Union Française de l'Électricité

August 2021

UFE's response to RTE's consultation regarding FR-UK NTC interim solution for long-term capacity calculation methodology

UFE thanks RTE for the possibility to comment on the long-term capacity calculation NTC interim solution methodology (LT CC methodology), following the RTE CFAI meeting of the 7th July presenting the subject, and would like to raise the following comments.

First, UFE recommends that the overall orientations and methodology are discussed with market participants. It may indeed have an impact on market participants' investment and organisational decisions. In particular, **UFE asks for market participants to be involved at least as observers in the future discussions of the Specialized Committees on Energy**, in order to be informed on orientations and further decisions to be made.

UFE welcomes the proposal to stick to the principles defined in the previous long-term capacity calculation methodology established for Channel capacity calculation region. UFE would however like to express the following comments :

Regarding article 8 of the LT CC methodology on methodology for remedial actions in capacity calculation, **UFE recommends using all remedial actions available in order to maximise cross-border capacities on the market**, including redispatching and countertrading actions. **Therefore UFE asks costly remedial actions to be explicitly mentioned in the article.**

Regarding article 9 on scenarios definition methodology, **UFE asks for transparency on the way the scenarios are built for each long-term capacity calculation time frame**. UFE also recommends RTE uses the already available ENTSO-E year-ahead reference scenarios in its methodology.

Regarding article 11 on inputs for the long-term capacity calculations, **UFE asks to add references to generation shift keys and reliability margin methodologies**, as required by articles 11 and 13 of the forward capacity allocation regulation. UFE also asks for details on the methodology RTE intends to use with the different inputs.

Union Française de l'Électricité

Regarding article 14)1)b) on implementation of limitation of the interconnectors capacity, **UFE recommends rather using the power transfer distribution factors (PTDF)** as factors to optimise cross-border capacities to be offered on the market, as it would enable concentrating capacity limitations on the most impacting interconnectors. More widely, UFE is in favour of not limiting capacity reductions to FR-UK interconnectors when there are trades with other bordering capacity calculation regions too, but to widen it proportionally to all the impacting interconnectors.

UFE welcomes the will to publish information linked to capacity reduction based on individual analysis on the European Transparency Platform, which will enable market participants to be informed in a timely manner (article 4)5)). **UFE calls on RTE to increase transparency levels according to the interim methodology and publish updated capacity levels as soon as possible, so that interconnector operators and market participants can have foresight and capacity exchanges can be anticipated accordingly.** Lastly, UFE calls on the LT CC Interim Solution to be put in place before 12 months after approval (article 19), in order to give more visibility to market participants on changes to long term capacity calculation methodology.