From: Jens Mattausch

Sent: Wednesday, May 12, 2021 10:00 PM

To: ACER and Hansa NRAs

Subject: CCR Hansa TSOs formally withdraw, with immediate effect, the MBM proposal pursuant to Article 41(1) of EB Regulation from the regulatory approval process,

Attachments: CCR Hansa -Methodology for market-based allocation in accordance with EBGL Art 41(1) -Amendment dated 13 Oct 2020.pdf

Dear colleagues,

I'm writing this e-mail in my capacity as chairman of the CCR Hansa Steering Committee.

The CCR Hansa TSOs ("Hansa TSOs") developed a proposal for the methodology for market-based allocation ("MBM proposal") pursuant to Article 41(1) of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing ("EB Regulation"). A first MBM proposal was submitted to the Hansa NRAs for approval on 18 December 2019, and in duly consideration of a Request for Amendment from the CCR Hansa NRAs, an updated MBM proposal was submitted to them on 13 October 2020 (see the latest MBM proposal enclosed). On 27 January 2021, the Hansa NRAs informed that they had jointly agreed to request ACER to adopt a decision on the MBM proposal methodology.

In consideration of

1. the ACER Decision No 04/2021 of 7 May 2021 on the determination of capacity calculation regions;

2. the fact that Article 41(1) of EB Regulation does not stipulate an obligation for the CCR Hansa TSOs to develop a MBM proposal;

3. the fact that the Hansa TSOs developed the MBM proposal on a voluntary basis in case a subset of the or all Hansa TSOs would intend to apply it;

4. the facts that by December 2022, all TSOs shall develop, pursuant to Article 38(3) of EB Regulation, a proposal to harmonise the methodology for the allocation process of cross-zonal capacity for the exchange of balancing capacity or sharing of reserves per timeframe with the Hansa TSOs actively contributing to these all TSOs activities; and 5. the fact that the Hansa TSO assess relevant anymore to have the MBM proposal approved by ACER as no Hansa TSOs intends to apply it;

the Hansa TSOs, in today's Steering Committee meeting, decided unanimously to discontinue the MBM proposal.

In line with that decision, the Hansa TSOs hereby formally withdraw, with immediate effect, the MBM proposal pursuant to Article 41(1) of EB Regulation from the regulatory approval process, and kindly ask ACER to acknowledge the reception of this withdrawal.

The Hansa TSOs thank ACER and the Hansa NRAs for the constructive discussion held in the last months.

Kind regards,

On behalf of all CCR Hansa TSOs

Jens Mattausch Chairman of the CCR Hansa Steering Committee