
ENTSO-E response to the public consultation on “All TSOs’ performing the replacement reserve process as defined in the EBGL regulation for the implementation framework for the exchange of balancing energy from Replacement Reserves in accordance with Article 19 of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing”

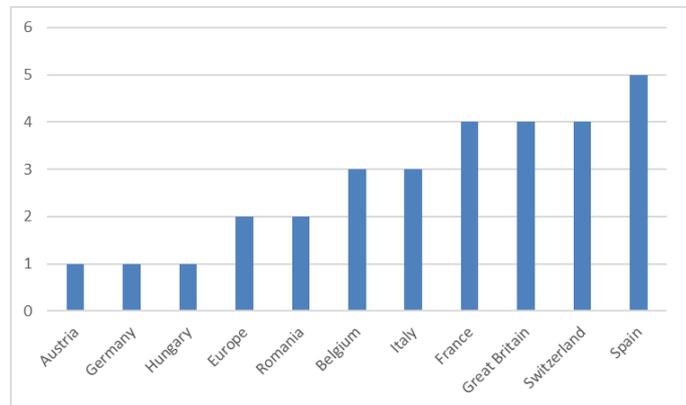
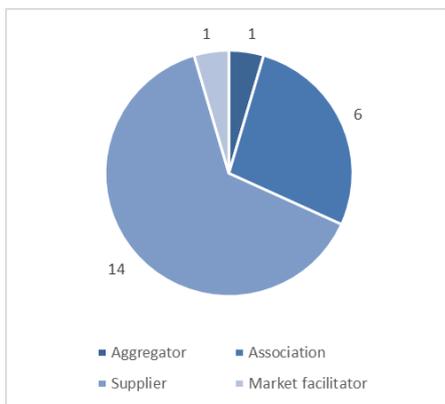
18 June 2018

Stakeholders Feedbacks and TSO assessments

1. Introduction

The Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing (hereafter “EBGL”), mandates in its Article 19(1) all TSOs performing the replacement reserve process as defined in the EBGL regulation to develop a proposal (hereafter “RRIF”) by six months after entry into force of the EBGL, i.e.: by 18 June 2018.

In addition, the Article 10 of the EBGL mandates the TSOs responsible for submitting the RRIF (i.e.: all TSOs performing the replacement reserve process as defined in the EBGL regulation) to perform extensive consultation of the INIF proposal, and so a formal web-based consultation was held between 21 February and 04 April 2018. During this public consultation, 22 market participants, from 4 different energy markets and 11 different countries have provided their feedback on the consultation.



This document has as purpose to communicate the main Stakeholders concerns and TSOs positions on the RR Implementation Framework. The TERRE TSOs have assessed all the stakeholders’ answers question by question and merged the answers in order to provide a more structural overview of the main concerns identified.

This document is not legally binding. It only aims at clarifying the assessment of the comments received from stakeholders during the formal public consultation of the RRIF proposal. This document is not supplementing the INIF document, nor can it be used as a substitute to it.

All TSOs performing the replacement reserve process as defined in the EBGL regulation would like to thank all the European stakeholders who have participated to the stakeholder meetings and answered to the consultation paper on the RR Implementation Framework. The provided input is very important for the success of the TERRE project and has been analysed by the TERRE TSOs with highest attention.

We hope with this assessment document to answer to the main concerns of the market participants involved in the energy balancing and remain at your disposal in case of additional questions.



2. Purpose of the document and general overview

For each question, the All TSOs performing the replacement reserve process as defined in the EBGL regulation have merged the stakeholders' remarks and structured them under "Stakeholders main concerns and arguments". For each of them, the TERRE TSOs have formulated a common position and clarification.

In case the questions, which have not, or partially been answered by the stakeholders, the answers have been identified as "No position" and therefore not been included in the assessment.

At the end of each question analysis, the common position of the TERRE TSOs has been formulated, given their general position which has been communicated to the NRAs for final validation.

3. Stakeholders feedbacks and TSO assessments table

Main Stakeholder feedback	TSOs position
It is necessary to strengthen the liquidity of the ID markets and allow self-balancing as much as possible and as close as possible to real time.	This topic refers to art 1&2. Please consult the responses provided below
Urge the RR-project to put a much stronger emphasis on the impact of the RR-implementation on the further improvement of intraday markets.	Please refer to responses provided to article 1&2
The negative effects of a parallel running balancing energy which potentially interferes with intraday markets must be minimized. This would reduce the liquidity in the ID market, as market participants may need to divide their (limited) offerings.	Please refer to responses provided to article 1&2
SH are concerned, that a clear requirement is missing, how unused bids in the balancing market are released back to intraday markets. However, this is absolutely necessary to allow market parties to balance themselves in the liquid intraday market as close as possible to real time. The GL EB explicitly states in Art. 3 No. 2 e that the regulation shall ensure the development of the [...] intraday markets is not compromised. Furthermore Art. 29 No. 10 b states for self-dispatching models with a local intraday gate closure time after the balancing gate closure time shall include rules for the release of bids. Without such a proposal, SH does not see the requirements of the GL EB fulfilled.	This topic will be treated under the National scope.
After the GCT of the balancing market all free bids, which exceed the original demand of the procuring TSO must be immediately released to BSP. A proposal should be implemented and consulted by stakeholders	<p>The purpose is to implement a common liquid balancing market. The bids will be released after the run of the algorithm H-30 and can be used for other processes.</p> <p>Note the bids only refer to the bids not used by the algorithm and not the bids activated by the algorithm.</p> <p>The local bids that exceed the original demand of the TSO can be used to cover the demand of another TSO.</p>
In order to facilitate market liquidity, need to:	Please refer to responses provided to article 3

<ul style="list-style-type: none"> • maximise the submitted volume of competitively priced offers from BSPs • optimise TERRE market design, functionality and timeline from go-live, including how it fits in with local TSO balancing markets, MARI and PICASSO. 	
<p>Request to include following elements directly in the RRIF:</p> <ul style="list-style-type: none"> • Participating/eligible countries • Fallback procedure • Treatment unavailable bids • Counter-Activation evaluation period and process 	Please refer to responses provided to article 13
<p>Oppose to Counter Activations:</p> <ul style="list-style-type: none"> • Performance of counter-activations is a market functioning that should not be part of such a procurement platform, creating undue competition with the (cross-border) Intraday market and distorting the balancing pricing signal by including non-balancing actions • RR TSOs should align themselves to the NRA requirement to exclude at least non-balancing counter-activations and the objectives of the EBGL to create balancing platforms "in order to ensure cost-efficient activation of bids' (recital 11 of the EBGL) • The perceived complications of the exclusion of counter-activations are closely linked with the continuing desire of RR TSOs to use elastic TSO needs. A two-step optimization with pre-netting of- inelastic - TSO needs and activation of balancing bids in a single direction to remedy the remaining imbalances would clearly not face such complications 	Please refer to responses provided to article 13
<p>The timings for gate closure need to be finalised as soon as possible to give participants certainty.</p>	Please refer to responses provided to article 1&2
<p>The RRIF lacks the necessary details, especially on the functioning of the RR platform (article 5 of the RRIF)</p>	Please refer to the explanatory document for more details. Some additional information has been added to the RRIF.
<p>The RRIF does not foresee the possibility for BSPs located in control areas where TSOs do not perform the RR process to offer RR energy directly on the platform via a cross-border</p>	Please refer to responses provided to article 1&2&3

BSP-TSO option	
<p>Transparency: request that the following data be systematically published:</p> <ul style="list-style-type: none"> • Capacity – Price curve • Information on the cross-border capacity: how much is available/used; which borders were constraining? • Information on interconnection controllability actions: differences between constrained and unconstrained auction outcomes • If the formulation of elastic imbalance needs is allowed by the NRAs: bidding structure by each TSO (volume and prices of elastic imbalance needs) 	Please refer to responses provided to article 3
<p>Consider the following three elements as high priority for harmonisation:</p> <ul style="list-style-type: none"> • Balancing Energy Deviation Settlement Price, including any additional penalties or market regulation rules • Imbalance Adjustment • Removal of national caps and floors to the bidding price (partly addressed in article 11 (3)). 	Please refer to responses provided to article 5&6
Lack of information on the on-going processes for the local implementation. For a parallel run in the second half of 2019, the requirements should be available at the latest by Q3 2018	Please refer to responses provided to article 1&2
The requirements of local implementation should be established in consultation with local stakeholders. For this, at least one consultation on the TERRE implementation at the local level should be organised, ideally combined with a more interactive and iterative process of stakeholder feedback.	Please refer to responses provided to article 1&2
SH requesting the project to continue the good communication with the market participants by publishing all non-confidential answers to this consultation on a central platform, like ENTSO-E. We have a high interest on the view of all other market participants.	The SH's comments and TSOs position will be published on the ENTSO-E website and submitted to the NRAs as part of the RRIF approval package.
Consultation stage during the development phase should provide valuable feedback to the TERRE Project and would guarantee that all	A specific consultation during the development phase is not foreseen on the European project level. Never the less, stakeholder involvement will be assured on

<p>the parties are ready for the go-live.</p>	<p>the European and national level.</p>
<p>Ask for a major cooperation between the TERRE project and national TSOs with NRAs and stakeholders involvement on important harmonization issues such as:</p> <ul style="list-style-type: none"> • Possibility of Portfolio bidding • Provisions on Imbalance pricing • Removal of cap and floors • Definition of penalties for deviations from incentivized or accepted shapes, under or over delivery of balancing energy 	<p>Please refer to responses provided to article 5&6</p>
<p>The level of harmonization that is foreseen is quite low for the moment. If proper harmonization is to be reached the project has to be extended to as many countries as possible</p>	<p>Please refer to responses provided to article 5&6</p>
<p>We would like to stress the importance of a harmonized local implementation plan to allow market participants to compete on a level-playing field.</p> <ul style="list-style-type: none"> • Balancing Energy Deviation Settlement Price, including any additional penalties or market regulation rules • Imbalance Adjustment • Removal of national caps and floors to the bidding price 	<p>Please refer to responses provided to article 5&6</p>
<p>Treatment of ramps is still present even though it is not mentioned in the consultation document. TSOs are still willing to push for a common principle to incentivize BSPs to deliver ramps around the requested block. This is something we strongly oppose on for TERRE and MARI projects. This requirement should not be imposed on BSPs, where the block should remain untouched as is currently the case for intraday and day-ahead wholesale products. There should be an incentive to stick as much as possible to the original product, that is, a given amount of MW during a fixed amount of minutes. This would provide a competitive advantage to assets which are closer to the requested shape, and not providing free energy. The conclusion is that having TSOs designing the standard products can lead to conflicts of interest, in this case building in the need for ramps for BSPs to facilitate their</p>	<p>As reported in the previous Consultation Paper, if the physical delivery of the BSP providing RR deviates from the XB exchange schedule, the RR exchange will result in a power imbalance within the area that this BSP is connected to. The additional imbalances have then to be solved by the connecting TSO by using mFRR or aFRR.</p> <p>For some TSOs it would be very difficult to remove the ramping period from the settlement calculation and they have decided to incentivize trapezoidal delivery shape.</p> <p>In any case the price of the bids submitted by a market player can reflect the risk of having a potential imbalance during the ramping periods.</p> <p>The only requirement for prequalification are defined in the standard product definition.</p>



<p>mission as system operators, without regards to the impact this has on the market. Even more when the actual needs are not being taking into account in the design, and just doubling down on the past practices.</p> <p>The consequences of implementing this principle will be severe market distortions. In some areas it will even lead to being penalized and losing prequalification if the incentive regime to deliver ramps is taken over as is by the TSO.</p>	
<p>Are you planning to implement any pre-qualification tests to ensure that only adequate assets will be included?</p>	<p>This topic will be addressed under the local responsibility.</p>

Introductory Article 1 and Article 2

Stakeholders main concerns and arguments

Main issues were raised on Maximization of Social welfare. The Stakeholders believe that the maximization of social welfare should not be the output only from RR balancing market but from overall balancing market. Stakeholders request main objectives of RR process to be in line with EB GL, mainly cost-efficient procurement of balancing energy.

Main Stakeholder feedback	TSOs position
Stakeholders requested to have an alignment between "bids" and "offers";	Term "Bids" will be used throughout the document
Stakeholders requested to create definition of RR standard product full delivery quantity	The RRIF describe the RR standard product fully in Article 6.
The RRIF refers to explanatory document for the list of participating TSOs;	The list will be provided in the RRIF
Maximization of social welfare should be outcome of the overall market functioning. The main objective of the RR process should thus be brought into line with the EBGL to have as its objective the cost-efficient procurement of balancing energy.	Please refer to the RR IF Explanatory Document annex updated version (Section 7.1)
The stakeholders note the lack of consideration on local aspects of the project. Whilst local implementation is a responsibility of national bodies, they still consider that ensuring level-playing field should be a key concern for the project. Therefore, the stakeholders recommend that an overall follow up of the local aspects is ensured by the project.	The TERRE TSOs are reporting to the national Regulators on the local engagement with the stakeholders and the local progress.
Consideration of impact on other balancing platforms timeframes and especially intraday market should be taken into account.	<p>The TSOs are aware of impact on other balancing platforms and intraday market. TSOs are trying to give BSPs as much time as possible after intraday market to submit their bids, considering the time for TSOs' bids submission and following processes. At the time when this IF is submitted, some inputs are remaining unknown:</p> <ol style="list-style-type: none"> 1. XBID SLAs not yet stabilised 2. The timing of the LIBRA algorithm conversion (which will only become clearer after the first production test cycle)

	3. Time needed for some TSOs to ensure the security and network assessment before the TSO-TSO GCT
The Stakeholder show concern on the cross-zonal capacity: harmonization of the intraday gate closure timeframes within the involved border.	Harmonization of ID GCT is not in scope of the RR Implementation Framework. This topic is elaborated under the CACM.
Stakeholders noted a concern related to the definition of social welfare: Negative BSP offer does not necessary mean that the BSP pays to the TSO.	Negative BSP offer does not necessary mean that the BSP pays to the TSO - we agree with this proposal - definition has been adjusted, it depends on a price if BSPs pays or not.
Several stakeholders expressed that the elastic demand and the methodology should be fully transparent.	The price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs aim to be transparent on the need prices and the methodology with the NRAs. Note, publishing of the need prices is not obliged by the GL EB, but the TERRE TSOs are open for NRAs' advice. Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).
Some stakeholders mention a concern on participation and involvement of market participants and stakeholders in the TSO-TSO harmonization process. In addition, the changes coming up from EBGL Article 30 (pricing for balancing energy) and Article 50 (TSO-TSO settlement) will require additional 18 months for some stakeholders to implement significant changes.	EB GL Article 30 (pricing for balancing energy) and Article 50 (TSO-TSO settlement) are not in scope of RRIF and will be harmonized together with the other platforms. The draft of proposal for Article 30 and 50 are under development and need to be submitted by one year after entry into force of EB GL (latest 18.12.2018)
Over or underestimation of the price of the needs can have serious consequences in the resulting Social Welfare, and the intention of minimization of RR procurement costs by defining elastic needs could result in a more expensive solution.	Some TERRE TSOs have the obligation to manage their system in a cost-efficient way and aim to use elastic balancing energy needs. They can hence submit a price for their need which indicates the maximum price they are willing to pay. Please refer to RRIF Article 11 regarding the price and RR IF Explanatory Document Annex (section 6).
The Stakeholders requested a proper coordination with balancing platforms - links between platforms, GCT... included in respective Implementation Frameworks.	TSO-TSO settlement will be harmonized with other platforms. As TSO-TSO settlement proposal has different deadline of submission (one year after entry into force of EBGL) it wouldn't be wise to treat different topics with different deadlines in other implementation frameworks as such topics can differ - this is applicable also on coordination with other balancing platforms, which are still being drafted and some topics are not



	decided. Moreover, RRIF is submitted to only concerned NRAs while other platforms and Frameworks involves all NRAs. All important topics are being discussed among all balancing platforms (such as BEGCT, CZC etc.).
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Article 3: High-level design of the RR-Platform

Stakeholders main concerns and arguments

In Article 3 main concerns were on process whether bids are "coherent" or not, mainly what are the criteria. Thereto other issue was on what are criteria to exclude bids from calculation (congestion constrains, etc.) and possible compensation process. Stakeholders demand more involvement in development of RR market and proposals for Pricing of balancing energy and TSO-TSO settlement. Additional data transparency is required by stakeholders besides what EB GL and Transparency regulation asks for.

Main Stakeholder feedback	TSOs position
<p>Take in account future design on wider market framework, including features of MARI and PICASSO</p> <p>Important decisions about RR- platform should not be made in isolation</p>	<p>The TERRE TSOs are coordinating with other projects such as MARI and PICASSO in order to assure a streamline between the high-level design topics. Note: The projects have different deadlines for submission to the NRAs.</p>
<p>The launch of TERRE will widen the role of the TSO from an operator to a market participant that must design and implement a volume and pricing strategy for submitted RR balancing needs. The success or otherwise of this strategy may have a significant impact on local imbalance or settlement prices.</p>	<p>Volume and pricing:</p> <p>The price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs will share the methodology to the NRAs.</p> <p>Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).</p>
<p>Process or compensation mechanism if TSO make incorrect submission of offer to platform</p>	<p>In case of incorrect submission or failure of optimisation mechanism, TSOs will run their fall-back procedure as described in explanatory document Article 14. No common rule will be applicable on the EU level. And should be addressed on the national level (regarding the compensation)</p>
<p>Publishing Unavailable Bids</p>	<p>Unavailable bids treatment is out of the scope of the RRIF. A proper submission of the Activation Purposes IF will be done according to Article 29(14) of the EBGL.</p>
<p>The current guidelines and RRIF proposal do not require any publication of the margin or reserve requirements, or the calculation methodologies. There should be a disputes process and/or compensation mechanism for Unavailable offers, and TSOs should be required to publish minimum margin and reserve requirements.</p>	<p>Unavailable bids treatment is out of the scope of the RRIF.</p> <p>The TSOs will fulfil requirements for transparency in accordance with Regulation 543/2013 and Article 12 of EBGL</p>
<p>It should be clarified what exactly the scope is for TSOs to evaluate offers for coherence at this stage</p>	<p>Coherent word was deleted from the RRIF</p>

<p>and what process will be used for non-coherent offers</p> <p>If the process of 'coherent' bid evaluation includes the withdrawal of 'unavailable offers' which is referred to in the explanatory document (paragraph 11, page 15), it should also be further clarified including under what conditions such bid filtering can be performed</p>	
<p>In the final sentence of paragraph 1 (d) there seems to be an error with the word 'schedules' in "[...] and schedules in Net Position to the verification platform operated by ENTSO-E."</p>	<p>Last sentence of Article 3.1(d) is rephrased</p>
<p>Uncertainties regarding the use of the terms "TSOs" and "RR TSOs". Referring to Article 3 (1a), can only RR TSOs receive offers from BSPs or also TSOs not performing the RR process?</p>	<p>Under the scope of this RRIF, RR TSOs participating to RR Platform can receive offers from BSPs.</p> <p>RR bids located in a non- RR TSO may be treated in a bilateral way between the TSO and its neighbouring RR TSO</p>
<p>Paragraph 1(d): Clarification on "platforms operated by ENTSO-E" meaning needed in the RRIF, as this is the binding document. The term "supply curve" should be replaced with "producer curve", according to the rest of the RRIF.</p>	<p>The TSOs would like to maintain the "supplier curve" wording</p> <p>Please refer to pervious answer related to platform operated by ENTSO-E</p>
<p>A detailed list of minimum data to be published beyond EB GL should be listed in paragraph 1.e&f.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Tag for unavailable bids accompanied of the detailed reason; • Imbalance needs per TSO, and all their features, if allowed; • The occurrence of indeterminacies and other unexpected events related to the algorithm and processes; • All the constraints imposed to the algorithm; • Clearing prices; • CZ capacity available and used (per border); • Interconnection controllability usage; • Clearing prices per bidding zone where appropriate; • Activated upward and downward volumes per bidding zone; 	<p>The TSOs will fulfil requirements for transparency in accordance with Regulation 543/2013 and Article 12 of EBGL, in case of agreement among TSOs we are open to discussion to publish more data.</p>

<p>Transmission of activation orders by TSOs to BSPs should be described in the RR implementation framework</p>	<p>Unfortunately, the BSP-TSO activation description is out of scope of the RRIF.</p>
<p>Could the Optimisation algorithm (referred to in the article 3-1-d) be available in an open source way, as it would increase the transparency of the platform (provided legal confidentiality rules are complied with)</p>	<p>At this stage, open source will not be possible due to contractual restrictions, more information can be provided to increase the transparency.</p>
<p>In the high-level design makes there is no mentioning of TSO Interconnection Controllability and subsequent “constrained” optimisation algorithm runs for RR Activations; nor the subsequent “unconstrained” optimisation algorithm run for TSO – TSO settlement (as per section 2.2.5 of the previous TERRE consultation)</p>	<p>Interconnection controllability is described in the RRIF Article 13 Detailed explanation is provided in the Explanatory Document annex (section 9).</p>
<p>Regarding the process of conversion of integrated scheduling process bids into RR standard products in countries where a central dispatching model is applied, we understand that the details are out of scope of the consultation. Even if preliminary discussions have started at national level, due to the high relevance of the conversion process and the impacts that it will have on the Italian local market, it is of outmost importance that Italian BSPs are formally consulted on the detailed definition of the conversion process itself.</p>	<p>The conversion is out of scope of the RRIF. It will be consulted on a national level under the local terms and conditions related to balancing.</p>
<p>Stakeholders request a further level of transparency for systems in which the TSOs apply Central Dispatch model, due to the conversion the offers are subject to in order to be converted into RR standard products (see comments to article 4).</p>	<p>Further transparency by TSOs applying Central Dispatch model is on national responsibility. It will be consulted on a national level under the local terms and conditions related to balancing.</p>

Article 4: The roadmap and timeline for the implementation of the RR-Platform

Stakeholders main concerns and arguments

The stakeholders raised the importance of being involved in the testing as soon as possible, even prior to the parallel run period. In addition, the parallel run should also include the testing of the settlement process. Also, the national involvement on BSP-TSO level but also coordination between the different projects have been stressed out.

Some stakeholders do not agree with the possibility granted to TSOs to flag some offers as unavailable and to block them from being selected by LIBRA platform, since it could cause distortions in the system and a loss of opportunity to the respective BSPs.

Main Stakeholder feedback	TSOs position
Prefer to have an end to end test, including BSPs and TSOs at an early parallel run period through a phase approach to identify key issues at the earliest date.	The involvement of BSPs / BRPs to the End to End testing and the parallel run phases is under the scope of the local / National involvement. Nevertheless, the TERRE project may incorporate the full E2E testing (subject to TSO-BSP/BRP readiness) during the Interoperability Process.
Include BSPs in the assessment of platform readiness. TSOs to propose detailed pre-qualification process	The pre-qualification process will be based on the national rules and is therefore out of scope of the TERRE project and this RRIF. The TSOs will organize local workshops in order to update the stakeholder on the timings and results from all the testing phases (including parallel run).
At least 9 months needed to achieve adequate level of readiness for the BSPs. In addition, the parallel run should include also the settlement process to understand the complex settlement and pricing mechanism	In general, two involvements can be identified 1) National involvement to test connectivity between TSO-BSP/BRP and 2) European level to test the TSO-TSO connectivity. The parallel run testing phase aims to involve BSPs and TSOs to the common tests, including the TSO-TSO settlement and accounting testing. The TSO-BSP/BRP pricing/imbalance settlement process will be subjected to the National level testing.
It is not clear what fulfilment of "further requirements by the GL EB" means	In general, the sentence refers to all the articles which are not strictly required by the GL EB
Paragraph 2 should be integrated with paragraphs 3, 4, 5 and 6.	Ok
All bid formats should be available to all BSPs since the go-live of TERRE or, at least, block offers and linking offers in time which are necessary for unit-based bidding	This is indeed the target of TSOs to allow all bid formats for all TSOs. Some local IT adaptation might be needed in order to translate the different formats.

Stakeholders should be given visibility on the evolution of the platform (frequency of clearings), and be associated to any future changes so as to be able to assess their technical feasibility	The stakeholders will remain being involved in the project. Any additional evolution of the platform will be communicated on national level.
Does paragraph (5) mean that some TSOs may implement TERRE later than December 2019 if the RRIF is not approved in a timely manner?	As allowed by article 62.2 of the GLEB, a RR TSO can propose a derogation in order to implement the TERRE process on a later stage (2y maximum). This derogation possibility is subject to the national level
Does the central platform have an alternative plan for testing if BSPs do not participate?	The connection of the BSP/BRP to TSO will be tested under the local scope.
Article 4 (5): the last sentence should read “A TSO may request a derogation from this requirement to its regulatory authority (Article 62 GL EB). The request shall be duly justified according to article 62.5 GL EB.”	The comment has been integrated
The involvement of BSPs in the parallel run should not be an option TSOs can do without, even in central dispatch countries. Also, it is important that both BSPs and TSOs gather sufficient experience from the parallel run. Hence, we believe that the RRIF should include a requirement for a parallel run of at least 6 months	The TERRE project agrees of the need of involvement of the BSPs in the parallel run testing process. The obligations of BSP/BRPs to participate to the different testing processes are under the national regulations. The TSOs will do their best to last the parallel run as long as necessary. The exact requirements of the parallel run will be defined at a later stage.
Paragraph 3(b): addition of reference to “assessment and proper consideration of stakeholders’ responses”.	The SH’s comments will be assessed and implemented where possible. TSOs position will be published on the ENTSO-E website and submitted to the NRAs as part of the RRIF approval package.
Paragraph 6: Clarification on “main market functioning” meaning.	OK. Clarified in the new RR IF proposal
Suggest in RRIF joint publication by all TSOs of detailed plan of national activities and milestones	National planning is under the national scope. However the TERRE project is monitoring the progress of the TSOs' national involvement and reports to the NRAs on this topic.
Public reports on results of the parallel run and decisions related the go-live shall be envisaged in the RRIF.	The TERRE TSOs agree that a communication of the results of the parallel run will be discussed with the NRAs and the Stakeholders. The exact requirements of the parallel run will be defined at a later stage.
Concern on the timing when the parallel run requirements will be published (not until October 2018). The Stakeholder need 18months to	The concern is noted, but the TERRE project would like to refer to the national TSO concerning the design of the TSO-BSP/external settlement

implement an subsequent TERRE requirement changes (TERRE design should be completed by June 2018)	providers' interface.
The stakeholder surged the need for coordinated development between IN, MARI and PICASSO including timing of each platform.	A coordination between different platforms is organised under ENTSO-E supervision. Therefore, the TERRE project would like to refer to ENTSO-E on the planning and progress of the different European balancing projects.
Require public consultation on implementation of RR product and balancing market specificities, clarifying how hourly sessions will interact with national balancing systems.	As stated before, the national market rules adaptation is under the scope of the national parties (TSO and NRA). Locally the TSOs will consult following the requirements of the GL EB.
TSO in Central Dispatch systems should be subject to additional transparency requirements due to the extra conversion step required from ISP bids into RR standard product.	This topic is under the scope of the national regulations and TSO. Therefore, out of scope of the RRIF.
Stakeholder does not agree with the possibility granted to TSOs to flag some offers as unavailable and to block them from being selected by LIBRA platform, since it could cause distortions in the system and a loss of opportunity to the respective BSPs	The possibility of TSO to mark bids as unavailable are provided in Article 29(14) of the GL EB. The definition of the "Unavailable bids" and their treatment is out of the scope of this IF. It will be treated through a dedicated all TSOs proposal under Activation Purposes framework
All bid formats should be available to all BSPs since the go-live of TERRE or, at least, block offers and linking offers in time which are necessary for unit-based bidding	This is indeed the intention of TSOs to allow all bid formats for all TSOs. Some local IT adaptation might be needed in order to translate the different formats.
TSOs to provide how the present balancing offers available at the French-German Border and BALIT will evolve, and which changes (design, operational, I.T.) market participants need to anticipate.	The BALIT solution is expected to be completely replaced by TERRE. The solution for TSO-BSP/BRP on the French border is still under assessment. It will be developed by RTE and DE TSOs + DE BSPS.

Article 5: Functions of the RR-Platform

Stakeholders main concerns and arguments

In general, not many explicit issues were raised. Some stakeholders indicated a preference for a more detailed RRIF.

In addition, and although not specific to RR Platform functions some stakeholders are focusing upon Counter-Activations and GCT of TERRE and ID XB.

Several stakeholders highlighted that Counter-Activations should not be allowed and GCT does not allow time for participants to bid.

Main Stakeholder feedback	TSOs position
15' is not enough time for AOF; it should be clear accepted limited functionality should AOF exceed 15 mins. Example CA suspended or XC Zonal capacity reduced to zero across limited zones	The TSOs are confident with the convergence timing. The TSOs do not aim to increase the complexity of the algorithm at the first stage. The fall-back with ATC = 0 will only be used in extreme cases when the algorithm will not converge within the time limit.
Will AOF inform TSOs which offers have been accepted?	Yes, the RRIF will be adapted
Article 5 (1) (a) does not include any description of the Activation Optimisation Function (AOF). We remind the TSOs that whatever is in their Explanatory Document is not legally binding, and hence details on the AOF should be included in the RRIF.	The RRIF will be adapted
Some stakeholders generally do not agree to allow counter-activations by TSOs in TERRE, should such counter-activations go beyond what is strictly necessary to meet the balancing needs of a TSO. Counter-activations that clear bids between market participants that are not related to the balancing needs of a TSO exceed the boundaries of the balancing energy procurement process that is the objective of the TERRE platform. As a result, the TERRE platform would become a hybrid market of balancing energy procurement and intraday auction.	The counter activation topic will be elaborated in article 13 of the RRIF.
Stakeholders would like to add details on unforeseeably rejected bids (URBs). A positioning is given, instead, in the explanatory document, and TSOs intend to minimize URBs while ensuring maximization of the social welfare. We state again our preference to allow only indivisible URBs, as this would incentivise the divisibility of offers. At the same time, BSPs in	URBs are out of scope of the RRIF to give examples this legal binding document. Therefore, please refer to the updated explanatory document.

<p>areas where asset-based bidding is practiced should not be disadvantaged. Divisibility of offers in such areas is more difficult to achieve. Therefore, local market arrangements should be harmonized such that portfolio bidding is permitted in all areas.</p>	
<p>Counter activations affect balancing prices and as a result will have an impact on imbalance prices. According to article 44 of the EBGL, the settlement process shall: (a) establish adequate economic signals which reflect the imbalance situation, (b) ensure that imbalances are settled at a price that reflects the real time value of energy, (c) provide incentives to balance responsible parties to be in balance or help the system to restore its balance, f) avoid distorting incentives to balance responsible parties, balancing service providers and TSOs.</p>	<p>Article 13 of the RRIF has been updated to include the Counter-Activations.</p>
<p>We think that more details on the RR platform functions are required to be inserted in the RRIF main document, and not only in the Explanatory Note, which has no legal binding power.</p>	<p>It is not the purpose of the RRIF to detail all the information on the RR platform design. This is also not required by the GL EB.</p>
<p>As it has been previously mentioned, if the RR-platform includes the function ‘TSO-TSO settlement’ its definition should be under the scope of this Implementation Framework.</p>	<p>The function will manage the TSO-TSO financial flow, addition explanation will be added in the RRIF</p>
<p>Article 5-1-b: Data management: the transparency/publication of data pursuant to article 3-1f and EBGL article 12 should be included among the functions of the RR-Platform.</p>	<p>The publication of data will be done by external platforms such as the transparency platform. The LIBRA platform will only submit data and therefore does not include such a function.</p>

Article 6: Definition of the RR Standard Products

Stakeholders main concerns and arguments

One of the two main concern raised by the stakeholders was related to the harmonization of the cap (in quantity) for block offers among the participating Countries.

The introduction of such a cap was done in order to avoid the possibility of market concentration in case of low liquidity of the balancing market and big indivisible offers submitted by one (or more) BSP. TERRE TSOs understand this concern, but at the same time think that it's difficult to put a unique cap that satisfies the previous condition and, at the same time, will not exclude any start-up offer with a FAT less or equal to 30 minutes.

So at least in a first time TERRE TSOs decided to keep the national caps for indivisible offers.

TERRE TSOs will take into account these comments and are going to monitor both during the parallel run phase and after the go-live phase the impact of having different caps for block offers among the participating Countries.

The second concern is related to the increase of the number of daily clearings (from 24 to 96): although some stakeholders welcome this possibility, many concerns were raised concerning the possible reduction of the maximum delivery period of the RR standard product (from 60 to 15 minutes). TERRE TSOs understand the issue and will take these considerations into account when the increase of the daily clearings will be evaluated.

Main Stakeholder feedback	TSOs position
Ramping period: Definition for the Full Activation Time (FAT) of 30 minutes is not fully clear. On the one hand 30 minutes is much too short to start a generation unit. On the other hand, 30 minutes is a too long ramping period for flexible units. A reduction of FAT could help to allow implementing a smarter solution for the gate closure times.	Considering the timings of the XBID process and what is required from CACM and GLEB, it's not possible to allow a FAT of more than 30 minutes. Having a FAT of 30 minutes does not mean that a unit has to start ramping exactly 30 minutes before the delivery period. The FAT is the sum of the ramping and the preparation period, so with a FAT of 30' the ramping period could be between 0 and 30 minutes.
Max delivery period: BSPs must be able to submit offers linked in time in order to replicate dynamic capability. BSPs will be able to access a greater MW range and offer more competitively priced volume by linking and ramping up (or down) over consecutive delivery periods. Should the number of daily gates be increased from 24 to either 48 or 96, the maximum delivery period over which offers may be linked in time should not be reduced, as a shorter period would limit the volumes that BSPs can offer at a competitive price.	As stated in article 11.4, after reducing the cross-border scheduling step to 15min, an increase of the number of daily gates may be evaluated taking into account the maturity of the European balancing market at that time. In this evaluation also the possibility of linking offers in time (inside the hour) will be taken into account.
Cap of block bids: It is not clear why the "maximum quantity in case of indivisible bids" is defined on local level. Differences in the ability of	The cap for indivisible bids was introduced in order to avoid the possibility of market concentration in case of low liquidity of the

<p>BSPs to offer a volume of indivisible bids distorts the level playing field on the RR-Platform. The maximum quantity for indivisible bids should rather be defined at RR-Platform level.</p>	<p>balancing market and big indivisible offers submitted by one (or more) BSP. If TSOs define a unique cap, some start-up offers will be excluded, so at least in a first time TERRE TSOs decided to keep the national caps for indivisible offers. In any case TERRE TSOs will take into account the comments of the stakeholders and are planning to monitor both during the parallel run phase and after the go-live phase the impact of having different maximum offer volumes among the different participating countries. However, please note that it is under the responsibility of the NRAs (with the support of TSOs) to harmonize such rules in the TERRE region.</p>
<p>Cap of block bids: Concerning the choice of starting with 24 daily gates, we understand that it is intention of TSOs to move to a 15 minutes XB scheduling step when the mFRR platform will be implemented and operational. We agree with the 15 min step. This step has to be in any case harmonized, even in an eventual transitory period. We strongly urge TSOs to work with stakeholders to achieve an early implementation of mFRR, and any delay in the implementation of the 15 min step should not bring about any delay in the introduction of mFRR.</p>	<p>In principle the TSOs agree with the first part but considering the relation between the reduction of the XB scheduling step and the security of the system, it will be a difficult target to reach. The second part is out of scope of RR IF</p>
<p>Min quantity and Max delivery period: For such regional platform we would propose increase of minimum quantity from 1 to 10MW. Also taking into consideration we discuss about RR (which sometimes need unit startups) max delivery period of 60 min is very limitative; therefore, we propose to not have a imposed maximum delivery period.</p>	<p>Moving the minimum quantity that a BSP can offer in the Libra platform from 1 to 10 MW will have a huge impact on the liquidity of the market. BSPs have also to consider that the different bid formats available in TERRE allow to set a minimum quantity of MW (different from 1) for each offer (e.g. Block offers, multi-part offers...).</p> <p>The Maximum Delivery Period cannot exceed the hour. An offer with a Maximum Delivery Period that is more than one hour will interfere with the results of the Intraday Market (XBID market) of the following hour and couldn't be activated by any TSO.</p>
<p>Incentivised shape: There isn't a mention of the standard 'trapezoid' shape that should be incentivised. E.g. the 10-minute ramp and 5-minute delivery in a trapezoid shape. I believe that this should be mentioned here.</p>	<p>This is out of scope of this RRIF. This topic will be elaborated on a national level.</p>

<p>Cap of block bids: As already stated in earlier consultations, we welcome a decrease in the commercial scheduling step towards 15 minutes as soon as possible, provided that it is implemented in the intraday timeframe as well. An implementation plan including a time plan would be appreciated.</p>	<p>Considering the relation between the reduction of the XB scheduling step and the security of the system, it's difficult for the TERRE TSOs to provide more details now.</p> <p>We will inform stakeholders as soon as we have more details.</p> <p>The RRIF was updated on this topic also.</p>
<p>Resolution of price should be specified. Footnote should be converted in a sub-paragraph.</p>	<p>RRIF has been updated. Resolution of price has been added under Article 6. Additional information concerning the footnote has been provided in Article 11 (5).</p>
<p>There should be a CBA to find out the benefit of having 48 or 96 gates.</p>	<p>As stated in article 11.4, after reducing the cross-border scheduling steps to 15min, an increase of the number of daily gates may be evaluated taking into account the maturity of the European balancing market at that time.</p> <p>In this evaluation also a benefit analysis that takes into account the impact on the RR process will be included.</p>
<p>According to Footnote 1: the maximum delivery period depends on the implemented number of daily Gate Closure Times (GCTs), which at the very beginning of the platform operation will be set at 1 hour before the delivery (24 daily gates). In case of moving the RR-platform to 48 or 96 daily gates, the maximum delivery will be 30 minutes and 15 minutes respectively.</p> <p>We are in favour of the proposed version of the RR standard product and the launch of the platform with 24 GCTs per day, since the priority of TERRE project is to implement the platform by the end of 2019 as required by the EBGL Regulation. However, we do not completely understand the TSOs approach of increasing the number of GCTs and reducing the delivery period of RR standard products. The reduction of the maximum delivery period to 15 minutes, on one hand fitting on portfolio-based bidding strategy, on the other hand does not fit to unit-based offers where physical assets participate directly in the market: the physical constraints (activation and deactivation timings) may not allow these assets to procure Replacement Reserve only for 15 minutes and be available for activation the next quarters of hours, potentially preventing the BSPs</p>	<p>In principle we agree with the concern raised and this is why, as stated in article 11.4, after reducing the cross-border scheduling steps to 15min, the increase of the number of daily gates may be evaluated taking into account the maturity of the European balancing market at that time.</p> <p>In this evaluation also, a benefit analysis that takes into account the impact on the RR process will be included.</p>

<p>of this assets from bidding their whole available reserve. From our point of view, even plants which are characterized by flexible performances might be penalized and excluded from the European RR exchange market. A resulting risk of this choice that we foresee might be the lack of liquidity in the market, which is already endangered in some areas by the reduced dimensions of the market zones (as it happens in Italy).</p> <p>In the event that the reduction to 30 or 15 minutes will be considered necessary, Edison deems as fundamental the possibility of introducing the option of linking offers in time for more Imbalance Settlement Periods (e.g. for 4 in case of 96 daily gates or 2 in case of 48 daily gates), in order to duly take into account the constraints on the minimum duration of delivery period for physical assets. For giving a proper opinion on this topic, we request the publication of an assessment of the impact of daily gates number modification on both RR platform implementation timeline and on the performances of the RR market and a clear roadmap of project evolution.</p>	
<p>Necessary to give BSPs the possibility to make linking offers in time between subsequent ISPs, as this is necessary to integrate constraints on the minimum duration of the delivery period.</p>	<p>Linking offers are allowed between subsequent ISPs only if these ISPs belong to the same hour.</p> <p>If the number of clearing of the algorithm will change, this requirement will be adapted consequently.</p>
<p>wishes to highlight the importance for BSPs to place indivisible offers since they are necessary to offer physical assets on a unit-based basis. If the maximum bid size is set too low, large units will not be offered, thus dramatically reducing the liquidity of RR standard products.</p>	<p>We agree with the concern raised.</p> <p>In any case the cap for indivisible bids was introduced in order to avoid the possibility of market concentration in case of low liquidity of the balancing market and big indivisible offers submitted by one (or more) BSP.</p>
<p>Concerning the delivery period, Footnote 1 indicates that it will decrease with the number of daily gates. Nevertheless, it necessary that the 30 minutes overall TSO/RR-platform clearing process, which is acceptable at the beginning, will have to be reviewed and reduced to (at most) 15 minutes once 96 gates will be introduced.</p>	<p>At the current stage we consider premature any technical discussion about the process that will be established after the reduction of the XB scheduling step and the possible increase of the number of the daily clearings; indeed, this increase (and any change related to it) may be evaluated once the XB scheduling step will be reduced (not before 2021).</p> <p>In any case we consider the 30 min FAT one of the basic features of the RR standard product.</p>

Article 7: Gate closure time for RR standard product energy bids

Stakeholders main concerns and arguments

The main concern raised by the stakeholders is the establishment of the BEGCT at H-60 minutes, coinciding with the ID GCT. BSPs are worried about the loss of liquidity in one or both markets, ID and RR. BSP would have to make a choice between participate in the last moments of XBID to bid their capacity or in TERRE. This would imply de facto move of the ID XB GCT further away from real-time than the current H-60 minutes.

General assessment from TSOs: The TSOs understand the concern raised by the stakeholders and agreed to define the BEGCT at H-55min.

This target will be reached no more than 12 months after the go live of the RR Platform. During this intermediate stage the BEGCT will be set at H-60min.

The RRIF was updated in this way (RRIF Article 7).

The second main concern raised by the stakeholders is that BEGCT could be define only two months before entry into operation because it won't give enough time to finalize their systems. TERRE TSOs understand this concern so they have amended the RR IF accordingly.

Main Stakeholder feedback	TSOs position
BEGCT of different projects should be consulted in one single document.	BEGCT of each project will be consulted in each IF as required in article 24(1) of EB GL
Recognize the improvement of the new proposal but still insufficient time for BSP. Proposal: BEGCT: H-50min (minimum). The translation of the proposed range into a single value should be done through formal amendment of IF (to ensure SH consultation and NRAs approval)	<p>TSOs will do their best to fix the BEGCT as later as feasible after H-60min</p> <p>It's important to remind that at the time when this IF is submitted, some inputs are remaining unknown</p> <ol style="list-style-type: none"> 1. XBID SLAs not yet stabilised 2. The timing of the LIBRA algorithm conversion (which will only become clearer after the first production test cycle) 3. Time needed for some TSOs to ensure the security and network assessment before the TSO-TSO GCT
GCT for the third and fourth 15-minute is set before GCT of the local Balancing Market in GB --> impact on liquidity	<p>The rules are prior not to have an overlap between the European balancing market and the CZ ID market.</p> <p>A proper explanation will be handled by NGET for the UK balancing market configuration.</p>
Need to define the BEGCT earlier than two months before go-live (and before the parallel run)	Please refer to the RRIF updated version Article 7.
The GCT for submission for RR standard product shall be 60 and 45. In this case the resolution	The BEGCT is defined as the time before the period which is concerned by the activation of the RR

would be the same as scheduling resolution.	<p>standard product to satisfy the TSO balancing energy need.</p> <p>Even if the scheduling resolution will decrease the BEGCT will remain the same.</p>
Stakeholders ask TSOs applying a central dispatch model to start involving stakeholders on formal discussion regarding the GCT for RR integrated scheduling process bids	The involvement of stakeholders in CDS is ongoing. This topic is under the scope of the National market regulations. Each TSO will establish a national terms and conditions framework which will be evaluated by the NRAs.
The article foresees that the TSOs applying the Central Dispatch model will define the GCT for RR products according to the article 24 of EBGL. The GCT is a fundamental parameter for market participants and BSPs, and the TSOs should communicate its definition as soon as possible. We strongly request that the RRIF includes an indication of the TSOs' timeline for the definition and communication to stakeholders of the GCT in Central Dispatch systems, as the RRIF does for the GCT for RR standard products.	<p>This is not the definition of the RR GCT that will be defined by the RR TSOs but just the definition of the integrating scheduling process.</p> <p>The RRIF has been slightly adapted for clarification.</p>
<p>BEGCT to be divided into 2 deadlines:</p> <ul style="list-style-type: none"> • 1 submission of scheduled energy programmes including volumes offered for TERRE (that would allow the TSOs to assess their balancing needs) and • 2 submission of offer prices related to the offered balancing volumes. 	Thank you for the proposal. After internal check, this proposition will be not possible to implement due to reconciliation of the two information, programs and prices, will in any case require additional time to be performed.

Article 8: TSO energy bid submission gate closure time for RR

Stakeholders main concerns and arguments

The main concern raised by the stakeholders is the times given to BSP and TSOs for their submission. BSPs will have, at most, 5 minutes to prepare and submit bids and offers whilst TSOs will have 15 minutes to prepare their final submissions after BSP GCT. They also insist that the TSO GCT, in any case, can endanger the FAT=30 min. TERRE TSOs understand this concern but stress that the time interval between BE GCT and TSO GCT is needed to perform security analysis and calculation. Nevertheless, TSOs commit to minimize this time once we have all required information.

There are also some concerns regarding unavailable bids asking for a methodology approved by NRAS and for a compensation to the BSPs for loss of opportunity. TERRE TSOs highlight that we can only make a bid unavailable in specific cases related to security (i.e. local congestions, local lack of margin or for fulfilling the local requirements for mFRR and/or aFRR) so no compensation for unavailable bids is expected. NRAs could monitor the unavailable bids process.

General assessment from TSOs: The TSOs agreed to define the BEGCT at H-40min.

The RRIF was updated in this way (RRIF Article 8).

Main Stakeholder feedback	TSOs position
It is in the interest of TSOs, BSP and BRPs to accelerate the process of the in a free balancing energy market. Therefore, there is a need to speed up the process for the submission gate closer time for RR. The submission to the central platform should be at latest 45 minutes before real time	The time interval between BEGCT and TSO GCT is needed to perform security analysis and calculation tasks but at the time of RRIF submission the exact time is still unknown. TSOs will do their best to minimize this time once have all required information.
Any unused free bids must be released to BSPs immediately in order to allow BSPs and BRPs to use the unused energy bids to balance their own portfolio up to real time.	Unmatched bids will be released to BSPs and BRPs as soon as the clearing and the validation processes have finished (latest H-30)
It is our view that a 15 min window for TSOs to assess BSP submissions is unduly long	Please refer to the previous answer
RR TSOs should strive to evaluate and decide on the final value for TSO bid submission GCT - as well as BE GCT - as soon as the technical parameters of the LIBRA platform are agreed with the service provider.	Please refer to the updated RRIF proposal (Articles 7 and 8)
Unavailable bids: transparency on this matter must be assured. Common ex-ante requirements and a clear methodology to mark a bid unavailable should be approved by NRAS and be publicly available. Proactive ex-post monitoring of NRAs shall be necessary.	Unavailable bids treatment is out of the scope of the RRIF. A proper submission of the Activation Purposes IF will be done according to Article 29(14) of the EBGL
Description of the TSOs processes after BEGCT and H-30 should be provided. GCT to submit	TSOs need to have the bids submitted by the BSP before performing security analysis and

offers and needs at H-50 and TSOs submission of CMOL at H-40	calculation tasks TSOs will do their best to minimize this time once have all required information.
Coordination between projects (balancing and XBID) is needed to ensure feasibility	Coordination between projects is ensured by active participation of TSOs.
The chronologies between GCT for BSPs, GCT for TSO and creation of the common merit order list must be clarified.	The BEGCT and TSO-TSO GCT where defined in the RRIF updated proposal (Article 7 and 8)
TSO GCT cannot endanger FAT=30 min	Clearing and the validation processes are designed in order to allow FAT=30 min
Allowing TSOs to discard standard bids should be conditioned to a fair compensation for the loss of opportunity to the impacted BSPs. For example, an upward offer with a price lower than the marginal price but flagged as unavailable should receive compensation equal to the difference between the marginal price and the offered price.	The treatment of Unavailable bids is out of the scope of the RRIF. It will be treated through a dedicated all TSOs proposal under Activation Purposes framework

Article 9: Common merit order lists to be organised by the activation optimisation function

Stakeholders main concerns and arguments

Most of the BSPs expressed their concerns about bid coherence evaluation and bid rejection by TSOs. They also would like get detailed information about BSP compensation in the case of TSO do not forward their offer to the platform due to different reasons. These problems are covered in EB GL Article 29(9). TSOs always have to pass on the bids to the platform, except in special cases what described in EB GL.

Another request from BSPs was the full transparency about the system how TSOs co-optimize the activation of balancing resources across different products. These issues are out of the scope of TERRE project.

One BSP highlighted that apprehension allowing different bid formats by TSOs is discriminative for BSPs. RR TSOs agree with this statement and take into account this issue in order to fulfil the requirements of level playing field.

RR TSOs have the same opinion in the topic of bid formats. The high degree of complexity in bid formats and different offer parameters (linking, exclusive ...) enhance the opportunities of BSPs to take part in RR balancing market.

Main Stakeholder feedback	TSOs position
Paragraph 4 again refers to the submission of energy bids by the connecting TSO to the RR-Platform if they are deemed 'coherent', without clarification on what criteria will be used to evaluate such coherence. The process also does not explicitly refer to any bid filtering of unavailable bids, something that the explanatory document clearly indicates will be part of the RR bid submission process (chapter 11 of the explanatory process).	The position will be redrafted in order to be aligned with Article 29(9) of the GL EB. As stated above, the filtering or unavailable bids definitions are out of the scope of this IF
Paragraphs 1, 2, 3 and 4 should be included in Article 7.	The TSOs disagree, CMOL and BEGCT should be treated in different articles.
Paragraph 3: Details provided in the explanatory document about bid formats must be reflected in the RRIF. Besides, this shall develop proper explanations about national decisions affecting the overall implementation.	National decisions will always enter under the scope of the harmonized decisions and respect the RRIF content.
Paragraph 5 is not containing additional information, considering definition in Article 2(1)(o) and Article 3(1)(d).	CMOL is input for AOF. The CMOL description cannot include the description of social welfare.
Remark the necessity to launch a collaboration process of TSOs operating in Central Dispatch systems with stakeholders to clarify how the conversion from ISP RR product into RR standard products will be operated.	This topic is under the scope of the national regulations and TSO. Therefore, out of scope of the RRIF.
In the explanatory document it is stated that 'Some TSOs may not allow their BSPs to offer all RR	This is indeed the target of TSOs to allow all bid formats for all TSOs. Some local IT adaptation

<p>standard product energy bids formats at the first stage of the operation of the RR-Platform, as their local IT systems may not be ready to process all types of offers. However, to ensure fair competition and non-discriminatory conditions, all BSPs will be allowed to offer all RR standard product energy bids formats at a later stage.</p> <p>Due to the fact that this transitory period is not delimited in time, the risk of an indeterminate period with unfair and discriminatory conditions for the acting players makes advisable establishing common stages for all the TSOs involved, in such a way that all bid formats are available for all BSPs at the same time.</p>	<p>might be needed in order to translate the different formats.</p>
<p>Full transparency has to be ensured on the methodology and the criteria used by TSOs to establish parameters on the usage of the flexible and elastic demand, as well on the resulting demand curve submitted by each TSO to the RR platform</p>	<p>The Methodology will be shared with the NRAs. Additionally, updated explanation was included in the Explanatory Document (section 6).</p>

Article 10: Rules for governance and operation of entity operating the platform and proposed designated entity

Stakeholders main concerns and arguments

The main concern of the stakeholders regarding Article 10 is that the governance process does not include their involvement. The RR TSOs would like to stress that the Article 10 relates to the entity operating the RR platform. Because this entity consists of only the RR TSOs the Article 10 is not applicable to the stakeholders. Stakeholder's involvement is guaranteed directly by GLEB. In addition, the RR TSOs would like to add that the European and national involvement of stakeholders will be guaranteed and is under NRAs monitoring framework.

Main Stakeholder feedback	TSOs position
GB TSOs' operations and processes need to be assessed for compliance with the GLEB at go-live, esp. in respect to art. 12 GLEB, due to possible limited jurisdiction of European Court of Justice in the UK from March 2019.	The risk of Brexit is captured as a project risk. The question of which legal court will be addressed in case of litigation will be defined by the European rules during the negotiation of the EU energy market access. The RR platform will comply with the EU legal rules.
Governance rules do not foresee participation of stakeholders within the scope of: governance (participation in expert groups / Steering Committee and decision-making process), involvement in platform design, gathering input, informing about the implementation process steps and about decisions affecting the function of RR Platform, amending (future development) of RRIF.	Governance of the European platform is by obligation and under the scope of TSOs. The governance rules will have to be validated by the NRAs. The stakeholders will be invited to participate to the project through the European and National involvement.
The role of NRAs in art. 10.2. RRIF should be clarified.	Role of NRAs is not a subject of this paragraph and is out of scope of RRIF. NRAs' roles and responsibility are determined in GLEB not in RRIF. Art. 10.2.b.iii RRIF non-exhaustively sets forth scope of activities to be performed by the SC.
Paragraph 2(b): Clarification on the use "and/or" when referring to "TERRE project and/or RR-Platform".	The governance, cost sharing and voting process will be applied for the Implementation project (TERRE) and the RR platform.
Paragraph 4(b)(ii): Clarification on "exception handling" meaning needed in the RRIF.	Exception handling means situations such as handling incorrect or incomplete input data, handling exceptions in data exchange with external systems (transparency platform, accounting service provider) or handling outage of IT systems.
To include in expert groups other entities that are not TSOs (but that are performing TSO's task), as for example Third Party Market Operator (TPMO).	RR Platform is a TSOs' platform according to art. 19 GLEB (as RR Platform is developed by TSOs only and may be operated only by TSOs or by entity created by TSOs in accordance with art. 19.1



	<p>– art. 19.2 GLEB). Only TSOs will be designated to operate RR Platform and perform its functionalities according to this RRIF. Other entities, not being TSOs, are not envisaged as members of the Consortium. This is in line with art. 19 of GLEB. TPMO is involved in RR Platform as stakeholder.</p> <p>The adaptation of national settlement rules should be handled on the local level and is therefore out of scope of the RRIF</p>
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Article 11: Framework for harmonization of terms and conditions

Stakeholders main concerns and arguments

Main Stakeholder feedback	TSOs position
TSOs, Interconnector owners and operators should make best endeavours to achieve 15-minute scheduling steps at the earliest time.	The TSOs are still assessing the target feasibility and in case anticipation is possible, the TSOs will use this opportunity to move to a shorter scheduling step.
It is not clear from the RRIF proposal whether TSO RR balancing energy needs are submitted with the same bid formats (e.g. linked, exclusive, indivisible) as RR offers.	Please refer to the updated Article 9 of the RRIF.
The exemption for the max. size of need= sum of offers rule not clearly defined.	For example, exemption may occur in case of emergency related to system operation assistance. There will be an ex post evaluation on application of such exceptions.
Not agree with the proposal of TSOs to use elastic imbalance needs. By pricing their bids and offers and putting them on the CMOL together with bids and offers from market parties, TSOs are directly active on the market. 1. why TSOs cannot express the inherent uncertainty for acquiring balancing services in volumes, while they can do so in prices? 2. how TSOs will in the future optimize their elastic balancing needs when the cost of competing balancing products - i.e. mFRR through the MARI project - will depend both on the availability and needs in other countries that will only be clear long after the RR-Platform has closed?	The price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs aim to be transparent on the need prices and the methodology with the NRAs. Note, publishing of the need prices is not obliged by the GL EB, but the TERRE TSOs are open for NRAs' advice. Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).
For such regional platform propose to increase of minimum quantity from 1 to 10MW.	The minimum size for the TSO need was decided to be 1 MW, the same with the minimum size of the RR product. This is a small amount for a TSO need, indeed, however any quantity necessary for imbalance energy, over than 1MW will be considered.
Taking into consideration we discuss about RR (which sometimes need unit start-ups) max delivery period of 60 min is very limitative; therefore, propose to not have an imposed maximum delivery period.	The future European Intraday market will change the production nominations every hour, therefore the RR balancing market will be adjusted also from a quarter hour to one hour, as the RR market is designed. It is not possible to extend the delivery period longer than 1h, without overlapping with the ID market.

	<p>It is possible under certain market conditions (e.g. needs, offers price) that a unit to be selected more than once to provide balancing energy, so more than one hour. Anyway the RR product is a max. 30 min full activation time product (it's not fully equivalent of the present Slow Tertiary Reserve), so the units able to perform a fast start-up are hydro units/pumps, gas turbines, renewables-(only if it's offered) and they are also flexible to shutdown</p>
<p>During the workshop of 19 March 2018, the TSOs explained that they see several reasons for which they need elastic demand:</p> <ol style="list-style-type: none"> 1. TSO want to prevent the price of RR to “spike”, as they are concerned by a lack of liquidity on the RR platform 2. TSO want to cap the price of RR to the level of alternative balancing products, such as specific products 3. TSO want to cap the price of RR to the level of the expected price of mFRR <p>A stakeholder strongly disagrees with these 3 motivations:</p> <p>A. The fear for low liquidity should not be a motivation to introduce price caps. Explicit or de facto price caps are not only wrong from an economics standpoint, they are also unlawful with regard to the EBGL: In its article 30.2, the Guideline makes it very clear that price limits can only be applied for technical reasons (IT, algorithm), and be reflective of the value of lost load. As mentioned in our paper on the free formation of prices , we believe that energy prices should be allowed to reflect the true value of scarcity during times of system stress and high demand for power; similarly, when energy is in abundance prices should be allowed to reflect the value of displacing that generation and even go negative – which would give signals for storage operators/investments if they are not caused by out of the market reasons. Likewise, the volatility of energy prices, when not induced by flows in the market design – e.g. lack of transparency,</p>	<p>The price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs aim to be transparent on the need prices and the methodology with the NRAs. Note, publishing of the need prices is not obliged by the GL EB, but the TERRE TSOs are open for NRAs' advice.</p> <p>Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).</p>

<p>excessive reserve margins, or any other distortion to price formation – is a sign that the market reacts appropriately and fast to demand and supply signals.</p> <p>B. Specific products are supposed to be temporary measures, aiming at facilitating the transition from current national balancing market towards an integrated EU balancing market. They do not follow the same transparency and pricing rules. Hence, using them as a benchmark – or even worst, as a price cap – for standard products introduces serious distortions in the future integrated market.</p> <p>C. Capping the purchase price of replacement reserve to the “expected price of tertiary reserve” would imply that TSOs speculate on the evolution of electricity prices. Allowing TSO to perform a speculative activity would simply violate basic though crucial unbundling rules.</p>	
<p>Article 11 (2): we agree with the interconnection controllability as a tool for TSOs to relieve cross-border congestion. However, two important conditions we mentioned previously are not detailed in the RRIF, but should be met:</p> <ol style="list-style-type: none"> 1. Sufficient transparency should be provided for market participants to understand that an interconnection controllability action has been performed and what the result of this action was (constrained versus unconstrained outcome). 2. Bids that were not activated due to an interconnection controllability action suffer opportunity loss (difference between bid price and pay-as-cleared market outcome) and should be remunerated for this. Otherwise, TSOs would be under-incentivised to solve the associated congestion. 	<ol style="list-style-type: none"> 1. UABs will only be allowed for interconnection controllability actions, in case interconnection controllability is requested and influence the result, there will be an URB. So, the market participants can identify when IC action was requested (there will be an URB in the results). 2. Bids that are not activated due to IC action, will not be remunerated.
<p>Oppose to the introduction of elastic needs for TSOs. TSOs would become directly active in a market that they operate themselves, which is against the unbundling principle. The task of the TSOs is to procure balancing energy to deal with</p>	<p>The price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs aim to be transparent on the need prices and the methodology with the NRAs. Note, publishing of the need prices is not obliged</p>

<p>their imbalances and not to market their imbalances. In case the use of elastic needs is nevertheless introduced, we ask the TSOs to specify and communicate the principles they apply to determine elasticity.</p>	<p>by the GL EB, but the TERRE TSOs are open for NRAs' advice.</p> <p>Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).</p>
<p>The table under paragraph 1 should be complemented of sub-paragraphs containing proper explanations. In particular:</p> <ol style="list-style-type: none"> 1. Explanations about Maximum Size, including the possibility to request an exemption “under certain conditions”. 2. Exact meaning of the expression “Under the responsibility of TSO” in Divisible Volume. 3. Conditions under which TSO are allowed to submit one price for their needs. 4. The term tolerance band shall be defined in line with the explanatory document 	<ol style="list-style-type: none"> 1. The exemption may occur in case of emergencies of a particular TSO and the quantity that exceeds a correct requirement is satisfied by the platform only if the all other needs could be satisfied and the amount of reserves could cover in whole or partial the emergency need. This is an advantage for the producers. 2. The RRIF will be rephrase to fully divisible. 3. As far as elastic needs are permitted, TSOs will be always allowed to submit one price for their needs. 4. As indicated the term tolerance band is explained in the explanatory document. This functionality will be available in the platform and each TSOs will individually decide to use or not.
<p>Paragraph 4: Consultation needed prior the decision on increasing daily gates.</p>	<p>Stakeholders will be involved in the decision of the increasing daily gates.</p> <p>For the Elasticity, please refer to the answers above.</p>
<p>Paragraph 5(a): Lack of precision about the type of prequalification, is it national? Are common rules foreseen?</p> <p>Paragraph 5(d): More clarification needed for the case of conversion of specific products, as they are defined “per se” as non-standard.</p>	<p>Prequalification process is not foreseen to be harmonized under RRIF. Only the standard product will be harmonized.</p>
<p>Paragraph 5(e): Portfolio bidding shall be allowed irrespective of the connecting TSO in order to boost participation of BSP, given the time constraints in the processes for managing the different European Platforms (RR, mFRR, aFRR). It should not pose a problem for proactive TSOs if proper arrangements are established.</p>	<p>Portfolio-unit based bidding is out of scope of the GLEB and is directly related to the structure of the network and system operator model. This concern is not covered by this RRIF.</p>
<p>We do not agree with pricing energy needs. There are alternatives to satisfy the uncertainty through the Tolerance Band in volume which is already included in RR energy need characteristics.</p> <p>TSOs should not price the needs in a market where TSOs decide also the volume matched in the</p>	<p>The European markets represent wider markets for producers and the opportunity to activate more balancing reserves. In the same time each TSO represent in most of the cases different countries, with different particularities of electrical systems and also different particularities of the market</p>

<p>market. This seems to be against the unbundling rules.</p>	<p>based on demand and supply. The TSOs shall evaluate the own imbalance needs and analyses its own offers and thus it is entitle to decide a maximum price that is willing to pay for each particular type of reserve. So, the TSOs prices in the case of the elastic needs are not caps and floors, they give the TSO the possibility to avoid paying unreasonable prices for replacement reserves.</p> <p>However, if the needs would be characterized only by quantity, they will still be elastic, meaning the result from the algorithm could be refused. The algorithm will be run again, the marginal price will go down and the market itself will adjust the prices. (Unreasonable price means a price that is not based on production costs, profit, or even value-added. It occurs in certain market conditions and substantially decreases the social welfare.)</p> <p>Additionally, the price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs aim to be transparent on the need prices and the methodology with the NRAs. Note, publishing of the need prices is not obliged by the GL EB, but the TERRE TSOs are open for NRAs' advice.</p> <p>Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).</p>
<p>The exemption for the max. size of need -meaning of "certain conditions" Proposal for a strong harmonisation of: prequalifications, penalties, caps and floors between even the markets</p>	<p>The exemption may occur in case of emergencies of a particular TSO and the quantity that exceeds a correct requirement is satisfied by the platform only if the all other needs could be and the amount of reserves could cover in whole or partial the emergency need.</p> <p>This is an advantage for producers</p> <p>The terms and conditions listed in Article 11 will be harmonized for the RR market.</p>
<p>Clarification on whether these EBGL mandated TSO proposals will be developed under the TERRE project or will it be part of a wider harmonisation under the Electricity Balancing Guideline? If under the TERRE project, when would such harmonisation be proposed and consulted upon? This is important to us in case it</p>	<p>The RRIF is a proposal which once validated by the NRAs will be binding for TSOs and their respective national rules.</p> <p>The local terms and conditions are not included in the scope of RRIF but will comply with the RRIF statements</p>

<p>requires design changes to our local arrangements for TERRE.</p>	
<p>Disagree with the possibility for TSOs to define elastic needs.</p> <ol style="list-style-type: none"> 1. The balancing needs declared by the TSO should be placed in the market at the cap (floor) price, as meeting them is the primary objective of the market. 2. The TSOs should not be allowed to price volumes in a market that they operate, otherwise they would be active market players. 3. They should forecast the volumes they wish to procure in the market prior to the EBGCT, without linking this volume to the market clearing price. <p>We see also two additional issues on this subject</p> <p>A. Problem of transparency on how TSOs will define the price of their needs. Neither the explanatory document nor the implementation framework describe the methodology to define the elastic needs. This also makes BSPs models and predictions difficult. In case elastic needs end up being approved by NRAs, a public description of the methodology to define elastic needs should be included in the implementation framework.</p> <p>B. Issue on competition, even if with different requirements on products and, maybe, pricing, between local balancing markets through specific products and the EU platform through standard products, with impacts on liquidity and, again, lack of transparency and level playing field.</p>	<p>Please refer to the answer above</p>
<p>Major details should be provided on the rationale behind the size limitation of RR balancing energy needs (a limit is set equal to the sum of the shared offers made in the same direction).</p>	<p>Please refer to the GLEB Article 29 (12 and 13).</p>
<p>Tolerance band in volume: we think that the use of flexibility of needs should be permitted only to a very limited extent and be transparent.</p> <ol style="list-style-type: none"> 1. Flexibility cannot be justified as a means to solve the difficulties closing the market with block bids. 2. Instead, the divisibility of bids should be incentivized and the need for block bids 	<p>As indicated the term tolerance band is explained in the Explanatory Document (section 6). This functionality will be available in the platform and each TSOs will individually decide to use or not.</p>

<p>should be removed by allowing all participants to adopt portfolio bidding.</p> <ol style="list-style-type: none"> Until this is achieved, limited flexibility of TSO needs may be needed. Introducing flexibility parameter for TSOs needs could have a positive effect on the social welfare, but we highlight that its presence will not incentivise the BSPs to provide divisible offers and to maintain or develop flexible capabilities of their assets 	
<p>Regarding the parameter “controllability of interconnections”, in general we are not in favour any additional margin taken by TSOs on cross-border capacities.</p> <ol style="list-style-type: none"> Any constraint introduced in the process contributes to increase inefficiencies. The value of any “desired flow” should be properly justified by TSOs opting to use it. A distinction has to be done depending on the moment in time TSOs could define and impose this limit of flow. If it is done before the submission of bids, this limitation should be taken into account in the ATC, if it is done later, then TSOs shall apply redispatching and BSPs should be remunerated. Sufficient transparency should be provided for market participants regarding the activation of interconnection controllability constrains, results regarding the constrained an unconstrained outcome should be provided. 	<p>The full and detailed explanation on the purpose and the impact of the Interconnection controllability are detailed in the Explanatory Document (section 9).</p> <p>This possibility is allowed by the EBGL and will also be included in the all TSOs proposal on the Activation Purpose which is expected to be consulted and submitted to the NRAs before end 2018.</p>
<p>Highlight once again the importance of harmonizing:</p> <ol style="list-style-type: none"> the possibility of portfolio bidding; BRP-TSO settlement rules, <p>If these aspects are left to local implementation rules any difference in the related provisions would undermine the creation of a level playing field.</p>	<ol style="list-style-type: none"> Portfolio-unit based bidding is out of scope of the GLEB and is directly related to the structure of the network and system operator model. This concern is not covered by this RRIF. BRP-TSO settlement rules are out of scope of this RRIF. A dedicated all TSOs proposal on the Pricing (TSO-BSP settlement) is expected to be consulted and submitted to the NRAs before end 2018.
<p>Interconnection controllability: not support the proposal on interconnection controllability as the TSOs participate to the market as an active party.</p> <ol style="list-style-type: none"> ask for clarification about the causes that could require the TSOs to modify the power flow through an interconnection after the intraday capacity calculation phase. 	<p>The full and detailed explanation on the purpose and the impact of the Interconnection controllability are detailed in the Explanatory Document (section 9).</p> <p>This possibility is allowed by the EBGL and will also be included in the all TSOs proposal on the Activation Purpose which is expected to be</p>

<p>In case this feature will be implemented, we think that the proposed settlement solution shall be modified.</p> <ol style="list-style-type: none"> 1. The settlement procedure shall be based only on the results of the constrained case in order to simplify the algorithm solution calculation 2. the results are consistent with the real power flow through the system and reflect the actual commitment of BSPs. <p>The proposed settlement solution does not guarantee fair and transparent compensation treatment for all RR offers, due to the fact that some offers would be paid-as-bid and some paid-as-cleared, and some offers could not be activated even if they have a lower price while some offers could not receive any compensation for the loss of opportunity they suffer due to the TSOs decision, even if their offers contribute to define the marginal price used for the settlement of all the activated offers in the “constrained case”.</p> <p>The proposed solution is against the principle of ensuring adequate competition based on a level playing field between market participants as stated in the EB GL and, thus, it shall not be implemented.</p>	<p>consulted and submitted to the NRAs before end 2018.</p>
<p>Not agree with the interconnection controllability:</p> <ol style="list-style-type: none"> 1. it brings together two purposes which must be treated separately: balancing and congestion issues. 2. To improve transparency, balancing issues must be solved first under consideration of available cross border capacity. The congestion issues must be solved in a second step with the available instruments. If the two issues are treated simultaneously the RR will be used to solve congestion issues, which is not the purpose of the product. 3. The introduction of interconnection controllability penalizes bids that were not activated although in balancing framework they would have been. 4. By treating balancing and congestion issues simultaneously the costs cannot be correctly allocated. Imbalance costs are paid by the price of imbalance energy, 	<p>The full and detailed explanation on the purpose and the impact of the Interconnection controllability are detailed in the Explanatory Document (section 9).</p> <p>This possibility is allowed by the EBGL and will also be included in the all TSOs proposal on the Activation Purpose which is expected to be consulted and submitted to the NRAs before end 2018.</p>

<p>whereas congestion issues are compensated by a grid fee.</p> <p>5. Merging the two would distort costs with artificially high imbalance prices and artificially low redispatch costs, thus penalizing BRPs and obscuring signals for necessary grid investments.</p>	
<p>Cap and floor prices:</p> <ol style="list-style-type: none"> 1. A high level of harmonization of caps and floors in balancing markets are crucial to guarantee a solid level playing field among the BSPs participating in RR exchange. 2. The current version of the RRIF proposal that TSOs only ‘suggest’ not to implement caps and floors does not seem enough to guarantee the same level-playing field the EB GL clearly advocates. 	<p>Cap and floor prices is regulatory issue and are solely decided by NRAs. TSO propose not to implement cap and floor prices as required by the EBGL.</p>
<p>Terms and conditions for BSPs of RR standard products:</p> <ol style="list-style-type: none"> 1. It is not clear how the integration between the pay-as-bid settlement, applied in some of the current systems (as Italy), and pay-as-cleared settlement, proposed for RR exchange platform, will be managed. 2. The RRIF proposal declares that the TSOs will adapt the remuneration of BSPs reserves in Central Dispatch systems where the conversion of offers from ISP bids to RR standard products will take place, without specifying the necessary principles for this settlement adaptation. 3. The underlying principles and rules shall be established in a transparent way after a careful evaluation of both national TSO and NRA. We advocate for proper discussion of these details in specific national consultations involving all local stakeholders before implementing any change in the current local balancing market definition. 	<p>This is out of scope of the RRIF and will be treated on national level under the terms and conditions related to balancing.</p> <p>Additionally, a dedicated all TSOs proposal on the Pricing (TSO-BSP settlement) is expected to be consulted and submitted to the NRAs before end 2018.</p>
<p>An equilibrium between offer and demand from one TSO is stipulated in article 10 (2) (c) “(...) no TSO benefits from unjustified economic advantages through the participation in the functions of the TERRE project and/or RR-Platform.” However, the possibility of an exemption should be explained in more details as well as the equilibrium. Must the offer be in-line every moment in time or is it treated as a</p>	<p>The exemption may occur in case of emergencies of a particular TSO and the quantity that exceeds a correct requirement is satisfied by the platform only if the all other needs could be and the amount of reserves could cover in whole or partial the emergency need.</p>

<p>cumulative deviation over time? Since we do not know the geographical volume provided BSP and the TSO needs, we support a pragmatic solution allowing for a well-functioning market.</p>	
<p>We do not agree with the possibility for TSO to submit elastic bids.</p> <ol style="list-style-type: none"> 1. The possibility for TSO to submit need flexibility should not be benchmarked to the TERRE outcome but rather to the cost (risk) a potential counter-activation to adjust for the additional acquired volume. <p>Additionally, we strongly disagree with the TSO arguments regarding elastic demand</p> <ol style="list-style-type: none"> 1. preventing price spikes due to a lack of liquidity on the RR platform; Possible low liquidity should not be a motivation to introduce price caps. Market conditions introducing price caps are inconsistent for a well-functioning market and are not in line with EBGL. 2. Capping the price of RR to the level of alternative balancing products: Capping the purchase price of replacement reserve to the expected price of the next balancing product would imply that TSOs speculate on the evolution of electricity prices. This violate the basic unbundling rule. 	<p>The European markets represent wider markets for producers and the opportunity to activate more balancing reserves. In the same time each TSO represent in most of the cases different countries, with different particularities of electrical systems and also different particularities of the market based on demand and supply. The TSOs shall evaluate the own imbalance needs and analyses its own offers and thus it is entitle to decide a maximum price that is willing to pay for each particular type of reserve So, the TSOs prices in the case of the elastic needs are not caps and floors, they give the TSO the possibility to avoid paying unreasonable prices for replacement reserves.</p> <p>However, if the needs would be characterized only by quantity, they will still be elastic, meaning the result from the algorithm could be refused. The algorithm will be run again, the marginal price will go down and the market itself will adjust the prices. (Unreasonable price means a price a price that is not based on production costs, profit, or even value-added. It occurs in certain market conditions and substantially decreases the social welfare.)</p> <p>Additionally, the price calculation methodology will be elaborated in a broader scope than the TERRE Project. The TSOs aim to be transparent on the need prices and the methodology with the NRAs. Note, publishing of the need prices is not obliged by the GL EB, but the TERRE TSOs are open for NRAs' advice.</p> <p>Clarification on the Balancing Energy Need description is included in the RR IF Explanatory Document Annex (section 6).</p>
<p>The prequalification and qualification criteria, financial penalties in case of deviations, as well as the “accepted shape” should be sufficiently harmonized in a way that ensures a level playing field between BSPs. As this should be performed in an all TSOs / all balancing processes proposal, reference to this proposal should be included in the</p>	<p>Prequalification process is not foreseen to be harmonized under RRIF. Financial penalties in case of deviations and “accepted shape” are out of scope of RRIF and will be treated in Terms and conditions.</p>

<p>RR implementation framework so as to ensure consistency.</p>	
<p>Article 11-4: It is unclear what will be the exact roadmap for the reduction of cross-border scheduling steps from 60 minutes to 15 minutes (e.g. the introduction of an intermediary step of 30 minutes). Besides this, how will be expressed the TSOs' need: 15 minutes or 1 hour time steps?</p>	<p>An important element of RR market evolution of the gates number from 24 to 48. Even in the case of 24 gates a TSO could send a need for 15min, or 30 min, 45min, to 1 hour.</p> <p>In case of 48 gates, a need could cover 15 min or 30 min, however in certain conditions of market (needs, offers price) n unit could be selected repeatedly.</p>
<p>Article 11-5: "Terms and conditions for BSPs" the following items have to be detailed:</p> <ol style="list-style-type: none"> 1. Criteria for prequalification and for maintaining qualification; 2. Financial penalties in case of deviations; 3. The "accepted shape" of the RR product. 	<ol style="list-style-type: none"> 1. the criteria needed for prequalification are described in the standard product definition (article 6(4) RRIF) 2. BRP-TSO settlement rules are out of scope of this RRIF. A dedicated all TSOs proposal on the Pricing (TSO-BSP settlement) is expected to be consulted and submitted to the NRAs before end 2018. 3. the accepted shape is described under the standard product definition (article 6 RRIF)

Article 12: Cost Sharing Principles

Main Stakeholder feedback	TSOs position
<p>The RRIF proposal should present an updated full cost benefit analysis forecast for TERRE, including not only common coordinated costs for the central platform and process, but also updated regional and national cost forecasts</p>	<p>The proposal of costs sharing is compliant with Article 23 of the EBGL.</p> <p>These costs are linked to the RR Platform development and operation.</p> <p>The local costs are not entering in the common RR Platform costs.</p>
<p>Article 23 of the GL EB and Article 12.2 of the RRIF specify that the cost sharing shall largely be based on the proportion of consumption by each member. However, consumption is not clearly defined in either document, and we do not recognise this figure. The most sensible solution would be for consumption to refer to the RR balancing energy need that is met through TERRE, however this is a highly uncertain estimate that may bear no resemblance to the actual outcome, and we would hence advocate that the cost sharing be adjusted retrospectively each year. We would highlight in particular that the GB balancing market has evolved substantially since 2015, the year from which the consumption data originates: modification P305 has subsequently been implemented, reducing the Price Average Reference Volume for determining system settlement prices to 1MWh, and introducing a “single cash-out price”. This has resulted in a much lower Net Imbalance Volume since 2015.</p>	<p>The Qualified Majority Voting process is an EU rule which will be applied by all balancing platforms.</p> <p>RR TSOs understand this proposal.</p> <p>However, the Country’ Consumption information on which the costs sharing rule will be based is provided by ENTSOE and will be used by all EU balancing platforms.</p>
<p>Paragraph 7 refers to 'third countries participating in the RR-Platform' for the sharing of common costs. It is not clear how countries that are not RR-countries can still participate in the RR-platform. This is the only reference made to such participation, including in the explanatory document. If third countries can in any way participate to the RR-Platform while not being a RR-country, such a process should be detailed and fully explained.</p>	<p>The solution for TSO-BSP/BRP on the French border is still under assessment. It will be developed by RTE and DE TSOs + DE BSPs.</p> <p>It will not be a full TSO-TSO model but more a TSO-BSP model as allowed by the EBGL.</p>
<p>The BSPs located in non-RR countries should have the opportunity to supply RR to any country that is part of the RR-platform in a non-discriminatory way.</p>	<p>The RR TSOs already integrated this input.</p> <p>The solution for TSO-BSP/BRP on the French border is still under assessment. It will be developed by RTE and DE TSOs + DE BSPs.</p>

	It will not be a full TSO-TSO model but more a TSO-BSP model as allowed by the EBGL.
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Article 13: Description of the optimisation algorithm

Stakeholders main concerns and arguments

General statement: please be informed that after the consultation phase results, the TSOs position on the Counter Activation was updated and highlighted in Article 13 of the RRIF and the Explanatory Document (section 7.2.2)

Main Stakeholder feedback	TSOs position
Support of the allowance and monitoring of counter-activations	The suggestion regarding counter-activations is aligned with TSOs position.
Support of only indivisible URBs	TSOs suggested in the explanatory document that fully divisible URBs will be allowed (section 7.3).
Main objective of the AOF is to minimize the procurement costs and not maximize the social welfare	Maximization of social welfare and minimization of procurement costs result in the same solution when all needs are inelastic. This was also presented in the last Stakeholder workshop and we received no comments. Due to the presence of elastic needs, it is not possible just to minimize procurement costs, as the prices of the needs have to be considered.
The constraint of paragraph 3 (a): the sum of all injections and withdrawals of RR across all bidding zones must be zero)	The RRIF has been updated accordingly
Fallback procedure shall be included in the IF	The RRIF has been updated accordingly
We disagree with the description that the restriction of counter-activations leads to more unforeseeably rejected bids (URBs). If TSO need is first netted and subsequently matched with the upward or downward merit order list, the number of URBs would not increase.	TERRE TSOs support the allowance of counter-activations and suggest a monitoring at a first stage. Regarding the two-step approach, we could include in the explanatory document, the explanation we provided to the stakeholders during the last stakeholder WS I would suggest that we include a constraint regarding counter-activations as the NRAs suggested (so as to leave open all possibilities)
Paragraph 4: Content should be aligned with the explanatory document and article 3(1)(d).	The RRIF and explanatory document will be updated accordingly
Propose to reduce the ‘checking’ period (that could imply to reconsider TSOs’ position) to the RR-platform testing phase, not extending it to the first 6 months of operation if negative impacts are already detected.	The RRIF and its explanatory document were upgraded.

<p>Unavailable offers: not agree with the proposal as described in the explanatory document. Mainly because margin reserves and local requirements are conveniently managed by each TSO (e.g. through local secondary reserve markets) to guarantee their coverage. Therefore, bids submitted by BSPs to the RR-platform (through the TSOs) should be those that have not been already appointed for other service provision, and they are available therefore. The discretionary invalidation by the TSO of a bid whose underlying asset is not being remunerated by any other mechanism for its availability would be unfair for the BSP.</p>	<p>The treatment of Unavailable bids is out of the scope of the RRIF. It will be treated through a dedicated all TSOs proposal under Activation Purposes framework which will be consulted and submitted to the NRAs before end of 2018.</p>
<p>Article 13-2 social welfare maximization. It should be stated that the 3 objective functions are sequential: first criterion (a), then criterion (b) to separate between equivalent solutions, then criterion (c).</p> <p>All versions of the optimisation algorithm should be made open-source.</p>	<p>RRIF has been rephrased</p> <p>There is no possibility to have an open source algorithm.</p>