

Press Release

ENTSOG publishes its report on the first cycle of the incremental capacity process

(Brussels, 20 January 2020, PR0201-20) **ENTSOG published today its report outlining monitoring of the first incremental capacity process (initiated in April 2017) and presenting monitoring outcomes, as required by the Capacity Allocation Mechanism Network Code (CAM NC).**

The CAM NC sets the foundation for a streamlined and harmonised Union-wide process to identify and react to possible market-based capacity demand through an increase in the technical capacity or via creating new capacity where none currently exists. In addition, it includes rules for the allocation of incremental capacity and requests the effective cooperation between Transmission System Operators (TSOs) and National Regulatory Authorities (NRAs) for assessing and following the different steps established by the CAM NC.

The incremental capacity process (Chapter V of Regulation (EU) 2017/459 CAM NC) takes place at least in each odd-numbered year and immediately after the start of the annual yearly capacity auction. It consists of two phases: a non-binding phase, where the demand for incremental capacity is assessed, and a binding phase, where commitments for incremental capacity from network users are collected during the yearly auction. When binding commitments are received, the economic viability of the incremental capacity project is assessed through an economic test which is used to determine if an incremental capacity project will be initiated or not.

This report has been prepared by ENTSOG (available on the ENTSOG website, [here](#)) and is based on survey responses collected from 38 ENTSOG members.

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Editorial notes

- > ENTSOG was founded on 1 December 2009 in line with Regulation (EC) 715/2009. The current number of Members, Associated Partners and Observers can be found [at this link](#).