



Auction Calendar – Annex 1

Date

01.11.2016

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 appointed pursuant to Article 26(1) of Regulation (EU) No 1031/2010 (the Auctioning Regulation) (CAP2):

1. Arrangements with auctioneers

Pursuant to Article 22(5) of 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. Withheld allowances will be auctioned as soon as practicable after the appointment and arrangements are in force, and distributed over the next auctions, in accordance with point 4 of section 5.4.2 of Annex II to the contract¹ between the European Commission and EEX, which provides that the withheld 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, unless, due to specific circumstances different modalities are approved by the Commission following a contractor proposal with a view to avoiding any negative impact on the auctions..

2. Contract with Poland

The auction calendar does not include the volumes to be auctioned for Poland. EEX auctioned on behalf of Poland in its former role as Transitional Common Auction Platform pursuant to Article 26(1) of the Auctioning Regulation. 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. The necessary contractual arrangements are currently being finalized.

3. Aviation allowances

The auction calendar now published does not yet include the volumes of aviation allowances to be auctioned in 2017.

4. EEA-EFTA States²

The auctioning calendar does not include volumes to be auctioned for EEA-EFTA States. The three EEA-EFTA states will also contract EEX for the auctioning of their allowances. Preparations of the auctions for these States are on-going and the corresponding volumes are currently withheld.

5. Cancellation of auctions

In case one or more auctions were cancelled according to 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

¹ Cf. model service contract and related tender documents: https://ec.europa.eu/clima/tenders/2012/095297_en.htm

² 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.

significantly under the price on the secondary market) or Article 9 (i.e. other circumstances preventing the conduct of the auctions) of the Auctioning Regulation, the number over which the combined volume must be distributed in accordance with Article 7(8) and Article 9 of the Auctioning Regulation, namely:

- 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.