

CEE PXs presentation on status of CEE FB MC Project

34th CEE IG meeting, Vienna, Feb 20th, 2014

Status of CEE PXs involvement in PCR

- PCR model successfully implemented in NWE Region on Feb 4th, 2014
- EPEX SPOT and OTE are already full members in PCR project
- TGE intends to become a full member in PCR project soon
- BSP, EXAA, HUPX, OKTE and TGE are currently associate members in PCR project
- PCR model to be adopted in 4M MC Project covering CZ-SK-HU-RO in Q4, 2014 (OTE as a PCR PX, OKTE, HUPX and OPCOM as Serviced PXs)

CEE FB MC Roadmap

- Comprehensive CEE FB MC Roadmap needs to be quickly reviewed/updated:
 - Determining the tasks, milestones, deliverables and responsible parties for each task
 - Defining the necessary prerequisites for project start-up (FB Allocation project)
 - Taking into account the PMO selection process
 - Reflecting the successful implementation of PCR model in NWE Region
 - Estimating the realistic date for GO LIVE of CEE FB MC Project based on agreement made by TSOs regarding the FBA solution

The next steps related to CEE FB MC Project

- PXs are finishing signature procedure for the MoU
- Establishment of the CEE FB MC project structure (JSC, JWG, Working Groups, delegation of representatives to: JSC, JWG, WGs); PXs have already assigned representatives
- Kick-off meeting definition for ToR finalisation and definition of deliverables
- Definition of the roles, tasks and selection procedure of a neutral PMO for the joint project
- Conclusion of NDAs/ and Cost Sharing Agreements between CEE FB MC project parties
- Determination of project cost recovery rules between NRAs and CEE FB MC Project parties:

- *The PXs acknowledge the message received from the CEE NRAs on 17.02.2014, confirming that the treatment of reasonable, efficient, proportionate costs (whether common or individual), relating to the flow based market coupling will be addressed at an appropriate point in time on a regional or national level as appropriate. Nevertheless a formal, signed letter of comfort would be highly appreciated due to complexity of project and financially demanding.*

- Quick achievement of full cooperation between parties from CEE region and NWE region (multilateral NDA to be signed)
- Future inclusion of 4M MC Project into CEE FB MC Project

Thank You