

Wholesale Markets Directorate

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

Ref: WM-018-11-708

Date: 7 August 2019

To whom it may concern

Request for amendment to the all TSOs' proposal for classification methodology for the activation purposes of balancing energy bids.

On 17 December 2018, the Utility Regulator (UR) received the all TSOs' proposal for classification methodology for the activation purposes of balancing energy bids in accordance with Article 29(3) 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

This proposal focuses on the classification of activation purposes of bids from the platform, as required by Article 29(4), and defines the approach how to differentiate the different activation purposes. Article 29(4) states that "For each balancing energy bid activated from the common merit order list, the TSO activating the bid shall define the activation purpose based on the methodology pursuant to paragraph 3."



Article 5(6) of Regulation 2017/2195 requires the competent regulatory authorities to consult and closely cooperate and coordinate with each other in order to reach an agreement and subsequently take national decisions within six months following receipt of the proposal by the last concerned regulatory authority. In this case, a national request for amendment, based on the agreement reached between the concerned regulatory authorities, is formally required by each regulatory authority by 11 August 2019.

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 all Regulatory Authorities to reach an agreement on the proposal.

The all Regulatory Authorities' agreement, reached on 23 July 2019, attached as an annex to this letter, constitutes the reason for the UR's decision and, in line with this agreement, the UR hereby requests amendment to the all TSOs' proposal classification methodology for the activation purposes of balancing energy bids.

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 all 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 <u>JeanPierre.Miura@uregni.gov.uk</u>.

Yours sincerely

Colin Broomfield

Director of Wholesale Energy Regulation

cc: Jean Pierre Miura