

Nätreglering

Annual report on Congestion revenues according to Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for crossborder exchanges in electricity and repealing Regulation (EC) No 1228/2003

Background

The National Regulatory Authorities, in Sweden the Energy Markets Inspectorate (Ei), shall in accordance with the Regulation /EC) no 714/2009, on an annual basis, and by 31 July each year publish a report on congestion revenues. The report shall set out the amount of revenue collected by Transmission System Operators (TSO) and the use made of the revenues in question, together with verification that the use complies with the Regulation and that the total amount of congestion income is devoted to the prescribed purposes.

Price mechanisms are used to relieve grid congestion (bottlenecks) between price areas. The TSO receives revenues from the allocation of capacity. The method used in the Nordic is implicit auctions through Nord Pool Spot. The congestion revenues are published on monthly basis at Nord Pool Spot's website (currency EUR).

Affärsverket Svenska kraftnät and Baltic Cable AB are TSOs in Sweden. Ei has requested information from the TSOs regarding the amount of revenue collected during the period 1 July 2018 to 30 June 2019 and the use of the revenues.

Affärsverket svenska kraftnät

Affärsverket svenska kraftnät has reported congestion revenues as follows.

Month	Revenue (kSek)
July 2018	33 394
August 2018	115 343
September 2018	114 330
October 2018	279 512
November 2018	244 247
December 2018	175 697

January 2019	124 084
February 2019	79 213
March 2019	91 478
April 2019	66 313
May 2019	126 765
June 2019	370 039
Total	1 820 415

Baltic Cable AB

Baltic Cable AB has reported congestion revenues as follows:

Month	Revenue (kSek)
July 2018	5 778
August 2018	7 992
September 2018	19 594
October 2018	16 450
November 2018	9 320
December 2018	8 413
January 2019	6 506
February 2019	7 576
March 2019	11 618
April 2019	8 984
May 2019	8 999
June 2019	27 449
Total	138 679

The use of collected congestion revenues

Affärsverket Svenska kraftnät

According to Affärsverket svenska kraftnät, collected revenues has been used to guarantee the actual availability of the allocated capacity through counter trading and network investments with the purpose to maintain or increase interconnection capacities. If it is not possible to use all the congestion revenues for this purpose, the surplus will be placed on a separate account line until it can be spent accordingly to the regulation.

Ei can from the information presented by Affärsverket svenska kraftnät conclude that the use of the collected revenues complies with the Regulation. Ei has therefore not found any reason to further investigate Affärsverket svenska kraftnät's use of collected congestion revenues for the above-mentioned period.

Baltic Cable

Ei concluded in 2014 and 2015 that Baltic Cable AB's reporting of the use of revenues from the allocation of interconnection contained explanations that required further analysis. On this basis, Ei further investigated the company's use of the revenues from allocation of interconnector to be able to conclude whether the use of the collected revenues complies with the Regulation.

The result of this investigation was that Ei considered that Baltic Cable's use of the congestions revenues not complied with the Regulation. The investigation also resulted in an imposition of fines directed to Baltic Cable on 9 June 2016. Baltic Cable has appealed Ei's decision and it is currently of judicial review in the Administrative Court. On the 5th of July 2018 the Administrative Court decided to obtain a preliminary ruling from the Court of Justice of the European Union regarding the interpretation of the Regulation (EC) No 714/2009. June 20, 2019, was the public hearing in the European Court of Justice. The Advocate General's will deliver his opinion on October 3, 2019.

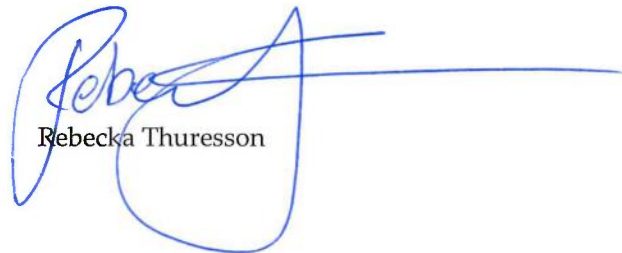
Baltic Cable refers to the ongoing court action regarding the applicability of the Regulation. Baltic Cable understands that Ei is not for the moment handling the corresponding reports on the collected congestion revenues from 2016, 2017 and 2018 as Ei is awaiting the Court's decision on the earlier matters. Baltic Cable has also stated that the collected revenues has been used, among other things, to cover costs for exchanges in electricity and to maintain the availability and allocated transfer capacities of the transmission link. The board then proposes to the annual meeting how the remaining profit should be disposed of.

The decision of the court is crucial for Ei's assessment about whether the congestion revenues are used accordingly to the regulation. Ei has therefore commenced an investigation regarding Baltic Cable's use of the congestion revenues collected in 2016, 2017 and 2018. Ei has however stayed the matters awaiting the decision from the Administrative Court.

This decision has been made by Director General Anne Vadasz Nilsson. Head of Section Rebecka Thuresson was also involved in the final administration of this matter.



Anne Vadasz Nilsson



Rebecka Thuresson