

ENTSO-E Public Consultation on identified harmonisation options concerning terms and conditions related to the aFRR and mFRR Platforms

A Eurelectric response paper

January 2025

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

Dépôt légal:

1. What is your name?

Max Schneider

2. What is your email address?

mschneider@eurelectric.org

3. What is your organisation?

Eurelectric

4. 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 (one answer possible):

- ☒ **Publication of complete or summarised translation, where applicable.**
- ☐ Publication of translation of relevant provisions with regards to Art. 18 EB Regulation.
- ☐ Other, please provide below.

Feedback for "other option"

To promote better transparency in balancing markets for foreign BSPs, we recommend the publication of complete or summarised translation into English of Terms and Conditions (T&Cs). Nevertheless, English would then only be a convenience translation and could never be required as an official language. The national language must remain legally binding.

Beyond providing a translation of the terms and conditions in English, it would be relevant to provide on the ENTSOe Transparency platform a brief standardized description in English for each country's aFRR and mFRR markets to lower information barriers for new market participants. Such description can be based on material that may already be available in the national language. This description could include for example:

- A global presentation of the aFRR and mFRR markets.
- Links to all official texts (market rules).
- Orders of magnitudes by type of reserve (aFRR/mFRR) in power (MW) and annual volume of energy activated (MWh).
- The active or non-active participation of each country in PICASSO and MARI.
- A list of the technologies participating in the aFRR and/or mFRR markets.

This type of synthetic and standardized description would allow for better understanding and participation from all market participants in the different balancing markets. The main barrier to market participants today is not the use of national languages, but primarily the operational processes and requirements which can be very different from one country to another.

Besides general information on the functioning of national balancing markets, market participants would benefit from transparent access to data about cross-border results of European balancing markets. Such data could e.g., refer to balancing energy provided across borders, TSO demands expressed on European platforms, differences between local and non-congested neighbouring areas etc. Access to this type of information is not sufficiently centralized today and depends on each individual TSO.

5. 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"

Bilateral communications between a stakeholder and the national TSO can be conducted in English.

We ask that all consultations, working sessions involving multiple stakeholders, as well as documents or communications from a national TSO, be conducted at least in the national language.

Any meeting involving multiple stakeholders should be considered a public meeting and conducted in the national language. If English is used during a meeting, the concerned TSO must provide a complete translation, or as a minimum a comprehensive summary, in the national language.

The national language must remain the foundation of all communications and publications to maintain the link with the legally binding language, which is the national language.

6. 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

We call for the harmonization of qualification processes in general, not only the prequalification processes but also the performance monitoring and verification processes implemented or projected in certain countries (e.g., asset qualification monitoring for participation in the MARI platform or BSP service provision verification in the PICASSO platform). Thus, we call for the harmonization of qualification processes, including both:

- Pre-qualification: one-time evaluation prior to the participation of the asset and/or BSP in the platform.
- Performance monitoring and verification: continuous evaluation during the participation of the asset and/or BSP in the platform.

These evaluations aim to verify the ability of assets to provide standardized balancing energy that meets sufficient quality and reliability criteria. They also aim to ensure the BSP's ability to implement the activation of balancing energy as expected.

In general, we are in favor of harmonizing the quality and reliability of standardized balancing energy products shared by European TSOs. Moreover, since the remuneration of balancing products exchanged on European platforms is done on a pay-as-clear basis, it is essential that the required quality for these products is of the same nature and level. Thus, the prequalification, performance monitoring and verification processes must be coordinated between TSOs and BSPs and harmonized at the European level to ensure:

- Equivalent quality of balancing products on which TSOs can base their studies and balancing operations regardless of the BSP's country.
- Sufficient liquidity of products offered on balancing platforms so that offers can meet the needs expressed by TSOs.
- Fair treatment of BSPs between countries as required by the EBGL.
- Review the qualification requirements applied to standard balancing products and the remuneration of activated standard balancing products – including during the ramping up/down periods - to ensure that they are harmonised, thereby preserving a level playing field.

However, before implementing harmonization measures, a comparative analysis of existing qualification processes (prequalification and performance monitoring) in the different EU countries seems necessary. Based on this analysis, the depth of necessary harmonization and the implementation horizon can be better understood by BSPs and TSOs.

7. 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 (one answer possible):

- ☐ 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"

We recommend not changing the IT communication protocols between BSPs and TSOs for processes that are already functional (for instance transmission of bids from BSP to TSOs for aFRR) purely for harmonization's sake. We do encourage TSOs to jointly – and including BSPs involvement – discuss future communication protocols in order to achieve a long-term convergence if deemed relevant and feasible, and if it can be achieved through the natural evolution of IT tools.

It is important that, for any new IT communication protocol, a consultation with stakeholders at least in the national language be conducted before the promulgation of the rules. Additionally, it is necessary to maintain the TSO/BSP collaboration during the protocol design phase by the TSOs to validate and enrich the requirements according to the BSP needs.

8. Transferability of Prequalification (PQ)

- *Of prequalification for similar assets.*
- *Where applicable, of BSP qualification on national or LFC block level.*
- *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. Until this European harmonization of qualification processes is achieved, the transfer of prequalification should be handled on a case-by-case basis by the TSOs.

9. Re-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 (one answer possible):

- ☐ 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.**

Feedback for "other option"

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 ensuring that **modifications do not impact** the asset's performance.

10. I want my answer to remain anonymous. If you tick this box, we will publish your comments but we will not publish your name and organisation.

Yes/**No**

11. I do not want my answer to be published. If you tick this box, we will not publish your answer to this consultation but your answer may be shared with EU and national authorities involved in the adoption process of the consulted document to ensure the performance of ENTSO-E legally mandated tasks.

- ☐ I do not want my answer to be published.

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability



Union of the Electricity Industry - Eurelectric aisbl
Boulevard de l'Impératrice, 66 – bte 2 - 1000 Brussels, Belgium
Tel: + 32 2 515 10 00 - VAT: BE 0462 679 112 • www.eurelectric.org
EU Transparency Register number: [4271427696-87](https://ec.europa.eu/transparency/regexpert/?s=details&id=4271427696-87)