

Congestion revenues management report

Background

1. According to Regulation (EC) No 943/2019 of the European Parliament and of the Council of 5th June 2019 on the internal market for electricity, and in particular article 19 of the Regulation, the Greek Regulatory Authority for Energy (RAE) shall by 1st March each year publish a report presenting the amount and the use of the congestion revenues collected for the 12-month period ending on 31 December of the previous year.
2. The following objectives shall have priority with the respect to the allocation of any revenues resulting from the allocation of cross-zonal capacity:
 - a) guaranteeing the actual availability of the allocated capacity including firmness compensation; or
 - b) maintaining or increasing cross-zonal capacities through optimisation of the usage of existing interconnectors by means of coordinated remedial actions, where applicable, or covering costs resulting from network investments that are relevant to reduce interconnector congestion.
3. Where the priority objectives set out in paragraph 2 have been adequately fulfilled, the revenues may be used as income to be taken into account by RAE when approving the methodology for calculating network tariffs or fixing network tariffs, or both. The residual revenues shall be placed on a separate internal account line until such a time as it can be spent for the purposes set out in paragraph 2.

The use of revenues in accordance with point (a) or (b) of paragraph 2 shall be subject to a methodology proposed by the transmission system operators after consulting regulatory authorities and relevant stakeholders and after approval by ACER.

4. The Greek Transmission System Operator, ADMIE, is responsible for the management of the congestion revenues, resulting from the capacity allocation for the interconnections between Greece and Italy, Albania, FYROM, Bulgaria and Turkey achieved through yearly, monthly and daily auctions. More specifically, the “Joint Allocation Office” (JAO¹) facilitates the explicit auctions (in yearly, monthly and daily resolution) for the interconnector on the border with Italy. ADMIE, for the border with Bulgaria, applies the joint auctions scheme together with the Bulgarian TSO, ESO EAD, with ADMIE performing the yearly and daily auctions. Regarding the borders with Albania and Turkey, the auctions for the allocation of capacity are performed (in yearly, monthly and daily resolution) from “South East Europe Coordinated Auction Office” (SEE CAO²). Finally, for the last border with FYROM, ADMIE is

¹ <http://www.jao.eu/main>

² <http://www.secao.com/>

responsible for allocating only 50% of the interconnection capacity, with the neighboring TSO, namely MEPSO, being responsible for the remaining 50%. In that case, ADMIE facilitates yearly, monthly and daily auctions for the allocation of the capacity.

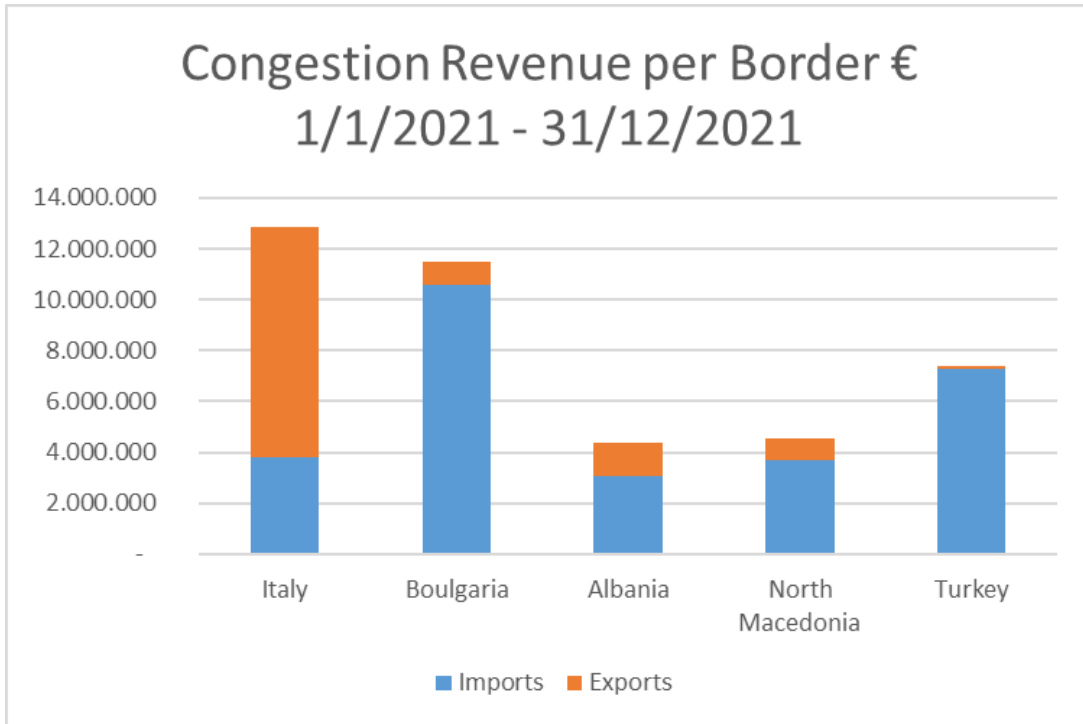
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- c) Each year ADMIE provides RAE with a detailed analysis of the amount of revenues earned through the auctions. The table below presents the revenues per border of the year 2021.

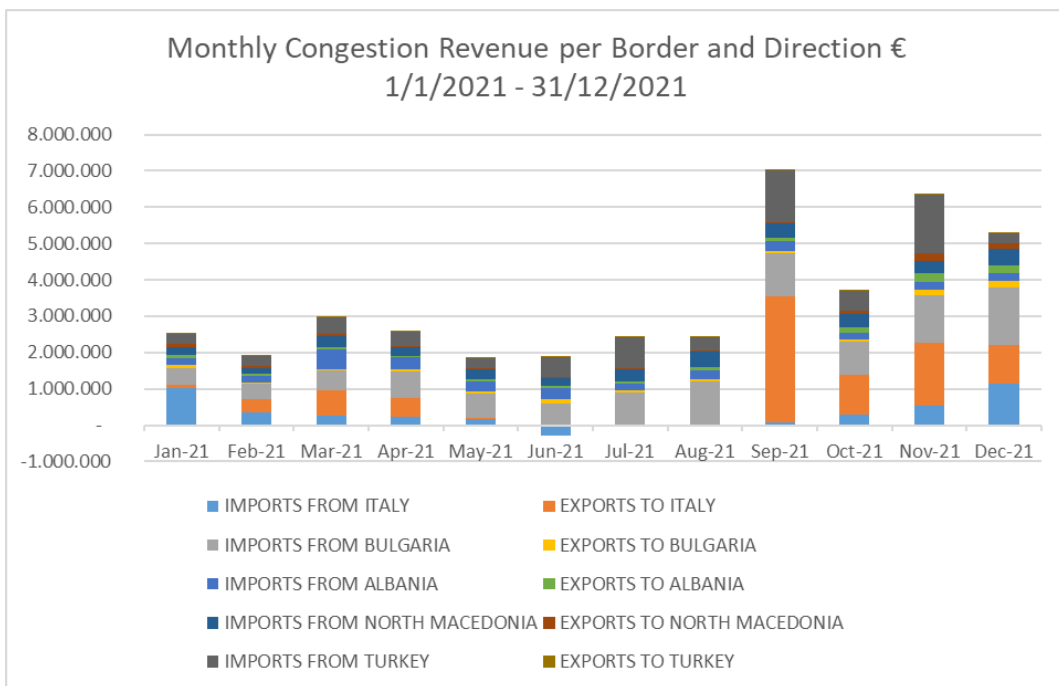
TRANSMISSION RIGHTS NET REVENUES* (€)	IMPORTS FROM ITALY	EXPORTS TO ITALY	IMPORTS FROM BULGARIA	EXPORTS TO BULGARIA	IMPORTS FROM ALBANIA	EXPORTS TO ALBANIA	IMPORTS FROM NORTH MACEDONIA	EXPORTS TO NORTH MACEDONIA	IMPORTS FROM TURKEY	EXPORTS TO TURKEY	TOTAL
Jan-21	1.026.074	98.675	457.050	67.348	180.592	114.026	195.141	87.675	271.193	6.939	2.504.713
Feb-21	347.902	370.311	423.000	43.174	166.909	71.171	156.927	54.529	270.581	9.870	1.914.375
Mar-21	270.030	674.909	549.807	49.123	550.144	51.944	309.682	44.431	471.695	15.560	2.967.325
Apr-21	230.243	509.097	751.618	42.214	330.306	42.691	250.543	22.370	383.351	15.489	2.577.922
May-21	167.437	20.477	674.053	80.461	273.267	51.833	269.181	27.094	270.024	13.731	1.847.558
Jun-21	298.013	10.021	569.686	129.942	307.316	60.642	204.084	41.921	540.041	14.111	1.579.751
Jul-21	43	60	905.392	41.382	194.450	54.569	350.190	29.796	844.301	10.612	2.430.709
Aug-21	24	57	1.217.642	56.262	226.429	88.002	429.715	30.446	361.319	6.833	2.416.729
Sep-21	79.330	3.455.077	1.204.069	56.574	261.886	96.535	393.197	43.886	1.421.945	6.200	7.018.698
Oct-21	285.392	1.088.759	911.902	78.045	176.130	166.115	341.008	102.780	554.165	5.553	3.709.848
Nov-21	538.918	1.735.506	1.313.085	133.209	218.493	237.931	339.373	207.256	1.614.571	3.972	6.342.313
Dec-21	1.139.267	1.080.801	1.573.509	180.956	196.344	237.062	430.723	160.944	269.951	4.292	5.273.850
Year 2021	3.786.561	9.043.750	10.550.811	958.690	3.082.265	1.272.521	3.669.763	853.127	7.273.138	113.164	40.603.790
PERCENTAGE PER INTERCONNECTION AND DIRECTION	9,3%	22,3%	26,0%	2,4%	7,6%	3,1%	9,0%	2,1%	17,9%	0,3%	100,0%
Year 2021	12.830.311,10		11.509.501,07		4.354.786,09		4.522.890,62		7.386.301,34		40.603.790,21
PERCENTAGE PER INTERCONNECTION	31,6%		28,3%		10,7%		11,1%		18,2%		100,0%

The congestion revenues received from January 2021 until December 2021 amounted to 40,6 million €, decreasing by 11,8% compared to the revenues received between January 2020 and December 2020, due to the increase in revenues from exports.

5. The analysis of the revenues shows that 69,9% of the revenues comes from auctions for capacity for imports and 30,1% for exports. The analysis per border shows that 28,3% of the revenues comes from capacity auctions between Greece and Bulgaria, 11,1% from auctions between Greece and North Macedonia, 31,6% from auctions between Greece and Italy, 10,7% from auctions between Greece and Albania, and 18,2% from auctions between Greece and Turkey. Moreover, it should be mentioned that the shares for exports to Bulgaria and Turkey are almost zero.



Additionally, the yearly observations apply mostly also in monthly basis, with the revenues from imports from Italy, Bulgaria and North Macedonia representing the major share of the revenues from the allocation of capacity rights on interconnections.



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6. With the Decision 868, issued on 18/09/2019, RAE set the amount of € **70,000,000**, as the maximum that could be withdrawn from the yearly congestion revenues, when approving network tariffs.
7. In addition, according to the Grid Code, subsection 11.11:
“In the Account Λ-E is registered as revenue the amount collected by the Greek Transmission System Operator, ADMIE, for the allocation of the capacity of interconnections. The total amount collected is available exclusively for the purposes set out in the provisions of the Regulation (EC) No 943/201.”
8. With the Decision **1058/2021**, RAE approved the usage of **€35.326.429,32** respectively, for the reduction of Required Revenue and Transmission Tariffs.