

# **Second amendment of Implementation framework for the European platform for the exchange of balancing energy from frequency restoration reserves with manual activation**

in accordance with Article 20 of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing

**18 October 2021**

Purpose:	<input checked="" type="checkbox"/> methodology draft <input type="checkbox"/> for ACER approval	<input checked="" type="checkbox"/> for public consultation <input type="checkbox"/> for final publication
Status:	<input checked="" type="checkbox"/> draft	<input type="checkbox"/> final
TSO approval:	<input type="checkbox"/> for approval	<input checked="" type="checkbox"/> approved
NRA approval:	<input type="checkbox"/> outstanding	<input type="checkbox"/> approved

All TSOs, taking into account the following:

### **Whereas**

- (1) This amendment proposal provides an amendment to Annex I ACER decision 03-2020 of 28 January 2020 on Implementation framework for a European platform for the exchange of balancing energy from frequency restoration reserves with manual activation (hereafter referred to as the “mFRRIF”) in accordance with Article 20 of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (hereafter referred to as the “EB Regulation”).
- (2) The amendment proposal provides more clarity on the possibilities for the BSPs to offer complex bids and to link bids submitted in consecutive quarter hours.
- (3) The amendment proposal updates the convention used to define the mFRR demand in case of power surplus or deficit, without impact on the high level design principles of the mFRR-Platform.
- (4) The amendment proposal, as it provides only more clarity on the definition of the standard mFRR balancing energy product, continues to fulfil all the objectives of the EB Regulation.
- (5) Article 20(1) of the EB Regulation requires all TSOs to develop the mFRRIF. All TSOs who are responsible for the development of the proposal and for its submission to ACER are the following: APG - Austrian Power Grid AG, VÜEN-Vorarlberger Übertragungsnetz GmbH, Elia - Elia Transmission Belgium S.A., ESO – Electroenergien Systemen Operator EAD, HOPS - Croatian Transmission System Operator Ltd, ČEPS - ČEPS, a.s., Energinet - Energinet, Elering - Elering AS, Fingrid - Fingrid Oyj, Kraftnät Åland Ab, RTE - Réseau de Transport d'Electricité, S.A, Amprion - Amprion GmbH, TransnetBW -TransnetBW GmbH, TenneT GER - TenneT TSO GmbH, 50Hertz - 50Hertz Transmission GmbH, IPTO - Independent Power Transmission Operator S.A., MAVIR ZRt. - MAVIR Magyar Villamosenergia-ipari Átviteli Rendszerirányító Zártkörűen Működő Részvénytársaság ZRt., EirGrid - EirGrid plc, Terna - Terna SpA, Augstsprieguma tīkls - AS Augstsprieguma tīkls, LITGRID - LITGRID AB, CREOS Luxembourg - CREOS Luxembourg S.A., TenneT TSO - TenneT TSO B.V., PSE - PSE S.A., REN - Rede Eléctrica Nacional, S.A., Tranelectrica - C.N. Tranelectrica S.A., SEPS - Slovenská elektrizačná prenosová sústava, a.s., ELES - ELES,d.o.o, REE - Red Eléctrica de España S.A.U, Svenska Kraftnät - Affärsverket Svenska Kraftnät, SONI System Operator for Northern Ireland Ltd.

**SUBMIT THE FOLLOWING PROPOSAL FOR AMENDMENT OF THE IMPLEMENTATION FRAMEWORK FOR THE EUROPEAN PLATFORM FOR THE EXCHANGE OF BALANCING ENERGY FROM FREQUENCY RESTORATION RESERVES WITH MANUAL ACTIVATION TO ACER**

## **Article 1**

### **Definitions and interpretation**

Article 2 – Definitions and interpretation – of mFRR IF is amended as follows:

a) Paragraph 2(1)(f) shall be amended and be read accordingly:

« ‘complex bids’ means complex bid structures of a BSP with the purpose of economic optimization, allowing BSPs to offer more flexibility, to reflect efficiently their underlying cost structure in their offered bids, and to maximize the opportunity of being activated; »

b) Paragraph 2(1)(i) shall be amended and be read accordingly:

« ‘exclusive groups’ are a type of complex bids, consisting of a group of bids, where only one bid can be activated from the list of bids part of the exclusive group; »

c) Paragraph 2(1)(t) shall be amended and be read accordingly:

« ‘multipart bids’ are a type of complex bids, consisting of a group of bids, where individual upward energy bids can only be activated according to increasing price, or individual downward energy bids can only be activated according to decreasing price; »

d) Paragraph 2(1)(bb) shall be amended and be read accordingly:

« ‘technical linking’ means links between bids of a BSP in consecutive quarter hours, needed to avoid the underlying asset performing unfeasible activations; »

e) Paragraph 2(1)(dd) shall be added :

« ‘conditional linking’ means links between bids of a BSP in up to three consecutive quarter hours, needed to represent technical restrictions and cost structure of the underlying assets, due to the unavailability of information on the activation of bids from previous quarter hours at the balancing energy gate closure time. »

## **Article 2**

### **High-level design of the mFRR-Platform**

Article 3 – High-level design of the mFRR-Platform – of mFRR IF is amended as follows:

Paragraph 3(4)(b) shall be amended and be read accordingly:

« a TSO can submit an elastic mFRR demand in a upward or a downward direction with the price it is willing to pay or receive for the activation of standard mFRR balancing energy product bid; »

Paragraph 3(5)(a) shall be amended and be read accordingly:

« (a) the mFRR demand of every LFC area or bidding zone, in case a LFC area consists of more than one bidding zone, of each participating TSO. Where a common mFRR demand is estimated for all LFC areas of an LFC block, the participating TSO responsible for the estimation of mFRR demand shall send the mFRR demand for the LFC block. The mFRR-Platform shall optimise the activation of standard mFRR balancing energy product bids located in all LFC areas of this LFC block. The sign convention for mFRR demand is always positive value. The sign convention for mFRR demand is always positive value. The direction of demand is expressed by the parameter „downward“ where the LFC area or bidding zone is in power surplus and indicates that negative mFRR balancing energy needs to be activated; and by the parameter „upward“ where the LFC area or bidding zone is in power deficit and indicates that positive mFRR balancing energy needs to be activated; »

**Article 3**  
**Definition of the standard mFRR balancing energy product**

Article 7 – Definition of the standard mFRR balancing energy product – of mFRR IF is amended as follows:

Paragraph 7(3)(a) shall be amended and be read accordingly:

« (a) defined by the following parameters:

Price	in €/MWh
Location	Location At least the smallest of LFC area or bidding zone
Divisibility	BSPs are allowed to submit divisible bids with an activation granularity of 1 MW. BSPs are allowed to submit indivisible bids pursuant to Article 7(4)
Technical linking and conditional linking	BSPs are allowed to provide information on technical linking between bids submitted in consecutive quarter hours, as well conditional linking between bids in up to three consecutive quarter hours.
Complex bids	Multipart bids and exclusive groups are allowed

*Table 2 : Standard mFRR balancing energy product bid variable characteristics*

**Article 4**  
**Description of the optimisation algorithm**

Article 11 – Description of the optimisation algorithm – of mFRR IF is amended as follows:

Paragraph 11(2)(a) and 11(2)(b) shall be amended and be read accordingly:

- «2. The inputs to the optimisation algorithm for the direct activation are:
- (a) in case of upward mFRR demand, the upward common merit order list in accordance with Articles 10(8) and 10(9)(a) and the upward mFRR demands to be satisfied by the direct activation;
  - (b) in case of downward mFRR demand, the downward common merit order list in accordance with Articles 10(8) and 10(9)(b) and the downward mFRR demands to be satisfied by the direct activation;»

### **Article 5 Implementation Timeline**

All TSOs shall implement this amendment to the Implementation Framework within 15 days after the publication of the decision by the Agency for the Cooperation of Energy Regulators.

### **Article 6 Publication of the Amendment**

All TSOs shall publish this amendment to the mFRR Implementation Framework without undue delay pursuant to Article 7 of EB Regulation after a decision has been taken by the Agency for the Cooperation of Energy Regulators in accordance with Articles 5(2)(a), of the EB Regulation and Articles 5(2) Regulation (EU) 2019/942 establishing a European Union Agency for the Cooperation of Energy Regulators

### **Article 7 Language**

1. The reference language for this amendment to the mFRR Implementation Framework shall be English.
2. For the avoidance of doubt, where TSOs need to translate this amendment to the mFRR Implementation Framework into their national language(s), in the event of inconsistencies between the English version published by the TSOs in accordance with Article 7 of the EB Regulation and any version in another language, the relevant TSOs shall be obliged to dispel any inconsistencies by providing a revised translation of this amendment to the Implementation Framework to their relevant national regulatory authorities.