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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Draft RECOMMENDATION OF THE SPECIALISED COMMITTEE ON ENERGY ESTABLISHED BY ARTICLE 8(1)(I) OF THE TRADE AND COOPERATION AGREEMENT BETWEEN THE EUROPEAN UNION AND THE EUROPEAN ATOMIC ENERGY COMMUNITY, OF THE ONE PART, AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, OF THE OTHER PART, to each Party concerning their requests to transmission system operators for electricity in view of preparing technical procedures for the efficient use of electricity interconnectors

DRAFT

RECOMMENDATION No .../2023
OF THE SPECIALISED COMMITTEE ON ENERGY
ESTABLISHED BY ARTICLE 8(1)(I) OF THE TRADE AND COOPERATION
AGREEMENT BETWEEN THE EUROPEAN UNION
AND THE EUROPEAN ATOMIC ENERGY COMMUNITY, OF THE ONE PART,
AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,
OF THE OTHER PART

of ...

**to each Party concerning their requests to transmission system operators for electricity
in view of preparing technical procedures for the efficient use of electricity interconnectors**

THE SPECIALISED COMMITTEE ON ENERGY,

Having regard to the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland of the other part (the ‘Trade and Cooperation Agreement’), and in particular Article 311(1) and (2), Article 312(1), Article 317(2) and (3) and Annex 29 thereof,

Whereas:

- (1) Pursuant to Article 8(4), point (a), of the Trade and Cooperation Agreement, the Specialised Committee on Energy (the ‘Specialised Committee’) has the power to monitor and review the implementation and ensure the proper functioning of the Trade and Cooperation Agreement in its area of competence. Pursuant to Article 8(4), point (c), it has the power to adopt decisions and recommendations in respect of all matters where the Trade and Cooperation Agreement so provides or for which the Partnership Council has delegated its powers to that Specialised Committee pursuant to Article 7(4), point (f). Pursuant to Article 329(3) of the Trade and Cooperation Agreement, it shall make recommendations as necessary to ensure the effective implementation of the Chapters of Title VIII of the Trade and Cooperation Agreement for which it is responsible.
- (2) With the aim of ensuring the efficient use of electricity interconnectors and reducing barriers to trade between the Parties, Article 311(1) of the Trade and Cooperation Agreement sets commitments *inter alia* with regard to capacity allocation, congestion management and capacity calculation for electricity interconnectors, as well as the development of arrangements to deliver robust and efficient outcomes for all relevant timeframes.

- (3) On 22 January 2021, the Directorate-General for Energy of the European Commission and the Department for Business, Energy and Industrial Strategy of the United Kingdom Government each issued a preliminary recommendation (the ‘preliminary recommendation’) to their respective transmission system operators for electricity (‘TSOs’) requesting them to jointly start preparing technical procedures for the efficient use of electricity interconnectors in advance of the commencement of work by the Specialised Committee. Given that the Specialised Committee started its operations in the course of 2021, that preliminary recommendation, as provided by the Parties to the TSOs, needs to be confirmed by the Specialised Committee as a Recommendation to the Parties.
- (4) Concerning capacity calculation and allocation for the day-ahead timeframe the preliminary recommendation requested TSOs to prepare a day-ahead target model based on the concept of ‘Multi-region loose volume coupling’ in accordance with Article 312(1), Article 317(2) and (3) and Annex 29 to the Trade and Cooperation Agreement.
- (5) As regards capacity calculation and allocation for timeframes other than the day ahead timeframe, the preliminary recommendation invited the TSOs of the Parties to jointly prepare a proposal for a timeline for developing the draft technical procedures. It continues to be useful as a point of reference and guidance for further work on these matters while the priority is given to electricity trading at the day ahead timeframe.

- (6) While the timeline set out in Annex 29 as referred to in the preliminary recommendation has not been met, the Specialised Committee should nevertheless discharge its obligations under Article 312(1) and Article 317(2) of the Trade and Cooperation Agreement.
- (7) The TSOs and regulatory authorities of the Parties have already undertaken work with reference to the preliminary recommendation. In the light of progress achieved to date by the TSOs, further information is required regarding the cost-benefit analysis and the outline proposals of technical procedures in order for the Specialised Committee to be able to discharge its obligations under Article 312(1) and Article 317(2) of the Trade and Cooperation Agreement.
- (8) Each Party therefore should request its TSOs to provide this further information,

HAS ADOPTED THIS RECOMMENDATION:

- (1) The preliminary recommendation issued on 22 January 2021 by the Directorate-General for Energy of the European Commission and the Department for Business, Energy and Industrial Strategy of the United Kingdom Government to, respectively, TSOs for electricity of the Union and of the United Kingdom requesting them to start preparing technical procedures on the efficient use of electricity interconnectors, as set out in Annex I to this Recommendation, is hereby confirmed as a Recommendation of the Specialised Committee on Energy to the Parties.
- (2) The Specialised Committee recommends that each Party requests its respective TSOs for electricity to provide the additional information as set out in Annex II to this Recommendation within five months of the date of request made by each Party.

Done at Brussels and London, [date]

For the Specialised Committee

The co-Chairs

F. ERMACORA

P. KOVACS

M. SKRINAR