



## **Auction Calendar – Annex 1**

Date

**05.08.2016**

Place

**Leipzig**

Reference

**CAP2 - N.340201/2016/735829/SER/CLIMA.B.1**

## **ANNEX 1 - Adjustments to the auction calendar**

The following conditions provide for adjusting the volumes of individual auctions for the common auction platform pursuant to Article 26(1) (CAP2):

### **1. Arrangements with auctioneers**

Pursuant to Article 22(5) of Regulation (EU) No 1031/2010 (the Auctioning Regulation), allowances to be auctioned on behalf of a Member State shall be withheld from the auctions whenever that Member State does not have in place a duly appointed auctioneer or whenever the arrangements referred to in paragraph 2 of the same Article are not concluded or in force. For the implementation of the auction calendar, EEX is to conduct the auctions for any State as from two weeks of the admission and recognition of the auctioneer, including any withheld allowances to be auctioned. In accordance with point 4 of section 5.4.2 of Annex II to the contract between the European Commission and EEX, the withheld allowances shall be distributed over the next auctions, namely:

- a. In case of general allowances, the allowances shall be evenly distributed over the next four scheduled auctions or the minimum number of auctions that provides for an increase in volume lower than 10% of the original volume of the individual auctions, whichever results in the higher number of auctions.
- b. In case of aviation allowances, allowances which cannot be auctioned in the auction scheduled for 28 Sept 2016 shall be auctioned in the auction scheduled for 23 Nov 2016.

### **2. Contract with Poland**

EEX auctioned on behalf of Poland in its former role as Transitional Common Auction Platform. EEX may also auction on behalf of Poland in its capacity as CAP2 in the absence of an "opt-out auction platform" appointed by Poland pursuant to Article 30(1) of the Auctioning Regulation and listed in the Annex to the Auctioning Regulation pursuant to Article 30(7) of that Regulation. However, the necessary contractual arrangements are currently prepared.

### **3. EEA-EFTA States<sup>1</sup>**

The auctioning calendar does not include volumes to be auctioned for EEA-EFTA States. Preparations of the auctions for these States are on-going. It remains to be decided whether the volumes would be aggregated to the volumes to be auctioned for the participating Member States or whether separate auctions would be held, potentially aggregating the volumes of the three EEA-EFTA States.

### **4. Cancellation of auctions**

In case one or more auctions were cancelled according to Auction Regulation Article 7(5) (i.e. the total volume of bids falls short of the total volume of auctioned allowances), Article 7(6) (i.e. the auction clearing price is significantly under the price on the secondary market) or Article 9 (i.e. other circumstances preventing the conduct of the auctions), the number over which the combined volume must be distributed as set out in the Auctioning Regulation under Article 7(8) and Article 9, namely:

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<sup>1</sup> State that is a member of the European Free Trade Association (hereafter "EFTA") that forms part of the European Economic Area (hereafter "EEA"), i.e. Iceland, Liechtenstein and Norway.

- a. In case of general allowances, the number of auctions over which the combined volume to be auctioned must be distributed shall equal four times the number of auctions that were cancelled.
- b. In case of aviation allowances, the number of auctions over which the combined volume to be auctioned must be distributed shall equal two times the number of auctions that were cancelled.

As set out in Article 45(5) of the Auctioning Regulation, in the event of a failure of settlement the allowances concerned shall be auctioned at the next two auctions scheduled.

#### **Additional notes**

- In accordance with the second sub-paragraph of Article 8(4) of the Auctioning Regulation, EEX in its capacity as CAP2 has determined that no other auction platform shall conduct an auction under this Regulation on Tuesdays and Thursdays.
- Article 14(1) of the Auctioning Regulation provides for various situations where the present auction calendar may need to be modified. EEX will determine and publish an adjusted auction calendar as soon as the precise manner in which the modification to be implemented is provided.