

Date: February 17th, 2019

Subject: MPP answer to the public consultation on ACER's proposed amendments to the all TSOs proposal for amendments of the CCR determination

The MPP shares the concerns of the one NRA and ACER on the position of HVDC interconnectors of the Hansa, Baltic and Channel CCR's. In this perspective the DK1-NL bidding zone border is a special case. The interconnector connects two bidding zones in an synchronous AC network. This may lead to even more inefficiencies if this connection is not integrated in the Core flow based methodology. We therefore would propose to go a step further. In our view not only the DK1-NL border should be part of the Core CCR, but also the much debated DK1-GE border. Treating these borders in the optimization of the Core CCR would bring the more overall benefit of the investment in the interconnector.

Bringing the DK1-GE and DK1-NL border in the Core CCR would also lead to compliance with with provision 1.7 from Annex 1 of the Regulation (EC) no 714 /2009 on conditions for access to the network for cross-border exchanges in electricity: "When defining appropriate network areas in and between which congestion management is to apply, TSOs shall be guided by the principles of cost-effectiveness and minimisation of negative impacts on the internal market in electricity. Specifically, TSOs shall not limit interconnection capacity in order to solve congestion inside their own control area, save for the abovementioned reasons and reasons of operational security.". Furthermore it would also lead to a better compliance with Article 3, the objectives of CACM cooperation of the Commission Regulation (EU) 2015/1222, the GL CACM.

With the DK1-NL interconnection the DK1, NL and GE/LU bidding zones are linked very close together and occurrences in one will lead to substantial influences in the others, thus requiring an integrated approach. Dealing with this optimization in two CCR's will lead to more uncertainties and thus to higher reliability margins and therefore more unscheduled flows.