

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

Ref: WM-018-11-843

Date: 10 January 2020

To whom it may concern

Request for amendment to the all asynchronously connected TSOs' proposal for common settlement rules for intended exchanges of energy between synchronous areas.

On 17 June 2019, the Utility Regulator (UR) received the all asynchronously TSOs' proposal for common settlement rules for intended exchanges of energy between synchronous areas as a result of the frequency containment process and of ramping restrictions. This was submitted in accordance with Article 50(4) of Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing (EBGL).

This letter sets out the UR's decision to request amendment to this proposal pursuant to Article 6(1) of Regulation 2017/2195 and outlines the necessary steps that must be taken.

Background

The proposal comprises the rules for the common settlement of intended exchanges of energy between synchronous areas resulting from the frequency containment process and ramping restrictions. It also includes the methodology for calculating volumes of intended exchanges

and relevant prices, as well as the high-level process for the common settlement between TSOs.

Article 50(4) of the EBGL requires that the proposal specify the common settlement rules applicable to the intended exchanges of energy as a result of ramping restrictions, pursuant to Article 137(3) of Commission Regulation (EU) 2017/1485 of 2 August 2017, establishing a guideline on electricity transmission system operation (SOGL).

The UR does not consider the proposal compliant with Article 50(4) of the EBGL and is therefore requesting amendment to include the volume determination and the relevant pricing principles applicable to the intended exchanges of energy as a result of ramping restrictions.

Decision

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

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 requests amendment to the all asynchronously connected TSOs' proposal for common settlement rules for intended exchanges of energy between synchronous areas as a result of the frequency containment process and of ramping restrictions.

Next Steps

In accordance with Article 6(1) of Regulation 2017/2195, the TSOs must make the amendments necessary to address the points set out on the concerned Regulatory Authorities' agreement with the amendment proposal required to be submitted to the UR and the Agency within two months of this decision.

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