

EB SG – CZCA Harmonised Methodology Update

12 May 2022



Agenda

1. Design Decisions Impacting Market Participants
2. Next steps

1. Design Decisions Impacting Market Participants

1. Only timeframes co-optimisation, inverted market-based and market-based shall be included in the harmonised methodology.
2. Market-based allocation concentrates only on D-1 timeframe
Timeframe is defined by the GCT of balancing capacity, not the CZCAOF
3. Capacity calculation according to EB Regulation 38(5) for timeframes co-optimisation, inverted market-based and market-based
4. One CZCAOF for both co-optimisation and inverted market-based allocation
5. One single GCT for BSPs per timeframe, for all applications engaging with SPBC an allocating CZC per timeframe (products for local procurement are excluded). With 3 timeframes, we have 3 different XB GCTs)

1. Design Decisions Impacting Market Participants

- 6. One single GCT for BSPs for all products per timeframe, meaning equal GCT for different BC products per timeframe. Only valid for all applications engaging with SPBC an allocating CZC per timeframe (products for local procurement are excluded).
- 7. The market value of balancing capacity is always according to total welfare (seller & buyer surplus and congestion income/rent) for all timeframes
- 8. Price of CZC for balancing capacity (for congestion income) is in general based on balancing capacity market spread for all timeframes of (co-optimisation, inverted market-based and market-based)
- 9. “Notification” article is as defined in current approved CZCA methodologies

2. Next Steps

| Date | Activity/Milestone |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| June - August | <ul style="list-style-type: none">Public consultation (min. 2 months): Methodology + Explanatory documentACER shadow opinion: Methodology Proposal + Explanatory document |
| 27 October | <ul style="list-style-type: none">EB SG meeting |
| September - November | <ul style="list-style-type: none">TSOs to finalise the Methodology, Explanatory document and Consultation responses document |
| 16 December 2022 | <ul style="list-style-type: none">Submission to ACER |