Coordinated redispatching and countertrading

- ACER adopted 5 methodologies for Core and SEE on coordination of remedial actions and cost sharing.

- ACER consulted stakeholders on the issues directly impacting RDCT providers (4-21 September):

  - The use of indicative or actual prices and costs of RDCT

  - Who should bear the difference between indicative and actual prices/costs ?

  - How are volume deviations settled?

  - Other comments

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- **ACER allowed that indicative prices/costs are corrected to reflect incurred costs and that these cost deviations are also shared**
  - *Article 25(5)&(6) of the CACM Regulation allows for both interpretations*

- Most TSOs supported this solution – there was little support to exclude these deviations from cost sharing

- Indicative prices may lead to inefficient (suboptimal) activation, but given the limited competition in redispatching actions, the loss of optimality may be minimal
  - *Even if corrected prices/costs would be used in optimisation, the activations would likely not change*

- TSOs need to monitor systematic upward correction of prices/costs and can reject these deviations to be included in cost sharing – in such case the connecting TSOs would need to pay them

- Timing between optimisation and activation will be significant – this creates a problem of firmness of bids even in market-based redispatch. In future this timing should be reduced

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- **Volume deviations are settled as follows**
  - *In case the deviation in volume is resulting from coordinated process among TSOs – the cost deviations are shared among TSOs*
  - *In case the deviations are unilateral (on the side of connecting TSO or RDCT provider – these deviations re not subject to cost sharing and national arrangements (e.g. imbalance settlement)*

- **Other Issues**
  - Countertrading is not going to be used from the beginning – less focus on it
  - The need for quick implementation was emphasised by stakeholders
  - Market-based redispatching promoted by stakeholders – concerns from regulators