ACER publishes its annual monitoring report on the Inter-Transmission System Operator Compensation mechanism

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​The European Union Agency for the Cooperation of Energy Regulators (ACER) released today its Report on the implementation of the Inter-Transmission System Operator Compensation (ITC) mechanism in 2018.

According to EU legislation, ACER annually reviews the implementation of this mechanism and the management of the ITC Fund established by ENTSO-E for the purpose of compensating Transmission System Operators for the costs incurred on national transmission systems due to hosting cross-border flows of electricity.

The Agency notes in its latest report that the ITC Fund remained relatively stable compared to 2017, amounting to €256.5 million. The volume of losses due to transit, after a significant 20% increase from 2016 to 2017, decreased by 13.7% from 2017 to 2018. In parallel, the weighted average value of losses increased by 14% from 35.36 €/MWh to 40.25 €/MWh, which reversed the trend of a gradual decrease of this value since 2012.

In 2018, the transmission system use fee paid by non-ITC Parties for their scheduled imports from and scheduled exports to the ITC Parties' networks (i.e. Perimeter countries' fee) increased to 0.6 €/MWh and the contribution of the Perimeter countries to the ITC Fund increased to 5.8% (compared to 0.5 €/MWh and 4.6% in 2017).

The full report is available here.