

**From:** George Visan

**Sent:** Monday, 24 May, 2021 07:37 AM

**To:** ACER and Core NRAs

**Subject:** CCR Core TSOs formally withdraw, with immediate effect, the EEM proposal pursuant to Article 42(1) of EB Regulation from the regulatory approval process

**Importance:** High

Dear colleagues,

I am writing this e-mail in my capacity as chairman of the CCR Core Steering Group.

The CCR Core TSOs ("Core TSOs") developed a proposal for the methodology for the economical efficiency methodology ("EEM proposal") pursuant to Article 42(1) of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing ("EB Regulation"). A first EEM proposal was submitted to the Core NRAs for approval on 18 December 2019, and in duly consideration of a Request for Amendment from the CCR Core NRAs, an updated EEM proposal was submitted to them on 4 December 2020 (see the latest EEM proposal enclosed). On 12 August 2020, the Core NRAs informed that they had jointly agreed to request ACER to adopt a decision on the EEM proposal methodology.

In consideration of

1. the fact that Article 42(1) of EB Regulation does not stipulate an obligation for the CCR Core TSOs to develop a EEM proposal;
2. the fact that the Core TSOs developed the EEM proposal on a voluntary basis in case a subset of the or all Core TSOs would intend to apply it;
3. 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 Core TSOs actively contributing to these all TSOs activities; and
4. the fact that the Core TSO assess not relevant anymore to have the EEM proposal approved by ACER;

**the Core TSOs decided unanimously to discontinue the EEM proposal.**

In line with that decision, the Core TSOs hereby formally withdraw, with immediate effect, the EEM proposal pursuant to Article 42(1) of EB Regulation from the regulatory approval process, and kindly ask ACER to acknowledge the reception of this withdrawal.

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

Kind regards,

Gheorghe Visan -vOn behalf of all CCR Core TSOs

CN Transelectrica SA

Director directia pietei de energie/Director Energy Markets Division