

Harmonisation options concerning terms and conditions related to the aFRR and mFRR Platforms

Brussels, 31 January 2025

General messages

Energy Traders Europe welcomes the opportunity to provide comments regarding the ENTSO-E survey for harmonisation of the Terms and Conditions (T&C) according to article 18 of Regulation (EU) 2017/2195 (EB GL).

We remind that timely publication is essential so that any English translation of the national T&Cs should be updated regularly.

We suggest including crucial elements like imbalance settlement and BSP remuneration in the next survey or consultation. Market distortions caused by lack of harmonisation in these fields are at least as significant as distortions arising from differences in the technical and organisational aspects in the T&Cs.

Detailed questions

1. English Publication of T&Cs

Publication of a non-legally binding English version of Terms and Conditions (T&Cs) (summarised or full version) following EB Regulation to enable overview of market conditions for foreign BSPs. National language remains legally binding.

- *Scope: easier market access*
- *Reduced version may be applied in case national T&C are very extensive*

Please select the preferred harmonisation options from the below list:

Publication of complete or summarised translation, where applicable.

CONSULTATION RESPONSE

Publication of translation of relevant provisions with regards to Art. 18 EB Regulation.

Other, please provide below.

Feedback for "other option"

2. Allowing English for TSO BSP communication

Enabling EU BSPs to be active in other EU countries e.g. by enabling communication in English language. Enables also central communication of BSP from one location for different countries.

- *Focusing on easier role out of business model applied in one member state*
- *The TSOs control rooms shall be excluded*
- *Only national language remains legally binding*

Please select the preferred harmonisation options from the below list:

Allow written and verbal working-level communication between BSP and TSO in English.

Other, please provide below.

Feedback for "other option"

3. Harmonisation of FRR prequalification processes

- *Define process steps and timings*
- *Define harmonised requirements (product and technology wise)*

Please select the preferred harmonisation options from the below list:

Full harmonisation of FRR prequalification processes on all details, knowing that the process could take longer time.

High-level harmonisation of FRR prequalification processes in the shorter timeframe.

If high-level, please provide specific PQ harmonisation priorities here

The two processes can go in parallel. While full harmonisation should be the ultimate goal, high-level harmonisation in the shorter term should also be pursued. We could potentially start with a comparative analysis of the existing qualification process in different countries (to assess the implementation work and timeline) and then having full harmonisation.

CONSULTATION RESPONSE

Wherever significant divergences are identified among TSOs, the direct selected option should not be the simplest one, because those divergences can have a technical root cause. For the sake of efficiency, security in the operations and robustness of the processes, requirements and standards or technical prerequisites should not be downgraded.

Priorities should be on:

- monitoring,
- communication requirements,
- tolerance bands,
- penalties,
- back up requirements

4. IT Harmonisation

Make application of standard protocols mandatory (partly already there on ENTSO-E EDI library).

Please select the preferred harmonisation options from the below list:

Define one IT protocol standard per process to be applied on EU (e. bid submission for standard balancing energy bid).

Define set IT protocol standards per process to be applied on EU (e. bid submission for standard balancing energy bid).

Which IT protocol standards are preferred?

Do not harmonise and maintain existing IT protocols. Other, please provide below.

Feedback for "other option"

The harmonisation should be the target, but in general this may create additional non necessary implementation costs on the side of TSOs, DSOs as well as BSPs.

5. Transferability of Prequalification (PQ)

- *Of prequalification for similar assets.*
- *Where applicable, of BSP qualification on national or LFC block level.*

CONSULTATION RESPONSE

- *In case of switching BSP, considering limitations in case of pooling.*

Resulting from previous stakeholders' responses, TSOs are not sure which option shall be prioritised. The voting result on question 1 below will lead to a prioritisation.

1. Allow either:

Switching of units between different BSPs by keeping the prequalification status; or

Applying easier prequalification to similar assets which are already prequalified?

2. Should it be on the level of:

LFC Area

LFC block

Member State

Other comments, please provide below:

We recommend establishing a high-level harmonization of qualification processes (prequalification and performance monitoring) before standardizing the transferability of prequalification.

Prequalification includes specific details on a market participant's balancing pool that cannot and should not be transferred with the asset to another BSP.

Application of an easier prequalification for similar assets should be on the largest region with identical prequalification requirements.

6. Pre-Prequalification

Simplify the criteria for the reassessment of pre-qualification in case of no substantial modification but ensure visibility of decommissioning.

Assuming TSOs can simplify, while ensuring the system security, allow for simplification of recertification process.

Please select the preferred harmonisation options from the below list:

Mandatory technical test or, if applicable, verification.

Technical test or verification only when technical or availability requirements or the equipment have changed significantly.

Other, please provide below.

CONSULTATION RESPONSE



Pending European harmonization of the prequalification process, we recommend technical tests or verifications to be mandatory for re-prequalification when relevant requirements or the equipment have been subject to significant changes. This will help to ensure that modifications do not impact the asset's performance.

Once there is a prequalification this should be preserved in duration as much as possible unless availability of the assets change.

Contact

Lorenzo Biglia
Manager for European Electricity Markets
E-Mail: l.biglia@energytraderseurope.org