



SHORT EXPLANATORY NOTE on the initial intraday ATCs deduced from the Flow Based domain

In order to facilitate impact assessment on ID markets, CWE partners now publish initial ID ATCs derived from FB day-ahead allocations, as simulated in the parallel run.

The data provided cover the elapsed parallel run period and will be updated on a monthly basis in average. Naturally, ID ATCs can be published only if the parallel run was successful.

In the CWE region, the current initial intraday ATC values can be calculated as the difference between the day-ahead ATCs and the day-ahead nominations. The operational intraday ATC values, not necessarily identical to the initial ATC values, are published on TSOs' websites and (for some CWE borders) on www.intraday-capacity.com.

In parallel to the regular CWE processes, CWE TSOs have started to calculate and publish day-ahead flow-based parameters in order to prepare the implementation of the day-ahead Flow Based Market Coupling.

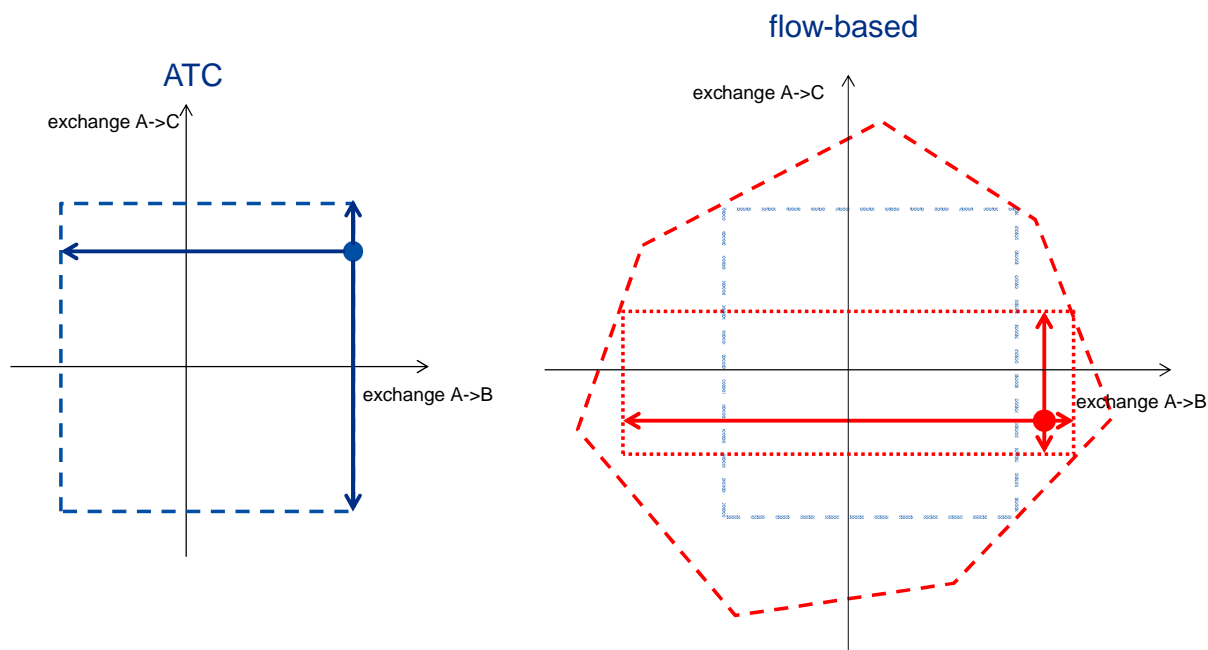
The CWE Flow Based project has to ensure a proper link to the subsequent intraday process which is currently based on ATC values, and will remain so after the launch of CWE Day-Ahead Flow Based Market Coupling. This is achieved by deriving initial ID ATC values from the day-ahead Flow Based domain (FB_ID_ATC).

To facilitate the transition from ATC to FB in the DA stage and to support stakeholders by providing a picture that is as complete as possible, the CWE Project decided to publish the **initial** ID ATC values that are derived from the FB domain taking into account the simulated FB MC net positions. The process to derive the initial ID ATC values from the day-ahead FB domain is described in the CWE Enhanced Flow-Based MC feasibility report (October 2011, http://www.casc.eu/media/CWE%20FB%20Publications/CWE_FB-MC_feasibility_report_2.0_19102011.pdf) and has been explained during the Market Forum of October 10th.

Disclaimers

The Project would like to underline that these values do not have any link to the current, operational ID ATC values, and that the values cannot be directly compared to one another as explained below.

First, the results will be different and cannot be compared directly with the current ID_ATC as explained using the sketch below:



On the left hand side, the day-ahead ATC domain is shown (dashed line) as well as the ATC market clearing point (blue dot). The blue arrows indicate the resulting initial ID ATCs. On the right hand side, the FB domain of the same business day is shown (dashed line); it envelops the ATC domain (light blue dashed box). Similar to the left side, the simulated FB market clearing point is shown (red dot) as well as FB_ID_ATCs (red arrows). The corresponding intraday ATC domain is illustrated with the red dotted line.

Thus, it can be concluded that the two ID ATCs cannot be conceptually compared because they are deduced from two different methodologies meaning two different starting points:

- the day-ahead FB and ATC capacity domains, which serve as a basis for the initial ID ATC calculation, differ
- the simulated market clearing point under FB is usually a different one than established under ATC - even, if in the FBMC simulations the same bids are used as in the operational ATC market coupling.

Furthermore, the CWE Partners would like to draw Market Parties' attention on the fact that provided capacities are only **initial ID ATCs** and **not operational ID ATCs**.

Note that today after ATC MC allocations, ID ATC can be adjusted following some grid assessments performed by TSOs. This potential adjustment results eventually in the so-called "initial ID ATCs" which are published on TSOs websites.

In the FB project, the ID ATC values which are published on CASC website within the parallel run framework correspond to ATC resulting strictly from an automatic splitting of the capacities just after daily allocations, and do not undergo this potential adjustment, therefore cannot be strictly considered as an operational equivalent of today's published initial ID ATC.



Thus, although the principle of this initial step is the same as under the current ATC process (i.e. the initial ID ATCs are the left-overs of the Day-ahead capacities), the second step is not included in the simulation process. In a live FB environment, the final result and operational ID ATCs would therefore possibly differ from the initial ID ATCs that will be published as part of the parallel run.

For the explained reasons, please consider that the initial ATC values which will be published cannot be compared to current operational ID ATCs as they miss one calculation step but that even with the final step included comparison of data would not be relevant due to difference between methodologies from which they are deduced initially.