

**Baltic CCR TSOs common methodology for
redispatching and countertrading cost sharing in
accordance with Article 74 of the Commission
Regulation (EU) 2015/1222 of 24 July 2015
establishing a guideline on capacity allocation
and congestion management**

13 December 2018

All Baltic Capacity Calculation Region TSOs, taking into account the following:

Whereas

- (1) This document is a common methodology developed by Baltic Capacity Calculation Region (hereafter referred to as “Baltic CCR”) TSOs(hereafter referred to as “TSOs”) regarding a common methodology for redispatching and countertrading cost sharing (hereafter referred to as “CRCCS Methodology”) in accordance with Article 74 of Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Allocation and Congestion Management (hereafter referred to as the “CACM Regulation”),
- (2) In accordance with Article 9(9) of the CACM Regulation, the proposed CRCCS Methodology across the Baltic CCR contributes to and does not in any way hinder the achievement of the objectives of Article 3 of CACM Regulation. The CRCCS Methodology ensures operational security and fair and non-discriminatory treatment of TSOs (Article 3(c) and Article 3(e) of the CACM Regulation).
- (3) The CRCCS Methodology complements the Capacity Calculation Methodology of the Baltic CCR and the Common Methodology for Coordinated Redispatching and Countertrading (hereafter referred to as “CRC Methodology”) of the Baltic CCR in promoting effective competition (by relieving congestions) in the generation, trading and supply of electricity and contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector in the European Union by effective use and coordination of redispatching and countertrading resources between TSOs (Article 3(a) and Article 3(g) of the CACM Regulation). The CRCCS Methodology contributes to ensuring and enhancing the transparency and reliability of information by setting obligation for TSOs to collect data on countertrading/redispatching activities and publish countertrading/redispatching related information on ENTSO-E Transparency platform (Article 3(f) of the CACM Regulation).
- (4) In this CRCCS Methodology, unless the context requires otherwise:
 - a) the singular indicates the plural and vice versa;
 - b) headings are inserted for convenience only and do not affect the interpretation of this CRCCS Methodology;
 - c) any reference to legislation, regulations, directives, orders, instruments, codes or any other enactment shall include any modification, extension or re-enactment of it when in force; and
 - d) References to an “Article” are, unless otherwise stated, references to an article of this CRCCS Methodology.
- (5) According to Article 35(2) of the CACM Regulation the CRC Methodology shall include actions of cross-border relevance. In this CRCCS Methodology cross-border relevance of redispatching and countertrading activities shall be understood as a need to ensure that such actions shall not move congestion to any other border or over any other border. This shall be ensured by TSOs applying the redispatch or countertrade.

SUBMIT THE FOLLOWING CRCCS METHODOLOGY TO ALL REGULATORY AUTHORITIES OF THE BALTIC CCR:

Article 1

Subject matter and scope

The CRCCS Methodology as determined in this document is related to the CRC Methodology (prepared according to Article 35 of CACM Regulation) and shall be considered as the common methodology of all Baltic CCR TSOs in accordance with Article 74 of CACM Regulation and shall cover the CRCCS Methodology for:

- a. all existing and future bidding zone borders and interconnectors included in the Baltic CCR to which the CACM Regulation applies; and
- b. critical network elements, which are owned by TSOs or by other legal entities and are influencing cross-zonal capacities of Baltic CCR bidding zone borders.

Article 2

Definitions

For the purposes of the CRCCS Methodology, terms used in this document shall have the meaning of the definitions included in Article 2 of the CACM Regulation, Regulation (EC) 714/2009, Directive 2009/72/EC, Regulation (EU) 543/2013.

1. “relevant TSOs” – two TSOs of Baltic CCR acting on both sides of adjacent bidding zones border on which congestion appears.
2. “total costs” are the actual costs and income incurred by relevant TSOs for the activated countertrading and/or redispatching. This is limited to, and only if applicable to;
 - a. costs and income of increase or decrease generation and/or load pattern and;
 - b. exchange of balancing energy with other TSOs control areas as a result of redispatching/countertrading activations for Baltic CCR TSOs bidding zone borders, interconnectors and critical network elements (as defined in Article 1 in this methodology).

Article 3

Common Methodology for Coordinated Redispatching and Countertrading Cost Sharing

1. TSO performing redispatching within its own control area for internal reasons shall cover the total costs of that specific redispatching.
2. Countertrading and redispatching can be applied after exhaustion of non-costly remedial actions.
3. In case of cross-border with AC interconnections:
 - 3.1 If physical power flow exceeding the commonly agreed total transfer capacity value of respective cross-border interconnection (i.e. physical congestion) is caused by any reason that occurred outside of relevant TSOs’ control areas or some other unknown reason, the total costs of the countertrade are divided equally between relevant TSOs;

- 3.2 If physical power flow exceeding the commonly agreed total transfer capacity value of respective cross-border interconnection (i.e. physical congestion) is caused due to the trip of an AC network element inside one of the relevant TSOs control areas or by known reason that took place in the AC network of the control area of one of the relevant TSO, then the total costs of the countertrade shall be covered by that relevant TSO in which control area that event took place.
4. In case of cross-border with HVDC interconnections:
 - 4.1 The total cost of the countertrading and/or redispatching is divided equally between relevant TSOs in the following cases:
 - 4.1.1 if countertrading and/or redispatching is performed due to fault, failure or unexpected outage of the HVDC interconnection between relevant TSOs' control areas, except cases mentioned in paragraph 4.2;
 - 4.1.2 if countertrading and/or redispatching is performed to manage technical limitations of HVDC interconnection i.e. to maintain minimum technical limit for stable operation of the HVDC interconnection;
 - 4.2 If countertrading and/or redispatching has been performed due to the fault, failure or unexpected outage of the HVDC interconnection between control areas of relevant TSOs and relevant TSOs have divided asset ownership of the HVDC interconnection, then total costs of countertrading and/or redispatching shall be divided according to the division of asset ownership of the HVDC interconnection which means that each relevant TSO shall cover the costs that result from contingencies within its part of the HVDC interconnection.
 - 4.3 If power flow exceeding the commonly agreed total transfer capacity value of the HVDC interconnection is caused due to the trip of an AC network element inside one of the relevant TSOs control areas or by other known reason that took place in the AC network of the control area of one of the relevant TSOs, then the total costs of countertrading and/or redispatching shall be covered by that TSO in which control area that event took place.
5. If a TSO decides unilaterally (or without coordination) to execute costly remedial actions of cross-border relevance, the TSO shall cover all costs of the non-coordinated remedial action.
6. Activation of remedial actions shall be done after assessment of the impact of the remedial actions done on the basis of costs, efficiency and operational security. The remedial actions with lowest cost taking into account their efficiency shall be activated taking into account operational security criteria.
7. For monitoring purposes, TSOs shall collect data on countertrading and redispatching. Each TSO will publish countertrading and redispatching related information on ENTSO-E Transparency platform according to Article 13 of Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets.
8. Competent regulatory authorities can monitor redispatching and countertrading cost sharing by using data from ENTSO-E Transparency platform and by requesting information related to countertrading and redispatching cost sharing from the TSOs of the Baltic CCR.

Article 4

Implementation of the CRCCS Methodology

The TSOs shall implement this CRCCS Methodology without undue delay after all the following provisions are fulfilled:

- a) NRA approval of the CRCCS Methodology within the Baltic CCR or a decision has been taken by the Agency for the Cooperation of Energy Regulators in accordance with Article 9(11) and 9(12) of the CACM Regulation;
- b) The implementation of the Baltic CCR Coordinated redispatching and countertrading Methodology according to Article 35 of the CACM Regulation;
- c) Baltic NRAs' approval and implementation of the document specifying Terms, Conditions and Methodology on Cross-Zonal Capacity Calculation, Provision and Allocation with the 3rd Countries for borders of Baltic States and 3rd Countries (Estonia-Russia, Latvia-Russia, Lithuania-Belarus, Lithuania-Russia(Kaliningrad area)).

Article 5

Language

The reference language for this CRCCS Methodology shall be English. For the avoidance of doubt, where TSOs need to translate this CRCCS Methodology into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 9(14) of the CACM Regulation and any version in another language, the relevant TSOs shall, in accordance with national legislation, provide the relevant national regulatory authorities with an updated translation of the CRCCS Methodology.