

Report on CEP70%

MESC
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CEP70% performance assessment should respect legal and technical reality – Compliance assessment needs to respect derogations and action plans

Considerations

Full capacity offered for cross-zonal trading to be taken into account if necessary for achieving the targets

→ Besides day-ahead also long-term, intraday and balancing

The impact of **exchanges with 3rd non-EU countries (e.g. Switzerland)** is existing and TSOs have to cope with it every day

→ Should be accounted to reach 70% targets

The **operational reality of TSOs needs to be reflected**

→ It should be taken into account that TSOs depend on forecasts and data must not be post-processed

The **wording of the CEP should be reflected in the assessment**

→ Assessment should be based on the capacity made available (i.e. offered) for cross-zonal trade

Derogations and Action Plans applied by many TSOs and approved by NRAs need to be respected

→ Obviously, those TSOs must not be benchmarked against the full 70%

TSOs performed their analysis of the CEP70 performance and whether they expect to be compliant. A summary is presented by the following slide, the full analysis of by the ENTSO-E Market Report 2021 published in June 2021

CEP70% assessment by TSOs shows robust performance in 2020 – As part of the Technical Report, ENTSO-E shall present an assessment of whether 70% requirement is reached (Art 14.2 CEP 2019/943)

	% of time in which minimum target was reached (considering action plans and derogations)	% of MTUs in which TSOs consider themselves as compliant ¹⁾	Derogations / Action Plans
DC borders (17 borders - 2 directions)	<ul style="list-style-type: none"> Values ranging from 81 to 100 % 25 out of 42 indicated 100 % 	<ul style="list-style-type: none"> Values ranging from 97 to 100 % 31 out of 42 indicated 100 % 	7 borders with derogation 5 borders with action plan
SWE (2 borders - 2 directions)	<ul style="list-style-type: none"> 4 out of 4 indicated 100 % 	<ul style="list-style-type: none"> 4 out of 4 indicated 100 % 	4 borders with derogation
Italy North (4 bidding zones)	<ul style="list-style-type: none"> 3 out of 3 indicated 100 % 	<ul style="list-style-type: none"> 3 out of 3 indicated 100 % 	4 bidding zones with derogation
CWE (7 control areas in 5 bidding zones)	<ul style="list-style-type: none"> Values ranging from 81 to 100 % 5 out of 7 indicated 100 % 	<ul style="list-style-type: none"> Values ranging from 99 to 100 % 5 out of 7 indicated 100 % 	4 control areas with derogation 4 control areas with action plan
Other AC borders (11 borders - 2 directions)	<ul style="list-style-type: none"> Values ranging from 99 to 100 % 41 out of 42 indicated 100 % 	<ul style="list-style-type: none"> Values ranging from 99 to 100 % 35 out of 36 indicated 100 % 	6 borders with derogation 3 borders with action plan

1) Art. 16 of EU Electricity Regulation allows – as a measure of last resort – the reduction of the offered cross-zonal capacity below the minimum targets, if TSOs respectively RCCs can justify that their application would endanger system security. Among many reasons, this can particularly apply due to insufficient availability of remedial actions to solve grid overloads resulting from the application of the CEP’s minimum targets. Therefore, a given MTU can still be considered as compliant with the CEP’s provisions, although the minimum target was not reached.

Full analysis will be available in July as part of the ENTSO-E Market Monitoring Report and in November (in the Technical report)