

Terna network code update for TIDE consolidation phase

Brussels, 14 February 2025

Chapter 4 of the Network Code

1. BSP/BRP data responsibility in GAUDI (paragraph 4.3.1.6, pg. 6 & paragraph 4.4.1.2.4, pg. 10)

It is stated that *"Il BRP/BSP è tenuto altresì ad aggiornare tempestivamente le dichiarazioni e i dati contenuti in Gaudi di propria competenza"*. We request a clear definition of the respective obligations of the *"Gestore UP"* and the BRP/BSP with *"mandato senza rappresentanza"* regarding the accuracy and communication of technical data in GAUDI.

The current framework creates operational uncertainty, as BRPs and BSPs could be held contractually liable for non-compliance despite not being responsible for certain data. It is also unclear who the primary "owner" of data entry in Gaudi is, whether it is the producer or the BRP.

To ensure regulatory clarity and compliance with the Network Code, both the Injection Contract (Art. 5.1, pg. 10) and the Ancillary Services Contract (Art. 5.1, pg. 7) should explicitly reference these defined responsibilities.

Annex A.61 - Guarantees Regulation

2. General comment

The proposal seems to make the guarantee system required from operators substantially more burdensome, in particular impacting the BRPs of plants connected to the distribution network. This could affect the entire market as it may have repercussions not only on the entry of new operators but also on the retention of existing ones. Ultimately, an increase in guarantee costs will be incorporated into market prices and will impact all the market chain to consumers and producers.

We ask to reconsider the calculation model to reach a more balanced solution between the needs of the system and of the market participants, limiting the burdens to a necessary minimum, and rather intervening on the data flow of input measurements and the settlement between distribution network measurements and transmission network measurements, so as not to penalize plants connected to the distribution network.

We ask as well to reconsider parameter BONUS_IO, which calculation and application seems very restrictive, thus limiting the possibility for BRP/BSP to benefit from it.

3. PMT definition

In Annex A.61 (Art. 5), the "*Prima Garanzia*" sheet of Terna's tool, and the "*Monitoraggio*" sheet, three different definitions are provided, leading to inconsistencies. Additionally, we have concerns regarding the unit of measurement: Annex A.61 appears to define it in MW, whereas the Excel tool suggests it should be in hours. Clarification on these discrepancies is necessary.

4. BRP guarantee calculation formula (chapter 5, pg. 6)

We request clarification on the utilization of (1-PMT) instead of PMT in the formula, as we understand it to be an indicator of producibility ("*Produzione Minima Teorica*")

5. "G" value (chapter 5, pg. 7)

We request a reduction in the "G" value in cases where measurement data from Terna is unavailable.

The current 45-day coverage period in such instances is excessively high, significantly increasing the total guarantee requirements and placing an undue burden on producers.

The rationale behind the 45-day proposal—compared to the 4-day period when Terna is responsible for metering data—is unclear. If this timeline is driven by delays in data availability from the DSO, it would be preferable for the DSO to share metering data with Terna more promptly whenever possible.

In many cases, such as with 2G meters, this is already technically feasible. Accordingly, we propose adjusting the "G" parameter to reflect improved data availability.

6. Accepted forms of guarantees (paragraph 3, pg. 4)

- We request the reintroduction of the guarantee by financial intermediaries and by insurance policy.
- We request explicit confirmation that BRPs who have achieved an *"indice di onorabilità" (IO)* of 2 during the TIDE transitional phase can continue using the guarantee forms outlined in letters b) (credit rating) and d) (parent company guarantee) when signing contracts for the Consolidation phase. This clarification is essential to ensure regulatory certainty and continuity for market participants who have already demonstrated sufficient creditworthiness.

7. Cap

We request the reintroduction of a cap to limit the requested amount to BRP/BSP, especially given the calculation method proposed.

Annex A.26 & A.26bis – Injection & ancillary services contracts

1. Contract termination (paragraph 13.5, pg. 25 & paragraph 11.5, pg. 19)

We request the removal of paragraphs 13.5 and paragraph 11.5, respectively from the injection contract and ancillary services contract.

This condition grants Terna excessive discretion in determining cases of contract termination for BRPs. Termination conditions should be clearly defined and limited to ensure proportionality and predictability. The current provision introduces undue risk, potentially leading to disproportionate consequences for minor breaches or unexpected contract terminations.

2. BSP/BRP data responsibility in GAUDI

See comments to Chapter 4 of the Network Code.

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