

Balancing Stakeholder Group

Standard Products

23 September 2015

A first proposal for manual standard balancing products

A first proposal for standard products has been discussed with ACER and stakeholders

A revised proposal is now being developed

	Full activation time (FAT)	Min delivery time	Bid size
P-DA-15-15	15	15	5 (or less) to 9999 MW
P-DA-20-10	20	10	
P-DA-10-10	10	10	
P-DA-5-5	5	5	
P-DA-3-3	3	3	
P-Sch-15-0	15	0	
P-Sch-30-15	30	15	
P-Sch-15-15	15	15	
P-Sch-x-y	x	y	

DA – direct activated

Sch – scheduled activated

A first proposal for manual standard balancing products

- **This proposal will take into account:**
 - **Feedback from ACER**, which expects that mainly the number of standard products should be reduced in order to develop liquid markets and promote competition between BSPs
 - **Feedback from Stakeholders**, and specially the development of a more detailed definition of products. This remarks concerns ramps, links, settlement, activation
 - **Feedback from TSOs**, regarding the physical and financial flows and the activation principles
- **This proposal is still under discussion. It will lead to launch in September an ENTSOE consultation to validate adequacy with TSOs needs.**



Task 1: Overview over current aFRR situation

- Overview of aFRR Full Activation Time and aFRR ramp rate requirements throughout Europe.
- Overview throughout Europe on settlement of aFRR balancing energy and compliancy checking.
- Overview of the share of aFRR balancing in the total FRR/RR balancing energy.

Task 2: Technical capabilities aFRR providers

- Analysis of technical capability of large units to provide aFRR bids for different Full Activation Time throughout Europe. Estimation of available volumes by aggregation of units and DSM.
- Estimation of the price at which delivery becomes economically viable, impact on liquidity in aFRR capacity markets and aFRR energy markets.



Task 3: Qualitative impact aFRR activation method

- Overview of differences of aFRR regulation speed of pro-rata and merit order systems, for different implementations of pro-rata and merit order aFRR schemes; Impact on FRCE and frequency quality in case of change to a merit order scheme, without changing aFRR volumes and Full Activation times.
- Impact of change to merit order activation on FRCE quality for small and large deviations, not changing aFRR volumes and Full Activation Times.
- If there is an impact on the FRCE regulation quality and/or frequency quality: What are the preferred mitigating actions? Will there be an impact on the aFRR capacity procurement costs and local access tariffs? If any, what compensation mechanism could be defined?

Task 4: Qualitative elaboration change activation scheme

- Qualitatively elaboration on link between a change in aFRR Full Activation Time and/or aFRR activation Scheme (transition pro-rata to merit order) on FCRE regulation quality, frequency quality, aFRR capacity and energy market liquidity; and required volumes of aFRR volumes.
- Qualitative elaboration on disadvantages if all TSOs in Europe would have the same aFRR activation scheme and Full Activation Times from a control point of view only (instability...)?



- **The draft outcome of the aFRR study shall be presented and discussed with stakeholders in a BSG meeting end November**
- **The final report is foreseen to be ready mid February 2016**