

All interested parties,
Stakeholders in Northern Ireland and beyond,
and other regulatory bodies

Ref: WM-018-11-844

Date: 10 January 2020

To whom it may concern

Approval of the all asynchronously connected TSOs' proposal for common settlement rules for all unintended exchanges of energy between synchronous areas.

On 17 June 2019, the Utility Regulator (UR) received the all asynchronously connected TSOs' proposal for common settlement rules for all unintended exchanges of energy between synchronous areas in accordance with Article 51(2) of Commission Regulation (EU) 2017/2195 of 23 November 2019, establishing a guideline on electricity balancing (EBGL).

This letter sets out the UR's decision to approve the proposal pursuant to Article 5(6) of Regulation 2017/2195 and outlines the necessary steps that must be taken.

Background

The proposal covers the rules for the common settlement of unintended exchanges of energy between synchronous areas, with this also including a methodology for calculating volumes and prices, as well as the high-level process for the common settlement between TSOs. The proposal envisages general provisions that apply to all interconnectors, including the

calculation of volumes of unintended exchanges, as well as several annexes that specify the pricing rules for each interconnector.

The methodology does not preclude the possibility of settling unintended exchanges in accordance with Chapter 4 of Title V of the EBGL.

Decision

The UR has reviewed the proposal in line with the requirements of the EBGL and the UR's statutory duties and obligations. As required by Article 5(6) of Regulation 2017/2195, the UR has closely cooperated with other concerned Regulatory Authorities to reach an agreement on the proposal.

The concerned Regulatory Authorities' agreement, reached on 4 December 2019 and attached as an annex to this letter, constitutes the reason for the UR's decision. In line with this agreement, the UR hereby approves the all asynchronously connected TSOs' proposal for common settlement rules for all unintended exchanges of energy between synchronous areas.

Next Steps

In accordance with this decision, concerned TSOs will be required to publish this proposal on the internet as per Article 7 of Regulation 2017/2195.

If you have any queries regarding the information contained within this letter please contact JeanPierre.Miura@uregni.gov.uk.

Yours sincerely



Colin Broomfield
Director of Wholesale Energy Regulation

cc: Jean Pierre Miura