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ENTSO-E response to the public consultation on “All TSOs’  
proposal for classification methodology for the activation  
purposes of balancing energy bids pursuant to Article 29(3)  
of Commission Regulation (EU) 2017/2195 establishing a  
guideline on electricity balancing”

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18 December 2018

**DISCLAIMER**

This document is submitted by all transmission system operators (TSOs) to all NRAs for information purposes only accompanying the all TSOs’ proposal for classification methodology for the activation purposes of balancing energy bids pursuant to Article 29(3) of Commission Regulation (EU) 2017/2195 establishing a guideline on electricity balancing.

## 1. Introduction

The Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing (hereafter referred to as the "EBGL"), mandates in its Article 29(3) all TSOs to submit a proposal for classification methodology for the activation purposes of balancing energy bids (hereafter referred to as the "APP") by one year after entry into force of the EBGL, i.e.: by 18 December 2018. Besides, other references are made to the Commission Regulation (EU) 2017/1485 of 2 August 2017, establishing a guideline on electricity transmission system operation (hereafter referred to as the "SOGL").

In addition, the Article 10 of the EBGL mandates the TSOs responsible for submitting the APP (i.e.: all TSOs) to perform extensive consultation of the APP proposal, and so a formal web-based consultation was held between 12 September and 13 November 2018. During this public consultation, ENTSO-E received 115 comments from 28 respondents.

This document lists all TSOs' assessment of the comments provided to the public consultation of the APP. Rather than providing responses per individual comment received, an assessment of all input received is done on a clustered basis per topic, in order to give a coherent view on all TSOs' approach towards the APP. In order to provide a clear oversight of comments and responses, the issues mentioned in this document have been summarised with respect to the original comments provided. For a full overview of all comments provided in the web-based consultation, in their original formulation, please refer to the site of the consultation<sup>1</sup>.

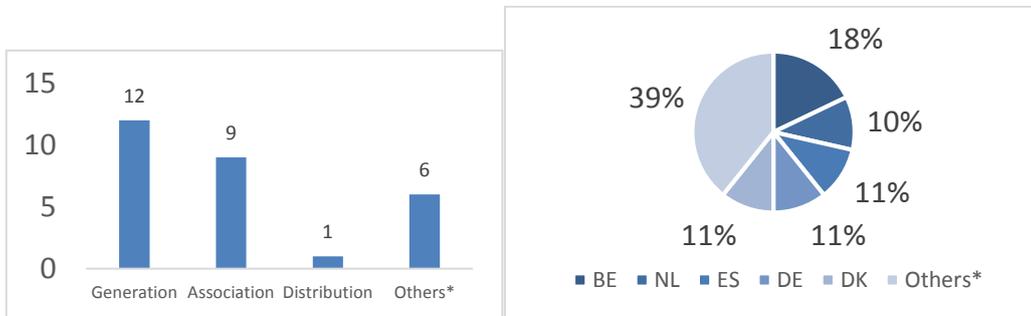
This document is not legally binding. It only aims at clarifying the assessment of the comments received from stakeholders during the formal public consultation of the APP. This document is not supplementing the APP document, nor can it be used as a substitute to it.

All TSO' acknowledges and thanks stakeholders for the effort that they have invested in providing feedback for the consultation on the APP proposal; this feedback is a major contributor to bringing improvements and transparency to the process.

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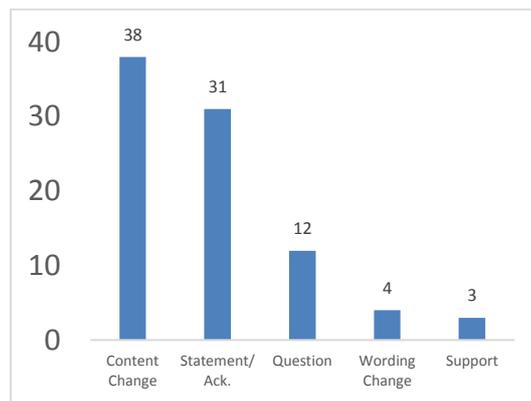
<sup>1</sup> <https://consultations.entsoe.eu/markets/ebgl-art29-app>

## 2. Statistics of the results received



\*Others: AT, FI, CZ, SE, NO, UK, CH, FR, IT

Comments of the Stakeholders were grouped by nature as indicated in the graph below.



Stakeholders request a detailed definition for the activation of balancing bids due to system constraints and the definition of the classification criteria when activating bids for balancing purposes.

The treatment of the different types of activations for system constraints should be precisely detailed, in particular concerning the impact on marginal prices on the balancing platforms should be included in this APP or in the Pricing Proposal.

### 3. Stakeholders feedbacks

Article	Comment/Proposal	All-TSOs responses
Whereas	The stakeholder request that the APP shall fully comply with the EBGL.	The TSOs added more details in Article 3 of the proposal to comply with the EBGL.
Whereas	The Stakeholders states that the APP is not detailed enough in respect to the points mentioned in Paragraph 4 and 6 (activation purposes for system constraints are neither described nor based on classification criteria) so that it doesn't fulfil Article 29(3) EBGL requirements.	The TSOs added more details in Article 3(4) of this proposal.
Whereas	The stakeholder points out a typing mistake in recital 6 (a) of the Whereas.	The TSOs made the correction as indicated and appreciated the remark.
2 Definitions	The Stakeholder asks for further definitions.	The TSOs added more details in Article 3(4) of this proposal and completed definitions where necessary.
Whereas	The Stakeholder requests more clarity on the difference between activation for balancing and for system constraints as well as the impact on marginal prices on the balancing platforms.	The TSOs added more details in Article 3(4) of this proposal. The impact on marginal pricing is addressed in the pricing proposal.
General	The stakeholder states difficulties caused by having a RR-product that overlaps with the intraday trading for the same time of delivery.	The TSOs clarified in the APP that those proposals are out of scope of the APP. Please refer to Replacement Reserve Implementation Framework (RRIF).
2 Definitions	The stakeholder requests that specific products should be treated in the APP.  The stakeholder requests to classify the activation of specific bids as well and include it as part of this proposal for cost balancing and congestion management.	Activation purposes of specific products activated locally will be addressed by terms and conditions.
2 Definitions	The stakeholder requests more clarity regarding the wording 'the singular indicates the plural and the plural indicates the singular.	TSOs proposed not to change the formulation.
2 Definitions	The stakeholder requests more clarity on maintenance of regulations between SOGL, EBGL, APP.	The TSOs added more details for the sake of clarity.
2 Definitions	The stakeholder's requests for clarity on the definitions e.g. regarding the activations for congestion management (should be individually itemised and defined precisely) since the scope of activations for congestion management is too broad and includes all unclassified transactions of the TSO.  The stakeholders request to clarify whether the activation of specific products is assumed to be for congestion management and if that is the case, request an explanation.	The TSOs added more details in Article 3(4) of this proposal.  Activation purposes of specific products activated locally will be addressed by terms and conditions.

3 Classification	The stakeholder questions mFRR and RR usage for system constraints purposes.	The TSOs clarified that both mFRR balancing energy product bids with scheduled and direct activation can be activated for system constraint purposes.
3 Classification	The stakeholder requests clarification on the use of standard mFRR balancing product with scheduled activation type for no other purpose than for balancing purpose.	The TSOs clarified that both mFRR balancing energy product bids with scheduled and direct activation can be activated for system constraint purposes.
3 Classification	Article 3(2) of the APP spelling mistake on the word "allowed"	The TSOs made the correction as indicated and appreciated the remark.
3 Classification	The stakeholder requests balancing energy bids may only be used by the TSOs for balancing purposes and not for congestion management purposes.	In line with this comment, the TSOs added more details in Article 3(4) of this proposal.  EBGL allows to define more than one activation purpose and therefore all TSO proposal to list two main purposes for activating standard product bids from common merit order lists.
3 Classification	The stakeholder requests to address the criteria between balancing and congestion management.	The TSOs added more details in Article 3(4) of this proposal.
3 Classification	The stakeholder requests more details following Article 3(4) of the APP	The TSOs added more details in Article 3(4) of this proposal. The scope of this proposal is limited to activation of balancing products on common merit order lists. Topics related to pricing of bids activated and settlement between TSO will be addressed in the respective proposals.
3 Classification	The stakeholder requests the TSOs for a full list and detailed description of activation purposes and classification criteria for clarification, transparency and responsibilities following the process.	In line with this comment, the TSOs added more details in Article 3(4) of this proposal.
3 Classification	The stakeholder requests to implement a process to publish activation and classification information in order to ensure full transparency for market participants.	The TSOs clarified in the APP that those proposals are out of scope of the APP and will be treated in different proposals. Please refer to Replacement Reserve Implementation Framework (RRIF), and the Implementation Framework for Frequency Restoration Reserves with manual activation (mFRRIF)
3 Classification	The stakeholder states a fair and non-discriminatory treatment of all participants that provide balancing and congestion management services to the TSO.	The fair and non-discriminatory treatment of all participants is ensured by the applicability of the APP as common rules to all TSOs and BSPs.  The TSOs inform that the compensation of bids is out of the scope of the proposal Moreover, no common rule will be applicable on the EU level and may be addressed if applicable on the national level.
3 Classification	The stakeholder states the costs of balancing and congestion management should be clarified (accounted separately).	The TSOs clarified in the APP that those proposals are out of scope of the APP and will be treated in different proposal.

3 Classification	The stakeholder supports the proposal	The TSOs took note of the comment and appreciated the support.
4 Timeline	The stakeholder requests to have the opportunity to provide feedback in case of any modifications and especially on a list of activation purposes for system constraints.	The TSOs did not consider this comment in the APP because this is a general statement.
4 Timeline	The stakeholder supports the article.	The TSOs took note of the comment and appreciated the support.
4 Timeline	The stakeholder requests to provide more data on several topics listed by a data reporting procedure and regular reporting.	The TSOs will comply with obligations set in the EBGL regarding reporting and transparency.
3 Classification	The stakeholder suggests improvements regarding the APP Explanatory Document. They request to introduce new features or further precisions, such as a precision of activation purposes (e.g. last paragraph of chapter 2.1.2, where possible activation purposes for system constraints are mentioned).	In line with this comment, the TSOs added more details in Article 3(4) of this proposal. Due to this addition, The TSOs elaborates further on this details in the APP Explanatory Document.
General	The stakeholder requests having more transparency in the balancing processes.	The TSOs did not consider this comment in the APP because this is a general statement, with no explicit example and change request
General	The stakeholder requests a closely cooperation between SH and ENTSO-E to ensure the implementation of the requirements of the APP, since they have to be incorporated in the existing GB settlement arrangements.	The TSOs did not consider this comment in the APP because this is a general statement, with no explicit example and change request. However, the TSOs welcomed this comment.
General	The stakeholder requests more clarity on possible activation purposes for better classifying advantages and disadvantages.	In line with this comment, the TSOs added more details in Article 3(4) of this proposal.
General	The stakeholder requests to clearly define the congestion management purposes.	In line with this comment, the TSOs added more details in Article 3(4) of this proposal.
3 Classification	The stakeholder requests more clarity on the description requested by the guideline as well as the classification criteria and the rationale of this proposal.	In line with this comment, the TSOs added more details in Article 3(4) of this proposal.
General	The stakeholder requests to mention the role of the DSO since they have different roles and rights as for example the activation of flexibility for system constraints.	The TSOs clarified in the APP that those proposals are out of scope of the APP and will be treated in different proposals.
General	The stakeholder states his concerns about the proactive way of balancing. E.g. they request clarity on the forecasting of an imbalance - how this is done, why it is needed (the duty of TSOs is to restore frequency in 15 mins so no need to solve something that has not taken place), and how it is beneficial, as there is always the risk that the forecast was wrong and that the activated capacity is redundant or has aggravated the situation.	The TSOs did not consider this comment in the APP because this is a general statement out of the scope of that proposal.