

German TSOs Bug Procurement

Brussels, 27 November 2025

On 23.10. from 00:00 until 10:45 an incident occurred on the German procurement system for aFRR bids, hosted by 50Hertz. This incident led to an erroneous local merit order list (LMOL) that was transferred to PICASSO. As the bids were still based on the definition of the aFRR standard product, the aFRR energy bids were included in the common merit order list (CMOL) of PICASSO. The bug affected only bids submitted to the procurement system as "default bids" that were not changed by BSPs before the aFRR energy auction gate closure time and only affected the bids in negative direction.

The timeline of the incident:

22.10.2025	With the start of the energy auction for aFRR, payment direction of bids in negative direction was transferred from "grid-to-provider" (negative sign) to "provider-to-grid" (positive) sign. If the bid wasn't changed during the energy auction, this sign change remained incorrect until gate closure time.
23.10.2025 00:00	First ISP including the erroneously bids were provided to PICASSO. Bids were placed at the beginning of the CMOL in negative direction and activated. As a consequence, the Cross border marginal price (CBMP) in negative direction had in some MTUs a high value with positive sign (meaning payment direction "provider-to-grid").
23.10.2025 08:16	After receiving notifications from TSOs and Market participants, 50Hertz informed the BSPs about the bug and asked to correct the bids.
23.10.2025 10:45	First ISP with no erroneously submitted aFRR energy bids.

After careful investigation and consideration, the PICASSO platform has decided to correct the affected CBMP prices in the period from 23.10.25 00:00 to 23.10.25 10:45 in negative direction.

The correction is done in accordance with the requirements of EBGL and the approved methodology of the Implementation framework for the European platform for the exchange of balancing energy from frequency restoration reserves with automatic activation. According to Article 30(3)(b) EBGL, the methodology for pricing of cross-zonal capacity used for exchange of balancing energy must be based on the actual prices for balancing power provided by activated balancing bids.

The CBMP in negative direction will be corrected based on the following criteria:

- Correction is done to the uncongested areas containing the German LFC block
- if the CBMP in negative direction is higher than the first non-German Bid in the CMOL (negative direction)

The CBMP will be corrected based on the published and approved pricing rules of PICASSO, replacing the erroneous submitted aFRR energy bids of the German LFC block with the price of the first non-German aFRR energy bid in the CMOL (negative direction). To reflect the activation of the erroneous submitted bids, this Price is increased by 0.01 €/MWh. This correction will also affect the full-netting price, meaning the CBMP that is applied in situation with no aFRR bids selected by PICASSO. Those situations are indicated by a valid CBMP in positive and negative direction. As this CBMP is based on the first bids in the CMOL in positive and negative direction, this CBMP will also be corrected.

PICASSO has already implemented immediate solutions to mitigate the consequences of similar incidents in the future. A major investigation of the incident and possible additionally mitigating measures is being analysed to improve the system and avoid similar situations in the future. PICASSO will based on this incident develop a procedure to be used in the future.

Press contact

Please contact media@entsoe.eu and/or the press officers of the Member TSOs of the PICASSO project for further information.