

# Electricity Balancing Stakeholder Group (EB SG) Meeting

Date: 17 April 2024  
Time: 10:00-15:00  
Place: Physical meeting (Brussels) & telco

## Participants

No.	Surname	Name	Company	Present (Y/N)
1.	Radanovic	Heni	ACER	Y
2.	Fransen	Mathieu	ACER	Y
3.	Pavesi	Marco	ACER	Y
4.	Viehhauser	Martin	ACER	Y
5.	Tellidou	Athina	ACER	Y
6.	Bertrand	Gilles	ACER	Y
7.	Bitoiu	Viviana	ANRE	Y
8.	Dutoiu	Mirela	ANRE	Y
9.	Rossi	Stefano	ARERA	Y
10.	Cariello	Francesco	ARERA	Y
11.	Klap	Sam	ACM	Y
12.	Behrens	Simon	BNetzA	Y
13.	Khun	Rose	BNetzA	Y
14.	Zwinka	Barbara	BNetzA	Y
15.	Lob	Nathalie	BDEW	Y
16.	Goulley	Thomas	CRE	Y
17.	Fortanier	Vincent	CRE	Y
18.	Maenhoudt	Marijn	CREG	Y
19.	Nieto Sandoval Martín de la Sierra	Antonio	CNMC	Y
20.	Kabinger	Alexander	E-CONTROL	Y
21.	Ishii	Eveliina	Energiavirasto	Y
22.	Roldão	Pedro	ERSE	Y
23.	Speicher	Yves	ILR	Y
24.	Karpavičiūtė	Lina	NERC	Y
25.	Kellerer	Alexander	NVE	Y
26.	Studente	Vija	SPRK	Y
27.	Orzechowski	Adrian	URE	Y
28.	Chlusta	Michal	URSO	Y
29.	Janson	Stefan	EFET	Y

30.	Biglia	Lorenzo	EFET	Y
31.	Jantzen	Annette	EUGINE	Y
32.	Van Staveren	Rick	Energie-Nederland	Y
33.	Weiss	Arnold	EPEX-SPOT	Y
34.	Stretti	Michele	Europex	Y
35.	Robaye	Helene	Eurelectric	Y
36.	Van den Kerckhove	Olivier	Eurelectric	Y
37.	Peerhossaini	Donia	Eurelectric	Y
38.	Beckstedde	Ellen	FSR	Y
40.	Dembi	Vidushi	WindEurope	Y
41.	Boussetta	Selim	EDF	Y
42.	Teske	Stephan	Uniper	Y
43.	Holm	Inger Kristin	CERRE	Y
44.	Buhr Broge	Astrid Buhr Broge	Green Power Denmark	Y
45.	Jantzen	Annette	EUGINE	Y
46.	De Chambure	Cyprien	SIA-Partners	Y
47.	Schlipf	Dominik	ENTSO-E	Y
48.	Vakhtangishvili	Nino	ENTSO-E	Y
49.	Costa	Daniel	ENTSO-E	Y
50.	Brandauer	John	ENTSO-E	Y
51.	Marcenac	Ludivine	ENTSO-E	Y
52.	Vrolijk	Ruud	ENTSO-E	Y
53.	Brun	Vanessa	ENTSO-E	Y
54.	Steber	David	ENTSO-E	Y
55.	Linnemann	Christian	ENTSO-E	Y
56.	Maier	Sarah	ENTSO-E	Y
57.	Kasper	Ulf Sebastian	ENTSO-E	Y
58.	De La Fuente	Jose Ignacio	ENTSO-E	Y
59.	Cinque	Adriano	ENTSO-E	Y
60.	Kamila Szer	Anna	ENTSO-E	Y
61.	Kasper	Ulf	ENTSO-E	Y
62.	Pflanzer	Vaclav	ENTSO-E	Y
63.	Dalena	Michele	ENTSO-E	Y
64.	Martina	Pede	ENTSO-E	Y
65.	Peregrina Mayoral	Ester	ENTSO-E	Y
66.	Pascua Baron	Miriam	ENTSO-E	Y
67.	De La Cueva Garcia-Hirschfeld	Javier	ENTSO-E	Y
68.	Onofrej	Jakub	ENTSO-E	Y
69.	Džačovský	Tomáš	ENTSO-E	Y
70.	Linnemann	Christian	ENTSO-E	Y
71.	Smolira	Kamil	ENTSO-E	Y

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# Minutes

## 1. Welcome and introduction

ACER representative and ENTSO-E representative welcome participants and introduce the agenda.

ACER representative states that ACER issued a letter to TSOs requesting a timely and transparent updates about the TSOs' accessions to the European balancing platforms for the exchange of balancing energy due to the approaching legal deadline of 24 July 2024, and notes that ACER will fast-track the aFRR IF and Pricing Methodology decision-making process to the end of June 2024. In addition, the Algorithm Methodology has been extended until September 2024 to allow for more time for discussions with NEMOs, TSOs and market participants.

## 2. Balancing platform updates

ENTSO-E representatives present an update about the status of all European balancing platforms. Highlighted developments include the implementation of high price mitigation measurements in PICASSO, the security incident at PSI Germany, the connection of REN to the IGCC, the unplanned disconnection of APG from MARI, and the suspension of TERNA from PICASSO. They notify that several TSOs such as REN, REE as well as the Baltics (AST, Litgrid, Elering) are expected to join the MARI platform in 2024, while ESO has shifted its accession to PICASSO to November 2024.

### **EBSG discusses:**

Slide 3: Recent developments and updates

- ACER representative asks to clarify if the changes to the inelastic demand occur in parallel at the Activation Optimisation Function (AOF) level and the local level.
  - ENTSO-E representative clarifies that the changes occur in parallel, and that TSOs are defining the required signals for this to happen.

Slide 4: Recent developments and updates

- ACER representative asks whether APG's disconnection from MARI was foreseen or not.
  - ENTSO-E representative notes that the disconnection was not foreseen, and a reason for the disconnection was an unstable signal.
  - ACER representative asks TSOs to keep ACER and NRAs informed in the future should such incidents occur.
  - ENTSO-E representative states that interruptions are reported already by TSOs via ETP, and such disconnections are reported under this reporting obligation. He additionally asks ACER to clarify if this reporting request falls within the current reporting obligations that are followed by TSOs, or if this is a new request by ACER.
  - ACER representative states that she will clarify this, and will come back to TSOs.

Slide 5: Recent developments and updates – Suspension of TERNA

- ENTSO-E representative notes that the ARERA has published the English translation of the decision regarding the TERNA suspension to PICASSO.
  - NRA representative clarifies that the decision remains in Italian, but that ARERA has translated to English the [technical report](#) related to the enquiry, so that stakeholders can refer to it. He adds that ARERA asked TERNA to develop an updated roadmap for their accession to MARI analysing the risks of shifting from the national platform to the European level, and once the analysis is done, ARERA can provide an update on the next steps.

Slide 7: Recent developments and updates – Suspension of TERNA

- ENTSO-E representative clarifies that TERNA is not relying on PICASSO to control the Frequency Restoration Control Error (FRCE). He adds that if the analysis of the FRCE trend is extended from the period when TERNA was connected to the PICASSO to when it was not connected, there would not be a strong correlation between the FRCE quality and participation status.

Slide 8: Recent developments and updates – Suspension of TERNA

- EFET representative asks for a clarification regarding the value attributed to the unsatisfied demand.
  - ENTSO-E representative notes that TSOs took the highest value available (i.e., 15,000 euros).
- NRA representative states that the slides appear to be questioning the decision from the NRA, and that the TSOs analysis is not complete. He adds that the analysis provided overestimates the gained social welfare as there is no comparison with and without the inclusion of PICASSO.
  - ENTSO-E representative states that TSOs were asked to provide an analysis on the operational impact of the disconnection of TERNA in the presentation, and that the analysis is an overall examination. He adds that, in terms of the social welfare calculation, TSOs have included IGCC in the calculations provided as done in the usual reporting.

Slide 9: Recent developments and updates – Update on accession roadmaps

- EFET representative asks if market participants can expect many changes regarding the accession to the platforms following the reception of the ACER letter.
  - ENTSO-E representative states that she cannot clarify this point currently as the timeline discussions to join the platforms is still ongoing.

Slide 11: Evolution of price incidents

- ENTSO-E representative asks if the terminology of ‘price incident’ could be changed as high-prices are not necessarily ‘price incidents.’
  - ENTSO-E representative notes that the definition of ‘price incident’ is found in the Amendment of the Pricing Methodology, and this is the reason why this term is used.
- ACER representative stresses that the statistics show how ČEPS benefits from the connection to the balancing platforms, and stresses that TSOs should connect to the platforms as soon as

possible.

#### a. Capacity Management IT Solution operational update

ENTSO-E representative informs that the Capacity Management IT Solution initiated support on 24 October for balancing services and cross-zonal capacity limits, accommodating diverse configurations for the participating parties. He adds that despite encountering a few malfunctions affecting individual borders, effective mitigation measures were implemented, minimising any significant impact on the TSO common market.

#### b. MARI & TERRE

ENTSO-E representative explains the latest developments in MARI and TERRE. He states that the MARI platform had an economic surplus of 1.6 million euros in Q1/2024, and that further TSOs go-live are due to continue in 2024. He informs that the TERRE platform reached an economic surplus of more than 49 million euros in Q1/2024. He further adds that TERRE TSOs met RR NRAs in January and April to discuss the future of the project, and that TERRE TSOs are due to organise a public stakeholder workshop on 26 April to present conclusions of their exchanges with RR NRAs and the future of the project.

#### **EBSG discusses:**

Slide 17: Details on additionally satisfied demand economic surplus calculation

- ACER representative inquires about the source of unsatisfied demand in the absence of the PICASSO platform, as supply and demand need to be balanced.
  - ENTSO-E representative replies that it originates from elastic demand, and that elastic demand mFRR is supposed to release the pressure from aFRR.
  - ACER representative states that it is solved at the platform level, while in the local set up it occurs more often.
  - ENTSO-E representative clarifies that this occurs less at the platform level, but it might become more visible.

Slide 18: Economic surplus MARI

- NRA representative asks if TSOs are considering both positive and negative energy in the graph, and wonders if the producers and consumers are related to the demand of the TSO and the offers of the BSPs.
  - ENTSO-E representative states that TSOs have applied the current definition of consumer and producer rents in the graph, i. e. demand response provides balancing services contribute to the producer rent.

#### c. IGCC & PICASSO

ENTSO-E representative explains the latest developments in IGCC and PICASSO. He states that all TSOs with the obligation to connect as a result of the Electricity Balancing (EB) Regulation are connected to IGCC, following the connection of ESO in March, and adds that planning of the accession of the Baltic TSOs to IGCC is ongoing. For PICASSO, he states that individual TSOs go-live will also continue in 2024, though TERNA suspended its participation on 15 March 2024, and adds that the PICASSO optimiser has already performed more than 10 million market clearings since go-live with

100% availability.

### 3. FCR Cooperation: simulation of benefits

ENTSO-E representative provides an update on the simulation of benefits arising from the FCR Cooperation. He notes that the estimated welfare benefit in 2023 was 120 million euros. He adds that the latest accessions include ČEPS in 2023, while currently SEPS and MAVIR are observing members.

#### **EBSG discusses:**

Slide 3: Calculation of the benefit of the FCR cooperation

- EFET representative notes that there was an assessment on limited energy reservoir vs non-limited energy reservoir, and he wonders if this assessment is still ongoing.
  - ENTSO-E representative points out that there are still discussions ongoing but not within the FCR cooperation, stressing that no final decisions have been made yet. He adds that current discussions stand on a 15-minute activation.
- ENTSO-E representative asks participants to refer to the ongoing [consultation](#) on the update of inputs for the Cost-Benefit Analysis (CBA) for the definition of a minimum activation time period for LER (TminLER), as a stakeholder workshop will take place on 8 May. Any stakeholder willing to attend the workshop physically or remotely can contact [FCRbyLER@terna.it](mailto:FCRbyLER@terna.it) to receive an invitation.

### 4. Implementation Framework (IF) Survey

ENTSO-E representative provides an overview of the Implementation Frameworks (IF) Survey 2024 and the next steps. He notes that All TSOs [launched](#) the IF Survey 2024 on 25 March, and he invites participants to provide answers until 28 June. In terms of the next steps, he adds that All TSOs would use the responses to this survey and may use the responses to last year's survey to draw up a list of possible harmonisation needs.

### 5. aFRR IF and Pricing Methodology amendments

ACER representative provides an overview of the recent developments and next steps for the aFRR IF and Pricing Methodology amendments. He notes that ENTSO-E submitted on 7 February 2024 the All TSOs proposal for the second amendment to the aFRR Implementation Framework, as well as the second amendment to the Pricing Methodology. In terms of the next steps, he adds that ACER's Public Consultation is ongoing until 23 April.

#### **EBSG discusses:**

Slide 14: Example of the impact of the TSO proposal

- ENTSO-E representative notes that TSOs proposed to use the set point on aFRR activation.
  - EFET representative if TSOs could clarify why the initial demand is sent as it is.
  - ENTSO-E representative states that the answer can be found in the System Operation (SO) Regulation, and it works like a filter to avoid the spikes seen in the graph.

#### Slide 22: Specific Condition 3

- EFET representative notes that during Easter there was a respective negative activation of mFRR and aFRR in areas not connected to MARI nor PICASSO. He asks if there are plans to increase the price cap for the whole area or a specific area.
  - ACER representative states that it would be for the whole area, and that the proposed price conditions would still need to be met.
  - ENTSO-E representative adds that All TSOs proposed to add an adjustment mechanism later, and the idea was to develop the proposal with the support of the EBSG and Electricity Balancing Coordination Group (EBCG) forums. He adds that TSOs believe that it is important to highlight the possible effects and relations of the adjustment mechanism.
  - ACER representative notes that the incident does not happen regularly, and notes that he does not understand TSOs concerns for the third condition. He asks if TSOs would agree to have the possibility to develop the third condition by 2026.
  - ENTSO-E representative stresses that, at the moment, TSOs do not have the mandate to divert from the All TSOs proposal to develop the price adjustment mechanism.
- EURELECTIC representative states that the purpose of the proposal is not clear from Eurelectric's side, in particular on the LFC activation dynamics. He critiques that price cap discussions are open again, and notes that these modifications might be unlawful in their views.
  - ACER representative notes that the aim is to prevent prices set by a bid not activated by a TSO controller.

#### **EFET proposal on imbalance prices mitigation**

EFET representative provides an overview of EFET's proposal on imbalance prices mitigation.

#### **EBSG discusses:**

#### Slide 4: Additional TSOs revenues

- ACER representative asks regarding the deviation part in the graph, and whether EFET is double counting the values.
  - EFET representative clarifies that figures are from TSOs, and that the total 105 million euros imbalance cost is the result of the imbalance settlement.
  - ENTSO-E representative notes that the data in the example is from Germany, and it should not be extrapolated to the European level. He adds that different approaches are allowed in the aFRR IF and Pricing Methodology which will lead to different outcomes.
  - EFET representative clarifies that the graph should be shown as a pie graph instead of how it was currently shown now, so to compare the values better.



- ENTSO-E representative notes that TSOs need to follow the EB Regulation, and any surplus arising from imbalance settlement needs to be put into grid tariffs.

## 6. Co-optimisation: Algorithm methodology amendments

ACER representative provides an update on Algorithm Methodology and next steps, and states that the timeline for ACER's decision has been extended until 27 September 2024 to allow more time for discussions with NEMOs, TSOs and market participants. He adds that the study on the expected welfare gains from co-optimisation is due to be published on 27 May, and that a public workshop is planned for 17 June to present the study and its findings. He adds that ACER intends to revise NEMOs' proposed next steps for the implementation of co-optimisation in its upcoming decision.

### EBSG discusses:

- EURELECTRIC representative asks if there will be a consultation on the study and whether it would be possible to provide feedback.
  - ACER representative notes that from 27 May until 19 June it would be possible to provide feedback on the study and the R&D elements.

## 7. CZCA Harmonised Methodology (HCZCAM)

ENTSO-E representative provides an overview of the recent developments and next steps for the CZCA Harmonised Methodology (HCZCAM). She adds that All TSOs launched the [Public Consultation](#) on 22 March, and that the Public Consultation is due to end on 23 May. She notes that a public webinar was organised on 11 April, and that slides can be found in the consultation page. She invites attendees to submit their feedback until the Public Consultation deadline on 23 May at midnight.

## 8. Monitoring plan

ENTSO-E representative provides an overview of the recent developments and next steps for the Monitoring plan. He notes that the currently ongoing revision of the Monitoring Plan aligns the TSO monitoring and reporting obligations pursuant to EB Regulation whilst ensuring implementations and methodologies conform with the yearly report prepared by ENTSO-E. He adds that the revision will identify potential identification of synergies between the different reports and, if feasible, mitigate the associated workload.

### EBSG discusses:

- EFET representative asks for a clarification regarding the scope of the EBCG meetings.
  - ENTSO-E representative states that the scope of the EBCG meetings is the coordination between TSOs and ACER and NRAs on ongoing developments.
- ENTSO-E representative complements regarding the synergies between the reports, stating that it is not the intention of the TSOs to just merge the data into a big report.
  - ENTSO-E representative clarifies that the aim of the TSOs is not to create a single

- report but to try to avoid double reporting and reduce redundancies between the existing reports.
- ACER representative confirms that it is not as straightforward as merging the data into a big report, as the reports have different purposes. She adds that in the coming months, ACER and TSOs will aim to try to make the reporting more transparent and accessible for the stakeholders.
  - EURELECTRIC representative asks if it would be possible to further clarify the synergies in the reporting, and whether ACER and TSOs plan to consult market participants during the process.
    - ENTSO-E representative notes that the main goal is to make the information more accessible and understandable for stakeholders, and that this could be done in terms of defining the Performance Indicators (PIs) or cutting down on double reporting.
    - EURELECTRIC representative asks to confirm that TSOs goal is not to reduce the amount of data published.
    - ENTSO-E representative clarifies that is not the case, and that TSOs aim is to make it more accessible but continue to publish all the required information, as per the EB Regulation.
- **ENTSO-E to provide an update on the EB Monitoring Plan amendments in the next EBSG meeting of 6 November.**

## **9. Network Code Demand Response (NCDR)-related EB Regulation amendments**

ENTSO-E representative provides an overview of the recent developments regarding the Network Code Demand Response (NCDR)-related EB Regulation amendments. He adds that a set of amendments necessary to ensure consistency between EB Regulation and the new NCDR have been identified. He adds that the goal is for ENTSO-E to submit EB Regulation amendments for alignment with the NCDR simultaneously with the NCDR and NCDR-related SO Regulation amendments submission to ACER by 8 May 2024.

## **10. Closing and next steps**

### **Reminder on next meetings:**

- a) Next EBSG meeting will be on 6 November (physical/hybrid meeting in Brussels).

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ENTSO-E representative and ACER representative thank the participants and close the meeting.