

## 2<sup>nd</sup> Demand Response European Stakeholder Group

Wednesday 22 April from 10:00 to 16:00 CET

**Location: Brussels – Thon EU Hotel (hosted by DSO Entity)**

| Participants               |                               |                       |
|----------------------------|-------------------------------|-----------------------|
| Athina Tellidou            | ACER                          | Chairperson           |
| Mana Farrokhseresht        | ACER                          | Representative        |
| Cristina Vazquez Hernandez | ACER                          | Representative        |
| Biljana Trivic             | ACER                          | Ad-hoc representative |
| Thomas Kawam               | European Commission           | Representative        |
| Patrick Albrecht           | ENTSO-E                       | Representative        |
| Stine Haugland             | ENTSO-E                       | Representative        |
| Shane Kelly                | ENTSO-E                       | Representative        |
| Isabel Bohn                | ENTSO-E                       | Substitute            |
| Olivia Garcia Alonso       | ENTSO-E                       | Substitute            |
| Robert Kielak              | ENTSO-E                       | Substitute            |
| Torsten Knop               | DSO Entity                    | Representative        |
| Yvonne Ruwaida             | DSO Entity                    | Representative        |
| Paul De Wit                | DSO Entity                    | Representative        |
| Geir Magne Abusdal         | DSO Entity                    | Substitute            |
| Georg Hartner              | DSO Entity                    | Substitute            |
| Hubert Dupin               | DSO Entity                    | Substitute            |
| Paul Troughton             | Smarten – Smart Energy Europe | Representative        |
| Guro Grøtterud             | Smarten – Smart Energy Europe | Substitute            |
| Rita Alexandra Mota        | Eurelectric                   | Representative        |
| Joren Schepers             | Eurelectric                   | Substitute            |
| Fabrizio Carboni           | All NEMO Committee            | Representative        |
| Rickard Nilsson            | All NEMO Committee            | Substitute            |
| Thomas König               | Energy Traders Europe         | Representative        |
| Lorenzo Biglia             | Energy Traders Europe         | Alternate             |
| Théo Fievet                | SolarPower Europe             | Representative        |
| Jarmila Bogdanoff          | T&D Europe                    | Substitute            |
| Michael van Bossuyt        | IFIEC                         | Representative        |
| Zoë Ledwith                | REScoop.eu                    | Representative        |
| Christian Giroux           | ESMIG                         | Representative        |
| Claus Conrads              | ESMIG                         | Substitute            |
| Oliver Sartor              | DR4EU                         | Representative        |
| Mikko Vuorenmaa            | Euroheat & Power              | Substitute            |
| Gabriele Simakauskaite     | ChargeUp Europe               | Representative        |
| Hadrien Therond            | ChargeUp Europe               | Substitute            |
| Łukasz Grabasz             | COGEN Europe                  | Representative        |
| Kora Töpfer                | Europex                       | Representative        |

## **1. Opening**

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### **1.1 Welcoming address + Approval of minutes + Draft Agenda**

The Chair (Athina Tellidou) welcomes the participants and thanks DSO Entity and ENTSO-E for the organisation as well as their support with stakeholder interactions. The Chair presents the draft agenda. The agenda is approved without comments.

### **1.2 General updates**

Mana Farrokhseresht (ACER) presents the upcoming ACER decision on the All TSOs' Proposed Amendments to the Implementation Frameworks for the European Balancing Platforms (T&C Harmonisation). She presents the legal background focusing on Articles 18 & 20-22(3)(f) of the EB Regulation as well as on Article 20 of the FRR IFs. On the ACER decision timeline, following the request for decision and initiation of the procedure on 18 December 2025, ACER is currently in the phase of assessment, investigation and engagement with relevant stakeholders. The internal ACER/NRAs review, endorsement and approval phase is foreseen from 22 May to 8 July 2026, with publication of the ACER decision expected on 10 July 2026.

Mana Farrokhseresht (ACER) continues by briefly describing the prequalification process, noting that it has three main approaches: (i) prequalification with activation test, (ii) prequalification with ex-post verification, and (iii) a "fast track" option where, if sufficient control and incentives are defined in national T&C, RPU and RPs can participate in the market without prequalification. ACER presents also the main results to its public consultation ran between 26 January and 23 February.

Furthermore, ACER considers the submitted TSOs proposal for the harmonised T&Cs for the FRR prequalification process to be a positive step forward but there is still room to reduce administrative burdens, especially for smaller participants, while maintaining system reliability; ensure non-discriminatory market access and establish a level playing field for all technologies and types of market participants in the EU balancing market; and improve clarity and readability to support transparency and enhance stakeholder understanding.

Rita Mota (Eurelectric) thanks ACER for the work done on this and comments that, in the NC DR, the table of equivalence is always foreseen. She would therefore expect the link between the table of equivalence and the prequalification. While she sees the effort for harmonisation, it is always done product by product and never related to the equivalence with other products.

Athina Tellidou (ACER) clarifies that this work is under the context of balancing and indeed prequalification is per product. A first aspect for future work (related also to the DR NC) is the aim to go further introducing in the discussion local services, together with the table of equivalences. A second aspect is that within balancing, action could also be taken in the sense that, for instance, a unit/group prequalified for aFRR could most probably already provide mFRR. This second aspect is not addressed here, mainly because prequalification is done per product and is treated separately in the implementation framework. The Chair adds that this is the first attempt at harmonising with room for further steps.

Rita Mota (Eurelectric) suggests starting with balancing, even if part of the framework for local services is missing.

Michael van Bossuyt (IFIEC) stresses that it is very important that harmonisation does not lead to retrogradation. The status quo should at least be maintained: existing models that allow fast prequalification and participation should not be worsened after harmonisation, and the flexibility already enabled in some countries through many measures should not be reduced. If a harmonised approach is proposed, it should not make existing situations worse.

Athina Tellidou (Chair) agrees with this view. She notes that it is difficult to fully reflect this in a legal document, as such documents typically define the maximum, but confirms that it should be kept clear that the goal is not to make things worse.

### **1.3 Follow up from previous DRESG meeting**

Athina Tellidou (Chair) introduces the agenda item on the follow-up from the first DRESG meeting, in which part of the discussion was dedicated to the objectives of the group and how to work together. Stakeholders' input was received on that occasion. Athina adds that this is an ongoing exercise and stakeholders are invited to share more comments or suggestions on how the work can be made more efficient and meaningful.

The Chair recalls the three main objectives of the DRESG presented in the first meeting. Athina reiterates the DRESG is different from the Drafting Committee: it builds on the close cooperation, open exchanges, and common understanding developed during the drafting phase of the NC DR and the ACER revision process, but the scope and kind of interactions are now different and the way of working needs to be adapted. The goal remains to enable demand response participation in electricity markets, and the same values are maintained. If at any point participants feel these values are not respected, they are invited to raise the issue.

Following from the previous meeting, Athina recalls the main expectations raised by stakeholders on the process and summarises how this input is being taken on board in detail in slide 5 of 1.3 of ACER presentation.

On DRESG process-based input:

- Paul Troughton (Smarten) remarks on the principle of one-seat per association and its application considering the higher seats allocated to DSO Entity and ENTSO-E. As demand response is at the core of Smarten work, it is difficult for one person to represent all the relevant topics; it would be helpful to have a second representative for Smarten. Athina Tellidou (Chair) clarifies that each association has one representative plus an alternate, meaning effectively two people per association and one per topic, with the possibility to rotate depending on the agenda item. The aim is to keep discussion meaningful, and this could be challenging in a bigger group. Athina adds that a different setup could be considered, but it should be avoided to have a DRESG meeting with many registrations and lose coherence in the participation. Athina highlights that ACER is open to hear more proposals on the set-up keeping the mentioned principles in place.
- Michael van Bossuyt (IFIEC) notes that demand response is represented only by one seat in DRESG. He understands that it is difficult to represent all types of industrial consumers and to cover knowledge in all Member States, but he highlights the limit of having only one representative of demand in this group. Athina Tellidou (Chair) understands the concern and reiterates that it is about finding a solution that keeps the group cohesive and allows meaningful discussions. The terms of reference can be changed if needed; suggestions on how to address the issue are welcome.
- Patrick Albrecht (ENTSO-E) comments on the question related to what is needed for meaningful discussions. He notes that to discuss a topic such as market-based procurement of congestion management, information on the NC DR would be needed. He asks how the discussions in DRESG can be aligned with the different timelines for the NC DR development and with the monitoring exercise. Athina Tellidou (Chair) replies that the topics discussed in DRESG are already present in existing regulations; the NC DR will further specify and harmonise them. From this perspective, the monitoring exercise is to explore what is already implemented in the context of existing frameworks and not what should be done. In addition, the monitoring exercise helps develop common terminology. She further clarifies that the topics explored here are not in conflict with the NC DR development process. Patrick Albrecht (ENTSO-E) appreciates the emphasis on finding out what is already out there rather than looking at what to harmonise.
- Torsten Knop (DSO Entity) adds on Paul Troughton's comment, noting that DSO Entity and ENTSO-E are not associations but organisations with an institutional role. He notes that the seats of the system operators' organisations should not be compared to the other associations given their different role.

The Chair moves to the content-based input received from the previous DRESG meeting. The Chair notes that the topics and level of depth will also depend on the final text of the NC DR. As part of ACER's monitoring exercises, ACER intends to cover some of these mentioned topics.

On DRESG content-based input:

- Patrick Albrecht (ENTSO-E) refers to the standardisation of data exchange and highlights that ENTSO-E and DSO Entity, through their Joint Working Group (JWG), are developing a reference model in the Implementing Regulation on demand response, which is also a legal mandate and aims at enabling interoperability across Europe. On bringing local and balancing services together, Patrick stresses the importance of looking at what is already there (e.g. standards used in data exchange), rather than redeveloping everything. He aligns with the point raised by Michael (IFIEC) to consider the existing implementations. Athina Tellidou (Chair) replies that for balancing, the prequalification proposal already envisages the use of existing standards.

- Rita Mota (Eurelectric) asks if the group working on the reference model could present its work at a future DRESG meeting. This would help ensure that the two discussions can converge with the NC DR and remain consistent. On DMDs, Rita notes that the last bullet point in slide 6 is confusing, since by definitions there are specific situations where DMDs have to be permitted. Athina Tellidou (Chair) confirms this point needs to be clarified in its wording and it is referring to the national cases where DMDs are not permitted yet.
- Jarmila Bogdanoff (T&D Europe) notes that, although there is a definition of DMDs, it is quite broad and used differently. Without a stable definition in the final NC DR, it is difficult to bring the right expertise to discuss requirements. There is a concern that many assets capable of measuring could fall under new requirements that are not yet well-defined or discussed. She suggests that common ground should be defined, including concrete examples of which measurement devices to refer to. Athina Tellidou (Chair) agrees that there is need for a common understanding on how DMDs are interpreted in Member States. The monitoring exercise aims at capturing these different interpretations.
- Paul De Wit (DSO Entity) asks clarification whether DMDs and sub-meters are meant to describe the same thing. He notes that the terms are being used interchangeably and asks what interpretation should be given to the difference between DMDs and sub-meters. Athina Tellidou (Chair) agrees there is confusion in the use of these terms. This ambiguity around sub-meters is exactly why implementation monitoring is needed as a first step, before agreeing on definitions or requirements.

ACER invites stakeholders to continue sending any suggestions also following the meeting.

**Action:** presentation on the reference model from DSO Entity & ENTSO-E JWG to be added in the next DRESG meeting.

## **2. DR NC**

### **2.1 Update from the EC**

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Thomas Kawam (EC) provides an oral update from the European Commission, covering both the update on the NC DR and the coordination between DRESG and the Data for Energy (D4E), following an action point attributed from the last DRESG meeting.

On the NC DR, the EC confirms that it remains a high priority despite the political context. The first draft has not yet been submitted to Member States; a first introductory meeting with Member States was held, aiming at presenting the issues the NC DR seeks to solve and introducing the topics to Member States. The next step is the submission of the draft to Member States, which will be an iterative process; the date communicated to Member States for the draft is this summer. As already mentioned at the previous DRESG, once a more stable version is achieved in the comitology process, there will be a publication on the "Have Your Say" portal of the EC, allowing stakeholders to provide feedback and comments during a four-week period. In this regard, the EC will inform DRESG in due time. The EC reiterates its openness to discussions and feedback from stakeholders and confirms that such input is useful and taken into account.

On D4E, Thomas recalls that D4E is a subgroup of the Smart Energy Expert Group of the Commission, specifically dealing with data exchanges. Following the discussion at the previous DRESG and possible overlap of the work of DRESG and D4E, the EC proposes that selected members who are active both in DRESG and in D4E take the role of keeping the two groups updated, with exchange of minutes and agendas and the possibility for the groups to react to each other's points. The groups can also attribute action points to each other where needed. This is the proposal considered to limit overlap among the two groups.

Jarmila Bogdanoff (T&D Europe) asks for an update on the Network Codes on RfG and Demand Connection. Thomas Kawam (EC) replies that updates on other network codes are usually handled in MESC.

Jarmila Bogdanoff (T&D Europe) notes that the information will be very valuable from a vendor perspective, as not only demand response but also how demand units are connected to the grid is highly intertwined. She would expect that the codes would be published together. Thomas Kawam (EC) cannot commit on the exact timing and ensure the work is coordinate internally and with Member States.

Michael van Bossuyt (IFIEC) notes that from his knowledge, RfG is moving forward and that DCC will follow afterwards. There are links between the NC DR, EBGL and DCC. He asks whether the approach is still that NC DR will proceed without the revision of those other codes being complete.

Thomas Kawam (EC) confirms that the approach for the revision and adoption of new network codes is that the revision/adoption of a NC can trigger amendments to others. The main objective is to ensure coherence across network codes.

Thomas König (Energy Traders Europe) asks whether the four-week feedback window will be a formal or informal consultation period. Thomas Kawam (EC) explains that the EC is entering the comitology phase, which is a regulated process between the Commission, Member States and NRAs, and has no official consultation per se with stakeholders. The EC will transparently publish a text to allow stakeholders to share comments/feedback on the text itself, but this is not a formal public consultation in Commission terms. The timing has shifted from Q1 to the summer and, the EC will publish the text when a more stable version is available after a first iteration with Member States. No precise date can be shared.

Kora Töpfer (Europex) asks for clarification on what to expect content-wise from the Commission's proposal. She refers to the recently published VITO study, which already contains concrete market design proposals and compares the gaps between the ACER proposal and the VITO proposal. She asks the EC for a comment on how the VITO study is perceived.

Thomas Kawam (EC) replies that it is difficult to comment on the content of the Network Code at this stage; this will be easier once the first version is ready. The VITO study was commissioned a while ago and is aligned with the content of the Electricity Regulation and Directive; it does not pre-empt anything on the content of the NC DR, which is implementing the regulation and directive.

Stine Haugland (ENTSO-E) notes that several groups and regulations deal with linked topics such as the Smart Energy Expert Group, the Implementing Regulation on data exchange and interoperability, the Connection Network Code, and SOGL. Stine asks how alignment and coordination across these workstreams is ensured.

Thomas Kawam (EC) confirms that the colleagues working on these are close colleagues and that regular coordination is ensured. He cannot share an exact sequence of network codes at this stage, but the EC takes as important element to have coherent sequencing between all NCs and all the IRs.

Torsten Knop (DSO Entity) appreciates that the Commission is taking sufficient time to prepare a good draft for Member States, given the importance of the topic. Referring to the VITO study, Torsten notes that DSO Entity has been in close contact with VITO on that topic. When going into further discussion with the colleagues working on this study, it is clear that the study and its table are more differentiated than would appear at the first glance. He recommends not to take that table "as it is"; VITO itself acknowledges it is more differentiated.

Rita Mota (Eurelectric) asks a clarification question on the timeline and when a more stable version of the NC DR would be expected. Thomas Kawam (EC) indicates that, looking at other Network Codes, meetings with Member States typically take place every two to three months and interactions with MSs take time. He cannot provide a specific date.

Rita Mota (Eurelectric) adds a comment on the connection network code. She notes that, at least from the version known before, there was specific wording in the demand connection and RfG codes referring to the "NC 2.0", which is why questions are emerging. If the status of discussion on other codes is unclear, it is difficult to discuss what is foreseen in the NC DR. Having links between the files is therefore important.

Thomas Kawam (EC) acknowledges the point. The ACER proposal integrated assumptions on the sequencing of network codes; once the EC sends a version to Member States, alignment with the current sequence of adoption will be ensured.

**Action:** members who are active both in DRESG and in D4E can take the role of keeping the two groups updated, with exchange of minutes and agendas and the possibility for the groups to react to each other's points. The groups can also attribute action points to each other where needed.

### **3. Demand response monitoring**

#### **3.1 ACER implementation monitoring activities on demand response and barriers to non-fossil flexibility**

Cristina Vazquez Hernandez (ACER) presents the ACER's implementation monitoring activities on demand response and barriers to non-fossil flexibility. ACER presents an overview of their two workstreams on these topics and the connection among the deliverables and how the deliverables relate to the different legal mandates. On the left side of slide 2, the workstream on barriers to non-fossil flexibility is linked to two legal mandates: (i) ACER Regulation, and (ii) Electricity Market Design (EMD) reform and FNAs. On the right side of slide 2, the second workstream is linked to the NC DR.

On the legal mandate coming from the ACER Regulation, Cristina explains that ACER has to monitor regulatory barriers to new entrants and small actors. On the legal mandate coming from the EMD and FNAs, she explains that ACER has to analyse the barriers to flexibility and issue recommendations to remove non-fossil flexibility barriers based on the assessment coming from FNAs, and subsequently, ACER has to produce biennial reports starting from summer 2027. ACER aims to work on one single report to fulfil both mandates and to have a harmonised approach in the way barriers are addressed. Cristina highlights that the purpose of the ACER recommendation on barriers to non-fossil flexibility published in March is to provide guidance to NRAs, and other designated authorities/entities, responsible for the FNA reports, based on ACER's previous monitoring work and on the stakeholders' input received in the public consultation launched two years ago. Cristina continues explaining how ACER recommendations could be implemented through a 2 pathways approach and providing an overview of the timeline for 2026-2027.

In relation to the NC DR, Cristina presents the 2026 ACER Focus monitoring reports. Until the NC DR is published, the aim of the focus monitoring reports is to cover topics where more knowledge needs to be built as well as identify good practices and potential harmonisation. This would ensure that, once the NC DR enters into force, ACER is well informed to approve the EU methodologies that are to be developed by ENTSO-E and DSO Entity. Cristina concludes presenting the timeline for the three monitoring reports' topics for 2026-2028.

Torsten Knop (DSO Entity) agrees with the objective that obstacles to non-fossil flexibility have to be identified and addressed. However, Torsten notes the system-wide side is more based on calculations and specific methods in the FNAM, while the DSO needs are more based on the DNDPs. Torsten comments that the ACER recommendation on barriers to non-fossil flexibility published last month, and particularly its annex, has a very wide list of barriers and data requested. Torsten encourages ACER and NRAs to keep the balance between what the methodology aims to achieve, and the effort required from DSOs.

Cristina Vazquez (ACER) confirms that ACER is aware on the high amount of data that needs to be collected and that ACER will make the best out of this information to achieve the goal, keeping in mind this comment.

Fabrizio Carboni (All NEMO Committee) refers to slide 9 and asks whether the national TCMs referenced are the same as those foreseen by the draft NC DR and if not, to clarify the reference. Patrick Albrecht (ENTSO-E) refers to the same slide and asks clarification on the use of "Further EU harmonisation" regarding the NC DR as it is not in force yet.

Christina Vazquez (ACER) and Athina Tellidou (Chair) clarify that the slide shows TCMs in a general way and depends on the topic considered. For example, ACER Recommendation on the NC DR proposes three EU methodologies for potential further harmonisation (market-based procurement of congestion management, simplification of prequalification processes, and further harmonisation of imbalance settlement, where aggregation models would be included). Depending on the topic, the national TCMs may differ. In some topics, new national TCMs may be needed; in others, only amendments to existing ones. The graph reflects only the process in the ACER Recommendation on the NC DR but the final text of the NC DR will determine exactly what EU methodologies will be required.

To answer Patrick, Athina explains that this is a general graph to show a process for European framework to further harmonise after national implementation. Patrick expresses concerns that with a regulation on the horizon we would work on adapting things that probably need to be adapted again after implementation. He suggests bundling a bit this work given the significant implementation of many parties involved. Athina explains that, although it would be better to have something fixed as starting point, it is also the case that things need to be worked on before a regulation is finalised.

The point is supported by Rita Mota (Eurelectric) that remarks it is necessary to monitor what is already implemented and push for implementation where not yet there. Oliver Sartor (SmartEn) complements that everyone seems to agree that implementation should occur for the already-adopted provisions. His concern is rather that the slide mentions a new EU

methodology for certain topics that are also being treated by the NC DR; the timing of these two strands needs to be reconciled if they coincide in time. Athina Tellidou (Chair) confirms that the new EU methodologies referred to in the slide are those coming from the ACER Recommendation on NC DR. The exact scope will depend on the final text of the NC DR but alignment should be ensured.

## **4. Aggregation models monitoring**

### **4.1 Aggregation models – preliminary results and potential recommendations**

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Athina Tellidou (Chair) presents the preliminary results of the aggregation models monitoring exercise, together with introductory clarifications on the timeline. Processing of the answers is ongoing, and the draft report was initially planned for Q2 2026. Due to delays in data submission and resource constraints, the timeline is under internal evaluation; stakeholders will receive an updated timeline. Today's discussion presents preliminary results.

On general clarifications, ACER recalls the intention is to explore the implementation of aggregation models and baselining methods in several markets (day-ahead, intraday, balancing, TSO congestion management, DSO congestion management). Therefore, the number of implementations of aggregation models or baselining methods across markets is higher than the number of aggregation models or baselining methods themselves. Three implementation statuses are considered: Business as Usual (BAU), pilot stage, and planned or under discussion/consideration.

Members asked for some clarification on slide 4, clarified by Athina as per below:

- The meaning of “NAP” should be clarified as “Not Applicable”.
- The table shows the market granularity for the different implementations: when an aggregation model is implemented day-ahead and intraday nothing further to be specified; for balancing it is also needed to specify in which balancing process if FCR, aFRR, mFRR; if an aggregation model is implemented in TSO/DSO congestion management the product needs to be specified in the column “Other”.
- For each aggregation model, respondents had to fill the table indicating in which market/service/product the model is implemented.
- The questionnaire was filled by aggregation models and by baseline methods, so if there are multiple aggregation models, multiple questionnaires should be filled, and in which market the model is applicable. For comparison reasons, these details should be specified. Michael van Bossuyt (IFIEC) notes that, in Belgium for example, different baselines may apply per asset type (load vs generation), with some choice and some limitations; the reality is much more complex. He flags this as an important concern for the mapping and if comparisons are expected. Athina Tellidou (Chair) takes the point and clarifies the aim is not that much to compare but rather to show what is the status.

Athina also presents the inputs received from stakeholders on this topic during discussions from last DRESG meeting and inputs received afterwards. Regarding the subtopics clustered for the part of the report on aggregation models, Athina presents some changes compared to the version from last DRESG meeting: the topic of aggregation models and main features is merged with financial transfer and financial compensation.

Athina continues by presenting the draft scope on aggregation models and initial clarifications on categorisation of aggregation models. Following some questions for clarifications from members:

- On slide 9, it is clarified that "set-up considerations" in the green box indicates if the aggregator can choose the model or it is just one model to select – it refers to the set-up and is separate from the metering itself;

On slide 11, Athina clarifies the questions are asked to understand how the model works without naming the model:

- Rita Mota (Eurelectric) notes that, depending on how the corrected model is implemented or not, there may be an energy transfer. Depending on how the reduction of load is tackled, it's not just the imbalance to be affected, but also the energy already bought on day-ahead. Therefore, she suggests improving a few elements. Michael van Bossuyt (IFIEC) adds that in the industrial case, contracts may cover much longer time horizon than day-ahead. Athina Tellidou (Chair) replies that "correction", in the case of central settlement, refers to the final position in the transfer of volume. In the case of no-central settlement, the correction would be on the allocated volume, on

the metering. ACER is aware that there are different implementations, therefore, to capture everything will use these general terms with the purpose to understand the implementations and further look into the detail.

- Paul De Wit (DSO Entity) appreciates the categorisation as it helps understanding. He asks whether it is an assumption that aggregator and supplier are on the same metering point. Athina Tellidou (Chair) clarifies that, given different interpretations, the purpose here is to define the models independently of the metering devices. If there is a smart meter (or a sub-meter used to allocate supply responsibilities), the aggregation model should be the same.
- Paul De Wit (DSO Entity) follows up about the green section in slide 11 and the case where the settlement is still done centrally; it seems difficult to understand that there is an agreement between supplier and aggregator and still a central settlement. The Chair replies that initially the only term used was "contract", but the term was broadened to "agreement" as "contract" was considered too restrictive. For example, there are cases where agreement and central settlement exist.
- Paul De Wit (DSO Entity) suggests that the metering configuration is missing from this categorisation. The Chair takes this point, and it is probably to be coupled with questions on allocated and activated volumes.
- Paul Troughton (Smarten) notes that, based on the ACER interpretation, it seems that by metering point it is meant a smart meter or a sub-meter used for retail settlement, excluding DMDs; he suggests "settlement point" would be a better description. Athina Tellidou (Chair) explains that DMDs are not included to the extent that no Member State uses DMDs to allocate responsibilities. Sub-meters in some cases are excluded where they are not used to allocate balance responsibility. She agrees that "metering point" is not the right term. Michael van Bossuyt (IFIEC) stresses that in some cases it is not based on the metering but on the calculated value based on meters – therefore "metering point" is a misleading term. Some members suggest the term "accounting point" as it is defined in the Implementing Regulation on customer switching just released a few days ago.

The Chair clarifies that all comments are taken and the primary objective remain not to define legal terms, but to make sure that there is a common understanding of what is represented in the report. ACER will go back to NRAs and SOs to discuss and, where needed, reinterpret the answers. The disclaimer on the slides reflects this.

Athina Tellidou (Chair) then presents the clarifications on financial transfer and financial compensation. The aim is to use these terms and to clarify different aspects of the implementation, not to define terms legally.

Some comments on slide 12 on this topic include:

- Rita Mota (Eurelectric) notes the two parts of the transfer of energy should be covered. Athina Tellidou (Chair) confirms that financial compensation covers different cost categories, including sourcing costs.
- Paul De Wit (DSO Entity) asks whether financial transfer means the correction of the imbalance settlement so the neutralisation of the BRP. Athina Tellidou (Chair) confirms that if there is a correction in the imbalance settlement, it is accounted for in the energy transfer.
- Paul De Wit (DSO Entity) asks whether it is realistic, for the "only financial compensation" possibility, to have no correction but still a payment. The Chair explains this could be a possible case.
- Paul Troughton (SmartEn) adds that, when some compensation is socialised, it can be useful to look at the situation from both the supplier's and the aggregator's perspective. For example, in the Great Britain's wholesale model, from the supplier's perspective it looks like a financial transfer, but from the aggregator's perspective the money comes from a socialisation pot rather than from the aggregator. This is suggesting a more refined taxonomy may be useful. Athina Tellidou (Chair) agrees and reiterates that the aim is not to define legally the terms but to distinguish financial transfer between two parties as outcome of a correction and the other settlements. She asks whether a new case should be distinguished. Other members also complement this point suggesting simple binary "transfer vs compensation" may not capture the full discussion. Athina Tellidou (Chair) agrees that, when assessing the comments received in detail, more flavours of implementation will emerge; the current grouping is a starting point.

The Chair then presents the disclaimer applicable to all preliminary results slides: results are based on raw data, need to be further confirmed with NRAs/SOs, and are only intended for discussion in DRESG. Athina Tellidou (Chair) adds that more mature visuals of the results can be send by email to stakeholders to ask for written inputs. ACER asks stakeholders how much time they would need for such a written feedback exercise. Members suggests that a minimum two-week period would be necessary.

Athina Tellidou (Chair) proceeds presenting the aggregation models overview. Members share some clarification questions and also some clarifications based on the experience in their countries:

- Paul De Wit (DSO Entity) notes that the results seem different from those of the SmartEn survey. Paul Troughton (SmartEn) suggests introducing a category "business as usual but not being used" to distinguish models that are formally implemented but not actually in use. Yvonne Ruwaida (DSO Entity) agrees that there is a difference between where the regulation is available and what is implemented and used. The Chair confirms that this aspect will be considered for more mature visuals. She adds that could be also interesting to show the successful model with implementation.
- Athina Tellidou (Chair) clarifies that the numbers regarding the domestic consumers and large/industrial consumers would need further interpretation.
- Michael van Bossuyt (IFIEC) comments on slide 16. Looking at countries such as France and Belgium that implemented many models, it could be useful to see the best practices behind the models and not only the number of implementations.
- Paul De Wit (DSO Entity) notes that the numbers for the Netherlands do not seem correct on the 2 day-ahead and 3 intra-day BAU aggregation models. The DSO congestion management model seems missing from here (as it is not pilot).
- Mikko Vuorenmaa (Euroheat & Power) suggests separating independent aggregators and suppliers. For example, in Finland, independent aggregators do not have access to intraday, but the graph can lead to an incorrect interpretation for market access. Paul Troughton (SmartEn) adds that the split-supply model is less interesting than the 32 cases with different entities and no sub-meter. Athina Tellidou (Chair) takes the point that the different elements of implementation should be taken into account with more detailed breakdown.

On slide 17, Yvonne Ruwaida (DSO Entity) adds a comment on the category "pilot". In the case of Sweden, local flexibility markets are not pilot, but they are BAU, although no national framework is in place.

Athina Tellidou (Chair) presents the overview on financial transfer and financial compensation. She notes that the aim is to better understand how the reference price is calculated for the different models and markets, and invites stakeholders to provide feedback on anything relevant that could be assessed and also provide more inputs in written:

- Paul Troughton (SmartEn) considers slide 20 particularly important as it shows models that cannot work in practice such as an aggregator participating in the day-ahead market but paying compensation at the day-ahead price which leaves no value. The supplier would not also be neutral. These implementations are not good solutions or "tick-the-box" designs that are not actually usable.

On allocated and activated volumes, Athina Tellidou (Chair) explains that ACER collected data on metering devices used to determine the allocated volume (for imbalance settlement) and on the devices used for the activated volume (per service). The aim is to better understand the use of sub-meters and DMDs in practice, including the cases and requirements for DMDs.

Oliver Sartor (SmartEn) comments that the relevant question is not only what is used, but what can be used and under what conditions. The case with DMDs is to get more precise measurements and the question arises at regulatory level: if smart meters devices do not provide the necessary performance, then DMDs could be used. That would create a debate on whether they are equivalent; the issue is therefore more about what is allowed and under which criteria, rather than what is currently used.

Athina Tellidou (Chair) agrees that this will be an important point for DRESG discussions, while noting that the current exercise focuses on understanding the current context.

Fabrizio Carboni (All NEMO Committee) clarifies that from a NEMO perspective, to build an affordable business model that fully unlocks demand response potential, independent aggregators should be able to participate in the day-ahead and intraday markets, regardless of the aggregation model; current regulation contains no legal barrier to this.

Athina Tellidou (Chair) clarifies that it is not the case that independent aggregators should not participate in day-ahead markets. The earlier discussion was to ensure that the aggregation model is well designed for each market: some models may formally appear to be implemented in a market but, because of design issues, are not actually usable.

## **4.2 Baselining models – preliminary results and potential recommendations**

Christina Vazquez Hernandez (ACER) presents the preliminary results on baselining methods. Starting with the draft scope, ACER intends to cover five dimensions: mapping (most common baselining, key parameters considered; approval of baselining methods and archetypes); approval process (key product features when selecting the baselining methods/archetypes; prioritisation of baselining principles); ex-ante validation (validation of the baselining method before service providers can use it in market conditions); implementation (aspects related to submission and calibration of the baseline methods and challenges); and monitoring phase (potential bias, manipulation and strategic behaviour; systematic monitoring; mitigation measures and interdependency between the different phases).

Michael van Bossuyt (IFIEC) notes that it is also important to track whether the multiplicity of baseline models applies only to certain cases rather than generally referring to the different models. Cristina Vazquez (ACER) confirms this: the questionnaire already asks for which technologies or system users each baselining method is used.

Some members intervene to clarify the use of term “validation” in this context. It is asked about ACER’s view on the cases where validation is done afterwards, with measurements from the meter; if these cases are considered ex-post. Members also ask to clarify whether ACER is considering validation of the method for a particular customer or as the method in general.

ACER clarifies that the term "validation" may be used in two different meanings: validation that refers to the construction of the baseline, and a validation process afterwards that refers to the monitoring. Here it is meant as validation before using the baseline method (ex-ante) to verify it is a suitable method to use. ACER also confirms that the question is about the general case although respondents to the ACER’s questionnaire could use open-text comments to flag the specific case. Athina Tellidou (Chair) acknowledges that this is an area where the replies will need to be reassessed, as respondents may have had different interpretations.

Cristina Vazquez (ACER) then presents the initial clarifications on terminology, already presented at the first DRESG meeting with the scope to use a common language. Rita Mota (Eurelectric) adds a comment on slide 5 to clarify that the baseline should not be calculated for imbalance settlement period (ISP) but for market time unit (MTU) as the baselining is not used only for imbalance settlement but also to verify whether the service was delivered for that time unit.

ACER notes this comment and continues presenting the baselining archetypes. For the monitoring exercise, ACER grouped the archetypes as follows: "adjacent metering" which includes MBMA and WBA; "control group" is kept as it is; "declarative" includes nomination/declarative baselining methods; under "fixed" it is decided to include fixed baselining methods, maximum baseload, and zero baseline; "historical" includes historical baselining methods using historical meter data and regression-based methods; and "non-meter data" refers to calculated-based. The preliminary results presented in the next slides are collected considering these grouping. Cristina introduces preliminary results on the baselining methods reported in different countries and per different implementation status as well as the number of baselining methods reported according to archetypes and maturity level. It is visible from the graph that historical, declarative and adjacent metering have the biggest share. Focusing on the maturity levels, most of the baselining methods are declarative; on the pilot level it seems more common are the historical baseline methods.

Members ask some clarification questions on the overview of baselining methods reported in different countries and per different implementation status:

- Members note that some more examples would be needed to understand this overview, more nuances and practices should be captured. Cristina Vazquez (ACER) takes the points: specific examples could not be provided yet, as the textual answers have not been reviewed in detail. In principle, if there is a High X of Y used in different technologies or markets but in the same way, it should be reported as a single historical baselining method; only if the implementation differs should be reported as a separate type of baseline method. Athina Tellidou (Chair) adds that the questionnaire also includes follow-up questions linking baselining methods to markets and technologies. More examples can be captured after reviewing the text in detail.
- Members recognise some different numbers of their own countries and ask how feedback can be provided. ACER confirms that comments can be sent by email; members can flag early obvious inconsistencies, but they are also welcome to send more comments when ACER will share more mature visuals in the coming weeks.

Cristina Vazquez (ACER) presents the breakdown of baselining methods per technology and per market/service/product, noting that differences between technologies and type of system users are small, except for non-meter data, which is

reported to be used for solar PV, wind power and hydro (by Germany and Poland). One unexpected result in this figure is that, for assets with frequent activations (EVs, demand response), historical baselining methods appear with a high share, despite the literature suggesting that this is inconvenient.

Rita Mota (Eurelectric) asks what a baseline for FCR would be; she also notes that hydro pumping is missing in the technologies and asks how different categories (industrial DR, commercial DR, residential DR) relate to what is "behind the meter" and how they are distinguished. She also asks whether voltage control is covered in the products for baselines. Cristina Vazquez (ACER) replies that the questions were framed more generally; for which technology or system users the baseline method is used but the point is noted. Furthermore, Cristina explains that voltage control was not included, as it was considered less implemented.

On intraday, Paul Troughton (SmartEn) adds an example on where historical may be used with intraday. The supplier may have a declarative position for many sites; one site used by independent aggregator setting for flexibility in intraday – so the historical on site is used to distinguish the change from the declarative baseline from the supplier, which is not usable for that purpose. Michael van Bossuyt (IFIEC) gives also an example for the Belgium case, for industrial sites with many assets, even for voltage control, a baseline on the specific asset on a site may be required, otherwise penalties cannot be assigned correctly. This freedom is limited when stacking services or complying with specific service requirements. These combinations are hard to reflect in this questionnaire.

Athina Tellidou (Chair) and Cristina Vazquez (ACER) clarify that the exercise focuses on the SO-service provider interaction, and that a service provider using a historical baselining method as background for its declarative baseline would report that setup as declarative in the questionnaire.

Oliver Sartor (DR4EU) adds a comment, based on the French experience: in some cases, baselining methods exist for certain technology/consumer but could be improved; a challenge they face is that it can be difficult for a third party to propose improved baselining methods and have validation from NRA. The issue is therefore not only whether a baselining method exists, but how to improve existing baselining methods over time; it is more a process issue. Cristina Vazquez (ACER) confirms that the questionnaire also asks about systematic monitoring from SOs and if SOs use the results to improve baselining methods. Results need to be assessed in this regard.

Cristina Vazquez (ACER) presents the country-level breakdown of baselining methods reported for each market/service/product and archetype, both for business as usual and pilots/trial stage. ACER asks participants if in their view this overview reflects accurately on the level of implementation.

Paul De Wit (DSO Entity) notes that, for the Netherlands, it is incorrect reporting a single baselining method used for FCR, aFRR, mFRR, and TSO/DSO congestion management. Paul adds that for DSO congestion management, it is either declarative or calculated, but not adjacent metering. Cristina Vazquez (ACER) takes note.

On ex-ante validation, Cristina Vazquez (ACER) explains that ACER asked NRAs whether ex-ante validation is required for the different baselining methods (e.g. testing period, description of the baseline, description of input data) before the service provider can use the method in normal market conditions. Countries report either ex-ante validation for all baselining methods or only for some of their methods. On the right, the share of baselining methods with ex-ante validation is shown per archetype and per maturity level.

Rita Mota (Eurelectric) comments that given the strict requirements for balancing services, it seems weird to have baselining for balancing with non-metering data. Paul de Wit (DSO Entity) adds that seems odd the result on 60% of historical baselining methods not validated up-front. Paul Troughton (SmartEn) suggests an alternative interpretation: respondents may have answered "no" meaning that the method is available and a service provider does not need to ask permission to use it (because it is a "default" accepted method). The ex-ante validation question may therefore be more meaningful as "is the method appropriate for this particular site/service provider?" than as a general acceptability check.

Yvonne Ruwaida (DSO Entity) asks ACER to share the explanatory documents used in the questionnaire for NRAs so that there are no misunderstandings on how the reported data should be interpreted; Athina Tellidou (Chair) confirms that the explanatory documents shared with NRAs can be made available to stakeholders.

On the implementation phase, Cristina Vazquez (ACER) presents the question on who submits the baseline. For declarative and fixed baselining methods, it is always the service provider, but the picture is more varied for adjacent metering, historical and non-meter data. On submission timing, Cristina notes that for day-ahead/intraday the submission time ranges from 15-30 minutes before the activation signal to the day before; for balancing and congestion management,

submission times range from less than one minute before the activation signal to more than one week before, with less than one minute before activation seems to dominate for these products. The baseline duration is mostly 15 minutes, with a few cases of longer durations for balancing and DSO congestion management. The baseline resolution is mostly between 5 and 15 minutes, with some cases at 1 to 10 seconds.

- Paul Troughton (SmartEn) notes that submitting a baseline before the event is not necessary the case. In many GB markets the baseline is calculated ex-post because settlement-grade meter data is not available in real time. It is surprising to not see the ex-post as an option here.
- Michael van Bossuyt (IFIEC) suggests that the first column on “when submitting the baseline before the activation signal” should ask for the gate closure time for baseline submission.
- Paul De Wit (DSO Entity) notes that the baseline duration of 15 minutes for DSO congestion management is strange in combination with a submission almost in real time (one minute before activation). Cristina Vazquez (ACER) confirms that the results will be revised based on a more detailed comparison on these ranges.

On calibration of the baseline, Cristina Vazquez (ACER) explains that ACER asked whether any kind of calibration or adjustment of the baseline is possible before the activation signal, which is particularly relevant when the baseline has to be submitted long in advance. Calibration seems less frequent than expected. For the few cases where the baseline is required to be submitted more than one week before the activation signal, no case where calibration is allowed. For fixed baselining methods, calibration is allowed in all cases except where submission is required one day before or more than one week before. For historical methods, the level of calibration allowed is low, even though same-day adjustments are known in the literature to increase accuracy significantly.

Paul Troughton (SmartEn) notes that a High X of Y with same-day adjustment would normally be considered a method in itself, not a method with calibration; the wording of the question may have led to different interpretations.

Cristina Vazquez (ACER) closes the baselining item and invites stakeholders to send any further comments by email. ACER will send updates and allow for a couple of weeks for written reactions on future shared visuals.

**Action:** ACER to share more mature visuals on the aggregation models and baselining methods to DRESG members. DRESG members can provide comments in written by email to ACER.

**Action:** ACER to make available the explanatory documents shared with NRAs to stakeholders to allow better understanding on the definitions/explanations used.

## ***5. Monitoring of market-based procurement of congestion management***

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### ***5.1 Discussion on potential sub-topics***

Biljana Trivic (ACER) presents the initial ideas for the upcoming monitoring exercise on market-based procurement of congestion management. The exercise is part of the broader demand response monitoring framework, and the overall objective is to better understand what has already been implemented across Member States and to identify best practices. The framework is structured around one focus topic per year. For each focus topic, ACER defines subtopics with high-level questions structured as a set of questions; for quantifiable aspects, indicators are developed, taking into account the target model and existing best practices. The analysis of specific national cases supports the identification of best practices, and the outcome is reflected in the recommendations of the final focus monitoring report. Stakeholder involvement through DRESG is ensured throughout the process. Biljana recalls how the market-based procurement of local services is defined in the current version of NC DR. Three topics are particularly important for this discussion: requirements for procuring SOs; coordination and interoperability with other markets; procurement, pricing and settlement.

Stine Haugland (ENTSO-E) comments on these three presented elements and notes that the second element, procuring SO may forward bids, seems to narrow the objective that flexibility resources can participate in multiple markets and be achieved in different ways. It would be preferable to frame the objective more openly rather than highlight a single model. Biljana Trivic (ACER) agrees and confirms that in the subtopic related to forwarding of bids other ways to achieve the goal will also be included.

Biljana Trivic (ACER) then presents the suggested subtopics and clarifies that proposals can be adjusted following proposals from members.

Guro Grøtterud (Smarten) suggests that it would be interesting to include in the report non-implementation cases (with or without derogations) and how many SOs in a country use market-based congestion management. Biljana Trivic (ACER) takes note and thanks for the suggestion.

Fabrizio Carboni (All NEMO Committee) welcomes the focus topics. From the NEMO Committee point of view, two messages are important. First, the current draft of NC DR does not explicitly require that the market operator be different from the system operator; it rather requires independence and expertise in managing the market. Second, on coordination with other electricity markets, the focus should not only be on how coordination is implemented but on removing barriers preventing a resource from participating in different markets. In NEMO Committee's view, continuous multi-market participation of distributed resources is key for unlocking demand response. Biljana Trivic (ACER) agrees that participation in other markets should be addressed.

Yvonne Ruwaida (DSO Entity) suggests broadening the coordination subtopic to cover the benefits of coordination between markets, different models (e.g., conflicting activation, sequential coordination, etc.), and on grid security aspects (e.g. coordination with SOGL temporary limitations). She also suggests that "delivery of service" could be addressed, either as a separate item or under procurement methods, and that costs of congestion management and metering data should be reflected. Paul de Wit (DSO Entity) adds that also it would be important to consider coordination between DSO and TSO and the handling of conflicting activations for congestion management, and how value stacking is addressed. Biljana Trivic (ACER) confirms the list of subtopics is not limited to three and can be extended. All these suggestions are welcomed.

Kora Töpfer (Europex) welcomes many of the topics mentioned and reiterates topics raised by Europex for further improvements in the past: strengthening market-based flexibility procurement and limiting exemption; the market operator role, including the reintroduction of minimum requirements for local market operation; the topic of interoperability. She asks what the target of the monitoring exercise actually is given that in 2026-2027 there will not be a final NC DR. If it is about the status quo, it is suggested to consider additional topics such as SO incentives in place, the extent to which the Clean Energy Package is already fully in place and which countries have opted out, and whether a market-based or cost-based approach is in place. If the exercise is more about the NC DR, assessing products in 2026-2027 is difficult when there is no product methodology yet. She also asks about the timeline to anticipate internal coordination to provide inputs on this list on time.

Biljana Trivic (ACER) replies that the three focus monitoring exercises are all linked to the national implementation of the existing EU legal framework. In this sense, they prepare the ground for the upcoming methodologies and TCMs under the NC DR. On the timeline, ACER will not start the new focus topic immediately, as the aggregation models monitoring is still ongoing; more discussions with DRESG are expected from autumn onwards. The current suggestions for subtopics are not yet firm. Cristina Vazquez (ACER) complements that in the 2026 Recommendation on barriers to non-fossil flexibility and its annex, ACER also cover topics such as TOTEX, where market-based versus cost-based procurement is in place. Barrier-related and restrictive-design aspects will be addressed in that report.

Oliver Sartor (DR4EU) lists a set of issues on congestion management and barriers: the "investability of products", question of scale, eligibility geographically, stackability and opportunity cost versus other markets. Biljana Trivic (ACER) confirms that the list of high-level questions already includes barriers, restrictions and demand response participation and the additional points raised are welcomed.

Torsten Knop (DSO Entity) notes that the list of topics for monitoring exercise is getting longer. He recognises that this is a wide topic but consider that could be beneficial for ACER to focus on what it is useful to achieve in this step of aggregation model and, what is foreseen for prequalification in the next step. Other monitoring exercises already bring together information on challenges and obstacles; DRESG should remain focus on what exists and at what works for market-based congestion management, leaving other aspects to other tools. Biljana Trivic (ACER) agrees. The barriers will primarily be identified and addressed through the workstream mentioned by Cristina, while this monitoring exercise will concentrate on specific aspects, mainly those mentioned in the NC DR, rather than going too broad.

Thomas König (Energy Traders Europe) presents briefly an intervention on behalf of Energy Traders Europe. Based on the latest version of the NC DR, Energy Traders Europe focused on Articles 55 to 56 for market-based procurement. On the monitoring report, Energy Traders Europe supports a broader reporting scope: the goal of the report is to deliver arguments for or against specific design choices. This requires understanding how Member States tackle their congestion issues (FCAs, classic redispatch, incentivising tariffs, etc.) not totally in depth but at least having an overview of what MSs are doing. He agrees that monitoring can be focused, but should be focused on the right things.

Athina Tellidou (Chair) thanks Thomas König (Energy Traders Europe) for the intervention. As Biljana Trivic indicated, ACER will come back to stakeholders after the summer with a more advanced view of the exercise and will ask for further input.

**Action:** ACER to update the DRESG on the revised timeline for the aggregation models and baselining focus monitoring report.

## **6. AOB**

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Athina Tellidou (Chair) confirms that the next DRESG meeting will be held on 6 October 2026 at ENTSO-E's premises in Brussels.

## **Annex: Action Tracker**

1. ACER, ENTSO-E and DSO Entity to organise a presentation on the ENTSO-E/DSO Entity Joint Working Group to present the reference model for data exchange at the next DRESG meeting (Patrick Albrecht/Paul De Wit, in coordination with ACER).
2. EC to continue the coordination between DRESG and D4E through members active in both groups. Groups can exchange minutes/agendas and the possibility to attribute action points across groups.
3. ACER to share with DRESG members the explanatory document that was shared to NRAs with the explanations/definitions used in the questionnaire on aggregation models and baselining.
4. ACER to share more mature visuals on aggregation models and baselining, allowing at least two weeks for written feedback from stakeholders.
5. ACER to revise, in the questionnaire on baselining, the overlapping thresholds of time intervals (e.g. 5–15 minutes vs 15–30 minutes).
6. ACER to update the DRESG on the revised timeline for the aggregation models and baselining focus monitoring report.
7. Next DRESG meeting: 6 October 2026 at ENTSO-E's premises in Brussels.