

Energy Traders Europe response to ERSE consultation on MPGGS update

Brussels, 13 February 2025

Key messages

1. **aFRR** – We support the implementation of standard aFRR product alongside a pilot project on portfolio bidding for this product. We welcome further steps in the future towards a full implementation and extension of portfolio bidding to all ancillary services. The opportunity to submit bids/offers on a zonal portfolio basis is a precondition for the development of an efficient energy market where market participants can optimise all their resources via a more flexible bidding strategy at the lowest cost for society.
2. **FCR** – The pilot project is currently restricted to specific technologies. The FCR market should be open to any installation and there should be no obligation to provide these services without remuneration.
3. **mFRR** – We support the implementation of standard mFRR product, however the specific product should be phased out as it is limited to specific technologies and it has priority over the standard product
4. **Areas de ofertas** - “Areas de ofertas” should be eliminated as they limit the provision of the services by geographical areas and by technology. Such segregation introduces technological discrimination and increasing complexity with the switch to 15 minutes MTU. The elimination of the “Areas de ofertas” will promote the efficiency of the Portuguese balancing market, avoid counterproductive activations and reduce the costs for the system
5. **Voltage control** – Non-frequency related services should be non-discriminatory and contracted on market basis, however in many projects there is still the obligation to participate without explicit remuneration
6. **Constraint management** – Improving transparency and efficiency in Portugal’s constraints management will benefit all market participants. Aligning with Spain’s system will ensure clearer, more standardized processes, including settlement, fostering fairer and more predictable market operations.

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