
**Proposal for nomination rules for Physical Transmission
Rights for the bidding zone border(s) between
Austria, Croatia, Czech Republic, Germany, Hungary, Poland,
Slovakia, and Slovenia**

**in accordance with Article 36 of Commission Regulation (EU)
2016/1719 of 26 September 2016 establishing a Guideline on
Forward Capacity Allocation**

29 June 2018

All TSOs of the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia taking into account the following,

Whereas

- (1) This document is the common proposal developed by the Transmission System Operators of the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia (hereafter referred to as “**related TSOs**”) for nomination rules for Physical Transmission Rights (hereafter referred to as the “**Proposal**”) in accordance with Article 36 of Commission Regulation (EU) 2016/1719 establishing a guideline on Forward Capacity Allocation (hereafter referred to as the “**FCA Regulation**”).
- (2) Article 31 of the FCA Regulation foresees that long-term cross-zonal capacity shall be allocated to market participants in the form of Physical Transmission Rights pursuant to the UIOSI principle or in the form of FTRs — options or FTRs — obligations. This Proposal only applies to the Physical Transmission Rights acquired in forward capacity allocation. It lays down the rules for nomination of Physical Transmission Rights for the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia.
- (3) In accordance with Article 36(2) of the FCA Regulation, this Proposal is subject to consultation. Article 6 of the FCA Regulation requires that proposals submitted at bilateral or at multilateral level shall consult at least the Member States concerned and that the consultation shall last for a period not less than one month. Accordingly, this Proposal was consulted from 27 June 2017 until 18 August 2017.
- (4) This Proposal is submitted for the approval of all National Regulatory Authorities (hereafter referred to as the “**NRAs**”) of the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia.
- (5) TSOs on the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia consider that the FCA Regulation allows the submission of this Proposal on bidding zone border level, since proposals for nomination rules for Scheduled Exchanges between bidding zones are not listed in Article 4 of the FCA Regulation. They acknowledge that Article 36(3) of the FCA Regulation requires all TSOs to progressively harmonise the nomination rules on all bidding zone borders on which Physical Transmission Rights are applied. The TSOs therefore undertake to progressively examine the potential and the need for harmonisation of these rules, taking into account their technical nature.
- (6) This Proposal generally contributes to the achievement of the objectives of Article 3 of the FCA Regulation. In particular, this Proposal serves the objective of promoting effective long-term cross-zonal trade with long-term hedging opportunities for market participants by promoting a transparent framework for the nomination rules for Physical Transmission Rights.
- (7) This Proposal contributes to the provision of non-discriminatory access to long-term cross-zonal capacity by detailing the process of nominating the Physical Transmission Rights already allocated in the long-term auctions (or the process of transferring that right in accordance with Article 44 of the FCA Regulation).
- (8) Furthermore, this Proposal ensures fair and non-discriminatory treatment of all affected parties, as it sets rules to be applied by all parties. Before being approved, the rules detailed in this Proposal are subject to public consultation in accordance with Article 6 of the FCA Regulation.
- (9) Regarding the objective of transparency and reliability of information on forward capacity allocation, this Proposal includes provisions on the necessary exchange of information between the holder of the transmission rights and the nomination platform for executing the nomination.

Proposal for nomination rules for Physical Transmission Rights for the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia in accordance with Article 36 of Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing a Guideline on Forward Capacity Allocation.

(10) In conclusion, this Proposal contributes to the general objectives of the FCA Regulation to the benefit of all market participants and electricity end consumers.

SUBMIT THE FOLLOWING PROPOSAL TO ALL REGULATORY AUTHORITIES OF THE BIDDING ZONE BORDER(S) BETWEEN AUSTRIA, CROATIA, CZECH REPUBLIC, GERMANY, HUNGARY, POLAND, SLOVAKIA AND SLOVENIA:

TITLE 1

General provisions

Article 1

Subject matter and scope

1. This Proposal contains the terms and conditions for the nomination of Physical Transmission Rights on the bidding zone border(s) of related TSOs.
2. In accordance with the FCA Regulation and the applicable harmonised allocation rules for long-term transmission rights developed as per Article 51 of the FCA Regulation, this Proposal shall bind the holders of Physical Transmission Rights, their counterparties where applicable, and eligible parties acting on their behalf.

Article 2

Definitions and interpretation

1. Capitalised terms used in this Proposal shall have the meaning given to them in Article 2 of Regulation (EC) 714/2009, Article 2 of Regulation (EC) 2013/543, Article 2 of Regulation (EC) 2015/1222, Article 2 of Directive 2009/72/EC, Regulation (EU) 2016/1719 and in the applicable harmonised allocation rules for long-term transmission rights.
2. In addition, the following definitions shall apply:
 - (a) PTR means Physical Transmission Rights;
 - (b) COT means Cut-off-time.

Article 3

Effective date and application

This nomination rules Proposal shall enter into force in accordance with the applicable national regulatory regimes. The rules described in this Proposal shall apply on the earliest possible date following the approval of the respective NRAs in Accordance with Article 4 of the FCA Regulation. This date will be published for the bidding zone border(s) of the related TSOs on their website.

TITLE 2 Nomination rules

Article 4

Entitlement of a physical transmission rights holder to nominate Scheduled Exchanges

Physical transmission rights can be nominated by their holders, eligible or authorised persons - as applicable - fulfilling both the minimum technical requirements pursuant to Article 5 and the following prerequisites of the respective TSO:

Germany/ Luxembourg (50Hertz)	PTRs can be nominated to 50Hertz by eligible persons fulfilling the minimum technical requirements to nominate to 50Hertz pursuant to Article 5. Eligible persons may be the following: (a) the PTRs' holder; or (b) the person notified by the PTRs' holder to the allocation platform and TSOs
Austria (APG)	In order to nominate PTRs to APG, the holders of PTRs and/or their counterparties and eligible parties acting on their behalf must have a Datenübermittlungsvertrags-Paar with APG and a BGV-Vertrag with APCS which together result in a valid Genehmigungsbescheid from Energie-Control Austria. Furthermore the nomination has to be compliant with the most recently published version of Sonstige Marktregeln.
Czech Republic (CEPS)	PTRs' holders must have a valid contract for imbalance settlement with Czech market operator as well as a valid grid access contract with CEPS.
Croatia (HOPS)	PTRs' holder must have a valid and effective Balance Responsibility Agreement signed with HOPS and/or valid Electricity Market Participation Agreement signed with Croatian Energy Market Operator (HROTE).
Slovenia (ELES)	PTRs' holders must have a Balance Group Contract signed with Slovenian Market Operator or Contract for settlement of imbalances with the Balance Responsible Party in Slovenia.
Hungary (MAVIR)	PTRs' holders must have a valid and effective balancing contract with MAVIR or membership of a Hungarian balance-group, and a valid and effective system usage contract.
Poland (PSE)	Nomination of PTRs can be done by market participant with valid balancing contract signed with PSE.
Slovakia (SEPS)	To be entitled to use PTRs market participant (PTRs' holder or his counterparty) must have concluded a valid and effective "Framework Agreement on Electricity Transmission through Connecting Lines" with SEPS and "Agreement on Settlement of Imbalances" with OKTE (Slovak Market Operator).
Germany/ Luxembourg (TenneT DE)	PTRs can be nominated by eligible persons fulfilling the minimum technical requirements to nominate pursuant to Article 5. Eligible persons may be the following: (a) the PTRs' holder; or (b) the person notified by the PTRs' holder to the allocation platform and TSOs.

Article 5

Minimum technical requirements to nominate

Related TSOs set the following minimum technical requirements to access their local scheduling system to nominate PTRs:

Germany/ Luxembourg (50Hertz)	Persons eligible to nominate PTRs for the relevant bidding zone borders to 50Hertz need to fulfil the following minimum technical requirements: (a) having a valid and effective balancing contract with both concerned TSOs; and (b) having established electronic data interchange to the nomination system of both concerned TSOs. www.50hertz.com
Austria (APG)	The nomination of a Scheduled Exchange to APG has to comply with a specific version of the scheduling format of ENTSOe (ESS) and is submitted via e-mail. All information and detailed parameters for assembling a correct Scheduled Exchange is published in the most recent version of the “sonstige Marktregeln, Kapitel 3”, published by Energie-Control Austria. (www.apg.at)
Czech Republic (CEPS)	CEPS scheduling system is a web-based application with web service and e-mail communication support, to which the minimum technical requirements and used standards are published on CEPS web page (www.ceps.cz).
Croatia (HOPS)	HOPS scheduling system communicates via e-mail in standardized format, to which the minimum technical requirements are published on HOPS web (www.hops.hr).
Slovenia (ELES)	ELES scheduling system is a web-based application, to which the minimum technical requirements are published on ELES homepage (www.eles.si).
Hungary (MAVIR)	MAVIR scheduling system is a web-based application, to which the minimum technical requirements are published on MAVIR homepage (www.mavir.hu).
Poland (PSE)	Access to WIRE communication system via TSO private network WIRE standards (EDI standards) are published on PSE homepage (www.pse.pl).
Slovakia (SEPS)	SEPS scheduling system is a web-based application, minimum technical requirements to access it are published on SEPS web page (www.sepsas.sk).
Germany/ Luxembourg (TenneT DE)	Persons eligible to nominate PTRs for the relevant bidding zone border need to fulfil the following minimum technical requirements: (a) having a valid and effective balancing responsible contract with both concerned TSOs; and (b) having a connection to the nomination system of both concerned TSOs. www.tennet.eu

Article 6

Description of the nomination process

1. Market participants, and eligible persons where applicable, shall send Scheduled Exchange(s) for bidding zone borders between related TSOs to both concerned TSOs before the long term nomination deadline pursuant to Article 7.
2. The technical requirements and specific rules for scheduling are described in Annex 1 to this Proposal, which constitutes an integral part of this Proposal. The latest version of regional nomination rules shall be published on the websites of concerned TSOs and/or the relevant Allocation Platform.

Article 7

Nomination timings

Process	Start of the process (CET)	End of the process (CET)
Long term nomination	D-2 12:00 or earlier according to local market rules	D-2 17:00
Correction cycles of long term nominations	D-2 17:00	D-2 18:00
Long term matching cycle at COT	D-2 18:00	D-2 18:15

Relevant Allocation Platform shall publish information on its website on the long term nomination deadline. In case of any discrepancy between the deadline published by the relevant Allocation Platform and this valid and legally binding nomination rules Proposal, the latter shall prevail.

Article 8

Format of nomination and communication

1. Market participants, or eligible persons where applicable, shall nominate physical transmissions rights following the standards and formats provided in regional nomination rules referred to in Article 6(2).
2. Communication between market participants, or eligible persons where applicable, and TSOs shall follow the standard and formats provided in regional nomination rules referred to in Article 6(2).

TITLE 3

Miscellaneous

Article 9

Amendment of the nomination rules

Any change of the rules related to nomination of PTRs for a bidding zone border between related TSOs shall lead to an amendment of the present nomination rules Proposal in accordance with Article 4(12) of Regulation (EU) 2016/1719.

Article 10

Language

The reference language for this Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this Proposal into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 4(13) of the FCA Regulation and any version in another language the relevant TSOs shall, in accordance with national legislation, provide the relevant NRAs with an updated translation of the nomination rules Proposal.



Annex 1 to the Proposal for nomination rules for Physical Transmission Rights for the bidding zone border(s) between Austria, Croatia, Czech Republic, Germany, Hungary, Poland, Slovakia, and Slovenia

The User's Guide to Scheduling
Trader's Manual



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1 INTRODUCTION

1.1 Definitions and abbreviations

Abbreviation	Description	Remark
ACK	Acknowledge document	
ANO	Anomaly Report	
AO	Allocation Office	
BRP	Balance responsible Party	Market participant with a balancing contract for one or more scheduling areas. In the context of this guide, this is the counterpart of the ITR if the ITR doesn't act in both (source and sink) areas.
CAI	Contract Identification	
CCT	Capacity Contract Type	
CNF	Confirmation Report	
COT	Cut off time	
fCNF	Final CNF	Final CNF sent to the BRP/ITR/SC, Final CAS-CNF sent to the Initiating TSO
GCT	Gate closure time	
iCNF	Intermediate CNF	Intermediate CNF sent to the BRP/ITR/SC, Intermediate CAS-CNF sent to the Initiating TSO
ITR	Interconnection Trade Responsible	Balance Responsible Party which is known by the Nomination validator as the entity entitled to use the capacity rights
LMR	Local market rules	
PTR	Physical transmission right	
RC	Reason code	
RD	Rights document	
SA	Scheduling Area	
SC	Scheduling Coordinator	
SO	System Operator	SO is used referring to the ECAN document. In the context of this guide, TSO is meant.
TS	Time series	
TSO	Transmission System Operator	

2 GENERAL DEFINITIONS

2.1 Business process

The business process between traders and TSOs is standardised. This especially regards the timeline and the communication.

The scheduling is done seven days a week without any regards to local public holidays within the related areas.

2.2 Communication to TSOs and AO

The defined communication standards and related documents are

- /1/ ETSO ESS 2.3
ETSO Scheduling System (ESS) Implementation Guide 2.3
- /2/ ETSO ECAN 4.0
ETSO Capacity Allocation and Nomination System (ECAN) Implementation Guide 4.0
- /3/ ENTSO-E Code list
ENTSO-E General Code List For Data Interchange
- /4/ ENTSO-E Acknowledgement Document (EAD) 5.0
Implementation guide for the ESS (Acknowledgement Document)
- /5/ ETSO ESS 3.3 ETSO Scheduling System (ESS) Implementation Guide 3.3

Updates to these documents may apply.

2.3 Basic Rules for nomination

Basic Rules:

- The direction of nominations and the direction of the relevant capacity right must be the same.
- One of the ITRs on either side must be the owner of the capacity right. In case of 1:1 nomination as special case of cross border nomination the ITRs on both sides and the owner are the same
- The total of the volume in the nominated time series using the same CAI must not exceed the volume of the respective capacity right

2.4 TSOs' reactions

When a document with a Scheduled Exchange is received by the TSO it will be formally checked immediately. If the result of the formal check is OK, the trader gets an ACK-report with the reason code A01. In case of formal errors TSO doesn't accept the document.

Nomination without RD: This type of nomination depends on local market rules.

If a validation against the rights document couldn't be executed during the formal check because of non-availability of the Capacity Rights Document the ITR will be informed by an additional reason Code A75 within the ACK-report. If the Capacity Rights Document is available to the TSO



at the time of receiving the nomination, trader will be informed by the TSO about any exceeded capacity rights within an ANO-report. If the Capacity Rights Document is received later on or a nomination from another ITR leads to an exceeding of capacity rights, the trader will be informed by an ANO-report after the indication was detected.

In case of nomination rejection reason codes and reason texts are given in the Acknowledgement message.

Besides the exceeding of capacity rights the ANO-report can contain detected mismatches depending on the process step.

An Anomaly Report will always contain the original values of the sender and, if available, the original values of the partner.

2.5 Description of processes - Timeline

The timeline of the scheduling process is specified as follows*:

Process	Start of the process (CET)	End of the process (CET)
LT nomination	D-2 12:00 or earlier according to LMR	D-2 17:00
Correction cycle LT	D-2 17:00	D-2 18:00
LT matching cycle at COT	D-2 18:00	D-2 18:15
In case of curtailment of LT nominations: TSOs applies the reduction factor to the nominated PTRs		asap (no dedicated timeslot foreseen)
In case of curtailment of LT nominations: additional matching after LT curtailment		asap (no dedicated timeslot foreseen)
Daily Auction	According to auction specification, usually D-1 9:00	According to auction specification, usually D-1 9:30
Daily nomination	D-1 10:00 For Polish borders: D-1 10:30	D-1 14:30 For Polish borders: D-1 13:30
Correction cycle Daily	D-1 14:30 For Polish borders: D-1 13:30	D-1 15:30 For Polish borders: D-1 14:15

Daily matching cycle at COT	D-1 15:30 For Polish borders: D-1 14:15	D-1 15:45 For Polish borders: D-1 14:30
In case of curtailment of daily nominations: TSOs applies the reduction factor to the nominated PTRs		asap (no dedicated timeslot foreseen)
In case of curtailment of daily nominations: Deadline for curtailment of nominations after Daily GCT		D-1 18:00**
In case of curtailment of daily nominations: Matching after curtailment of nominations after Daily GCT		asap (no dedicated timeslot foreseen)

* the timeline describes the standard situation without any incidents

** in case of Force Majeure or Emergency Situation, curtailment can be performed even later The intraday nominations will be performed according to local market rules and is not part of the document.

2.5.1 Long Term nomination

During this period the ITR may send Scheduled Exchanges. According to local market rules at this stage of the process the TSO may send

- Information that the Scheduled Exchanges were received
- Positive or negative Acknowledgement Documents
- Anomaly Report

In case of errors the ITR should correct the nominations as soon as possible.

If the nomination gate is cancelled due to technical failures, the unused capacity is made available to the day-ahead market. The owner of the Physical Transmission Right will be refunded for the non-nominated capacity via the UIOSI principle.

2.5.2 Correction Cycle Long Term

During the correction cycle the ITRs may send corrected nominations. Only mismatched time series or time series with exceeded capacity rights can be re-nominated at this stage of the process. Already matched time series must not be changed.

The correction cycle ends with the long term cut off time.

During correction cycle a new matching process between the TSOs will be started every 15 minutes until COT. As a result of every matching process traders will be informed about confirmation and errors of Scheduled Exchanges by a CNF, ACK or ANO-reports.

If the nominations do not match at COT the nominations are modified in accordance with the following principles and in the following order:



1. In case of mismatch the values are modified to the lower of both values
2. If there are no more mismatches and the capacity rights are still exceeded the relevant nominations are curtailed pro rata. Value with decimals is rounded down to the next lower integer value.

Traders will be informed by intermediate / final CNF, ANO or ACK about the matched nominations. The type of used document depends on LMR. The final CNF or ACK confirming all trader's nominations is sent to each market participant only once. The latest time at which the final CNF or ACK can be sent to trader is after the end of the process of the long term matching cycle at COT (D-2 18:15).

2.5.3 Daily Nomination

After the publication of daily auction results only nominations of short term rights can be sent or modified. During this period the ITR may send Scheduled Exchanges. According to local market rules and stage of the process the TSO may send

- Information that the Scheduled Exchanges were received
- Positive or negative Acknowledgement Document
- Anomaly Report

In case of errors the ITR should correct the nominations as soon as possible.

If the nomination gate is cancelled due to technical failures, the unused capacity is made available to the intraday market.

2.5.4 Correction Cycle Daily

During the correction cycle the ITRs may send corrected nominations. Only mismatched time series or time series with exceeded rights can be re-nominated at this stage of the process. Already matched time series must not be changed.

The correction cycle ends with the daily cut off time (COT).

During correction cycle a new matching process between the TSO will be started every 15 minutes until COT. As result of every matching process traders will be informed about confirmation and errors of nomination Scheduled Exchanges by a CNF, ACK or ANO-reports

If the nominations do not match at COT the nominations are modified in accordance with following principles and in following order:

1. In case of mismatch the values are modified to the lower of both values
2. If there are no more mismatches and a right is still exceeded the relevant nominations are curtailed pro rata. Value with decimals is modified to the next lower integer value.

Traders will be informed by intermediate / final CNF, ANO or ACK about the matched nominations. The type of used document depends on LMR. The final CNF or ACK confirming all trader's nominations is sent to each market participant only once. The latest time at which the final CNF or ACK can be sent to trader is after the end of the process of the daily matching cycle at COT (D-1 15:45, for Polish borders: D-1 14:30).



2.5.5 Curtailment of nominations

In cases when respective TSOs perform curtailment of concerned nominations relevant ITRs will be informed immediately.

Curtailment process:

- respective TSOs calculate curtailed nominations and round curtailed values down to nearest integer
- extraordinary matching of curtailed nominations is performed
- updated Confirmations Reports are sent to BRPs/ITRs

Curtailed nominations = matched nominations * reduction factor

Reduction factor is specified separately for each direction for each hour of the respective day when the curtailment is applied.

The reduction factor is the percentage of Already Allocated Capacity (AAC) remaining after a reduction is applied, e.g. if capacity is reduced by 40%, reduction factor = 0,6.

In case of Curtailment after the LT nomination GCT, relevant TSOs apply the reduction factor to all already matched LT nominations. Curtailment is performed simultaneously by all involved TSOs.

In case of curtailment after daily nomination deadline relevant TSOs apply the same reduction factor to all LT and Daily nominations. Curtailment is performed simultaneously by all involved TSOs.