirements.

Single ID Coupling

- *XBID extension:*
 - 2nd (and 3rd) go-live wave needs to be secured in order to extend XBID solution in whole EU
- *R&D activity:*
 - improve collaboration with IT provider, in order to reach efficiently R&D milestones and timings
- *Capacity pricing:*
 - NRAs' decisions on ID capacity pricing methodology needed to finalize SIDC implementation.

Issues related to competition in CACM framework

- *Non harmonized cost-recovery schemes:*
 - National sharing keys between NEMOs and TSOs;
 - National TSO contribution to NEMO costs;
 - National costs sharing in Multi-NEMO configurations;
 - Cost sharing among MS in case of Multi-country NEMOs.
- *Regulated MCO Function in a competitive environment:*
 - Conflict of interests originating from management of activities on the border between non-regulated NEMOs' activities and NEMOs' regulated MCO function. Live examples:
 - Local decoupling scenarios
 - Signature of operational agreements
 - Use of products
 - Frequent request for guidance to EC, ACER, NRAs => need for «ad hoc regulation» of at least high level principles for managing these activities;

Problems for competitive NEMOS
(Cost exposure, Level playfield)



Impact on project management



Need for NRAs coordination

Lack on clear rules on
Competition affecting NEMOs'
cooperation on MCO Function



Impact on NEMO cooperation in
developing the MCO function



***Need for unbundling of
regulated and non-regulated
NEMOs activities?***