

COMMISSION REGULATION (EU) 2017/2195 **establishing a guideline on electricity** **balancing**

1st Technical Workshop on incorporation in **the Energy Community**

Energy Community Secretariat
5 May 2022

✓ **Subject**

- a detailed guideline on electricity balancing including the establishment of common principles for the procurement and the settlement of frequency containment reserves (FCR), frequency restoration reserves (FRR) and replacement reserves (RR) and a common methodology for the activation of FRR and RR

✓ **Scope**

- apply to all transmission systems and interconnections in the EnC except the transmission systems that are not connected with other transmission systems via interconnections
- Apply to TSOs, DSOs, ACER, ECRB, ENTSO-E, third parties to whom responsibilities have been delegated

✓ **Main principles**

- Transparency, proportionality, non-discrimination, market-based mechanisms, European standards and technical specifications

✓ Definitions

- Remain unchanged

✓ Electricity Balancing Market (Title II)

- Functions and responsibilities of TSOs, DSOs, BSPs, BRPs
- Terms and conditions related to balancing
- **EnC CPs TSOs to use European platforms established in accordance with Regulation 2017/2195 for**
 - Exchange of balancing energy from replacement reserves (TERRE platform) (by 1 year after entry into force)
 - Imbalance netting (IGCC) (by 1 year after entry into force)
 - Exchange of balancing energy from frequency restoration reserves with manual activation (mFRR) (MARI platform) (by 2 year after entry into force)
 - Exchange of balancing energy from frequency restoration reserves with automatic activation (PICASSO) (by 2 years after entry into force)
- Cost sharing between TSOs in different MSs and CPs

✓ Procurement of balancing services (Title III)

Balancing energy

- Activation of balancing energy bids from common merit order list
- Pricing for balancing energy that results from the activation of balancing energy bids for FRR and RR
- **EnC CPs TSOs shall apply the activation optimization function established in accordance with Regulation 2017/2195 (Art 31) >> deleted Article 58 (1) defining development of algorithms**

Balancing capacity

- Procurement rules
- Exchange and transfer of balancing capacity

TSO-BSP model

- Exchange of balancing services

✓ **Cross-zonal capacity for balancing services (Title IV)**

Exchange of balancing energy or imbalance netting process

- Use of cross-zonal capacity and cross-zonal capacity calculation

Exchange of balancing capacity or sharing of reserves

- All TSOs shall apply the methodology for the allocation process of CZC as per Article 38(3) which is to be adopted by the end of 2022 as EU methodology >> Articles 39, 40, 41 and 42 deleted

✓ **Settlement (Title V)**

- Settlement principles, settlement of balancing energy

Settlement of the exchanges of energy between TSOs

- All TSOs intentionally exchanging energy within the Continental Europe SA shall apply the common TSO-TSO settlement rules for the intended exchanges of energy (Art 50)
- All TSOs of the Continental Europe SA shall apply a common settlement rules to all unintended exchanges (Art 51)

Imbalance settlement - one year after entry into force ISP to 15 min

✓ Reporting (Title VII)

European report on integration of balancing markets (Art 59)

- When monitoring the implementation of Commission Regulation (EU) 2017/2195 in accordance with its Article 59, the ENTSO for Electricity, acting in accordance with Article 3 of Procedural Act No 2022/2/MC-EnC, shall extend this report to include the Contracting Parties, where feasible.

✓ Monitoring (Title IX, Article 63)

- The Secretariat shall monitor the implementation of this Regulation by the Contracting Parties



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FOR YOUR ATTENTION

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