

16th Electricity Balancing Stakeholder Group (EBSG) Meeting

Date: 21 Apr 2021
Time: 9:00 – 13:00
Place: Telco

Participants

No.	Surname	Name	Company	Present (Y/N):
1.	De Wit	Paul	CEDEC/Alliander	Y
2.	Maes	Guillaume	EFET	Y
3.	Janson	Stefan	EFET/ENBW	Y
4.	Biglia	Lorenzo	EFET	Y
5.	Phulpin	Yannick	EURELECTRIC/EDF	Y
6.	Afthab Olikathodi	Mohammed Abi	EURELECTRIC	Y
7.	Beavor	Edmund	EUROPEX	Y
8.	Wood	Chris	Elxon	Y
9.	Pinto-Bello	Andres	Smarten	Y
10.	Erhartova	Pavla	OTE	Y
11.	Lemoyne	Thierry	Arkema	Y
12.	Sonhs	Stefan	Westnetz	Y
13.	Maes	Guillaume	Engie	Y
14.	Schittekatte	Tim	EUI	Y
15.	Webb	Christopher	BOC	Y
16.	Knop	Torsten	E.DSO (E.ON)	Y
17.	Maenhoudt	Marjin	CREG	Y
18.	Karlis	Pigens	SPRK	Y
19.	Woithe	Marie	Bnetza	Y
20.	Behrens	Simon	Bnetza	Y
21.	Kabinger	Alexander	E-control	Y
22.	Lanikova	Denisa	Urso	Y
23.	Rossi	Stefano	ARERA	Y
24.	Balardy	Clara	CRE	Y
25.	Fransen	Mathieu	ACER	Y
26.	Tellidou	Athina	ACER	Y
27.	Radanovic	Heni	ACER	Y
28.	Dion-Demaël	Michèle	ENTSO-E	Y
29.	Kasper	Ulf	ENTSO-E	Y
30.	Avramiotis	Iason	ENTSO-E	Y
31.	Marcina	Kristine	ENTSO-E	Y
32.	Hommes	Klaas	ENTSO-E	

No.	Surname	Name	Company	Present (Y/N):
33.	Remppis	Simon	ENTSO-E	Y
34.	Pflanzer	Vaclav	ENTSO-E	Y
35.	De Haan	Jerom	ENTSO-E	Y
36.	Steber	David	ENTSO-E	Y
37.	Zajac	Tomáš	ENTSO-E	Y
38.	Ott	Tobias	ENTSO-E	Y
39.	Grüneberg	Axel	ENTSO-E	Y
40.	Kamp Bräuner	Line	ENTSO-E	Y
41.	Vakhtangishvili	Nino	ENTSO-E	Y

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Minutes

1. Opening

ACER (Athina Tellidou) welcomes participants and introduces the agenda.

2. Balancing platform implementation update

2.2. MARI

ENTSO-E (Ulf Kasper) presents MARI project overview (including planning, status, milestones and workstreams), project management (governance and risks), and outlook for the next steps.

EURELECTRIC (Yannick Phulpin) asks about testing the transparency solution as the data that is being published makes it difficult to understand price formation. Specifically, whether the MARI project foresees testing of the transparency publications and plan to involve stakeholders to get feedback on the quality or utility of the published data.

ENTSO-E (Ulf Kasper) responds that this question applies more to TERRE than to MARI because MARI allows for more complex bids. MARI project will follow up on the lessons learnt from TERRE. He adds that the MARI project foresees the local testing in the system by each TSO, but the ENTSO-E Transparency Platform team should address the part of the question related to the Transparency Platform. ENTSO-E (Kristine Marcina) notes that this question will be addressed outside of this meeting because no one from the Transparency Platform team is present in the call.

ENTSO-E (Michèle Dion-Demaël) asks to clarify whether EURELECTRIC (Yannick Phulpin)'s question is IT-related or data quality related. EURELECTRIC (Yannick Phulpin) confirms that both dimensions are included in his question. However, mainly, his question relates to the data quality as the way it is published is not complete, and the Transparency Platform data currently needs to be supplemented by the nationally published data. ENTSO-E (Michèle Dion-Demaël) notes that the Balancing team will check with the Transparency Platform team at ENTSO-E what can be done.

→ A dedicated workshop to be organised on related Transparency Platform topic by Q4.

2.3. PICASSO

ENTSO-E (Simon Remppis) presents PICASSO updates, including a high-level project plan, project overview and accession roadmap.

EURELECTRIC (Yannick Phulpin) asks what is the motivation for TSOs to request the derogation and when shall the derogated TSOs join the platforms. ENTSO-E (Simon Remppis) responds that the rationale for derogation is typically of a technical and market design nature; in some cases, significant changes to the local systems are required, and it may take longer than expected, which is now also delayed due to the COVID-19 pandemic. ENTSO-E (Michèle Dion-Demaël) also adds that the EB Regulation foresees derogations because the time between approval and go-live dates is relatively short, so derogation is a normal process.

ACER (Athina Tellidou) clarifies that several requirements need to be fulfilled for the request for a derogation to be approved; it should also be understood that there should be objective difficulties for joining the platform in time, and these should be assessed by the regulatory authorities.

2.4. IGCC

ENTSO-E (Iason Avramiotis) presents the IGCC project overview, accession planning, cross-platform activities, next steps and effectiveness of IGCC.

EURELECTRIC (Yannick Phulpin) asks if there is any plan to include TSOs of other synchronous areas into IGCC. ENTSO-E (Iason Avramiotis) responds that EB Regulation includes at least TSOs of Continental Europe, so, at the moment, there is no plan. He adds, however, that when other TSOs outside of Continental Europe have technical readiness to connect, it can be requested and

reviewed by IGCC. He further adds that HVDC cables within the synchronous area of Continental Europe are currently considered to be included in the IGCC, and therefore further experience will be gained.

EFET (Stephan Janson) asks to elaborate on the overlook for the IGCC after the PICASSO go-live, specifically, whether the IGCC will eventually be integrated into the PICASSO as pre-netting is also included in PICASSO. ENTSO-E (Iason Avramiotis) responds that, there are two sides, from a technical side, the two processes will be designed sequentially, i.e., both can take place in the IT tool (first, implicit netting (PICASSO) and then, explicit netting (IGCC), and then distribution of final demands for activation (PICASSO)), and therefore can work together. The other side, after all IGCC TSOs become also PICASSO TSOs, the IT tool will only do implicit netting, and explicit netting will not be needed anymore, as there will be no further netting potential to be used.

EFET (Guillaume Maes) asks how the HVDC cables, especially those within Continental Europe (e.g., the ALEGrO line between Belgium and Germany), will be included in the IGCC system and when. ENTSO-E (Iason Avramiotis) confirms that indeed the ALEGrO cable was integrated into the IGCC algorithm recently but is still currently in the transition phase, testing the technical constraints and getting experience from its operation.

2.5. TERRE

ENTSO-E (Tobias Ott) presents updates on the TERRE project, including RR process and Libra platform, RR Implementation Framework amendment, and KPIs.

EFET (Lorenzo Biglia) asks about the ongoing TERRE investigation about data transparency. ENTSO-E (Tobias Ott) clarifies that the mentioned investigations are not about the data published on the transparency platform, but they are rather about the clearing results themselves. There were a few clearing outcomes that are fully in line with current market rules but are not easy to understand. The TERRE project is currently looking into that if and how such situations could be avoided.

→ The TERRE project to provide updates in next EBSG on clearing results investigation.

2.6. CMM

ENTSO-E (Tomáš Zajac) introduces the topic of the Capacity Management Implementation project and how it relates to other Balancing platforms.

EURELECTRIC (Yannick Phulpin) asks about the interaction of the CMM with intra-day markets, i.e., whether intra-day gate closure time happens before CMM. ENTSO-E (Tomáš Zajac) responds that, in general, CMM is expected to happen after an intra-day timeframe; on some borders not included in the RR process, the CMM is not affected. EURELECTRIC (Yannick Phulpin) asks about the MARI process. ENTSO-E (Tomáš Zajac) responds that he is not aware of an issue caused to MARI by the CMM, but he can confirm after this meeting.

ACER (Athina Tellidou) asks whether, if some borders do have a later gate closure time, the CMM can use data from the later step. ENTSO-E (Tomáš Zajac) says that it is not currently expected that

the data will be coming from the intra-day, but it can be investigated further. ACER (Athina Tellidou) notes that EB Regulation requires that the capacity available in the intra-day should be used.

EURELECTRIC (Yannick Phulpin) asks whether TSOs could make available their ATC for the exchange of balancing energy even if they are not participating in the concerned platform. ENTSO-E (Tomáš Zajac) notes that this is the point for discussion for the platforms (i.e., whether any additional borders should be included) because CMM only takes existing borders from the platforms and provides data to them.

ENTSO-E (Michèle Dion-Demaël) notes that it is not currently being considered and ATC will not be available if TSO is not participating in the respective platform (not foreseen in the IFs)

→ ENTSO-E to clarify whether there are any issues caused to MARI by the CMM

3. Other topics

3.1. Harmonisation of the CZC allocation methodologies

ENTSO-E (Jerom De Haan) presents updates on the progress of the CZC allocation methodologies harmonisation, proposed draft table of contents and schedule of interactions with stakeholders.

EFET (Guillaume Maes) asks how these different methodologies are harmonised if in the proposed table of contents different titles of Art. 40, 41, and 42 are still included. ENTSO-E (Jerom De Haan) responds that the methodologies will be harmonised within a timeframe.

ACER (Athina Tellidou) notes that the public consultations currently ongoing for Baltic, Core and Hansa for Art. 41 and 42 methodologies. She adds that ACER invites stakeholders to review the ongoing consultations and let ACER know if there is any further room for harmonisation from their perspectives.

EURELECTRIC (Yannick Phulpin) notes that, based on the preliminary assessment of the presented materials, EURELECTRIC likes the proposed approach. He adds that, perhaps, a discussion is needed for a more theoretical discussion of the methodology and architecture of the proposed approach in the form of the workshop. ACER (Athina Tellidou) proposes that such a workshop could take place in September or December 2021 (depending on the progress of the discussions) and that either an update or a more in-depth discussion can be organised.

ACER (Athina Tellidou) further asks stakeholders to let ACER know if any additional meetings are needed for other topics to be discussed.

→ Additional EBSG to be organised in October-November 2021

3.2. DE-AT cooperation

ENTSO-E (Axel Grüneberg) provides an overview of the German – Austria cooperation.

EURELECTRIC (Yannick Phulpin) asks whether, in the savings calculation, only Germany and Austria border losses are considered. ENTSO-E (Axel Grüneberg) confirms that only Germany – Austria border was considered.

EURELECTRIC (Yannick Phulpin) asks about the reserved cross-zonal capacity not being released for the day-ahead timeframe. ENTSO-E (Axel Grüneberg) confirms that the cross-zonal capacity is only released to the intra-day market (i.e., intra-day increase-decrease process) because of the potential impact on other processes. ACER (Athina Tellidou) adds that ACER is currently having similar discussions with flow-based experts to ensure that the process interacts properly with D-1 processes; consistency is essential, especially for the future market-based methodology.

ACER (Mathieu Fransen) asks about the timeframe for the process and inputs in the assessment. ENTSO-E (Axel Grüneberg) responds that the assessment is a monthly evaluation of the balancing capacity and energy, based on the probability assessment of the aFRR capacity; the mixed prices for aFRR and energy price from the energy market are used. He adds that the data used is historical bids from the previous month (i.e., for the May assessment, the data from March would be used). ACER (Mathieu Fransen) asks what data for weekly assessments are used. ENTSO-E (Axel Grüneberg) responds that the data from the four previous weeks.

EFET (Stephan Janson) asks what actual fraction of the 80 MW, reserved for cross-zonal capacity in advance, is used during the procurement. ENTSO-E (Axel Grüneberg) replies that 80 MW reserved was mainly ultimately used at all times, with several exceptions, in the direction to Austria from Germany (i.e., aFRR was activated for Austria). He adds that there are fewer situations when Germany procures from Austria because energy prices in Germany are lower than in Austria. ENTSO-E (Axel Grüneberg) further adds that 80 MW were also used for activation of balancing energy.

EFET (Stephan Janson) further asks to clarify whether the balancing capacity forecast was correct (i.e., if forecasted 80 MW was always used). ENTSO-E (Axel Grüneberg) clarifies that, after the forecast, the common merit order list is used. It is always the case that German bids are activated first; in 99% of cases last year, 80 MW was used entirely, with the minimum usage was 67 MW. ENTSO-E (Axel Grüneberg) concludes that generally, the forecast was correct.

EFET (Guillaume Maes) asks how the current approach works with flow-based allocation of cross-border capacity as balancing capacity is not balancing energy, so the impact on the flows is uncertain. ENTSO-E (Axel Grüneberg) responds that currently, the forecasted capacity from the weekly re-evaluation is not taken into account in the flow-based margin. He adds that so far, no operational issues or significant impacts on the flow occurred.

3.3. Nordic Cooperation

ENTSO-E (Line Kamp Bräuner) provides an overview of the Nordic Cooperation.

EURELECTRIC (Yannick Phulpin) asks whether there are specific considerations for day-ahead prices during special conditions, e.g., system scarcity or holidays. ENTSO-E (Line Kamp Bräuner) notes that forecasting has been improved by taking special conditions days into consideration. She notes that a forecasting assessment has been conducted, and the results will be public on the Nordic website.

ENTSO-E (Line Kamp Bräuner) further adds that the forecasting mark-ups will also be evaluated periodically for accuracy.

EURELECTRIC (Yannick Phulpin) asks about mark-up transparency. ENTSO-E (Line Kamp Bräuner) responds that it will be completely transparent and published every day. EURELECTRIC (Yannick Phulpin) asks to clarify whether the mark-ups will be published every day before market clearing. ENTSO-E (Line Kamp Bräuner) responds that not before market clearing but together with cross-zonal capacities, but because the methodology for mark-up is known for market participants, they can calculate it themselves.

ACER (Athina Tellidou) notes that ACER supports maximum transparency and allowing market participants to calculate the mark-ups themselves.

3.4. Discussion and Q&A

ENTSO-E (Kristine Marcina) invites attendees to ask any other outstanding questions they may have.

EFET (Stephan Janson) asks TSOs about national implementations of the harmonised imbalance settlement methodology and the degree of diversity in the different national schemes. ACER (Athina Tellidou) notes that national implementations are being monitored from the regulatory authorities' side and all harmonisation assessment is already part of the ENTSO-E's Market Report.

ENTSO-E (Michèle Dion-Demaël) notes that in the following Market Report 2021, which is due to be published in June 2021, there will be an overview of how each TSO implements methodologies; in addition, next year in Balancing Report 2022 and after platforms go-live dates, there will also be further details. ACER (Athina Tellidou) clarifies that additional analysis after platforms go-live dates will concern future harmonisation requirements.

ACER (Athina Tellidou) further notes that what has been achieved on harmonisation so far and the next steps can be followed up in the next EBSG meeting. ENTSO-E (Michèle Dion-Demaël) reflects that it may be difficult to discuss this in the EBSG because those are national implementations, so only factual presentation in the EBSG can be provided about how TSOs chose to implement methodologies.

EFET (Stephan Janson) asks about the harmonised imbalance settlement methodology at national levels and whether oversight discussions are late already. ENTSO-E (Michèle Dion-Demaël) notes that discussions at the European level have taken place already, and currently, there is no other work ongoing on further harmonisation. ACER (Mathieu Fransen) clarifies that stakeholders ask for an overview of the harmonisation activities taking place at the national levels. ENTSO-E (Michèle Dion-Demaël) responds that the update on the imbalance settlement harmonisation will be published in the Market Report 2021.

ACER (Athina Tellidou) summarises that the topics that need to be followed up on are: 1) the clarity and transparency of the published data (e.g., on the Transparency Platform) with a clear view on the price formation; 2) accession roadmaps need to include not only derogations but also the clear reasons for derogations; and 3) further discussions are needed on the future interactions between

imbalance netting and aFRR, CMM process timeline and interaction with intra-day; on the CZCA harmonisation; and on the imbalance settlement harmonisation.

ENTSO-E (Michèle Dion-Demaël) and ACER (Athina Tellidou) thank all participants and close the meeting.