

## ANNEX 4 - EXCERPT FROM ACER RECOMMENDATION

**Excerpt from ACER Recommendation no. 01/2019 of August 2019 on the implementation of the minimum margin available for cross-zonal trade pursuant to Article 16 (8) of Regulation (EU) 2019/943**

In its Recommendation No. 01/2019 of 8 August 2019 on the implementation of the minimum margin available for cross-zonal trade pursuant to Article 16(8) of Regulation (EU) 2019, ACER established pursuant to ACER Regulation A16(2), a guidance to TSOs on how to implement the minimum capacity and to regulatory authorities on how to monitor TSOs' implementation<sup>1</sup>.

In excerpt, the recommendation reads:

### 4. MAIN PRINCIPLES FOR IMPLEMENTATION AND MONITORING

4.1. Concepts of MACZT (Margin Available for Cross-Zonal electricity Trade), MNCC (Margin from Non-coordinated Capacity Calculation) and MCCC (Margin made available within Coordinated Capacity Calculation)

The MACZT is split between the margin made available within coordinated capacity calculation (MCCC), and the flow induced by cross-zonal exchanges beyond coordinated capacity calculation – the margin from non-coordinated capacity calculation (MNCC)<sup>2</sup>

[...]

Article 16(8) of Regulation (EU) also mentions that the minimum capacity available for cross-zonal trade shall be determined in accordance with the CACM Regulation. Therefore, the calculation and monitoring of the MACZT should only be conducted for time frames which fall under Article 14 of the CACAM Regulation, namely the day-ahead and intra-day timeframes.

[....]

<sup>1</sup> Recital (4)

<sup>2</sup> [MACZT report - S1 2020.pdf \(europa.eu\)](#)

### 4.3. Monitored timeframes

Margin Available for Cross-Zonal electricity Trade (MACZT) should in general be monitored for the day-ahead capacity calculation timeframe. When coordinated capacity calculation is implemented for the intraday timeframe and in some cases (deemed justified by regulatory authorities) where TSOs are unable to reach the MACZT target in the day-ahead timeframe, the intraday timeframe may also be taken into account in the monitoring of the MACZT target. TSOs should as much as possible avoid delaying the offering of high MACZT after the day-ahead timeframe, in order to adversely affecting the internal electricity market (see Annex III for details)

[...]

## 5. ESTIMATING MACZT

[...]

### 5.2. MCCC (Margin made available within Coordinated Capacity Calculation)

MCCC describes the portion of capacity of a CNEC which is available for cross-zonal trade on the bidding borders within the considered coordination area. MCCC should encompass:

- a) The margin made available for the capacity allocation in the day-ahead (or intraday) timeframe; and
- b) the margin for already allocated capacities (AAC) in previous timeframes.

MCCC therefore represents the margin that would be available for the considered timeframe if already allocated capacities were set to zero. For example, if AAC consumed 20% of the  $F_{max}$  on a given CNEC, then this CNEC should offer an additional 50% in the day-ahead timeframe to reach a given MCCC value of 70%. Until TSOs are able directly to provide regulatory authorities and the Agency with MCCC values, different methodologies should be used to estimate MCCC within the flowbased and coordinated NTC approaches.

#### 5.2.1. MCCC in flow-based approach

[...]

Similarly, for the intraday timeframe, the above formula becomes

$$MCCC_{NTC}(CC\ MTU) = \sum_{b \in \text{coordination area}} pPTDF_{zz,b}(CC\ MTU) * NTC_b(CC\ MTU)$$

[...]

### 6.1. Monitoring MACZT on CNECs

Within a coordination area, for a given CNEC, timeframe and CC MTU, the test is defined by the following equation:

$$MACZT(CC\ MTU) = MCCC(CC\ MTU) + MNCC(CC\ MTU) \geq 70\% F_{max}(CC\ MTU)''$$