

ACER Decision on the Implementation framework for a European platform for the imbalance netting process: Annex Ia

Amendment to the Implementation framework for a European platform for the imbalance netting process

in accordance with
Article 22 of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing

04 August 2022

Purpose:	<input type="checkbox"/> methodology draft	<input type="checkbox"/> for public consultation
	<input checked="" type="checkbox"/> for ACER approval	<input type="checkbox"/> for final publication
Status:	<input type="checkbox"/> draft	<input checked="" type="checkbox"/> final
TSO approval:	<input type="checkbox"/> for approval	<input checked="" type="checkbox"/> approved

All TSOs, taking into account the following:

30~~XX~~ September 2022

Whereas

- (1) This ~~proposal provides an amendment~~document describes amendments to the Implementation framework for a European platform for the imbalance netting process (hereafter referred to as the “INIF”) in accordance with ~~ACER decision 13-2020 of 24 June 2020~~Article 22(1) of Regulation (EU) 2017/2195 establishing a guideline on electricity balancing (hereafter referred to as the “EB Regulation”). It amends ~~ACER Decision No 13/2020 of 24 June 2020~~ and is hereafter referred to as “first amendment of the INIF”.
- (2) ~~European TSOs strongly support the European target model defined by the Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (hereafter referred to as the “EB Regulation”) for integrated balancing energy markets, especially the implementation and go-live of the platforms for the exchange of balancing energy, and see significant advantages resulting from it.~~
- ~~(3)~~(2) Article 10(2) of the INIFThe first amendment of the INIF takes into account the legal requirement of Article 10(2) of the INIF which provides that “no later than eighteen months before the deadline when the capacity management function (hereafter referred to as the “CMF”) shall be considered as a function¹ required to operate the aFRR-Platform in accordance with Article 6(4) of the implementation framework adopted pursuant to the ACER Decision ~~02-20202-/2020~~, all TSOs shall develop a proposal for amendment of this INIF, which shall designate the entity performing the capacity management function in accordance with Article 22(3)(e) of the EB Regulation and clarify whether the IN-Platform will be operated by a single entity or multiple entities.”
- (4) ~~In accordance with Article 10(2) of the INIF, this amendment proposal fulfils all TSO obligations regarding the proposed designation of the entities that will perform the functions defined in the INIF and clarifies that the IN-Platform may be operated by multiple entities in accordance with Article 22(3)(e) of the EB Regulation.~~
- (5) ~~For the sake of clarity, ACER decision 02-2020 of 24 January 2020 on the Implementation framework for the European platform for the exchange of balancing energy from frequency restoration reserves with automatic activation (hereafter referred to as the “aFRRIF”) and ACER decision 03-2020 of 24 January 2020 on the Implementation framework for the European platform for the exchange of balancing energy from frequency restoration reserves with manual activation (hereafter referred to as the “mFRRIF”), specify that all TSOs shall establish a CMF and that in case several balancing platforms have such a function, the CMF shall be the same across these platforms.~~
- ~~(3)~~Given the requirement of ACER decision quoted above (same function across the platforms), the intention of all TSOs is to designate the same entityArticle 22(3)(e) of the EB Regulation requires to determine the proposed designation of the entity or entities that will operate the functions of the IN-Platform. This first amendment of the INIF describes the proposed designation of multiple entities to operate the three functions of the IN-Platform being the imbalance netting process function, the TSO-TSO

¹ The nature of the CMF as a required function pursuant to Article 12(2) of ACER Decision 02/2020 is currently the subject matter of actions for annulments in case T-606/20 pending before the General Court.

settlement function and the CMF. The proposed designation in accordance with Article 10(2) of the INIF aims to ensure that, in case other balancing platforms have such function, the CMF should be the same across these platforms and should be operated by the same TSO if the same obligation is imposed in the relevant implementation framework of each platform. With such designation, the governance and operation of the European platform is based on the principle of non-discrimination, and the equitable treatment of all member TSOs, and no TSO benefits from unjustified economic advantages through the participation in the functions of the European platform as required by Article 22(3)(d) of the EB Regulation. It also contributes to the objectives of the EB Regulation as referred to in Article 3(b) and (d) therein.

- (4) In line with Article 22(3)(e) of the EB Regulation, the INIF needs to include not only the description of setup of the entities to operate the IN-Platform, but also the proposed designation of the entities that will perform the functions of the IN-Platform in accordance with Article 22(3)(c) of the EB Regulation. Therefore, the specific entities to be designated are named within this first amendment of the INIF. The actual designation follows the adoption of the respective ACER decision in accordance with Articles 22(4) of the EB Regulation.
- ~~(6) As the designation setup involves multiple entities to perform the CMF for the mFRR-Platform, aFRR Platform and IN Platform, this entity being however functions of the IN-Platform, additional requirements in accordance with Articles 22(3)(e)(i), 20(3)(e)(ii) and 22(3)(e)(iii) of the EB Regulation apply. Article 22(3)(e)(i) of the EB Regulation requires a coherent allocation of functions taking into account the need to coordinate the different from the entities operating the other functions. The designated entity will operate the CMF as a cross-platform function. Article 22(3)(e)(ii) of the EB Regulation requires the setup to ensure an efficient and effective governance, coordination, and decision making process, all TSOs have entered for each platform into a contract with the entity that shall be in charge of operating the CMF.~~
- ~~(7) TSOs duly remind ACER that this amendment is submitted for its approval in accordance with Decision No. 13/2020, it being understood however that the said Decision had been the object of an appeal introduced by one TSO (Case A-008-2020), raising the same pleas as the appellants in in Cases A-002 and 003-2020. In its letter dated February 25th, 2021, after the Board of appeal rejected the appeal, the appellant clearly stated that while it could not continue the procedure due to issues of resources allocation, it considered the appeal to be well founded. Today, two appeals remain pending in front of the General Court (Cases T-606/20 and T-607/20). The appellant for the INIF appeal belongs also to the group of TSOs having lodged the appeal in front of the General Court. The above mentioned pending appeals are raising the same grounds operation and pleas as the one that was lodged in front of the Board of Appeal for the INIF. Accordingly, if the General Court (or Court of Justice) annuls the BoA's decisions in Cases A-002 and 003-2020, all TSOs expect the measures to be taken by ACER and the BoA to comply with such judgment(s) to be applied equally to the ACER Decision for the INIF. All TSOs also reserve the right to amend the implementation framework taking into account any measures as eventually adopted by the Court of Justice.~~
- (8) The present amendment is without prejudice to the position recorded in all TSOs' final proposal dated 18 December 2019 (submitted to ACER as a supplement to their proposal for the INIF) that the CMF is not a required platform function and does not fall

within the scope of Article 22 of the EB Regulation.

- (9) ~~In accordance with Article 4 and Article 6(5) of the INIF, the CMF constitutes an additional functionality of the Platform and implements a centralized and coordinated process between all TSOs and the balancing platforms, and between the platforms themselves to continuously update the IN cross-zonal capacities for each of the relevant bidding zone borders or set of bidding zone borders taking into account (i) the initial cross-zonal capacities in accordance with Article 37 of the EB Regulation, (ii) the additional cross-zonal capacities allocated to the RR, mFRR and aFRR process pursuant to Article 38(1) of the EB Regulation and, (iii) the already confirmed exchanges within the balancing timeframe, inter alia, the replacement power interchange and the manual frequency restoration power interchange, (iv) the adjustments of the cross-zonal capacities pursuant to Commission Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operation (hereafter referred to as the “SO Regulation”). The main objective of the CMF is to ensure the consistency of the data exchanged between all TSOs and the European platforms related to the cross-zonal capacities. As obliged by IFs, the CMF shall be the same across all platforms, therefore it is technically logical to have a central CMF. Allocating the CMF to one platform might endanger the interchange between other platforms if the former is unavailable. By designating a different entity to develop, host and monitor the CMF, all TSOs are ensuring the workload is shared by different entities. As a consequence, the establishment of the platform functions can take place in parallel using available resources of the TSOs, and the CMF can be delivered earlier and up to adequate quality standards. Thus it is coherent to allocate the CMF as an interface process to an entity which is distinct from the entities that perform the activation optimisation function (hereafter referred to as the “AOF”) or imbalance netting process function (hereafter referred to as the INP function) in case of IN Platform and the TSO-TSO settlement function of each European platform.~~
- (10) ~~The amended INIF includes the CMF function in the scope of the mFRR steering committee. All TSOs have agreed that the mFRR steering committee will be the governing body for CMF as a cross-platform function, as this is an efficient, effective governance structure that provides for coordination and regulatory oversight as all TSOs involved in well as its support to the European platforms are represented in the mFRR steering committee.~~
- (11) ~~The amended INIF also further specifies that the IN Platform steering committee has the authority to create subcommittees or working groups, which may be granted delegated authority by the steering committee. In such event, the IN Platform steering committee determines the composition and the modalities/objectives of the functioning of such subcommittee or working group. In case the aFRR Platform and the mFRR Platform also create the same subcommittee or working group, they can be the same for the concerned European platforms and the steering committees jointly define their composition and their functioning.~~
- (12) ~~Each Member TSO is in accordance with the legal framework, notably the Directive (EU) 2019/944 on the common rules for the internal market for electricity (hereinafter Electricity Directive) and regulations, already accountable towards its national regulatory authority (hereafter referred to as the “NRA”) in general and in particular for the execution of the cross-border activation process in accordance with EB Regulation. While the TSO-TSO model according to Article 2 (21) EB Regulation~~

~~establishes a model for the exchange of balancing services where the balancing service provider provides balancing services to its connecting TSO, which then provides these balancing services to the requesting TSO, the concrete setup proposed by the TSOs ensures Regulatory Oversight as required by Article 22 (3) (e) ii) EB Regulation as follows. The Member TSOs are addressees of European Regulations such as REGULATION (EU) No 1227/2011 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2011 on wholesale energy market integrity and transparency and COMMISSION REGULATION (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council requiring Member TSOs to provide information to NRAs and ACER. All Member TSOs are obliged to operate the platforms jointly and to that end, each Member TSO has access to the mFRR Platform's information directly and at all times. In order for regulators to not have to address their inquiries necessarily to individual TSOs, but rather have the possibility to address them in a centralized manner, the IN Platform steering committee will act as a central point of contact for the IN Platform related topics, while the mFRR Platform steering committee will act as a central point of contact for the cross-platform CMF related topics and, to this end, gather information that is necessary for NRAs to perform regulatory oversight. To process such regulatory inquiries, relevant steering committee will utilize processes detailed in the newly added Article 8B. The TSOs' proposal is therefore no less efficient and effective in terms of regulatory oversight than if only one entity were to operate all functions of the concerned platform. Thus, the proposed setup ensures the sufficient regulatory oversight of the IN Platform in the conditions defined by the Electricity Directive and by Commission Article 22(3)(e)(iii) of the EB Regulation (EU) 2019/942 establishing a European Union Agency for the Cooperation of Energy Regulators.~~

~~(13) — The INIF was approved in ACER decision 13-2020 and therefore, the amended INIF fulfils the general principles, goals and other methodologies set in the EB Regulation, the SO Regulation, the Commission Regulation (EU) 2019/943 on the internal market for electricity (hereafter referred to as the “Electricity Regulation”) as well as the Commission Regulation (EC) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Commission Regulation (EC) No 714/2009 (hereafter referred to as the “Transparency Regulation”) for the reasons stated further and in this proposal.~~

~~(14)(5) The structure referred to in Whereas (10), (11) and (12) and set out in the amended Articles 10,8 and newly added 8B, ensures efficient and effective operation of the European platforms, requires an effective coordination and decision making process to resolve any conflicting positions between entities operating the European platforms and thus ensures that the requirements of EB Regulation are met. Namely, IN Platform.~~

~~(15)(6) theThe proposed setup ensures a coherent allocation of functions to the entities operating the functions of the European platform, in accordance with Article 22(3)(e)(i) of EB Regulation by clearly allocating a function in its entirety and respective responsibilities and tasks to an entity. The TSOs have analysed and clearly delineated the interfaces and interactions between the different functions of the platform, namely AOF, TSO TSO Settlement Function and CMF. In that way, competences, responsibilities and liabilities can be clearly assigned and conflicts of responsibility~~

can be avoided. The competences, responsibilities and liabilities ~~are laid down in a contract between the Member TSOs. To ensure the necessary coordination between the entities, the entities are contractually obliged to cooperate. This includes, among other things, the duty of exchange of information and coordination obligations. The Member TSOs designated as the CSPs are bound by the decisions of the respective platform Steering Committee, which can be taken by qualified majority voting. In addition, the proposed setup demonstrates significantly higher operational security and stability than other possible setups. European balancing platforms are key tools in EU's future market integration with regards to energy use with operational security being an important criterion. The platforms are built within the TSOs' infrastructure utilizing a combination of multi-redundant data centers, communication assumed via the physical communication network (PCN) and TSOs' personnel involved with a high level of know how. This will lead to an optimal state with regards to overall security. This also guarantees an efficient and effective operation of the platforms enabling the implementation and operation of the platforms with a high level of quality and maintenance along their entire life cycle resulting in a decrease of overall short-term as well as long term costs. Furthermore, the proposed allocation of functions result in a very limited probability of a potential outage of all the platforms together. A simultaneous outage of multiple platforms would have a major negative impact on balancing energy costs and the security of supply across Europe;~~should be laid down in the contractual framework between member TSOs and designated entities, which should be contractually obliged to cooperate. Furthermore, the need to coordinate the different functions is addressed implicitly by different parts of this first amendment of the INIF, as it relates to any aspects dealing with coordination and communication between different functions performed by different entities.

~~(7) The SO Regulation allocates the responsibility for the operation and organisation of This first amendment of the INIF includes the CMF in the cross-borderscope of the already existing two-level governance structure of the IN steering committee. It further introduces a joint steering committee ('JSC'): In case other balancing processes to the TSOs and foresees that the TSOs shall platforms have a cross-platform function such as the CMF, the steering committee should be the same across these platforms if the same obligation is imposed in the relevant implementation framework of these platforms. The JSC should organise these processes via agreements in accordance both the management and the operation of the platform(s) and should take binding decisions. Taking into account the interdependencies between the different functions and platforms serving the same technical process being the frequency restoration, this first amendment to the INIF ensures effective and efficient governance and operations of the IN-Platform pursuant to Article 22(3)(e)(ii) of the EB Regulation as well as the need to coordinate the different functions allocated to the entities pursuant to Article 22(3)(e)(i) of the EB Regulation.~~

~~(8) To guarantee a well-defined and structural project management for the IF-Platform as well as other balancing platforms having a CMF, an annual work programme including necessary information on all projects and clearly allocating responsibilities is established by this first amendment to the INIF. This is to ensure the necessary coordination between the different functions and entities as per Article 22(3)(e)(i) of the EB Regulation and to comply with Article 122, 123 and 124 of SO Regulation, therefore all the requirements of Article 22(3)(e)(ii) of the EB Regulation being effective and~~

efficient governance, operations and regulatory oversight.

~~(16)(9)~~ All TSOs have implemented an effective and efficient contractual framework in order to govern and operate the European platforms as required in Article 22(3)(e)(ii) and Article 3(2)(c) of EB Regulation for the exchange of balancing energy. In this contractual framework between TSOs, the European platforms underlying IT Solutions solutions are designed, co-owned and governed by all member TSOs themselves, while for the development, the maintenance, the operation and the hosting of European platforms' functions are delegated to one or more TSOs. Therefore, they are designated. The designated TSOs are acting for the benefit and on behalf of all TSOs in accordance with the operational rules jointly defined by all TSOs and under the supervision of the (joint) steering committee established by all TSOs. The content of the cooperation framework of the TSOs and the entities performing the functions ensures that the liability regimes as well as the conditions for renewal or termination of the contracts are established. Thus, the proposed setup of the IN-Platform and allocation of functions ensures contributes to efficient and effective governance and operations of the IN-Platform; as required by Article 22(3)(e)(ii) of the EB Regulation.

~~(10)~~ the Newly introduced provisions on back-up and fall-back ensure the continuity of the IN-Platform. High-level principles for immediate short-term back-up measures should ensure the continuity of the IN-Platform with emphasis on the coordination need between different entities performing the functions of the platform as well as the CMF being a cross-platform function. In case of failure of the CMF, this first amendment to the INIF clarifies that the fall-back process to be used is the current process without CMF being implemented, whereby each TSO individually sends the available cross-zonal capacities to the IN-Platform.

~~(17)(11)~~ operation of such European platforms is the responsibility of all member TSOs. The implementation of the INIF fulfils the technical and security requirements to be met by the European platforms with regard to the operational security and their real-time relevance. Synergies can therefore be utilised in the use of existing TSO facilities which results in high efficiency gains. The proposed setup also enhances efficiency as it allows the use of the existing TSO knowledge, infrastructures and resources for the real-time operation of the European platforms and it does not lead to the creation of an additional structure for this purpose. Building up an additional structure would mean to create new infrastructure, transfer of know-how and spending of additional resources, also from TSOs. Thus, the proposed setup of the IN-Platform and allocation of functions ensures efficient and effective operation of the IN-Platform as required in Article 22(3)(e)(iii) and Article 3(2)(c) of EB Regulation;.

~~b. the operation of IN Platform is a collective responsibility of all member TSOs and each TSO is fully responsible for the operation of the IN Platform towards its NRA and connected market participants. In accordance with EB Regulation, Member TSOs apply a TSO-TSO model, in which only TSOs will be connected to the IN Platform directly, while Balancing Service Providers will be connected to the respective connecting national TSO, the respective NRAs will be able to continue make use of the competences granted to them by national statute effectively without any additional increase in competence required. Thus, the proposed setup of the IN Platform and allocation of functions~~

~~ensures efficient and effective regulatory oversight over the IN-Platform as required in Article 22(3)(e)(ii) of EB Regulation;~~

~~(12) the coordination and the decision-making process is ensured at the level of the steering committees of the European platforms, with a specific role assigned to the mFRR-Platform steering committee also in charge of the governance of CMF as a cross-platform function. The steering committee of the mFRR-Platform includes representation of all member TSOs of any of the European platforms for decisions related to CMF. Thereby the steering committee of the mFRR-Platform ensures a coordinated governance of the function as a cross-platform function for all the concerned European platforms. With regard to 22(3)(e)(ii) of the EB Regulation on efficient and effective operations and regulatory oversight, this first amendment to the INIF establishes a reporting on the multiple entity setup to ensure effectiveness and efficiency of the balancing platforms in the long run. Additional transparency provisions enable effective and efficient regulatory oversight as required by Article 22(3)(e)(ii) of the EB Regulation.~~

~~(13) Article 22(3)(e)(iii) of the EB Regulation requires an effective coordination and decision making process to resolve any conflicting positions between entities operating the IN-Platform. The designated entities are contractually obliged to operate the functions of the platform. Insofar as the cooperation of the entities is required for the operation or for the solution of issues, the entities are obliged to coordinate bilaterally at all times. If problems cannot be solved by the entities themselves, the (joint) steering committee may also appoint a committee of experts at short notice. If no solution can be found in the expert panel either, the (joint) steering committee shall/should be convened. Member TSOs shall/should ensure that operational problems arising at short notice can also be solved within a reasonable period of time. In order to resolve disputes within a reasonable amount of time all Member TSOs and entities designated to perform the functions of the IN-Platform are subject to a strictly timed dispute resolution process described in newly created Article 14B(3)(b) consisting of at least the amicable settlement between the disputing Member TSOs underin this first amendment to the supervision of the steering committee of the relevant platform. The dispute resolution may include external guidance, which might facilitate the amicable settlement procedure. In order to ensure the continuous operation of the IN-Platform disputing Member TSOs may also apply for interim or conservatory measures or any injunctive reliefINIF. Thus, an effective coordination and decision making process to resolve any conflicting positions between entities operating the IN-Platform is ensured as required in Article 22(3)(e)(iii) of EB Regulation.~~

~~(19) Article 22(1) of the EB Regulation required all TSOs to develop the INIF. All TSOs who were responsible for the development of the proposal and for its submission to ACER are the following: APG – Austrian Power Grid AG, VÜEN – Vorarlberger Übertragungsnetz GmbH, Elia – Elia Transmission Belgium S.A., ESO – Electroenergien Sistemien Operator EAD, HOPS – Croatian Transmission System Operator Ltd, ČEPS – ČEPS, a.s., Energinet – Energinet, Elering – Elering AS, Fingrid – Fingrid Oyj, Kraftnät Åland Ab, RTE – Réseau de Transport d'Electricité, S.A, Amprion – Amprion GmbH, TransnetBW – TransnetBW GmbH, TenneT GER – TenneT TSO GmbH,~~

~~50Hertz—50Hertz Transmission GmbH, IPTO—Independent Power Transmission Operator S.A., MAVIR ZRt.— MAVIR Magyar Villamosenergia-ipari Átviteli Rendszerirányító Zártkörűen Működő Részvénytársaság ZRt., EirGrid—EirGrid plc, Terna—Terna SpA, Augstsprieguma tīkls—AS Augstsprieguma tīkls, LITGRID—LITGRID AB, CREOS Luxembourg—CREOS Luxembourg S.A., TenneT TSO—TenneT TSO B.V., PSE—PSE S.A., REN—Rede Eléctrica Nacional, S.A., Tranelectrica—C.N. Tranelectrica S.A., SEPS—Slovenská elektrizačná prenosová sústava, a.s., ELES—ELES, d.o.o., REE—Red Eléctrica de España S.A.U, Svenska Kraftnät—Affärsverket Svenska Kraftnät, SONI System Operator for Northern Ireland Ltd.~~

~~SUBMIT THE FOLLOWING PROPOSAL FOR AMENDMENT OF THE IMPLEMENTATION FRAMEWORK FOR THE EUROPEAN PLATFORM FOR THE EXCHANGE OF BALANCING ENERGY FROM FREQUENCY RESTORATION RESERVES WITH MANUAL ACTIVATION TO ACER~~

~~(14) Article 1—This first amendment of the INIF further clarifies the provisions on the information to be provided to the public: A detailed description of the algorithm should ensure that the interested public is able to understand the functioning of the algorithm. This is to ensure transparency on balancing markets and its functioning, in line with Article 3(a) and (d) of the EB Regulation.~~

~~(15) The INIF as approved by ACER Decision No 13/2020 fulfils the general principles, goals and other methodologies set in the EB Regulation, Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operations, Regulation (EU) 2019/943 on the internal market for electricity (hereafter referred to as the “Electricity Regulation”) as well as Commission Regulation (EC) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Commission Regulation (EC) No 714/2009 (hereafter referred to as the “Transparency Regulation”).~~

~~(16) This first amendment of the INIF fulfils the following objectives stated in Article 3 of the EB Regulation as follows:~~

~~(a) This first amendment of the INIF is non-discriminatory as required by Article 3(1)(a) of the EB Regulation, as it applies the same rules for all TSOs and entities designated to perform the functions of the IN-Platform. Moreover, the rules set out in this INIF for the governance and the decision-making process as well as the requirements put on the entities designated to perform the functions of the IN-Platform ensure the non-discrimination among them.~~

~~(b) This first amendment of the INIF contributes to the transparency in balancing markets, as required by Article 3(1)(a) of the EB Regulation, by introducing transparency obligations towards regulatory authorities and ACER as well as introducing regular reporting on the effectiveness and efficiency of the setup of designated entities to perform the functions of the IN-Platform. The provision of an annual work programme allows TSOs which are not designated but rely on the performance of the designated entities to better assess the entities’ compliance with the applicable legal and regulatory framework and contractual agreements, thereby enhancing transparency among TSOs. It further specifies the description on the algorithm’s functioning to be provided to the public.~~

- (c) This first amendment of the INIF enhances the efficiency of balancing as well as the efficiency of the European and national balancing markets, as required by Article 3(1)(b) of the EB Regulation, by addressing the requirements of Article 22(3)(e)(ii). In particular, this first amendment of the INIF establishes a joint steering committee, an annual work programme and introduces requirements on the entities designated to perform the functions of the IN-Platform. Those requirements ensure effective and efficient governance and operations. The effectiveness and efficiency of the IN-Platform in the long run is addressed by introducing specific reporting obligations.
- (d) This first amendment of the INIF, as required by Article 3(1)(c) of the EB Regulation, contributes to integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security, by establishing and making use of synergies between all European platforms for the exchange of balancing energy also having a CMF.
- (e) This first amendment of the INIF, as required by Article 3(1)(d) of the EB Regulation, contributes to the efficient long-term operation and development of the electricity transmission system by promoting the efficient use of the available cross-zonal capacities through the designation of one entity to perform the CMF as a cross-platform function and continuously updating of cross-zonal capacities that are available for the manual frequency restoration power interchanges on bidding zone borders. The establishment of an annual work programme as a long-term and forward-looking programme on the projects related to the implementation of the balancing platforms also ensures the efficient long-term operation and development of the electricity transmission system.
- (17) This first amendment to the INIF has no further impact on the other objectives listed in Article 3 of the EB Regulation already fulfilled by the INIF.

Article 1 **Definitions and interpretations**

Article 2 – Definitions and interpretations – shall be amended as follows:

a) The following definitions shall be included and be read accordingly:

“(j) ‘joint steering committee’ means the joint decision-making body of the European platforms for the exchange of balancing energy and for the imbalance netting process as established in accordance with Article 8;”

b) The following definitions shall be amended and be read accordingly:

“(e) ‘expert group’ means a body composed of nominated experts of all member TSOs and established by the steering committee;

(j) ‘member TSO’ means any TSO to which the EB Regulation applies and which has joined the IN-Platform, including TSOs from multi-TSO LFC areas that are not appointed via their LFC area operational agreement to be responsible for implementing and operating the mFRP pursuant to Part IV of the SO Regulation, and in particular Articles 141 and 143 therein;”

Article 2
The timeline and roadmap for the implementation of the IN-Platform

Article 5 – The roadmap and timeline for the implementation of the IN-Platform - shall be amended as follows:

a) Paragraph 4(a) shall be amended and be read accordingly:

“all TSOs shall designate the entity responsible for performing the imbalance netting process function and the TSO-TSO settlement function of the IN-Platform within six months after approval of the INIF;”

Article 3
Fall-back procedures

Article 7 – Fall-back procedures - shall be amended as follows:

a) A new paragraph 2 shall be included and be read accordingly:

“In case the CMF and the back-up pursuant to Article 14(1) and Article 14(2) fail to produce outputs, each participating TSO shall individually send the available cross-zonal capacities to the IN-Platform.”

Article 4
Governance

Article 8 – Governance - shall be amended as follows:

a) Paragraph 1 shall be amended and be read accordingly:

“The rules concerning the governance and operation of the IN-Platform shall ensure that no connecting TSO benefits from unjustified economic advantage through the participation in the IN-Platform.”

b) Paragraph 2 shall be amended and be read accordingly:

“The IN-Platform has a two-level governance structure: the steering committee and the expert group. The steering committee shall be the decision-making body. The expert group shall be the expert body of the IN-Platform, shall prepare background materials for the steering committee and shall evaluate and propose concepts in relation to the implementation of the IN-Platform.”

c) Paragraph 3 shall be amended and be read accordingly:

“Each member TSO of the IN-Platform shall appoint at least one regular representative to the steering committee and at least one regular representative to the expert group of the IN-Platform and, where applicable, to the cross-platform expert group according to paragraph 5. The member TSOs shall aim to make unanimous decisions. Where unanimity cannot be reached, qualified majority voting according to Article 9 shall apply.”

d) A new paragraph 4 shall be included and be read accordingly:

“The steering committee shall:

- (a) organise the management of the implementation and the operation of the IN-Platform; this shall include the establishment and amendment of operational procedures;
- (b) take binding decisions according to the decision-making principles pursuant to Article 9;
- (c) organise an operational committee which shall decide on day-to-day operational situations and supervise tasks related to the incident management as laid down in the operational procedures;
- (d) establish the IN-Platform expert group. It may also establish further expert groups or merge the IN-Platform expert group with other expert group(s). In such event, the steering committee shall determine the composition, the modalities of the functioning and the dedicated tasks of such new expert group;
- (e) monitor the implementation of its decisions;
- (f) meet regularly;
- (g) provide regulatory authorities and ACER with conclusions and findings of the meetings within two weeks unless they invite regulatory authorities and ACER to the meetings as observers. This is without prejudice to the regulatory authorities’ and ACER’s right to request information from TSOs pursuant to the applicable national law or Article 3(2) Regulation (EU) 2019/942;
- (h) coordinate the establishment of the annual work programme to be provided by all member TSOs to all regulatory authorities and ACER in accordance with Article 11; and
- (i) coordinate the establishment of the report on the effectiveness and efficiency to be provided by all member TSOs to all regulatory authorities and ACER in accordance with Article 18.

In case of a joint steering committee, paragraph 6 shall apply.”

- e) A new paragraph 5 shall be included and be read accordingly:

“In case other balancing platforms have a cross-platform function such as the CMF, the steering committee shall be the same across these platforms, if the same obligation is imposed in the relevant implementation framework for these platforms. In such case, the steering committee shall be a joint steering committee for the relevant platforms, and all references to the steering committee in this INIF shall be understood as referring to the joint steering committee. The joint steering committee shall be supported by an additional expert group for all cross-platform functions including at least the CMF and all cross-platform issues. The expert group on cross-platform functions and issues shall prepare background materials for the joint steering committee and shall evaluate and propose concepts in relation to the implementation of the cross-platform functions and any other cross-platform related content.”

f) A new paragraph 6 shall be included and be read accordingly:

“The joint steering committee shall be responsible for the tasks referred to in paragraph 4, except points (a), (b) and (c). In addition, it shall:

(a) organise the management of the implementation and the operation of all involved European platforms for the exchange of balancing energy and for the imbalance netting process; this shall include the establishment and amendment of operational procedures;

(b) take binding decisions on any matter related to the imbalance netting process function and the TSO-TSO settlement function of the IN-Platform according to the decision-making principles pursuant to Article 9(1) to (3);

(c) take binding decisions on any matter related to the cross-platform functions and cross-platform issues by voting of all member TSOs of all involved European platforms for the exchange of balancing energy and for the imbalance netting process by applying the decision-making principles pursuant to Article 9(1) to (3);

(d) organise a joint operational committee for the operation of all involved European platforms for the exchange of balancing energy and for the imbalance netting process; the joint operational committee shall decide on day-to-day operational situations and supervise tasks related to the incident management as laid down in the operational procedures.”

Article 5 **Designation of entity**

Article 10 – Designation of entity ~~—of INIF is— shall be~~ amended as follows:

a) Paragraph 2 shall be amended and be read accordingly:

~~« In accordance with Article 22(2) of EB Regulation, the aFRR Platform may be operated by TSOs or an entity they would create themselves.—“For the operation of the aFRR IN-Platform, all TSOs shall designate:~~

~~i. one TSO for operation of the to perform imbalance netting process function and function and the TSO-TSO settlement function;—~~

~~ii. and a different another TSO for operation of to perform the CMF. In case other balancing platforms have such function, the capacity management function.—»CMF shall be the same across these platforms and shall be operated by the same TSO, if the same obligation is imposed in the relevant implementation framework of each platform.”~~

b) Paragraph 3 shall be amended and be read accordingly:

~~«3. “The designation of the entities will be done TSOs referred to in paragraph 2 proposed to be designated in accordance with Article 22(4) of the EB Regulation.» are:~~

~~(a) TransnetBW GmbH to perform the imbalance netting process function and TSO-TSO settlement function; and~~

~~(b) ČEPS a.s. to perform the CMF.”~~

c) Paragraph 4 shall be amended and be read accordingly:

~~«4. “The entities designated entities to perform the functions shall be acting as Common Service Providers (CSPs) for the benefit and on behalf of all member TSOs of the IN-Platform. The CSPs They shall provide fulfil their service tasks in accordance with the objectives of the EB Regulation, this Implementation Framework INIF, the contractual framework, relevant the steering committee decisions and agreed the operational procedures and rules. The services may be amended as per the voting rules stipulated in the contractual framework under the supervision of the relevant steering committee, in accordance with Article 8(4)(a).”~~

d) A new paragraph 5 shall be included and be read accordingly:

“Each entity designated to perform one or more functions specified in paragraph 2 shall:

(a) perform its tasks in a cost-efficient way;

(b) keep, in its internal accounting, separate accounts for all related activities and for the purposes of the cost reporting and sharing in accordance with Article 8,16 to prevent cross-subsidiation;

(c) keep information gained through the operation of the IN-Platform confidential and guarantee non-discriminatory treatment of information offering any economic advantage for other parts of their commercial business;

(d) make the IN-Platform's information available to all member TSOs at all times to allow all member TSOs to fulfil the transparency and reporting obligations according to Article 8B and in accordance 18;

(e) keep records to provide an accurate, complete, up-to-date and accessible reporting of all activities in case of audits by one or more member TSOs;

~~(a)~~(f) duly coordinate with the operational rules approved by the relevant steering committee.» all member TSOs and the other entities performing the functions, notably in the case of dispute resolution; and

(g) duly coordinate in case of termination of the designation to ensure continuity of the IN-Platform implementation and operations at all times.”

~~d)~~e) Paragraph 5 shall be amended and be read accordingly:

~~«5. “For the avoidance of doubt, the designated entities may contract third parties for executing supporting tasks, subject to the agreement of the relevant steering committee.»~~

Article 2
Transparency and reporting
Annual work programme

~~A new Article 13B — Transparency and reporting — of INIF¹¹ – Annual work programme – shall be added^{included} and be read accordingly:~~

~~The paragraph 1 shall be added and be read accordingly:-~~

~~«1. The Member TSOs shall publish the relevant information (articles 3.10, 4.3, 4.4, 4.5 and 7.2) stemming from INIF in a commonly agreed harmonised format at least through the ENTSO E central information transparency platform established pursuant to Article 3 of Regulation (EU) No 543/2013 and as required by Article 12 of EB Regulation.»~~

Article 3
Governance

~~Article 8 — Governance — of INIF shall be amended as follows:~~

~~The paragraph 2 shall be amended and be read accordingly:-~~

~~«2. Each member TSO shall carry out the common governance principles of the IN Platform by means of:~~

- ~~(a) the steering committee of the IN Platform, which is the decision-making body of the IN Platform with the right to make any binding decision on any matter or question related to the IN Platform INPF and TSO TSO Settlement Function and not covered by the Article 14(3)(b). Thereto, each member TSO of the IN Platform shall appoint at least one regular representative to the steering committee of the IN Platform, which is a superior body to the expert group.~~
- ~~(b) the expert group of the IN Platform, which is the expert body of the IN Platform and prepares background materials for the steering committee (including analyses, impact assessments, summaries) and evaluates and proposes concepts in relation to the implementation of the IN Platform. Thereto, each member TSO shall appoint at least one regular representative to the expert group of the IN Platform.~~

~~Any decision or dispute related to the cross-platform CMF topics shall be resolved through the processes defined in Article 8B via the mFRR Platform steering committee. The steering committee of the IN Platform has the authority to create subcommittees or expert groups, which may be granted delegated authority by the steering committee of the IN Platform. In such event, the steering committee of the aIN Platform determines the composition and the modalities of the functioning of such subcommittee or expert group. In case the aFRR Platform and the mFRR Platform also create the same subcommittee or expert group, they can be the same for the concerned European platforms and the steering committees jointly define their composition and their functioning.»~~

Article 4

Contractual framework

~~Article 8B—Contractual framework—of INIF shall be added and be read accordingly:~~

~~«1. In order to ensure efficient and effective implementation and operation of the IN Platform, Member TSOs shall set up a contractual framework applicable to all Member TSOs. Under the contractual framework, each Member TSO shall adhere to at least the following high level principles:~~

~~a) not to undertake actions which may be detrimental to the operation of the IN Platform functions as defined in the contractual framework;~~

~~b) to assist each other and cooperate among themselves in case of an investigation regarding the IN Platform by a competent regulatory authority;~~

~~e) to apply the principles of equal treatment, proportionality and non-discrimination towards the other TSOs; and to perform its obligation in compliance with laws and regulations, including the INIF.~~

~~2. In their contractual framework, all Member TSOs shall clearly allocate the roles and responsibilities of the Member TSOs, notably the obligations of reporting and exchange of information.~~

~~3. The contractual framework shall further specify and entail at least the following principles and processes:~~

~~a) The IN Platform steering committee shall issue decisions and monitor both the implementation and operation of the aFRR Platform by all Member TSOs. The decisions shall be taken in accordance with the decision making rules set out in Article 9 of the INIF. Each decision shall be implemented in line with the timeline agreed in the respective decision.~~

~~b) In the event of~~

~~“~~

Article 11

Annual work programme

No later than 30th September of each year, all member TSOs shall provide an annual work programme for at least the two subsequent years to all regulatory authorities and ACER that describes the projects aiming at implementing the IN Platform and all related tasks. For each project, the document shall indicate the scope, the interdependency with other projects, including the interdependency with other European balancing platforms as regards cross-platform functions such as the CMF and other cross-platform issues, the requested investments including, if necessary, research and development activities, the expected benefits, the budget, the timeline for implementation including a clear assignment of responsibilities and deadlines to the involved parties, especially separating the involvement of the different entities performing the functions and other parties such as TSOs,

as well as identified risks and possible mitigation measures. The steering committee shall coordinate the establishment of the annual work programme.”

Article 7 Dispute resolution

A new Article 12 – Dispute resolution - shall be included and read accordingly:

“

Article 12 Dispute resolution

1. In the event of a dispute, a dispute, ~~the dispute notice~~ shall be submitted in written to the ~~respective~~ steering committee by the parties involved. The dispute notice shall include at least a description of the dispute, the involved ~~Member TSOs~~ member TSOs or entities performing the functions, the claims raised and their legal grounds and a proposal for settlement if available.

2. The settlement process ~~may of arising disputes shall~~ be as follows: ~~The relevant~~ (a) the steering committee shall appoint without undue delay amongst its ~~members~~ representatives a person responsible for the amicable settlement procedure without undue delay. ~~Should~~

~~(a)~~ (b) should no amicable settlement be reached within one month or within a reasonable time agreed upon ~~between~~ by the involved parties, disputing ~~Member TSOs, disputing Member TSOs~~ member TSOs or entities performing the functions, after agreement by the ~~relevant~~ steering committee may ask the relevant regulatory authorities and/or ACER for guidance, should the dispute directly concern regulatory issues if it is in compliance with their competences under the law, ~~-which~~ an amicable settlement may take into account, or refer the dispute to mediation.

(c) In case ~~anyone~~ anyone of the above ~~did not lead~~ led to the settlement of the dispute, the dispute shall be settled either by arbitration or by court.

3. The ~~settlement~~ outcome of any of the above measures shall be binding upon the disputing ~~Member~~ member TSOs or entities performing the functions.

4. The dispute resolution process shall not preclude the ~~Member TSOs~~ steering committee from applying for interim or conservatory measures or any injunctive relief. The contractual framework may further detail the dispute resolution process set out in this paragraph.”

e)Article 8
Cooperation framework

A new Article 13 – Cooperation framework - shall be included and read accordingly:

“

Article 13
Cooperation framework

1. In order to ensure efficient and effective implementation and operation of the IN-Platform, each member TSO shall set up a contractual framework applicable to all member TSOs. Under the contractual framework, each member TSO shall adhere to at least the following high level principles:

- (a) not to undertake actions which may be detrimental to the operation of the IN-Platform functions as defined in the contractual framework;
- (b) to assist each other and cooperate among themselves in case of an investigation regarding the IN-Platform by a competent regulatory authority provided that it is allowed under the applicable national law or laws;
- (c) to apply the principles of equal treatment, proportionality and non-discrimination towards all other member TSOs; and to perform its obligation in compliance with laws and regulations, including this INIF.

2. In their contractual framework, all member TSOs shall clearly allocate the roles and responsibilities of the member TSOs, the designated entities in accordance with Article 10, notably the obligations of reporting and exchange of information in accordance with Article 18. This shall also define liabilities arising from any actions or omissions of the signing parties, being the member TSOs or the entities designated to perform the functions, especially in case of failure of those entities to comply with their obligations such as the breaching of deadlines.

3. The contractual framework shall include the conditions for renewal and termination, as well as in case of termination or hand-over of one designated entity to another, specific obligations on the entities designated to perform the functions to ensure a smooth transition and continuity of the IN-Platform at all times. Such conditions shall include clear timelines and responsibilities for the entities performing the functions, deadlines for early involvement of the steering committee, and clearly defined liabilities for the cases of not meeting the timelines or the obligations.

4. The contractual arrangements may be amended following a decision of the steering committee including the renewal or termination of the contractual relations with the entities designated to perform the functions of the IN-Platform as well as the designation of another entity following a respective amendment of this INIF.

5. All member TSOs shall own and govern the IT solutions including the intellectual property to operate the IN-Platform functions.

6. All member TSOs shall define and establish operational procedures to be approved by the steering committee in accordance with Article 8(4)(a) with a specific emphasis on the coordination need between different entities performing different functions of the IN-Platform. These procedures shall at least cover day-to-day operations, the incident resolution processes, fall-back and back-up procedures including communication procedures, data processing and validation.

7. In case a request from a NRA or NRAs or several regulatory authorities made in compliance with the applicable national law or laws or ACER made in compliance with Article 3(2) Regulation (EU) 2019/942 is received by one or several Member TSOs or by one or several TSOs designated to perform the platform's functions, these parties TSOs shall immediately inform all Member TSOs via the respective steering committee of the content of such request. Each Member TSO shall cooperate to respond adequately, consistently and promptly to a request for information received in relation to fulfillment of the obligations of the INIF. However, requests for information submitted by regulatory authorities can only be disclosed provided that this is allowed under the applicable national law."

**d) The contractual framework shall define the necessary Article 9
Back-up principles**

A new Article 14 – Back-up principles - shall be included and read accordingly:

“

–

Article 14
Back-up principles

1. All member TSOs shall ensure that for all day-to-day operational steps, back-up processes and communication procedures including at least the incident resolution, fallback and backup procedures, data processing and validation, are in place, regularly tested, properly documented as well how all Member TSOs coordinate to that end.

e) The liability regime shall be defined in the contractual framework as involved parties being trained regularly. This shall include back-up processes and shall be applicable for all Member TSOs.

f) The IT solution of the communication procedures between the designated entities performing different functions of the IN-Platform functions shall be owned and governed by all Member TSOs.

4. In addition to the above, the contractual framework shall contain further obligations for Member TSOs designated as CSPs, such as:

a) making the IN Platform's information available to the Member TSOs at all times to allow all Member TSOs to fulfil the transparency and reporting

obligations;

~~b) keeping of records in order to be able to provide an accurate, complete, up to date and accessible record of all activities performed by the CSP in case of audits by a Member TSO or Member TSOs;~~

~~e) coordination obligations, namely the duty to coordinate with all Member TSOs and the other CSPs, notably in the case of dispute resolution;-~~

~~d) the conditions for renewal and termination the contract; and~~

~~e) in case of termination, the hand-over obligations by each CSP to ensure a smooth transition and continuity of the function or functions, as the case may be.~~

Article 5 Implementation Timeline

All TSOs shall implement this amendment to the INIF within 15 days after the publication of the decision by the Agency for the Cooperation of Energy Regulators.

Article 62. All member TSOs shall ensure that the hosting and communication infrastructure of the designated entities performing the platform’s functions shall be equipped with back-up solutions enabling its operations in case of outages or technical incidents.

”
—

Article 10 Transparency and reporting

A new Article 18 – Transparency and reporting - shall be included and read accordingly:

“
—

Article 18 Transparency and reporting

1. All member TSOs shall publish the relevant information stemming from this INIF in a commonly agreed harmonised format at least through the ENTSO-E central information transparency platform established pursuant to Article 3 of Regulation (EU) No 543/2013 and Article 12 of the EB Regulation.

3. After the implementation of the CMF in accordance with Article 4(6), all member TSOs shall submit to regulatory authorities and ACER a report on the assessment of the effectiveness and efficiency of the currently used designation setup including multiple entities in accordance with Article 10. In case other balancing platforms have a cross-platform function such as the CMF, this part of the report shall be compiled with the respective assessments of the other platforms. This report shall be submitted every second year. It can be submitted together with the report pursuant to Article 59(2)(a) of the EB Regulation. The steering committee

shall coordinate the establishment of the report.

4. The assessment referred to in paragraph 3 shall include indicators reflecting at least

(a) the availability of the IN-Platform;

(b) the incidents during the operations of the IN-Platform with a specific assessment of interoperability incidents between the different entities performing the functions; this shall also include a list of incidents in the operation of the functions and the application of back-up and fall-back procedures, including the reasoning for their occurrence and the applied or anticipated remedies to prevent their reoccurrence in the future;

(c) identification of problems related to implementation and operation of the IN-Platform;

(d) recommendations for further development of the IN-Platform.”

Article 11

Publication and implementation of this INIF

Article 14 – Publication and implementation of this INIF - shall be amended and read accordingly:

a) Paragraph 3 shall be amended and be read accordingly:

“One month before the deadline for the implementation of the IN-Platform pursuant to Article 5(3)(b), all TSOs shall publish a detailed description of the optimisation algorithm pursuant to Article 12(3)(k) of the EB Regulation. This description shall ensure that the interested public is able to understand the functioning of the algorithm. All TSOs shall keep this document updated.”

Article 12

Publication and implementation of this Amendment

1. All TSOs shall publish this amendment to the INIF without undue delay pursuant to Article 7 of EB Regulation after a decision has been taken by the Agency for the Cooperation of Energy Regulators in accordance with Articles 5(2)(a), of the EB Regulation and Articles 5(2) Regulation (EU) 2019/942 establishing a European Union Agency for the Cooperation of Energy Regulators.

~~1.2.~~ All TSOs shall implement this amendment to the INIF after a decision has been taken by the Agency for the Cooperation of Energy Regulators in accordance with Article 5(2)(a) of the EB Regulation and Article 5(2) Regulation (EU) 2019/942 establishing a European Union Agency for the Cooperation of Energy Regulators unless specific deadlines are provided within this amendment. The amendments linked to the implementation of the CMF shall be implemented at the same time as the CMF. These are specified in Articles 3(a), 4(e) and 9.

Article ~~7~~13 **Language**

~~2.3.1.~~ The reference language for this amendment to ~~the~~ INIF shall be English.

~~3.4.2.~~ For the avoidance of doubt, where TSOs need to translate this amendment to the INIF into their national language(s), in the event of inconsistencies between the English version published by ~~the all~~ TSOs in accordance with Article 7 of the EB Regulation and any version in another language, the relevant TSOs shall be obliged to dispel any inconsistencies by providing a revised translation of this ~~amendment to the Implementation Framework~~ INIF to their relevant national regulatory authorities.