

Response to the CRE on incentivising financially Balancing Responsible Parties and financing balancing reserves

Brussels, 22 May 2026

Key messages

- Overall, we support the switch to 30-minute intraday cross-zonal gate closure time (IDCZGCT) and encourage its swift and coordinated implementation across Europe. Even though RTE has a derogation for implementation until January 2029, we emphasise the need for change as soon as possible to match the current implementation speed across Europe. Slower implementation in France consequently slows down implementation in the neighbouring countries.
- We generally support the need for clear imbalance signals for balancing responsible parties (BRPs) and call for harmonisation of imbalance settlement methodologies on common denominators.
- We strongly favour option 1 compared to the others, as it appears to be the most adequate, and as it does not add any further unnecessary complexity and uncertainty. Moreover, with option 1, we expect projects to help with balancing in the near future. Option 3 could still be possible, but would need a clear understanding of the impacts on the imbalance price. We are strongly against Option 2, as it would be highly complex to implement, retroactive, and there is a lack of visibility for BRPs on penalties.
- We request faster, more reliable data to help balance the system, notably as we move closer to real-time and we integrate more RES.
- Additionally, with a shorter IDCZGCT, we get closer to real-time, and market participants will also be more balanced closer to Gate Closure Time.

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Detailed comments

Current situation

Question 1 Given RTE's reduced operational window, do you agree with the objective of reducing imbalances at the start of the operational window compared with the current situation, in order to reduce operational risks and control costs for the community?

We understand the need for balance in the electricity system. We also support the goal to allow trading to occur as close to real-time as possible, allowing additional opportunities for market participants to adapt their positions as close to real-time, which can help balance the system when there is a combination of updated information closer to real-time. This would also facilitate the integration of renewable energy sources and other sources with more flexible capacities.

Question 2 Do you consider the level of financial incentives currently offered to BRPs to balance their systems to be adequate?

We consider the current financial incentives to be sufficiently adequate and state our preference for Option 1, which allows the natural progression in incentives as more measures take effect and market participants get opportunities closer to real-time to balance themselves.

The Imbalance Settlement Harmonisation Methodology offers a basis to be shared across European member states. Its implementation has allowed for national variations in the imbalance price. We advocate for a most common denominator to be well shared among all European bidding zones to provide a harmonised incentive.

In our Integrate by '28 report ([link](#)), we call for full harmonisation implementation of imbalance methodologies. Components to be considered include the value of lost-load and scarcity.

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Question 3 In particular, do you consider the difference between the spot market price and the imbalance price, as well as the volatility of the latter, to be sufficient to incentivise BRPs to achieve a balanced state prior to the operational window?

Yes, they provide a good basis to signal to BRPs when and how to balance their positions. To further help with the pan-European balancing platforms, we encourage harmonisation around the imbalance settlement methodology, as various national rules fragment the efficiency and added value for a European balancing market.

We also suggest publishing data and information as close to real-time as possible (less than the 30 minutes foreseen in practice), following Article 12 of the Electricity Balancing Guideline (EBGL), as it would allow more accurate information that can then be reflected into trading and help balance positions.

The spot price and imbalance price already provide enough incentive; Figure 7 shows that they are aligned across the different countries.

Question 4 If so, how do you explain the high imbalances in France compared to other electricity systems of a comparable size?

We observe that there are no issues with the imbalance price; the difference lies with the different operational windows between different countries. As stated above, per Figure 7, we see that France is rather aligned with other European countries when looking at the imbalance prices.

In Germany, the Intraday market is more liquid, which should be accounted for in a comparison. Imbalance rules are also very different; physical imbalance is not allowed after ID. These elements also help in explaining the difference with France.

Question 5 Do you think that the market changes recently implemented (96 trading windows, imbalance settlement period of 15-minute, wholesale market

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products with 15-minute granularity) will contribute to a reduction in imbalances prior to the operational window?

Yes, we see their value in providing more granularity and opportunities to trade closer to real-time, first to intraday and then day-ahead. On one hand, the succession of major market changes means there is an adaptation period for market participants (operational readiness and navigating new ways of trading), of which the effectiveness may require further time to materialise in imbalance changes. On the other hand, other measures remain to be implemented, such as the 30-minute Intraday cross-zonal gate closure time, which plays a part in balancing the system.

Question 6 If so, which of these measures will be most useful to BRPs in balancing their areas? In your view, why have the expected benefits not materialised at this stage?

As a whole package, all of the measures and design changes help contribute to making the electricity market more granular, adapting to new and more intermittent energy sources.

We encourage allowing market participants the tools and choice to shape their own trading strategies so that they take the most efficient path. Signals, clear and at regular intervals, help market participants in their analysis of the system and can shape actions taken.

Question 7 Do you see the reduction in the duration of RTE's operational window to 30 minutes as a development enabling BRPs to significantly reduce their imbalances?

Yes, we believe that the switch to 30 minutes for the intraday cross zonal gate closure time will be an effective measure that will help, with the other previously mentioned measures, to reflect our evolving electricity system and markets. Providing more time for the market to adjust their positions will be key, especially accompanied by the publication of data close to real-time to make better informed decisions.

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We call for the 30-minuted IDCZGCT implementation to be done as soon as possible and in a coordinated manner to reflect changes already implemented in other European bidding zones. Further delay in France will consequently delay other neighbouring countries' implementation timeline, since it is a cross-border measure.

Question 8 If so, do you believe this improvement is likely to take effect from 1 January 2029, or do you anticipate that stakeholders will need time to adapt?

As with major changes, there will be an adaptation time for the wide variety of market actors. As iterated above, a coordinated implementation of the measure as soon as possible permits all European market actors to follow similar rules and deadlines, facilitating cross-border trading.

Question 9 Can you identify any other regulatory measures that could be implemented to help reduce imbalances in the BRP prior to the operational window?

As mentioned previously, faster publication of reliable data, as per Article 12 of the EBGL, would also contribute to market participant contributions to the electricity system via adapted positions reflecting any changes close to real-time.

Question 10 Do you think that the information made available ahead of real time is sufficient? If not, what information is missing and by what deadlines should it be published?

We appreciate all the data that RTE makes available to market participants. We suggest that the timing of its publication be faster than the current 30 minutes, and it should be consistently reliable, as with more granularity and intermittent energy sources in the electricity market, changes can occur on a faster frequency and having the most up-to-date information contributes to adapting positions and imbalances.

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Question 11 Do you think that the information provided by RTE on the state of the system is sufficiently close to real time? In your view, could more responsive provision help to reduce imbalances in the balancing groups?

As stated in the previous question, we would appreciate faster publication of information from RTE than the current 30 minutes to better reflect the system changes, which now happen at higher frequencies.

Information and data closer to real-time, combined with more time for market participants to adjust their positions, can lead to better informed decisions and help balance the system.

Question 12 What are the current obstacles to BRPs estimating the imbalance price?

Current obstacles that we observe include data publication timings that do not match the faster speed of system changes. We also would appreciate this faster data to be consistently published and be reliable so market participants can make the most informed decision on balancing.

Question 13 Do you see any benefit in asking BRPs to report information on their balancing area to the TSO prior to real-time? If so, what information and at what intervals?

Additional information requested to BRPs would bring additional burden on BRPs. We currently do not see the need, nor the benefit, as several changes are being implemented by BRPs, and we feel the general speed of TSO data does not fully reflect in a consistent and reliable manner a faster evolving system. We see more data submitted by BRPs as adding to the complexity. Furthermore, BRPs already send information to RTE in the scheduling of assets, which raises the question on which additional information is needed by RTE.

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There would also be a question of how to treat the information confidentially, what would be reflected in RTE's data publication and how RTE would send further signals to BRPs based on the information sent.

Option 1: Retaining current incentives

Question 14 Do you think that the level of incentives under the imbalance price is likely to increase naturally once RTE's operational window has been reduced to 30 minutes?

There will be an effect from having closer to real-time adjustments that will serve as a signal for balancing actions. In theory, yes, there likely will be a natural increase in incentives with a reduced operational window, as it would give BRPs more room to manoeuvre their balancing positions. As stated by the CRE in the consultation document, we also see a potential for a natural increase of financial incentives as the faster and more costly balancing energy reserves are activated within a reduced operational window.

Question 15 Do you think that the current level of financial incentives paid to BRPs to balance their networks is appropriate for the new operating model that RTE will implement once its operational window is reduced to 30 minutes?

This question falls more under RTE's area of expertise. Market participants do observe that the 30-minute switch in IDCZGCT that entered into immediate effect in other European countries seems to function well. We highlight that we cannot predict how things will evolve; nonetheless, the changes can be monitored, we see financial incentives in France and in other countries (cf Figure 7) that are relatively aligned.

Many pieces are coming together from all the recent and upcoming changes to market design. The balancing mechanisms remain very national focused, and efforts for pan-European balancing, via the platforms, indicate the need for harmonisation and full

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implementation of the current EBGL. While there are delays to implementation, the final effects remain to be seen but are expected to provide clearer signals to BRPs in helping provide adequate services to the system.

We support the change to 30 minutes and encourage its swift implementation to align with other European markets.

Option 2: Funding of balancing reserves by the BRP

Question 16 Do you support the principle of funding the costs of contracting balancing reserves by the BRP, via an ad hoc mechanism separate from the imbalance settlement price?

We strongly oppose this option as a whole and strongly oppose the idea of having the BRP supporting the funding costs of contracting balancing reserves. This additional and separate mechanism is complex and would take time to implement, which raises the question of the relevance and benefits to be seen if it is not ready well before the end of the derogation for IDCZGCT. One risk we see is that any delays in setting up this mechanism would also lead to delays in implementing IDCZGCT and have a ripple effect on neighbouring countries that cannot implement this European change on all their borders.

We also underline the potential impact such a separate mechanism could have on the functioning of pan-European balancing platforms, where national rules divergences fragment the effectiveness of the platforms and does not contribute to a level-playing field.

Question 17 What advantages and/or unintended consequences do you identify for an option of this type?

We have several questions related to this option. One concerns the definition of roles between balancing service providers, balancing responsible parties and TSOs, and what

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impact an ad hoc mechanism would also have at the EU level with interactions within the European balancing platforms. There is a wider question about balancing philosophies across Europe and whether this is something to be explored in France and at the European level.

Additionally, we question the added value of the measure within the derogation deadline, as well as the expected changes to materialise from recent and upcoming market design changes. We are concerned that this complex mechanism will take time to set up and not bring the expected benefits by the end of the derogation, or that it will delay the implementation of the 30-minute IDCZCGT if it is not put in place beforehand.

Question 18 In order to best prepare for the deadline of 1 January 2029, what implementation date for this change would you consider most appropriate?

We reiterate our opposition to Option 2 and our support for option 1 and giving time for recent market design changes to take effect and to study further the effects with IDCZGCT implementation.

Question 19 For the BRP, how would you incorporate this ex-post incentive into your balancing strategy? Do you consider this type of incentive to be a lever capable of bringing about a reduction in the imbalances observed at the start of the operational window?

We consider the whole package of measures that have been implemented and the upcoming ones to provide sufficient signals for BRPs. This option is complex to implement and impractical, as we see payment to be made on a 60-minute basis for a 30-minute market.

Question 20 For this Option 2, which arrangements (first, second, third) do you find most appropriate?

We strongly oppose this option as a whole; therefore, all variants are not desirable. We reiterate the need to have a level-playing field on contributions to costs.

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Question 21 Do you have any other implementation methods for Option 2 to propose?

None.

Option 3: Amendment to the imbalance price

Question 22 Do you think that an additional incentive included in the imbalance price design is appropriate for addressing the challenge of reducing imbalances in the BRP at the start of the operational window?

As it is within EU legislation for balancing, we would be more supportive of this option, compared to the more disruptive option 2, which looks into current design options. As highlighted by the CRE, it would require less developments to be made as it can be adapted in current processes. Nonetheless, it would likely take time to implement, with the need to have a good understanding of the different sub-options when changing the imbalance price design and sufficient implementation time. We don't see the need for additional incentives/changes in the current PRE calculation.

Once again, we reiterate the importance of harmonising imbalance methodologies across Europe by considering common denominators and components that can be shared widely.

Question 23 In your view, should an incentive coefficient be designed to encourage BRPs to be balanced or rather to act against the trend?

We encourage measures that lead to market participants being balanced as much as possible, while recognising the flexibility and support that going against the system direction (implicit balancing) can help TSOs manage massive changes in balancing directions.

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The meaning of the incentive coefficient should be well understood; we would appreciate clarification on this and the two types of incentives mentioned by the CRE, as they are quite different and would lead to very different outcomes.

Question 24 Do you think that an additional incentive to act against the trend can be easily taken into account by BRPs?

We are aware of European markets that allow implicit balancing to happen, accounting for their particular balancing philosophies and historical balancing developments.

Question 25 Among the four proposed options, what advantages and disadvantages do you identify regarding the implementation of these incentives? In your view, which options (3a to 3d) are most relevant for preparing for the reduction of the operational window in 2029?

As an association, we cannot strongly advocate for one combination over the others, different BRP profiles will lead to different preferences.

We would appreciate a clarification on what is meant by the incentive coefficient, as there are two types of incentives laid out in the document, and they would have different impacts should they be selected.

Question 26 What might be the types of imbalances characteristic of a strained system?

As an association, we do not comment market participant behaviours. Imbalances are likely related to rapid changes in the system, speed of data publication, market signals.

Question 27 In order to best prepare for the deadline of 1 January 2029, what implementation date do you consider most appropriate for a new incentive of this type?

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Should this option be considered, implementation as soon as possible is preferable. However, we are aware that changing the imbalance price design will take some time and needs careful consideration of the options. The priority for swift implementation should be 30-minute IDCZGCT, which provides more opportunities for market participants to be balanced closer to real time and will be accompanied by the natural increase in financial incentives with a shorter operational window that may need to activate faster balancing reserves.

Question 28 Which do you consider most appropriate: a redistribution among the BRP or a redistribution within the TURPE (section 4.2.2)? Do you have any other proposals for the redistribution of revenue linked to a new incentive?

We understand that within EBGL, there is a financial neutrality principle for TSOs related to the imbalance price design. This question should be explored at the European level if we are to deviate from it or if there are changes to be made for the future of balancing in Europe. Following that principle, we would support redistribution among BRPs to ensure financial neutrality but could discuss redistribution within the TURPE.

Summary

Question 29 In order of preference, how would you rank these different options (option 1, option 2, option 3)?

We favour option 1 compared to the others, as it does not add any further complexity and uncertainty. Moreover, on option 1, we expect projects to help with balancing in the near future. Option 3 could still be possible but would need a clear understanding of the impacts on the imbalance price. We are strongly against Option 2, as it would be highly complex to implement, retroactive, and there is a lack of visibility for BRPs on penalties.

Question 30 Do you have any other options to suggest?

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We highlight the need to implement the switch to 30-minute intraday cross-zonal gate closure time and encourage its swift and coordinated implementation across Europe. Even though RTE has a derogation for implementation until January 2029, it should be carried out as soon as possible to match the current implementation speed across Europe. Slower implementation in France consequently slows down implementation in the neighbouring countries.

We reiterate our requests for swifter data publication in a consistently reliable manner.

Question 31 Do you have any other comments?

Overall, we support the switch to 30-minute intraday cross-zonal gate closure time and encourage its swift and coordinated implementation across Europe. Even though RTE has a derogation for implementation until January 2029, we emphasise the need for change as soon as possible to match the current implementation speed across Europe. Slower implementation in France consequently slows down implementation in the neighbouring countries.

We generally support the need for clear imbalance signals for balancing responsible parties (BRPs) and call for harmonisation of imbalance settlement methodologies on common denominators.

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We request faster, more reliable data to help balance the system, notably as we move to closer to real-time and we integrate more RES.

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Additionally, with shorter IDCZGCT, we get closer to real-time and market participants will also be more balanced closer to Gate Closure Time.

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