

MCO Plan Approved - A Significant Milestone to Create a Single Electricity Market

The Energy Regulatory Office (the ERO) approved a plan to jointly establish and perform the functions of the entity performing reconciliation for market coupling – the MCO plan. This step represents a significant milestone in creating a single electricity market.

Following the joint agreement of the European National Regulatory Authorities in Ljubljana (SLO) of 20 June 2017, to approve the draft plan for the joint establishment and exercise of the functions of entity performing reconciliation for the market coupling – the MCO Plan (the Market Coupling Operator Plan), on 26 June 2017, The ERU issued a decision approving this plan. The MCO plan establishes management and cooperation rules between NEMOs (the Nominated Electricity Market Operator), defines the relationship with third parties, and also describes the transition of existing initiatives of coupled day and intraday markets into a single coupled day and intraday market.

Ondřej Máca, the Head of Market Development, adds: "This step is considered as an important milestone in the creation of a single electricity market in the EU. The approved document defines clear and transparent steps to achieve this goal. The involvement of the market operator in the process of creating the MCO Plan is evidence of our deep knowledge, experience and the ability to effectively promote national interests in the implementation of European regulations. "

Creation of the MCO Plan and submitting it to National Regulatory Authorities represent meeting the requirements of the CACM Regulation (Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management).

More about OTE's activities in the field of development and operation of the European coupled daily and intra-day electricity market: <http://www.ote-cr.cz/kratkodobe-trhy/integrace-trhu/all-nemo-cooperation>

Annex:

Approved version of MCO Plan

OTE, a.s.

OTE, a.s., (OTE) has been operating on the electricity market in the Czech Republic since 2001 and on the gas market since 2010. OTE is a provider of comprehensive services to individual participants in the electricity and gas market. Since 2002, OTE has been organizing transaction in daily and later also in intraday and block market for electricity and since 2010 also in the daily and intraday gas market. Participants in the electricity and gas market in the Czech Republic are also offered with continuous processing and exchange of data, information for clearing and financial settlement of imbalances between contractual and actual values of electricity and gas supplies and withdrawals and further OTE ensures the administrative change of the supplier of both commodities. At the same time it manages the National Register of Greenhouse Gas Emissions. Since 1 January 2013, OTE has been responsible for administering a support system to pay the support for supported energy sources.



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OTE is in accordance with Section 20a of Act No. 458/2000 Coll., on business conditions and public administration in the energy sectors and on amendment to other laws (the "Energy Act") as amended, a license holder for the activities of a market operator that includes the electricity and gas market in the Czech Republic

On October 7, 2015, OTE was appointed by the Energy Regulatory Authority as a nominated electricity market operator (the NEMO), to ensure a unified daily or intraday market coupling. On October 7, 2015, Market Operator also launched market data reporting of OTE's short-term market data into the ACER database (the Agency for the Cooperation of Energy Regulators).

For more information, please visit www.ote-cr.cz.