

Commission Regulation (EU) 2016/1719 of 26 September 2016 establishing
a guideline on forward capacity allocation (Text with EEA relevance)

TITLE II

REQUIREMENTS FOR TERMS, CONDITIONS AND METHODOLOGIES

CHAPTER 5

Harmonised allocation rules

Article 51

Introduction of harmonised allocation rules

1 Within six months after the entry into force of this Regulation, all TSOs shall jointly develop a proposal for harmonised allocation rules for long-term transmission rights pursuant to Article 52(2). The proposal shall be subject to consultation in accordance with Article 6. This proposal shall include regional and bidding zone border specific requirements if developed by the TSOs of each capacity calculation region pursuant to Article 52(3).

2 Once the regional requirements have entered into force, they shall prevail over the general requirements defined in the harmonised allocation rules. In case the general requirements of the harmonised allocation rules are amended and submitted to all regulatory authorities' approval, the regional requirements shall also be submitted to regulatory authorities' approval of the concerned capacity calculation region.

Article 52

Requirements for the harmonised allocation rules

1 The requirements for the harmonised allocation rules for long-term transmission rights shall cover physical transmission rights, FTRs — options and FTRs — obligations. TSOs shall consider and duly take into account specificities related to the different types of products.

2 The harmonised allocation rules for long-term transmission rights shall follow the principles of non-discrimination and transparency and at least contain the following general requirements:

- a harmonised definitions and scope of applications;
- b a contractual framework between the single allocation platform and the market participants including provisions on the applicable law, the applicable language, confidentiality, dispute resolution, liability and *force majeure*;
- c harmonised UIOSI provisions in case of physical transmission rights pursuant to Article 32;
- d a description of the types of long-term transmission rights which are offered, including the remuneration principles pursuant to Article 35;
- e principle description of the applicable nomination rules pursuant to Article 36;

- f harmonised provisions on eligibility and entitlement, suspension and renewal and costs of participation pursuant to Article 37;
 - g a description of the forward capacity allocation process including at least provisions on auction specification, submission of bids, publication of auction results, contestation period and fallback procedures pursuant to Articles 37, 38, 39, 42, 43 and 44;
 - h harmonised provisions on financial requirements and settlement pursuant to Article 41;
 - i harmonised provisions for the return of long-term transmission rights pursuant to Article 43;
 - j harmonised provisions for notification of transfer of long-term transmission rights pursuant to Article 44;
 - k provisions on firmness and compensation rules pursuant to Article 53 and Article 55;
 - l harmonised provisions concerning netting policies and financial collaterals for FTRs — obligations, where applicable.
- 3 The harmonised allocation rules may also contain regional or bidding zone border specific requirements in particular for, but without limitation to:
- a the description of the type of long-term transmission rights which are offered on each bidding zone border within the capacity calculation region pursuant to Article 31;
 - b the type of long-term transmission rights remuneration regime to be applied on each bidding zone border within the capacity calculation region according to the allocation in the day-ahead time frame pursuant to Article 35;
 - c the implementation of alternative coordinated regional fallback solutions pursuant to Article 42;
 - d the regional compensation rules defining regional firmness regimes pursuant to Article 55.