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Request for Amendment by All Regulatory Authorities in Capacity Calculation Region Hansa

on

**Capacity Calculation Region Hansa TSOs' methodology
for common provisions for regional operational security
coordination in accordance with Articles 76 and 77 of
the Commission Regulation (EU) 2017/1485 of 2 August
2017 establishing a guideline on electricity
transmission system operation.**

20 July 2020

Introduction

The Hansa Transmission System Operators (hereinafter TSOs) are the German TSOs, TenneT TSO GmbH and 50Hertz Transmission GmbH, the Dutch TSO, TenneT TSO NL BV, the Danish TSO, Energinet, the Swedish TSO, Svenska kraftnät, and the Polish TSO, Polskie Sieci Elektroenergetyczne S.A.

The Hansa TSOs cooperate with the Norwegian TSO, Statnett, on the development of the regional terms, conditions, and methodologies, which the Hansa TSOs are obliged to submit for regulatory approval. The Hansa TSOs submitted the proposal for a common methodology for regional operational security coordination (hereinafter ROSC) in accordance with Article 76(1) and Article 77 of the “Commission Regulation (EU) 2017/1485 of 2 August 2017” establishing a guideline on electricity transmission system operation (hereinafter “SO GL”).

The last national regulatory authority (hereinafter NRA) of Capacity calculation region Hansa (hereinafter CCR Hansa) received the submitted proposal 7 February 2020¹. The legal deadline for the NRA to reach an agreement on the submitted proposal is six months starting from 7 February 2020. Therefore a decision is due by 7 August 2020.

On 20 March 2020 the CCR Hansa NRAs sent informal questions and comments to the CCR Hansa TSOs on the submitted ROSC proposal. The TSOs delivered answers to the NRAs on 12 May 2020.

NRAs Agreement

This document elaborates an agreement of all Regulatory Authorities in CCR Hansa, dated 20 July 2020, on Capacity Calculation Region Hansa TSOs' methodology for common provisions for regional operational security coordination in accordance with Articles 76 and 77 of the Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation.

This agreement of the NRAs shall provide evidence that a decision on the ROSC Proposal does not need to be adopted by ACER pursuant to Article 6(8) of SO GL at this stage. This document is intended to constitute the basis on which all NRAs will each subsequently request an amendment to the ROSC Proposal pursuant to Article 7(1) of SO GL.

¹ The English version of the ROSC proposal was submitted 20 December 2019, in line with the legal deadline in the SO GL. Due to German national legislation a German version should be submitted to the German NRA. The German version was submitted 7 February 2020.

NRAs' position

The NRAs, generally support the submitted proposal and have identified the following topics which the NRAs pursuant to SO GL Article 7(1) will request the TSOs to take into account and amend the ROSC proposal accordingly.

1. **Topic: Inclusion of provisions on the (continuing) sharing of results between RSCs (ROSC art. 12(1) and 12(6))**

NRAs position: The TSOs have provided answers to the NRAs on 12 May 2020. The TSOs have answered that Regional Security Centers (hereinafter RSCs), are to exchange information on their respective CROSA at defined timeframes or ad hoc if necessary. Since both Core and Nordic CROSA are time-based processes, it would make sense that both RSCs share the intermediate reports and security/RAO results during the CROSA processes to allow both RSCs and relevant TSOs to be updated on any relevant information.

The NRAs find it important, that the ROSC proposal for CCR Hansa includes provisions that address the need for RSCs to share the intermediate reports to ensure consistent and updated datasets that are available to both RSCs and TSOs.

The NRAs base their assessment on the proposed interim solution, where the security coordination process are shared between TSCNET and Nordic RSC due to the non-alignment of the Common grid models (hereinafter CGM) for CCR Nordic and CCR Core.

The NRAs assess that the inclusion of provisions on the sharing of results are required to fulfil the legal requirement set in SO GL Article 76(1)(a) in terms of alignment of the CGM

***Actions required:* The NRAs request the TSOs to include provisions on the inter-RSC sharing of intermediate reports and security/RAO results during the CROSA processes.**

2. **Topic: Inclusion of provision on governance (art. 77(1)(b) and art. 77(1)(c)(iii) SO GL)**

NRA position: The NRAs assess that the submitted ROSC proposal does not contain provision on governance in line with the requirement in SO GL Article 77(1)(b) and 77(1)(c)(iii).

The NRAs are aware of the upcoming proposals on Regional Coordination Centers (hereinafter RCC), which will include provisions on governance in line with (EU) regulation 2019/943 Article 35.

The RCC will replace the RSC structure from 1 July 2022 onwards. This means that provisions on governance included in the RCC proposal will apply from 1 July 2022.

The NRAs identify a need for provisions on governance of the RSC until the provisions on the RCC apply from 1 July 2022.

The provisions must ensure equitable treatment of all member-TSOs, and in a transparent way address effective coordination and decision making processes to resolve conflicting positions between the RSCs in CCR Hansa.

***Actions required:* The NRAs request the TSOs to include provisions on governance as described above in terms of addressing governance until 1 July 2022.**

3. **Topic: Inclusion of thresholds - ROSC Article 15(6)**

NRAs position: In the ROSC proposals Article 15(6) the RSC can propose to include additional network elements in the security coordination process.

In an e-mail dated 28 June 2020 Hansa TSOs provided the information to NRAs that the recommendation referred to in article 15(6) can be made based on the RSC's experience and operational knowledge and is not bound to certain restrictions a priori. To justify their position RSCs can use influence computation methods introduced in the CSA methodology following the proposed thresholds.

To fulfil the requirement of transparency the NRAs ask the TSOs to include these prerequisites provided in the e-mail of 28 June 2020 in the ROSC proposal.

Actions required: The NRAs request the TSOs to include provisions, which states parameters and prerequisites to be used in order to identify which network elements a RSC can propose to include in the security coordination process.

4. Topic: **Defining substitutional rules (ROSC art. 14(2))**

NRAs position: The current wording of ROSC proposal article 14(2) does not provide the substitutional rules to be used for CCR Hansa.

The NRAs find it important that the TSOs provide the substitutional rules that shall apply to CCR Hansa.

Actions required: The NRAs request the TSOs to provide the substitutional rules that shall be used for CCR Hansa.

5. Topic: **Timescale for implementation of CGM (article 27 ROSC)**

NRAs position: In the informal questions sent by the NRAs on 20 March 2020, the NRAs addressed the ROSC Article 27.

In terms of Article 27(1)(b) the TSOs have answered that article 27(1)(b) relates to the regional CGM for CCR Hansa. Currently different formats for IGM and CGM are used by Hansa TSOs. The ROSC Article 27(1)(b) does not refer to the European level CGM.

The NRAs ask the TSOs to amend article 27(1)(b) in accordance with the answer provided to the NRAs on 12 May 2020, so it becomes clear that the article refers to a regional CGM.

The NRAs ask for further clarification on what constitutes a regional CGM for CCR Hansa. The NRAs have the understanding that the necessary data for the security coordination of CCR Hansa is coming from CCR Core and CCR Nordic (delivered in different file-formats to TSCNET and Nordic RSC respectively). How are these data to be merged into a regional CGM for CCR Hansa?

The NRAs assess that the above mentioned changes are necessary to fulfil the requirement of Article 6(6) SO GL.

Actions required: The NRAs request the TSOs to amend Article 27(1)(b) in accordance with the answer provided to the NRAs on 12 May 2020 and clarify within the ROSC proposal what constitutes a regional CGM for CCR Hansa.

6. Topic: **Terminology of network elements (article 15 ROSC)**

NRA position:

In NRAs understanding there is no clear distinction between “scanned elements” and “other elements”. Besides, “scanned elements” are defined in article 2 but the term is not used in the methodology while “other elements” are used but not defined in article. 2.

In addition, NRAs welcome an aligned concept of secured and scanned elements which is used in relevant CCRs.

Actions required:

NRAs request a clear and consistent use of the terminology in the aligned concepts and welcome further illustrations of the subsets in the explanatory document.

7. Topic: **Reference to Articles 35 and 74 of Regulation (EU) 2015/1222 (article 76 SO GL)**

NRA position:

According to Art. 76 (1) SO GL the ROSC proposal is supposed to complement the methodologies for redispatch (Art. 35 und 74 CACM GL). The current ROSC proposal is lacking of clear references to both mentioned methodologies and indications which provisions do complement them.

Actions required:

NRAs request HANSA TSOs to make a clear reference to the redispatch methodologies according to Art. 35 and 74 of CACM Guideline and to clearly indicate which provisions do complement them.

Conclusions

The NRAs of CCR Hansa have assessed, consulted and closely cooperated to reach an agreement to request an amendment to the TSOs' Proposal concerning ROSC Methodology pursuant to Article 76 and 77 of SO GL. The proposal shall be amended in line with the requested actions stated above. In accordance with Article 7(1) of SO GL, the amended proposal shall be submitted by the TSOs to the NRAs no later than 2 months following the last national decision to request an amendment.

Legal provisions

COMMISSION REGULATION (EU) 2017/1485 OF 2 AUGUST 2017" ESTABLISHING A GUIDELINE ON ELECTRICITY TRANSMISSION SYSTEM OPERATION

Article 4(1)

This Regulation aims at:

- (a) *determining common operational security requirements and principles;*
- (b) *determining common interconnected system operational planning principles;*
- (c) *determining common load-frequency control processes and control structures;*
- (d) *ensuring the conditions for maintaining operational security throughout the Union;*
- (e) *ensuring the conditions for maintaining a frequency quality level of all synchronous areas throughout the Union;*
- (f) *promoting the coordination of system operation and operational planning;*
- (g) *ensuring and enhancing the transparency and reliability of information on transmission system operation;*
- (h) *contributing to the efficient operation and development of the electricity transmission system and electricity sector in the Union.*

Article 5(1)

TSOs shall develop the terms and conditions or methodologies required by this Regulation and submit them for approval to the competent regulatory authorities in accordance with Article 6(2) and (3) or for approval to the entity designated by the Member State in accordance with Article 6(4) within the respective deadlines set out in this Regulation.

Article 6(3)

The proposals for the following terms and conditions or methodologies shall be subject to approval by all regulatory authorities of the concerned region, on which a Member State may provide an opinion to the concerned regulatory authority:

(...)

- (b) common provisions for each capacity calculation region for regional operational security coordination in accordance with Article 76;

Article 6(6)

The proposal for terms and conditions or methodologies shall include a proposed timescale for their implementation and a description of their expected impact on the objectives of this Regulation. Proposals on terms and conditions or methodologies subject to the approval by several or all regulatory authorities shall be submitted to the Agency at the same time that they are submitted to regulatory authorities. Upon request by the competent regulatory authorities, the Agency shall issue an opinion within 3 months on the proposals for terms and conditions or methodologies.

Article 6(7)

Where the approval of the terms and conditions or methodologies requires a decision by more than one regulatory authority, the competent regulatory authorities shall consult and closely cooperate and coordinate with each other in order to reach an agreement. Where the Agency issues an opinion, the competent regulatory authorities shall take that opinion into account. Regulatory authorities shall take decisions concerning the submitted terms and conditions or methodologies in accordance with paragraphs (2) and (3), within 6 months following the receipt of the terms and conditions or methodologies by the regulatory authority or, where applicable, by the last regulatory authority concerned.

Article 7(1)

Where one or several regulatory authorities require an amendment in order to approve the terms and conditions or methodologies submitted in accordance with paragraphs 2 and 3 of Article 6, the relevant TSOs shall submit a proposal for amended terms and conditions or methodologies for approval within 2 months following the requirement from the regulatory authorities. The competent regulatory authorities shall decide on the amended terms and conditions or methodologies within 2 months following their submission.

Article 11

1. TSOs responsible for submitting proposals for terms and conditions or methodologies or their amendments in accordance with this Regulation shall consult stakeholders, including the relevant authorities of each Member State, on the draft proposals for terms and conditions or methodologies listed in Article 6(2) and (3). The consultation shall last for a period of not less than 1 month.
2. The proposals for terms and conditions or methodologies submitted by the TSOs at Union level shall be published and submitted to public consultation at Union level. Proposals submitted by the TSOs at regional level shall be submitted to public consultation at least at regional level. Parties submitting proposals at bilateral or at multilateral level shall carry out a public consultation at least in the Member States concerned.
3. The TSOs responsible for developing the proposal for terms and conditions or methodologies shall duly take into account the views of stakeholders resulting from the consultations prior to its submission for regulatory approval. In all cases, a sound justification for including or not including the views resulting from the consultation shall be provided together with the submission of the proposal and published in a timely manner before, or simultaneously with the publication of the proposal for terms and conditions or methodologies.

Article 76

1. By 3 months after the approval of the methodology for coordinating operational security analysis in Article 75(1), all TSOs of each capacity calculation region shall jointly develop a proposal for common provisions for regional operational security coordination, to be applied by the regional security coordinators and the TSOs of the capacity calculation region. The proposal shall respect the methodologies for coordinating operational security analysis developed in accordance with Article 75(1) and complement where necessary the methodologies developed in accordance with Articles 35 and 74 of Regulation (EU) 2015/1222. The proposal shall determine:
 - (a) conditions and frequency of intraday coordination of operational security analysis and updates to the common grid model by the regional security coordinator;
 - (b) the methodology for the preparation of remedial actions managed in a coordinated way, considering their cross-border relevance as determined in accordance with Article 35 of Regulation (EU) 2015/1222, taking into account the requirements in Articles 20 to 23 and determining at least
 - (i) the procedure for exchanging the information of the available remedial actions, between relevant TSOs and the regional security coordinator;
 - (ii) the classification of constraints and the remedial actions in accordance with Article 22;
 - (iii) the identification of the most effective and economically efficient remedial actions in case of operational security violations referred to in Article 22;
 - (iv) the preparation and activation of remedial actions in accordance with Article 23(2);
 - (v) the sharing of the costs of remedial actions referred to in Article 22, complementing where necessary the common methodology developed in accordance with Article 74 of Regulation (EU) 2015/1222. As a general principle, costs of non-cross-border relevant congestions shall be borne by the TSO responsible for the given control area and costs of relieving cross-border-relevant congestions shall be covered by TSOs responsible for the control areas in proportion to the aggravating impact of energy exchange between given control areas on the congested grid element.
2. In determining whether congestion have cross-border relevance, the TSOs shall take into account the congestion that would appear in the absence of energy exchanges between control areas.

Article 77

1. The proposal of all TSOs of a capacity calculation region for common provisions for regional operational security coordination pursuant to Article 76(1) shall also include common provisions concerning the organisation of regional operational security coordination, including at least:
 - (a) the appointment of the regional security coordinator(s) that will perform the tasks in paragraph 3 for that capacity calculation region;
 - (b) rules concerning the governance and operation of regional security coordinator(s), ensuring equitable treatment of all member TSOs;
 - (c) where the TSOs propose to appoint more than one regional security coordinator in accordance with subparagraph (a):
 - (i) a proposal for a coherent allocation of the tasks between the regional security coordinators who will be active in that capacity calculation region. The proposal shall take full account of the need to coordinate the different tasks allocated to the regional security coordinators;
 - (ii) an assessment demonstrating that the proposed setup of regional security coordinators and allocation of tasks is efficient, effective and consistent with the regional coordinated capacity calculation established pursuant to Articles 20 and 21 of Regulation (EU) 2015/1222;
 - (iii) an effective coordination and decision making process to resolve conflicting positions between regional security coordinators within the capacity calculation region.
2. When developing the proposal for common provisions concerning the organisation of regional operational security coordination in paragraph 1, the following requirements shall be met
 - (a) each TSO shall be covered by at least one regional security coordinator;
 - (b) all TSOs shall ensure that the total number of regional security coordinators across the Union is not higher than six
3. The TSOs of each capacity calculation region shall propose the delegation of the following tasks in accordance with paragraph 1:
 - (a) regional operational security coordination in accordance with Article 78 in order to support TSOs fulfil their obligations for the year-ahead, day-ahead and intraday time-frames in Article 34(3) and Articles 72 and 74;
 - (b) building of common grid model in accordance with Article 79;
 - (c) regional outage coordination in accordance with Article 80, in order to support TSOs fulfil their obligations in Articles 98 and 100;
 - (d) regional adequacy assessment in accordance with Article 81 in order to support TSOs fulfil their obligations under Article 107.
4. In executing its tasks, a regional security coordinator shall take account of data covering at least all capacity calculation regions for which it has been allocated tasks, including the observability areas of all TSOs in those capacity calculation regions.
5. All regional security coordinators shall coordinate the execution of their tasks in order to facilitate the fulfilment of the objectives of this Regulation. All regional security coordinators shall ensure the harmonization of processes and, where duplication is not justified by reasons of efficiency or by the need to ensure continuity of service, the creation of joint tools to ensure efficient cooperation and coordination between the regional security coordinators.

Article 78

1. Each TSO shall provide the regional security coordinator with all the information and data required to perform the coordinated regional operational security assessment, including at least
 - (a) the updated contingency list, established according to the criteria defined in the methodology for coordinating operational security analysis adopted in accordance with Article 75(1);
 - (b) the updated list of possible remedial actions, among the categories listed in Article 22, and their anticipated costs provided in accordance with Article 35 of Regulation (EU) 2015/1222 if a remedial action includes redispatching or countertrading, aimed at contributing to relieve any constraint identified in the region; and
 - (c) the operational security limits established in accordance with Article 25.
2. Each regional security coordinator shall:
 - (a) perform the coordinated regional operational security assessment in accordance with Article 76 on the basis of the common grid models established in accordance with Article 79, the contingency list and the operational security limits provided by each TSOs in paragraph 1. It shall deliver the results of the coordinated regional operational security assessment at least to all TSOs of the capacity calculation region. Where it detects a constraint, it shall recommend to the relevant TSOs the most effective and economically efficient remedial actions and may also recommend remedial actions other than those provided by the TSOs. This recommendation for remedial actions shall be accompanied by explanations as to its rationale;
 - (b) coordinate the preparation of remedial actions with and among TSOs in accordance with Article 76(1)(b), to enable TSOs achieve a coordinated activation of remedial actions in real-time.
3. When performing the coordinated regional operational security assessment and identifying the appropriate remedial actions, each regional security coordinator shall coordinate with other regional security coordinators.
4. When a TSO receives from the relevant regional security coordinator the results of the coordinated regional operational security assessment with a proposal for a remedial action, it shall evaluate the recommended remedial action for the elements involved in that remedial action and located in its control area. In so doing, it shall apply the provisions of Article 20. The TSO shall decide whether to implement the recommended remedial action. Where it decides not to implement the recommended remedial action, it shall provide an explanation for this decision to the RSC. Where the TSO decides to implement the recommended remedial action, it shall apply this action for the elements located in its control area provided that it is compatible with real-time conditions.

Article 79

1. Each regional security coordinator shall check the quality of the individual grid models in order to contribute to building the common grid model for each mentioned time-frame in accordance with the methodologies referred to in Articles 67(1) and 70(1)
2. Each TSO shall make available to its regional security coordinator the individual grid model necessary to build the common grid model for each time-frame through the ENTSO for Electricity operational planning data environment.
3. Where necessary, each regional security coordinator shall request the TSOs concerned to correct their individual grid models in order to achieve their conformity with the quality controls and for their improvement.
4. Each TSO shall correct its individual grid models, after verifying the need for correction if applicable, on the basis of the requests of the regional security coordinator or another TSO.
5. In accordance with the methodologies referred to in Articles 67(1) and 70(1), and in accordance with Article 28 of Regulation (EU) 2015/1222, a regional security coordinator shall be appointed by all TSOs to build the common grid model for each time-frame and store it on the ENTSO for Electricity operational planning data environment.