

Guidance of the European Commission on the continuation of the DE-AT-PL-4M MC (Interim Coupling) Project

Vienna, Paris

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On 22 September 2020 the National Regulatory Authorities (NRAs) from Austria, Germany, Poland and the 4M Market Coupling (4M MC) countries, namely the Czech Republic, Hungary, Romania and Slovakia received the guidance from the European Commission (DG ENER) for the Nominated Electricity Market Operators (NEMOs) and Transmission System Operators (TSOs) participating in the DE-AT-PL-4M MC Project (also known as the “Interim Coupling Project” or “ICP”) which sets priority to timely implement the ICP solution. This guidance was requested by the respective National Regulatory Authorities after several months of discussions, as in Q1 2020 local implementation bottlenecks have been identified by several project parties. These bottlenecks are due to interdependencies between ongoing parallel projects such as CORE Flow Based Market Coupling (Core FB MC), Allegro and NorNed interconnectors, as well as the Polish and Nordic Multiple NEMO Arrangements (MNA), resulting in a delay of the Interim Coupling Project implementation activities.

DG ENER considers a sequential implementation of the Interim Coupling and Core FB MC projects as the best way forward, since the former project will facilitate in the shortest time possible Single Day-Ahead coupling and notably the geographical extension to all relevant EU borders as requested by the CACM Regulation in the shortest time possible. It will also bring welfare gains to the market participants. Moreover, DG ENER communicated that the Interim Coupling Project will bring the added value in ensuring that Central Eastern European countries will not remain isolated, even if further delays to CORE FB implementation were to occur. It will furthermore enable to compare testing Flow Based coupling results with the production Net Transfer Capacity (NTC) data during the external parallel run of the CORE FB MC project. Given the guidance, the current estimated go-live of the Interim Coupling project is April 2021.

Next steps of the Interim Coupling project will be focused mainly on the update of detailed project roadmap, finalisation of remaining open points and internal testing of the solution (currently planned at the beginning of 2021) as well as the tests with external parties.