

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

Ref: WM-018-11-707

Date: 7 August 2019

To whom it may concern

Request for Amendment to the all TSOs' Proposal to further specify and harmonise Imbalance Settlement

On 17 December 2018, the Utility Regulator (UR) received the all TSOs' proposal to further specify and harmonise imbalance settlement ("ISHP") in accordance with Article 52(2) 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

Imbalance settlement is a financial settlement mechanism for imbalances and, although applied through all European systems, current methodologies are not the same.

This proposal to further specify and harmonise imbalance settlement sets out how elements such as imbalance adjustments, imbalance volumes and imbalance prices are calculated and also proposes the use of a single imbalance price.

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 the 11 August 2019.

Decision

The UR has reviewed the proposal in line with the requirements of the EBGL Regulation and the UR's principle objectives and duties. 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 14 June 2019, attached as an annex to this decision letter, constitutes the reasons for the UR's decision and, in line with this agreement, the UR hereby requests amendment to the all TSOs' proposal to further specify and harmonise imbalance settlement.

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 in the all Regulatory Authorities' agreement with the amended proposal being re-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



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cc: Jean Pierre Miura