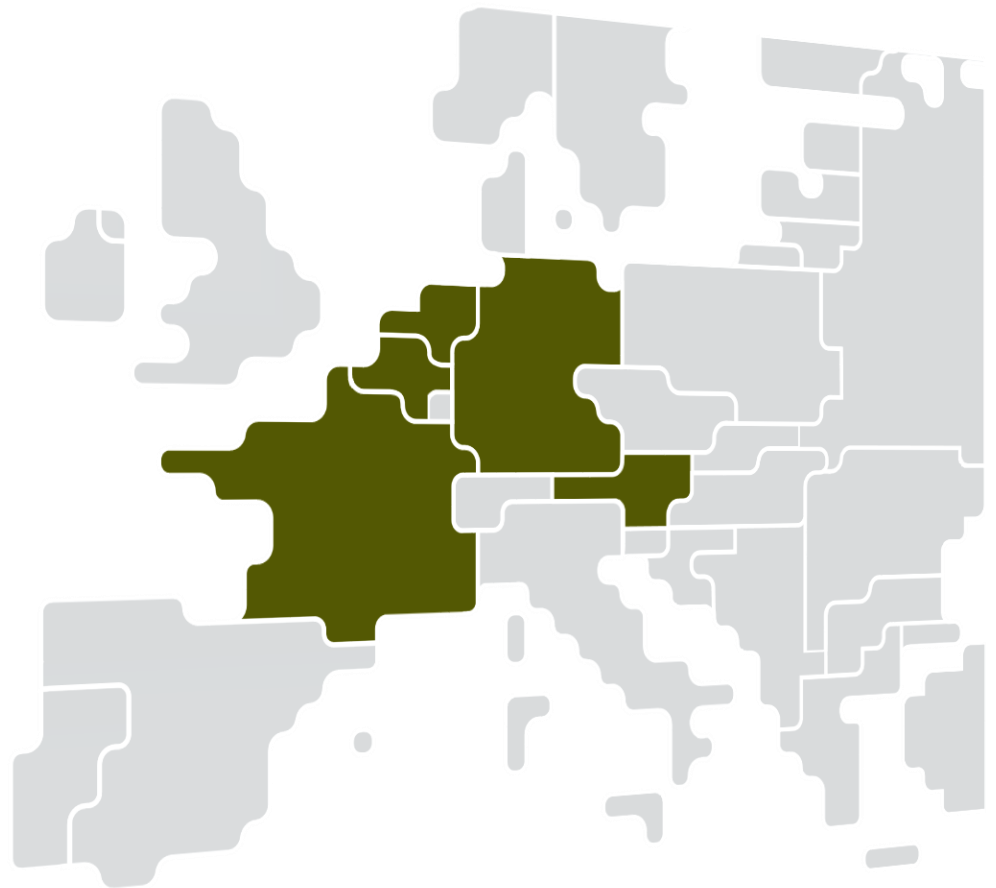




## PICASSO in a nutshell

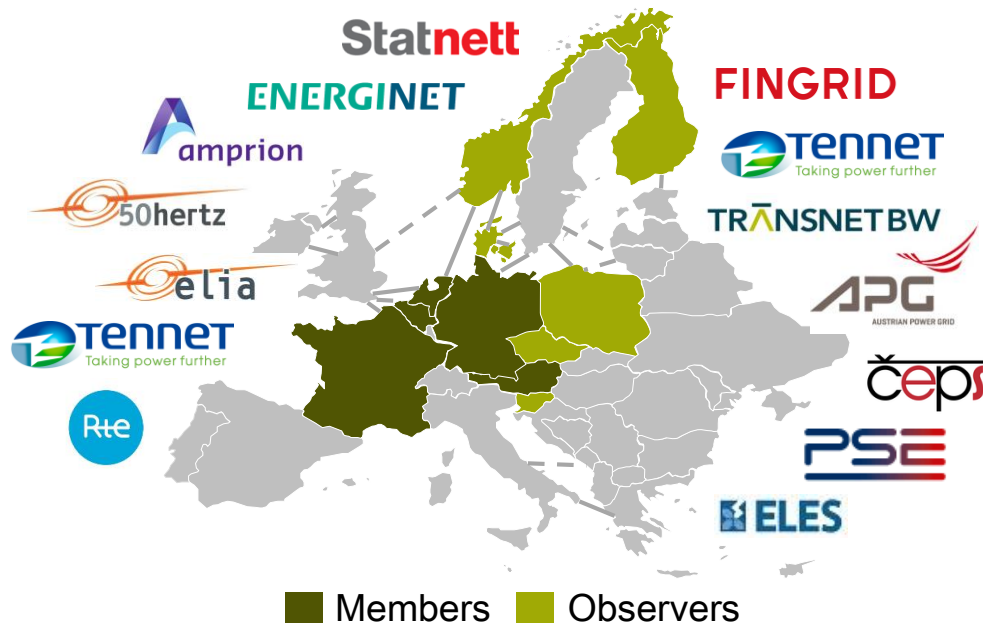




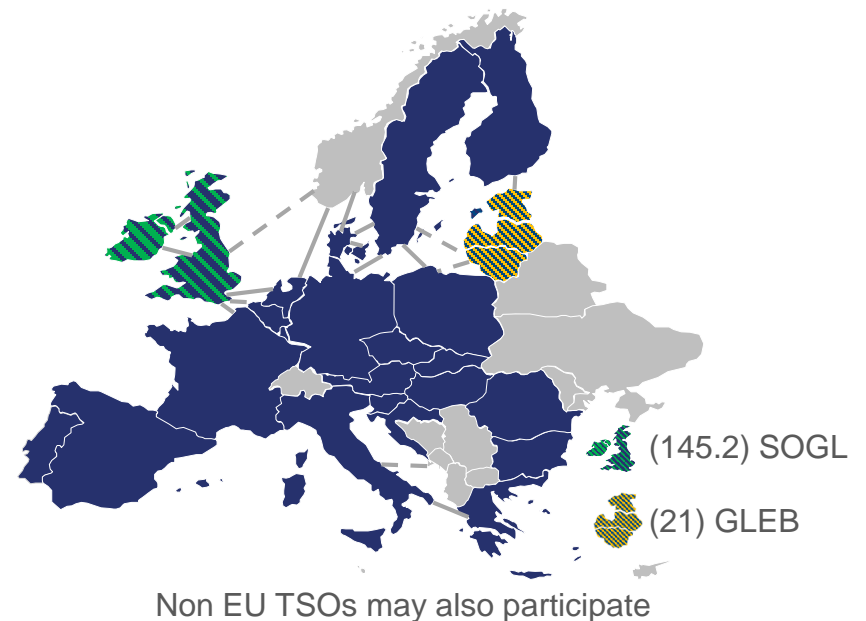
### Project description

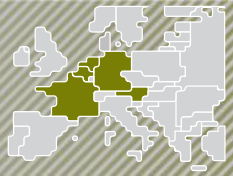
- The TSOs of Austria, Belgium, France, Germany and the Netherlands agreed to initiate a project on the design, implementation and operation of an aFRR Platform.
- These TSOs intend to apply as reference project for aFRR within ENTSO-E.
- The project name PICASSO stands for “Platform for the International Coordination of the Automatic frequency restoration process and Stable System Operation”.

PICASSO



EU mandatory aFRR target





### Objective

- Design, implement and operate an aFRR platform compliant with the approved versions of GLEB, GLSO, CACM as well as other regulations.
- Enhancing economic and technical efficiency within the limits of system security.
- Integrating the European aFRR markets while respecting the TSO-TSO model.



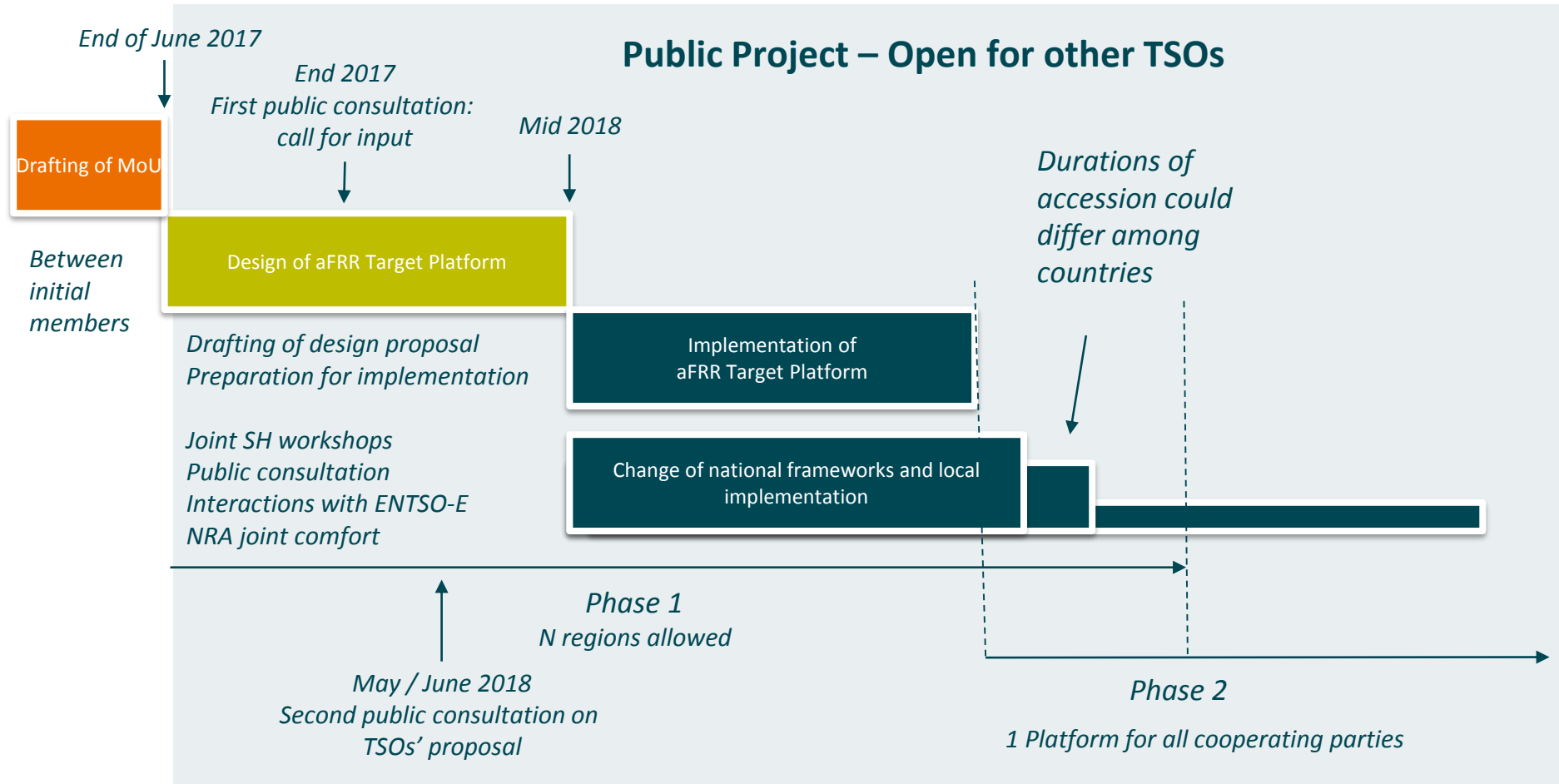
### Principles

- Intermediate versions of the platform are supported by all members in order to more efficiently reach the final target.
- Close coordination with the ENTSO-E PT aFRR is intended and required.
- Conclusions from the EXPLORE study for the design of the aFRR platform form the starting points for the framework of the target model.
- TSOs are welcomed to apply for an entry into the project.



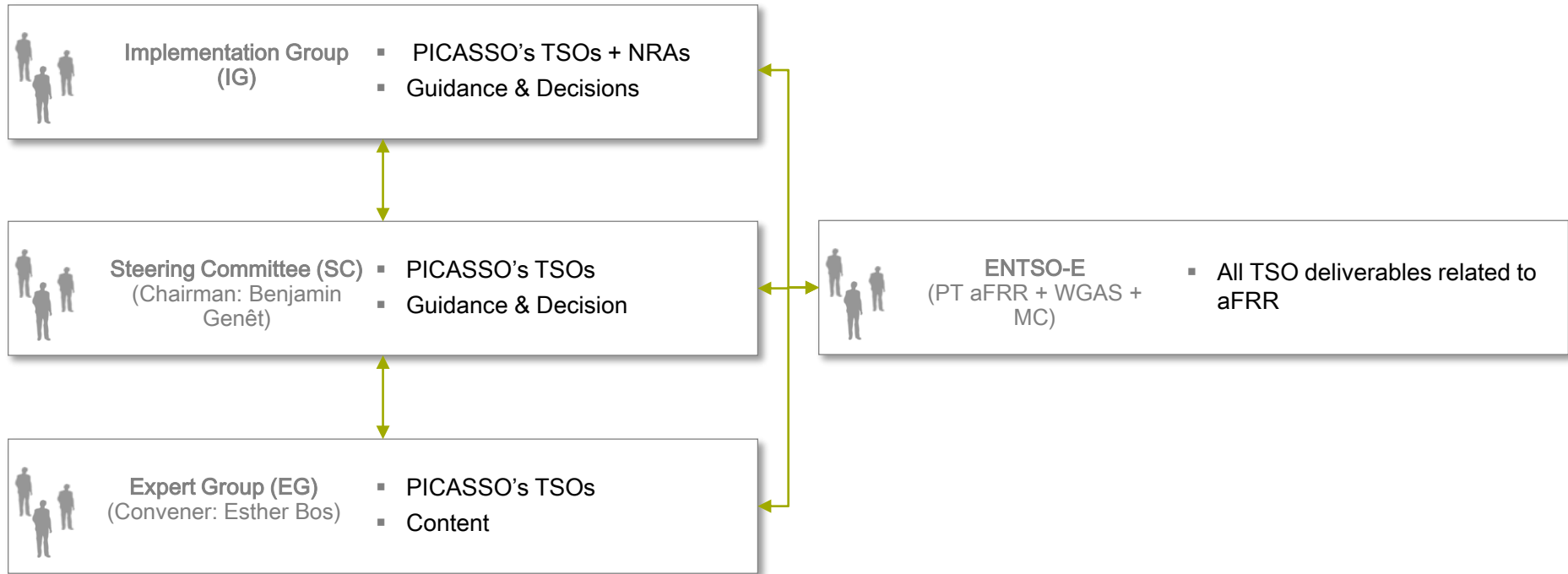


### Intended timeline





### Structure



#### Implementation Group (IG)

- PICASSO's TSOs + NRAs
- Facilitate joint NRA involvement and decisions

#### Steering Committee (SC)

- 1-2 representatives per party
- Guidance & Decisions
- Binding decisions with regard to the application of this MoU
- Chair: Benjamin Genêt (Elia)

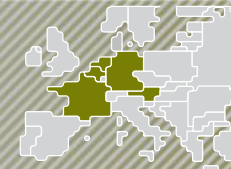
#### Expert Group (EG)

- ≥ 1 representative per party
- Makes proposals to the SC for design, organization and external communication
- Convener: Esther Bos (TTN)



Other TSOs can apply as observer of the project and subsequently become a member:

	Observer	Member	Exit
<b>When?</b>	Any time	After three months of being an observer	Any time
<b>How?</b>	Motivated request to SC Chair	Motivated request to SC Chair	Written notification to SC
<b>Approval</b>	SC	SC	
<b>Cost sharing</b>	None	Cost sharing as defined in MoU	Cost sharing until submission of notification
<b>Decision making power</b>	None	Full	
<b>Access to meetings and documents</b>	Access to all documents and EG meetings	All documents and meetings	
<b>Documents to be signed</b>	NDA	MoU	

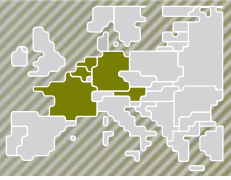


Phase 1: Intermediate Versions  
Phase 2: aFRR Target Platform

### MoU

		MoU
<b>Product &amp; Process</b>	<b>Bid resolution</b>	Phase 1 – any Phase 2 – 15 minutes
	<b>Balancing Energy GCT (BEGCT)</b>	Phase 1 – different BEGCTs with limited differences Phase 2 – one single BEGCT <= 1hour
	<b>Voluntary (non-contracted) bids</b>	Phase 1 – allowed Phase 2 – obligatory
	<b>Maximum FAT</b>	Phase 1 – for each cooperation – one single FAT $\leq$ 15min Phase 2 – one single FAT = [with focus on 5 minutes and 7.5 minutes] – decision at EU level
	<b>TSO-BSP signal</b>	Phase 1 – no harmonisation required Phase 2 – ramping allowed if incentive to react faster
<b>Pricing &amp; Settlement</b>	<b>Balancing Energy Pricing scheme</b>	Phase 1 – for each cooperation – one single market based method Phase 2 – XB Marginal Pricing
	<b>TSO-TSO Settlement</b>	Phase 1 – For each cooperation – a settlement which ensures that no country looses may be requested Phase 2 – Proportional cost sharing with congestion rent in case of a congestion
	<b>Imbalance pricing</b>	Phase 1 & 2 – no prerequisite on harmonisation
<b>Technical concept</b>	<b>TSO-TSO exchange</b>	Phase 1 – Any control exchange can be implemented Phase 2 - Control demand with additional FRCE correction process

Required harmonisation for appropriate level playing field is pursued in parallel with NRAs & Stakeholders.



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EG Convener

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