



European Union Agency for the Cooperation  
of Energy Regulators

# CACM Guideline – main topics covered in the public consultation on CACM 2.0

Problem description, proposed solution and first view  
on public consultation outcome

36<sup>th</sup> Florence Forum - 15<sup>th</sup> of June 2021

**Public information**

# Market coupling organisation & development

## problems identification & proposed solutions

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# Problem identification & proposed solutions

Slow, complex and delayed implementation	<ul style="list-style-type: none"> <li>• Integrate most implementation tasks as part of MCO to be performed by MCO entity(-ies)</li> <li>• Better governance and decision making on MCO tasks</li> <li>• From <u>NEMO2NEMO</u> model to <u>NEMO2MCO</u> model</li> </ul>
Current organisation does not support parallel implementation projects	<ul style="list-style-type: none"> <li>• Make the integration simpler with NEMO2MCO model</li> <li>• Integration of pre-coupling and post-coupling arrangements within the MCO</li> <li>• Put most implementation burden on MCO(s) rather than individual NEMOs</li> </ul>
Market coupling too complex and risky	<ul style="list-style-type: none"> <li>• Centralise MCO operation with sufficient backups (one or several entities)</li> <li>• Prevent interoperability and data flow problems</li> <li>• Increase security and backups</li> </ul>
Market coupling collapses if no NEMO's operates in one bidding zone	<ul style="list-style-type: none"> <li>• Introduce the last resort NEMO service</li> <li>• MCO would be suited to provide quickly and temporally such a service to a MS</li> </ul>
Competing NEMOs are not able to cooperate to perform MCO tasks	<ul style="list-style-type: none"> <li>• Introduce qualified majority voting on MCO design issues involving both TSOs and NEMOs</li> <li>• No individual NEMO should be able to gain competitive advantage through MCO decisions</li> <li>• Strict separation between competitive NEMOs and regulated MCO operations</li> </ul>
Market coupling algorithms are not transparent and accessible	<ul style="list-style-type: none"> <li>• Market coupling infrastructure should be a public good financed from public funds</li> <li>• Market coupling algorithm code should be accessible to regulators and interested parties</li> <li>• The question of ownership is still open</li> </ul>
Difficult regulatory oversight and cost regulation	<ul style="list-style-type: none"> <li>• Common EU methodology to determine the scope for common EU-wide MCO costs</li> <li>• All non-MCO costs are competitive costs (or local regulated NEMO costs in case of monopoly)</li> <li>• Allocating MCO tasks to concrete regulated legal entity(-ies) enables direct oversight</li> </ul>
Market coupling not fit for future changes	<ul style="list-style-type: none"> <li>• Centralise MCO tasks to one or several entities specialized only on MCO tasks</li> <li>• Improve the governance of MCO organisation to solve the MCO problems internally</li> </ul>
Allow for a straightforward Bidding Zone Review	<ul style="list-style-type: none"> <li>• Ensure consistency between Article 14 of the Electricity Regulation and CACM regulation.</li> <li>• Need to streamline criteria used for the BZR study without introducing fundamental changes.</li> <li>• Need to enhance transparency and consultation during the BZR</li> </ul>
Capacity calculation and remedial action cost sharing need further clarification	<ul style="list-style-type: none"> <li>• Describe the same or are part of larger processes in a single regulation (SO)</li> <li>• Merge provisions on data, common grid model and redispatching and countertrading in SO regulation</li> <li>• Clarify unclear provision in the Electricity regulation that could delay RDCT cost sharing implementation</li> </ul>

# CACM 2.0 Public consultation report on results

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# Results of Public Consultation on CACM 2.0 amendments

56

Number of respondents

Contribution to the Electricity Regulation

1112

Opinion on articles

1956

Proposed amendment

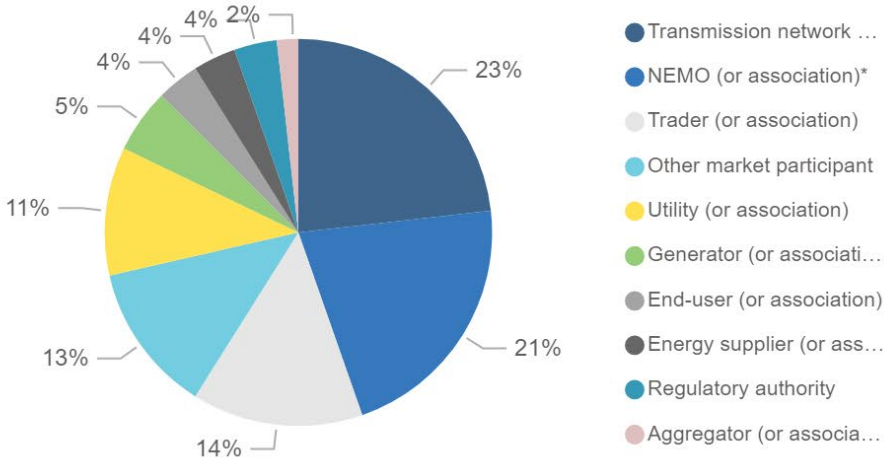
479

Proposed reasoning

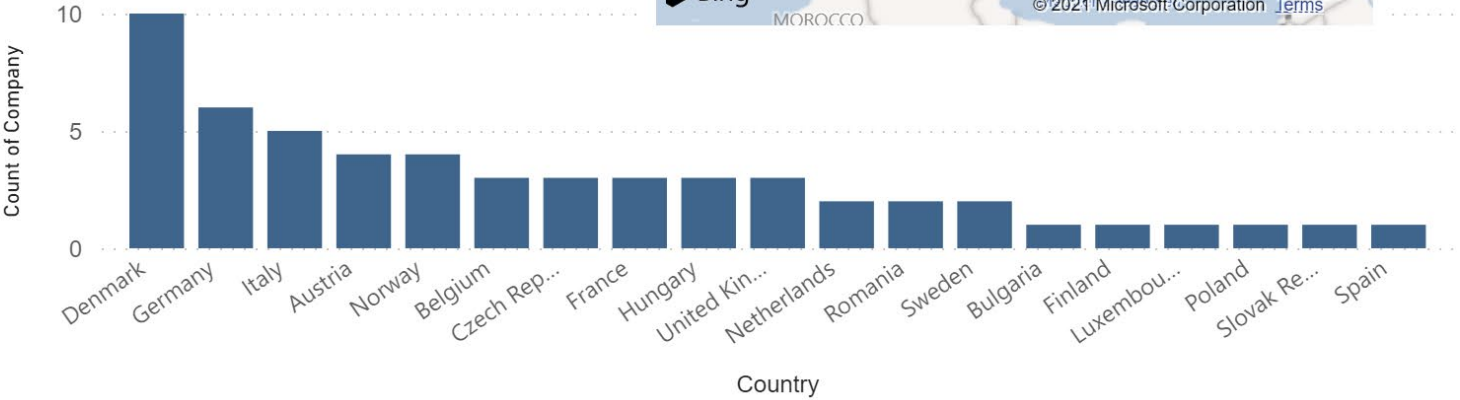
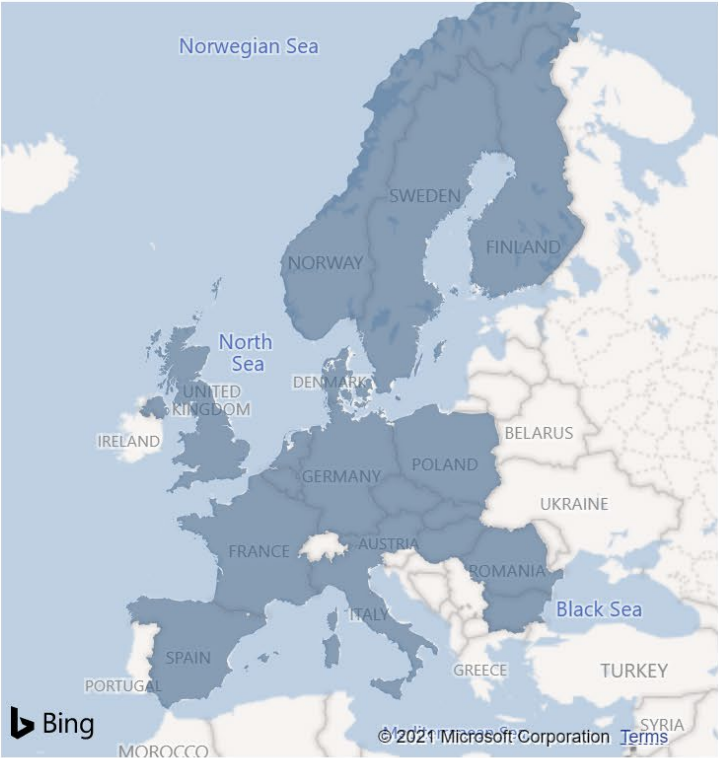
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Reasoning on amendments

522



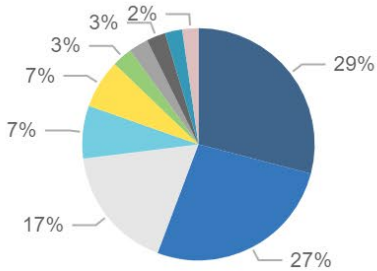
- Transmission network ...
- NEMO (or association)\*
- Trader (or association)
- Other market participant
- Utility (or association)
- Generator (or associati...
- End-user (or association)
- Energy supplier (or ass...
- Regulatory authority
- Aggregator (or associa...



This report can be accessed in full at:  
[Link](#)

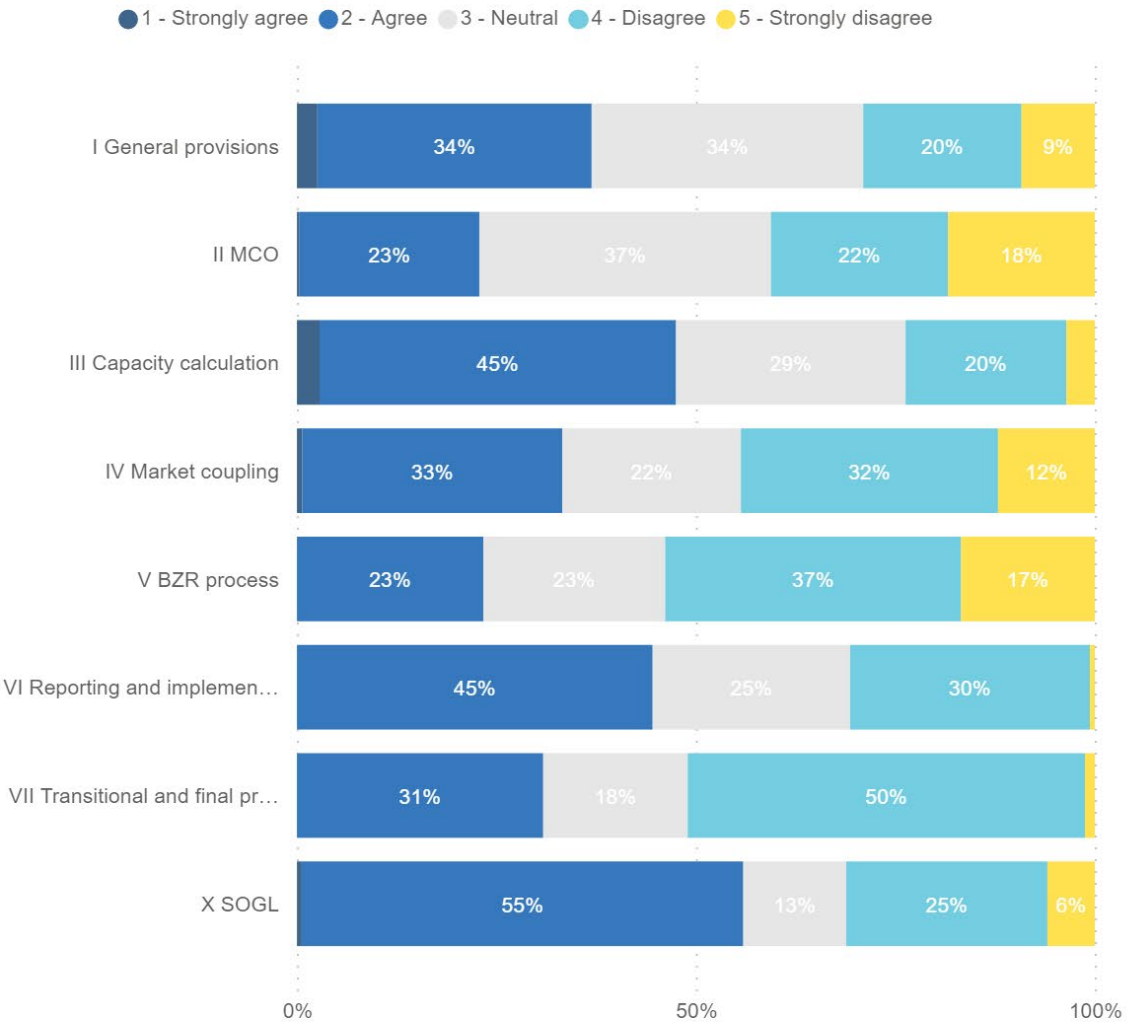
Purpose

- Contribution to the Electricity Regulation
- Opinion on articles
- Reasoning on amendments

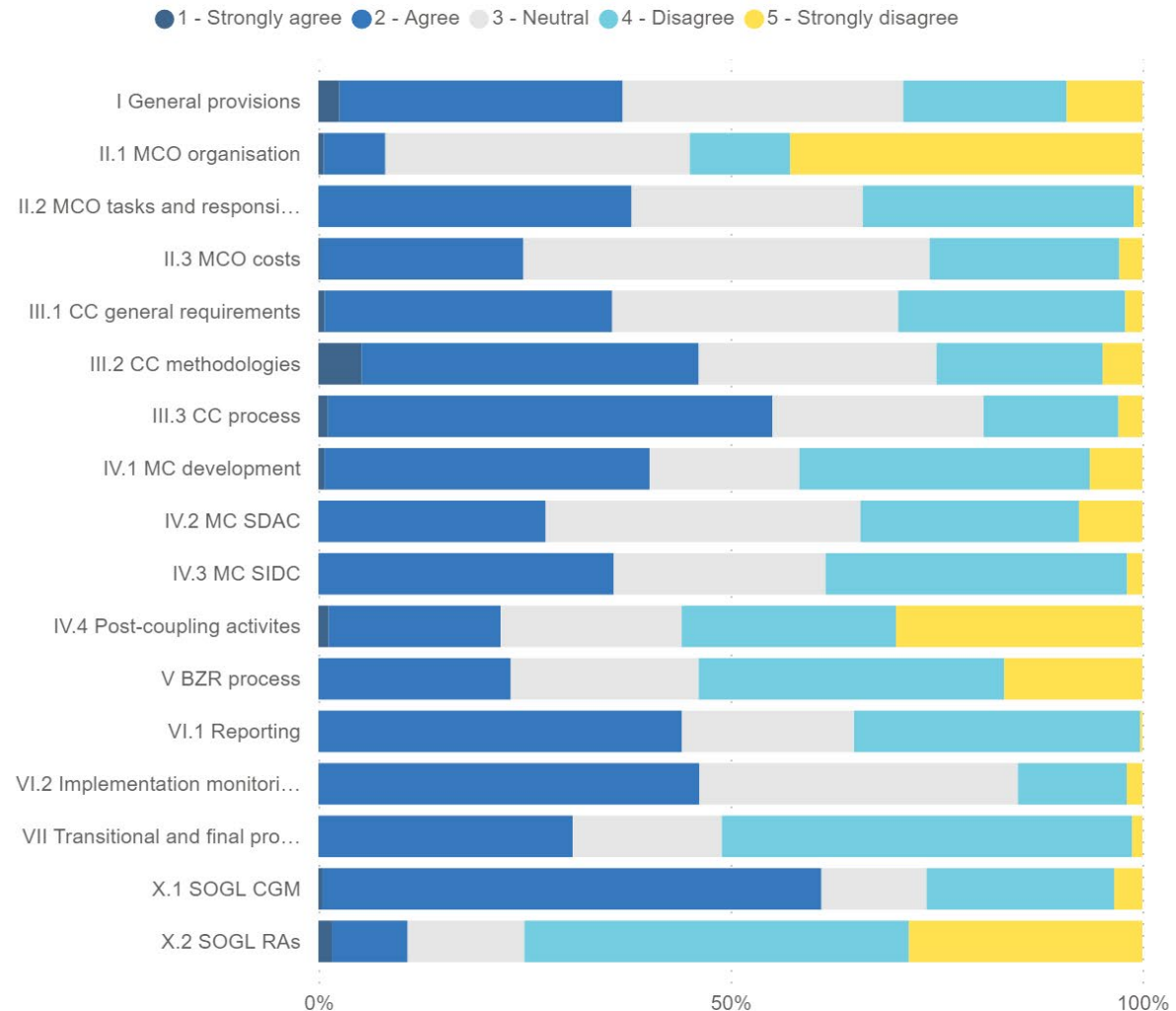


- Transmission network operators
- NEMO (or association)\*
- Utility (or association)
- Generator (or association)
- Trader (or association)

Title



Chapter





## Title, Chapter

<input type="checkbox"/>	Select all
<input checked="" type="checkbox"/>	I General provisions
<input checked="" type="checkbox"/>	II MCO
<input checked="" type="checkbox"/>	III Capacity calculation
<input checked="" type="checkbox"/>	IV Market coupling
<input checked="" type="checkbox"/>	V BZR process
<input checked="" type="checkbox"/>	VI Reporting and implementation monitoring
<input checked="" type="checkbox"/>	VII Transitional and final provisions

## Company

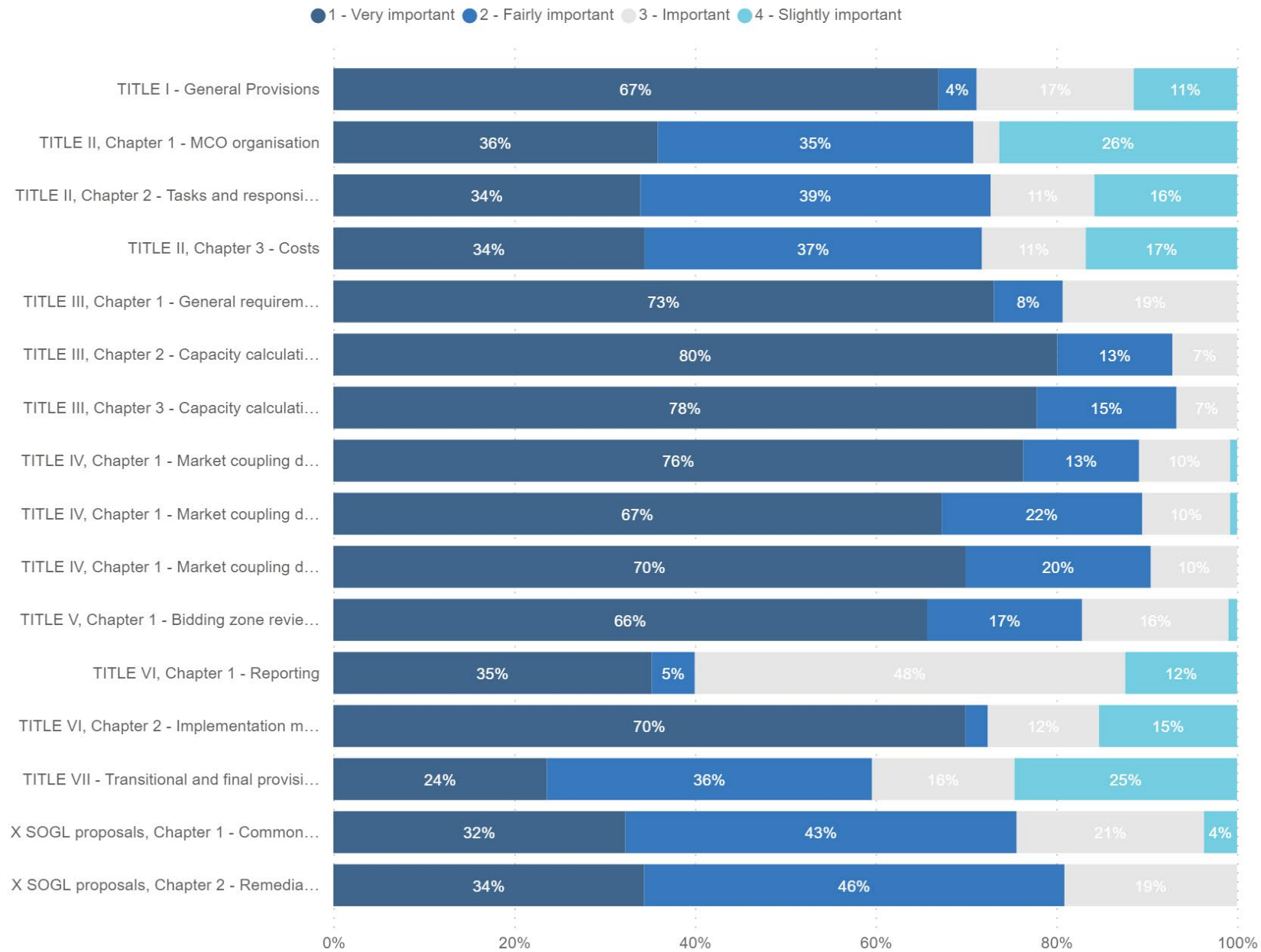
- ☐ Select all
- ☐ 4M MC NEMOs (OTE, OKTE, HUPX, OPCOM)
- ☐ AIGET
- ☐ All NEMO Committee
- ☐ Amprion GmbH
- ☐ Bundesverband der Energie- und Wasserwirtsch...
- ☐ Centrica plc
- ☐ CEZ

1 - Strongly agree 2 - Agree 3 - Neutral 4 - Disagree 5 - Strongly disagree



Short name	Company	Proposed amendment	Proposed reasoning
I Article 1	Bundesverband der Energie- und Wasserwirtschaft (BDEW)	No deletion of remedial actions	In Article 1 it is laid down what guidelines the regulation should give. Cross-zonal capacity allocation and congestion management is hereby replaced with market coupling. BDEW rejects this amendment as capacity computation and congestion management i.e. remedial actions and counter trading should still be part of the CACM and not be shifted to the SOGL. The CACM 2.0 still includes a lot of topics which are inherently linked to remedial actions and countertrading such as the capacity calculation in the day ahead and intraday as well as the bidding zone review processes. To provide an overall picture and fully reflect the interdependencies between capacity calculation and remedial actions, remedial actions should be kept in one guideline, the CACM, and not be split into two separate ones.
	EDF	1. This Regulation lays down detailed guidelines on market coupling and congestion management in the day-ahead and intraday markets,...	1. EDF does not agree with the change of the subject matter and scope of CACM guidelines and with moving the provisions on costly remedial actions RD&CT (CACM 1.0 Article 35 and 74) into SO GL for the following reasons : (i) In accordance with Article 16 of the Electricity Regulation 2019/943 (ER), CACM should not be reduced to a matter of day-ahead (DA) and intraday (ID) market coupling but should continue to include in its scope the cross-zonal capacity computation, allocation and congestion management in the DA and ID markets (in particular RD&CT provisions). This is also a matter of consistency of measures for the DA and ID timeframes. (ii) In its proposal, ACER still includes in CACM 2.0 the guidelines for the capacity calculation for the DA and ID timeframes and for the bidding zone review, which are both congestion management measures as much as RD&CT. EDF therefore supports the consideration of all these measures in the same guideline for sake of consistency at least in the way proposed below. (iii) According to Article 16 of ER, congestion management has to be market-based, whereas SO GL is about network system security operation and not about market operations (SO GL is not a market code). Moving provisions about costly remedial actions (RD&CT) in SO GL entails the risk of inconsistency / disconnection between those and a global and efficient market-based approach. (iv) Whereas ID auctions are introduced in CACM 2.0, a clarification of the articulation/interaction between capacity calculation in ID and the RD&CT process (CROSA) is required. This interaction is not addressed in the current CACM 2.0 proposal, and associated provisions should better be added in CACM than in SO GL. EDF therefore proposes instead that the following two main sections remain in the CACM guideline: on the one hand, market coupling and, on the other, congestion management (gathering BZR process, capacity calculation and redispatching & countertrading). In this last subpart, a shortened version of former article 35 "Coordinated redispatching & countertrading" could remain with the proper cross-referencing to articles 75 to 78 of SO for the





Title	Chapter	Proposed amendment	Proposed reasoning	Total
▲				
I General provisions	I General provisions	79	82	161
II MCO	II.1 MCO organisation	26	36	62
	II.2 MCO tasks and responsibilities	31	26	57
	II.3 MCO costs	12	15	27
III Capacity calculation	III.1 CC general requirements	22	22	44
	III.2 CC methodologies	38	42	80
	III.3 CC process	22	24	46
IV Market coupling	IV.1 MC development	79	73	152
	IV.2 MC SDAC	11	10	21
	IV.3 MC SIDC	18	19	37
	IV.4 Post-coupling activites	30	47	77
V BZR process	V BZR process	29	27	56
VI Reporting and implementation monitoring	VI.1 Reporting	7	8	15
	VI.2 Implementation monitoring	4		4
VII Transitional and final provisions	VII Transitional and final provisions	5	9	14
X SOGL	X.1 SOGL CGM	41	43	84
	X.2 SOGL RAs	9	9	18

Company	Proposed amendment	Proposed reasoning	Total
▲			
4M MC NEMOs (OTE, OKTE, HUPX, OPCOM)	9	9	18
AIGET	4	4	8
All NEMO Committee	3	3	6
Bundesverband der Energie- und Wasserwirtschaft (BDEW)	15	8	23
CEZ	14	1	15
consumer	1	1	2
EDF	31	32	63
Edison S.p.A.	5	5	10
EFET	26	37	63
Elettricità Futura	4	4	8
Energinet	13	15	28
Energy Community	2	2	4
ENTSO-E	42	46	88
EPEX SPOT	29	37	66
ESO EAD	2	2	4
Eurelectric	29	31	60
Europex	3	3	6
Fingrid	1	1	2
GME	7	4	11
HUPX Ltd	11	10	21
ILR	7	8	15
MAVIR ZRt.	4	4	8
Nasdaq	7	16	23
National Grid	1	1	2
Nord Pool European Market Coupling Operator AS	24	19	43
Oesterreichs Energie - Association of Austrian Electricity Companies	24	24	48
OKTE, a.s.	2	2	4
OMIE	37	36	73
Orsted	1	1	2
OTE, a. s.	14	17	31
ROMANIAN COMMODITIES EXCHANGE	1	1	2
RWE Supply & Trading GmbH	9	8	17
Statnett	12	14	26
Svenska kraftnät	28	43	71
Terna Rete Elettrica Nazionale S.p.A.	33	34	67
TIWAG - Tiroler Wasserkraft AG	4	4	8
TransnetBW GmbH	4	5	9



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