Svenska kraftnät's proposal for cross zonal capacity allocation and necessary arrangements for interconnectors not operated by certified TSOs in accordance with Article 45 and 57 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management

29 August 2019

For Consultation

DISCLAIMER

This document is released on behalf of Svenska kraftnät ("TSO") solely for the purpose of public consultation on the proposal regarding interconnectors not operated by a TSO in accordance with Article 45 and 57 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management ("CACM Regulation"). This version of the proposal is a draft proposal and does not constitute a firm, binding or definitive TSO position on the content.

Affärsverket Svenska kraftnät, taking into account the following:

Whereas

(1) This document describes arrangements (hereafter referred to as "arrangements") developed by Affärsverket svenska kraftnät (hereafter referred to as "Svenska kraftnät") regarding interconnectors not operated by a certified TSO, connected to a Swedish bidding zone in accordance with Article 45 and Article 57 Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Allocation and Congestion Management (hereafter referred to as the "CACM Regulation").

(2) These arrangements are derived from the general principles and goals set forth in the "CACM Regulation" and it´s related approved methodologies) as well as Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border electricity exchanges and Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (hereafter referred to as the "Transparency Regulation").

The goal of the CACM Regulation is described as *"… lays down detailed guidelines on cross-zonal capacity allocation and congestion management in the day-ahead and intraday markets, including the requirements for the establishment of common methodologies for determining the volumes of capacity simultaneously available between bidding zones, criteria to assess efficiency and a review process for defining bidding zones."*

(3) Articles 45 and 57 of the CACM Regulation constitute the legal basis for these arrangements and define specific requirements that these arrangements should take into account. Article 45, that relates to the day-ahead capacity allocation, has the following content:

"1. TSOs in bidding zones […] where interconnectors which are not operated by TSOs certified according to Article 3 of Regulation (EC) No 714/2009 exist, shall develop a proposal for cross-zonal capacity allocation and other necessary arrangements for such bidding zones in cooperation with concerned TSOs […] and operators of interconnectors who are not certified as TSOs to ensure that the relevant […] interconnectors provide the necessary data and financial coverage for such arrangements.

2. For existing interconnectors which are not operated by certified TSOs the proposal shall be submitted to the relevant national regulatory authorities for approval within four months after entry into force of this Regulation."

Article 57 of the CACM Regulation has identical content but relates to the intraday capacity allocation.

These arrangements is to cover capacity allocation and other necessary arrangements for an interconnector which are not operated by certified TSOs (hereafter referred to as just "interconnector").

(4) Article 2(26) and 2(27) of the CACM Regulation define the single day-ahead and intraday coupling:

"'*single day-ahead coupling' means the auctioning process where collected orders are matched and cross-zonal capacity is allocated simultaneously for different bidding zones in the day-ahead market;*"

"'*single intraday coupling' means the continuous process where collected orders are matched and cross-zonal capacity is allocated simultaneously for different bidding zones in the intraday market*."

(5) In regards to regulatory approval, Article 9(8) of the CACM Regulation states:

"The following terms and conditions or methodologies shall be subject to individual approval by each regulatory authority or other competent authority of the Member State concerned: […]

(d) where applicable, the proposal for cross-zonal capacity allocation and other arrangements in accordance with Articles 45 and 57."

(6) According to Article 9(9) of the CACM Regulation, these arrangements, for terms and conditions of methodologies, include a proposed timescale for their implementation and a description of the expected impact of the proposal on the objectives of the CACM Regulation.

(7) These arrangements contribute to and does not in any way hamper the achievement of the objectives of the CACM Regulation. In particular, these arrangements serve the objectives providing effective competition in the generation, trading and supply of electricity (Article 3(a) of the CACM Regulation), ensuring optimal use of the transmission infrastructure (Article 3(b) of the CACM Regulation), ensuring operational security (Article 3(c) of the CACM Regulation), optimising the calculation and allocation of cross-zonal capacity (Article 3(d) of the CACM Regulation), ensuring and enhancing the transparency and reliability of information (Article 3(f) of the CACM Regulation), contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector in the Union (Article 3 (g) of the CACM Regulation), respecting the need for a fair and orderly market and fair and orderly price formation (Article 3(h) of the CACM Regulation) and providing non-discriminatory access to cross-zonal capacity (Article 3(j) of the CACM Regulation).

(8) These arrangements promote effective competition in the generation, trading and supply of electricity (Article 3(a) of the CACM Regulation) since these arrangements supports fair and equal access to the transmission system as it applies to all market participants on both side of the interconnector. Market participants will have access to the same reliable information on cross-zonal capacities and allocation constraints for day-ahead and intraday allocation in a transparent way.

(9) These arrangements aim at securing optimal use of the transmission capacity (Article 3(b) of the CACM Regulation) as it takes advantage of the Flow Based approach (hereafter referred to as "FB"), representing the limitations in the alternating current grids. There is no predefined and static split of the capacities on critical network elements and the flows within capacity calculation region (hereafter referred to as "CCR") Nordic and between CCR Nordic and adjacent CCRs are decided based on economic efficiency during the capacity allocation phase. These arrangements treat all bidding zone borders within the CCR Nordic and adjacent CCRs equally, and provides non-discriminatory access to cross-zonal capacity. These arrangements will fully apply also in a situation where Advanced Hybrid Coupling is implemented for the efficient integration of HVDC interconnections into the FB capacity calculation methodology. For the intraday timeframe, a coordinated net transmission capacity approach ensures better use of transmission capacity compared to the currently-applied method until the FB approach is decided to be implemented based on an evaluation of its economical welfare. Non-costly remedial actions are taken into account if they are available. The approaches aim at providing the maximum available capacity to market participants within the operational security limits.

(10) The capacity calculation methodology ensures operational security (Article 3(c) of the CACM Regulation) as the grid constraints are taken into account in the day-ahead and intraday timeframe providing the maximum available capacity to market participants within the operational security limits, hereby not allowing for more cross-zonal exchange possibilities than what can be supported without costly remedial actions.

(11) These arrangements are outlined with the objective to ensure fair and non-discriminatory treatment and creation of a level playing field for TSOs and NEMOs as set forth in (Article 3(e) of the CACM Regulation). This implies in particular to means of specified financial arrangements, Multiple NEMO shipping arrangements as well as "Transparency Regulation", specified in these arrangement.

(12) Regarding the objective of transparency and reliability of information (Article 3(f) of the CACM Regulation), the arrangements in these arrangements shall serve as the basis for securing a market coupling in the most transparent way. With these arrangement the interconnector owner shall ensure that equal access to reliable and verified data is provided to all NEMOs, also allowing for a verification process which ensures that correct data is used. It is the responsibility of the interconnector owner also to ensure that the requirements in the "Transparency Regulation" are fulfilled and applies to all market relevant data in relation to the interconnector, including but not limited to the distribution of day-ahead prognosis, nominated capacities, already allocated capacity, capacity constraints and market coupling results such as scheduled commercial exchange and the congestion income all per market time unit.

(13) These arrangements shall not hinder an efficient long-term operation in CCR Nordic and adjacent CCRs, and the development of the transmission system in the European Union (Article 3(g) of the CACM Regulation).

(14) These arrangements contribute to the objective of respecting the need for a fair and orderly market and price formation (Article 3(h) of the CACM Regulation) by making available in due time the cross-zonal capacity to be released in the day-ahead and intraday market.

(15) These arrangements aim at providing equal access to cross-zonal capacity (Article 3(j) of the CACM Regulation) and all other market relevant data in relation to the interconnector, to all market participants in a non-discriminatory way. These arrangements also aim at ensuring a transparent and non-discriminatory approach to facilitate cross-zonal capacity allocation.

(16) In conclusion, these arrangements regarding interconnectors not operated by a certified TSO contribute to the general objectives of the CACM Regulation to the benefit of all market participants and electricity end consumers.

SUBMITS THE FOLLOWING PROPOSAL TO THE SWEDISH ENERGY MARKETS INSPECTORATE (EI) AS THE NATIONAL REGULATORY AUTHORITY IN SWEDEN:

TITLE I

General

Article 1
Subject matter and scope

1. The arrangements described in this document apply to an interconnector not operated by a certified TSO, connected to a Swedish bidding zone (hereafter referred to as just “interconnector”), in accordance with Articles 45 and 57 of the CACM Regulation.

2. The requirements of these arrangements apply to the owner of an interconnector not operated by a certified TSO, connecting a Swedish bidding zone to a bidding zone outside Sweden (hereafter referred to as “interconnector owner”).

3. These arrangements ensure that the transmission capacity of an interconnector is made available to the market coupling processes for the single day-ahead and single intraday coupling, in accordance with Articles 8, 45 and 57 of the CACM Regulation.

4. These arrangements cover the methodologies for the day-ahead and intraday timeframes.

Article 2
Definitions and interpretation

1. For the purposes of these arrangements the terms used shall have the meaning of the definitions included in:

a. Article 2 of Regulation (EC) 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross border exchanges in electricity and repealing Regulation (EC) no 1228/2003,

b. Article 2 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (hereafter referred to as "CACM Regulation") and it´s related approved methodologies inclusive operational agreements for Single Intraday coupling and Single Day ahead coupling,

c. Article 3 of Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (hereafter referred to as "SO Regulation"),

d. Article 2 of the Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (hereafter referred to as "Balancing Regulation") and,

e. Article 2 of Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (hereafter referred to as "Transparency Regulation").

In addition, the following terms shall have the meaning below:

a. "Arm's length principle" means the condition or the fact that the parties to a transaction are independent and on an equal footing. It is applied specifically in contract law to arrange an agreement that will stand up to legal scrutiny, even though the parties may have shared interests.

b. "Explicit transmission losses approach" where the transmission capacity offered to the market coupling algorithm, is reduced by means of a security limit explicit offset.

c. ''Firmness" means a guarantee that cross zonal capacity rights will remain unchanged and that a compensation is paid if they are never the less changed.

d. "Implicit transmission losses approach" where the market coupling algorithm will not allow flow of power over the interconnector unless the price difference, between the two interconnecting bidding zones, is greater than or equal to the marginal cost of the interconnector losses.

e. "Interconnector balancing responsibility" means responsibility to compensate for transmission losses and to compensate for imbalances arising from ramping, cable outages, capacity curtailments and

inaccuracies of the transmission loss factor resulting in calculated flows from the single day-ahead and intraday coupling that are below the technical minimum flow level of the cable.

f. “Interconnector owner” means the owner of an interconnector which is not operated by a certified TSO.

g. ‘’Multiple NEMO arrangement” means arrangements for proving non-discriminatory access to cross-zonal capacity in cases of more than one NEMO in one bidding zone.

h. “Nordic region” include Sweden, Denmark, Finland and Norway.

i. “Nordic RSC” is the regional security coordinator including the role of the coordinated capacity calculator, CCC in CACM Regulation.

j. “Pre-coupling” means procedures before MCO functions are executed for single day-ahead and intraday coupling;

k. ‘’Preferred shipper” means a shipper of preference pre-selected by a NEMO or their respective CCP for their shipment.

l. “Price independent bids” means bids in the market coupling that is offered independent of price in the market coupling.

m. “Post-coupling” means procedures after MCO functions have been executed for single day-ahead and intraday coupling.

n. “Respective TSO” means for the Swedish bidding zone Svenska kraftnät.

o. ‘’Shipper” is a role taken on by a NEMO or their respective CCP. A shipper only has other shippers or CCPs as counter parties in the financial and the physical exchange of energy from a CCP in one bidding zone to a CPP in another bidding zone. A shipper is responsible for cross border nominations and for the collection of congestion income.

p. ‘’Shipping arrangements” means the arrangements, in compliance with the single day-ahead and intraday coupling, that is required to exchange energy, both physically and financially, cross-zonal, between two NEMOs or their CCPs, across the interconnector.

q. ‘’Transit shipper” means is a shipper that performs financial and the physical exchange of energy through one or more bidding zones.

r. “Transmission losses” refers to any losses of power during transmission of capacity over the interconnector and result from the difference between energy input and output.

s. “XBID” means the cross border intraday system. The XBID incorporate the shared order book as defined in the CACM Regulation. The XBID system also incorporate the capacity management module (CMM) from which the shared order book allocates capacity.

2. Abbreviations used in these arrangements are found in Annex 1.

3. In these arrangements, unless the context requires otherwise:

   a. the singular indicates the plural and vice versa;

   b. the headings are inserted for convenience only and do not affect the interpretation of these arrangements;

   c. any reference to legislation, regulations, directives, orders, instruments, codes or any other enactment shall include any modification, extension or re-enactment of it when in force.

Article 3
Responsibilities as interconnector owner

1. The interconnector owner is responsible for;

   a. ensuring that operation and operational security of the interconnector is performed according to approved methodologies inclusive operational agreements for Single Intraday coupling and Single Day ahead coupling,

   b) the operation and the operation security of the interconnector which includes the fulfilment of orders and regulations from the respective national authorities and in accordance with national laws and regulations, , in accordance with the Article 2 (1);

   c) guaranteeing the financial and physical firmness of the calculated transmission capacity allocated to the single day-ahead and intraday coupling which implies that necessary financial collaterals as well as measures, such as balancing and remedial actions measures with adequate supportive power, are applied to compensate or to resolve any imbalances or disturbances that is a direct or indirect result of the interconnector being offered to the single day-ahead or intraday coupling;

   d) ensuring that in the case that an implicit transmission losses approach is applied on the interconnector, a specific implicit loss factor is provided by means of approval by the regulatory authorities in accordance with Article 9 of the CACM Regulation. If explicit transmission losses approach is applied the interconnector owner shall ensure likewise for implicit transmission losses approach that the transmission losses on the interconnector is compensated by procurement of the equivalent lost energy. This in order to ensure that the importing side of the direction of

the cable will receive the energy as was firmly purchased at the importing side in the market coupling process despite the transmission losses on the interconnector. Such purchase shall be achieved using price independent bids in the market coupling. The importing and exporting measurement point for exchange of energy for the applicable transmission loss approach shall follow what is decided by the respective TSO. This shall also apply to the calculated transmission capacities published to the market.

e) ensuring that equal access is provided to all market relevant data, as defined by the "Transparency Regulation", by means of publication of these data to the ENTSO-E transparency platform. This will require additional validation, alignment and concatenation of the relevant market data results in the case of two or more active NEMOs on the interconnector.

f) allowing for a data verification process which ensures that correct data is used. It is the responsibility of the interconnector owner also to ensure that the requirements in the "Transparency Regulation" are constantly monitored and applied with to all market relevant data in accordance with the "Transparency Regulation". Such data in particular include, but are not limited to, the distribution of day-ahead prognosis, the nominated capacity and already allocated capacity, the capacity constraints and the market coupling results such as scheduled commercial exchange and congestion income per market time unit. Not least this also include Urgent Market Messages (UMM) for planned and unplanned unavailability's of the interconnector.

2. The responsibilities of (1) as well as responsibilities of the remaining articles in these arrangements, requires both authorization rights of a certified TSO as well as means of supporting power for the balancing and remedial actions.

   Means to fulfil such responsibilities by the interconnector owner may therefore require delegation to an intermediary TSO in terms of a service agreement. Such service agreement shall, if offered, only be offered to the interconnector owner based on the following conditions:

   b) the interconnector owner has unbundled service arrangements with market parties in the market coupling.

   c) such service agreement is based upon cost recovery of both direct and indirect costs including financial obligations that can be inherited to the offering of such services, applied with the arm's length principal.

Article 4
Multiple NEMO shipping arrangements

1. The interconnector owner who are offering their transmission capacity to the single day-ahead and intraday coupling shall provide the necessary means to apply with the MNA (Svenska kraftnät's proposal for arrangements concerning more than one NEMO in a bidding zone in accordance with Article 45 and 57 of the CACM Regulation).
2. The interconnector owner shall ensure that the role of shipper on the interconnector is offered to all NEMOs or their respective CCPs, upon request for such shipper role by the NEMOs or their respective CCPs. Such offering shall by the interconnector owner be given on equal terms and conditions, including service fees, obligations, collaterals and liabilities, based on fair and non-discriminatory basis in accordance with (Article 3(e) of the CACM Regulation).

Article 5
Application of these arrangements

These arrangements apply to Pre-coupling, the market coupling results delivery and validation and the Post-coupling arrangements, which shall set forth the required principles for capacity allocation, interconnector balancing responsibilities and congestion management and firmness of the results in the day-ahead and intraday timeframe.

TITLE 2
Inputs to capacity calculation for day-ahead and intraday timeframe

Article 6
Common grid model

1. The interconnector owner shall ensure, in accordance with Article 19 of the CACM Regulation that an individual grid model (hereafter referred to as "IGM") is provided to the Nordic RSC.
2. The interconnector owner shall ensure that the IGM is consistent with the IGMs of respective TSO in accordance of Article 12 (1.f) of the All TSOs' proposal for a common grid model methodology.
3. In accordance with Article 13 (1) of the All TSOs' proposal for a generation and load data provision methodology in accordance with Article 16 of the CACM Regulation, respective TSO shall decide on the degree of detail with which the

interconnector is to be modelled in the common grid model for the single day-ahead and intraday coupling.

4. The interconnector owner shall ensure that the following details are included and provided in accordance with Article 13 (3) of the All TSOs' proposal for a generation and load data provision methodology in accordance with Article 16 of the CACM Regulation:

   a) electrical characteristics;

   b) connection points;

   c) type and characteristics of supported control modes.

5. The default deadlines for providing the information by type of data item are as follows:

   a) structural data: six months before the entry into operation or the implementation of a change in the relevant characteristics of the corresponding network element; the continued validity of the data provided needs to be confirmed every year by 01 April;

   b) infrequently changing variable data:

      i) changes expected during the following year need to be signaled to the Nordic RSC by 1 April of each year;

      ii) changes expected during the following month need to be signaled to the Nordic RSC by the 5th day of each month;

      iii) for changes expected at shorter time horizons the deadlines for variable data apply;

   c) variable data:

      i) for the day-ahead capacity calculation time-frame: 15:15h two days before the day of delivery;

      ii) for the intraday capacity calculation time-frame: 15:00h on the day before the day of delivery.

Article 7
Capacity calculation method

1. The interconnector owner shall ensure that;

   a) the approach used is applicable for calculating the capacity in accordance with Common Coordinated Capacity Calculation Methodology for Capacity Calculation Region Hansa in accordance with Article 20(2) of the Commission Regulation (EU) 2015/1222 of 24

July 2015 establishing a Guideline on Capacity Allocation and Congestion Management;

b) the cross-zonal capacities and allocation constraints are generated by the Nordic RSC in cooperation with respective TSO, based on the applied implicit or explicit loss approach, selected per direction by the respective TSO for the export of energy and sufficiently in advance of the day-ahead coupling and the intraday coupling firmness deadline and with the following information for each Market Time Unit (MTU).

c) a list of critical network elements (hereafter referred to as "CNEs") is provided to the Nordic RSC sufficiently in advance of the day-ahead coupling and the intraday coupling firmness deadline and with the following information for each Market Time Unit (MTU):

i. input parameters, including an availability factor of equipment, thermal capacity of the CNEs and a loss factor of the cable;

ii. operational security limits and contingencies;

iii. allocation constraints including an implicit loss factor per direction on the interconnector.

Article 8
Transmission losses arrangements

1. The interconnector owner shall follow the implemented implicit transmission losses approach for the single day-ahead coupling unless otherwise decided according to Article 3 (1.d).

2. The interconnector owner shall follow the planned implemented implicit transmission losses approach within the intraday timeframe for the single intraday coupling unless otherwise decided according to Article 3 (1.d).

TITLE 3
Day-ahead timeframe

Article 9
Single day-ahead coupling arrangements

1. The interconnector owner shall ensure that respective TSO or Nordic RSC, on behalf of the interconnector owner, provides the available capacity and

allocation constraints for the interconnector to the single day-ahead coupling in accordance to Article 7 (1).

2. The interconnector owner shall ensure the interconnector balancing responsibility for the interconnector, by means of both compensation of transmission losses and by means of balancing and necessary remedial actions with adequate supportive power. This in order to guarantee the physical and financial firmness of the allocated transmission capacity in the single day-ahead coupling.

3. After the capacity has been allocated in the single day-ahead coupling, all remaining available capacity on the interconnector, shall be given to the intraday coupling this according to Article 2 (1c) of the Common CCC methodology for CCR HANSA in accordance with Article 20(2) of the CACM. The respective TSO shall furthermore have access to any remaining available capacity on the interconnector for ancillary services before it is given to the single intraday coupling timeframe, if so required.

4. The interconnector owner shall ensure that any operational responsibilities as well as financial obligations required to operate the day-ahead coupling with regards to the inclusion of the interconnector, is fulfilled according to the Day-ahead Operations Agreement.

Article 10
Pre-coupling arrangements for single day-ahead coupling

1. The interconnector owner shall ensure that the cross-zonal capacities and allocation constraints are derived in cooperation with the respective TSO and are provided in accordance with Article 5 (a) to the CCC; the Nordic RSC, established in accordance with Article 27 (2) of the CACM Regulation to ensure the publication of cross-zonal capacities and allocation constraints to the market.

2. The interconnector owner shall ensure that format and timing for the Nordic RSC to send the cross-zonal capacities and allocation constraints to the market coupling operator (hereafter referred to as “MCO”) functions follows the corresponding single day-ahead coupling procedures.

3. The interconnector owner shall ensure the firmness of the transmission capacity offered to the day-ahead coupling, at the latest one hour prior to the closure time.

Article 11
Delivery and validation of single day-ahead results

1. The interconnector owner shall ensure that the single day-ahead coupling results are validated, the energy is purchased to cover for cable losses (in the case explicit cable losses approach is applied) and that the capacity firmness is guaranteed in the delivery time frame by balancing and remedial actions.

Article 12
Post-coupling arrangements for single day-ahead coupling

1. In accordance with Article 68 (3 and 6) of the CACM Regulation, NEMOs or their central counter parties (hereafter referred to as "CCPs") shall act as counter party to each other for the exchange of energy between bidding zones with regard to the financial rights and obligations arising from these energy exchanges.
2. A shipper may act as a counter party between different CCPs for the exchange of energy on the interconnector, if the parties concerned conclude a specific agreement to that effect.
3. The interconnector owner shall ensure that the NEMOs, or their CCP acting as shipper, shall provide, based on the information on the single day-ahead coupling, results of the cross-border nominations for the interconnector, to respective TSO.
4. The interconnector owner shall ensure that the NEMOs or their CCP acting as shipper, are responsible for their own physical and financial exchange on the interconnector as a result of the single day-ahead coupling. The cross border financial exchange shall be organized through financial agreements between NEMOs or their CCPs in accordance with Article 5 of the decision by Swedish Energy Market Inspectorate concerning cross border clearing and settlement for the day ahead and intraday market coupling with regards to methodologies for transfer of energy between CCPs in Sweden. [1]
5. The interconnector owner shall ensure that the NEMOs or their CCP acting as shipper, shall collect the congestion income and distribute it to the interconnector owner.

[1] 'Gränsöverskridande clearing och avräkning för dagen före- och intradagskoppling – överföringsformer mellan olika centrala motparter avseende energiutbyte för svenska elområden"

TITLE 4
Intraday timeframe

Article 13
Single intraday coupling arrangements

a) The interconnector owner shall ensure that all remaining available capacity after the single day-ahead coupling results, is offered to the single intraday coupling and implement the single intraday coupling process in accordance with Article 2 (1-c) of the Common CCC methodology for CCR HANSA in accordance with Article 20(2) of the CACM.The interconnector owner shall ensure the interconnector balancing responsibility for the interconnector, by means of both compensation of transmission losses and by means of balancing and necessary remedial actions with adequate supportive power. This in order to guarantee the physical and financial firmness of the allocated transmission capacity in the single intra-day coupling.

b) The interconnector owner shall ensure that the respective TSO or Nordic RSC in its role as CCC, on behalf of the interconnector owner, provides the available cross zonal capacity and allocation constraints for the interconnector to the cross border intraday (XBID) capacity management module (CMM) in accordance to Article 7 (1).

c) The interconnector owner shall ensure that respective TSO shall have access to available capacity on the interconnector for ancillary services during and after the single intraday coupling timeframe, if so required.

d) The interconnector owner shall ensure that any operational responsibilities as well as financial obligations required to operate the single intraday coupling with regards to the inclusion of the interconnector, are fulfilled according to “CACM Regulation” and it´s related approved methodologies inclusive operational agreements for Single Intraday coupling. .

Article 14
Pre-coupling arrangements for single intraday coupling

1. The respective TSO or Nordic RSC in its role as CCC, shall provide the available cross zonal capacity and allocation constraints for the bidding zone borders to the XBID CMM in accordance with Article 58 of the CACM Regulation.

2. The interconnector owner shall ensure that the intraday cross-zonal gate opening time (IDCZGOT) on the bidding zone borders shall follow the methodology of intraday cross-zonal gate opening and gate closure times in accordance with Article 59 of CACM Regulation.

3. The interconnector owner shall ensure that the intra-day cross-zonal gate closure time, before the start of the relevant intraday market time unit on a bidding zone border, shall follow the methodology of Intraday cross-zonal gate opening and gate closure times in accordance with Article 59 of CACM Regulation.

Article 15
Delivery of single intraday results

The interconnector owner shall ensure that that the single net positions for each of the connecting bidding zones in each market time unit within the intraday timeframe, includes the scheduled exchanges, i.e. net scheduled flow, for the energy exchanged on the interconnector between the bidding zones. In this context the interconnector owner shall cooperate with the respective TSO. Any imbalances identified shall be handled by means of balancing actions and remedial actions.

Article 16
Post-coupling arrangements for single intraday coupling

1. In accordance with Article 68 (3 and 6) of the CACM Regulation, NEMOs or their central counter parties (hereafter referred to as "CCPs") shall act as counter party to each other for the exchange of energy between bidding zones with regard to the financial rights and obligations arising from these energy exchanges.
2. A shipper may act as a counter party between different CCPs for the exchange of energy on the interconnector, if the parties concerned conclude a specific agreement to that effect.
3. The interconnector owner shall ensure that the NEMOs, or their CCPs acting as shippers, shall provide, based on the information on the single intraday coupling, results of the cross-border nominations for the interconnector, to respective TSO.
4. The interconnector owner shall ensure that the NEMOs or their CCP acting as shipper, are responsible for their own physical and financial exchange on the interconnector as a result of the single intraday coupling. The cross border financial exchange shall be organized through financial agreements between NEMOs or their CCPs in accordance with Article 5 of the decision by Swedish Energy Market Inspectorate concerning cross border clearing and settlement for the day ahead and intraday market coupling with regards to methodologies for transfer of energy between CCPs in Sweden. [2]

[2] "Gränsöverskridande clearing och avräkning för dagen före- och intradagskoppling – överföringsformer mellan olika centrala motparter avseende energiutbyte för svenska elområden"

5. The interconnector owner shall ensure that the NEMOs or their CCP acting as shipper, shall collect the congestion income and distribute it to the interconnector owner.

Article 17
Intraday capacity pricing

The interconnector owner shall, once the intraday capacity pricing methodology is applied, ensure to allocate and calculate capacity in accordance with Article 55 of the CACM Regulation and the Methodology for pricing intraday cross-zonal capacity.

Article 18
Fallback procedures

Fallback procedures shall apply in the event that the single day-ahead process is unable to produce results and in the event that the capacity calculation fails by the CCR.

In a situation where capacity calculation fails by the CCR, the fallback for capacity calculation in accordance with Article 18 in the Hansa CC will apply.

In a situation where the single day-ahead coupling process is unable to produce results the fallback procedure as derived according to the Article 8 of the MNA will apply, which means that the Baltic Cable will be decoupled from the Nordic CCR in the single day-ahead coupling.

If the price-coupling process in the day-ahead market is unsuccessful and the fall-back procedures are initiated as a result in accordance with Article 44 of the CACM Regulation and completed after the IDCZGOT as defined in paragraphs (1) and (2) of this Article, the IDCZGOT shall take place at the earliest possible time after the results of the respective fall-back procedures are established.

TITLE 5
Final Provisions

Article 19
Publication and timescale for implementation

1. Svenska kraftnät shall publish these arrangements without undue delay after the Swedish Energy Markets Inspectorate has approved these arrangements.
2. Implementation milestones of these arrangements is mandated by the implementation of the MNA (Svenska kraftnät's proposal for arrangements

concerning more than one NEMO in a bidding zone in accordance with Article 45 and 57 of the CACM Regulation) in addition to the inclusion of the interconnector to the single day ahead and single intraday coupling.

3. At the latest 6 months after approval of these arrangements by the Swedish Energy Markets Inspectorate. Firm milestones shall be defined in cooperation with:

    a. respective TSO and the relevant coordinated capacity calculator.

    b. relevant NEMOs for inclusion of the interconnector in the MCO function for single day-ahead and single intraday coupling.

Article 20
Language

The reference language for these arrangements shall be English. For the avoidance of doubt, where Svenska kraftnät needs to translate these arrangements into Swedish, in the event of inconsistencies between the English version published by Svenska kraftnät in accordance with Article 9 (14) of the CACM Regulation and any version in Swedish, Svenska kraftnät shall, in accordance with national legislation, provide the Swedish Energy Markets Inspectorate, as the relevant national regulatory authority, with an updated translation of these arrangements.

Annex 1

List of abbreviations:

- CCC - Coordinated capacity calculator
- CCP - Central counter party
- CCR - Capacity calculation region
- CMM - Capacity management module
- CNE - Critical network element
- FB – Flow Based
- HVDC - High voltage direct current
- IDCZGOT - Intraday cross-zonal gate opening time
- IGM - Individual grid model
- MCO - Market coupling operator
- MNA - Multiple NEMO arrangement
- MTU - Market time unit
- NEMO - Nominated electricity market operator
- TSO - Transmission system operator
- TTC - Total transfer capacity
- XBID – Cross border Intraday system
- UMM – Urgent Market Messenger