



Balancing Platforms Stakeholder Workshop

30.11.2023

Webinar

General Q&A Document

Questions and Answers

Question: What is the best way to contact ENTSO-E regarding questions about ongoing projects or the transparency platform? I attempted to do so via 2 emails a few months ago but did not receive any responses.

Answer: ENTSO-E plans a workshop early next year with participation from non-TSO data providers. You can participate in the meeting to get updates and address your questions, more information on this will follow. We also have ETUG group (ENTSO-E Transparency User Group) where we arrange regular meetings throughout the year that encompass information on TP related projects and updates. You can contact us if you want to be added to the group. And finally, any questions and concerns can directly be addressed to transparency@entsoe.eu. Sorry to hear two of your earlier emails have remained unanswered as of now.

Question: Could you shed more light on the checking of the available cross-border capacity? Do you use bilateral ATC values?

Answer: Yes, ATC values are used from both TSO participating on one border. If the values differ, the minimum value is used.

Question: Which ATCs? (after/before intra-day allocation?)

Answer: After Intra-day allocation.

Question: How do you define the available cross border capacity between distant TSOs? As a result of chain of ATCs?

Answer: Yes, they are based on the available ATC for all “in between” borders.

Question: How is the allocation preference for cross-border ATC among the MARI, PICASSO and IGCC processes defined?

Answer: 1. mFRR (MARI) -> 2. aFRR (PICASSO) -> 3. IN (IGCC). On a “first-come-first-serve”-basis. The MARI AOF runs first, the ATCs are then adjusted with the mFRR flows and forwarded to PICASSO. The remaining ATCs are then used by the IGCC.

Question: Is there a table of abbreviations used or a glossary available within the context of this presentation or even ENTSO-E published information in general? Could you please give a brief explanation or full pronunciation of the following abbreviations: XB (capacity), ATC, EnC, CSP?

Answer: ENTSO-E does not have a single glossary available. However, each ENTSO-E report would have a glossary at the end with the main terms relevant to the context, e.g., you can refer to [the Market Report 2023](#) or [Balancing Report 2022](#) for the key terms on balancing. With regards to the

abbreviations, those are: XB = cross-border; ATC = Available Transmission Capacity/Available Transfer Capability; EnC = Energy Community Country; CSP = Common Service Provider.

Question: Can a non-EnC TSO (TEIAS from Türkiye) apply for access to Balancing Platforms? Are there any legal blocking requirements?

Answer: The ultimate condition to apply for access to Balancing Platforms is to adopt and transpose to the national legislation the so called “Electricity legislation Package” which was adopted on 15 December 2022 by the Energy Community Ministerial Council in the Decision 2022/03/MC-EnC on the incorporation of the European Union’s electricity market acquis in the Energy Community together with Procedural Act 2021/01/MC-EnC on fostering regional energy market integration in the Energy Community. Turkey has an observer status within Energy Community. Any adoption of Energy Community legal acts shall be further clarified with Energy Community Secretariat.

Question: We represent the transmission system operator of Georgia. We are interested in obtaining observer status on the European balancing platforms. What steps are required for the application? Is the application form available? Can you provide us with the contact person for this matter? What are the restrictions, if any?

Answer: The ultimate condition to apply for access to Balancing Platforms is to adopt and transpose to the national legislation the so called “Electricity legislation Package” which was adopted on 15 December 2022 by the Energy Community Ministerial Council in the Decision 2022/03/MC-EnC on the incorporation of the European Union’s electricity market acquis in the Energy Community together with Procedural Act 2021/01/MC-EnC on fostering regional energy market integration in the Energy Community. Although Georgia has a member status within Energy Community, Georgian grid is not physically connected with any other Energy Community country. Therefore, any legal obligations stemming from the adopted Decision 2022/03/MC-EnC shall be further clarified with Energy Community Secretariat.

Question: What is the current status of Switzerland accession?

Answer: Swissgrid is technically ready to access MARI and PICASSO. The participation of Switzerland is regulated based on article 1.6 and 1.7 of the EB Regulation and is currently the subject of litigation by Swissgrid at the Court of Justice of the European Union.

Question: Regarding high bid prices, how do you interpret the significant difference in bid price levels between German bids and those from other zones (both positive and negative)? Did the change in the bid release clause have a substantial impact on these levels?

Answer: Bidding behavior is subject to individual balancing service providers’ strategies as well as pricing mechanisms and market rules approved by ACER/NRAs. Abolishing the release of free bids has slightly increased the amount of free (expensive) bids but not substantially changed the bidding behavior.

Question: Since Terna joined the PICASSO platform there have been many price incidents. These price incidents also led, in Italy, to unnaturally high imbalance prices. Do you have any comments on that?

Answer: Please have a look at the material provided regarding the all [TSO public consultation](#) regarding the high prices mitigation actions.

Question: PICASSO has had a very strong effect on Italian imbalance prices after the rollout in July this year. We observe situations where imbalance prices spike violently in the zone NORD in Italy reaching prices higher than + or – 1000 €, which is orders of magnitude higher than imbalance prices ever seen before the rollout. These spikes seem to be correlated with PICASSO volumes called upon by Terna. Can you go into detail about this dynamic?

Answer: Please have a look at the material provided regarding the all [TSO public consultation](#) regarding the high prices mitigation actions.

Question: Why are Italian CBMP's almost always different from other countries? Is there no cross-border capacity? Will this change as more countries join or is it a different issue?

Answer: The exchange of TERNAL with the PICASSO region is at the moment limited to the ATCs with Austria (APG). With the accession of further neighboring TSOs, this will improve.

PICASSO Q&A Document

Questions and Answers

General questions:

Question: Do TSOs have the discretion to decide which bids from the BSPs they forward to the PICASSO platform, or are they obligated to forward all internal bids?

Answer: Based on the implementation framework, standard bids have to be forwarded to the PICASSO platform, but they can be declared unavailable by the connecting TSO. None of the TSOs that have participated in the first Year used this possibility.

Also, national specific products (bids) can be converted into the standard product (bid) and submitted to the balancing platform, if applicable.

Question: How do you take into account the bidding strategies of the BSPs when assessing the economic surplus of the PICASSO platform vs having only local market?"

Answer: The bidding strategy is not taken into account. The economic surplus is calculated by comparing the (real) coupled operation with an (simulated) decoupled operation. Both times, the same bids are used.

Question: Why is there a decreasing trend in economic surplus of PICASSO? What was the economic surplus(loss?) in February?

Answer: The economic surplus is linked to overall energy prices. A decrease of prices has led to decreased economic value if the aFRR exchanges.

Question: How do you expect the economic surplus and cross border marginal prices to develop, with more countries joining the PICASSO Platform?

Answer: Based on the experience gained in the IGCC, the economic surplus will raise the more TSOs and available cross zonal capacity will be available. Regarding the cross-border marginal price, there is no historical evidence available. With more cross zonal capacity available, the cross-border marginal price will be reduced.

Question: Has there been an evolution in the occurrences of price incidents in the last few months?

Answer: Increase of price incidents based on bidding behavior (see slide on VWAP of 5% most expensive bids).

Question: If ACER decides on the evolution of the design around July: is there an impact to foresee on the accession roadmap?

Answer: As the accession roadmap is based on each TSO input, this cannot be foreseen by the platform itself.

Question: Have the TSOs reported difficulties when changing from pro-rata to CMOL activations? Were there any observed changes in the characteristics of FRCE?

Answer: There have been no difficulties reported.

Publication / Data:

Question: Could you comment on the availability of aFRR activation volume and price data? For example, the French TSO RTE announced last week it started the aFRR activation measured every 4 seconds. Where in the platform one can find such data for PICASSO member TSOs?

Answer: Prices on 4s resolution can be found on Transparency platform but only for participating TSOs: <https://transparency.entsoe.eu/balancing/r3/cbmpsForAfrrStandardProduct/show>. aFRR

activation can be found on Transparency platform on 15 min resolution:
<https://transparency.entsoe.eu/balancing/r2/aggregatedBids/show>.

Question: Why did you choose to not disclose the data from Terna for the first four months of participation and postpone it to January? Transparency should be improved here.

Answer: The presented KPI cover (as requested by the implementation framework) the first year of operation of the PICASSO platform. TERNA joined later. They will be included in the next KPI report.

Question: What is the difference between "NA()" and an empty field within the data provided on the transparency platform regarding marginal prices?

Answer: An empty field means, that no CBMP has been determined since there has been no activation in the respective direction or the TSO has been disconnected from PICASSO. N/A means that no data is available.

Question: Are the activated aFRR volumes per TSO area, i. e. the output of the AOF, also published somewhere in 4s resolution? I could only find the CBMPs and the exchanged volumes on the TransnetBW website.

Answer: No central publication on 4s resolution.

Question: Is there any plan to provide 4s data (on TP or elsewhere) to allow BSPs to use CMOL for improving their predictions? Sometimes the 15M averages are not sufficient.

Answer: The CMOL has a validity of 15 minutes, so no increase in the granularity is possible.

Question: What is the dedicated Transparency Platform that can be used to access PICASSO's clearing prices, especially clearing prices of Italian bidding zones?

Answer: The data (CBMP) are published on ENTSO-E transparency platform following this [link](#), there is only one price per LFC area participating on PICASSO (so only one CBMP for Italy).

Question: When will the aFRR prices (CBMP) be published on the ENTSO-E platform?

Answer: They are published on ENTSO-E transparency platform following this [link](#).

Question: Where can we find the volume-data per TSO related to IGCC exchange?

Answer: They are published on ENTSO-E transparency platform following this [link](#).

Question: Up to now the main data source for PICASSO data I found is the TransnetBW website. Will this be the official source for data in the future? Or are there other platforms where data relating to PICASSO is published?

Answer: All PICASSO related data that needs to be published according to the different legal requirements are published at ENTSO-E transparency platform.

Question: Is it possible to see the supply curves relating to a specific control area for aFRR in (near) real time?

Answer: No, this is not published.

KPI section:

Question: Regarding the KPI on the deviation between AOF selection and LFC output, is this the sum of deviations for upward and downward activations?

Answer: Yes.

Question: Are the large differences observed for the relative deviations due to the different dynamics of each aFRR controller?

Answer: Yes.

Question: Is the average requested power the activated power activated by the TSO?

Answer: The average requested power as referred to on the slide "Requested and available volume of balancing energy" refers to the aFRR demand of each LFC area.

Technical questions:

Question: One slide said that the TSOs use standard products to access PICASSO. What kind of communication protocol is used? Does communication take place via EH?

Answer: The slide was referring to the standard product for FRR (common rules for the FRR products). The communication between TSOs takes place based on TSO internal networks.

Question: If in the future all TSOs connected to the IGCC platform will be also connected to the PICASSO platform, will the IGCC be redundant and thus dismissed?

Answer: Yes, if all TSOs are connected to the PICASSO platform, the IGCC is no longer necessary as the netting will take place on PICASSO. But this point in time is not foreseeable at the moment.

Question: Which are the volumes used to evaluate imbalance prices the one of AOF or the ones of LFC? I understand that the 'real 'are those of the LFC... but apparently via PICASSO algorithm the AOF volumes are influencing the XB exchanges within the macro area.... can you please shed some lights?

Answer: Imbalance pricing is regulated via local terms and conditions following the imbalance settlement harmonization methodology.

Question: Can you please explain again the difference between the netting via PICASSO (superior....) and the netting via IGCC....and why does the one of PICASSO have priority?

Answer: Netting in PICASSO is performed implicitly with the goal to maximize the economic surplus. Thus, the netting is performed in a way that prevents the activation of the least competitive bids. As the IGCC does not have any information on bid prices, it distributes netting potential proportionally to the demand, which does usually increase the economic surplus without maximizing it.

For this reason, PICASSO has priority access to transmission capacities over the IGCC.

Question: How will the activation of aFRR bids work if there is no direct balancing border between the PICASSO countries? (e.g., Transelectrica joining next) As IGCC and PICASSO are optimized jointly, can all IGCC member countries can be considered transfer countries for PICASSO exchange?

Answer: IGCC countries will not automatically share their ATC with the PICASSO region. There is the technical possibility for IGCC TSO to share their ATC on voluntary basis (taking also local operational processes and implementation in account), but this is a sole national decision.

Question: How will the implementation of the elastic demand and/or use of LFC output impact the operations? Will TSOs shift one by one to the new design, or will it happen in big bang after all the connections anticipated in 2024?

Answer: Please have a look at the material provided regarding the all TSO public consultation regarding the high prices mitigation actions. The implementation and use of the elastic demand is proposed on a voluntary basis, here the TSOs will most probably shift step by step. The proposal for including LFC output in CBMP determination regards a central implementation in the AOF.



MARI Q&A Document

Questions and Answers

General questions:

Question: Are there any technology-specific guidelines outlining the requirements for participating in the mFRR market, such as batteries?

Answer: The requirements/guidelines for participating in the mFRR market are defined at the national level by the respective TSO. Requirements of Guideline Electricity Balancing are explicitly technology neutral.

Question: What proportion of mFRR demand, managed by the TSOs, is handled through the ENTSO-E platform compared to national balancing? Is there a minimum national core share?

Answer: There is no core share for the mFRR standard product for balancing energy to be activated locally. Subject to approval of the competent NRA, a TSO may additionally procure specific products. If applicable, these products will be converted into standard products and submitted to the mFRR platform.

Question: If a TSO uses balancing energy from another area, and this area now requires the volumes for itself, will the cost be locally allocated or will it be first come, first served based on product price for the TSOs?

Answer: For scheduled activation, all balancing energy bids and all demands from all areas are considered (subject to available cross-zonal capacity) to determine the optimal activation. For direct activation, all balancing energy bids of all areas and the direct demand of a TSO are considered (subject to available cross-zonal capacity) to determine the optimal activation.

Question: Will the data extraction tool also be available for Market parties for transparency purposes?

Answer: No, the tool will be only available to TSOs for the purpose of easier data extraction required for reporting and analysis. Market parties have access to the <https://transparency.entsoe.eu/>.

Question: In the future, do you foresee a potential risk of "competition" between European common balancing markets like MARI and domestic balancing markets (such as national mFRRs), considering they might not be entirely substituted by the European ones?

Answer: Standard mFRR product should go 100% to platforms. National specific products might still exist locally and subject to the approval of the competent NRA. Specific products may be converted into standard mFRR product and submitted to the platform, if applicable.

Question: Have you performed any analysis on how the frequency imbalance occurrences change when a "smaller" balancing area, such as Austria, joins a "larger" European common balancing market? Raise in frequency unbalances have been noticed already when the Danish or Belgian systems joined the European common FCR system.

Answer: It is important to notice that there is no link between the Frequency unbalances and common procurement of Frequency Containment Reserve (FCR). Consequently, joining the balancing platform is assumed not to have any relevant impact on frequency.

Question: How are cross-border transport capacities managed? Do these capacities present significant limitations to the impact of MARI, or are they generally abundant?

Answer: For MARI we do not see any significant restrictions coming from XB transfer capacity due to limited volumes and probabilities of activation.

Question: Where are activation volumes and prices published? Is this similar to PICASSO?

Answer: On the transparency platform here <https://transparency.entsoe.eu/> -> Balancing -> Accepted Offers and Activated Balancing Reserves AND Prices of Activated Balancing Energy.

Question: What reasons might explain why the Czech TSO activates more negative mFRR while the German TSO activates more positive mFRR?

Answer: From TSOs' point of view, the considered period is too limited to conclude on the potential "seasonality" of imbalances. It might be worth picking up this question in next year's stakeholder workshop.

Specific technical questions:

Question: Upon integration of the Nordic countries into MARI, will there be a change to the 10:1 ratio between aFRR and mFRR? Historically, the Nordics have utilized mFRR more than Central Europe.

Answer: Traditionally, Nordic TSOs use a larger share of mFRR than aFRR. This will most likely change the mentioned ratio.

Question: Can you provide insights into the impact that MARI would have had on prices in the past if all the members joining MARI in the next year had been participating historically? For instance, could you share a file containing price data as it would have been under MARI for the last four years?

Answer: As bidding strategies change based on the applied pricing rules, an ex-post analysis is not feasible (as pay-as-bid pricing has been applied historically).

Question: If a TSO activates a bid for €50 from another area, and then this area activates a bid for €75, will the local area get the cost of €50, or do they need to take the €75 cost for their needed volume?

Answer: If scheduled activation, then joint optimization – one price for all. If thereafter, a direct activation comes in, the price is at least as high as for scheduled activation.

TERRE Q&A Document

Questions and Answers

Question: Are BSPs bidding to the TERRE platform remunerated for the satisfied need, for the energy activated, or for both?

Answer: Generally speaking, BSPs are remunerated for the activated energy that covers the need for the balancing energy. Remuneration also depends on the provision in the local terms and conditions.