

## Draft Business Rules

### Cross Border Co-Ordination and Information Provision KG

#### I. ACER Guidance

##### c) Co-ordination requirements

The CAM NC amendment should require TSOs and NRAs to closely co-operate and co-ordinate across borders in order to enable offers of incremental or new capacity as bundled products according to the existing NC CAM. The CAM NC amendment should outline the overall process and which coordination results should be reached at what stage.

In the course of this co-ordination, agreement should at least be reached on:

- Co-ordinated timelines for the project;
- How delays in the provision of capacity are dealt with contractually;
- How effects of delays on other systems can be mitigated;
- The capacity volumes and characteristics of bundled yearly products for which demand can be tested;
- The common procedure to be used for securing network users' binding commitments, taking into account the selection criteria defined in section 2.e) and 2.f);
- The way in which the requirements for triggering the investment decision in each regulatory system can be combined in a single economic test, and when the test would be satisfied;
- Simultaneous or common information provision and a co-ordinated or single point of contact for network users.

In addition, the CAM NC amendment should define whether additional (and if so which) specific coordination requirements need to be fulfilled in the situation where an investment project spans across more than one interconnection point.

##### d) Information provision

For each considered capacity expansion, TSOs should provide to the other TSOs involved or affected and to each relevant NRA at least the following information on a provisional basis as early as possible:

- For each considered capacity expansion at the relevant IP, the volume of annual yearly standard bundled capacity products offered and the contractual details and terms and conditions of the capacity contracts;
- The detailed rules used for securing network users' binding commitments, i.e. the specific allocation design, in line with the provisions of section 2.e) and 2.f);
- Detailed information on what level of network user commitment is necessary to enable the investment from an economic perspective (economic test);
- A reference to the applicable tariff and methodology as published by the TSOs;
- The timeline of the full process, including of the publication of economic test results and final capacity allocations, and possible approval procedures by national authorities.

This information should be provided to the NRAs for approval, with a sufficient lead time before an offer of incremental or new capacity is made for binding commitments. Moreover, the CAM NC amendment should outline the process steps and which information should be provided at each step.

After NRA approval, TSOs should publicly provide at least this information with a sufficient lead time, before an offer of incremental or new capacity is made for binding commitments.

The CAM NC amendment can list any other pertinent information that is to be exchanged or published in order to ensure a user-friendly and non-discriminatory process.

The CAM NC amendment should also outline principles on post-allocation reporting and the type of information TSOs should publish by a specified date.

## II. Background

The Incremental Proposal consists out of two legal drafting processes: an amendment to the NC CAM on issues related to the offer of incremental and new capacity and the drafting of the NC TAR on issues related to tariffs for incremental and new capacity and the economic test. The Business Rules compiled in this document make up parts of amendment to the NC CAM.

### III. Business Rules

#### 1. General Co-ordination Requirements

- 1.1. TSOs and NRAs involved in an incremental/new capacity development process shall co-operate and co-ordinate their activities throughout the process;
- 1.2. In the process of designing offer scenarios and conducting technical studies, TSOs shall agree on characteristics of the products to be combined into bundled capacity;
- 1.3. For the offer of incremental/new capacity at an IP, TSOs shall aim at delivering harmonised capacity levels, single offer and commissioning timeframes, and a consistent policy in case of delays. Furthermore, TSOs shall provide co-ordinated points of contact for network users during the incremental/new capacity process;
- 1.4. When designing the products and quantities to be offered, TSOs shall address market views;
- 1.5. Auctions are the default mechanism for the allocation of incremental/new capacity, however in case the conditions for using open season procedures are met (*as will be described in the Business Rules on Open Season Procedures*), TSOs involved shall commonly propose an open season procedure to the respective NRAs for approval;
- 1.6. As further described in the section on the single economic test, TSOs and NRAs involved in a given incremental/new capacity development process shall co-ordinate a single economic test.

#### 2. Information Provision

- 2.1. TSO shall report to their respective NRA whether non-binding demand indications for incremental/new capacity have been received. Furthermore, TSOs shall assess the non-binding indications received and recommend to the respective NRA whether or not these non-binding indications justify an incremental/new capacity process;
- 2.2. TSOs involved in a given incremental/new capacity development process shall provide to the respective NRAs the planned offer scenarios including the respective capacity levels and investment costs for approval;

- 2.3. In case of open season procedures for the allocation of incremental/new capacity, the involved TSOs shall prepare and propose to the relevant NRAs the features of the open season procedure, including the allocation rules to be applied;
- 2.4. For a given incremental/new capacity development process the involved TSOs shall propose to the respective NRAs a timeline for the project development until the final commissioning of the incremental/new capacity for approval;
- 2.5. For a given incremental/new capacity development process the involved TSOs shall propose to the respective NRAs all the necessary parameters that constitute the economic test for approval on the basis of binding network user commitments;
- 2.6. Following the approval for the offer scenarios and the economic test procedure by the relevant NRAs, the involved TSOs shall make public the information stated in 2.2. – 2.4., with a lead time of one month before the auction or beginning of the binding phase of the open season procedure;
- 2.7. The information described in 2.5 is to be published according to the provisions in the economic test section;
- 2.8. TSOs shall make public the aggregated provisional results after the allocation procedure in accordance with NC CAM Art. 11.10 unless another date has been specified and published.