

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

Ref: WM-018-11-875

Date: 04 June 2020

To whom it may concern

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

On 23 March 2020, the Utility Regulator (UR) received the amended 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. 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 (the EBGL Regulation).

This letter sets out the UR's decision to approve the proposal in accordance with Article 5(3) of the EBGL Regulation and outlines the necessary steps that must be taken.

Background

On 17 June 2019, the UR first received the all asynchronously connected TSOs' proposal for common settlement rules for intended exchanges of energy between synchronous areas. This was submitted in accordance with Article 50(4) of the EBGL Regulation.

The proposal comprised 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 included the methodology for calculating volumes of intended exchanges and relevant prices, as well as the high-level process for the common settlement between TSOs.

The proposal was subsequently reviewed and, on 10 January 2020 in line with the concerned Regulatory Authorities' agreement of 4 December 2019, the UR requested amendment to the proposal in accordance with Article 6(1) of the EBGL Regulation. An amended proposal was received by the UR on the 23 March 2020.

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

Decision

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

The concerned Regulatory Authorities' agreement, reached on 22 May 2020 and attached as an annex to this letter, constitutes the reason for the UR's decision.

In line with this agreement and in accordance with Article 6(1) of the EBGL Regulation, the UR hereby approves 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 7 of the EBGL Regulation, the relevant TSOs shall publish on the internet the approved all asynchronously connected TSOs' proposal for common settlement rules for intended exchanges of energy between synchronous areas.

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

Yours sincerely



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cc: Jean Pierre Miura