EDF response to RTE's consultation on a capacity calculation Interim solution for the long-term time frames for the FR-UK border (LT CC Interim Solution)

5th August 2021

GENERAL REMARKS

EDF welcomes the opportunity to provide comments on the RTE's proposal for a capacity calculation Interim solution for the long-term time frames for the FR-UK border and would like to thank RTE for the detailed explanatory note accompanying the methodology and enabling market participants to become familiar with (i) the notion of area of influence and (ii) some of the hypotheses used in the capacity calculation.

First of all, EDF recalls that it is in the common interest that market participants should be informed on the political guidance since it may impact investment and organization decisions, and hence the optimization and the costs of the electric system. The proposed methodology has not been discussed with stakeholders. Moreover, when it comes to the prioritization and the guidance set by the relevant authorities, EDF regrets that market participants are neither invited to the Specialized Committees on Energy, nor even informed of the main decisions and orientations.

Concerning the proposed methodology, EDF notices the effort made by RTE – mainly during the CFAI hold on 7th July – to explain the recent regulatory and political evolutions between FR and UK which lead to update the current long-term capacity calculation methodology to keep ensuring secure system operation with maintenance operation. Taking this short-term need into consideration, but also the current prioritization given to the MRLVC and the DACCM (LT CC Methodology being consequently postponed to an undefined date), EDF understands the need for RTE to exceptionally implement an interim solution over the short term.

In a general manner, EDF welcomes RTE's proposal to mostly stick to the principles defined in the previous Long-Term Capacity Calculation Methodology for Channel CCR that was established according to the Forward Capacity Allocation Regulation but would like to share the following comments.

Regarding the long-term capacity calculation process, EDF notices the effort made by RTE (i) to limit the capacity reduction to a strict minimum thanks to maintenance plan optimisation and the use of remedial actions, and (ii) to duly justify these capacity reduction based on an individual analysis, the latter being published on the European Transparency Platform. EDF welcomes RTEs concern to inform market participants in a timely manner.

Regarding the article 8 and the methodology for Remedial Actions (hereafter RA) in capacity calculation, EDF asks for clarity on whether costly remedial actions will be used since they are not mentioned (on the contrary to non-costly RA). If so, EDF wonders whether both redispatch and countertrading will be part of the available remedial actions. EDF opines that all available remedial actions should be part of the methodology to maximize cross-border capacities to be offered to the market.

Regarding the article 9 and the scenarios definition methodology, EDF is wondering why the proposal does not mention anymore the ENTSO-E year-ahead reference scenarios but instead the use of

different scenarios according to the area of influence of the interconnectors. EDF asks for transparency on the way the above-mentioned scenarios will be built, including the inputs and hypotheses used for the forecasts of generation, load patterns and eventually exchanges.

Regarding article 11 and the inputs for the long-term capacity calculations, EDF wonders why the proposal does not mention any more neither the GSK, nor the reliability margin methodologies while it is required by articles 11 and 13 of the FCA Regulation. EDF asks for clarity on the methodology RTE intends to use to calculate these values.

Regarding article 14 and the implementation of limitation of the interconnectors capacity, EDF regrets the potential capacity limitation to be spread between all the ICs proportionally to their MPTC instead of their PTDF since the latter option could concentrate the capacity limitation on the most impacting ICs and hence increase the cross-border capacities to be offered to the market.

Moreover, as it stands in the proposal, EDF understands that a capacity reductions will only occur on ICs between FR and UK (including in the relevant area of influence), even in case of congestions/constraints influenced both by trades between FR and UK, and trades with other bordering CCRs. EDF regrets such a capacity reduction will not be proportionally spread between all the impacting ICs (proportionally to their PTDF).

Regarding article 19 and the implementation of this interim solution, EDF is surprised that 12 months are needed since it involves only 2 TSOs and may not lead to significant evolution in the way LT capacities are currently calculated.

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