# EBSG | Standard Products for Balancing Energy and Balancing Capacity

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Reliable Sustainable Connected

# 1. Background

**Background**

- Legal obligation: EB Regulation Article 25(3):

> *At least every two years, all TSOs shall review the list of standard products for balancing energy and balancing capacity. The review of standard products shall take into account:*
>
> *a. the objectives set out in Article 3(1);*
> *b. if applicable, proposed changes to the list of standard products and the number of common merit order lists pursuant to Article 31( 2);*
> *c. the performance indicators set out in Article 59(4).*

**What is the objective?**

- Deliver an evidence-based assessment with a factual overview of the practical usage of standard balancing products (Balancing Capacity and Balancing Energy, aFRR and mFRR)
- Identify outdated definitions, inconsistencies, and gaps in current balancing product specifications
- Specify required updates and adjustments to standard balancing product specifications

**The period assessment should be considered a key instrument for the continuous evolution of the balancing market design framework under the EB Regulation, ensuring that market design remains efficient and fit for future system needs.**

# 2. What has happened in the past/ last year?

## Activities performed, Process Overview, and Key Milestones

### I. Data Collection and Assessment:

- Two dedicated TSO surveys conducted to collect both high-level insights and detailed information.
- Subsequent engagement with ACER to align on the scope and design of the All TSO survey.
- Assessment covered not only the use of standard and specific products, but also broader aspects of product design and balancing market arrangements.

### II. Analysis and Reporting

- Key findings and preliminary conclusions were discussed within WG AS and subsequently consolidated into the official All TSO Report.
- Assessment report submitted in summer 2026 to ACER.

### III. Regulatory Feedback and Follow-Up

- ACER's feedback was presented in September 2026.
- The feedback and dialogue with ACER contributes to a further alignment of the assessment scope and shows the TSOs that we share a common understanding, especially for the a more detailed reassessment in 2028, which will be again submitted to ACER.

**The constructive exchange between TSOs and ACER helped establish a common understanding of the assessment scope and objectives, providing a solid basis for a more comprehensive reassessment in 2028.**

# 3. Results and Outcomes: Findings, Conclusions, and Key Takeaways

**Overall Conclusion:**

- Standard products are effective and fit-for-purpose:
  - Standard aFRR and mFRR products are widely implemented across TSOs, they deliver positive welfare gains (cross-border exchange, reserve sharing) with adequate liquidity, reliable pricing, and no adverse impact on system security.
  - There is no indication that current standard product designs compromise secure system operation or balancing performance.
- The use of standard products continues to grow as additional TSOs join PICASSO and MARI.

- Specific products play a targeted, complementary role for system-specific needs without undermining harmonization:
  - Continued use remains justified where specific technical or market-design constraints cannot be adequately addressed by standard products.
  - Their availability provides necessary operational flexibility while preserving harmonization and market integration.

**No evidence-based justification to amend the list or core parameters of standard products at this moment.**

# 4. Future Outlook and Stakeholder Involvement (1/2)

**Guiding Principles for Future Development and Changes:**

- A comprehensive assessment of potential amendments should be undertaken once PICASSO and MARI have matured and all relevant TSOs are connected.
- A more robust evidence base for potential product adaptations will emerge as market operation and participation stabilize.
  - Further harmonisation, including any reconsideration of specific products, should only be pursued where there is a clear and demonstrable efficiency or welfare benefit.
  - Any future changes should preserve system adequacy, security of supply, and the ability of TSOs to operate their systems securely.
- The next legally mandated assessment is scheduled for summer 2028, allowing for the accumulation of additional operational experience as PICASSO and MARI continue to mature and expand.
- While the 2026 assessment was primarily informed by TSO implementation experience and operational observations, it also identified areas where broader stakeholder input could further strengthen the analysis.

**Broader stakeholder involvement will be a key element of the 2028 assessment, ensuring that both TSO and market perspectives are reflected in the future evolution of balancing market design.**

# 4. Future Outlook and Stakeholder Involvement (2/2)

**Looking Ahead: 2028 Assessment and Stakeholder Engagement**

- To prepare for the 2028 assessment, TSOs have already established a dedicated project team to lay the groundwork for a comprehensive, evidence-based review of the balancing product framework and its future evolution.
- The future development of the European balancing market should be a joint effort of TSOs, ACER, NRAs and market participants, based on cooperation, transparency and mutual trust.
- Against this background, TSOs intend to involve all interested stakeholders in shaping the scope, priorities and analytical focus of the 2028 assessment, with the aim of jointly developing solutions that enhance both market efficiency and operational security.
- A first formal opportunity for structured stakeholder input is expected via the planned Implementation Framework (IF) survey in summer 2027, which will serve as an important starting point for the collaborative assessment process.
- Ahead of this survey, TSOs invite stakeholders to already share views on scope and focus areas, as well as key challenges related to current product definitions that they consider important.

**Market participants are invited to use the 2027 Implementation Framework Survey to provide any views on observed issues, challenges or improvement needs related to the standard balancing products and their market functioning.**