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NOTE

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To:	Permanent Representatives Committee
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Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the internal market for electricity (recast)

I. INTRODUCTION

- 1. On 30 November 2016, the Commission submitted a set of proposals as "Clean Energy for All Europeans" package, in order to provide a stable legislative framework, necessary for the energy transition. Two legislative files, based on article 194(2) of the Treaty, discuss the common rules for the internal market in electricity.
- 2. In the European Parliament, these proposals were referred to the Industry, Research and Energy Committee (ITRE) which appointed on 25 January 2017 Mr. Krišjānis Kariņš as rapporteur. The ITRE Committee voted on its report on 21 February 2018.

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II. STATE OF PLAY

- 3. The TTE (Energy) Council adopted, on 18 December 2017, a general approach on the above-mentioned proposal. The first informal trilogue, based on the Council general approach, took place on 27 June 2018, the second one based on a revised mandate on was held 11 September 2018. Both trilogues and technical meetings in between allowed the co-legislators to advance significantly and propose compromise suggestions. Moreover, a broad mandate was also given to the technical meetings to make progress on the entire Regulation.
- 4. Till present, the main areas of discussions were articles regarding the subject-matter and scope (article 1); principles regarding the operation of electricity markets (article 3); dayahead and intraday markets, trade on day-ahead and intraday markets, forward markets, technical bidding limits and value of lost load (articles 6-10); resource adequacy, reliability, capacity mechanisms (articles 18-24) and the Regional Security Coordinators (articles 32-44).
- 5. During September and early October the Energy Working Party has pursued its examination of the Presidency's compromise proposals. Furthermore, in order to prepare the third informal trilogue, several technical meetings with the EP have taken place.

III. REVISED MANDATE

6. In view of the third informal trilogue scheduled for 18 October 2018, the basis for the discussion will be the fourth-column table contained in the Annex to this note, that sets out, in the 4th column textual proposals 'provisionally agreed' in second trilogue or 'provisionally agreed in TM' (technical meetings) which await to be provisionally confirmed at the third trilogue. The Presidency also indicates additional compromise proposals.

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- 7. Paragraphs 'provisionally agreed' in 2nd informal trilogues are:
 - *Article 1 (all)*
 - Article 3 (lines: 113-123, 126-129)
 - *Article 6 (all)*
 - *Article 8 (line 184)*
 - Article 9 (lines 189-190)
 - Article 10 (line 192)
 - *Article 25 (line 470)*
 - *Article 27 (line 485-486, 496-498)*
 - *Article 28 (all)*
 - *Article 32 (line 527)*
 - *Article 34 (line 571)*
 - *Article 37a (lines 588-589)*
- 8. Paragraphs that were *provisionally agreed in TM* (to be confirmed in the 3rd trilogue) are:
 - *Article 2 (line 109)*
 - *Article 3 (line 112)*
 - Article 10 (line 193)
 - *Article 32 (lines 522, 525-533, 535-537)*
 - *Article 33 (lines 539-541, 543-548)*
 - *Article 34 (lines 550, 557, 562, 563, 565, 570)*
- 9. Additional *Presidency's compromise proposals* are the following:
 - Recital 33 (line 46) link to line 521 establishment of the RSCs
 - Article 7 (line 180) proposal to limit the exemption in time
 - Article 32 (line 532a) Exception regarding the coordination by 2 RSCs
 - Article 33 (line 542) Exception regarding the coordination by 2 RSCs
- 10. Compromise proposals indicated in the 4th column of articles: 5 (all), 7 (lines: 178,179), 9 (lines: 186,187), 27 (lines: 481, 493), 35 (lines: 577, 579), 36 (line 583), 40 (line 606), 41 (lines: 614, 617), 43 (line 629) were already seen by Coreper on 7 September. However, the discussion with the European Parliament is not yet finalised.

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- 11. Regarding other European Parliament's amendments, the Presidency proposes to <u>maintain the Council's general approach</u> at this stage of negotiations.
- 12. In the fourth column, *bold italics* indicates text proposed by the EP; **bold** indicates texts of the Council general approach added to the Commission proposal and compromise texts proposed by the Presidency in response to the EP amendments; **bold and underlined** indicates new text elements, diverging from the previous document (5834/18 REV 3) and strikethrough indicates deletions.

IV. CONCLUSION

The <u>Permanent Representatives Committee</u> is invited to agree on a revised mandate for the third informal trilogue on 18 October 2018, on the basis of the text included in the Annex.

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Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the internal market for electricity

(recast)

1.	COMISSION PROPOSAL (COD 2016/0379 - doc. 15135/1/16 REV 1 + ADD 1 REV 1)	EP PLENARY TEXT	COUNCIL GENERAL APPROACH (doc.)	Presidency compromise proposals
2.	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty on the Functioning of the European Union, and in particular Article 194 (2) thereof, Having regard to the proposal from the European Commission, After transmission of the draft legislative act to the national parliaments, Having regard to the opinion of the European Economic and Social Committee, Having regard to the opinion of the Committee of the Regions, Acting in accordance with the ordinary legislative procedure, Whereas:		THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty on the Functioning of the European Union, and in particular Article 194 (2) thereof, Having regard to the proposal from the European Commission, After transmission of the draft legislative act to the national parliaments, Having regard to the opinion of the European Economic and Social Committee, Having regard to the opinion of the Committee of the Regions, Acting in accordance with the ordinary legislative procedure, Whereas:	

3.	(1) Regulation (EC) No	(1) Regulation (EC) No
	714/2009 of the European	714/2009 of the European
	Parliament and of the Council	Parliament and of the Council ¹
	has been substantially amended	has been substantially amended
	several times. Since further	several times. Since further
	amendments are to be made,	amendments are to be made, that
	that Regulation should be recast	Regulation should be recast in
	in the interests of clarity.	the interests of clarity.
4.	(2) The Energy Union aims	(2) The Energy Union aims at
••	at providing consumers –	providing consumers –
	household and business –	household and business – with
	secure, sustainable,	safe, secure, sustainable,
	competitive and affordable	competitive and affordable
	energy. Historically, the	energy. Historically, the
	electricity system was	electricity system was
	dominated by vertically	dominated by vertically
	integrated, often publicly	integrated, often publicly owned,
	owned, monopolies with large	monopolies with large
	centralised nuclear or fossil fuel	centralised nuclear or fossil fuel
	power plants. The internal	power plants. The internal
	market in electricity, which has	market in electricity, which has
	been progressively	been progressively implemented
	implemented since 1999, aims	since 1999, aims to deliver a real
	to deliver a real choice for all	choice for all consumers in the
	consumers in the Union , both	Union, both citizens and
	citizens and businesses, new	businesses, new business
	business opportunities and more	opportunities and more cross-
	cross-border trade, so as to	border trade, so as to achieve
	achieve efficiency gains,	efficiency gains, competitive
	competitive prices and higher	prices and higher standards of
	standards of service, and to	service, and to contribute to
	contribute to security of supply	security of supply and
	and sustainability. The internal	sustainability. The internal

Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003 (OJ L 211, 14.8.2009, p. 15).

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	market in electricity has	market in electricity has
	increased competition, in	increased competition, in
	particular at the wholesale	particular at the wholesale level,
	level, and cross-border trade. It	and cross-border trade. It
	remains the foundation of an	remains the foundation of an
	efficient energy market.	efficient energy market.
5.	(3) Europe's energy system	(3) Europe's energy system is
	is in the middle of its most	in the middle of its most
	profound change in decades and	profound change in decades and
	the electricity market is at the	the electricity market is at the
	heart of that change. The	heart of that change. [] This
	common goal to decarbonise	change creates and facilitates
	the energy system creates new	new opportunities and
	opportunities and challenges for	challenges for market
	market participants. At the	participants. At the same time,
	same time, technological	technological developments
	developments allow for new	allow for new forms of
	forms of consumer participation	consumer participation and
	and cross-border cooperation.	cross-border cooperation.

6.		(3a) This Regulation is	
"		establishing rules to ensure th	
		functioning of the internal	
		energy market while	
		integrating a limited number	
		of requirements related to the	
		development of renewable	
		forms of energy and	
		environmental policy, in	
		particular specific rules for	
		certain renewable power	
		generating facilities,	
		concerning balancing	
		responsibility, dispatch and	
		redispatch as well as a	
		threshold for CO2 emissions of	F
		new generation capacity when	
		it is subject to a capacity	
		mechanism.	
7.	(4) State interventions, often designed in an uncoordinated manner, have led to increasing distortions of the wholesale electricity market, with negative consequences for	(4) State interventions, often designed in an uncoordinated manner, have led to increasing distortions of the wholesale electricity market, with negative consequences for investments	
	investments and cross-border trade.	and cross-border trade.	

8. In the past, electricity customers were purely passive. often buying electricity at regulated prices which had no direct relation to the market. In the future, customers need to be enabled to fully participate in the market on equal footing with other market participants. To integrate growing shares of renewable energy, the future electricity system should make use of all available sources of flexibility, particularly demand response and storage. To achieve effective decarbonisation at lowest cost it also needs to encourage energy efficiency.

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In the past, electricity customers were purely passive. often buying electricity at regulated prices which had no direct relation to the market. In the future. customers need to be enabled to fully participate in the market on equal footing with other market participants and be empowered to manage their energy consumption. To integrate growing shares of renewable energy, the future electricity system should make use of all available sources of flexibility, particularly demand side solutions and storage, and of digitalisation through the integration of innovative technologies with the electricity system. To achieve effective decarbonisation at lowest cost it. also needs to encourage energy efficiency. The achievement of the internal energy market through the effective integration of renewable energy can drive investments in the long term and can contribute to delivering the objectives of the Energy Union and the 2030 climate and energy framework.

In the past, electricity customers were purely passive, often buying electricity at regulated prices which had no direct relation to the market. In the future, customers need to be enabled to fully participate in the market on equal footing with other market participants. To integrate growing shares of renewable energy, the future electricity system should make use of all available sources of flexibility, particularly demand response and storage. [] It also needs to encourage energy efficiency.

9.	(6) More market integration	(6) More market integration	
	and the change towards a more	and the change towards a more	
	volatile electricity production	volatile electricity production	
	requires increased efforts to	requires increased efforts to	
	coordinate national energy	coordinate national energy	
	policies with neighbours and to	policies with neighbours and to	
	use the opportunities of cross-	use the opportunities of cross-	
	border electricity trade.	border electricity trade.	
10.	(7) Regulatory frameworks	(7) Regulatory frameworks	
	have developed, allowing	have developed, allowing	
	electricity to be traded across	electricity to be traded across the	
	the Union. That development	Union. That development has	
	has been supported by the	been supported by the adoption	
	adoption of several network	of several network codes and	
	codes and guidelines for the	guidelines for the integration of	
	integration of the electricity	the electricity markets. Those	
	markets. Those network codes	network codes and guidelines	
	and guidelines contain	contain provisions on market	
	provisions on market rules,	rules, system operation and	
	system operation and network	network connection. To ensure	
	connection. To ensure full	full transparency and increase	
	transparency and increase legal	legal certainty, the main	
	certainty, the main principles of	principles of market functioning	
	market functioning and capacity	and capacity allocation in the	
	allocation in the balancing,	balancing, intraday, day ahead	
	intraday, day ahead and forward	and forward market timeframes	
	market timeframes should also	should also be adopted pursuant	
	be adopted pursuant to the	to the ordinary legislative	
	ordinary legislative procedure	procedure and incorporated in a	
	and incorporated in a single act.	single act.	

11. (7a) The Balancing Guideline establishes in its Article 13 a process where transmission system operators are able to delegate all or part of their tasks to a third party. The delegating transmission system operators should remain responsible for ensuring compliance with the obligations in this Regulation. Likewise, Member States should be able to assign tasks and obligations to a third party. Such assignment should be limited to tasks and obligations executed at national level (such as imbalance settlement). The limitations to the assignment should not lead to unnecessary changes to the existing national arrangements. However, transmission system operators should remain responsible for the tasks entrusted to them pursuant to **Article 40 of the [recast Electricity Directive**].

10	
12.	(7b) The Balancing Guideline
	established in its Articles 18,
	30 and 32 that the pricing
	method for standard and
	specific products for balancing
	energy should create positive
	incentives for market
	participants in keeping and/or
	helping to restore the system
	balance of their imbalance
	price area, reduce system
	imbalances and costs for
	society. Such pricing approach
	should strive for an
	economically efficient use of
	demand response and other
	balancing resources subject to
	operational security limits.
	The pricing method used in
	the procurement of balancing
	capacity should strive for an
	economically efficient use of
	demand response and other
	balancing resources subject to
	operational security limits.

13. (7c) The integration of balancing energy markets should facilitate the efficient functioning of the intraday market in order to provide the possibility for market participants to balance themselves as close as possible to real time as set with the balancing energy gate closure times defined in Article 24 of the Balancing Guideline. Only the imbalances remaining after the end of the intraday market should be balanced by transmission system operators with the balancing market. The Balancing Guideline foresees in its Article 53 the harmonisation of the imbalance settlement period to 15 minutes in Europe. Such harmonisation should support intraday trading and foster the development of a number of trading products with same delivery windows.

14. (7d) In order to enable transmission system operators to procure and use balancing capacity in an efficient, economic and market-based manner, there is a need to foster market integration. In this regard, the Balancing **Guidelines established in its** Title IV three methodologies through which transmission system operators may allocate cross-zonal capacity for the exchange of balancing capacity and sharing of reserves, when supported on the basis of a cost-benefit analysis: the cooptimisation process, the market-based allocation process and the allocation based on an economic efficiency analysis. The cooptimisation allocation process should be performed on a dayahead basis whereas the market-based allocation process could be performed where the contracting is done not more than one week in advance of the provision of the balancing capacity and the allocation based on an economic efficiency analysis where the contracting is done more than one week in

advance of the provision of the balancing capacity on the conditions that the volumes allocated are limited and that an assessment is done every year. Once a methodology for the allocation process of crosszonal capacity is approved by the relevant regulatory authorities, early application of the methodology by two or more transmission system operators could take place to gain experience and allow for a smooth application by more transmission system operators in the future. The application of such a methodology, where existing, should nevertheless be harmonised by all transmission system operators in order to foster market integration.

15.	(7e) The Balancing Guideline	
	establishes in its Title V that	
	the general objective of	
	imbalance settlement is to	
	ensure that balance	
	responsible parties support the	
	system's balance in an efficient	
	way and to incentivise market	
	participants in keeping and/or	
	helping to restore the system	
	balance. To make balancing	
	markets and the overall	
	energy system fit for the	
	integration of increasing	
	shares of variable renewables,	
	imbalance prices should reflect	
	the real-time value of energy.	

(7f) The guideline on 16. capacity allocation and congestion management sets out detailed guidelines on cross-zonal capacity allocation and congestion management in the day-ahead and intraday markets, including the requirements for the establishment of common methodologies for determining the volumes of capacity simultaneously available between bidding zones, criteria to assess efficiency and a review process for defining bidding zones. Articles 32 and 34 set out rules on review of bidding zone configuration, Articles 41 and 54 set out harmonised limits on maximum and minimum clearing prices for day-ahead and intraday timeframes, Article 59 sets out rules on intraday cross-zonal gate closure times, whereas Article 74 of the guideline sets out rules on redispatching and countertrading cost sharing methodologies.

17.	(7g) The guideline on
1	forward capacity allocation
	sets out detailed rules on cross-
	zonal capacity allocation in the
	forward markets, on the
	establishment of a common
	methodology to determine
	long-term cross-zonal
	capacity, on the establishment
	of a single allocation platform
	at European level offering
	long-term transmission rights,
	and on the possibility to return
	long-term transmission rights
	for subsequent forward
	capacity allocation or transfer
	long-term transmission rights
	between market participants.
	Article 30 of the guideline sets
	out rules on forward hedging
	products.

10		(7b) The returnal code or
18.		(7h) The network code on
		requirements for generators ²
		sets out the requirements for
		grid connection of power-
		generating facilities, namely
		synchronous power-generating
		modules, power park modules
		and offshore power park
		modules, to the interconnected
		system. It, therefore, helps to
		ensure fair conditions of
		competition in the internal
		electricity market, to ensure
		system security and the
		integration of renewable
		electricity sources, and to
		facilitate Union-wide trade in
		electricity. Articles 66 and 67
		of the network code set out
		rules for emerging
		technologies in electricity
		generation.
19.	(8) Core market principles	(8) Core market principles
17.	should set out that electricity	should set out that electricity
	prices are to be determined	prices are to be determined
	through demand and supply.	through demand and supply.
	Those prices should signal	Those prices should signal when
	when electricity is needed,	electricity is needed, providing
	providing market-based	market-based incentives for
	incentives for investments into	investments into flexibility
	flexibility sources such as	sources such as flexible
	flexible generation,	generation, interconnection,
	interconnection, demand	demand response or storage.
	response or storage.	demand response of storage.
	response of storage.	

² Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators.

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20. The decarbonisation of the electricity sector, with renewable energy becoming a major part of the market, is a core objective of the Energy Union. As the Union moves towards the decarbonisation of the electricity sector and increasing penetration of renewable energy sources, it is crucial that the market removes existing barriers to cross-border trade and encourages investments into supporting infrastructure, for example, more flexible generation, interconnection, demand response and storage. To support this shift to variable and distributed generation, and to ensure that energy market principles are the basis for the Union's electricity markets of the future, a renewed focus on short-term markets and scarcity pricing is essential.

While decarbonisation of the electricity sector, with renewable energy becoming a major part of the market, is one of the goals of the Energy Union [] it is crucial that the market removes existing barriers to cross-border trade and encourages investments into supporting infrastructure, for example, more flexible generation, interconnection, demand response and storage. To support this shift to variable and distributed generation, and to ensure that energy market principles are the basis for the Union's electricity markets of the future, a renewed focus on short-term markets and scarcity pricing is essential.

21.

(10) Short-term markets will improve liquidity and competition by enabling more resources to participate fully in the market, especially those that are more flexible. Effective scarcity pricing will encourage market participants to be available when the market most needs it and ensures that they can recover their costs in the wholesale market. It is therefore critical to ensure that, as far as possible, administrative and implicit price caps are removed to allow scarcity prices to increase up to the value of lost load. When fully embedded in the market structure, short-term markets and scarcity pricing will contribute to the removal of other measures, such as capacity mechanisms, to ensure security of supply. At the same time, scarcity pricing without price caps on the wholesale market should not jeopardize the possibility for reliable and stable prices for final customers, in particular households and SMEs.

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(10) Short-term markets will improve liquidity and competition by enabling more resources to participate fully in the market, especially those that are more flexible. Effective scarcity pricing will encourage market participants to react to market signals and to be available when the market most needs it and ensures that they can recover their costs in the wholesale market. It is therefore critical to ensure that administrative and implicit price caps are removed to allow scarcity *pricing*. When fully embedded in the market structure. short-term markets and scarcity pricing will contribute to the removal of other market distortive measures, such as capacity mechanisms, to ensure security of supply. At the same time, scarcity pricing without price caps on the wholesale market should not jeopardize the possibility for reliable and stable prices for final customers, in particular households, SMEs and industrial consumers.

(10) Short-term markets will improve liquidity and competition by enabling more resources to participate fully in the market, especially those that are more flexible. Effective scarcity pricing will encourage market participants to be available when the market most needs it and ensures that they can recover their costs in the wholesale market. It is therefore critical to ensure that, as far as possible, administrative and implicit price caps are removed to allow scarcity prices to increase up to the value of lost load. When fully embedded in the market structure, short-term markets and scarcity pricing will contribute to the removal of other measures, such as capacity mechanisms, to ensure security of supply. At the same time, scarcity pricing without price caps on the wholesale market should not jeopardize the possibility for reliable and stable prices for final customers, in particular households and SMEs.

22.	(11) Derogations to		(11) Subject to Union State	
	fundamental market principles		aid rules pursuant to Articles	
	such as balancing		107, 108 and 109 derogations to	
	responsibility, market-based		fundamental market principles	
	dispatch, or curtailment and		such as balancing responsibility,	
	redispatch reduce flexibility		market-based dispatch, or []	
	signals and act as barriers to the		redispatch reduce flexibility	
	development of solutions such		signals and act as barriers to the	
	as storage, demand response or		development of solutions such	
	aggregation. While derogations		as storage, demand response or	
	are still necessary to avoid		aggregation. While derogations	
	unnecessary administrative		are still necessary to avoid	
	burden for certain actors, in		unnecessary administrative	
	particular households and		burden for certain actors, in	
	SMEs, broad derogations		particular households and SMEs,	
	covering entire technologies are		broad derogations covering	
	not consistent with the		entire technologies are not	
	objective of achieving market-		consistent with the [] aim of	
	based and efficient		achieving market-based and	
	decarbonisation and should thus		efficient decarbonisation	
	be replaced by more targeted		process and should thus be	
	measures.		replaced by more targeted	
			measures.	
23.	(12) The precondition for	AM 3	(12) The precondition for	
	effective competition in the	(12) The precondition for	effective competition in the	
	internal market in electricity is	effective competition in the internal	internal market in electricity is	
	non-discriminatory and	market in electricity is non-	non-discriminatory and	
	transparent charges for network	discriminatory, transparent and	transparent charges for network	
	use including interconnecting	adequate charges for network use	use including interconnecting	
	lines in the transmission	including interconnecting lines in	lines in the transmission system.	
	system. The available capacity	the transmission system. The	Uncoordinated curtailments of	
	of those lines should be set at	available capacity of those lines	interconnector capacities	
	the maximum levels consistent	should be set at the maximum	increasingly limit the exchange	
	with the safety standards of	levels consistent with the safety	of electricity between Member	
	secure network operation.	standards of secure network	States and have become a	
		operation.		

serious obstacle to the development of a functioning internal market in electricity. The available capacity of [] interconnectors should **therefore** be set at the maximum level consistent with the safety standards of secure network operation including respecting (n-1) security. However, there are some limitations to setting the capacity level in a meshed grid. The level of unscheduled flows should not go beyond what could be expected in a bidding zone without structural congestions. Further, foreseeable problems for ensuring grid security might occur, for example in case of grid maintenance. Also case-by-case grid security issues might occur. **Limitations beyond that level** can only be accepted for a limited transitional phase which is necessary to adapt the current physical situation in the grids to use the maximum capacity of the interconnectors. The new target benchmark, and if applicable, the linear trajectory towards this level, should ensure that a minimum

		share of the interconnector	
		capacity is being available for	
		trade or used in the capacity	
		calculation respectively. Loop	
		flows should only be taken into	
		account for calculating	
		capacity to the extent that they	
		would exist without internal	
		congestion. Whereas certain	
		clearly circumscribed	
		limitations in cross-zonal	
		capacity may be justifiable, a	
		clear minimum threshold	
		needs to be put in place,	
		preventing excessive use of	
		derogation possibilities and	
		giving a predictable capacity	
		value for market participants.	
		Where a flow-based approach	
		is used, this threshold should	
		determine the minimum share	
		of the thermal capacity of an	
		interconnector to be used as an	
		input for coordinated capacity	
		allocation under the capacity	
		calculation and congestion	
		management guideline.	
24.	(13) It is important to avoid	(13) It is important to avoid	
	distortion of competition	distortion of competition	
	resulting from the differing	resulting from the differing	
	safety, operational and planning	safety, operational and planning	
	standards used by transmission	standards used by transmission	
	system operators in Member	system operators in Member	
	States. Moreover, there should	States. Moreover, there should	
	be transparency for market	be transparency for market	

	participants concerning		participants concerning available	
	available transfer capacities and		transfer capacities and the	
	the security, planning and		security, planning and	
	operational standards that affect		operational standards that affect	
	the available transfer capacities.		the available transfer capacities.	
25.	(14) To efficiently steer		(14) To efficiently steer	
	necessary investments, prices		necessary investments, prices	
	also need to provide signals		also need to provide signals	
	where electricity is most		where electricity is most needed.	
	needed. In a zonal electricity		In a zonal electricity system,	
	system, correct locational		correct locational signals require	
	signals require a coherent,		a coherent, objective and reliable	
	objective and reliable		determination of bidding zones	
	determination of bidding zones		via a transparent process. In	
	via a transparent process. In		order to ensure efficient	
	order to ensure efficient		operation and planning of the	
	operation and planning of the		Union electricity network and to	
	Union electricity network and		provide effective price signals	
	to provide effective price		for new generation capacity,	
	signals for new generation		demand response or	
	capacity, demand response or		transmission infrastructure,	
	transmission infrastructure,		bidding zones should reflect	
	bidding zones should reflect		structural congestion. In	
	structural congestion. In		particular, cross-zonal capacity	
	particular, cross-zonal capacity		should not be reduced in order to	
	should not be reduced in order		resolve internal congestion.	
	to resolve internal congestion.			
26.			(14a) To reflect the divergent	
			principles of optimising	
			bidding zones without	
			jeopardizing liquid markets	
			and grid investments two	
			options should be foreseen to	
			overcome congestions.	
			Member States can choose	
1		1		1

between a bidding zone split or measures such as grid reinforcement and grid optimisation. The starting point for such a decision should be the identification of long term structural congestions either by the transmission system operator of a Member State or by the bidding zone review. Member States should try to find a common solution first on how to best address congestions. In that course the Member States might adopt multinational or national action plans to overcome congestions. At the end of the implementation of this action plan, Member States should have a possibility to choose whether to opt for a split or whether to opt for covering remaining congestions with remedial actions for which they bear the costs. In the latter case they shall not be split against their will, as long as the level of minimum capacity benchmark is reached. The minimum level of capacity that should be used in capacity calculation should be a percentage of the capacity of a critical network element after respecting operational

security limits in contingency situation and taking account of the reliability margin. The capacity of the critical network elements should not take into account internal congestions or flows leaving and entering the same bidding zones without being scheduled. A Commission decision on the bidding zone configuration should be possible as a measure of last resort and only amend the bidding zone configuration in those Member States which have opted for a split or which have not reached the minimum level of the benchmark. For Member States adopting an action plan to overcome congestions with measures, a phase-in period for the opening of interconnectors should apply. To this end, Member State should agree on a linear trajectory the starting point of which is the capacity allocated at this border before the implementation of the action plan.

	(4.5) 7.00 1 1 1 1 1		
27.	(15) Efficient decarbonisation	(15) Efficient [] marke	et
	of the electricity system via	integration requires	
	market integration requires	systematically abolishing	
	systematically abolishing	barriers to cross-border tr	rade to
	barriers to cross-border trade to	overcome market fragme	ntation
	overcome market fragmentation	and to allow Union energ	y
	and to allow Union energy	customers to fully benefit	t from
	customers to fully benefit from	the advantages of integra	ted
	the advantages of integrated	electricity markets and	
	electricity markets and	competition.	
	competition.		
28.	(16) This Regulation should	(16) This Regulation sh	ould
	lay down basic principles with	lay down basic principles	with
	regard to tarification and	regard to tarification and	
	capacity allocation, whilst	capacity allocation, whils	st
	providing for the adoption of	providing for the adoption	n of
	guidelines detailing further	guidelines detailing furth	
	relevant principles and	relevant principles and	
	methodologies, in order to	methodologies, in order t	o allow
	allow rapid adaptation to	rapid adaptation to chang	
	changed circumstances.	circumstances.	
29.	(17) The management of	(17) The management of	of
	congestion problems should	congestion problems show	uld
	provide correct economic	provide correct economic	signals
	signals to transmission system	to transmission system or	perators
	operators and market	and market participants a	nd
	participants and should be	should be based on market	et
	based on market mechanisms.	mechanisms.	

30.	(18) In an open, competitive	(18) In an open, competitive
	market, transmission system	market, transmission system
	operators should be	operators should be
	compensated for costs incurred	compensated for costs incurred
	as a result of hosting cross-	as a result of hosting cross-
	border flows of electricity on	border flows of electricity on
	their networks by the operators	their networks by the operators
	of the transmission systems	of the transmission systems from
	from which cross-border flows	which cross-border flows
	originate and the systems where	originate and the systems where
	those flows end.	those flows end.
31.	(19) Payments and receipts	(19) Payments and receipts
	resulting from compensation	resulting from compensation
	between transmission system	between transmission system
	operators should be taken into	operators should be taken into
	account when setting national	account when setting national
	network tariffs.	network tariffs.
32.	(20) The actual amount	(20) The actual amount
	payable for cross-border access	payable for cross-border access
	to the system can vary	to the system can vary
	considerably, depending on the	considerably, depending on the
	transmission system operator	transmission system operator
	involved and as a result of	involved and as a result of
	differences in the structure of	differences in the structure of the
	the tarification systems applied	tarification systems applied in
	in Member States. A certain	Member States. A certain degree
	degree of harmonisation is	of harmonisation is therefore
	therefore necessary in order to	necessary in order to avoid
	avoid distortions of trade.	distortions of trade.

33.	(21) There should be rules on	(21) There should be rules on
	the use of revenues flowing	the use of revenues flowing from
	from congestion-management	congestion-management
	procedures, unless the specific	procedures, unless the specific
	nature of the interconnector	nature of the interconnector
	concerned justifies an	concerned justifies an exemption
	exemption from those rules.	from those rules.
34.	(22) To provide for a level	(22) To provide for a level
	playing field between all	playing field between all market
	market participants, network	participants, network tariffs
	tariffs should be applied in a	should be applied in a way
	way which does not	which does not discriminate
	discriminate between	between production connected at
	production connected at the	the distribution-level with regard
	distribution-level with regard to	to the production connected at
	the production connected at the	the transmission level, either
	transmission level, either	positively or negatively. They
	positively or negatively. They	should not discriminate against
	should not discriminate against	energy storage, and should not
	energy storage, and should not	create disincentives for
	create disincentives for	participation in demand response
	participation in demand	or represent an obstacle to
	response or represent an	improvements in energy
	obstacle to improvements in	efficiency.
	energy efficiency.	

35.	(23) In order to increase	(23) In order to increase	
	transparency and comparability	transparency and comparability	
	in tariff-setting where binding	in tariff-setting where binding	
	harmonization is not seen as	harmonization is not seen as	
	adequate, recommendations on	adequate, [] best practice	
	tariff methodologies should be	report on tariff methodologies	
	issued by the European Agency	should be issued by the	
	for the Cooperation of Energy	European Agency for the	
	Regulators established by	Cooperation of Energy	
	[recast of Regulation (EC) No	Regulators established by [recast	
	713/2009 as proposed by	of Regulation (EC) No 713/2009	
	COM(2016) 863/2] ("the	as proposed by COM(2016)	
	Agency").	863/2] ("the Agency").	
36.	(24) To better ensure optimum	(24) To better ensure optimum	
	investment in the trans-	investment in the trans-European	
	European grid and address the	grid and address the challenge	
	challenge where viable	where viable interconnection	
	interconnection projects cannot	projects cannot be built for lack	
	be built for lack of prioritisation	of prioritisation at national level,	
	at national level, the use of	the use of congestion rents	
	congestion rents should be	should be reconsidered and	
	reconsidered and only allowed	contribute [] to guarantee	
	in order to guarantee	availability and maintain or	
	availability and maintain or	increase interconnection	
	increase interconnection	capacities.	
	capacities.	capacities.	
37.	(25) In order to ensure	(25) In order to ensure optimal	
31.	optimal management of the	management of the electricity	
	electricity transmission network	transmission network and to	
	and to allow trading and	allow trading and supplying	
	supplying electricity across	electricity across borders in the	
	borders in the Union, a	Union, a European Network of	
	European Network of	Transmission System Operators	
	Transmission System Operators	for Electricity (the ENTSO for	
	for Electricity (the ENTSO for	Electricity), should be	
	Electricity), should be	established. The tasks of the	

established. The tasks of the ENTSO for Electricity should be carried out in compliance with Union's competition rules which remain applicable to the decisions of the ENTSO for Electricity. The tasks of the ENTSO for Electricity should be well-defined and its working method should ensure efficiency, transparency and the representative nature of the ENTSO for Electricity. The network codes prepared by the ENTSO for Electricity are not intended to replace the necessary national network codes for non-cross-border issues. Given that more effective progress may be achieved through an approach at regional level, transmission system operators should set up regional structures within the overall cooperation structure, whilst ensuring that results at regional level are compatible with network codes and nonbinding ten-year network development plans at Union level. Member States should promote cooperation and monitor the effectiveness of the network at regional level. Cooperation at regional level should be compatible with progress towards a competitive

ENTSO for Electricity should be carried out in compliance with Union's competition rules which remain applicable to the decisions of the ENTSO for Electricity. The tasks of the ENTSO for Electricity should be well-defined and its working method should ensure efficiency, transparency and the representative nature of the ENTSO for Electricity. The network codes prepared by the ENTSO for Electricity are not intended to replace the necessary national network codes for noncross-border issues Given that more effective progress may be achieved through an approach at regional level, transmission system operators should set up regional structures within the overall cooperation structure, whilst ensuring that results at regional level are compatible with network codes and nonbinding ten-vear network development plans at Union level. Member States should promote cooperation and monitor the effectiveness of the network at regional level. Cooperation at regional level should be compatible with progress towards a competitive and efficient internal market in electricity.

	and efficient internal market in			
38.	electricity. (26) A robust medium to long-term Union level resource adequacy assessment should be carried out by the ENTSO for Electricity to provide an objective basis for the assessment of adequacy concerns. The resource adequacy concern that capacity mechanisms address should be based on the EU assessment.	AM 4 (26) A robust methodology for the long-term Union level resource adequacy assessment should be carried out by the ENTSO for Electricity to provide an objective basis for the assessment of adequacy concerns at the Union, regional and Member State level and the biding zone levels. The resource adequacy concern that capacity mechanisms address should be based on the EU assessment. Capacity mechanisms should be allowed to be introduced only if the Union level resource adequacy assessment, conducted by the ENTSO-E, has identified adequacy concerns or if a positive decision concerning the implementation plan has been received from the Commission.	(26) A robust medium to long-term Union level resource adequacy assessment should be carried out by the ENTSO for Electricity to provide an objective basis for the assessment of adequacy concerns. In order to provide this objective basis for all types of capacity mechanisms, the resource adequacy assessment shall reflect in its scenarios and sensitivities the different types of capacity mechanisms. The resource adequacy concern that capacity mechanisms address should be based on [] a well coordinated national and European resource adequacy assessment.	
39.	(27) The medium to long-term resource adequacy assessment (from 10 year-ahead to year-ahead) set out in this regulation has a different purpose than the seasonal outlooks (six months ahead) as set out in Article 9 [Regulation on risk preparedness as proposed by COM(2016) 862]. Medium- to long-term assessments are	AM 5 (27) The methodology for the long-term resource adequacy assessment (from 10 year-ahead to year-ahead) set out in this regulation has a different purpose than the seasonal outlooks (six months ahead) as set out in Article 9 [Regulation on risk preparedness as proposed by COM(2016) 862]. Medium- to long-term assessments	(27) The medium to long-term resource adequacy assessment (from 10 year-ahead to year-ahead) set out in this regulation has a different purpose than the seasonal outlooks (six months ahead) as set out in Article 9 [Regulation on risk preparedness as proposed by COM(2016) 862]. Medium- to long-term assessments are mainly used to	

	mainly used to assess the need	are mainly used to <i>identify</i>	assess the need for capacity	
	for capacity mechanisms	adequacy concerns whereas	mechanisms whereas seasonal	
	whereas seasonal outlooks are	seasonal outlooks are used to alert	outlooks are used to alert to risks	
	used to alert to risks that might	to <i>short-term</i> risks that might occur	that might occur in the following	
	occur in the following six	in the following six months that are	six months that are likely to	
	months that are likely to result	likely to result in a significant	result in a significant	
	in a significant deterioration of	deterioration of the electricity	deterioration of the electricity	
	the electricity supply situation.	supply situation. In addition,	supply situation. In addition, []	
	In addition, Regional	Regional <i>Coordination</i> Centres	Regional Security	
	Operational Centres also carry	also carry out regional adequacy	Coordinators also carry out	
	out regional adequacy	assessments as defined in European	regional adequacy assessments	
	assessments as defined in	legislation on electricity	as defined in European	
	European legislation on	transmission system operation.	legislation on electricity	
	electricity transmission system	These are very short-term adequacy	transmission system operation.	
	operation. These are very short-	assessments (from weak-ahead to	These are very short-term	
	term adequacy assessments	day-ahead) used in the context of	adequacy assessments (from	
	(from weak-ahead to day-	system operation.	weak-ahead to day-ahead) used	
	ahead) used in the context of		in the context of system	
	system operation.		operation.	
40.	(28) Prior to introducing		(28) Prior to introducing	
	capacity mechanisms, Member		capacity mechanisms, Member	
	States should assess regulatory		States should assess regulatory	
	distortions contributing to the		distortions contributing to the	
	related resource adequacy		related resource adequacy	
	concern. They should be		concern. They should be	
	required to adopt measures to		required to adopt measures to	
	eliminate the identified		eliminate the identified	
	distortions including a timeline		distortions including a timeline	
	for their implementation.		for their implementation.	
	Capacity mechanisms should		Capacity mechanisms should	
	only be introduced for the		only be introduced for the []	
	residual concerns that cannot be		concerns that cannot be	
	addressed through removing		addressed through removing	
	such distortions.		such distortions.	

41.		AM 6 (28a) Member States should introduce capacity mechanisms only as a last resort, where adequacy concerns cannot be addressed through the removal of existing market distortions. Before introducing a capacity mechanism which operates within the electricity market and therefore is market-distortive, Member States should evaluate whether strategic reserves would be sufficient to address their adequacy concerns. Strategic reserves are less distortive since they operate only outside the market and only in rare cases when markets can no longer clear. Strategic reserves can avoid financial consequences to market operators that cannot fulfil their balancing responsibilities and that would		
42.	(29) Member States intending	consequently bear significant cost.	(29) Member States intending	
	to introduce capacity		to introduce capacity	
	mechanisms should derive resource adequacy targets		mechanisms should derive resource adequacy targets	
	following a transparent and		following a transparent and	
	verifiable process. Member		verifiable process. Member	
	States should have the freedom		States should have the freedom to set their own desired level of	
	to set their own desired level of security of supply.		security of supply.	
	security of suppry.			

43.	(30) Main principles of capacity mechanisms should be laid down, building on the environmental and energy State aid principles and the findings of DG Competition's Sector Inquiry on capacity mechanisms. Capacity mechanisms already in place should be reviewed in light of these principles. In case the European resource adequacy assessment reveals the absence of any adequacy concern, no new capacity mechanism should be established and no new capacity commitments under mechanisms already in place should be made. The application of the State aid control rules pursuant to Articles 107 to 109 TFUE must		(30) Main principles of capacity mechanisms should be laid down. Capacity mechanisms already in place should be reviewed in light of these principles. In case the European and the national resource adequacy assessment reveals the absence of any adequacy concern, no new capacity mechanism should be established and no new capacity commitments under mechanisms already in place should be made. The application of the State aid control rules pursuant to Articles 107 to 109 TFUE must be complied with at all times.	
44.	be complied with at all times. (31) Detailed rules for facilitating effective cross-border participation in capacity mechanisms other than reserve schemes should be laid down. Transmission system operators across the borders should facilitate interested generators wanting to participate in capacity mechanisms in other Member States. Therefore, they should calculate capacities up to which cross-border	AM 7 (31) Detailed rules for facilitating effective cross-border participation in capacity mechanisms other than strategic reserves should be laid down in this Regulation. Transmission system operators across the borders should facilitate the participation of interested generators in capacity mechanisms in other Member States. Therefore, they should calculate capacities up to which cross-border participation	(31) Detailed rules for facilitating effective cross-border participation in capacity mechanisms other than reserve schemes should be laid down. Transmission system operators across the borders should facilitate interested generators wanting to participate in capacity mechanisms in other Member States. Therefore, they should calculate capacities up to which cross-border participation	

	participation would be possible, enable participation and check availabilities. National regulatory authorities should enforce the cross-border rules in the Member States.	would be possible, enable participation and check availabilities. National regulatory authorities should enforce the cross-border rules in the Member States.	would be possible, enable participation and check availabilities. [] Regulatory authorities should enforce the cross-border rules in the Member States.	
45.	(32) In view of differences in national energy systems and technical limitations of existing electricity networks, the best approach to achieving progress in market integration will often be at a regional level. Regional cooperation of transmission system operators should thus be strengthened. In order to ensure efficient cooperation, a new regulatory framework should foresee stronger regional governance and regulatory oversight, including by strengthening the decision-making power of the Agency for cross-border issues. Closer cooperation of Member States could be needed also in crisis situations, to increase security of supply and limit market distortions.		(32) In view of differences in national energy systems and technical limitations of existing electricity networks, the best approach to achieving progress in market integration will often be at a regional level. Regional cooperation of transmission system operators should thus be strengthened. In order to ensure efficient cooperation, a new regulatory framework should foresee stronger regional governance and regulatory oversight, including by strengthening the decision-making power of the Agency for cross-border issues. Closer cooperation of Member States could be needed also in crisis situations, to increase security of supply and limit market distortions.	
46.	(33) The coordination between transmission system operators at regional level has been formalised with the mandatory participation of transmission system operators		(33) The coordination between transmission system operators at regional level has been formalised with the mandatory participation of transmission system operators in regional	Compromise proposal: (33) The coordination between transmission system operators at regional level has been formalised with the mandatory participation of transmission system operators in regional security

	in regional security coordinators, which should be complemented by an enhanced institutional framework via the establishment of regional operational centres. The creation of regional operational centres should take into account existing regional coordination initiatives and support the increasingly integrated operation of electricity systems across the Union, ensuring their efficient and secure performance.	security coordinators, which should be [] further developed and support the increasingly integrated operation of electricity systems across the Union, ensuring their efficient and secure performance.	coordinators, which should be [] further developed and support the increasingly integrated operation of electricity systems across the Union, ensuring their efficient and secure performance. For this reason, it is necessary to ensure that the coordination of transmission system operators through [Regional Security Coordinators] takes place across the EU. Where transmission system operators of a given region are not coordinated yet by an existing or planned [Regional Security Coordinator], the transmission system operator of that region should establish or designate a [Regional Security Coordinator].
47.	(34) The geographical scope of regional operational centres should allow them to play an effective coordination role by optimising the operations of transmission system operators over larger regions.	[] Regional Security Coordinators should allow them to play an effective contribution to the coordination of [] the operations of transmission system operators over [] regions and lead to enhanced system security and market efficiency. Regional Security Coordinators should have the flexibility to carry out the tasks in the region as best adapted to the nature of the individual tasks entrusted to them.	(in relation to article 32.1 (line 521))

48.	(35) Regional operational	AM 8	(35) [] Regional Security	
	centres should carry out	(35) Regional <i>coordination</i>	Coordinators should fulfil	
	functions where their	centres should carry out functions	tasks where their regionalisation	
	regionalisation brings added	where their regionalisation brings	brings added value compared to	
	value compared to functions	added value compared to functions	functions performed at national	
	performed at national level. The	performed at national level. The	level. The [] tasks of []	
	functions of regional	functions of regional operational	Regional Security	
	operational centres should	centres should cover the functions	Coordinators should cover the	
	cover the functions carried out	carried out by regional security	functions carried out by regional	
	by regional security	coordinators as well as additional	security coordinators pursuant	
	coordinators as well as	functions with regional	to the System Operation	
	additional system operation,	<i>importance</i> . The functions carried	Guideline ³ as well as additional	
	market operation and risk	out by regional <i>coordination</i>	system operation, market	
	preparedness functions. The	centres should exclude real time	operation and risk preparedness	
	functions carried out by	operation of the electricity system.	functions. The [] tasks carried	
	regional operational centres		out by [] Regional Security	
	should exclude real time		Coordinators should exclude	
	operation of the electricity		real time operation of the	
	system.		electricity system.	
49.		AM 9		
		(35 a) In performing their		
		functions, regional coordination		
		centres shall contribute to the		
		achievement of the 2030 and 2050		
		objectives set out in the climate		
		and energy policy framework.		

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Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (OJ L 220, 25.8.2017, p. 1).

50.	(36) Regional operational	(36) [] Regional Security	
	centres should primarily act in	Coordinators should primarily	
	the interest of system and	act in the interest of system and	
	market operation of the region	market operation of the region	
	over the interests of any single	over the interests of any single	
	entity. Hence, regional	entity. Hence, [] Regional	
	operational centres should be	Security Coordinators should	
	entrusted with decision-making	be entrusted with [] powers	
	powers to act and to direct	necessary to support []	
	actions to be taken by	actions to be taken by	
	transmission system operators	transmission system operators of	
	of the system operation region	the system operation region for	
	for certain functions and with	certain functions and with an	
	an enhanced advisory role for	enhanced advisory role for the	
	the remaining functions.	remaining functions.	
51.	(37) ENTSO for Electricity	(37) ENTSO for Electricity	
	should ensure that the actions of	should ensure that the actions of	
	regional operational centres are	[] Regional Security	
	coordinated across the regions'	Coordinators are coordinated	
	boundaries.	across the regions' boundaries.	
52.	(38) In order to raise	(38) In order to raise	
	efficiencies in the electricity	efficiencies in the electricity	
	distribution networks in the	distribution networks in the	
	Union and ensure close	Union and ensure close	
	cooperation with transmission	cooperation with transmission	
	system operators and ENTSO	system operators and ENTSO	
	for electricity, a European	for electricity, a European entity	
	entity of distribution system	of distribution system operators	
	operators in the Union ("EU	in the Union ("EU DSO entity")	
	DSO entity") should be	should be established. The tasks	
	established. The tasks of the EU	of the EU DSO entity should be	
	DSO entity should be well-	well-defined and its working	
	defined and its working method	method should ensure	
	should ensure efficiency,	efficiency, transparency and	
	transparency and	representativeness amongst the	

54.

Union, including the creation	interconnection capacities, with
of interconnection capacities,	due regard to the environment.
with due regard to the	Those network codes should be
environment. Those network	in line with framework
codes should be in line with	guidelines, which are non-
framework guidelines, which	binding in nature (framework
are non-binding in nature	guidelines) and which are
(framework guidelines) and	developed by the Agency. The
which are developed by the	Agency should have a role in
Agency . The Agency should	reviewing, based on matters of
have a role in reviewing, based	fact, draft network codes,
on matters of fact, draft	including their compliance with
network codes, including their	the framework guidelines, and it
compliance with the framework	should be enabled to recommend
guidelines, and it should be	them for adoption by the
enabled to recommend them for	Commission. The Agency
adoption by the Commission.	should assess proposed
The Agency should assess	amendments to the network
proposed amendments to the	codes and it should be enabled
network codes and it should be	to recommend them for adoption
enabled to recommend them for	by the Commission.
adoption by the Commission.	Transmission system operators
Transmission system operators	should operate their networks in
should operate their networks in	accordance with those network
accordance with those network	codes.
codes.	
(40) To ensure the smooth	(40) To ensure the smooth
functioning of the internal	functioning of the internal
market in electricity, provision	market in electricity, provision
should be made for procedures	should be made for procedures
which allow the adoption of	which allow the adoption of
decisions and guidelines with	decisions and guidelines with
regard, inter alia, to tarification	regard, inter alia, to tarification
and capacity allocation by the	and capacity allocation by the
Commission whilst ensuring the	Commission whilst ensuring the

	involvement of Member States'	involvement of Member States'
	regulatory authorities in that	regulatory authorities in that
	process, where appropriate	process, where appropriate
	through their European	through their European
	association. Regulatory	association. Regulatory
	authorities, together with other	authorities, together with other
	relevant authorities in the	relevant authorities in the
	Member States, have an	Member States, have an
	important role to play in	important role to play in
	contributing to the proper	contributing to the proper
	functioning of the internal	functioning of the internal
	market in electricity.	market in electricity.
55.	(41) All market participants	(41) All market participants
	have an interest in the work	have an interest in the work
	expected of the ENTSO for	expected of the ENTSO for
	Electricity. An effective	Electricity. An effective
	consultation process is therefore	consultation process is therefore
	essential and existing structures	essential and existing structures
	that are set up to facilitate and	that are set up to facilitate and
	streamline the consultation	streamline the consultation
	process, such as via national	process, such as via national
	regulators or the Agency,	regulators or the Agency, should
	should play an important role.	play an important role.

56.	(42) In order to ensure greater transparency regarding the entire electricity transmission network in the Union, the ENTSO for Electricity should draw up, publish and regularly update a non-binding Union-wide ten-year network development plan (Union-wide network development plan). Viable electricity transmission networks and necessary regional interconnections, relevant from a commercial or security of supply point of	(42) In order to ensure greater transparency regarding the entire electricity transmission network in the Union, the ENTSO for Electricity should draw up, publish and regularly update a non-binding Union-wide tenyear network development plan (Union-wide network development plan). Viable electricity transmission networks and necessary regional interconnections, relevant from a commercial or security of supply point of view, should be	
57.	network development plan. (43) Experience with the development and adoption of network codes has shown that it is useful to streamline the development procedure by clarifying that the Agency has the right to revise draft electricity network codes before submitting them to the Commission.	development plan (43) Experience with the development and adoption of network codes has shown that it is useful to streamline the development procedure by clarifying that the Agency has the right to [] approve draft electricity network codes before submitting them to the Commission.	

58.

(44) Investments in major new infrastructure should be promoted strongly while ensuring the proper functioning of the internal market in electricity. In order to enhance the positive effect of exempted direct current interconnectors on competition and security of supply, market interest during the project-planning phase should be tested and congestion-management rules should be adopted. Where direct current interconnectors are located in the territory of more than one Member State, the Agency should handle as a last resort the exemption request in order to take better account of its cross-border implications and to facilitate its administrative handling. Moreover, given the exceptional risk profile of constructing those exempt major infrastructure projects. undertakings with supply and production interests should be able to benefit from a temporary derogation from the full unbundling rules for the projects concerned. Exemptions

(44) Investments in major new infrastructure should be promoted strongly while ensuring the proper functioning of the internal market in electricity. In order to enhance the positive effect of exempted direct current interconnectors on competition and security of supply, market interest during the project-planning phase should be tested and congestionmanagement rules should be adopted. Where direct current interconnectors are located in the territory of more than one Member State, the Agency should handle as a last resort the exemption request in order to take better account of its crossborder implications and to facilitate its administrative handling. Moreover, given the exceptional risk profile of constructing those exempt major infrastructure projects. undertakings with supply and production interests should be able to benefit from a temporary derogation from the full unbundling rules for the projects concerned. Exemptions granted under Regulation (EC) No

	granted under Regulation (EC)	1228/2003 ⁵ continue to apply	
	No 1228/2003 ⁴ continue to	until the scheduled expiry date	
	apply until the scheduled expiry	as decided in the granted	
	date as decided in the granted	exemption decision.	
	exemption decision.	•	
59.	(45) To enhance trust in the	(45) To enhance trust in the	
	market, its participants need to	market, its participants need to	
	be sure that those engaging in	be sure that those engaging in	
	abusive behaviour can be	abusive behaviour can be subject	t
	subject to effective,	to effective, proportionate and	
	proportionate and dissuasive	dissuasive penalties. The	
	penalties. The competent	competent authorities should be	
	authorities should be given the	given the competence to	
	competence to investigate	investigate effectively	
	effectively allegations of	allegations of market abuse. To	
	market abuse. To that end, it is	that end, it is necessary that	
	necessary that competent	competent authorities have	
	authorities have access to data	access to data that provides	
	that provides information on	information on operational	
	operational decisions made by	decisions made by supply	
	supply undertakings. In the	undertakings. In the electricity	
	electricity market, many	market, many relevant decisions	
	relevant decisions are made by	are made by the generators,	
	the generators, which should	which should keep information	
	keep information in relation	in relation thereto available to	
	thereto available to and easily	and easily accessible by the	
	accessible by the competent	competent authorities for a fixed	
	authorities for a fixed period of	period of time. The competent	
	time. The competent authorities	authorities should, furthermore,	
	should, furthermore, regularly	regularly monitor the	

Regulation (EC) No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity (OJ L 176, 15.7.2003, p. 1).

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ANNEX TREE.2.B

Regulation (EC) No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity (OJ L 176, 15.7.2003, p. 1).

	monitor the compliance of the	compliance of the transmission	
	transmission system operators	system operators with the rules.	
	with the rules. Small generators	Small generators with no real	
	with no real ability to distort the	ability to distort the market	
	market should be exempt from	should be exempt from that	
	that obligation.	obligation.	
60.	(46) The Member States and	(46) The Member States and	
	the competent national	the competent national	
	authorities should be required	authorities should be required to	
	to provide relevant information	provide relevant information to	
	to the Commission. Such	the Commission. Such	
	information should be treated	information should be treated	
	confidentially by the	confidentially by the	
	Commission. Where necessary,	Commission. Where necessary,	
	the Commission should have an	the Commission should have an	
	opportunity to request relevant	opportunity to request relevant	
	information directly from	information directly from	
	undertakings concerned,	undertakings concerned,	
	provided that the competent	provided that the competent	
	national authorities are	national authorities are	
	informed.	informed.	

61.	(47) Member States should		(47) Member States should lay	
	lay down rules on penalties		down rules on penalties	
	applicable to infringements of	8	applicable to infringements of	
	the provisions of this	t	the provisions of this Regulation	
	Regulation and ensure that they	a	and ensure that they are	
	are implemented. Those	i	implemented. Those penalties	
	penalties must be effective,	r	must be effective, proportionate	
	proportionate and dissuasive.	8	and dissuasive.	
62.	(48) Member States and the		(48) Member States, [] the	
	Energy Community Contracting	I	Energy Community Contracting	
	Parties should closely cooperate	I	Parties and other third	
	on all matters concerning the		countries which are applying	
	development of an integrated	t	this Regulation or are part of	
	electricity trading region and	t	the synchronous grid of	
	should take no measures that		Continental Europe should	
	endanger the further integration		closely cooperate on all matters	
	of electricity markets or		concerning the development of	
	security of supply of Member	8	an integrated electricity trading	
	States and Contracting Parties.	r	region and should take no	
		r	measures that endanger the	
		l f	further integration of electricity	
		I	markets or security of supply of	
		1	Member States and Contracting	
			Parties.	

63.

(49) In order to ensure the minimum degree of harmonization required for effective market functioning. the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of areas which are fundamental for market integration. These should include the geographical area for regional cooperation of transmission system operators, the amount of compensation payments between transmission system operators, the adoption and amendment of network codes and guidelines, as well as the application of exemption provisions for new interconnectors. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and

(49) At the time of adoption of Regulation 714/2009, only few rules for the internal electricity market existed at EU level. Since then, the EU internal market has become more complex due to the fundamental change the markets are undergoing in particular regarding deployment of variable renewable electricity production. Therefore the **Network Codes and Guidelines** have become extensively comprehensive addressing both technical and general issues. In order to ensure the minimum degree of harmonization required for effective market functioning, the power to adopt and amend implementing acts in accordance with Article 291 of the Treaty on the Functioning of the European Union should be [conferred to the Commission in respect of **non-essential** elements of certain specific areas which are fundamental for market integration. These should include [] the adoption and amendment of network codes and guidelines, as well as the application of exemption

the Council receive all provisions for new documents at the same time as interconnectors. It is of Member States' experts, and particular importance that the their experts systematically Commission carry out have access to meetings of appropriate consultations during Commission expert groups its preparatory work, including dealing with the preparation of at expert level, and that those delegated acts. consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016⁶. In particular, to ensure equal participation in the preparation of [] implementing acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of [] implementing acts.

OJ L 123, 12.5.2016, p. 1.

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64.		(49a) The empowerment of the Commission to amend network codes and guidelines is limited until 31 December 2027. This interim period shall provide sufficient time for the Commission to carry out a review of the existing network codes and guidelines and if needed propose legislative acts of the Union.	
65.	(50) Since the objective of this Regulation, namely the provision of a harmonised framework for cross-border exchanges of electricity, cannot be sufficiently achieved by the Member States and can therefore be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity, as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective. HAVE ADOPTED THIS REGULATION:	(50) Since the objective of this Regulation, namely the provision of a harmonised framework for cross-border exchanges of electricity, cannot be sufficiently achieved by the Member States and can therefore be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity, as set out in Article 5 of the Treaty on European Union . In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.	

66.	(51) Market rules should
	enable the integration of
	electricity from renewable
	energy sources and provide
	incentives for increasing
	energy efficiency.
67.	(52) For reasons of coherence
	and legal certainty, nothing in
	this Regulation should prevent
	the application of the
	derogations emerging from
	[Article 66] of [Electricity
	Directive].
68.	(53) With regard to
	balancing markets, efficient
	and non-distortive price
	formation in the procurement
	of balancing capacity and
	balancing energy requires that
	balancing capacity does not set
	the price for balancing energy.
	This is without prejudice for
	the dispatching systems using
	an integrated scheduling
	process according to the
	Commission Regulation (EU)
	2017/XXXX [Balancing].
	HAVE ADOPTED THIS
	REGULATION:

69.	Chapter I Subject matter, scope and definitions			
70.		Article 1 Subject-matter and scope		
71.	This Regulation aims at: (a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 ⁷ by enabling market signals to be delivered for increased flexibility, decarbonisation and innovation;	(a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 ³⁰ by enabling market signals to be delivered for increased flexibility, efficiency, decarbonisation, innovation and a higher share of renewable energy sources.	This Regulation aims at: (a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 ⁸ by enabling market signals to be delivered for increased security of supply, flexibility, sustainability, decarbonisation and innovation;	(a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 20309 by enabling market signals to be delivered for increased efficiency, higher share of renewable energy sources, security of supply, flexibility, sustainability, decarbonisation and innovation;

⁷ COM/2014/015 final.

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72. setting fundamental principles for well-functioning. integrated electricity markets, which allow non-discriminatory market access for all resource providers and electricity customers, empower consumers, enable demand response and energy efficiency. facilitate aggregation of distributed demand and supply. and contribute to the decarbonisation of the economy by enabling market integration and market-based remuneration of electricity generated from renewable sources:

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setting fundamental (b) principles for well-functioning cross-border, integrated and liquid electricity markets, which allow non-discriminatory market access for all resource providers and electricity customers, empower consumers, enable competitiveness on the global market, demand response, energy storage and energy efficiency, facilitate aggregation of distributed demand and supply, and contribute to the decarbonisation of the economy by enabling market and sectoral integration and market-based remuneration of electricity generated from renewable sources:

(b) setting fundamental principles for well-functioning, integrated electricity markets, which allow non-discriminatory market access for all resource providers and electricity customers, empower consumers, enable demand response and energy efficiency, facilitate aggregation of distributed demand and supply, [] and enable market integration and market-based remuneration of electricity generated from renewable sources:

Provisionally agreed:

(b) setting fundamental principles for well-functioning, integrated electricity markets, which allow non-discriminatory market access for all resource providers and electricity customers, empower consumers, enable *competitiveness on the global market as well as* demand response, *energy storage* and energy efficiency, facilitate aggregation of distributed demand and supply, [] and enabling market *and sectoral* integration and market-based remuneration of electricity generated from renewable sources;

73.	(c) setting fair rules for cross-border exchanges in electricity, thus enhancing competition within the internal market in electricity, taking into account the particular characteristics of national and regional markets. This includes the establishment of a compensation mechanism for cross-border flows of electricity and the setting of harmonised principles on cross-border transmission charges and the allocation of available		(c) setting fair rules for cross-border exchanges in electricity, thus enhancing competition within the internal market in electricity, taking into account the particular characteristics of national and regional markets. This includes the establishment of a compensation mechanism for cross-border flows of electricity and the setting of harmonised principles on cross-border transmission charges and the allocation of available capacities of interconnections	(c) setting fair rules for cross-border exchanges in electricity, thus enhancing competition within the internal market in electricity, taking into account the particular characteristics of national and regional markets. This includes the establishment of a compensation mechanism for cross-border flows of electricity and the setting of harmonised principles on cross-border transmission charges and the allocation of available capacities of interconnections between national transmission systems;
	between national transmission systems;		systems;	
74.	(d) facilitating the emergence of a well-functioning and transparent wholesale market with a high level of security of supply in electricity. It provides for mechanisms to harmonise the rules for cross-border exchanges in electricity.	AM 12 (d) facilitating the emergence of a well-functioning, <i>liquid</i> and transparent <i>whole sale</i> market <i>contributing to</i> a high level of security of supply in electricity. It provides for mechanisms to harmonise the rules for crossborder exchanges in electricity.	(d) facilitating the emergence of a well-functioning and transparent wholesale market with a high level of security of supply in electricity. It provides for mechanisms to harmonise the rules for cross-border exchanges in electricity	Provisionally agreed: (d) facilitating the emergence of a well-functioning and transparent whole sale market <i>contributing to</i> a high level of security of supply in electricity. It provides for mechanisms to harmonise the rules for cross-border exchanges in electricity.

75.		Article 2 Definitions	
76.	1. For the purpose of this Regulation, the definitions contained in Article 2 of Directive [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], in Article 2 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council ¹⁰ , in Article 2 of Commission Regulation (EU) No 543/2013 ¹¹ and in Article 2 of [Recast Renewable Energies Directive] apply.	1. For the purpose of this Regulation, the definitions contained in Article 2 of Directive [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], in Article 2 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council ¹² , in Article 2 of Commission Regulation (EU) No 543/2013 ¹³ and in Article 2 of [Recast Renewable Energies Directive] apply [with the exception of the definition of 'interconnector' which shall be replaced by the following: 'interconnector' means a transmission line which crosses or spans a border between Member States and which connects the national transmission systems of the Member States.]	

Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L 326, 8.12.2011, p. 1).

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¹¹ 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 (OJ L 163, 15.6.2013, p. 1).

Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L 326, 8.12.2011, p. 1).

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 (OJ L 163, 15.6.2013, p. 1).

77.	2. In addition, the following definitions shall apply:		2. In addition, the following definitions shall apply:	
78.	(a) 'regulatory authorities' means the regulatory authorities referred to in Article 57(1) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2];		(a) 'regulatory authorities' means the regulatory authorities referred to in Article 57(1) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2];	
79.	(b) 'cross-border flow' means a physical flow of electricity on a transmission network of a Member State that results from the impact of the activity of producers and/or customers outside that Member State on its transmission network;		(b) 'cross-border flow' means a physical flow of electricity on a transmission network of a Member State that results from the impact of the activity of producers and/or customers outside that Member State on its transmission network;	
80.	(c) 'congestion' means a situation in which all requests from market participants to trade between two bidding zones cannot be accommodated because they would significantly affect the physical flows on network elements which cannot accommodate those flows;	AM 13 (c) 'congestion' means a situation in which all requests from market participants to trade [] cannot be accommodated because they would significantly affect the physical flows on network elements which cannot accommodate those flows;	(c) 'congestion' means a situation in which all requests from market participants to trade between [] network areas cannot be accommodated because they would significantly affect the physical flows on network elements which cannot accommodate those flows;	

81.	(d) 'new interconnector'		(d) 'new interconnector'	
	means an interconnector not		means an interconnector not	
	completed by 4 August 2003;		completed by 4 August 2003;	
82.	(e) 'structural congestion'	AM 14	(e) 'structural congestion'	
02.	means congestion in the	(e) 'structural congestion' means	means congestion in the	
	transmission system that is	congestion in the transmission	transmission system that can be	
	predictable, is geographically	system that is predictable, []	unambiguously defined, is	
	stable over time, and is	geographically stable over time,	predictable, is geographically	
	frequently reoccurring under	and frequently reoccurring under	stable over time, and is	
	normal power system	normal power system conditions;	frequently reoccurring under	
		normal power system conditions,		
	conditions;		normal power system	
02	(0 1 1 4 1 1		conditions;	
83.	(f) 'market operator' means		(f) 'market operator' means	
	an entity that provides a service		an entity that provides a service	
	whereby the offers to sell		whereby the offers to sell	
	electricity are matched with		electricity are matched with bids	
	bids to buy electricity;		to buy electricity;	
84.	(g) 'nominated electricity		(g) 'nominated electricity	
	market operator' or 'NEMO'		market operator' or 'NEMO'	
	means a market operator		means a market operator	
	designated by the competent		designated by the competent	
	authority to perform tasks		authority to perform tasks	
	related to single day-ahead or		related to single day-ahead or	
	single intraday coupling;		single intraday coupling;	
85.	(h) 'value of lost load' means		(h) 'value of lost load' means	
	an estimation in €/MWh, of the		an estimation in €/MWh, of the	
	maximum electricity price that		maximum electricity price that	
	customers are willing to pay to		customers are willing to pay to	
	avoid an outage;		avoid an outage;	

86.	(i) 'balancing' means all	(i) 'balancing' means all
00.	actions and processes, in all	actions and processes, in all
	timelines, through which	timelines, through which
	transmission system operators	transmission system operators
	ensure, in a continuous way,	ensure, in a continuous way,
	maintenance of the system	maintenance of the system
	frequency within a predefined	frequency within a predefined
	stability range and compliance	stability range and compliance
	with the amount of reserves	with the amount of reserves
	needed with respect to the	needed with respect to the
	required quality;	required quality;
87.	(j) 'balancing energy' means	(j) 'balancing energy' means
	energy used by transmission	energy used by transmission
	system operators to perform	system operators to perform
	balancing;	balancing;
88.	(k) 'balancing service	(k) 'balancing service
	provider' means a market	provider' means a market
	participant providing either or	participant providing either or
	both balancing energy and	both balancing energy and
	balancing capacity to	balancing capacity to
	transmission system operators;	transmission system operators;
89.	(l) 'balancing capacity'	(l) 'balancing capacity' means
	means a volume of capacity that	a volume of capacity that a
	a balancing service provider has	balancing service provider has
	agreed to hold to and in respect	agreed to hold to and in respect
	to which the balancing service	to which the balancing service
	provider has agreed to submit	provider has agreed to submit
	bids for a corresponding	bids for a corresponding volume
	volume of balancing energy to	of balancing energy to the
	the transmission system	transmission system operator for
	operator for the duration of the	the duration of the contract:
	contract;	and distances of the contract,
L	Contract,	

90.	(m) 'balance responsible	(m) 'balance responsible party'
	party' means a market	means a market participant or its
	participant or its chosen	chosen representative
	representative responsible for	responsible for its imbalances in
	its imbalances in the electricity	the electricity market;
	market;	
91.	(n) 'imbalance settlement	(n) 'imbalance settlement
	period' means the time unit for	period' means the time unit for
	which the imbalance of the	which the imbalance of the
	balance responsible parties is	balance responsible parties is
	calculated;	calculated;
92.	(o) 'imbalance price' means	(o) 'imbalance price' means
	the price, be it positive, zero or	the price, be it positive, zero or
	negative, in each imbalance	negative, in each imbalance
	settlement period for an	settlement period for an
	imbalance in each direction;	imbalance in each direction;
93.	(p) 'imbalance price area'	(p) 'imbalance price area'
	means the area in which an	means the area in which an
	imbalance price is calculated;	imbalance price is calculated;
94.	(q) 'prequalification process'	(q) 'prequalification process'
	means the process to verify the	means the process to verify the
	compliance of a provider of	compliance of a provider of
	balancing capacity with the	balancing capacity with the
	requirements set by the	requirements set by the
	transmission system operators;	transmission system operators;
95.	(r) 'reserve capacity' means	(r) 'reserve capacity' means
	the amount of frequency	the amount of frequency
	containment reserves,	containment reserves, frequency
1	frequency restoration reserves	restoration reserves or
	or replacement reserves that	replacement reserves that needs
	needs to be available to the	to be available to the
	transmission system operator;	transmission system operator;

96.	(s) 'priority dispatch' means the dispatch of power plants on the basis of criteria different from the economic order of bids and, in central dispatch systems, network constraints, giving priority to the dispatch of particular generation technologies;		(s) 'priority dispatch' means in self-dispatch model the dispatch of power plants on the basis of criteria different from the economic order of bids and, in central dispatch model also from network constraints, giving priority to the dispatch of particular generation technologies;	
97.	(t) 'capacity calculation region' means the geographic area in which the coordinated capacity calculation is applied;		(t) 'capacity calculation region' means the geographic area in which the coordinated capacity calculation is applied;	
98.	(u) 'capacity mechanism' means an administrative measure to ensure the achievement of the desired level of security of supply by remunerating resources for their availability not including measures relating to ancillary services;	AM 15 (u) capacity mechanism' means temporary administrative measures taken by Member States to fill the expected resource adequacy gap for electricity supply to match electricity demand by offering additional payments to capacity providers that operate in the electricity market, in addition to income obtained by selling electricity on the market in return for the availability of existing capacity or investment in new capacity to guarantee the necessary level of security of supply;	(u) 'capacity mechanism' means an administrative measure or a market based measure to ensure the achievement of the desired level of [] resource adequacy by remunerating resources for their availability not including measures relating to ancillary services and congestion management;	

99.	(v) 'strategic reserve' means	AM 16	[]	
	a capacity mechanism in which	(v) 'strategic reserve' means a		
	resources are only dispatched in	capacity mechanism in which		
	case day-ahead and intraday	resources are held outside the		
	markets have failed to clear,	electricity market and are only		
	transmission system operators	dispatched in case day-ahead and		
	have exhausted their balancing	intraday markets have failed to		
	resources to establish an	clear, transmission system		
	equilibrium between demand	operators have exhausted their		
	and supply, and imbalances in	balancing resources to establish an		
	the market during periods	equilibrium between demand and		
	where the reserves were	supply, and imbalances in the		
	dispatched are settled at the	market during periods where the		
	value of lost load;	reserves were dispatched are settled		
		at least at technical price limits or		
100	() (1:1 00:	at the value of lost load;	() (1:1 00:	
100.	(w) 'high-efficiency		(w) 'high-efficiency	
	cogeneration' means		cogeneration' means	
	cogeneration meeting the criteria laid down in Annex II		cogeneration meeting the criteria laid down in Annex II of	
	of Directive 2012/27/EU of the		Directive 2012/27/EU of the	
	European Parliament and of the Council ¹⁴ ;		European Parliament and of the Council ¹⁵ ;	
	Council,		Council ,	

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Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

101.	(x) 'demonstration project' means a project demonstrating a technology as a first of its kind in the Union and representing a significant innovation that goes well beyond the state of the art.	(x) 'demonstration project' means a project demonstrating a technology as a first of its kind in the Union and representing a significant innovation that goes well beyond the state of the art.
102.		(y) 'market participant' means a natural or legal person, who is generating, buying or selling electricity, demand response or storage services, including the placing of orders to trade, in one or more electricity markets including balancing energy markets.
103.		(z) 'redispatching' means a measure, including curtailment, activated by one or several system operators by altering the generation and/or load pattern in order to change physical flows in the transmission system and relieve a physical congestion.

104.	(aa) 'countertrading' means
	a cross zonal exchange
	initiated by system operators
	between two bidding zones to
	relieve physical congestion.
105.	(bb) 'power generating
	facility' means a facility that
	converts primary energy into
	electrical energy and which
	consists of one or more power
	generating modules connected
	to a network.
106.	(cc) 'central dispatching
	model' means a scheduling
	and dispatching model where
	the generation schedules and
	consumption schedules as well
	as dispatching of power
	generating facilities and
	demand facilities, in reference
	to dispatchable facilities, are
	determined by a TSO within
	the integrated scheduling
	process.
107.	(dd) 'standard balancing
	product' means a harmonised
	balancing product defined by
	all TSOs for the exchange of
	balancing services as set out in
	the Balancing Guideline
	adopted on the basis of Article
	18 of the Regulation 714/2009.

108.	(ee) 'specific balancing	
	product' means a product	
	different from a standard	
	product, the requirements for	
	which are set out in the	
	Balancing Guideline adopted	
	on the basis of Article 18 of the	
	Regulation 714/2009.	
109.	(ff) 'delegated operator'	Provisionally agreed:
2000	means an entity to whom	(ff) 'delegated operator' means an entity
	specific tasks or obligations	to whom specific tasks or obligations
	entrusted to a transmission	entrusted to a transmission system
	system operator or nominated	operator or nominated electricity market
	electricity market operator	operator under this Regulation or any
	under this Regulation or any	other Regulation, Directive, Network
	other Regulation, Directive,	Code or Guideline have been delegated by
	Network Code or Guideline	that transmission system operator or
	have been delegated by that	nominated electricity market operator or
	transmission system operator	have been assigned by a Member State or
	or nominated electricity	Regulatory Authority;
	market operator or have been	
	assigned by a Member State or	
	Regulatory Authority;	

110.	Chapter II General rules for the electricity market				
111.	Article 3				
		Principles regarding th	ne operation of electricity markets		
112.	1. Member States, national regulatory authorities, transmission system operators, distribution system operators, and market operators shall ensure that electricity markets are operated in accordance with the following principles:	AM 17 1. Member States, national regulatory authorities, transmission system operators, distribution system operators, market operators and third parties to whom responsibilities have been delegated or assigned, shall ensure that electricity markets are operated in accordance with the following principles:	1. Member States, national regulatory authorities, transmission system operators, distribution system operators, [] market operators and delegated operators shall ensure that electricity markets are operated in accordance with the following principles:	1. Member States, national regulatory authorities, transmission system operators, distribution system operators, [] market operators and delegated operators shall ensure that electricity markets are operated in accordance with the following principles:	
113.	(a) prices shall be formed based on demand and supply;		(a) prices shall be formed based on demand and supply.	No change (a) prices shall be formed based on demand and supply.	
114.	(b) actions which prevent price formation on the basis of demand and supply or constitute a disincentive to the development of more flexible generation, low carbon generation, or more flexible demand shall be avoided;	AM 18 (b) actions which prevent price formation on the basis of demand and supply shall be avoided;	(b) actions which prevent price formation on the basis of demand and supply or constitute a disincentive to the development of more flexible generation, low carbon generation, or more flexible demand shall be avoided;	Provisionally agreed: (b) market rules shall encourage free price formation and avoid actions which prevent price formation on the basis of demand and supply [];	
115.		AM 19 Article 3 – paragraph 1 – point b a (new) (ba) the development of more flexible generation, sustainable low carbon generation, and more flexible demand shall be promoted;		Provisionally agreed: (ba) market rules shall facilitate the development of more flexible generation, sustainable low carbon generation, and more flexible demand [];	

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116.	(c) customers shall be	AM 20	(c) customers shall be	Provisionally agreed:
	enabled to benefit from market	(c) customers shall be enabled	enabled to benefit from market	(c) customers shall be enabled to benefit
	opportunities and increased	to benefit from market	opportunities and increased	from market opportunities and increased
	competition on retail markets;	opportunities and increased	competition on retail markets;	competition on retail markets and be
		competition on retail markets and		empowered to act as participant in the
		be empowered to act as participant		energy market and the energy transition;
		in the energy market and the		
117	(1)	energy transition;	(1)	N. I
117.	(d) market participation of		(d) market participation of	No change
	consumers and small businesses		consumers and small businesses	
	shall be enabled by aggregation		shall be enabled by aggregation	(d) market participation of consumers and
	of generation from multiple		of generation from multiple	small businesses shall be enabled by
	generation facilities or load		generation facilities or load from	aggregation of generation from multiple
	from multiple demand facilities		multiple demand facilities to	generation facilities or load from multiple
	to provide joint offers on the		provide joint offers on the	demand facilities to provide joint offers on
	electricity market and be jointly		electricity market and be jointly	the electricity market and be jointly operated
	operated in the electricity		operated in the electricity	in the electricity system, subject to
	system, subject to compliance		system, subject to compliance	compliance with EU treaty rules on
	with EU treaty rules on		with EU treaty rules on	competition;
	competition;		competition;	
118.	(e) market rules shall support	AM 21	(e) market rules shall []	Provisionally agreed:
	the decarbonisation of the	(e) market rules shall support	accompany the decarbonisation	(e) market rules shall [] accompany
	economy by enabling the	the decarbonisation of <i>the</i>	of the economy e.g. by enabling	enable the decarbonisation of <i>the electricity</i>
	integration of electricity from	electricity system and thus the	the integration of electricity	system and thus the economy e.g. by
	renewable energy sources and	economy by enabling the	from renewable energy sources	enabling the integration of electricity from
	providing incentives for energy	integration of electricity from	and providing incentives for	renewable energy sources and providing
	efficiency;	renewable energy sources	energy efficiency;	incentives for energy efficiency;
		including energy storage and		
		providing incentives for energy		
		efficiency;		

119.	(f) market rules shall deliver appropriate investment incentives for generation, storage, energy efficiency and demand response to meet market needs and thus ensure	AM 22 (f) market rules shall encourage free price formation to deliver appropriate investment incentives for generation, in particular long-term investments for a	(f) market rules shall deliver appropriate investment incentives for generation, storage, energy efficiency and demand response to meet market needs and thus ensure security of	Provisionally agreed: f) market rules shall deliver appropriate investment incentives for generation, in particular long-term investments for a decarbonised and sustainable electricity system, energy storage, energy efficiency,
	security of supply;	decarbonised and sustainable electricity system storage, energy	supply;	demand response to meet market needs and facilitate fair competition and thus ensure
		efficiency, demand response and facilitate fair competition and thus ensure security of supply;		security of supply;
120.	(g) barriers to cross-border	AM 23	(g) barriers to cross-border	Provisionally agreed:
	electricity flows and cross- border transactions on	(g) barriers to cross-border electricity flows and cross-border	electricity flows between bidding zones or Member	(g) barriers to cross-border electricity flows between bidding zones or Member
	electricity markets and related	transactions on electricity markets	States and cross-border	States and cross-border transactions on
	services markets shall be	and related services markets shall	transactions on electricity	electricity markets and related services
	avoided;	be removed;	markets and related services	markets shall be avoided progressively
			markets shall be avoided;	removed;
121.	(h) market rules shall	AM 24	(h) market rules shall provide	Provisionally agreed:
	provide for regional	(h) market rules shall provide	for regional cooperation where	(h) market rules shall provide for regional
	cooperation where effective;	for <i>strong</i> regional cooperation	effective;	cooperation where effective;
100		where effective;		[strong - to be reflected in recitals]
122.	(i) all generation, storage		(i) [] safe and sustainable	Provisionally agreed:
	and demand resources shall		generation, storage and demand	(i) [] safe and sustainable generation,
	participate on equal footing in the market;		[] shall participate on equal footing in the market, under the	storage and demand [] shall participate on equal footing in the market, under the
	the market,		requirements provided for in	requirements provided for in the EU law;
			the EU law;	requirements provided for in the Bolaw,

123.	(j) all producers shall be directly or indirectly		(j) all producers shall be directly or indirectly responsible	No change (j) all producers shall be directly or
	responsible for selling the		for selling the electricity they	indirectly responsible for selling the
	electricity they generate;		generate;	electricity they generate;
124.		AM 25		Reject
		Article 3 – paragraph 1 – point j		
		a (new)		
		(ja) electricity generation		
		operators shall bear full financial		
		and legal responsibility deriving		
		from their assets;		
125.	(k) market rules shall allow	AM 26	[]	Maintain Council GA
	for progress in research and	(k) market rules shall allow for		
	development to be realized and	progress in research and		
	used to the benefit of society;	development into sustainable,		
		secure and low-carbon energy		
		sources, technologies or systems to		
		be realized and used to the benefit		
		of society;		
126.	(l) market rules shall enable	AM 27	(l) market rules shall enable	Provisionally agreed:
	the efficient dispatch of	(l) market rules shall enable the	the efficient dispatch of	(1) market rules shall enable the efficient
	generation assets and demand	efficient dispatch of generation	generation assets and demand	dispatch of generation assets, <i>energy storage</i>
	response;	assets, storage and demand	response;	and demand response;
	1	response;	1	,

127.	(m) market rules shall allow for entry and exit of electricity generation and electricity supply undertakings based on their assessment of the economic and financial viability of their operations;	AM 28 (m) market rules shall allow for entry and exit of electricity generation, energy storage and electricity supply undertakings based on their assessment of the economic and financial viability of their operations; effective competition and price formation;	(m) market rules shall allow for entry and exit of electricity generation and electricity supply undertakings based on their assessment of the economic and financial viability of their operations;	Provisionally agreed: (m) market rules shall allow for entry and exit of electricity generation, energy storage and electricity supply undertakings based on their assessment of the economic and financial viability of their operations;
128.	(n) long-term hedging opportunities, which allow market participants to hedge against price volatility risks on a market basis, and eliminate uncertainty on future returns on investment shall be tradable on exchanges in a transparent manner subject to compliance with EU treaty rules on competition.	(n) long-term hedging opportunities, which allow market participants to hedge against price volatility risks on a market basis, and <i>mitigate</i> uncertainty on future returns on investment shall be tradable on exchanges in a transparent manner subject to compliance with EU treaty rules on competition while current products offered on exchanges should be further expanded and promoted at Union level; Regulatory changes shall take into account effects on both short-term and long-term forward and futures markets and products.	(n) [] in order to allow market participants [] to be protected against price volatility risks on a market basis, and [] mitigate uncertainty on future returns on investment, long-term hedging opportunities shall be tradable on exchanges in a transparent manner and long-term supply contracts shall be negotiable over the counter, subject to compliance with EU treaty rules on competition.	Provisionally agreed: (n) [] in order to allow market participants [] to be protected against price volatility risks on a market basis, and [] mitigate uncertainty on future returns on investment, long-term hedging opportunities shall be tradable on exchanges in a transparent manner and long-term supply contracts shall be negotiable over the counter, subject to compliance with EU treaty rules on competition. Market rules shall facilitate trade of products on exchanges at across the Union. Regulatory changes shall take into account effects on both short-term and long-term forward and futures markets and products.
129.			(o) market participants have a right to obtain access to the transmission and distribution networks on objective, transparent and non-discriminatory terms.	Provisionally agreed: (o) market participants have a right to obtain access to the transmission and distribution networks on objective, transparent and non-discriminatory terms.

130.	AM 30	
	Article 3 a (new)	
131.	Just transition	
132.	The Commission shall support	
	Member States that put in place a	
	national strategy for the	
	progressive reduction of installed	
	coal and other solid fossil fuel	
	generation and mining capacity	
	through all available means,	
	including targeted financial	
	support to enable a "just	
	transition" in regions affected by	
	structural change. The	
	Commission shall assist Member	
	States to address the social, skills	
	and industrial impacts of the clean	
100	energy transition.	
133.	The Commission shall work in	
	close partnership with the actors	
	of coal and carbon-intensive	
	regions, provide guidance, in	
	particular for the access to and	
	use of available funds and	
	programmes, and shall encourage	
	the exchange of good practices,	
	including discussions on	
	industrial roadmaps and re-	
	skilling needs.	

<i>134</i> .	Article 4	Article 4
	Balancing responsibility	Balance[] responsibility
135.	1. All market participants shall aim for system balance and shall be financially responsible for imbalances they cause in the system. They shall either be balance responsible parties or delegate their responsibility to a balance responsible party of their choice.	1. All market participants [] shall be [] responsible for the imbalances they cause in the system. To that end, the market participants [] shall either be balance responsible parties or contractually delegate their responsiblity to a balance responsible party of their choice. In accordance with the Balancing Guideline adopted on the basis of Article 17 and 18 of the Regulation 714/2009, each balance responsible party shall be financially responsible for its imbalances and strive to be balanced or help the power system to be balanced.
136.	2. Member States may provide for derogation from balance responsibility in respect of:	2. Member States may provide [] derogations from [] balancing responsibility only in the following cases:
137.	(a) demonstration projects;	(a) demonstration projects for emerging technologies as defined in Article 66 and 67 of Regulation (EU) 2016/631 ¹⁶ ;

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¹⁶ Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators (OJ L 112, 27.4.2016, p. 1).

138.	(b) generating installations		(b) power generating facility	
	using renewable energy sources		[], using renewable energy	
	or high-efficiency cogeneration		sources or high-efficiency	
	with an installed electricity		cogeneration with a total	
	capacity of less than 500 kW;		installed electricity capacity of	
			less than [] 250 kW;	
139.	(c) installations benefitting		(c) Without prejudice to	
	from support approved by the		contracts concluded before	
	Commission under Union State		[entry into force of the	
	aid rules pursuant to Articles		legislation], and installations	
	107 to 109 TFEU, and		benefitting from support	
	commissioned prior to [OP:		approved by the Commission	
	entry into force]. Member		under Union State aid rules	
	States may, subject to Union		pursuant to Articles 107 to 109	
	state aid rules, incentivize		TFEU, and commissioned prior	
	market participants which are		to [OP: entry into force].	
	fully or partly exempted from		Member States may, []	
	balancing responsibility to		without prejudice to Articles	
	accept full balancing		107 and 108 TFEU, incentivise	
	responsibility against		market participants which are	
	appropriate compensation.		fully or partly exempted from	
			balancing responsibility to	
			accept full balancing	
			responsibility[].	
140.		AM 31	2a. When a Member State	
		Article 4 – paragraph 2 a (new)	chooses to provide a	
		2a. When a Member State	derogation according to	
		chooses to provide a derogation in	Article 4 (2), they need to	
		accordance with Article 4(2), it	ensure that the financial	
		shall ensure that the financial	responsibilities of imbalances	
		responsibilities for imbalances are	are fulfilled by another party.	
		fulfilled by another party.		

141.	3. From 1 January 2026, point (b) of paragraph 2 shall apply only to generating installations using renewable energy sources or higherficiency cogeneration with an installed electricity capacity of less than 250 kW.		3. For power generating facilities commissioned after 1 January 2026, point (b) of paragraph 2 shall apply only to renewable energy sources or high-efficiency cogeneration with an total installed electricity capacity of less than [] 150 kW. Member States may apply a lower threshold.	
<i>142</i> .				
			ancing market	
143.	1. All market participants shall have access to the balancing market, be it individually or through aggregation. Balancing market rules and products shall respect the need to accommodate increasing shares of variable generation as well as increased demand responsiveness and the advent of new technologies.	AM 32 1. All market participants, including those providing electricity generated from variable renewable sources and demand side response and storage services shall have full access to the balancing market, be it individually or through aggregation. Balancing market rules and products shall respect the need to accommodate increasing shares of variable generation as well as increased demand responsiveness and the advent of new technologies.		Maintain Council GA Entire article was not yet discussed with the EP. The fourth column is identical to REV 2 seen by COREPER on 7 September.

144.	2. Balancing markets shall be organised in such a way as to ensure effective non-discrimination between market participants taking account of the different technical capability of generation from variable renewable sources and demand side response and storage.	AM 33 2. Balancing markets shall be organised in such a way as to ensure effective non-discrimination between market participants. All generation, including from variable renewable sources, demand side response and storage shall be enabled to participate on equal footing in balancing markets, taking account of the different technical capability.	2. Balancing markets, including prequalification processes, shall be organised in such a way as to: (a) ensure effective non-discrimination between market participants taking account of the different technical [] needs of the power system, a transparent and technologically neutral definition of services and their transparent, market based procurement,	2. Balancing markets, including prequalification processes, shall be organised in such a way as to: (a) ensure effective non-discrimination between market participants taking account of the different technical [] needs of the power system and the different technical capabilities of generation sources, energy storage and demand response; (aa) ensure a transparent and technologically neutral definition of services and their transparent, market based procurement,
145.			(b) ensure access to all prequalified market participants, be it individual or through aggregation;	Ref. to prequalification remains in 5(2) and 5(8). (b) ensure non-discriminatory access to all [] market participants, including electricity generated from variable renewable sources, demand response and energy storage, be it individual or through aggregation;
146.			(c) respect the need to accommodate increasing shares of variable generation as well as increased demand responsiveness and the advent of new technologies.	Maintain Council GA
147.	3. Balancing energy shall be procured separately from balancing capacity.	AM 34 3. Balancing energy shall be procured separately from balancing	[]	This corresponds to 5(5a) of the GA; see also article 16(6) of Reg. 2017/2195 (Balancing Guideline). Exemptions see new

	Procurement processes shall be transparent while at the same time respecting confidentiality.	capacity. The price of balancing energy shall not be pre-determined in a contract of balancing except where an exemption is applied in accordance with Article 16(6) of the Commission Regulation (EU) 2017/2195 ^{1a} . Procurement processes shall be transparent while at the same time respecting confidentiality.		para. 5(11). 3. The price of balancing energy shall not be pre-determined [] in a contract for balancing capacity. Procurement processes shall be transparent while at the same time respecting confidentiality in accordance with paragraph 4 of Article 40 of the [recast Electricity Directive].
		Ta Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (OJ L 312, 28.11.2017 p. 6).		
148.	4. Balancing markets shall ensure operational security whilst allowing for maximum use and efficient allocation of cross-zonal capacity across timeframes in accordance with Article 15.		4. Balancing markets shall ensure operational security whilst allowing for maximum use and efficient allocation of cross-zonal capacity across timeframes in accordance with Article 15.	No change 4. Balancing markets shall ensure operational security whilst allowing for maximum use and efficient allocation of cross-zonal capacity across timeframes in accordance with Article 15.
149.	5. Marginal pricing shall be used for the settlement of balancing energy. Market participants shall be allowed to bid as close to real time as possible, and at least after the intraday cross-zonal gate closure time determined in accordance with Article 59 of	AM 35 5. The settlement of balancing energy shall be based on marginal pricing. On balancing markets, market participants shall be allowed to bid as close to real time as possible, and balancing energy gate closure times shall not be before intraday cross-zonal gate	5. [] For standard and specific balancing products, the settlement of balancing energy shall be based on marginal pricing, pay-ascleared, without prejudice to the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.	[] The settlement of balancing energy for standard and specific balancing products shall be based on marginal pricing, pay-ascleared, [] Market participants shall be allowed to bid as close to real time as possible, and [] balancing energy gate closure times shall not be before the intraday cross-zonal gate

	Commission Regulation (EU) 2015/1222 ¹⁷ .	closure time determined in accordance with Article 59 of Commission Regulation (EU) 2015/1222 ³⁴ 34 Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (OJ L 197, 25.7.2015, p. 24).	Market participants shall be allowed to bid as close to real time as possible, and [] balancing energy gate closure times shall not be before the intraday cross-zonal gate closure time determined in accordance with Article 59 of Commission Regulation (EU) 2015/1222 ¹⁸ . Transmission system operator applying a central dispatching model may define additional rules in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.	closure time []. Transmission system operator applying a central dispatching model may define additional rules in accordance with [] the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.
150.			5a. The price of balancing energy shall not be predetermined in a contract for balancing capacity. An exemption for specific balancing products may be applied in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009. Procurement processes shall be transparent while at the same time respecting confidentiality in accordance with paragraph 4 of Article 40 of the [recast Electricity Directive].	Accept to delete here Paragraph 5a is moved to paragraph 3.

¹⁷ Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (OJ L 197, 25.7.2015, p. 24).

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Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (OJ L 197, 25.7.2015, p. 24).

151.	6. The imbalances shall be settled at a price that reflects the real time value of energy.	6. The imbalances shall be settled at a price that reflects the real time value of energy and shall be calculated in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.	Accept to revert to COM original proposal 6. The imbalances shall be settled at a price that reflects the real time value of energy.
152.		6a. The imbalance price area shall be equal to a bidding zone, except in case of a central dispatching model and in accordance with Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009. The imbalance area shall be equal to the scheduling area, except in case of a central dispatching model where imbalance area may constitute a part of a scheduling area in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.	Accept to modify GA and merge with Am 64. For the part on imbalance and scheduling areas see Article 54(2) of Reg. 2017/2195 (Balancing Guideline). 6a. Each imbalance price area shall be equal to a bidding zone, except in case of a central dispatching model where an imbalance price area may constitute a part of a bidding zone. []

153.	7. The sizing of reserve	AM 36	7. The [] dimensioning of	7. The [] dimensioning of reserve
	capacity shall be performed at	7. The sizing of reserve	reserve capacity shall be	capacity shall be performed [] by the
	regional level in accordance	capacity shall be performed at	performed [] by the	transmission system operators [] and
	with point 7 of Annex I.	regional level in accordance with	transmission system operators	may be facilitated on a regional level.
	Regional operational centres	point 7 of Annex I. Regional	in accordance with the System	
	shall support transmission	coordination centres shall support	Operation Guideline adopted	
	system operators in determining	transmission system operators in	on the basis of Article 18 of the	
	the amount of balancing	determining the amount of	Regulation 714/2009 and may	
	capacity that needs to be	balancing capacity that needs to be	be facilitated on a regional	
	procured in accordance with	procured in accordance with point	level.	
	point 8 of Annex I.	8 of Annex I.		
154.	8. The procurement of	AM 37	8. The procurement of	The reference to a primary market (COM
	balancing capacity shall be	8. The procurement of	balancing capacity shall be	and EP wording) clarifies that organizing
	facilitated on a regional level in	balancing capacity shall be	performed by the transmission	balancing via obligations on all market
	accordance with point 8 of	performed by the transmission	system operators, facilitated on	participants with a secondary market is not
	Annex I. The procurement shall	system operators. The procurement	a regional level in accordance	sufficient.
	be based on a primary market	shall be based on a primary market	with [] Balancing Guideline	
	and organised in such a way as	and organised in such a way as to	adopted on the basis of Article	8. The procurement of balancing
	to be non-discriminatory	be non-discriminatory between	18 of the Regulation 714/2009.	capacity shall be performed by the
	between market participants in	market participants in the	The procurement of balancing	transmission system operators and may be
	the prequalification process	prequalification process, whether	capacity shall be market-based	facilitated on a regional level [].
	individually or through	market participants participate	[] and organised in such a way	The procurement of balancing capacity
	aggregation.	individually or through aggregation	as to be non-discriminatory	shall be market- based [] and organised in
		subject to technical constraints	between market participants in	such a way as to be non-discriminatory
		inherent in managing networks.	the prequalification process	between market participants in the
		The reservation of cross-zonal	individually or through	prequalification process, whether market
		capacity for the exchange of	aggregation in accordance with	participants participate individually or
		balancing capacity shall be limited	paragraph 4 of Article 40 of	through aggregation in accordance with
		to 5% of the available capacity for	the [recast Electricity	paragraph 4 of Article 40 of the [recast
		the exchange of energy of the	Directive].	Electricity Directive].
		previous relevant calendar year		
		between the respective bidding		
		zones.		

155. The procurement of **AM 38** The procurement of Maintain Council GA upward balancing capacity and The procurement of upward upward balancing capacity and downward balancing capacity balancing capacity and downward downward balancing capacity shall be carried out separately. balancing capacity shall be carried shall be carried out separately, [in accordance with the The contracting shall be out separately. **Procurement of** performed for not longer than balancing capacity shall be **Balancing Guideline adopted** one day before the provision of performed for not longer than one on the basis of Article 18 of the the balancing capacity and the day before the provision of the Regulation 714/2009. To the contracting period shall have a balancing capacity and the extent possible, and at least for contracting period shall have a a minimum of 40 % of the maximum of one day. maximum *duration* of one day. standard products used for balancing capacity, the contracting of balancing capacity shall be performed for not longer than one day before the provision of the balancing capacity and the contracting period shall have a maximum of one day. The contracting of the remaining part of the balancing capacity shall be performed for a maximum of one month in advance of the provision of balancing capacity and the contracting

month.

period of the remaining part of balancing capacity shall have a

maximum period of one

156.	9a. On the request of the transmission system operator the regulatory authority may extend the contracting period of the remaining part of balancing capacity referred to in paragraph 9 to a maximum period of twelve months provided that such decision will be limited in time, and the positive effects in terms of lowering of costs for consumers will exceed the negative impacts on the market. The request shall include:
157.	(a) specification of the time period during which the exemption would apply; Maintain Council GA exemption would apply;
158.	(b) specification of the volume of balancing capacity for which the exemption would apply; Maintain Council GA Maintain Council GA

159.			(c) analysis of the impact of	Maintain Council GA
			such an exemption on the	
			participation of balancing	
			resources; and	
160.			(d) justification for the	Maintain Council GA
			exemption demonstrating that	
			such an exemption would lead	
			to lower costs for consumers.	
161.	10. Transmission system	AM 39	10. Transmission system	
	operators shall publish close to	10. Transmission system	operators shall publish, [] as	10. Transmission system operators <i>or</i>
	real-time information on the	operators or third parties to whom	soon as possible but not later	third parties delegated operators shall
	current balancing state of their	these responsibilities have been	than 30 minutes after real-time,	publish, [] as soon as possible but not
	control areas, the imbalance	delegated by the relevant	the information on the current [later than 30 minutes after real-time, the
	price and the balancing energy	transmission system operator,] system balance of their []	information on the current [] system
	price.	Member State or regulatory	scheduling areas [] and the	balance of their [] scheduling areas, []
		authority shall publish close to	estimated [] balancing energy	the estimated imbalance prices [] and the
		real-time information on the	prices. To the extent that	estimated [] balancing energy prices.
		current balancing state of their	responsibility for provision of	
		control areas, the <i>estimated</i>	this information has been	
		imbalance price and the <i>estimated</i>	assigned or delegated to a	
		balancing energy price.	third party, in accordance	
			with the Balancing Guideline	
			adopted on the basis of Article	
			18 of the Regulation	
			714/2009Article, those parties	
			will be responsible for meeting	
			the requirements of this	
			Article.	

162.	AM 40 Article 5 – paragraph 10 a (new) 10a. Member States shall report on the functioning and transparency of, and access to, in particular by small providers, the balancing markets, in particular for the purpose of Article 4, through the reporting procedure on the internal energy market laid down in Article 21 of Regulation/ [Governance of the Energy Union].	Reject
163.		New proposal in reference to paragraphs 3, 5 and 5a of the GA and Articles 25-26 of Reg. 2017/2195 (Balancing Guideline). Exemptions for specific products (to avoid copying the entire Balancing Guideline) are bundled here. 11. Transmission system operators may, where standard balancing products are not sufficient to ensure operational security or some balancing resources cannot participate in the balancing market through standard balancing products, propose exemptions from paragraphs 3 and 5 for specific balancing products which are activated locally without exchanging them with other transmission system operators. Exemptions for specific balancing products shall be subject to approval by the national regulatory authority.

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<i>164</i> .		Article 6
<u> </u>		
164. 165.	1. Transmission system operators and nominated electricity market operators shall jointly organise the management of the integrated day-ahead and intraday markets based on market coupling as set out in Regulation (EU) 2015/1222. Transmission system operators and nominated electricity market operators shall cooperate at Union level or, where more appropriate, on a regional basis in order to maximise the efficiency and effectiveness of Union electricity day-ahead and intraday trading. The obligation to cooperate shall be without prejudice to the application of the provisions of Union competition law. In their functions relating to electricity trading, transmission system operators and nominated market operators shall be subject to regulatory oversight by regulators and the Agency pursuant to Article 59 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2] and Articles 4 and 9 of	I. Transmission system operators and nominated electricity market operators shall jointly organise the management of the integrated day-ahead and intraday markets based on market coupling as set out in Regulation (EU) 2015/1222. Transmission system operators and nominated electricity market operators and nominated electricity market operators and nominated electricity market operators shall cooperate at Union level or, where more appropriate, on a regional basis in order to maximise the efficiency and effectiveness of Union electricity day-ahead and intraday trading. The obligation to cooperate shall be without prejudice to the application of the provisions of Union competition law. In their functions relating to electricity trading, transmission system operators and nominated electricity market operators and nominated electricity day-ahead and intraday trading. The obligation to cooperate shall be without prejudice to the application of the provisions of Union competition law. In their functions relating to electricity trading, transmission system operators and nominated electricity market operators and nominated electricity and to maximise the efficiency and effectiveness of Union electricity day-ahead and intraday trading. The obligation to cooperate shall be without prejudice to the application of the provisions of Union competition law. In their functions relating to electricity trading, transmission system operators and nominated electricity warket operators and nominated electricity day-ahead and intraday trading. The obligation to cooperate at Union level or, where more appropriate, on a regional basis in order to maximise the efficiency and effectiveness of Union competition law. In their functions relating to electricity trading, transmission system operators shall be subject to regulatory oversight by regulators and the Agency purs

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166.	2. Day-ahead and intraday		2. Day-ahead and intraday	No change
1.6	markets shall	A D # 41	markets shall	2. Day-ahead and intraday markets shall
167.	(a) be organised in such a	AM 41	(a) be organised in such a	Provisionally agreed:
	way as to be non-	(a) be [] non-discriminatory;	way as to be non-discriminatory;	(a) be organised in such a way as to be
1.60	discriminatory;			non-discriminatory;
168.	(b) maximise the ability of		(b) maximise the ability of all	Provisionally agreed:
	market participants to		market participants to []	(b) maximise the ability of all market
	contribute to avoid system		manage their imbalances;	participants to [] manage [] imbalances;
	imbalances;			
169.	(c) maximise the		(c) maximise the	Provisionally agreed:
	opportunities for market		opportunities for all market	(c) maximise the opportunities for all
	participants to participate in		participants to participate in	market participants to participate in cross-[]
	cross-border trade as close as		cross-[] zonal trade as close as	zonal trade as close as possible to real time
	possible to real time across all		possible to real time across all	across all bidding zones;
	bidding zones;		bidding zones;	
170.	(d) provide prices that reflect		(d) provide prices that reflect	Provisionally agreed:
	market fundamentals and that		market fundamentals, including	(d) provide prices that reflect market
	market participants can rely on		the real time value of energy,	fundamentals, including the real time value
	when agreeing on longer-term		and that market participants can	of energy, and that market participants can
	hedging products;		rely on when agreeing on	rely on when agreeing on longer-term
			longer-term hedging products;	hedging products;
171.	(e) ensure operational		(e) ensure operational	No change
	security whilst allowing for		security whilst allowing for	(e) ensure operational security whilst
	maximum use of transmission		maximum use of transmission	allowing for maximum use of transmission
	capacity;		capacity;	capacity;
172.	(f) be transparent while at		(f) be transparent while at the	Provisionally agreed:
	the same time respecting		same time respecting	(f) be transparent while at the same time
	confidentiality;		confidentiality and ensuring	respecting confidentiality and ensuring
			trading occurs in an	trading occurs in an anonymous manner;
			anonymous manner; and;	and;

173.	(g) ensure trades are		[]	Provisionally agreed: []
	anonymous; and			
174.	(h) make no distinction		(h) make no distinction	No change
	between trades made within a		between trades made within a	(h) make no distinction between trades
	bidding zone and across		bidding zone and across bidding	made within a bidding zone and across
	bidding zones.		zones.	bidding zones.
174a.				Provisionally agreed to add additional point
				(i) in exchange for Council deletion of
				paragraph 3 below (line 175).
				(i) be organised in such a way as to
				ensure that all markets participants
				are able to access the market
155	2 36 1 4 4 1 111	43.6.40		individually or through aggregation.
175.	3. Market operators shall be	AM 42	[]	Provisionally agreed: []
	free to develop products and	3. Market operators shall be		
	trading opportunities that suit	free to develop products and		In addition provisionally agreed to add new
	market participants' demand	trading opportunities that suit		point (i) to Article 6(2) above (line 174a).
	and needs and ensure that all	market participants' demand and		
	market participants are able to	needs and ensure that all market		
	access the market individually	participants are able to access the		
	or through aggregation. They	market individually or through		
	shall respect the need to	aggregation. They shall respect the		
	accommodate increasing shares	need to accommodate increasing		
	of variable generation as well as	shares of variable generation and		
	increased demand	energy storage as well as increased		
	responsiveness and the advent	demand responsiveness and the		
	of new technologies.	advent of new technologies		

<i>176</i> .			Article 7	
		Trade on day-a	head and intraday markets	
177.	1. Market operators shall allow market participants to trade energy as close to real time as possible and at least up to the intraday cross-zonal gate closure time determined in accordance with Article 59 of Regulation (EU) 2015/1222.	AM 43 1. Market operators shall allow market participants to trade energy as close to real time as possible and at least up to 15 minutes before real time across all bidding zones.	1. Nominated electricity market operators shall allow market participants to trade energy as close to real time as possible and at least up to the intraday cross-zonal gate closure time determined in accordance with [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	Provisionally agreed to keep Nominated electricity market operators. AM 43 or keeping the ref. to CACM guideline is still under negotiations.
178.	2. Market operators shall provide market participants with the opportunity to trade in energy in time intervals at least as short as the imbalance settlement period in both dayahead and intraday markets.	AM 44 2. Market operators shall provide market participants with the opportunity to trade in energy in national and cross-border markets in time intervals at least as short as the imbalance settlement period in both day-ahead and intraday markets.	2. Nominated electricity market operators shall provide market participants with the opportunity to trade in energy in time intervals at least as short as the imbalance settlement period in both day-ahead and intraday markets in accordance with the balancing guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	Compromise proposal (Seen by COREPER on 7 September) 2. Nominated electricity market operators shall provide market participants with the opportunity to trade in energy in time intervals at least as short as the imbalance settlement period in both dayahead and intraday markets []

179.	3. Market operators shall provide products for trading in day-ahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 1 Megawatt or less, to allow for the effective participation of demand-side response, energy storage and small-scale renewables.	AM 45 3. Market operators shall provide products for trading in dayahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 500 Kilowatt, to allow for the effective participation of demand-side response, energy storage and small-scale renewables including directly by customers.	3. Nominated electricity market operators shall provide products for trading in dayahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 1 Megawatt [], to allow for the effective participation of demand-side response, energy storage and small-scale renewables in accordance to the methodologies developed in the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	Accept in part with modified GA (Seen by COREPER on 7 September) 3. Nominated electricity market operators shall provide products for trading in day-ahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 1 Megawatt or less, to allow for the effective participation of demand-side response, energy storage and small-scale renewables including directly by customers. []
180.	4. By 1 January 2025, the imbalance settlement period shall be 15 minutes in all control areas.	AM 46 4. By 1 January 2021, the imbalance settlement period shall be 15 minutes in all control areas.	4. By 1 January 2021, the imbalance settlement period shall be 15 minutes in all [] scheduling areas unless regulatory authorities have granted a derogation or an exemption in accordance with the balancing guideline adopted on the basis of Article 18 of the Regulation 714/2009.	Compromise proposal: 4. By 1 January 2021, the imbalance settlement period shall be 15 minutes in all [] scheduling areas unless regulatory authorities have granted a derogation or an exemption in accordance with the balancing guideline adopted on the basis of Article 18 of the Regulation 714/2009. Derogations and exemptions may only be granted until 1 January 2025.

181.		Article 8 Forward markets	
182.	1. In line with Regulation (EU) 2016/1719, transmission system operators shall issue long-term transmission rights or have equivalent measures in place to allow for market participants, in particular owners of generation facilities using renewable energy sources, to hedge price risks across bidding zone borders.	1. In line with Regulation (EU) 2016/1719, transmission system operators shall issue long-term transmission rights or have equivalent measures in place to allow for market participants, [] including owners of generation facilities using renewable energy sources, to hedge price risks across bidding zone borders, unless an assessment of the forward market performed by the competent regulatory authorities on the bidding zone borders shows sufficient hedging opportunities in the concerned bidding zones in accordance with the guideline on forward capacity allocation adopted on the basis of Article 18 of the Regulation 714.	Maintain Council GA

183.	2. Long-term transmission		2. Long-term transmission	Maintain Council GA
	rights shall be allocated in a		rights shall be allocated in a	
	transparent, market based and		transparent, market based and	
	non-discriminatory manner		non-discriminatory manner	
	through a single allocation		through a single allocation	
	platform. Long-term		platform [] according to the	
	transmission rights shall be firm		provisions of the guideline on	
	and be transferable between		forward capacity allocation	
	market participants.		adopted on the basis of Article	
			18 of the Regulation 714/2009.	
184.	3. Subject to compliance	AM 47	3. Subject to compliance	Provisionally agreed:
	with treaty rules on	3. Subject to compliance with	with treaty rules on competition,	
	competition, market operators	treaty rules on competition, market	market operators shall be free to	3. Subject to compliance with treaty
	shall be free to develop forward	operators shall be free to develop	develop forward hedging	rules on competition, market operators shall
	hedging products including for	forward hedging products	products including for the long-	be free to develop forward hedging products
	the long-term to provide market	including for the long-term to	term to provide market	including for the long-term to provide
	participants, in particular	provide market participants, in	participants, [] including	market participants, [] including owners of
	owners of generation facilities	particular owners of generation	owners of generation facilities	generation facilities using renewable energy
	using renewable energy	facilities using renewable energy	using renewable energy sources,	sources, with appropriate possibilities to
	sources, with appropriate	sources, with appropriate	with appropriate possibilities to	hedge financial risks from price fluctuations.
	possibilities to hedge financial	possibilities to hedge financial risks	hedge financial risks from price	Member States shall not restrict such
	risks from price fluctuations.	from price fluctuations. Member	fluctuations. Member States	hedging activity to trades within a Member
	Member States shall not restrict	States shall support the liquidity of	shall not restrict such hedging	State or bidding zone.
	such hedging activity to trades	such products, in particular of	activity to trades within a	
	within a Member State or	exchange-based products that	Member State or bidding zone.	
	bidding zone.	have already been developed, and		
		shall allow them to be traded		
		across bidding zones.		

<i>185</i> .	Article 9		Article 9	
	Price Restrictions		[] Technical bidding limits	
186.	1. There shall be no	AM 48	1. [] Wholesale	Accept to merge and modify GA (Seen by
	maximum limit of the	1. There shall be no maximum	electricity prices and	COREPER on 7 September)
	wholesale electricity price	[] and no minimum limit of the	balancing energy prices,	
	unless it is set at the value of	wholesale electricity price []. This	including bidding and clearing	There shall be no maximum [] and no
	lost load as determined in	provision shall apply, inter alia, to	prices, shall not be subject to a	minimum limit of the wholesale electricity
	accordance with Article 10.	bidding and clearing in all	minimum or maximum limit.	price []. This provision shall apply, inter
	There shall be no minimum	timeframes and include balancing	This is without prejudice to	alia, to bidding and clearing in all
	limit of the wholesale	energy and imbalance prices.	the technical price limits	timeframes and include balancing energy and
	electricity price unless it is set		which may be applied in the	imbalance prices. This is without prejudice
	at a value of minus 2000 € or		balancing timeframe	to the technical price limits which may be
	less and, in the event that it is or		according to the Balancing	applied in the balancing timeframe
	anticipated to be reached, set at		Guideline adopted on the basis	according to the Balancing Guideline
	a lower value for the following		of Article 18 of the Regulation	adopted on the basis of Article 18 of the
	day. This provision shall apply,		714/2009 and in the day-ahead	Regulation 714/2009 and in the day-ahead
	inter alia, to bidding and		and intraday timeframes as set	and intraday timeframes as set out in the
	clearing in all timeframes and		out in the following	following paragraph.
	include balancing energy and		paragraph.	
	imbalance prices.			
187.	2. By way of derogation	AM 49	2. [] Nominated electricity	Accept to partly merge (Seen by COREPER
	from paragraph 1, until [OP:	2. By way of derogation from	market operators may apply	on 7 September)
	two years after entry into force]	paragraph 1, market operators may	harmonised limits on maximum	
	market operators may apply	apply <i>technical</i> limits on maximum	and minimum clearing prices	2. Nominated electricity market operators
	limits on maximum clearing	and minimum bidding limits for	for day-ahead and intraday	may apply harmonised limits on maximum
	prices for day-ahead and	day-ahead and intraday timeframes	timeframes in accordance with [and minimum clearing prices for day-ahead
	intraday timeframes in	in accordance with Articles 41 and] the capacity allocation and	and intraday timeframes in accordance with [
	accordance with Articles 41 and	54 of Regulation (EU) 2015/1222	congestion management] the capacity allocation and congestion
	54 of Regulation (EU)	and for the balancing timeframe	guideline adopted on the basis	management guideline adopted on the
	2015/1222. In the event that	in accordance with Regulation	of Article 18 of the Regulation	basis of Article 18 of the Regulation
	limits are, or are anticipated to	(EU) 2017/2195. In the event that	714/2009. These limits shall	714/2009. These limits shall be sufficiently
	be, reached, they shall be raised	those technical limits are, or are	take into account the	high so as not to unnecessarily restrict
	for the following day.	anticipated to be, reached, they	maximum value of lost load.	trade, be harmonised for the common
		shall be <i>automatically adjusted</i> .	Nominated market operators	market area_and take into account the
		The technical price limits shall be	shall implement a transparent	maximum value of lost load. Nominated

		sufficiently high so as not to unnecessarily restrict trade, and shall be harmonised for the common market area. They shall be returned to initial values after the scarcity situation is over.	mechanism to adjust automatically the technical bidding limits in due time in the event that the set limits are expected to be reached. The adjusted higher limits shall remain applicable until further increases under this mechanism are required.	market operators shall implement a transparent mechanism to adjust automatically the technical bidding limits in due time in the event that the set limits are expected to be reached. The adjusted higher limits shall remain applicable until further increases under this mechanism are required.
188.	3. Transmission system operators shall not take any measures with the aim of changing the wholesale prices. All dispatch orders shall be reported to the national regulatory authority within one day.		3. Transmission system operators shall not take any measures with the aim of changing the wholesale prices. [Maintain Council GA
189.	4. Member States shall identify policies and measures applied within their territory that could contribute to indirectly restrict price formation, including limiting bids relating to the activation of balancing energy, capacity mechanisms, measures by the transmission system operators, measures intended to challenge market results or to prevent abuse of dominant positions or inefficiently defined bidding zones.		4. National regulatory authorities or other competent authorities designated by Member States shall identify policies and measures applied within their territory that could contribute to indirectly restrict wholesale price formation, including limiting bids relating to the activation of balancing energy, capacity mechanisms, measures by the transmission system operators, measures intended to challenge market results or to prevent abuse of dominant positions or inefficiently defined bidding zones.	4. National regulatory authorities or other competent authorities designated by Member States shall identify policies and measures applied within their territory that could contribute to indirectly restrict wholesale price formation, including limiting bids relating to the activation of balancing energy, capacity mechanisms, measures by the transmission system operators, measures intended to challenge market results or to prevent abuse of dominant positions or inefficiently defined bidding zones.

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190.	5. Where a Member State
	has identified a policy or
	measure which could serve to
	restrict price formation it shall
	take all appropriate actions to
	eliminate or, if not possible,
	mitigate the impact on bidding
	behaviour. Member States shall
	provide a report to the
	Commission by [OP: six
	months after entry into force
	detailing the measures and
	actions they have taken or
	intend to take.

Where a **national** regulatory authority or other competent authority designated by a Member State has identified a policy or measure which could serve to restrict price formation it shall take all appropriate actions to eliminate or, if not possible, mitigate the impact on bidding behaviour. Member States shall provide a report to the Commission by [OP: six months after entry into force detailing the measures and actions they have taken or intend to take.

Provisionally agreed:

authority or other competent authority designated by a Member State has identified a policy or measure which could serve to restrict price formation it shall take all appropriate actions to eliminate or, if not possible, mitigate the impact on bidding behaviour. Member States shall provide a report to the Commission by [OP: six months after entry into force] detailing the measures and actions they have taken or intend to take.

<i>191</i> .			Article 10	
		Val	ue of lost load	
192.	1. By [OP: one year after entry into force] Member States shall establish a single estimate of the Value of Lost Load (VoLL) for their territory, expressed in €/MWh. That estimate shall be reported to the Commission and made publically available. Member States may establish different VoLL per bidding zone if they have several bidding zones in their territory. In establishing VoLL, Member States shall apply the methodology developed pursuant to Article 19(5).	1. By [OP: one year after entry into force] Member States shall establish a single estimate of the Value of Lost Load (VoLL) for their territory, expressed in€/MWh. That estimate shall be reported to the Commission and made publically available. In the case of cross-border bidding zones, Member States shall establish a common estimate of the VoLL. Member States may establish different VoLL per bidding zone if they have several bidding zones in their territory. In establishing VoLL, Member States shall apply the methodology developed pursuant to Article 19(5).	1. By [OP: one year after entry into force] where required for setting a reliability standard in accordance with Article 20 national regulatory authorities or other competent authorities designated by Member States shall establish a single-estimate of the Value of Lost Load (VoLL) for their territory []. That estimate shall be [] made publically available. National regulatory authorities or other competent authorities designated by Member States may establish different [] estimates per bidding zone if they have several bidding zones in their territory. In case a bidding zone consists of territories of more than one Member States that one Member States shall establish a single VoLL for that bidding zone. In establishing VoLL, national regulatory authorities or other competent authorities designated by Member States shall apply the methodology developed pursuant to Article 19(5).	Provisionally agreed: 1. By [OP: one year after entry into force] where required for setting a reliability standard in accordance with Article 20 national regulatory authorities or other competent authorities designated by Member States shall establish a single estimate of the Value of Lost Load (VoLL) for their territory []. That estimate shall be [] made publically available. National regulatory authorities or other competent authorities designated by Member States may establish different [] estimates per bidding zone if they have several bidding zones in their territory. In case a bidding zone consists of territories of more than one Member States shall establish a single VoLL for that bidding zone. In establishing VoLL, national regulatory authorities or other competent authorities designated by Member States shall apply the methodology developed pursuant to Article 19(5).

193.	2. Member States shall update their estimate at least every five years.	2. Member States shall update their estimate at least every five years or when a significant change is observed.	Provisionally agreed at TM: 2. Member States shall update their estimate at least every five years or earlier when a significant change is observed.
194.		Article 11 eration and demand response	
195.	1. Dispatching of power generation facilities and demand response shall be non-discriminatory and market based unless otherwise provided under paragraphs 2 to 4.	1. Dispatching of power generation facilities and demand response shall be non-discriminatory, transparent and, unless otherwise provided under Article 11 (2) to Article 11 (4), market based [].	
196.	2. When dispatching electricity generating installations, transmission system operators shall give priority to generating installations using renewable energy sources or highefficiency cogeneration from small generating installations or generating installations using emerging technologies to the following extent:	2. [] Without prejudice to Articles 107 to 109 TFEU Member States may provide for electricity generated [] using renewable energy sources or high-efficiency cogeneration from small [] power generating facility or power generating facility using emerging technologies to be granted priority dispatch up to the following extent:	

197.	(a) gangrating installations	AM 51	(a) [] norman compacting	
197.	(a) generating installations		(a) [] power generating	
	using renewable energy sources	(a) generating installations using	facility using renewable energy	
	or high-efficiency cogeneration	renewable energy sources or high-	sources or high-efficiency	
	with an installed electricity	efficiency cogeneration with an	cogeneration with an installed	
	capacity of less than 500 kW;	installed electricity capacity of less	electricity capacity of less than [
	or	than 500 kW; []] 250 kW; or	
198.	(b) demonstration projects	AM 52	(b) demonstration projects for	
	for innovative technologies.	(b) generating installations	emerging [] technologies as	
		which are demonstration projects	defined in the network code on	
		for innovative technologies;	requirements for generators	
		Member States may apply higher	adopted on the basis of Article	
		limits to local energy communities	6 of Regulation 714/2009.	
		as established in the Directive	S	
		(EU) [recast of Directive		
		2009/72/EC as proposed by		
		COM(2016) 864/2].		
199.	3. Where the total capacity	AM 53	[]	
177.	of generating installations	3. A Member State which does		
	subject to priority dispatch	not at the time of entry into force		
	under paragraph 2 is higher	of this Regulation grant priority		
	than 15 % of the total installed	dispatch to any generating		
	generating capacity in a	installations may request to be		
	Member State, point (a) of	exempted from the provisions of		
	paragraph 2 shall apply only to	paragraph 2 if it can demonstrate		
	additional generating	to the Commission that all of the		
	installations using renewable	following conditions are met:		
	energy sources or high-			
	efficiency cogeneration with an			
	installed electricity capacity of			
	less than 250 kW.			

200.	(a) no priority dispatch exists for
200.	
	installations other than those listed
	in paragraph 2 is in place;
201.	(b) its liquid intraday, wholesale
	and balancing markets are fully
	accessible to all market players in
	accordance with the provisions of
	this Regulation;
202.	(c) its curtailment rules and
	congestion management are
	transparent to all market parties
	and comply with the provisions of
	this Regulation;
203.	(d) its renewable energy target for
	2030 is sufficient for the collective
	achievement of the Union's
	binding overall target for share of
	energy from renewable sources
	pursuant to Article 3(2) of
	[Directive 2009/28/EC as proposed]
	by COM(2016) 767]and the
	Member State is expected to meet
	its target
i	i iis iiii fei

204.		The Commission shall approve or		
		reject a request for exemption		
		within six months of receipt of the		
		request. Any exemption granted		
		shall avoid retroactive changes for		
		installations already benefiting		
		from priority dispatch,		
		notwithstanding any agreement		
		between a Member State and an		
		installation on a voluntary basis.		
205.	From 1 January 2026, point (a)	From 1 January 2026, point (a) of	3a. For power generating	
	of paragraph 2 shall apply only	paragraph 2 shall apply only to	facility commissioned as from	
	to generating installations using	generating installations using	1 January 2026, point (a) of	
	renewable energy sources or	renewable energy sources or high-	paragraph 2 shall apply only to	
	high-efficiency cogeneration	efficiency cogeneration with an	power generating facilities []	
	with an installed electricity	installed electricity capacity of less	using renewable energy sources	
	capacity of less than 250 kW or,	than 250 kW [].	or high-efficiency cogeneration	
	if the threshold under the first		with an installed electricity	
	sentence of this paragraph has		capacity of less than $[]$ 150	
	been reached, of less than 125		kW []. Member States may	
	kW.		apply a lower threshold.	

206. Generating installations using renewable energy sources or high-efficiency cogeneration which have been commissioned prior to [OP: entry into force] and have, when commissioned, been subject to priority dispatch under Article 15(5) of Directive 2012/27/EU of the European Parliament and of the Council or Article 16(2) of Directive 2009/28/EC of the European Parliament and of the Council 19 shall remain subject to priority dispatch. Priority dispatch shall no longer be applicable from the date where the generating installation is subject to significant modifications, which shall be the case at least where a new connection agreement is required or the generation capacity is increased.

AM 54

Without prejudice to paragraph 3 of this Article. generating installations using renewable energy sources or highefficiency cogeneration which have been commissioned prior to [OP: entry into force] and have, when commissioned, been subject to priority dispatch under Article 15 (5) of Directive 2012/27/EU of the European Parliament and of the Council or Article 16 (2) Directive 2009/28/EC of the European Parliament and of the Council³⁹ shall remain subject to priority dispatch. Priority dispatch shall no longer be applicable from the date where the generating installation is subject to significant modifications, which shall be the case at least where a new connection agreement is required or the generation capacity is increased.

1.
35 Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and

[] Without prejudice to contracts concluded before **Tentry** into force of the legislation], power generating facility using renewable energy sources or high-efficiency cogeneration which have been commissioned prior to [OP: entry into forcel and have, when commissioned, been subject to priority dispatch under Article 15(5) of Directive 2012/27/EU of the European Parliament and of the Council or Article 16(2) of Directive 2009/28/EC of the European Parliament and of the Council²⁰ shall [] continue to benefit from priority dispatch. Priority dispatch shall no longer be applicable from the date where the [] power generating facility is subject to significant modifications, which shall be the case at least where a new connection agreement is required or the generation capacity is increased.

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Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L 140, 5.6.2009, p. 16).

Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L 140, 5.6.2009, p. 16).

207.	5. Priority dispatch shall not endanger the secure operation of the electricity system, shall not be used as a justification for curtailment of cross-border capacities beyond what is provided for in Article 14 and shall be based on transparent and non-discriminatory criteria.	amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L 140, 5.6.2009, p. 16).	5. Priority dispatch shall not endanger the secure operation of the electricity system, shall not be used as a justification for curtailment of cross-border capacities beyond what is provided for in Article 14 and shall be based on transparent and non-discriminatory criteria.	
208.	Article 12 Redispatching and curtailment		Article 12 Redispatching []	
209.	1. Curtailment or redispatching of generation and redispatching of demand response shall be based on objective, transparent and non-discriminatory criteria.		1. [] Redispatching of generation and redispatching of demand response shall be based on objective, transparent and non-discriminatory criteria. It shall be open to all generation technologies, storage and demand response, including operators located in other Member States unless technically not feasible.	

210.

The resources curtailed or redispatched shall be selected amongst generation or demand facilities submitting offers for curtailment or redispatching using marketbased mechanisms and be financially compensated. Nonmarket-based curtailment or redispatching of generation or redispatching of demand response shall only be used where no market-based alternative is available, where all available market-based resources have been used, or where the number of generation or demand facilities available in the area where suitable generation or demand facilities for the provision of the service are located is too low to ensure effective competition. The provision of market-based resources shall be open to all generation technologies, storage and demand response, including operators located in other Member States unless technically not feasible.

AM 55

The resources curtailed or redispatched shall be selected amongst generation, energy storage, and/or demand response facilities submitting offers for curtailment or redispatching using market-based mechanisms and be financially compensated. Nonmarket-based curtailment or redispatching of generation or redispatching of energy storage and/or demand response shall only be used for operational security reasons and where no marketbased alternative is available *or* where all available market-based resources have been used, or where the number of generation, energy storage or demand facilities available in the area where suitable generation, energy storage or demand facilities for the provision of the service are located is too low to ensure effective competition. The provision of market-based resources shall be open to all generation technologies, storage and demand response, including operators located in other Member States unless technically not feasible.

2. The resources [] redispatched shall be selected amongst generation, storage or demand facilities [] using market-based mechanisms and be financially compensated. [] Balancing energy bids used for redispatching shall not set the balancing energy price in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.

(part of 2, moved as 2a)

211.	2a. Without prejudice to
211.	Articles 107 to 109 TFEU non-
	market-based [] redispatching
	of generation or redispatching of
	demand response [] may only
	be used [] subject to the
	following conditions:
212.	(a) no market-based alternative
	is available,
213.	(b) [] all available market-
	based resources have been used,
	or
214.	(c) [] the number of
	generation or demand facilities
	available in the area where
	suitable generation or demand
	facilities for the provision of the
	service are located is too low to
	ensure effective competition. []
215.	(d) the current grid
213.	situation leads to congestion in
	such a regular and predictable
	way that market-based
	redispatch would lead to
	regular strategic bidding
	which would increase the level
	of internal congestion and the
	Member State concerned has
	adopted an action plan to
	address this congestions or
	ensures that
	minimum available capacity
	for cross-zonal trade is in
	accordance with Article 14 (7).
└	(//

216.	operators shall report at least once per year to the competent regulatory authority on curtailment or downward redispatching of generating installations using renewable energy sources or highefficiency cogeneration and on measures taken to reduce the need for such curtailment or downward redispatching in the future. Curtailment or redispatching of generating installations using renewable energy sources or highefficiency cogeneration shall be subject to compensation	AM 56 3. The responsible system operators shall report at least once per year to the competent regulatory authority, which shall be transmitted to the Agency, on:	3. The responsible system operators shall report at least once per year to the competent regulatory authority on [] downward redispatching of power generating facility [] using renewable energy sources or high-efficiency cogeneration [].	
217.	pursuant to paragraph 6.	(a) the level of development and effectiveness of market-based curtailment or redispatching mechanisms for generation and demand facilities;		

218.	(b) the reasons, volumes in MWh and type of generation source subject to curtailment or downward redispatching;	
219.	(c) the measures taken to reduce the need for the curtailment or downward redispatching of generating installations using renewable energy sources or high- efficiency cogeneration in the future including investments in digitalisation of the grid infrastructure and in services that increase flexibility;	
220.	(d) requests and contractual arrangements made with generating units for them to operate at a certain level of electricity infeed, the necessity of which the system operators shall justify,, specifying to what extent those services could not be provided by other units.	
221.	The competent regulatory authority shall publish the data referred to in paragraphs (a) to (d) together with recommendations for improvement where necessary.	

222.		Curtailment or redispatching of		
222.		1 0		
		generating installations using		
		renewable energy sources or high-		
		efficiency cogeneration shall be		
		subject to compensation pursuant		
		to paragraph 6.		
223.	4. Subject to requirements		4. Subject to requirements	
	relating to the maintenance of		relating to the maintenance of	
	the reliability and safety of the		the reliability and safety of the	
	grid, based on transparent and		grid, based on transparent and	
	non-discriminatory criteria		non-discriminatory criteria	
	defined by the competent		defined by the competent	
	national authorities,		national authorities, transmission	
	transmission system operators		system operators and	
	and distribution system		distribution system operators	
	operators shall:		shall:	
224.	(a) guarantee the capability	AM 57	(a) guarantee the capability of	
<i>22</i> 4.	of transmission and distribution		transmission and distribution	
	_	(a) guarantee the capability of transmission and distribution		
	networks to transmit electricity		networks to transmit electricity	
	produced from renewable	networks to transmit electricity	produced from renewable energy	
	energy sources or high-	produced from renewable energy	sources or high-efficiency	
	efficiency cogeneration with	sources, energy storage, demand-	cogeneration with minimum	
	minimum possible curtailment	response or high-efficiency	possible [] redispatching. That	
	or redispatching. That shall not	cogeneration with minimum	shall not prevent network	
	prevent network planning from	possible curtailment or	planning from taking into	
	taking into account limited	redispatching. That shall not	account limited [] redispatching	
	curtailment or redispatching	prevent network planning from	where this is shown to be more	
	where this is shown to be more	taking into account limited	economically efficient and, []	
	economically efficient and does	curtailment or redispatching where	does not exceed 5 % of [] the	
	not exceed 5 % of installed	they can demonstrate in a	annual generated electricity in	
	capacities using renewable	transparent way that this is more	installations using renewable	
	energy sources or high-	economically efficient and does not	energy sources [] and which	
	efficiency cogeneration in their	exceed 5 % of installed capacities	are directly connected to their	
	area;	using renewable energy sources,	respective grid, unless	
		energy storage, demand-response	otherwise provided by a	
		or high-efficiency cogeneration in	Member State in which	
		their area;	electricity from power	

228.	(a) generating installations	AM 59	(a) [] power generating	
	using renewable energy sources	(a) generating installations using	facilities using renewable	
	shall only be subject to	renewable energy sources shall	energy sources shall only be	
	downward redispatching or	only be subject to downward	subject to downward	
	curtailment if no other	redispatching or curtailment if no	redispatching []if no other	
	alternative exists or if other	other alternative exists or if other	alternative exists or if other	
	solutions would result in	solutions would result in	solutions would result in	
	disproportionate costs or risks	significantly disproportionate costs	disproportionate costs or severe	
	to network security;	or <i>significant</i> risks to network	risks to network security;	
		security;		
229.	(b) generating installations	AM 60	(b) electricity generated in a [
	using high-efficiency	(b) electricity generated in a] high-efficiency cogeneration	
	cogeneration shall only be	high-efficiency cogeneration	process shall only be subject to	
	subject to downward	<i>process</i> shall only be subject to	downward redispatching [] if,	
	redispatching or curtailment if,	downward redispatching or	other than [] downward	
	other than curtailment or	curtailment if, other than	redispatching of [] power	
	downward redispatching of	curtailment or downward	generating facilities using	
	generating installations using	redispatching of generating	renewable energy sources, no	
	renewable energy sources, no	installations using renewable	other alternative exists or if	
	other alternative exists or if	energy sources, no other alternative	other solutions would result in	
	other solutions would result in	exists or if other solutions would	disproportionate costs or severe	
	disproportionate costs or risks	result in disproportionate costs or	risks to network security;	
	to network security;	risks to network security;		

		•		
230.	(c) self-generated electricity		[]	
	from generating installations			
	using renewable energy sources			
	or high-efficiency cogeneration			
	which is not fed into the			
	transmission or distribution			
	network shall not be curtailed			
	unless no other solution would			
	resolve network security issues;			
231.	(d) downward redispatching		(d) downward redispatching [
	or curtailment under letters a to] under letters a [] and b [] it	
	c shall be duly and		shall be duly and transparently	
	transparently justified. The		justified. The justification shall	
	justification shall be included in		be included in the report under	
	the report under paragraph 3.		paragraph 3.	
232.	6. Where non-market based	AM 61	6. Where non-market based [
232.	curtailment or redispatching is	6. Where non-market based	redispatching is used, it shall	
	used, it shall be subject to	curtailment or redispatching is	be subject to financial	
	financial compensation by the	used, it shall be subject to financial	compensation by the system	
	system operator requesting the	compensation by the system	operator requesting the []	
	curtailment or redispatching to the owner of the curtailed or	operator requesting the curtailment	redispatching to the []	
		or redispatching to the owner of the	operator of the [] redispatched	
	redispatched generation or	curtailed or redispatched	generation or demand facility	
	demand facility. Financial	generation, energy storage or	except in the case of	
	compensation shall at least be	demand facility. Financial	generators accepting	
	equal to the highest of the	compensation shall at least be	connection agreement in which	
	following elements:	equal to the highest of the	firm delivery of energy is not	
		following elements:	guaranteed. Financial	
			compensation at least be equal to	
			the highest of the following	
			elements or a combination of	
			them if applying one of the	
1			elements would lead to an	
			unjustifiably low or	
			unjustifiably high	
			compensation:	

		T		
233.	(a) additional operating cost		(a) additional operating cost	
	caused by the curtailment or		caused by the [] redispatching,	
	redispatching, such as		such as additional fuel costs in	
	additional fuel costs in case of		case of upward redispatching, or	
	upward redispatching, or		backup heat provision in case of	
	backup heat provision in case of		downward redispatching or	
			1 5	
	downward redispatching or		curtailment of [] power	
	curtailment of generating		generating facility using high-	
	installations using high-		efficiency cogeneration;	
	efficiency cogeneration;			
234.	(b) 90 % of the net revenues	AM 62	(b) [] Net revenues from the	
	from the sale of electricity on	(b) [] net revenues from the	sale of electricity on the day-	
	the day-ahead market that the	sale of electricity on the day-ahead	ahead market that the generating	
	generating or demand facility	market that the generating or	or demand facility would have	
	would have generated without	demand facility would have	generated without the []	
	the curtailment or redispatching	generated without the redispatching		
	request. Where financial	request, including lost financial	financial support is granted to	
	support is granted to generating	support where financial support is	generating or demand facilities	
	or demand facilities based on	granted to generating or demand	based on the electricity volume	
	the electricity volume generated	facilities based on the electricity	generated or consumed, lost	
	3	1		
	or consumed, lost financial	volume generated or consumed [].	financial support shall be	
	support shall be deemed part of		deemed part of the net revenues.	
	the net revenues.			

235.			Chapter III		
226			nd congestion management		
236.			SECTION 1		
	CAPACITY ALLOCATION				
<i>237</i> .	Article 13		Article 13		
	Definition of bidding zones		Measures to address congestion		
			and definition of bidding zones		
238.	1. Bidding zone borders	AM 63	1. Member States shall		
	shall be based on long-term,	1. The configuration of	take all appropriate measures		
	structural congestions in the	bidding zones in the Union shall	to address congestions. Bidding		
	transmission network and	be designed in such a way as to	zone borders shall be based on		
	bidding zones shall not contain	ensure liquidity of day-ahead and	long-term, structural congestions		
	such congestions. The	intraday markets, and thus to	in the transmission network [].		
	configuration of bidding zones	maximise economic efficiency and	Bidding zones shall not		
	in the Union shall be designed	cross-border trading opportunities	contain such structural		
	in such a way as to maximise	while maintaining security of	congestions unless they have		
	economic efficiency and cross-	supply. Bidding zone borders shall	no impact, or their impact on		
	border trading opportunities	be based on long-term, structural	neighbouring bidding zones is		
	while maintaining security of	congestions in the transmission	mitigated through the use of		
	supply.	network and bidding zones shall	remedial actions and they do		
		not contain such congestions	not lead to reductions of cross		
		unless they have no impact on	zonal trading capacity. The		
		neighbouring bidding zones, or	configuration of the bidding		
		their impact is mitigated by	zones in the Union shall be		
		remedial actions.	designed in such a way as to		
			maximise economic efficiency		
			and in order to maximise cross-		
			border trading opportunities, []		
			with due respect to the		
			provisions in Article 14.		

239.	2. Each bidding zone should	AM 64	[]	
	be equal to an imbalance price	2. Each bidding zone should be		
	area.	equal to an imbalance price area,		
		except where an imbalance price		
		area may constitute a part of a		
		bidding zone.		
240.	3. In order to ensure an	AM 65	3. In order to ensure an	
	optimal bidding zone definition	3. In order to ensure an optimal	optimal bidding zone []	
	in closely interconnected areas,	bidding zone definition in closely	configuration [] a bidding	
	a bidding zone review shall be	interconnected areas, a bidding	zone review shall be carried out.	
	carried out. That review shall	zone review shall be carried out.	That review shall identify all	
	include analysis of the	That review shall include analysis	structural congestion and	
	configuration of bidding zones	of the configuration of bidding	include analysis of [] different	
	in a coordinated manner with	zones in a coordinated manner with	configurations of bidding zones	
	the involvement of affected	the involvement of affected	in a coordinated manner with the	
	stakeholders from all affected	stakeholders from all affected	involvement of affected	
	Member States, following the	Member States, following the	stakeholders from all []	
	process in accordance with	process in accordance with Articles	relevant Member States,	
	Articles 32 to 34 of Regulation	32 to 34 of Regulation (EU)	following the process in	
	(EU) 2015/1222. The Agency	2015/1222. Current bidding zones	accordance with [] the	
	shall approve and may request	shall be assessed based on their	capacity allocation and	
	amendments to the	ability to create a reliable market	congestion management	
	methodology and assumptions	environment, ensure sufficient	guideline adopted on the basis	
	that will be used in the bidding	flexible generation and load	of Article 18 of Regulation	
	zone review process as well as	capacity, which is crucial for	(EU) 714/2009. All relevant	
	the alternative bidding zone	avoiding grid bottlenecks,	transmission system operators	
	configurations considered.	balancing electricity demand and	shall submit a proposal to the	
		supply securing the long-term	relevant national regulatory	
		security of investments and the	authorities for approval. The	
		grid. The Agency shall approve	relevant national regulatory	
		and may request amendments to	authorities shall come to an	
		the methodology and assumptions	unanimous decision on the	
		that will be used in the bidding	proposal within [3 month]. In	
		zone review process as well as the	case they do not agree within	
		alternative bidding zone	this time frame, the Agency	

		configurations considered. <i>The</i>	shall [] decide on the	
		methodology shall take due	methodology and assumptions	
		account of infrastructure	that will be used in the bidding	
		development projects that are	zone review process as well as	
		expected to be realised within the	the alternative bidding zone	
		_		
		next 5 years.	configurations considered. The	
			methodology shall be based on	
			structural congestions which	
			are not expected to be	
			overcome within the next five	
			years, for example taking due	
			account of tangible progress	
			on infrastructure development	
			projects, that are expected to	
			be realised within the next five	
			years.	
241.			3a. Irrespective of the	
			concrete outcome of the	
			infrastructure development	
			projects, Article 14 shall apply	
			to the calculation of the	
			available capacity for cross-	
			zonal exchanges. Where an	
			action plan is implemented	
			pursuant to paragraph 4a, the	
			threshold referred to in Article	
			14(7) shall be reached not later	
			than end of 2025.	
242.	4. The transmission system	AM 66	4. The transmission system	
	operators participating in the	4. The transmission system	operators participating in the	
	bidding zone review shall	operators participating in the	bidding zone review shall	
	submit a proposal to the	bidding zone review shall submit a	submit a joint proposal to the	
	Commission regarding whether	proposal to the <i>relevant Member</i>	[] relevant Member States or	
	to amend or maintain the	States whether to amend or	designated competent	
	bidding zone configuration.	maintain the bidding zone	authorities of the relevant	

Based on that proposal, the Commission shall adopt a decision whether to amend or maintain the bidding zone configuration, [no later than 6 months after entry into force of this Regulation, specific date to be inserted by OP] or by six months after the conclusion of the bidding zone configuration launched in accordance with points (a), (b) or (c) of Article 32(1) of Regulation (EU) 2015/1222, whichever comes later.

configuration. The relevant Member States shall be those participating in the review pursuant to Article 32(2) of Regulation (EU) 2015/1222 and those in the same Capacity Calculation Region(s) pursuant to Regulation (EU) 2015/1222. Based on *the* proposal, the *relevant* Member States shall come to a unanimous decision within six *months on* whether to amend or maintain the bidding zone configuration. Other Member States, Energy Community Contracting Parties or other third countries sharing the same synchronous area with any Member State may submit comments. The decision shall be reasoned, in accordance with relevant Union law and shall take account of any observations of other Member States, Energy **Community Contracting Parties** and other third countries sharing the same synchronous area with any Member State, as well as of commitments on addressing existing congestion made by the relevant Member States. The relevant Member States shall notify the Commission and the Agency of their decision and any cross-border agreements entered

Member States [no later than 12 months after entry into force of this Regulation, specific date to be inserted by OJ]. In this article, relevant Member States refer to those Member States participating in the review of the bidding zone configuration and also those in the same capacity calculation region pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.

	into by the Member States, the	
	•	
	regulatory authorities or the	
	transmission system operators for	
	the purpose of achieving	
	consensus. Agreements entered	
	into by the relevant Member States	
	shall not deviate from coordinated	
	capacity calculation processes as	
	set out in Article 14 of this	
	Regulation nor from the relevant	
	<i>provisions</i> of Regulation (EU)	
	2015/1222.	
243.	AM 67	
	Article 13 – paragraph 4 a(new)	
	4 a. Where the relevant Member	
	States fail to come to a unanimous	
	decision within the deadline	
	referred to in paragraph 4, or	
	where the Member States become	
	aware of the fact that	
	commitments on which a previous	
	unanimous decision was based	
	were not complied with, they shall	
	immediately notify the	
	Commission.	
244.	The Commission shall initiate a	
2-1-10	conciliation procedure and shall	
	act as a mediator between the	
	relevant Member States. In the	
	conciliation procedure, the	
	relevant Member States shall,	
	within six months of such	
	•	
	initiation, adopt a unanimous	
	decision on whether to amend or	
	maintain the bidding zone	

	configuration.		
245.	Where the relevant Member States		
	in the conciliation fail to adopt a		
	unanimous decision within six		
	months, the Member State with		
	the internal structural congestion		
	shall have the choice to either		
	amend its bidding zone or		
	establish a roadmap with concrete		
	measures on how to overcome the		
	congestions in its national		
	territory in due time. That		
	Member State shall immediately		
	notify its choice to the		
	Commission.		
246.	For those Member States that		
	choose to amend their bidding		
	zones, the Commission shall adopt		
	a decision within six months of		
	that notification, after a thorough		
	evaluation of all the issues at		
	stake, together with an assessment		
	of all available solutions.		
247.		4a. Where structural	
		congestion has been identified	
		by one or more transmission	
		system operator or where the	
		bidding zone review	
		recommends a bidding zone	
		change of one or more	
		Member States, the concerned	
		Member States in cooperation	
		with their transmission system	
		operators have the possibility,	
		within 6 months, to define	

		action plans, national or	
		multinational. These action	
		plans shall contain a concrete	
		timetable for adopting	
		measures to reduce the	
		structural congestions	
		identified within the period of	
		[no later than [4] years after	
		entry into force of this	
		Regulation, specific date to be	
		inserted by OJ], including for	
		example acceleration of	
		network development, more	
		efficient use of existing	
		infrastructure, a review of	
		current system operation	
		practices, increased	
		coordination of system	
		operation with relevant	
		neighbouring transmission	
		system operators, review of	
		regulation regarding remedial	
		actions and barriers to	
		increased flexibility and	
		national energy policy	
		measures that shift the	
		location of production and	
		consumption.	
248.		4b. Member State	
		implementing the actions plans	
		pursuant to paragraph 4a	
		shall ensure that without	
		prejudice to derogations under	
		Articles 14(7a) and 14(7b), the	
		level of allocated capacity set	

out in Article 14(7) is achieved in the last year of the action plan, and in no case later than end of 2025, the minimum allocated capacity. Member States shall achieve the capacity referred to in this paragraph by means of a linear trajectory. This linear trajectory and the starting of this trajectory, which shall be either the capacity allocated at this border in the year before implementation of the action plan or the average of the three last years before the action plan, whatever is higher, shall be agreed with the Member States of the same capacity calculation region. For the period when a **Member State is implementing** an action plan, the Member State shall ensure that the capacity made available for cross-zonal trade to be compliant with paragraph 7 is at least equal to the values of the trajectory, including by use of remedial actions in the capacity calculation region, but the decisions of the regulatory authorities referred to in paragraphs 7a and 7b are not applicable to such a

		Member State. Costs of	
		remedial actions required to	
		follow the trajectory or make	
		available cross-zonal capacity	
		at the borders concerned by	
		the action plan shall be borne	
		by the Member State or	
		Member States implementing	
		the action plan.	
249.		4c. Six months before the	
		expiry of the action plan,	
		Member States shall decide	
		whether to split their bidding	
		zone to address remaining	
		congestions or whether to	
		address remaining internal	
		congestions with remedial	
		actions for which they shall	
		cover the costs. Yearly, during	
		the implementation of the	
		action plan and within six	
		months after the expiry of the	
		action plan, the transmission	
		system operators participating	
		in the bidding zone review	
		shall assess the available cross-	
		zonal capacity calculated in	
		accordance with the	
		methodology referred to in	
		Article 14(7) for the period of	
		the last 12 months, and	
		determine in a report whether	
		the cross-border trade	
		capacity reached the minimum	
		level outlined in Article 14(7).	

		Where a structural congestion	
		has been identified pursuant to	
		paragraph 4a but no action	
		plan was defined within 6	
		months, the relevant	
		transmission system operators	
		shall within twelve months	
		after a structural congestion	
		has been identified assess the	
		available cross-zonal capacity	
		calculated in accordance with	
		the methodology referred to in	
		Article 14(7) for the period of	
		the last 12 months, and	
		determine in a report whether	
		the cross-border trade	
		capacity reached its minimum	
		level outlined in Article 14(7).	
		The assessments under this	
		paragraph shall be	
		continuously reiterated every	
		24 months for the period of the	
		last 24 months.	
250.		4d. For those Member	
		States for which the	
		assessment following	
		paragraph 4c demonstrates	
		that a transmission system	
		operator has not been	
		compliant with the level	
		outlined in Article 14(7) or for	
		those Member States that have	
		opted for a bidding zone split,	
		the relevant Member States	
		shall come to a unanimous	

			-
		decision within 6 months from	
		receiving the report referred	
		in paragraph 4c on whether to	
		maintain or amend the	
		bidding zone configuration.	
		Other Member States may	
		submit comments to the	
		relevant Member States who	
		should take account of these	
		comments when coming to	
		their decision. The decision	
		shall be justified, and shall	
		notified to the Commission	
		and the Agency.	
251.		4e. Should the relevant	
201.		Member States fail to come to	
		an unanimous decision within	
		the allowed timeframe, they	
		shall immediately notify the	
		Commission. The Commission	
		may make further proposals	
		and may invite the relevant	
		Member States for	
		consultation aiming at	
		fostering a balanced solution	
		within three months. As a	
		measure of last resort, the	
		Commission after consultation	
		with the Agency and the	
		relevant stakeholders shall	
		adopt a decision whether to	
		amend or maintain the	
		bidding zone configuration in	
		and between those Member	
		States that are subject to the	

			decision according to paragraph 4d, by six months	
			after receiving of such a	
			notification.	
252.			4f. In case one of the	
			consecutive reassessments	
			referred to in paragraph 4c	
			demonstrates that a	
			transmission system operator	
			has not been compliant with	
			the provisions from Article	
			14(7c) the procedure under	
			paragraphs 4d and 4e shall	
			apply.	
253.	5. The decision referred to	AM 68	5. The decision referred to in	
	in paragraph 4 shall be based on	5. Where the relevant Member	paragraph 4d or 4e shall be	
	the result of the bidding zone	State chooses to establish a	based on the report identifying	
	review and the transmission	detailed road map with concrete	structural congestion or the	
	system operators' proposal	milestones on how the congestion	result of the bidding zone review	
	concerning its maintenance or	issues will be resolved, that	and the transmission system	
	amendment. The decision shall	Member State shall, within six	operators' proposal in	
	be justified, in particular as	months of the Commission	paragraph 4a and the report	
	regards possible deviations	decision, present that roadmap to	in paragraph 4c concerning its	
	from the result of the bidding	the Commission and other	maintenance or amendment [].	
	zone review.	relevant Member States. During	The decision shall be justified,	
		the implementation of the	in particular as regards possible	
		roadmap the relevant Member	deviations from the result of the	
		State shall regularly report to the	bidding zone review and shall	
		Commission on the progress	take account of the positions	
		made.	and commitments of the	
			concerned Member States and	
			the comments provided by	
			other Member States.	

254.	Irrespective of the concrete	
254.	progress of the roadmap, the	
	Member State that is	
	implementing a roadmap shall	
	ensure that the cross-border trade	ļ
	capacities are increased every year	ļ
	up to the benchmark level of at	
	least 75% calculated in	
	accordance with Article 14	
	paragraph 7, which is to be	
	achieved by the end of 2025. The	
	yearly increase shall be achieved	
	by means of a linear trajectory.	
255.	The starting of this trajectory shall	
	be either the capacity allocated at	
	this border in the year before	
	adoption of the roadmap or the	
	average of the three last years	
	before the adoption of the	
	roadmap, whatever is higher.	
256.	Member States shall be considered	
	to be in compliance with Article 14	
	paragraph 7 if the capacity made	
	available for cross-zonal trade is	
	at least equal to the values of the	
	linear trajectory.	
	unear rajectory.	

257.	AM 69	
237.	Article 13 – paragraph 5 a (new)	
	Article 13 – paragraph 3 a (new)	
	5a. The relevant transmission	
	system operators and national	
	regulatory authorities shall assess	
	yearly whether the available cross-	
	border capacity has reached the	
	_ = = =	
	linear trajectory or, as of the end	
	of 2025, the minimum level	
250	outlined in Article 14(7).	
258.	AM 70	
	Article 13 – paragraph 5 b (new)	
	5b. For those Member States	
	for which the assessment referred	
	to in paragraph 5a demonstrates	
	that a transmission system	
	operator has not been compliant	
	with the linear trajectory, or as of	
	the end of 2025, with the level	
	outlined in Article 14 (7), the	
	Commission may recommend	
	additional measures and as a	
	measure of last resort, adopt a	
	decision whether to amend or	
	maintain the bidding zone	
	configuration in and between	
	those Member States.	
1	mose member sinces.	

259.	6. Where further bidding zone reviews are launched under Article 32(1)(a), (b) or (c) of Regulation (EU) 2015/1222, the Commission may adopt a decision within six months of the conclusion of that bidding zone review.	AM 71 deleted	6. Where further bidding zone reviews are launched under [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 the procedure outlined in this Article shall be followed.	
260.	7. The Commission shall consult relevant stakeholders on its decisions under this Article before they are adopted.	AM 72 7. Member States and the Commission shall consult relevant stakeholders before adopting a decision under this Article.	[]	
261.	8. The Commission decision shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity. The Commission may define appropriate transitional arrangements as part of its decision.	8. The decision adopted under this Article shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity. Appropriate transitional arrangements may be defined as part of the decision.	8. [] Any decision adopted according to this Article shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity and shall not be less than 12 months after the decision is published unless otherwise agreed with the relevant Member States. The [] decision may define appropriate transitional arrangements [].	

262.		AM 74 Article 13 – paragraph 8 a (new) 8a. Where further bidding zone reviews are launched under point (a), (b) or (c) of Article 32(1) of Regulation (EU) 2015/1222, paragraphs 4 to 8 of this Article shall apply.		
263.		General principles of capacit	Article 14 y allocation and congestion manage	rment
264.	1. Network congestion problems shall be addressed with non-discriminatory market-based solutions which give efficient economic signals to the market participants and transmission system operators involved. Network congestion problems shall be solved with non-transaction based methods, i.e. methods that do not involve a selection between the contracts of individual market participants. When taking operational measures to ensure that its transmission system remains in the normal state, the transmission system operator shall take into account the effect of those measures on neighbouring control areas and coordinate such measures with other affected transmission system operators as provided for in Regulation (EU)		1. Network congestion problems shall be addressed with non-discriminatory market-based solutions which give efficient economic signals to the market participants and transmission system operators involved. Network congestion problems shall be solved with non-transaction based methods, i.e. methods that do not involve a selection between the contracts of individual market participants. When taking operational measures to ensure that its transmission system remains in the normal state, the transmission system operator shall take into account the effect of those measures on neighbouring control areas and coordinate such measures with other affected transmission system operators as provided for in [] the capacity allocation	

	1222/2015.	and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	
265.	2. Transaction curtailment procedures shall only be used in emergency situations where the transmission system operator must act in an expeditious manner and re-dispatching or countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner. Except in cases of force majeure, market participants who have been allocated capacity shall be compensated for any curtailment.	2. Transaction curtailment procedures shall only be used in emergency situations where the transmission system operator must act in an expeditious manner and re-dispatching or countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner. Except in cases of force majeure, market participants who have been allocated capacity shall be compensated for any curtailment.	
266.		2a. Transmission system operators may decide not to implement the coordinated actions issued by the regional security coordinator of the system operation region, or the regional security coordinator himself may reduce the capacities calculated in the coordinated capacity calculation in their coordinated actions where the outcome of the coordinated capacity calculation, carried out pursuant to the capacity allocation and congestion	

management guideline and paragraphs 3 and 7, would result in a violation of the operational security limits defined by the transmission system operator in accordance with the System Operation **Guideline adopted on the basis** of Article 18 of Regulation 714/2009, for example in case of insufficient redispatch potential within the capacity calculation region. Such a deviation shall be duly justified by the relevant transmission system operators. The relevant transmission system operators shall inform the Regional Security **Coordinators and the national** regulatory authorities of the capacity calculation region of such deviation without undue delay in accordance with Article 38(2a) of this Regulation. Once a year, the **Regional Security Coordinator** shall report to the relevant national regulatory authorities and the Agency on the deviations pursuant to this paragraph and shall assess the incidences and analyse, if needed, how to avoid such deviations in the future. If the

	Agency comes to the	
	conclusion that the	
	prerequisites for a deviation	
	pursuant to this paragraph	
	were not fulfilled are of a	
	structural nature, the Agency	
	shall submit an opinion to the	
	relevant regulatory authority	
	and the Commission. The	
	regulatory authority shall take	
	appropriate action against the	
	transmission system operators	
	if the prerequisites for a	
	deviation pursuant to this	
	paragraph were not fulfilled.	

267. The maximum capacity of the interconnections and/or the transmission networks affecting cross-border flows shall be made available to market participants, complying with safety standards of secure network operation. Countertrading and redispatch, including cross-border redispatch, shall be used to maximise available capacities unless it is demonstrated that it is not beneficial to economic efficiency at Union level.

AM 75

3. The maximum capacity of the interconnections and/or the transmission networks affecting cross-border flows shall be made available to market participants, complying with safety standards of secure network operation. Countertrading and redispatch, including cross-border redispatch, shall be used to maximise available capacities unless it is demonstrated that it is not beneficial to economic efficiency at Union level.

When allocating cost of remedial actions between transmission

When allocating cost of remedial actions between transmission system operators, regulators shall analyse to what extent unscheduled flows leaving and reentering a bidding zone contribute to the congestion observed between two bidding zones and allocate the counter-trading and redispatch costs in proportion to their contribution to the congestion.

Unless otherwise provided in paragraphs 7, 7a, 7b. 7d and 2a the maximum level of capacity of the interconnections and/or the transmission networks affected by cross-border [] capacity shall be made available to market participants, complying with safety standards of secure network operation. Countertrading and redispatch, including cross-border redispatch, shall be used to optimize available capacities [] and a coordinated and nondiscriminatory process for cross-border remedial actions shall be applied to enable this, following the implementation of the re-dispatching and countertrading cost sharing methodology in accordance with the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.

268.	4. Capacity shall be	4. Capacity shall be	
	allocated only by means of	allocated only by means of	
	explicit capacity auctions or	explicit capacity auctions or	
	implicit auctions including both	implicit auctions including both	
	capacity and energy. Both	capacity and energy. Both	
	methods may coexist on the	methods may coexist on the	
	same interconnection. For intra-	same interconnection. For intra-	
	day trade continuous trading	day trade continuous trading	
	shall be used, which may be	shall be used which may be	
	complemented by auctions.	complemented by auctions.	
269.	5. The highest value bids,	5. In case of congestion, the	
	whether implicit or explicit in a	valid highest value bids for	
	given timeframe, shall be	network capacity, whether	
	successful. Other than in the	implicit or explicit, offering the	
	case of new interconnectors	highest value for the (scarce)	
	which benefit from an	transmission capacity in a	
	exemption under Article 7 of	given timeframe, shall be	
	Regulation (EC) No 1228/2003,	successful. Other than in the	
	Article 17 Regulation 714/2009	case of new interconnectors	
	or Article 59, establishing	which benefit from an	
	reserve prices in capacity-	exemption under Article 7 of	
	allocation methods shall not be	Regulation (EC) No 1228/2003,	
	allowed.	Article 17 Regulation 714/2009	
		or Article 59, establishing	
		reserve prices in capacity-	
		allocation methods shall not be	
		allowed.	
270.	6. Capacity shall be freely	6. Capacity shall be freely	
	tradable on a secondary basis,	tradable on a secondary basis,	
	provided that the transmission	provided that the transmission	
	system operator is informed	system operator is informed	
	sufficiently in advance. Where	sufficiently in advance. Where a	
	a transmission system operator	transmission system operator	
	refuses any secondary trade	refuses any secondary trade	
	(transaction), this shall be	(transaction), this shall be	

271	clearly and transparently communicated and explained to all the market participants by that transmission system operator and notified to the regulatory authority.	AM 76	clearly and transparently communicated and explained to all the market participants by that transmission system operator and notified to the regulatory authority.	
271.	7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to other market participants in order to solve congestion inside their own control area or as a means of managing flows on a border between two control areas observed even without any transaction, that is to say flows over control areas caused by origin and destination within one control area.	7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to other market participants in order to solve congestion inside their own control area or as a means of managing flows on a border between two control areas observed even without any transaction, that is to say flows over control areas caused by origin and destination within one control area.	7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to [] market participants in order to solve congestion inside their own bidding zone or as a means of managing flows leaving and re-entering the same bidding zone without being scheduled unless otherwise provided under paragraph 7a or 7b.	
272.		Without prejudice to the forth subparagraph of Article 13(5), this paragraph shall be considered to be complied with if the following minimum levels of available capacity for cross-zonal trade, which is calculated pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 taking account of contingencies, are reached:	Without prejudice to the application of the derogations under paragraph 7a and 7b, this paragraph shall be considered to be complied with if the following minimum levels of available capacity for cross-zonal trade, which is calculated pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 taking account of N-1 criterion, are reached:	

273.	(i) for borders using a coordinated net transfer capacity approach, if at least 75 % of the net transfer capacity pursuant to capacity allocation and congestion management guideline are made available for cross-border trade;	(i) For borders using a coordinated net transmission capacity approach, 75% of the net transfer capacity pursuant to capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009;	
274.	(ii) for borders using a flow-based approach, if on cross-zonal and internal critical network elements considered in the flow-based calculation at least 75 % of the thermal capacity after reduction of the amount required to secure the N-1 principle pursuant to the capacity allocation and congestion management guideline is used as an input for capacity allocation.	(ii) For borders using a flow-based approach, 75% of the remaining available margin on internal and cross border critical network elements made available for cross border flows pursuant to capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009.	
275.		The derogations pursuant to paragraph 7a shall not result with a value below this threshold.	

276.		7a. Based on a proposal by all transmission system operators of a capacity calculation region, the relevant regulatory authorities by way of derogation from paragraph 7 shall approve the level of total available crosszonal capacity at each bidding zone border, which shall be used in the capacity calculation methodology, to take account of cross-zonal unscheduled flows to the	
		extent that could be expected	
		without structural congestions	
		in a bidding zone.	
277.	Upon request by a transmission	7b. Upon request by []	
	system operator, the relevant	transmission system operators of	
	regulatory authority may grant	a capacity calculation region [
	a derogation from the first] the relevant regulatory	
	subparagraph where it is	authorities may grant a	
	necessary for maintaining operational security or where it	derogation from [] paragraph	
	is beneficial to economic	7 for foreseeable reasons where	
	efficiency at Union level. Such	it is necessary for maintaining	
	a derogation, which may not	operational security [] other	
	relate to curtailment of already	than the ones covered under	
	allocated capacities pursuant to	paragraph 7a, for instance in	
	paragraph 5, shall be limited in	case of grid maintenance	
	time, strictly limited to what is	measures. Such a derogation,	
	necessary, and avoid	which may not relate to	
	discrimination between internal	curtailment of already allocated	
	and cross-zonal exchanges.	capacities pursuant to paragraph	
	Before granting a derogation,	5, shall be limited [] to one	
	the relevant regulatory authority	year at a time, or up to	
	shall consult the regulatory		

	1 22 0 1 35 1		
	authorities of other Member	maximum two years with a	
	States forming part of an	significantly decreasing level	
	affected capacity calculation	of the derogation each year, be	
	region. In case a regulatory	strictly limited to what is	
	authority disagrees with the	necessary, and avoid	
	proposed derogation, the	discrimination between internal	
	Agency shall decide on the	and cross-zonal exchanges. []	
	derogation pursuant to Article	The justification and reasons for	
	6(8)(a) [recast of Regulation	the derogation shall be	
	(EC) No 713/2009 as proposed	published. Where a derogation is	
	by COM(2016) 863/2]. The	granted, the relevant	
	justification and reasons for the	transmission system operators	
	derogation shall be published.	shall develop and publish a	
	Where a derogation is granted,	methodology and projects []	
	the relevant transmission	that shall provide a long-term	
	system operators shall develop		
	and publish a methodology and	solution to the issue that the	
	projects that shall provide a	derogation seeks to address. The	
	long-term solution to the issue	derogation shall expire when the	
	that the derogation seeks to	time limit is reached or, once the	
	address. The derogation shall expire when the time limit is	solution is applied, whichever is	
	reached or, once the solution is	earlier.	
	applied, whichever is earlier.		
270	11 /	0 Market martiainanta aball	
278.	8. Market participants shall	8. Market participants shall	
	inform the transmission system	inform the transmission system	
	operators concerned a	operators concerned a	
	reasonable time in advance of	reasonable time in advance of	
	the relevant operational period	the relevant operational period	
	whether they intend to use	whether they intend to use	
	allocated capacity. Any	allocated capacity. Any	
	allocated capacity that will not	allocated capacity that will not	
	be used shall be reattributed to	be used shall be reattributed to	
	the market, in an open,	the market, in an open,	
	transparent and non-	transparent and non-	
	discriminatory manner.	discriminatory manner.	

279.	9. Transmission system	9. Transmission system
	operators shall, as far as	operators shall, as far as
	technically possible, net the	technically possible, net the
	capacity requirements of any	capacity requirements of any
	power flows in opposite	power flows in opposite
	direction over the congested	direction over the congested
	interconnection line in order to	interconnection line in order to
	use that line to its maximum	use that line to its maximum
	capacity. Having full regard to	capacity. Having full regard to
	network security, transactions	network security, transactions
	that relieve the congestion shall	that relieve the congestion shall
	never be denied.	never be denied.
280.	10. The financial	10. The financial
	consequences of failure to	consequences of failure to
	honour obligations associated	honour obligations associated
	with the allocation of capacity	with the allocation of capacity
	shall be attributed to those who	shall be attributed to those who
	are responsible for such a	are responsible for such a
	failure. Where market	failure. Where market
	participants fail to use the	participants fail to use the
	capacity that they have	capacity that they have
	committed to use, or, in the	committed to use, or, in the case
	case of explicitly auctioned	of explicitly auctioned capacity,
	capacity, fail to trade on a	fail to trade on a secondary basis
	secondary basis or give the	or give the capacity back in due
	capacity back in due time, they	time, they shall lose the rights to
	shall lose the rights to such	such capacity and pay a cost-
	capacity and pay a cost-	reflective charge. Any cost-
	reflective charge. Any cost-	reflective charges for the non-
	reflective charges for the non-	use of capacity shall be justified
	use of capacity shall be justified	and proportionate. If a
	and proportionate. If a	transmission system operator
	transmission system operator	does not fulfil its obligation, it
	does not fulfil its obligation, it	shall be liable to compensate the
	shall be liable to compensate	market participant for the loss of

	the market participant for the loss of capacity rights. Consequential losses shall not be taken into account for that purpose. The key concepts and methods for the determination of liabilities that accrue upon failure to honour obligations shall be set out in advance in respect of the financial consequences, and shall be subject to review by the relevant national regulatory authority or authorities.	capacity rights. Consequential losses shall not be taken into account for that purpose. The key concepts and methods for the determination of liabilities that accrue upon failure to honour obligations shall be set out in advance in respect of the financial consequences, and shall be subject to review by the relevant [] regulatory authority or authorities.	
281.	authority of authorities.	11. When allocating costs of remedial actions between transmission system operators, regulators shall analyse to what extent flows leaving and re-entering a bidding zone without being scheduled contribute to the congestion between two bidding zones observed, and allocate the costs in proportion to the contribution to the congestion in line with re-dispatching and countertrading cost sharing methodology in accordance with the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 and Article 76 of Commission Regulation	

		(EU) 2017/XYZZ. This shall
		not apply to the threshold pursuant to paragraph 7a.
282.		Article 15
		Allocation of cross-zonal capacity across timeframes
283.	1. Transmission system operators shall recalculate available cross-zonal capacity at least after day-ahead and after intraday cross-zonal gate closure times. Transmission system operators shall allocate the available cross-zonal capacity plus any remaining cross-zonal capacity not previously allocated and any cross-zonal capacity released by physical transmission right holders from previous allocations in the next cross-zonal capacity allocation process.	1. Transmission system operators shall recalculate available cross-zonal capacity at least after day-ahead and after intraday cross-zonal gate closure times. Transmission system operators shall allocate the available cross-zonal capacity plus any remaining cross-zonal capacity plus any remaining cross-zonal capacity not previously allocated and any cross-zonal capacity released by physical transmission right holders from previous allocations in the next cross-zonal capacity allocation process.
284.		1a. Transmission system operators shall define an appropriate structure for the allocation of cross-zonal capacity across timeframes, including day-ahead, intraday and balancing. Such an allocation structure shall be subject to review by the respective regulatory authorities. In drawing up their proposal, the TSOs shall take into account:

285.		a) the characteristics of the	
		markets;	
286.		b) the operational	
		condition, such as the	
		implications of netting firmly	
		declared schedules;	
287.		c) the level of	
		harmonisation of the	
		percentages and timeframes	
		adopted for the different	
		cross-zonal capacity allocation	
		mechanisms in place.	
288.	2. When cross-zonal	2. When cross-zonal	
	capacity is available after the	capacity is available after the	
	intraday cross-zonal gate	intraday cross-zonal gate closure	
	closure time, transmission	time, transmission system	
	system operators shall use the	operators shall use the cross-	
	cross-zonal capacity for the	zonal capacity for the exchange	
	exchange of balancing energy	of balancing energy or for	
	or for operating the imbalance	operating the imbalance netting	
	netting process.	process.	

289.	3. Transmission system operators shall use the methodologies developed in network codes and guidelines on balancing, where applicable, to allocate cross-zonal capacity for the exchange of balancing capacity or sharing of reserves pursuant to Article 5(4) and (7).	capacity exchange or sharin pursuant transmiss shall use a developed with the adopted	There cross-zonal y is allocated for the ge of balancing capacity ing of reserves int to Article 5(8), ssion system operators the methodologies ed in [] accordance balancing guideline I on the basis of Article the Regulation 714/2009.
290.	4. Transmission system operators shall not increase the reliability margin calculated pursuant to Regulation (EU) 2015/1222 due to the exchange of balancing capacity or sharing of reserves.	operators reliability pursuant to 2015/122.	ransmission system s shall not increase the sy margin calculated at to Regulation (EU) 22 due to the exchange cing capacity or sharing yes.

291.		Network charg	Section 2 es and congestion income	
292.	Article 16 Charges for access to networks	AM 77 Charges for access to networks, use of networks and reinforcement	Article 16 Charges for connection and access to networks	
293.	1. Charges applied by network operators for access to networks, including charges for connection to the networks, charges for use of networks, and, where applicable, charges for related network reinforcements, shall be transparent, take into account the need for network security and flexibility and reflect actual costs incurred insofar as they correspond to those of an efficient and structurally comparable network operator and are applied in a non-discriminatory manner. In particular, they shall be applied in a way which does not discriminate between production connected at the distribution level and production connected at the transmission level, either positively or negatively. They shall not discriminate against energy storage and shall not create disincentives for participation in demand response. Without prejudice to	1. Charges applied by network operators for access to networks, including charges for connection to the networks, charges for use of networks, and, where applicable, charges for related network reinforcements, shall be fair, costreflective, transparent, take into account the need for network security and flexibility and reflect actual costs incurred insofar as they correspond to those of an efficient and structurally comparable network operator and are applied in a non-discriminatory manner. Grid tariffs shall not include unrelated costs supporting other policy objectives, such as taxes or levies, as this would distort production, consumption and investment decisions. In particular, they shall neutrally support overall system efficiency in the long run through price signals to consumers and producers and they shall as far as possible be applied in a way which does not discriminate between production connected at the distribution level and production	1. Charges applied by network operators for access to networks, including charges for connection to the networks, charges for use of networks, and, where applicable, charges for related network reinforcements, shall be transparent, take into account the need for network security and flexibility and reflect actual costs incurred insofar as they correspond to those of an efficient and structurally comparable network operator and are applied in a non-discriminatory manner. [] Without prejudice to Article 15(1) and (6) and the criteria in Annex XI of Directive 2012/27/EU the method used to develop the network charges shall in particular be applied in a way which does not discriminate between production connected at the distribution level and production connected at the transmission level, either positively or negatively. They shall not unduly discriminate either positively or negatively	

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	paragraph 3, those charges shall not be distance-related.	connected at the transmission level, either positively or negatively. They shall not discriminate against energy storage and aggregation and shall not create disincentives for self-generation, self-consumption and for participation in demand response. Without prejudice to paragraph 3, those charges shall not be distance-related.	against energy storage and shall not create disincentives for participation in demand response. Without prejudice to paragraph 3, those charges shall not be distance-related.	
294.	2. Tariffs shall grant appropriate incentives to transmission and distribution system operators, over both the short and long term, to increase efficiencies, including energy efficiency, foster market integration and security of supply, and support investments and the related research activities.	AM 79 2. Tariffs shall grant appropriate incentives to transmission and distribution system operators, over both the short and long term, to increase efficiencies, including energy efficiency, foster market integration and security of supply, and global competitiveness, and support efficient investments, in particular in digitalisation, flexibility services and interconnections, and the related research activities. Tariffs shall not create disincentives for energy storage, demand response or self-generation production.	2. Tariff methodologies shall [] reflect appropriate incentives and fixed costs of transmission and distribution system operators. The allowed revenues to be recovered through tariffs shall reflect appropriate incentives to transmission and distribution system operators over both the short and long term, to increase efficiencies, including energy efficiency, foster market integration, [] security of supply, and support investments, [] the related research activities and facilitate innovation in the consumer's interest.	
295.	3. Where appropriate, the level of the tariffs applied to producers and/or consumers shall provide locational signals		3. Where appropriate, the level of the tariffs applied to producers and/or consumers shall provide locational signals	

at Union level, and take into at Union level, and take into	
account the amount of network account the amount of network	
losses and congestion caused, losses and congestion caused,	
and investment costs for and investment costs for	
infrastructure. infrastructure.	
296. 4. When setting the charges 4. When setting the charges	
for network access, the	
following shall be taken into	
account: account:	
297. (a) payments and receipts (a) payments and receipts	
resulting from the inter-	
transmission system operator transmission system operator	
compensation mechanism; compensation mechanism;	
298. (b) actual payments made (b) actual payments made and	
and received as well as received as well as payments	
payments expected for future expected for future periods of	
periods of time, estimated on time, estimated on the basis of	
the basis of past periods. past periods.	
299. 5. Setting the charges for 5. Setting the charges for	
network access under this network access under this	
Article shall be without Article shall be without	
prejudice to charges resulting prejudice to charges resulting	
from congestion management from congestion management	
referred to in Article 14.	
300. 6. There shall be no specific 6. There shall be no specific	
network charge on individual to work charge on individual for the control of the charge of the cha	
trade of electricity. trade of electricity. trade of electricity.	
trade of electricity.	

301. Distribution tariffs shall reflect the cost of use of the distribution network by system users including active customers, and may be differentiated based on system users' consumption or generation profiles. Where Member States have implemented the deployment of smart metering systems, regulatory authorities may introduce time differentiated network tariffs, reflecting the use of the network, in a transparent and foreseeable way for the consumer.

AM 80

Transmission and distribution tariffs shall be costreflective by taking into account the investment cost, added value of distributed generation, flexibility, digitalisation, demand response, storage and use of the transmission and distribution network by system users including active customers, may contain grid connection capacity elements and may be differentiated based on system users' consumption or generation profiles. Where Member States have implemented the deployment of smart metering systems, *competent* regulatory authorities shall introduce time differentiated network tariffs. reflecting the use of the network, in a transparent and foreseeable and cost efficient way for the consumer. Member States shall ensure that tariffs are not discriminatory.

Distribution tariffs shall reflect the cost of use of the distribution network by system users including active customers, and may be differentiated based on system users' consumption or generation profiles. Where Member States have implemented the deployment of smart metering systems, [] time differentiated network tariffs may be introduced, reflecting the use of the network, in a transparent and foreseeable way for the consumer.

302. Regulatory authorities 8. shall provide incentives to distribution system operators to procure services for the operation and development of their networks and integrate innovative solutions in the distribution systems. For that purpose regulatory authorities shall recognise as eligible and include all relevant costs in distribution tariffs and introduce performance targets in order to incentivise distribution system operators to raise efficiencies, including energy efficiency, in their networks.

AM 81

Regulatory authorities shall provide incentives to distribution system operators for the *most* efficient operation and development of their networks and integrate innovative solutions in the distribution systems, including through the procurement of services. For that purpose regulatory authorities shall recognise as eligible and include all relevant costs in distribution tariffs and introduce performance targets in order to incentivise distribution system operators to raise efficiencies, including energy efficiency, flexibility and the digitalisation of the distribution networks including the deployment of smart grids and intelligent metering systems, in their networks.

8. [] The allowed revenues to be covered through distribution tariffs may include performance targets in order to incentivise distribution system operators [] to operate their networks as efficiently as possible.

303.	9. By [OP: please add	AM 82	9. By [OP: please add	
	specific date – three months	9. By [OP: please add specific	specific date – three months	
	after entry into force] the	date – three months after entry into	after entry into force] to	
	Agency shall provide a	force] the Agency shall evaluate	mitigate the risk of market	
	recommendation addressed to	the feasibility on the convergence	fragmentation the Agency shall	
	regulatory authorities on the	of transmission and distribution	provide a [] best practice	
	progressive convergence of	tariff methodologies. The	report on [] transmission and	
	transmission and distribution	feasibility study shall address at	distribution tariff methodologies	
	tariff methodologies. That	least:	while leaving sufficient room	
	recommendation shall address		to take national specificities	
	at least:		into account. That [] best	
			practice report shall address at	
			least:	
304.	(a) the ratio of tariffs applied		(a) the ratio of tariffs applied	
	to producers and to consumers;		to producers and to consumers;	
305.	(b) the costs to be recovered		(b) the costs to be recovered	
	by tariffs;		by tariffs;	
306.	(c) time differentiated		(c) time differentiated	
	network tariffs;		network tariffs;	
307.	(d) locational signals;		(d) locational signals;	
308.	(e) the relationship between		(e) the relationship between	
	transmission and distribution		transmission and distribution	
	tariffs, including principles		tariffs, []	
	relating to non-discrimination;			
309.	(f) methods to ensure		(f) methods to ensure	
	transparency in the setting and		transparency in the setting and	
	structure of tariffs;		structure of tariffs;	
310.	(g) groups of network users	AM 83	(g) groups of network users	
	subject to tariffs, including	(g) groups of network users	subject to tariffs, including tariff	
	tariff exemptions.	subject to tariffs according to	exemptions.	
		characteristics and forms of		
		consumption, including tariff		
		exemptions		

311.		The Agency shall update its	
		report at least once every two	
		years.	
312.	AM 84		
	Article 16 – paragraph 9 a (new)		
	9a. Regulatory authorities shall		
	adopt a set of indicators for		
	measuring the performance of		
	transmission and distribution		
	system operators, which should at		
	least include all of the following:		
313.	(a) volume of curtailed energy in		
	MWh, disaggregated per type of		
	generation source;		
314.	(b) percentage of the length of		
	lines operated under dynamic line		
	ratings;		
315.	(c) percentage of substations		
	remotely monitored and controlled		
	in real-time;		
316.	(d) percentage of the length of		
	lines operated under dynamic line		
	ratings;		
317.	(e) losses in high, medium and		
	low-voltage grids;		
318.	(f) the frequency and duration of		
	power interruptions on the grid.		

319.		By [two years after the entry into force of this Regulation], and every two years thereafter, regulatory authorities shall publish a report on the performance of transmission and distribution system operators, together with recommendations for improvement where necessary.		
320.	10. Without prejudice to further harmonisation by way of delegated acts pursuant to Article 55(1)(k), regulatory authorities shall take the Agency's recommendation duly into consideration when approving or fixing transmission tariffs or their methodologies in accordance with Article 59(6)(a) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].		[]	
321.	11. The Agency shall monitor the implementation of its recommendation and provide a report to the Commission by 31st January each year. It shall update the recommendation at least once every two years.		[]	

<i>322.</i>		Article 17		
		Congestion income		
323.	1. Congestion-management	1. Congestion-	management	
	procedures associated with a	procedures associa	ated with a	
	pre-specified timeframe may	pre-specified time	frame may	
	generate revenue only in the	generate revenue of	only in the	
	event of congestion which	event of congestio	n which arises	
	arises for that timeframe, except	for that timeframe	, except in the	
	in the case of new	case of new interce	onnectors	
	interconnectors which benefit	which benefit from	n an	
	from an exemption under	exemption under A	Article 7 of	
	Article 7 of Regulation (EC) No	Regulation (EC) N	No 1228/2003,	
	1228/2003, Article 17 of	Article 17 of Regu	ulation (EC)	
	Regulation (EC) No 714/2009	No 714/2009 or A	rticle 59. The	
	or Article 59. The procedure for	procedure for the o	distribution of	
	the distribution of those	those revenues sha	all be subject	
	revenues shall be subject to	to review by the re	egulatory	
	review by the regulatory	authorities and sha	all neither	
	authorities and shall neither	distort the allocation	on process in	
	distort the allocation process in	favour of any party	y requesting	
	favour of any party requesting	capacity or energy	nor provide a	
	capacity or energy nor provide	disincentive to red	uce	
	a disincentive to reduce	congestion.		
	congestion.			

22.4	14:	ANGOS	2 4 14:	
324.	2. Any revenues resulting	AM 85	2. Any revenues resulting	
	from the allocation of	2. Any revenues resulting from	from the allocation of	
	interconnection capacity shall	the allocation of interconnection	interconnection capacity shall be	
	be used for the following	capacity shall be used for the	used for the following purposes:	
	purposes:	following purposes:		
325.	(a) guaranteeing the actual	(a) guaranteeing the actual	(a) guaranteeing the actual	
	availability of the allocated	availability of the allocated	availability of the allocated	
	capacity;	capacity; or	capacity including firmness	
			compensation;	
326.	(b) maintaining or increasing	(b) maintaining or increasing	(b) maintaining or increasing	
	interconnection capacities	interconnection capacities through	interconnection capacities	
	through network investments,	optimisation of the usage of	through network investments, in	
	in particular in new	existing interconnectors by	particular in new interconnectors	
	interconnectors.	coordinated remedial and	and internal lines and internal	
		countertrading actions or network	lines which are listed in Ten	
		investments, up to the target value	Years Network Development	
		for transfer capacity at cross-	Plan of the ENTSO for	
		border boundaries.	Electricity as being relevant to	
			reduce interconnector	
			congestion,	
327.			(c) or if applicable, cross	
327.			border remedial actions such	
			as redispatch and counter-	
			trading.	
328.	If the revenues cannot be	Where the objectives set out in	2a. [] The revenues [] may	
320.	efficiently used for the purposes	points (a) and (b) of the first	be used, subject to the	
		1		
	set out in points (a) or (b) of the	subparagraph are fulfilled, the	approval by the regulatory	
	first subparagraph, they shall be	residual revenues may be used as	authorities of the Member	
	placed on a separate internal	income to be taken into account by	States concerned, as income to	
	account line for future use on	the national regulatory authorities	be taken into account by the	
	these purposes.	when approving the methodology	regulatory authorities when	
		for calculating network tariffs	approving the methodology for	
		and/or fixing network tariffs.	calculating network tariffs	
			and/or fixing network tariffs.	

	separate internal account line	on those purposes.		
	for future use on those			
222	purposes.	43.50	21	
333.	4. Transmission system	AM 87	3b. Transmission system	
	operators shall clearly establish	4. Transmission system	operators shall clearly establish	
	beforehand how any congestion	operators shall clearly establish	beforehand how any congestion	
	income will be used, and report	beforehand how any congestion	income will be used, and report	
	on the actual use of that	income will be used, and report on	on the actual use of that income.	
	income. On an annual basis,	the actual use of that income. On	On an annual basis, and by [] 1	
	and by 31 July each year, the	an annual basis, and by 31 July	March each year, the []	
	national regulatory authorities	each year, the national regulatory	regulatory authorities shall	
	shall publish a report setting out	authorities shall publish a report	publish a report setting out the	
	the amount of revenue collected	setting out the amount of revenue	amount of revenue collected for	
	for the 12-month period ending	collected for the 12-month period	the 12-month period ending on	
	on 30 June of the same year and	ending on 30 June of the same year	31 [] December of the []	
	how that revenue was used,	and how that revenue was used,	previous calendar year and	
	including the specific projects	including the specific projects the	how that revenue was used	
	the income has been used for or	income has been used for the	pursuant to paragraph 2,	
	the amount placed on a separate	amount placed on a separate	including the specific projects	
	account line, together with	account line, or the amount that	the income has been used for or	
	verification that that use	has been used when calculating	the amount placed on a separate	
	complies with this Regulation	<i>network tariffs</i> , together with	account line or the amount that	
	and the methodology developed	verification that that use complies	has been used when	
	pursuant to paragraph 3.	with this Regulation. Where some	calculating network tariffs,	
		of the congestion revenues are	together with verification that	
		used when calculating network	that use complies with this	
		tariffs, the report may set out the	Regulation and the methodology	
		fulfilment by the transmission	developed pursuant to paragraph	
		system operator of the	3. In such cases where some of	
		commitment and balance sheet	the congestion revenues are	
		criteria pursuant to paragraph 2.	used when calculating network	
			tariffs, the report shall set out	
			how the TSOs fulfilled the	
			priority objectives in Article 2	
			where applicable.	

334.			Chapter IV	
		Reso	ource adequacy	
335.		AM 88	Article 18	
		Resource adequacy and capacity	Resource adequacy	
		mechanisms		
336.	1. Member States shall	AM 89	1. Member States shall	
	monitor resource adequacy	1. Member States shall monitor	monitor resource adequacy	
	within their territory based on	resource adequacy within their	within their territory [] based	
	the European resource	territory based on the European	on the European resource	
	adequacy assessment pursuant	resource adequacy assessment	adequacy assessment pursuant to	
	to Article 19.	pursuant to Article 19 and shall	Article 19 and may perform in	
		publish a report on the results of	addition national resource	
		the monitoring.	adequacy assessment pursuant	
			to Article 19a.	
337.	2. Where the European	AM 90	2. Where the European or	
	resource adequacy assessment	2. Where the European	the national resource adequacy	
	identifies a resource adequacy	resource adequacy assessment	assessments identify a resource	
	concern Member States shall	identifies a resource adequacy	adequacy concern Member	
	identify any regulatory	concern Member States shall	States shall identify any	
	distortions that caused or	identify any regulatory distortions	regulatory distortions or market	
	contributed to the emergence of	and/or market failures that caused	distortions, or system	
	the concern.	or contributed to the emergence of	bottlenecks such as insufficient	
		the concern.	infrastructure, that caused or	
			contributed to the emergence of	
			the concern.	
338.	3. Member States shall	AM 91	3. Member States shall	
	publish a timeline for adopting	3. A Member State <i>with</i>	publish roadmap with a	
	measures to eliminate any	identified adequacy concerns shall	concrete timeline for adopting	
	identified regulatory distortions.	publish an implementation plan	measures to eliminate any	
	When addressing resource	with a timeline for adopting	identified regulatory distortions [
	adequacy concerns Member	measures to eliminate any] or market distortions, or	
	States shall in particular	identified regulatory distortions	system bottlenecks. When	
	consider removing regulatory	and/or market failures. When	addressing resource adequacy	
	distortions, enabling scarcity	addressing resource adequacy	concerns Member States shall in	
	pricing, developing	concerns, the Member States shall	particular take into account the	

	interconnection, energy storage, demand side measures and energy efficiency.	build on the principles set out in Article 3 and in particular:	principles defined in Article 3 and consider removing regulatory distortions, enabling scarcity pricing via free price formation, developing interconnections with other Member States, allowing for undistorted market access for all market participants including, but not limited to energy storage, demand side measures and energy efficiency.	
339.		(a) remove regulatory distortions;		
340.		(b) remove price caps;		
341.		(c) introduce an administrative shortage pricing for balancing energy;		
342.		(d) increase interconnection and internal grid capacity;		
343.		(e) enable self-generation, energy storage, demand side measures and energy efficiency by removing regulatory obstacles;		

344.	(f) ensure cost-efficient and
	market-based procurement of
	balancing and ancillary services;
345.	(g) remove regulated prices in
	accordance with Article 5 of
	Directive (EU) [recast of
	Directive 2009/72/EC as proposed
	by COM(2016) 864/2].
346.	AM 92
	Article 18 – paragraph 3 a (new)
	3 a. The Member States shall
	submit the implementation plan to
	the Commission for review.
347.	AM 93
	Article 18 – paragraph 3 b (new)
	3 b. The Commission may
	decide, within two months of
	receipt of the implementation
	plan, whether the measures are
	sufficient to eliminate the
	regulatory distortions and/or
	market failures and may require
	the Member State to amend the
	implementation plan accordingly.

348.	AM 94	
	Article 18 – paragraph 3 c (new)	
	3 c. The Member State shall	
	monitor the application of the	
	implementation plan and shall	
	publish the results in an annual	
	report.	
349.	AM 95	
	Article 18 – paragraph 3 d (new)	
	3 d. The Member State shall	
	submit a report relating to their	
	monitoring of the application of	
	the implementation plan to the	
	Agency for an opinion.	
350.	AM 96	
	Article 18 – paragraph 3 e (new)	
	3 e. The Agency shall submit its	
	opinion under paragraph 3d to the	
	Commission. The Commission	
	shall decide whether the reforms	
	have been sufficiently	
	implemented.	

351.

Where the national resource adequacy assessment identifies a concern with regards to a bidding zone and the European resource adequacy assessment has not identified a concern with regards to the same bidding zone, the body governing the national resource adequacy assessment shall consult the **ENTSO** for Electricity and request for an opinion of the Agency. To this extent the body governing the national resource adequacy assessment shall, within one month from the publication of the national resource adequacy assessment, submit to the ENTSO for Electricity and the Agency a report reasoning the occurring divergence between the two resource adequacy assessments. Within one month from the date of the submission of the report the **ENTSO** for Electricity shall provide its assessment on these divergences and within two months from the date of the submission of the report the Agency shall provide an opinion. The concerned Member State shall take due notice of the assessment and the opinion.

352.	AM 97	
	Article 18 a (new)	
	General principles for capacity	
	mechanisms	
353.	1. To address residual	
	concerns that cannot be	
	eliminated by the measures	
	pursuant to Article 18(3), Member	
	States may, as a last resort and	
	subject this Article and to Union	
	State aid rules, introduce capacity	
	mechanisms	
354.	2. Before introducing capacity	
	mechanisms under paragraph, as	
	referred to in paragraph 1,	
	Member States shall conduct a	
	comprehensive study of their	
	possible effects on the	
	neighbouring Member States by	
	consulting, at least, its electrically	
	connected neighbouring Member	
	States and the stakeholders of	
	those Member States.	

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355.	3. Member States shall assess
	whether a capacity mechanism in
	the form of strategic reserve can
	address the adequacy concerns.
	Where this is not the case,
	Member States may implement a
	different type of capacity
	mechanism. The parameters
	determining the amount of
	capacity procured in the capacity
	mechanism shall be approved by
	the national regulatory authority.
356.	4. Member States shall not
	introduce capacity mechanisms
	where one or both of the following
	applies: (a) the European resource
	adequacy assessment has not
	identified a resource adequacy
	concern; (b) the detailed
	implementation plan as referred to
	in Article 18(3) has not received a
	positive decision by the
	Commission as referred to in
	Article 18(3b).
357.	5. Where a Member State
	already applies a capacity
	mechanism, it shall review that
	mechanism and shall provide that
	no new contracts are concluded
	under that mechanism where one
	or both of the following applies:
358.	(a) the European resource
	adequacy assessment has not
	identified a resource adequacy
	concern;

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 TREE.2.B
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(b) the detailed implementation
plan as referred to in Article 18(3)
has not received a positive
decision by the Commission as
referred to in Article 18(3b).
6. Capacity mechanisms shall
be temporary. They shall be
approved by the Commission for
no longer than five years. They
shall be phased out or the amount
of the committed capacities shall
be reduced based on the
implementation plan pursuant to
Article 18(3). Member States shall
continue the application of the
implementation plan after the
introduction of the capacity
mechanism.
7. Generation capacity which
has started commercial production
after [OP: date of entry into force
of this Regulation] shall be
eligible to participate in a capacity
mechanism only if its emissions
are below 550 gr CO2/kWh. With
the exception of strategic reserves
generation capacity emitting 550
gr CO2/kWh or more shall not be
committed in capacity
mechanisms after [OP: 5 years
after the entry into force of this
Regulation

<i>362</i> .			Article 19	
		European reso	urce adequacy assessment	
363.	1. The European resource adequacy assessment shall cover the overall adequacy of the electricity system to supply current and projected demands for electricity for a ten-year period from the date of that assessment, in a yearly resolution.	AM 98 1. The European resource adequacy assessment shall determine resource adequacy concerns by assessing the overall adequacy of the electricity system to supply current and projected demands for electricity in the Union, within the relevant Member States in the region, for each Member State and down to each bidding zone where relevant, for a ten-year period from the date of that assessment, in a yearly resolution.	1. The European resource adequacy assessment shall cover the overall adequacy of the electricity system to supply current and projected demands for electricity for every single year within for a ten-year period from the date of that assessment [].	
364.		AM 99 Article 19 – paragraph 1 a (new) 1a. The European resource assessment shall be conducted by the ENTSO for Electricity.		
365.	2. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Agency a draft methodology for the European resource adequacy assessment based on the principles provided for in paragraph 4.		2. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Electricity Coordination Group and the Agency a draft methodology for the European resource adequacy assessment based on the principles provided for in paragraph 4.	

366.	3. Transmission system operators shall provide the ENTSO for Electricity with the data it needs to carry out, every year, the European resource adequacy assessment. The ENTSO for Electricity shall carry out the assessment every year.	AM 100 3. Transmission system operators shall provide the ENTSO for Electricity with the necessary data. The transmission system operators shall have the right to request relevant data not containing commercially sensitive information, and not already collected by the relevant DSO, from generators and other market participants.	3. Transmission system operators shall provide the ENTSO for Electricity with the data it needs to carry out [] the European resource adequacy assessment. The ENTSO for Electricity shall carry out the assessment every year. Generators and other market participants shall provide transmission system operators with data regarding expected utilization of the generation resources, considering the availability of primary resources and appropriate	
			scenarios of projected demand and supply.	
367.	4. The European resource adequacy assessment shall be based on a methodology which shall ensure that the assessment:	AM 101 Article 19 – paragraph 4 – introductory part 4. The European resource adequacy assessment shall be based on a transparent methodology which shall ensure that the assessment:	4. The European resource adequacy assessment shall be based on a methodology which shall [] make possible that the assessment:	
368.	(a) is carried out on bidding zone level covering at least all Member States;		(a) is carried out on each respective bidding zone level covering at least all Member States;	
369.	(b) is based on appropriate scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, newbuild of generation assets and	AM 102 (b) is based on appropriate scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, <i>mothballing</i> , new-build	(b) is based on appropriate central scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, newbuild of generation assets and	

	measures to reach energy	of generation assets and measures	measures to reach energy	
	efficiency targets and	to reach energy efficiency and	efficiency targets and	
	appropriate sensitivities on	electricity interconnection targets	appropriate sensitivities on	
	wholesale prices and carbon	and appropriate sensitivities on	extreme weather events,	
	price developments;	wholesale prices and carbon price	hydrological conditions,	
		developments;	wholesale prices and carbon	
			price developments;	
370.		AM 103		
		Article 19 – paragraph 4 – point		
		b a (new)		
		(ba) contains a worst case		
		scenario which reflects the		
		exceptionality and different		
		likeliness of the rare events a		
		strategic reserve is designed to		
		address; the generation adequacy		
		gap in such a worst case scenario		
		shall only justify a strategic		
		reserve with a size of not more		
		than 5% of the peak load of the		
		respective Member State;		
371.			(ba) reflects on how the	
			different types of capacity	
			mechanisms address adequacy	
			concerns;	
372.	(c) appropriately takes	AM 104	(c) appropriately takes	
	account of the contribution of	(c) appropriately takes account	account of the contribution of all	
	all resources including existing	of the contribution of all resources	resources including existing and	
	and future generation, energy	including existing and future	future generation, energy	
	storage, demand response, and	generation, energy storage, <i>sectoral</i>	storage, demand response, and	
	import and export possibilities	integration, demand response, and	import and export possibilities	
	and their contribution to	import and export possibilities and	and their contribution to flexible	
	flexible system operation;	their contribution to flexible system	system operation;	
		operation;		

272	(4)4:-:4:1:11	(1)
373.	(d) anticipates the likely	(d) anticipates the likely
	impact of the measures referred	impact of the measures referred
	in Article 18(3);	in Article 18(3);
374.	(e) includes scenarios	(e) includes scenarios without
	without existing or planned	and where applicable with
	capacity mechanisms;	existing or planned capacity
	,,,,	mechanisms;
375.	(f) is based on a market	(f) is based on a market
575.	model using, where applicable,	model using, where applicable,
2=6	the flow-based approach;	the flow-based approach;
376.	(g) applies probabilistic	(g) applies probabilistic
	calculations;	calculations;
377.		(ga) applies a single
		modelling tool with the
		possibility to use it for national
		scenarios, sensitivities and
		assumptions;
378.	(h) applies at least the	(h) applies at least the
570.	following indicators:	following indicators referred to
	Tollowing indicators.	in Article 20:
270		
379.	 "expected energy not 	"expected energy not
	served", and	served", and
380.	"loss of load	"loss of load expectation";
	expectation";	
381.	(i) identifies the sources of	(i) identifies the sources of
	possible resource adequacy	possible resource adequacy
	concerns, in particular whether	concerns, in particular whether it
	it is a network or a resource	is a network or a resource
	constraint, or both.	
	Constraint, of Dotti.	constraint, or both.

382.		AM 105 Article 19 – paragraph 4 – point i a (new) (ia) respects real network development.		
383.			(j) ensures that national characteristics of generation, demand flexibility and storage, the availability of primary resources and the level of interconnection are properly taken into consideration;	
384.	5. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Agency a draft methodology for calculating:		5. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Agency a draft methodology for calculating:	
385.	(a) the value of lost load;		(a) the value of lost load;	
386.		AM 106 Article 19 – paragraph 5 – subparagraph 1 a (new) The methodology shall be based on a transparent, objective and verifiable criteria.		
387.	(b) the "cost of new entry" for generation, or demand response; and		(b) the "cost of new entry" for generation, or demand response; and	
388.	(c) the reliability standard expressed as "expected energy not served" and the "loss of load expectation".		(c) the reliability standard [] referred to in Article 20	

389.	6. The proposals under	AM 107	6. The proposals under	
	paragraphs 2 and 5 and the	6. The proposals under	paragraphs 2 and 5 for the draft	
	results of the European resource	paragraphs 2 and 5 of this Article,	methodology, the scenarios,	
	adequacy assessment under	the scenarios and assumptions on	sensitivities and assumptions	
	paragraph 3 shall be subject to	which they are based, and the	on which they are based, and	
	prior consultation and approval	results of the European resource	the results of the European	
	by the Agency under the	adequacy assessment under	resource adequacy assessment	
	procedure set out in Article 22.	paragraph 1a of this Article shall	under paragraph 3 shall be	
		be subject to prior consultation and	subject to prior consultation	
		approval by the Agency under the	with Member States, the	
		procedure set out in Article 22.	Electricity Coordination	
			Group and relevant	
			stakeholders and approval by	
			the Agency under the procedure	
			set out in Article 22.	

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390.	Article 19a
	National resource adequacy
	assessments
391.	1. National resource
	adequacy assessment shall be
	based on the methodology
	referred in Article 19(2) in
	particular provisions provided
	in paragraph 4 (b) to (j);
	however, may provide
	additional scenarios,
	sensitivities and assumptions
	taking into account national
	considerations. The national
	resource adequacy assessment
	shall use the same modelling
	tools as used by the ENTSO
	for Electricity for the
	European resource adequacy
	assessment and the same input
	data and other data to reflect
	national scenarios, sensitivities
	and assumptions. In addition,
	national resource adequacy
	assessment, when assessing
	foreign contribution to the
	security of supply of the
	bidding zones they cover, shall
	apply the values for foreign
	contribution subject to
	provisions of Article 21.

	•	-		
392.			1a. In addition to the	
			national resource adequacy	
			assessment performed	
			pursuant to paragraph 1,	
			Member States may perform a	
			second assessment using	
			different modelling tools than	
			those used by the ENTSO for	
			Electricity for the European	
			resource adequacy assessment	
			while following the remaining	
			requirements of paragraph 1.	
393.			2. National resource	
			adequacy assessments and,	
			where applicable, the	
			assessment of ENTSO for	
			Electricity and the opinion of	
			the Agency pursuant to	
			paragraph 3a of article 18	
			shall be made publicly	
			available.	
<i>394</i> .			Article 20	
		Relia	ability standard	
395.	1. When applying capacity	AM 108	1. When applying capacity	
	mechanisms Member States	1. When applying capacity	mechanisms Member States	
	shall have a reliability standard	mechanisms Member States shall	shall have a reliability standard	
	in place indicating their desired	have a reliability standard in place.	in place indicating their desired	
	level of security of supply in a	A reliability standard shall	level of security of supply in a	
	transparent manner.	indicate the necessary level of	transparent manner.	
	1	security of supply of the Member	1	
		State in a transparent manner. In		
		the case of cross-border bidding		
		zones, such reliability standards		
		shall be established jointly by the		
		relevant authorities.		

396.	2. The reliability standard shall be set by the national		2. The reliability standard shall be set by the [] Member
	regulatory authority based on		State or a competent authority
	the methodology pursuant to		designated by the Member
	Article 19(5).		State based on the methodology
	Article 19(3).		pursuant to Article 19(5)
397.	3. The reliability standard		3. The reliability standard
571.	shall be calculated using the		shall be calculated using at least
	value of lost load and the cost		the value of lost load and the
	of new entry over a given		cost of new entry over a given
	timeframe.		timeframe and be expressed as
	timename.		"expected energy not served"
			and the ''loss of load
			expectation".
398.	4. The parameters	AM 109	4. When applying capacity
370.	determining the amount of	deleted	mechanisms the parameters
	capacity procured in the	deteted	determining the amount of
	capacity mechanism shall be		capacity procured in the capacity
	approved by the national		mechanism shall be approved by
	regulatory authority.		the [] Member State or
	regulatory authority.		another competent authority
			designated by the Member
			State.
<i>399</i> .			Article 21
399.			pation in capacity mechanisms
400	1 Machania	Cross-vorder partici	· · ·
400.	1. Mechanisms other than		1. Mechanisms other than
	strategic reserves shall be open		strategic reserves and where
	to direct participation of		technically feasible, strategic
	capacity providers located in		reserves, shall be open to direct
	another Member State provided		cross-border participation of
	there is a network connection		capacity providers located in
	between that Member State and		another Member State []
	the bidding zone applying the		pursuant to the provisions of
	mechanism.		this Article.

401.	2. Member States shall	2. Member States shall
	ensure that foreign capacity	ensure that foreign capacity
	capable of providing equivalent	capable of providing equivalent
	technical performance to	technical performance to
	domestic capacities has the	domestic capacities has the
	opportunity to participate in the	opportunity to participate in the
	same competitive process as	same competitive process as
	domestic capacity.	domestic capacity. In the case
		of capacity mechanisms in
		operation as of the [date of
		entry into force], Member
		States may allow direct
		participation in the same
		competitive process of
		interconnectors as foreign
		capacity for a maximum of
		four years after [entry into
		force] or two years following
		the approval of the
		methodologies referred to in
		paragraph 10 of this Article,
		whatever happens earlier.
		Member States may apply
		following requirements to the
		foreign capacity:

402.		(a) the capacity is located in	
		a Member State with a direct	
		network connection between	
		that Member State and the	
		Member State applying the	
		mechanism,	
403.		(b) the capacity is not	
		participating in another	
		capacity mechanism for which	
		the capacity needs to be	
		available,	
404.	3. Member States shall not	3. Member States shall not	
10 10	restrict capacity which is	restrict capacity which is located	
	located in their territory from	in their territory from	
	participating in capacity	participating in capacity	
	mechanisms of other Member	mechanisms of other Member	
	States.	States.	
405.	4. Cross-border	4. Cross-border participation	
405.	participation in market-wide	in [] capacity mechanisms shall	
	capacity mechanisms shall not	not change, alter or otherwise	
	change, alter or otherwise	impact cross-zonal schedules	
	impact cross-zonal schedules	and physical flows between	
	and physical flows between	Member States which shall be	
	Member States which shall be	determined solely by the	
	determined solely by the	outcome of capacity allocation	
	outcome of capacity allocation	pursuant to Article 14.	
	pursuant to Article 14.		

406.	5. Capacity providers shall	AM 110	5. Capacity providers shall	
	be able to participate in more	5. Capacity providers shall be	be [] subject to non-	
	than one mechanism for the	able to participate in more than one	availability payments in case	
	same delivery period. They	mechanism for the same delivery	of non-availability. In case	
	shall be subject to non-	period. They shall be subject to	capacity providers participate	
	availability payments in case of	non-availability payments in case	in more than one mechanism for	
	non-availability, and subject to	of non-availability, and subject to	the same delivery period, they	
	two or more non-availability	two or more non-availability	shall be subject to [] multiple	
	payments where there is	payments where there is concurrent	non-availability payments	
	concurrent scarcity in two or	scarcity in two or more bidding	when they are unable to fulfil	
	more bidding zones where the	zones where the capacity provider	multiple commitments.	
	capacity provider is contracted.	is contracted. Capacity providers		
		shall be able to participate with no		
		more than their available		
		maximum capacity.		
407.	6. Regional operational	AM 111	6. Where capacity	
	centres established pursuant to	6. Regional <i>coordination</i>	mechanisms are applied,	
	Article 32 shall annually	centres established pursuant to	Transmission System	
	calculate the maximum entry	Article 32 shall annually calculate	Operators [] shall annually	
	capacity available for the	the maximum entry capacity	calculate the maximum entry	
	participation of foreign capacity	available for the participation of	capacity available for the	
	taking into account the	foreign capacity taking into	participation of foreign capacity	
	expected availability of	account the expected availability of	[] based on the methodology	
	interconnection and the likely	interconnection and the likely	referred in point (a) of	
	concurrence of system stress	concurrence of system stress	paragraph 10 and taking into	
	between the system where the	between the system where the	account the recommended	
	mechanism is applied and the	mechanism is applied and the	values calculated by the	
	system in which the foreign	system in which the foreign	Regional Security	
	capacity is located. A	capacity is located. A calculation is	Coordinators pursuant to	
	calculation is required for each	required for each bidding zone	Article 34(q), 38 and 39, the	
	bidding zone border.	border.	level of physical	
			interconnection between	
			Member States, expected	
			availability of interconnection	
			and the likely concurrence of	

		system stress between the system where the mechanism is applied and the system in which the foreign capacity is located. A	
		calculation is required for each	
		bidding zone border.	
408.	7. Member States shall	7. Member States shall	
	ensure that the entry capacity	ensure that the entry capacity	
	referred to in paragraph 6 is	referred to in paragraph 6 is	
	allocated to eligible capacity	allocated to eligible capacity	
	providers in a transparent, non-	providers in a transparent, non-	
	discriminatory and market-	discriminatory and market-based	
	based manner.	manner.	

409.	8. Any difference in the	8. [] If there are capacity
	cost of foreign capacity and	mechanisms open for cross-
	domestic capacity arising	border participation in two
	through the allocation referred	neighbouring Member States,
	to in paragraph 7 shall accrue to	any revenues arising through
	transmission system operators	the allocation referred to in
	and be shared between them	paragraph 7 shall accrue to
	according to the methodology	transmission system operators
	referred in point (b) of	and be shared between them
	paragraph 10. Transmission	according to the methodology
	system operators shall use such	referred in point (b) of paragraph
	revenues for the purposes set	10 or a common methodology
	out in Article 17(2).	approved by both relevant
		regulatory authorities. If the
		neighbouring Member State is
		not applying a capacity
		mechanism, the share of
		revenues shall be approved by
		the competent national
		authority of the Member State
		where the capacity mechanism
		is implemented after seeking
		the opinion of the regulatory
		authorities of the neighbouring
		Member States. Transmission
		system operators shall use such
		revenues for the purposes set out
		in Article 17(2).
410.	9. The transmission system	9. The transmission system
	operator where the foreign	operator where the foreign
	capacity is located shall:	capacity is located shall:
411.	(a) establish whether	(a) establish whether
	interested capacity providers	interested capacity providers can
	can provide the technical	provide the technical
	performance as required by the	performance as required by the

	capacity mechanism in which	capacity mechanism in which
	the capacity provider intends to	the capacity provider intends to
	participate and register the	participate and register the
	capacity provider in the registry	capacity provider in the registry
	as eligible capacity providers.	as eligible capacity providers.
412.	(b) carry out availability	(b) carry out availability
712.	checks as appropriate.	checks []
413.	checks as appropriate.	(c) be notified by the
413.		
		respective capacity provider
		without delay about its
		participation in foreign
41.4		capacity mechanism
414.		(d) notify to the
		transmission system operator
		in the Member State applying
		the capacity mechanism the
		information received under
		paragraph 9a to 9c.
415.	10. By [OP: twelve months	10. By [OP: twelve months
	after entry into force of this	after entry into force of this
	Regulation] the ENTSO for	Regulation] the ENTSO for
	Electricity shall submit to the	Electricity shall submit to the
	Agency:	Agency:
416.	(a) a methodology for	(a) a methodology
	calculating the maximum entry	for calculating by the Regional
	capacity for cross-border	Security Coordinator and
	participation as referred to in	transmission system operators
	paragraph 6;	the maximum entry capacity for
		cross-border participation as
		referred to in paragraph 6;
417.	(b) a methodology for	(b) a methodology for sharing
	sharing the revenues referred to	the revenues referred to in
	in paragraph 8;	paragraph 8;

418.	(c) common rules to carry	(c) common rules to carry out	
	out availability checks referred	availability checks referred to in	
	to in point (b) of paragraph 9;	point (b) of paragraph 9;	
419.	(d) common rules to	(d) common [] principles to	
	determine when a non-	determine when a non-	
	availability payment is due;	availability payment is due;	
420.	(e) terms of the operation of	(e) terms of the operation of	
	the registry as referred to in	the registry as referred to in	
	point (a) of paragraph 9;	point (a) of paragraph 9;	
421.	(f) common rules to identify	(f) common rules to identify	
	capacity eligible to participate	capacity eligible to participate as	
	as referred to in point (a) of	referred to in point (a) of	
	paragraph 9.	paragraph 9.	
422.	The proposal shall be subject to	The proposal shall be subject to	
	prior consultation and approval	prior consultation and approval	
	by the Agency under the	by the Agency under the	
	procedure set out in Article 22.	procedure set out in Article 22.	
423.	11. The Agency shall verify	11. The [] national	
	whether the capacities have	regulatory authorities	
	been calculated in line with the	concerned shall verify whether	
	methodology as referred to in	the capacities have been	
	point (a) of paragraph 10.	calculated in line with the	
		methodology as referred to in	
		point (a) of paragraph 10.	
424.	12. National regulatory	12. [] Regulatory authorities	
	authorities shall ensure that	shall ensure that cross-border	
	cross-border participation in	participation in capacity	
	capacity mechanisms is	mechanisms is organised in an	
	organised in an effective and	effective and non-discriminatory	
	non-discriminatory manner.	manner. They shall in particular	
	They shall in particular provide	provide for adequate	
	for adequate administrative	administrative arrangements for	
	arrangements for the	the enforcement of non-	
	enforcement of non-availability	availability payments across	
	payments across borders.	borders.	

425.	13. Allocated capacities as	13. Allocated capacities as
	referred to in paragraph 7 shall	referred to in paragraph 7 shall
	be transferable between eligible	be transferable between eligible
	capacity providers. Eligible	capacity providers. Eligible
	capacity providers shall notify	capacity providers shall notify
	any transfer to the registry as	any transfer to the registry as
	referred to in point (a) of	referred to in point (a) of
	paragraph 9.	paragraph 9.
426.	14. No later than [OP: two	14. No later than [OP: two
	years after the entry into force	years after the entry into force of
	of this Regulation] the ENTSO	this Regulation] the ENTSO for
	for Electricity shall set up and	Electricity shall set up and
	operate the registry as referred	operate the registry as referred to
	to in point (a) of paragraph 9.	in point (a) of paragraph 9. The
	The registry shall be open to all	registry shall be open to all
	eligible capacity providers, the	eligible capacity providers, the
	systems applying the	systems applying the
	mechanisms and their	mechanisms and their
	transmission system operators.	transmission system operators.

<i>427</i> .		Article 22	
		Approval procedure	
428.	1. Where reference is made	1. Where reference	
	to this Article, the procedure set	to this Article, the proc	
	out in paragraphs 2 to 4 shall be	out in paragraphs 2 to 4	
	applicable to the approval of a	applicable to the appro	
	proposal submitted by the	proposal submitted by	
420	ENTSO for Electricity.	ENTSO for Electricity	
429.	2. Prior to submitting the	2. Prior to submitti	
	proposal, the ENTSO for	proposal, the ENTSO f	
	Electricity shall conduct a	Electricity shall conduct	ct a
	consultation process involving	consultation process in	
	all relevant stakeholders,	all relevant stakeholder	
	national regulatory authorities	regulatory authorities a	
	and other national authorities.	national authorities and	d shall
		take the results of a	
		consultation process of	duly into
		consideration.	
430.	3. Within three months	3. Within three mo	
	from the date of receipt, the	the date of receipt, the	
	Agency shall either approve the	shall either approve the	
	proposal or amend it. In the	or amend it. In the latte	
	latter case, the Agency shall	the Agency shall consu	
	consult the ENTSO for	ENTSO for Electricity	before
	Electricity before adopting the	adopting the amended	proposal.
	amended proposal. The adopted	The adopted proposal s	shall be
	proposal shall be published on	published on the Agend	cy's
	the Agency's website at the	website at the latest thr	ree
	latest three months after the	months after the date o	freceipt
	date of receipt of the proposed	of the proposed docum	
	documents.		

		ı	
431.	4. The Agency may request		4. The Agency may request
	changes to the approved		changes to the approved
	proposal at any time. Within six		proposal at any time. Within six
	months from the request, the		months from the request, the
	ENTSO for Electricity shall		ENTSO for Electricity shall
	submit to the Agency a draft of		submit to the Agency a draft of
	the proposed changes. Within a		the proposed changes. Within a
	period of three months from the		period of three months from the
	date of receipt of the draft, the		date of receipt of the draft, the
	Agency shall amend or approve		Agency shall amend or approve
	the changes and publish it on its		the changes and publish it on its
	website.		website.
432.			Article 23
102.		Design principle	es for capacity mechanisms
433.	1. To address residual	AM 112	1. To address residual
133.	concerns that cannot be	1. Any capacity mechanism	concerns that cannot be
	eliminated by the measures	shall:	eliminated by the measures
	pursuant to Article 18(3),	Situti.	pursuant to Article 18(3),
	Member States may introduce		Member States may introduce
	capacity mechanisms, subject to		capacity mechanisms, subject to
	the provisions of this Article		the provisions of this Article and
	and to the Union State aid rules.		[] without prejudice to the
	and to the Official State and rules.		Union State aid rules pursuant
			to Articles 107 to 109 TFEU.
434.		(a) not create undue market	to Articles 107 to 109 TFEU.
434.		distortions and not limit cross-	
125		border trade;	
435.		(b) not go beyond what is	
		necessary to address the adequacy	
12.5		concern;	
436.		(c) select capacity providers by	
		means of a transparent, non-	
		discriminatory and market-based	
		process;	
437.		(d) be technology neutral;	

438.		(e) provide incentives for capacity providers to be available in times		
		of expected system stress;		
439.		(f) ensure that the remuneration is		
437.		determined through a market-		
		I — — — — — — — — — — — — — — — — — — —		
440.		based process;		
440.		(g) set out the required technical		
		conditions for the participation of		
		capacity providers in advance of		
		the selection process;		
441.		(h) be open to participation of all		
		resources, including storage and		
		demand side management that are		
		capable of providing the required		
		technical performance;		
442.		(i) apply appropriate penalties to		
		capacity providers when not		
		available in the event of system		
		stress;		
443.		(j) ensure that capacity contracts		
		for existing installations are		
		rewarded for a maximum length		
		of 1 year.		
444.	2. Where a Member State	AM 113	2. Where a Member State	
	wishes to implement a capacity	2. Capacity <i>mechanisms in the</i>	wishes to implement a capacity	
	mechanism, it shall consult on	form of strategic reserves shall:	mechanism, it shall consult on	
	the proposed mechanism at		the proposed mechanism at least	
	least with its electrically		with its directly electrically	
	connected neighbouring		connected neighbouring	
	Member States.		Member States based on a	
			comprehensive study on the	
			possible effects on those	
			Member States.	

(a) be held outside the market;		
(b) be dispatched only where day-		
ahead and intraday markets have		
failed to clear and transmission		
system operators have exhausted		
<u> </u>		
_		
where strategic reserves were		
dispatched, imbalances are settled		
at the technical price limit applied		
by the market operators pursuant		
to Article 9 or at the value of lost		
` '		
wholesale electricity markets.	A 3371 *4	
	resources ahead of actual	
	(b) be dispatched only where dayahead and intraday markets have failed to clear and transmission system operators have exhausted their balancing resources to establish an equilibrium between demand and supply; (c) ensure that during periods where strategic reserves were dispatched, imbalances are settled at the technical price limit applied by the market operators pursuant	(b) be dispatched only where dayahead and intraday markets have failed to clear and transmission system operators have exhausted their balancing resources to establish an equilibrium between demand and supply; (c) ensure that during periods where strategic reserves were dispatched, imbalances are settled at the technical price limit applied by the market operators pursuant to Article 9 or at the value of lost load, whichever the higher. (d) be limited to maximum emissions of 200kg/CO2/kW for the electricity production per year The electricity generated, or the load reduction achieved by resources in the strategic reserve shall not be sold through wholesale electricity markets. 2a. When a capacity mechanism is designed as a strategic reserve, resources in the strategic reserve, resources in the strategic reserve, shall only be dispatched in case transmission system operators are likely to exhaust their balancing resources to establish an equilibrium between demand and supply. This requirement is without prejudice to activating

450.	3. Capacity mechanisms	AM 114	dispatch in order to respect their ramping constraints and operating requirements. During periods where resources in the strategic reserve were dispatched imbalances in the market shall be settled at least at the bidding limit pursuant to Article 9. The resources taking part in the strategic reserve shall not get remunerated through wholesale electricity markets or balancing markets. 3. Capacity mechanisms	
	shall not create unnecessary market distortions and not limit	3. In addition to the requirements laid down in	shall:	
	cross-border trade. The amount	paragraph 1, capacity mechanisms		
	of capacity committed in the	other than strategic reserves shall:		
	mechanism shall not go beyond	_		
	what is necessary to address the			
451.	concern.	(a) be constructed so as to ensure		
431.		that the price paid for availability		
		automatically tends to zero when		
		the level of capacity supplied is		
		expected to be adequate to meet		
452.		the level of capacity demanded; (b) remunerate the participating		
754.		resources merely for their		
		availability and ensure that the		
		remuneration does not affect		
		decisions of the capacity provider		
		whether or not to generate;		

453.		(c) ensure that capacity obligations are transferable between eligible capacity providers.	
454.			(a) not create
			unnecessary market distortions
			and not limit cross [] zonal
			trade;
455.			(b) be market-based;
456.			(c) be open to participation
			of all resources that are
			capable of providing the
			required technical
			performance in a technology
			neutral manner and through
			fair and transparent rules,
			including but not limited to
			participation of storage,
			energy efficiency and demand
			response;
457.			(d) be temporary, but are
			permitted, in accordance with
			state aid rules, as long as the
			relevant resource adequacy
			assessment identifies a
			resource adequacy concern;
458.			(e) [] not go beyond what is
			necessary to address the
			resource adequacy concern.
459.	4. Generation capacity for	AM 115	4. In the design of a
	which a final investment		capacity mechanism, Member
	decision has been made after	deleted	States shall apply the following
	[OP: entry into force] shall only		requirements regarding CO2
	be eligible to participate in a		emission limits:
	capacity mechanism if its		

	1 1 550		
	emissions are below 550 gr		
	CO2/kWh. Generation capacity		
	emitting 550 gr CO2/kWh or		
	more shall not be committed in		
	capacity mechanisms 5 years		
	after the entry into force of this		
	Regulation.		
460.		(a) Generation capacity	
		emitting more than 550 gr	
		CO2/kWh of energy or more	
		than 700 kg CO2 on average	
		per year per installed kW for	
		which a final investment	
		decision has been made after	
		[OP: date of entry into force]	
		shall not receive payments or	
		commitments for future	
		payments under a capacity	
		mechanism as of 31 December	
		2025.	
461.		(b) Generation capacity	
		emitting more than 550 gr	
		CO2/kWh of energy or more	
		than 700 kg CO2 on average	
		per year per installed kW for	
		which a final investment	
		decision has been made before	
		[OP: date of entry into force]	
		shall not receive payments or	
		commitments for future	
		payments under a capacity	
		mechanism as of 31 December	
		2030, except for contracts with	
		a remaining duration of not	
		more than 5 years concluded	

			before 31 December 2030. Between 31 December 2025 and 31 December 2030, the capacity receiving remuneration for this participation should be reduced by 5% per year.	
462.			(c) The emission limit of 550 gr CO2/kWh of energy and the limit of 700 kg CO2 on average per year per installed kW shall be calculated based on the design efficiency of the generation unit as provided by an accredited certification organisation.	
463.	5. Where the European resource adequacy assessment has not identified a resource adequacy concern, Member States shall not apply capacity mechanisms.	AM 116 deleted	[]	

464.			5a. When designing capacity	
			mechanisms, Member States	
			shall include a provision	
			allowing for efficient phase-out	
			of a capacity mechanism	
			within 4 years in case the	
			resource adequacy concern is	
			no longer present. This phase-	
			out can be an administrative	
			cessation of the mechanism,	
			with a reasonable advance	
			notice, or provisions in the	
			design of the mechanism	
			which would lead to the	
			suspension of associated	
			economic incentives when	
			there is no adequacy concern.	
<i>465</i> .			Article 24	
		Exist	ing mechanisms	
466.	Member States applying	AM 117	1. Member States applying	
	composite un coloniama on [OD.	Member States applying capacity	capacity mechanisms on [OP:	
	capacity mechanisms on [OP:	Member States applying capacity	capacity mechanisms on [OP.	
	entry into force of this	mechanisms on [OP: entry into	entry into force of this	
	entry into force of this	mechanisms on [OP: entry into	entry into force of this	
	entry into force of this Regulation] shall adapt their	mechanisms on [OP: entry into force of this Regulation] shall	entry into force of this Regulation] shall adapt their	
	entry into force of this Regulation] shall adapt their mechanisms to comply with	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply	entry into force of this Regulation] shall adapt their mechanisms to comply with	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice to commitments or contracts,	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice to commitments or contracts, concluded before that date,	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice to commitments or contracts, concluded before that date, and without prejudice to the	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice to commitments or contracts, concluded before that date, and without prejudice to the Union State aid rules pursuant	
	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this	mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, <i>18a</i> , 21 and 23 of	entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice to commitments or contracts, concluded before that date, and without prejudice to the Union State aid rules pursuant to Articles 107 to 109 TFEU,	

467.	Chapter V Transmission system operation			
468.	Article 25 European network of transmission system operators for electricity			
470.	1. Transmission system operators shall cooperate at Union level through the ENTSO for Electricity, in order to promote the completion and functioning of the internal market in electricity and cross-border trade and to ensure the optimal management, coordinated operation and sound technical evolution of the European electricity transmission network. 2. In performing its functions under EU law, the ENTSO for Electricity shall act for the European good and independent from individual national interests or the national interests of transmission system operators, and shall contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency.	European network of transn	1. Transmission system operators shall cooperate at Union level through the ENTSO for Electricity, in order to promote the completion and functioning of the internal market in electricity and cross [] zonal trade and to ensure the optimal management, coordinated operation and sound technical evolution of the European electricity transmission network. 2. In performing its functions under EU law, the ENTSO for Electricity shall [] contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency while maintaining system security.	Provisionally agreed: 2. In performing its functions under EU law, the ENTSO for Electricity shall act in the interest of a well functioning and integrated Internal Electricity market and shall [] contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency while maintaining system security. The ENTSO for Electricity shall have adequate human and financial resources to carry out its duties.

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 ANNEX
 TREE.2.B
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<i>471</i> .			Article 26		
		Establishment of the ENTSO for Electricity			
472.	1. The transmission system		1. The transmission system	No change	
	operators for electricity shall		operators for electricity shall	1. The transmission system operators for	
	submit to the Commission and		submit to the Commission and to	electricity shall submit to the Commission	
	to the Agency the draft statutes,		the Agency the draft statutes, a	and to the Agency the draft statutes, a list of	
	a list of members and draft		list of members and draft rules	members and draft rules of procedure,	
	rules of procedure, including		of procedure, including the rules	including the rules of procedures on the	
	the rules of procedures on the		of procedures on the	consultation of other stakeholders, of the	
	consultation of other		consultation of other	ENTSO for Electricity to be established.	
	stakeholders, of the ENTSO for		stakeholders, of the ENTSO for		
	Electricity to be established.		Electricity to be established.		
473.	2. Within two months of the		2. Within two months of the	No change	
	day of the receipt, the Agency,		day of the receipt, the Agency,	2. Within two months of the day of the	
	after formally consulting the		after formally consulting the	receipt, the Agency, after formally	
	organisations representing all		organisations representing all	consulting the organisations representing all	
	stakeholders, in particular the		stakeholders, in particular the	stakeholders, in particular the system users,	
	system users, including		system users, including	including customers, shall provide an	
	customers, shall provide an		customers, shall provide an	opinion to the Commission on the draft	
	opinion to the Commission on		opinion to the Commission on	statutes, list of members and draft rules of	
	the draft statutes, list of		the draft statutes, list of	procedure.	
	members and draft rules of		members and draft rules of		
	procedure.		procedure.		

474.	3. The Commission shall	3. The Commission shall	N1
4/4.			No change
	deliver an opinion on the draft	deliver an opinion on the draft	3. The Commission shall deliver an
	statutes, list of members and	statutes, list of members and	opinion on the draft statutes, list of members
	draft rules of procedures taking	draft rules of procedures taking	and draft rules of procedures taking into
	into account the opinion of the	into account the opinion of the	account the opinion of the Agency provided
	Agency provided for in	Agency provided for in	for in paragraph 2 and within three months
	paragraph 2 and within three	paragraph 2 and within three	of the day of the receipt of the opinion of the
	months of the day of the receipt	months of the day of the receipt	Agency.
	of the opinion of the Agency.	of the opinion of the Agency.	
475.	4. Within three months of	4. Within three months of	No change
	the day of receipt of the	the day of receipt of the	4. Within three months of the day of
	Commission's favourable	Commission's favourable	receipt of the Commission's favourable
	opinion, the transmission	opinion, the transmission system	opinion, the transmission system operators
	system operators shall establish	operators shall establish the	shall establish the ENTSO for Electricity and
	the ENTSO for Electricity and	ENTSO for Electricity and adopt	adopt and publish its statutes and rules of
	adopt and publish its statutes	and publish its statutes and rules	procedure.
	and rules of procedure.	of procedure.	procedure.
476.		5. The documents referred to	Nl
4/0.			No change
	to in paragraph 1 shall be	in paragraph 1 shall be	5. The documents referred to in
	submitted to the Commission	submitted to the Commission	paragraph 1 shall be submitted to the
	and to the Agency in case of	and to the Agency in case of	Commission and to the Agency in case of
	changes thereof or upon	changes thereof or upon	changes thereof or upon reasoned request of
	reasoned request of the	reasoned request of the	the Commission or of the Agency. The
	Commission or of the Agency.	Commission or of the Agency.	Agency and the Commission shall deliver an
	The Agency and the	The Agency and the	opinion in accordance with paragraphs 2 to
	Commission shall deliver an	Commission shall deliver an	4.
	opinion in accordance with	opinion in accordance with	
	paragraphs 2 to 4.	paragraphs 2 to 4.	

<i>477</i> .	Article 27			
		Tasks of the	ENTSO for Electricity	
478.	1. The ENTSO for Electricity		1. The ENTSO for	No change
	shall:		Electricity shall:	1. The ENTSO for Electricity shall:
479.	(a) elaborate network codes		(a) elaborate network codes	No change
	in the areas set out in Article		in the areas set out in Article	(a) elaborate network codes in the areas
	55(1) with a view to achieving		55(1) with a view to achieving	set out in Article 55(1) with a view to
	the objectives set out in Article		the objectives set out in Article	achieving the objectives set out in Article 25
	25.		25	
480.	(b) adopt and publish a non-		(b) adopt and publish a non-	No change
	binding Union-wide ten-year		binding Union-wide ten-year	(b) adopt and publish a non-binding
	network development plan,		network development plan,	Union-wide ten-year network development
	(Union-wide network		(Union-wide network	plan, (Union-wide network development
	development plan), every two		development plan), every two	plan), every two years;
	years;		years;	
481.	(c) prepare and adopt	AM 118	(c) prepare and adopt	Accept modified GA (Seen by COREPER on
	proposals related to the	(c) prepare and adopt proposals	proposals related to the	7 September)
	European resource adequacy	related to the European resource	European resource adequacy	c) prepare and adopt proposals related to
	assessment pursuant to Article	adequacy assessment pursuant to	assessment pursuant to Article	the European resource adequacy assessment
	19(2), (3) and (5) and for the	Article 19(1a) and for the technical	19(2), (3) and (5) and for the	pursuant to Article 19 [] and for the
	technical specifications for	specifications for cross-border	technical specifications for	technical specifications for cross-border
	cross-border participation in	participation in capacity	cross-border participation in	participation in capacity mechanisms
	capacity mechanisms pursuant	mechanisms pursuant to Article	capacity mechanisms pursuant to	pursuant to Article 21(10);
	to Article 21(10);	21(10);	Article 21(10);	
482.	(d) adopt recommendations		(d) adopt recommendations	No change
	relating to the coordination of		relating to the coordination of	(d) adopt recommendations relating to the
	technical cooperation between		technical cooperation between	coordination of technical cooperation
	Union and third-country		Union and third-country	between Union and third-country
	transmission system operators;		transmission system operators;	transmission system operators;
483.	(e) adopt a framework for		(e) adopt a framework for the	Maintain Council GA
	the cooperation and		cooperation and coordination	
	coordination between regional		between [] regional security	
	operational centres;		coordinators;	
484.	(f) adopt a proposal defining		(f) adopt a proposal defining	Maintain Council GA
	the system operation region		the system operation region []	

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	covered by each regional	in accordance with the	
485.	operational centre;	provisions of Article 33; (fa) cooperate with distribution system operators and the EU DSO entity.	Provisionally agreed: (fa) cooperate with distribution system operators and the EU DSO entity
486.		(fb) promote the digitalisation of transmission networks including deployment of smart grids and intelligent metering systems;	Provisionally agreed: (fb) promote the digitalisation of transmission networks including deployment of smart grids, efficient real time data acquisition and intelligent metering systems;
487.	(g) adopt common network operation tools to ensure coordination of network operation in normal and emergency conditions, including a common incident classification scale, and research plans, including the deployment of these plans through an efficient research programme. These tools shall specify inter alia:	(g) adopt common network operation tools to ensure coordination of network operation in normal and emergency conditions, including a common incident classification scale, and research plans, including the deployment of these plans through an efficient research programme. These tools shall specify inter alia:	No change (g) adopt common network operation tools to ensure coordination of network operation in normal and emergency conditions, including a common incident classification scale, and research plans, including the deployment of these plans through an efficient research programme. These tools shall specify inter alia:
488.	(i) the information, including appropriate day ahead, intra-day and real-time information, useful for improving operational coordination, as well as the optimal frequency for the collection and sharing of such information;	(i) the information, including appropriate day ahead, intra-day and real-time information, useful for improving operational coordination, as well as the optimal frequency for the collection and sharing of such information;	No change (i) the information, including appropriate day ahead, intra-day and real-time information, useful for improving operational coordination, as well as the optimal frequency for the collection and sharing of such information;
489.	(ii) the technological platform for the exchange of information in real time and	(ii) the technological platform for the exchange of information in real time and where	No change (ii) the technological platform for the exchange of information in real time and

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	where appropriate, the	appropriate, the technological	where appropriate, the technological
	technological platforms for the	platforms for the collection,	platforms for the collection, processing and
	collection, processing and	processing and transmission of	transmission of the other information
	transmission of the other	the other information referred to	referred to in point (i), as well as for the
	information referred to in point	in point (i), as well as for the	implementation of the procedures capable of
	(i), as well as for the	implementation of the	increasing operational coordination between
	implementation of the	procedures capable of increasing	transmission system operators with a view to
	procedures capable of	operational coordination	such coordination becoming Union-wide;
	increasing operational	between transmission system	
	coordination between	operators with a view to such	
	transmission system operators	coordination becoming Union-	
	with a view to such	wide;	
	coordination becoming Union-	,	
	wide;		
490.	(iii) how transmission system	(iii) how transmission system	No change
	operators make available the	operators make available the	(iii) how transmission system operators
	operational information to other	operational information to other	make available the operational information
	transmission system operators	transmission system operators or	to other transmission system operators or any
	or any entity duly mandated to	any entity duly mandated to	entity duly mandated to support them to
	support them to achieve	support them to achieve	achieve operational coordination, and to the
	operational coordination, and to	operational coordination, and to	Agency; and
	the Agency; and	the Agency; and	
491.	(iv) that transmission system	(iv) that transmission system	No change
	operators designate a contact	operators designate a contact	(iv) that transmission system operators
	point in charge of answering	point in charge of answering	designate a contact point in charge of
	inquiries from other	inquiries from other	answering inquiries from other transmission
1	transmission system operators	transmission system operators or	system operators or from any entity duly
1	or from any entity duly	from any entity duly mandated	mandated as referred to in point (iii), or from
1	mandated as referred to in point	as referred to in point (iii), or	the Agency concerning such information.
	(iii), or from the Agency	from the Agency concerning	-
	concerning such information.	such information.	
492.	(h) adopt an annual work	(h) adopt an annual work	No change
	programme;	programme;	(h) adopt an annual work programme;

493.		AM 119 Article 27 – paragraph 1 – point h a (new) (h a) standardise, in cooperation with the EU DSO entity, relevant data formats and protocols to facilitate cross-border exchange of data;		Propose an alternative EP amendment: h a (new) (h a) contribute to the establishment of interoperability requirements and non- discriminatory and transparent procedures for accessing data as provided for in Article 24 of the [Electricity Directive]
494.	(i) adopt an annual report;		(i) adopt an annual report;	No change (i) adopt an annual report;
495.	(j) carry out and adopt seasonal adequacy outlooks pursuant to Article 9(2) [Regulation on risk preparedness as proposed by COM(2016) 862].		(j) carry out and adopt seasonal adequacy outlooks pursuant to Article 9(2) [Regulation on risk preparedness as proposed by COM(2016) 862].	No change (j) carry out and adopt seasonal adequacy outlooks pursuant to Article 9(2) [Regulation on risk preparedness as proposed by COM(2016) 862].
496.		AM 120 Article 27 – paragraph 1 – point j a (new) (j a) promote digitalisation of transmission systems to ensure, inter alia, efficient real time data acquisition and use and smart substations;		Provisionally agreed to merge with (fb) line 486.)
497.		AM 121 Article 27 – paragraph 1 – point j b (new) (j b) promote data management, cyber security and data protection in cooperation with relevant authorities and regulated entities;		Provisionally agreed: (j b) promote data management, cyber security and data protection in cooperation with relevant authorities and regulated entities;

498.		AM 122		Provisionally agreed:
		Article 27 – paragraph 1 – point j		
		c (new)		(j c) develop take into account the
		(j c) develop demand response in		development of demand response in
		cooperation with DSOs.		fulfilling its tasks;
499.	2. The ENTSO for	AM 123	2. The ENTSO for	Maintain Council GA
	Electricity shall report to the	2. The ENTSO for Electricity	Electricity shall report to the	
	Agency on shortcomings	shall report to the Agency on	Agency on shortcomings	
	identified regarding the	shortcomings identified regarding	identified regarding the	
	establishment and performance	the establishment and performance	establishment and performance	
	of regional operational centres.	of regional <i>coordination</i> centres.	of [] Regional Security	
			Coordinators.	
500.	3. The ENTSO for		3. The ENTSO for	No change
	Electricity shall publish the		Electricity shall publish the	3. The ENTSO for Electricity shall
	minutes of its Assembly, Board		minutes of its Assembly, Board	publish the minutes of its Assembly, Board
	and Committees meetings and		and Committees meetings and	and Committees meetings and provide the
	provide the public with regular		provide the public with regular	public with regular information on its
	information on its decision-		information on its decision-	decision-making and activities.
	making and activities.		making and activities.	
501.	4. The annual work		4. The annual work	No change
	programme referred to in (h) of		programme referred to in (h) of	4. The annual work programme referred
	paragraph 1 shall contain a list		paragraph 1 shall contain a list	to in (h) of paragraph 1 shall contain a list
	and description of the network		and description of the network	and description of the network codes to be
	codes to be prepared, a plan on		codes to be prepared, a plan on	prepared, a plan on coordination of operation
	coordination of operation of the		coordination of operation of the	of the network, and research and
	network, and research and		network, and research and	development activities, to be realised in that
	development activities, to be		development activities, to be	year, and an indicative calendar.
	realised in that year, and an		realised in that year, and an	
	indicative calendar.		indicative calendar.	

502.	5. The ENTSO for	5. The ENTSO for	No change
	Electricity shall make available	Electricity shall make available	5. The ENTSO for Electricity shall make
	all information required by the	all information required by the	available all information required by the
	Agency to fulfil its tasks under	Agency to fulfil its tasks under	Agency to fulfil its tasks under Article
	Article 29(1). Transmission	Article 29(1). Transmission	29(1). Transmission system operators shall
	system operators shall make	system operators shall make	make available all information required for
	available all information	available all information	the ENTSO for Electricity to fulfil its task
	required for the ENTSO for	required for the ENTSO for	under sentence 1.
	Electricity to fulfil its task	Electricity to fulfil its task under	
	under sentence 1.	sentence 1.	
503.	6. Upon request of the	6. Upon request of the	No change
	Commission, the ENTSO for	Commission, the ENTSO for	6. Upon request of the Commission, the
	Electricity shall give its views	Electricity shall give its views to	ENTSO for Electricity shall give its views to
	to the Commission on the	the Commission on the adoption	the Commission on the adoption of the
	adoption of the guidelines as	of the guidelines as laid down in	guidelines as laid down in Article 57.
	laid down in Article 57.	Article 57.	

504. Article 28 **Consultations** Provisionally agreed: 505. While preparing the **AM 124** While preparing the proposals pursuant to the tasks While preparing the proposals pursuant to the tasks referred to in Article 27(1), the referred to in Article 27(1), the While preparing the proposals proposals pursuant to the tasks ENTSO for Electricity shall referred to in Article 27(1), the ENTSO for Electricity shall pursuant to the tasks referred to in Article conduct an extensive 27(1), the ENTSO for Electricity shall ENTSO for Electricity shall conduct an extensive conduct an extensive consultation process, at consultation process, at an early consultation process, at an early conduct an extensive consultation stage and in an open and process, at an early stage and stage and in an open and an early stage and structured in a way to enable accommodating stakeholder transparent manner, involving structured in a way to enable transparent manner, involving all relevant stakeholders, and, accommodating stakeholder all relevant stakeholders, and, in comments before final adoption and in an comments before final adoption particular, the organisations open and transparent manner, involving all in particular, the organisations representing all stakeholders, in and in an open and transparent representing all stakeholders, in relevant stakeholders, and, in particular, the accordance with the rules of manner, involving all relevant accordance with the rules of organisations representing all stakeholders, in accordance with the rules of procedure stakeholders, and, in particular, the procedure referred to in Article procedure referred to in Article organisations representing all 26. That consultation shall also 26. That consultation shall also referred to in Article 26. That consultation involve national regulatory stakeholders, in accordance with involve national regulatory shall also involve national regulatory the rules of procedure referred to in authorities and other national authorities. authorities and other national authorities and other national supply and generation undertakings, system authorities, supply and Article 26 That consultation shall authorities, supply and generation undertakings, system also involve national regulatory generation undertakings, system users including customers and their users including customers, authorities and other national users including customers, representatives, distribution system authorities, supply and generation distribution system operators, distribution system operators, operators, including relevant industry associations, technical bodies and including relevant industry undertakings, system users including relevant industry associations technical bodies including customers and their associations technical bodies stakeholder platforms. It shall aim at and stakeholder platforms. It representatives, distribution system and stakeholder platforms. It identifying the views and proposals of all relevant parties during the decision-making shall aim at identifying the operators, including relevant shall aim at identifying the views and proposals of all industry associations, technical views and proposals of all process. relevant parties during the bodies and stakeholder platforms. relevant parties during the decision-making process. It shall aim at identifying the views decision-making process. and proposals of all relevant parties during the decision-making process.

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506.	2. All documents and minutes of meetings related to the consultations referred to in paragraph 1 shall be made public. 3. Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.	2. All documents and minutes of meetings related to the consultations referred to in paragraph 1 shall be made public. 3. Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.	No change 2. All documents and minutes of meetings related to the consultations referred to in paragraph 1 shall be made public. No change 3. Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account
508.		Article 29	
		Monitoring by the Agency	
509.	1. The Agency shall monitor the execution of the tasks referred to in Article 27(1), (2) and (3) of the ENTSO for Electricity and report to the Commission.	1. The Agency shall monitor the execution of the tasks referred to in Article 27(1), (2) and (3) of the ENTSO for Electricity and report to the Commission.	No change 1. The Agency shall monitor the execution of the tasks referred to in Article 27(1), (2) and (3) of the ENTSO for Electricity and report to the Commission.

510.	The Agency shall monitor the	Tha A	agency shall monitor the	No change
510.	implementation by the ENTSO		mentation by the ENTSO	The Agency shall monitor the
	for Electricity of network codes		ectricity of network codes	implementation by the ENTSO for
	elaborated under Article 55(14)		rated under Article 55(14).	Electricity of network codes elaborated
	. Where the ENTSO for		e the ENTSO for	under Article 55(14). Where the ENTSO for
	Electricity has failed to		ricity has failed to	Electricity has failed to implement such
	implement such network codes,		ment such network codes,	network codes, the Agency shall request the
	the Agency shall request the		gency shall request the	ENTSO for Electricity to provide a duly
	ENTSO for Electricity to		SO for Electricity to	reasoned explanation as to why it has failed
	provide a duly reasoned	provid	de a duly reasoned	to do so. The Agency shall inform the
	explanation as to why it has	explai	nation as to why it has	Commission of that explanation and provide
	failed to do so. The Agency		to do so. The Agency shall	its opinion thereon.
	shall inform the Commission of	inform	n the Commission of that	
	that explanation and provide its	explai	nation and provide its	
	opinion thereon.	opinio	on thereon.	
511.	The Agency shall monitor and	The A	agency shall monitor and	No change
	analyse the implementation of		se the implementation of	The Agency shall monitor and analyse the
	the network codes and the		etwork codes and the	implementation of the network codes and the
	guidelines adopted by the	guide	lines adopted by the	guidelines adopted by the Commission as
	Commission as laid down in		nission as laid down in	laid down in Article 54(1), and their effect
	Article 54(1), and their effect		e 54(1), and their effect on	on the harmonisation of applicable rules
	on the harmonisation of		rmonisation of applicable	aimed at facilitating market integration as
	applicable rules aimed at		aimed at facilitating market	well as on non-discrimination, effective
	facilitating market integration		ration as well as on non-	competition and the efficient functioning of
	as well as on non-		mination, effective	the market, and report to the Commission.
	discrimination, effective		etition and the efficient	the market, and report to the Commission.
	competition and the efficient		oning of the market, and	
	functioning of the market, and		to the Commission.	
	report to the Commission.	Героп	to the Commission.	
512.	2. The ENTSO for	2.	The ENTSO for	No change
J12.	Electricity shall submit the draft		ricity shall submit the draft	2. The ENTSO for Electricity shall
	Union-wide network		n-wide network	submit the draft Union-wide network
	development plan, the draft		opment plan, the draft	development plan, the draft annual work
	annual work programme,		opinent plan, the traft il work programme,	programme, including the information
	including the information	includ	ling the information	regarding the consultation process, and the

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	regarding the consultation	regarding the consultation	other documents referred to in Article 27(1)
	process, and the other	process, and the other	to the Agency for its opinion.
	documents referred to in Article	documents referred to in Article	
	27(1) to the Agency for its	27(1) to the Agency for its	
	opinion.	opinion.	
513.	Within two months from the	Within two months from the day	No change
	day of receipt, the Agency shall	of receipt, the Agency shall	Within two months from the day of receipt,
	provide a duly reasoned opinion	provide a duly reasoned opinion	the Agency shall provide a duly reasoned
	as well as recommendations to	as well as recommendations to	opinion as well as recommendations to the
	the ENTSO for Electricity and	the ENTSO for Electricity and to	ENTSO for Electricity and to the
	to the Commission where it	the Commission where it	Commission where it considers that the draft
	considers that the draft annual	considers that the draft annual	annual work programme or the draft Union-
	work programme or the draft	work programme or the draft	wide network development plan submitted
	Union-wide network	Union-wide network	by the ENTSO for Electricity do not
	development plan submitted by	development plan submitted by	contribute to non-discrimination, effective
	the ENTSO for Electricity do	the ENTSO for Electricity do	competition, the efficient functioning of the
	not contribute to non-	not contribute to non-	market or a sufficient level of cross-border
	discrimination, effective	discrimination, effective	interconnection open to third-party access.
	competition, the efficient	competition, the efficient	
	functioning of the market or a	functioning of the market or a	
	sufficient level of cross-border	sufficient level of cross-border	
	interconnection open to third-	interconnection open to third-	
	party access.	party access.	

514.	Article 30 Costs				
515.	The costs related to the activities of the ENTSO for Electricity referred to in Articles 25 to 29 and 54 to 57 of this Regulation, and in Article 11 of Regulation (EU) No 347/2013 shall be borne by the transmission system operators and shall be taken into account in the calculation of tariffs. Regulatory authorities shall approve those costs only if they are reasonable and appropriate.		The costs related to the activities of the ENTSO for Electricity referred to in Articles 25 to 29 and 54 to 57 of this Regulation, and in Article 11 of Regulation (EU) No 347/2013 shall be borne by the transmission system operators and shall be taken into account in the calculation of tariffs. Regulatory authorities shall approve those costs only if they are reasonable and appropriate.	No change The costs related to the activities of the ENTSO for Electricity referred to in Articles 25 to 29 and 54 to 57 of this Regulation, and in Article 11 of Regulation (EU) No 347/2013 shall be borne by the transmission system operators and shall be taken into account in the calculation of tariffs. Regulatory authorities shall approve those costs only if they are reasonable and appropriate.	

<i>516</i> .		Article 31
<i>516. 517.</i>	1. Transmission system operators shall establish regional cooperation within the ENTSO for Electricity to contribute to the activities referred to in Article 27(1), (2) and (3). In particular, they shall publish a regional investment plan every two years, and may take investment decisions based on that regional investment plan. The ENTSO for Electricity shall promote cooperation between transmission system operators at regional level ensuring interoperability, communication	1. Transmission system operators shall establish regional cooperation within the ENTSO for Electricity to contribute to the activities referred to in Article 27(1), (2) and (3). In particular, they shall publish a regional investment plan every two years, and may take investment decisions based on that regional investment plan. The ENTSO for Electricity shall promote cooperation between transmission system operators at regional level ensuring interoperability, communication and monitoring of regional
	transmission system operators at regional level ensuring	regional level ensuring harmonised at Union level. interoperability, communication

518.	2. Transmission system		2. Transmission system	No change
	operators shall promote		operators shall promote	2. Transmission system operators shall
	operational arrangements in		operational arrangements in	promote operational arrangements in order to
	order to ensure the optimum		order to ensure the optimum	ensure the optimum management of the
	management of the network and		management of the network and	network and shall promote the development
	shall promote the development		shall promote the development	of energy exchanges, the coordinated
	of energy exchanges, the		of energy exchanges, the	allocation of cross-border capacity through
	coordinated allocation of cross-		coordinated allocation of cross-	non-discriminatory market-based solutions,
	border capacity through non-		border capacity through non-	paying due attention to the specific merits of
	discriminatory market-based		discriminatory market-based	implicit auctions for short-term allocations,
	solutions, paying due attention		solutions, paying due attention	and the integration of balancing and reserve
	to the specific merits of implicit		to the specific merits of implicit	power mechanisms.
	auctions for short-term		auctions for short-term	power meenumsms.
	allocations, and the integration		allocations, and the integration	
	of balancing and reserve power		of balancing and reserve power	
	mechanisms.		mechanisms.	
519.	3. For the purposes of	AM 125	3. For the purposes of	Maintain Council GA
	achieving the goals set in	3. For the purposes of	achieving the goals set in	
	paragraphs 1 and 2 of this	achieving the goals set in	paragraphs 1 and 2 of this	
	Article, the geographical area	paragraphs 1 and 2 of this Article,	Article, the geographical area	
	covered by each regional	the geographical area covered by	covered by each regional	
	cooperation structure may be	each regional cooperation structure	cooperation structure may be	
	defined by the Commission,	may be defined by the	defined by the Commission,	
	taking into account existing	Commission, taking into account	taking into account existing	
	regional cooperation structures.	existing regional cooperation	regional cooperation structures.	
	Each Member State shall be	structures. Each Member State	Each Member State shall be	
	allowed to promote cooperation	shall be allowed to promote	allowed to promote cooperation	
	in more than one geographical	cooperation in more than one	in more than one geographical	
	area. The Commission is	geographical area. The	area. The Commission is	
	empowered to adopt delegated	Commission is empowered to	empowered to adopt []	
	acts in accordance with Article	adopt delegated acts in accordance	implementing acts in	
	63 concerning the geographical	with Article 63 concerning the	accordance with Article []	
	area covered by each regional	geographical area covered by each	62(2) concerning the	
	cooperation structure. For that	regional cooperation structure. For	geographical area covered by	
	purpose, the Commission shall	that purpose, the Commission shall	each regional cooperation	
	consult the Agency and the	consult the regulatory authorities,	structure. The decisions and	

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	ENTSO for Electricity.	the Agency and the ENTSO for Electricity.	empowerment referred to in this paragraph are without prejudice to Article 33 and shall be subject to consultations. For that purpose, the Commission shall consult the Agency and the ENTSO for Electricity.	
<i>520</i> .	Article 32 Establishment and mission of regional operational centres		Article 32 Establishment and mission of [] Regional Security Coordinators	Maintain Council GA
521.	1. By [OP: twelve months after entry into force], all transmission system operators shall establish regional operational centres in accordance with the criteria set out in this chapter. Regional operational centres shall be established in the territory of one of the Member States of the region where it will operate.	AM 126 1. By [OP: twelve months after entry into force], regional coordination centres shall in addition to other tasks that are laid out in Article 34 of this Regulation, replace and cover the functions of regional security coordinators established in accordance with the Regulation[the Commission Regulation establishing a guideline on Electricity Transmission System Operation] pursuant to the criteria set out in this chapter.	1. By [OP: twelve months after entry into force], all transmission system operators of a [] system operation region shall submit a proposal for the enhancement of Regional Security Coordinators established pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009 for approval by the respective regulatory authorities.	Maintain Council GA

522.	If a region is not covered by an existing or a planned regional security coordinator, the transmission system operators of that region shall establish a regional coordination centre.		Provisionally agreed in TM to delete, and introduce a new recital (line 46)
523.	All transmission system operators shall <i>adhere to a single</i> regional <i>coordination centre</i> .		Maintain Council GA
524.	All transmission system operators of a system operation region shall submit to the regulatory authorities of the system operation region for a review a proposal for the establishment of regional coordination centres in accordance with the criteria set out in this chapter.		Maintain Council GA
525.	The regulatory authorities of the system operation region shall review and approve the proposal in compliance with the procedures established pursuant to Article 8 of Regulation (EU) [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863]		Provisionally agreed in TM: The regulatory authorities of the system operation region shall review and approve the proposal in compliance with the procedures established pursuant to Article 8 of Regulation (EU) [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863]
526.	The proposals referred to the forth subparagraph shall include the following information:	The proposal shall contain the following elements:	Provisionally agreed in TM: The proposal shall at least include the following elements:

527.	(a) Member State where the regional coordination centre are to be located;	a) the participating Member States and TSOs;	a) the participating Member State where the seat of the [Regional Security Coordinator] will be located and the participating TSOs;
528.	(b) the organisational, financial and operational arrangements necessary to ensure the efficient, secure and reliable operation of the interconnected transmission system;	b) the organisational, financial and operational arrangements necessary to ensure the efficient, secure and reliable operation of the interconnected transmission system;	Provisionally agreed in TM: (identical texts) b) the organisational, financial and operational arrangements necessary to ensure the efficient, secure and reliable operation of the interconnected transmission system;
529.	(c) an implementation plan for the entry into operation of the regional coordination centres;	c) an implementation plan for the entry into operation of the Regional Security Coordinators;	Provisionally agreed in TM: (identical texts) c) an implementation plan for the entry into operation of the [Regional Security Coordinators];
530.	(d) the statutes and rules of procedure of regional coordination centres;	d) the statutes and rules of procedure of Regional Security Coordinators;	Provisionally agreed in TM: (identical texts) d) the statutes and rules of procedure of [Regional Security Coordinators];
531.	(e) a description of cooperative processes in accordance with Article 35;	e) a description of cooperative processes in accordance with Article 35;	Provisionally agreed in TM: (identical texts) e) a description of cooperative processes in accordance with Article 35;
532.	(f) a description of the arrangements concerning the liability of regional coordination centres in accordance with Article 44.	f) a description of the arrangements concerning the liability of Regional Security Coordinators in accordance with Article 44.	Provisionally agreed in TM: (identical texts) f) a description of the arrangements concerning the liability of [Regional Security Coordinators] in accordance with Article 44.

532a.				Council compromise: g) (new) where two [Regional Security Coordinators] are maintained on a rotational basis, a description of the arrangements to provide clear responsibilities and procedures on the execution of their tasks.
533.	2. Regional operational centres shall be organised in a legal form as referred to in Article 1 of Directive 2009/101/EC of the European Parliament and of the Council. ²¹		2. [] Regional Security Coordinators shall be established in the system operation region where it will carry out its tasks and shall be organised in a legal form as referred to in [] Annex II of Directive [] (EU) 2017/1132 of the European Parliament and of the Council ²² .	Provisionally agreed in TM: 2. [] [Regional Security Coordinators] shall be established in the system operation region where it will carry out its tasks and shall be organised in a legal form as referred to in [] Annex II of Directive [] (EU) 2017/1132 of the European Parliament and of the Council ²³ .
534.		AM 127 Article 32 – paragraph 1 a (new) I a. Regional coordination centres shall enter into operation by [OP: twelve months after entry into force of this Regulation].		Reject

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Directive 2009/101/EC of the European Parliament and of the Council of 16 September 2009 on coordination of safeguards which, for the protection of the interests of members and third parties, are required by Member States of companies within the meaning of the second paragraph of Article 48 of the Treaty, with a view to making such safeguards equivalent (OJ L 258, 1.10.2009, p. 11).

Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (OJ L 169, 30.6.2017, p. 46).

Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (OJ L 169, 30.6.2017, p. 46).

536.	3. Regional operational centres shall complement the role of transmission system operators by performing functions of regional relevance. They shall establish operational arrangements in order to ensure the efficient, secure and reliable operation of the interconnected transmission system.	AM 128 Article 32 – paragraph 2 a (new) 2 a. In performing its functions under Union law, the regional coordination centres shall act independently from individual national interests and from the interests of transmission system operators. AM 129 3. Regional coordination centres shall complement the role of transmission system operators by performing functions of regional relevance. The transmission system operators shall be responsible for managing electricity flows and ensuring a secure, reliable and efficient electricity system in accordance with Article 40 of the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].	3. [] Transmission system operators shall be responsible for managing electricity flows and ensure a secure, reliable and efficient electricity system in accordance with Article 40 of the [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2] and with national legislation. Regional Security Coordinators shall complement the role of transmission system operators by performing [] tasks of regional relevance [] assigned to them in accordance with	Provisionally agreed in TM: 2 a. In performing its [] tasks under Union law, the [Regional Security Coordinators] [] shall act independently from individual national interests and from the interests of transmission system operators. Provisionally agreed in TM: [Regional Security Coordinators] shall complement the role of transmission system operators by performing the tasks of regional relevance assigned to them in accordance with Article 34. Transmission system operators shall be responsible for managing electricity flows and ensuring a secure, reliable and efficient electricity system in accordance with Article 40 of the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].
537.			Article 34. 4a. Regional Security Coordinators shall take up their new tasks set out in Article 34(1) by 1 January 2025. All Member States of the same system operation region, can jointly decide on earlier operation of the respective Regional Security Coordinator [+].	Provisionally agreed in TM to delete.

538.	Article 33 Geographical scope of regional operational centres	AM 130 Article 33 – title Geographical scope of regional coordination centres	Article 33 Geographical scope of [] Regional Security Coordinators	Maintain Council GA
539.			0a. For the purpose of this Regulation, the geographical areas covered by each of the transmission system operators sharing the same regional security coordinators established pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009 shall be referred to as system operation regions.	Provisionally agreed in TM to delete. This paragraph is covered in row 541. L
540.			ob. Regional security coordinators may encompass larger or smaller geographical areas than those existing pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009. In such instance, the respective transmission system operators shall submit a proposal to the Agency defining the system operation regions covered by the Regional security coordinator.	Provisionally agreed in TM: The concerned transmission system operators may submit a proposal to the Agency for the system operation regions defined pursuant to paragraph 1. The process in paragraph 2 shall apply.

541.	1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal defining system operation regions covered by regional operational centres, taking into account existing regional security coordinators, on the basis of the following criteria:	AM 131 1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal defining system operation regions covered by regional <i>coordination</i> centres, taking into account existing regional security coordinators, on the basis of the following criteria:	1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal [] specifying which transmission system operators, bidding zones, bidding zone borders, capacity calculation regions and outage coordination regions are covered by each of the system operation regions.	Provisionally agreed in TM: By [OP: [three/six] months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal[] specifying which transmission system operators, bidding zones, bidding zone borders, capacity calculation regions and outage coordination regions are covered by each of the system operation regions. The proposal shall take into account the grid topology, including the degree of interconnection and of interdependency of the power system in terms of flows and the size of the region which shall cover at least one capacity calculation region.
542.			1a. Where a Member State is part of multiple different synchronous areas, the transmission system operator may be coordinated by two regional security coordinators. For the bidding zone borders adjacent to system operation regions, the proposal in paragraph 1 shall specify how the coordination between regional security coordinators for these borders is to take place.	1a. The transmission system operators of a system operation region shall adhere to the [Regional Security Coordinator] established in that region. Exceptionally, where the control area of a transmission system operator is part of multiple different synchronous areas, the transmission system operator may be coordinated by two [Regional Security Coordinators]. For the bidding zone borders adjacent to system operation regions, the proposal in paragraph 1 shall specify how the coordination between [Regional Security Coordinators] for these borders is to take place. For the Continental Europe synchronous

		area, where the activities of two [Regional Security Coordinators] may overlap in a system operation region, the transmission system operators of that system operation region shall decide to either designate a
		single [Regional Security Coordinator] in that region or that the two [Regional Security Coordinators] perform the coordination of one or more tasks for all the transmission system operators on a rotational basis.
543.	Security perform Article 3 transmis of the sys	Coordinators shall the tasks listed in 34(1) for the ssion system operators stem operation region is established. Provisionally agreed in TM to delete L

544.	(a) The grid topology, including the degree of interconnection and of interdependency of the power systems in terms of flows;	[]	Provisionally agreed in TM to delete
545.	(b) the synchronous connection of the systems;	[]	Provisionally agreed in TM to delete
546.	(c) the size of the region, which shall cover at least one capacity calculation region;	[]	Provisionally agreed in TM to delete
547.	(d) the geographical optimization of balancing reserves.	[]	Provisionally agreed in TM to delete
548.	2. Within three months of receipt, the Agency shall either approve the proposal defining the system operation regions or propose amendments. In the latter case, the Agency shall consult the ENTSO for Electricity before adopting the amendments. The adopted proposal shall be published on the Agency's website.	2. Within three mor receipt of the proposal paragraph 1, the Agen either approve the propodefining the system operegions or propose ame. In the latter case, the Agshall consult the ENTSC Electricity before adopt amendments. The adopt proposal shall be publis the Agency's website.	in acy shall osal proposal in paragraphs 1, the Agency shall either approve the proposal or propose amendments. In the latter case, the Agency shall consult the ENTSO for Electricity before adopting the amendments. The adopted proposal shall be published on the Agency's website.

549.	Article 34 Tasks of regional operational centres	AM 132 Article 34 – title Tasks of regional <i>coordination</i> centres	Article 34 Tasks of [] Regional Security Coordinators	Maintain Council GA
550.	1. Each regional operational centre shall perform all the following functions in the system operation region where it is established and regional operational centres shall perform at least the following functions, set out in more detail in Annex I:	AM 133 1. Each regional <i>coordination</i> centre shall perform all the following functions in the system operation region where it is established and regional <i>coordination</i> centres shall perform at least the following functions, set out in more detail in Annex I:	1. Each Regional [] security coordinator shall perform [] the following [] tasks of regional relevance for transmission system operators in the system operation region [] set out in more detail in Annex I:	Provisionally agreed in TM: 1. Each [Regional Security Coordinator] shall perform at least all the following tasks of regional relevance for transmission system operators in the entire system operation region where it is established, set out in more detail in Annex I:
551.	(a) coordinated capacity calculation;	(a) coordinated capacity calculation in accordance with the methodologies developed pursuant to Articles 21, 26, 29 and 30 of Regulation (EU) 2015/1222;	(a) coordinated capacity calculation in accordance with the methodologies developed pursuant to the Capacity Allocation and Congestion Management Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA
552.	(b) coordinated security analysis;	(b) coordinated security analysis in accordance with the methodologies developed pursuant to Articles 75 and 76 of Commission Regulation (EU) 2017/1485 ^{1a} ; ^{1a} Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (OJ L 220, 25.8.2017, p. 1).	(b) coordinated security analysis in accordance with the methodologies developed pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA

553.	(c) creation of common system models;	(c) creation of common system models in accordance with the methodologies and procedures developed pursuant to Articles 67, 70 and 79 of Commission Regulation (EU) 2017/1485;	(c) creation of common [] grid models in accordance with the methodologies and procedures developed pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA
554.	(d) consistency assessment of transmission system operators' defense plans and restoration plans;	(d) consistency assessment of transmission system operators' defense plans and restoration plans in accordance with the procedure set out in Article 6 of Commission Regulation (EU) 2017/2196 ^b ; ^{1b} Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration (OJ L 312, 28.11.2017, p. 54)	(d) support the consistency assessment of transmission system operators' defence plans and restoration plans in accordance with the procedure set out in the Emergency and Restoration Network Code adopted on the basis of Article 6 of Regulation 714/2009;	Maintain Council GA
555.			(da) regional week ahead to day-ahead system adequacy forecasts and assessments of risk reducing actions in accordance with the procedures set out in the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA

556.			(db) regional outage planning coordination in accordance with the procedures set out in the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA
557.			(dc) training and certification of staff working for Regional Security Coordinators[+];	Provisionally agreed in TM: (dc) training and certification of staff working for [Regional Security Coordinators];
558.	(e) coordination and optimization of regional restoration;		(e) support the coordination and optimization of regional restoration as requested by transmission system operators;	Maintain Council GA
559.	(f) post-operation and post- disturbances analysis and reporting;		(f) post-operation and post- disturbances analysis and reporting;	No change: (f) post-operation and post-disturbances analysis and reporting;
560.	(g) regional sizing of reserve capacity;		[]	Maintain Council GA
561.	(h) facilitate the regional procurement of balancing capacity;	(h) <i>calculation of</i> the regional balancing capacity;	[]	Maintain Council GA

562.	(i) regional week ahead to intraday system adequacy forecasts and preparation of risk reducing actions;	(i) regional week ahead to intraday system adequacy forecasts and preparation of risk reducing actions in accordance with the methodology set out in Article 8 of Regulation (EU) [Regulation on risk preparedness as proposed by COM(2016) 862] and the procedures set out in Article 81 of Commission Regulation (EU) 2017/1485[The Commission Regulation establishing a Guideline on electricity transmission system operation];		Provisionally agreed in TM: [] (included in line 555)
563.	(j) outage planning coordination;	(j) outage planning coordination in accordance with the procedures set out in Article 80 of Commission Regulation (EU) 2017/1485;	[]	Provisionally agreed in TM: [] (included in line 556)
564.	(k) optimisation of compensation mechanisms between transmission system operators;	(k) optimisation of compensation mechanisms between transmission system operators;	[]	Maintain Council GA
565.	(l) training and certification;	(l) training and certification;	[]	Provisionally agreed in TM (covered by line 557):
566.	(m) identification of regional crisis scenarios according to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862] if this task is delegated by ENTSO for Electricity;	deleted	(m) identification of regional crisis scenarios if and to the extent they are requested pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862;	Maintain Council GA

567.	(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];		(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];	No change (n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];
568.	(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional operational centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional <i>coordination</i> centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];	[]	Maintain Council GA
569.	(p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional operational centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional <i>coordination</i> centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(p) tasks related to the seasonal adequacy outlooks if and to the extent they are requested pursuant to Article 9([] 3) of [Regulation on risk preparedness as proposed by COM(2016) 862];	Maintain Council GA
570.	(q) calculate the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms pursuant to Article 21(6).		(q) calculate the value for the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms [] for the purpose to issue an recommendation pursuant to Article 21(6).	Provisionally agreed in TM: (q) calculate the value for the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms [] for the purposes to of issue issuing an recommendation pursuant to Article 21(6).

571. 572.	2. The Commission may	(qa) tasks related to support transmission system operators in the identification of needs for new capacity, for upgrade of existing capacity or their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) 347/2013 and included in the ten-year network development plan referred to in Article 51 of the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].	2. []	Provisionally agreed: (qa) tasks related to support transmission system operators in the identification of needs for new transmission capacity, for upgrade of existing transmission capacity or their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) 347/2013 and included in the ten-year network development plan referred to in Article 51 of the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2]. Maintain Council GA
512.	add other functions to the regional operational centres, not involving decision making power, pursuant to Chapter VII of this Regulation.	2. The Commission may add other functions to the regional <i>coordination</i> centres, not involving decision making power, pursuant to Chapter VII of this Regulation.	Upon joint proposal of regulatory authorities, following consultation with the transmission system operators and the Regional Security Coordinators, the Member States of the system operation region may jointly decide to provide for additional advisory coordination tasks, on the basis of which Regional Security Coordinators will issue recommendations pursuant to Article 38. In such instance, Regional Security Coordinators shall execute those tasks on the basis of the methodologies drafted by transmission system operators and agreed by the relevant regulatory authorities.	Maintain Council GA

573.	3. Transmission system	AM 135	3. Transmission system	Maintain Council GA
	operators shall provide their	3. Transmission system	operators shall provide their []	
	regional operational centre with	operators shall provide their	Regional Security	
	the information necessary to	regional <i>coordination</i> centre with	Coordinators with the	
	carry out its functions.	the information necessary to carry	information necessary to carry	
		out its functions.	out its [] tasks.	
574.	4. Regional operational	AM 136	4. [] Regional Security	Maintain Council GA
	centres shall provide	4. Regional <i>coordination</i>	Coordinators shall provide	
	transmission system operators	centres shall provide transmission	transmission system operators of	
	of the system operation region	system operators of the system	the system operation region with	
	with all the information	operation region with all the	all the information necessary to	
	necessary to implement the	information necessary to <i>ensure</i>	implement the [] coordinated	
	decisions and recommendations	system stability and security of	actions and recommendations	
	proposed by the regional	supply.	proposed by the [] Regional	
	operational centres.		Security Coordinators.	
575.		For the functions set out in this		Maintain Council GA
		Article and not already covered by		
		the relevant guidelines, the		
		ENTSO for Electricity shall		
		develop a proposal in accordance		
		with the procedure set out in		
		Article 22. Regional coordination		
		centres shall execute those		
		functions on the basis of a		
		proposal that has been approved		
		by the Agency.		

576.	Article 35 Cooperation within regional operational centres	AM 137 Cooperation within and among regional coordination centres	Article 35 Cooperation within [] and between Regional Security Coordinators	Maintain Council GA
577.	1. The day-to-day operation of regional operational centres shall be managed through cooperative decision-making. The cooperative-decision making process shall be based on:	The day-to-day operation of regional coordination centres shall be managed through cooperative decision making amongst the transmission system operators of the region, including arrangements for coordination between regional coordination centres where relevant. The cooperative process shall be based on:	1. The day-to-day [] coordination within and between Regional Security Coordinators shall be managed through cooperative [] processes [] based on:	Compromise proposal (Seen by COREPER on 7 September) 1. The day-to-day [] coordination within and between Regional Security Coordinators shall be managed through cooperative [] processes amongst the transmission system operators of the region, including arrangements for coordination between Regional Security Coordinators [] where relevant. The cooperative process shall be based on:
578.	(a) working arrangements to address planning and operational aspects related to the functions, in accordance with Article 36;		(a) working arrangements to address planning and operational aspects [] relevant for the tasks referred to in Article 34(1);	Maintain Council GA
579.	(b) a procedure for consulting the transmission system operators of the system operation region in the exercise of its operational duties and tasks, in accordance with Article 37;	(b) a procedure for consulting, in an efficient and inclusive manner, the transmission system operators and relevant stakeholders of the system operation region in accordance with Article 37;	(b) a procedure for sharing analysis and consulting Regional Security Coordinators proposals with the transmission system operations of the system operation region in the exercise of the operational duties and tasks in accordance with Article 37 and with other Regional Security Coordinators;	Compromise proposal (Seen by COREPER on 7 September) (b) a procedure for sharing analysis and consulting Regional Security Coordinators proposals with the transmission system operators of the system operation region and relevant stakeholders, in an efficient and inclusive manner, in the exercise of the operational duties and tasks in accordance with Article 37 and with other Regional Security Coordinators;

580.	(c) a procedure for the adoption of decisions and recommendations in accordance with Article 38;	(c) a procedure for the adoption and revision of decisions and recommendations in accordance with Article 38 that ensures equitable treatment between members of the regional operational centre;	(c) a procedure for the adoption of [] coordinated actions and recommendations in accordance with Article 38;	Maintain Council GA
581.	(d) a procedure for the revision of decisions and recommendations adopted by regional operational centres in accordance with Article 39.	deleted	(d) a procedure for the revision of [] coordinated actions and recommendations [] issued by Regional Security Coordinators in accordance with Article 39.	Maintain Council GA
582.			Article 36 ng arrangements	
583.	1. Regional operational centres shall develop working arrangements to address planning and operational aspects related to the functions to be performed, taking into account, in particular, the specificities and requirements of those functions as specified in Annex I.	AM 138 1. Regional coordination centres shall develop working arrangements that are efficient, inclusive, transparent and facilitate consensus, to address planning and operational aspects related to the functions to be performed, taking into account, in particular, the specificities and requirements of those functions as specified in Annex I.	1. [] Regional Security Coordinators shall develop working arrangements to address planning and operational aspects related to the [] tasks to be performed taking into account, in particular, the specificities and requirements of those [] tasks as specified in Annex I. Regional Security Coordinators shall also develop a process for any revision of these working arrangements.	Compromise proposal (Seen by COREPER on 7 September) 1. [] Regional Security Coordinators shall develop working arrangements that are efficient, inclusive, transparent and facilitate consensus, to address planning and operational aspects related to the [] tasks to be performed taking into account, in particular, the specificities and requirements of those [] tasks as specified in Annex I. Regional Security Coordinators shall also develop a process for any revision of these working arrangements.

584.	2. Regional operational centres shall ensure that the working arrangements contain rules for the notification of parties concerned.	AM 139 2. Regional <i>coordination</i> centres shall ensure that the working arrangements contain rules for the notification of parties concerned.	2. [] Regional Security Coordinators shall ensure that the working arrangements contain rules for the notification of parties concerned.	Maintain Council GA
<i>585</i> .			Article 37 ltation procedure	
586.	Regional operational centres shall develop a procedure to organise, in the exercise of their daily operational duties and tasks, the appropriate and regular consultation of transmission system operators and of relevant stakeholders. In order to ensure that regulatory issues can be addressed, regulatory authorities shall be involved when required.	AM 140 Regional <i>coordination</i> centres shall develop a procedure to organise, in the exercise of their daily duties and tasks, the appropriate and regular consultation of transmission system operators and of relevant stakeholders. In order to ensure that regulatory issues can be addressed, regulatory authorities shall be involved when required.	1. [] Regional Security Coordinators shall develop a procedure to organise, in the exercise of their daily operational duties and tasks, the appropriate and regular consultation of transmission system operators of the system operation region, other Regional Security Coordinators and of relevant stakeholders. In order to ensure that regulatory issues can be addressed, regulatory authorities shall be involved when required.	Maintain Council GA

587.	2. If necessary, the Maintain Council GA
	Regional Security
	Coordinators may consult the
	Member States of the system
	operation region and, where
	applicable, their regional
	forums on matters of political
	relevance excluding the day-
	to-day activities of Regional
	Security Coordinators and the
	implementation of their tasks.
	The Regional Security
	Coordinators shall take due
	account of the
	recommendations given by the
	Member States and where
	applicable, by their regional
	forums.

588.	AM 141	Provisionally agreed:
	Article 37 a (new)	
	Article 37a	Transparency
	Transparency	1. Regional Security Coordinators []
	1. Regional coordination	shall organise a process for stakeholder
	centres shall organise a process	involvement and organise regular meetings
	for stakeholder involvement and	with stakeholders to discuss matters relating
	organise regular meetings with	to the efficient, secure and reliable
	stakeholders to discuss matters	operation of the interconnected system as
	relating to the efficient, secure	well as to identify shortcomings and
	and reliable operation of the	propose improvements;
	interconnected system as well as to	
	identify shortcomings and propose	
	improvements;	
589.	2. ENTSO for Electricity and	Provisionally agreed:
	regional operational centres shall	
	operate in full transparency	2. ENTSO for Electricity and Regional
	towards stakeholders and the	Security Coordinators [] shall operate in
	general public. All relevant	full transparency towards stakeholders and
	documentation shall be published	the general public. All relevant
	on the website of the respective	documentation shall be published on the
	regional coordination centre. This	website of the respective Regional Security
	paragraph shall apply to the	Coordinator [].
	proposals, justifications and	
	decisions adopted pursuant to	
	Articles 32 and 33, Article 35(a)	
	and Article 38 of this Regulation.	

<i>590</i> .	Article 38	AM 142	Article 38	Maintain Council GA
	Adoption of decisions and	Article 38 – title	[] Coordinated actions and	
	recommendations	Adoption and revisions of	recommendations	
		decisions and recommendations		
591.	1. Regional operational	AM 143	1. [] The transmission	Maintain Council GA
	centres shall develop a	1. The transmission system	system operators of a system	
	procedure for the adoption of	operators of each regional	operation region shall develop	
	decisions and	coordination centre shall develop	a procedure for the adoption of [
	recommendations.	<i>procedures</i> for the adoption <i>and</i>] coordinated actions and	
		revision of decisions and	recommendations put forward	
		recommendations that ensures	by Regional Security	
		geographically balanced	Coordinators in accordance	
		representation and equitable	with the criteria set out in	
		treatment of members of the	paragraphs 2 to 4.	
		regional coordination centre.		
592.	2. Regional operational	AM 144	2. [] Regional Security	Maintain Council GA
	centres shall adopt binding	2. Regional <i>coordination</i>	Coordinators shall [] set-out	
	decisions addressed to the	centres shall adopt binding	coordinated actions addressed	
	transmission system operators	decisions addressed to the	to the transmission system	
	in respect of the functions	transmission system operators in	operators in respect of the []	
	referred to in points (a), (b), (g)	respect of the functions referred to	tasks referred to in points (a)	
	and (q) of Article 34(1).	in (a) <i>and</i> (b) of Article 34(1).	and (b), [] of Article 34(1).	
	Transmission system operators	Transmission system operators	Transmission system operators	
	shall implement the binding	shall implement the binding	may decide not to []	
	decisions issued by the regional	decisions issued by the regional	implement the coordinated	
	operational centres except in	coordination centres except in	actions [] issued by the []	
	cases when the safety of the	cases where the implementation of	Regional Security	
	system will be negatively	the decision would result in a	Coordinators where the	
	affected.	violation of operational security	implementation of the	
		limits defined by each	coordinated actions would	
		transmission system operator	result in a violation of the	
		pursuant to Article 25 of	operational security limits	
1		Commission Regulation (EU)	defined by each transmission	
		2017/1485.	system operator in accordance	
			with [] the System Operation	

			Guideline adopted on the basis	
			of Article 18 of Regulation	
			714/2009.	
593.			2a. Where following the	Maintain Council GA
			revision triggered in	
			accordance with Article 39, a	
			transmission system operator	
			decides not to implement a	
			coordinated action for the	
			reasons set out in paragraph 2,	
			it shall transparently report	
			the detailed reasons to the	
			Regional Security Coordinator	
			and the transmission system	
			operators of the system	
			operation region without	
			undue delay. In such cases, the	
			Regional Security Coordinator	
			shall assess the impact on the	
			other transmission system	
			operators of the system	
			operation region and may	
			propose a different set of	
			coordinated actions subject to	
			a procedure in paragraph 2.	
594.	3. Regional operational	AM 145	3. [] Regional Security	Maintain Council GA
	centres shall adopt	3. Regional <i>coordination</i>	Coordinators shall adopt	
	recommendations addressed to	centres shall adopt	recommendations addressed to	
	the transmission system	recommendations addressed to the	the transmission system	
	operators for the functions	transmission system operators for	operators for the [] tasks	
	referred to in points (c) to (f)	the functions <i>listed in Article 34(1)</i>	referred to in [] Article 34(1)	
	and (h) to (p) of Article 34(1).	which are not referred to in	except for tasks covered in	
		paragraph 2 of this Article.	paragraph 2 of this Article.	

595.	AM 146	Reject	
	Article 38 – paragraph 3 a (new)		
	3 a. Where a transmission		
	system operator decides to deviate		
	from the decision or		
	recommendation issued by the		
	regional coordination centre, it		
	shall submit a detailed		
	explanation to the regional		
	coordination centre and to other		
	transmission system operators of		
	the system operation region		
	without delay.		
596.	AM 147	Reject	
	Article 38 – paragraph 3 b (new)		
	3 b. The revision shall be		
	triggered at the request of one or		
	more of the transmission system		
	operators of the system operation		
	region. Following the revision of		
	the decision or recommendation,		
	regional operational centres shall		
	confirm or modify the measure.		
597.	AM 148	Reject	
	Article 38 – paragraph 3 c (new)		
	3 c. Where the measure subject		
	to revision is a binding decision in		
	accordance with Article 38(2) of		
	this Regulation, the request for		
	revision shall not suspend the		
	decision except in cases where the		
	implementation of the decision		
	would result in a violation of		
	operational security limits defined		
	by each transmission system		
	operator pursuant to Article 25 of		
	the System Operation guidelines.		

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598.	4. The regulatory authorities of a system operation region may jointly decide to grant binding decision-making powers to the regional operational centre for one or more of the functions provided for in points (c) to (f) and (h) to (l) of Article 34(1).	4. The regulatory authorities of a system operation region may jointly decide to grant binding decision-making powers to the regional <i>coordination</i> centre for one or more of the functions <i>listed</i> in Article 34(1) and which are not referred to in paragraph 2 of this Article.	4. Upon proposal of regulatory authority, following consultation with the transmission system operators and Regional Security Coordinators the [] Member States of a system operation region may jointly decide to grant the competence for coordinated actions or binding decision-making powers to the [] Regional Security Coordinators for one or more of the [] tasks provided for in [] Article 34(1).	Maintain Council GA
<i>599</i> .	Article 39	AM 150	Article 39	Maintain Council GA
	Revision of decisions and	deleted	Revision of [] coordinated	
	recommendations		actions and recommendations	
600.	1. Regional operational		1. [] Regional Security	Maintain Council GA
	centres shall develop a		Coordinators shall develop a	
	procedure for the revision of		procedure for the revision of []	
	decisions and		coordinated actions and	
	recommendations.		recommendations referred to	
			tasks described in Article 34.	
601.	2. The procedure shall be		2. The procedure shall be	Maintain Council GA
	triggered at the request of one		triggered at the request of one or	
	or more of the transmission		more of the transmission system	
	system operators of the system		operators of the system	
	operation region. Following the revision of the decision or		operation region. Following the revision of the [] coordinated	
	recommendation, regional		action or recommendation, []	
	operational centres shall		Regional Security	
	confirm or modify the measure.		Coordinators [+] shall confirm	
	commit of mounty the measure.		or modify the measure.	

602.	3. Where the measure	3. Where the measure	Maintain Council GA
	subject to revision is a binding	subject to revision is a []	
	decision in accordance with	coordinated action in	
	Article 38(2), the request for	accordance with Article 38(2),	
	revision shall not suspend the	the request for revision shall not	
	decision except in cases when	suspend the [] coordinated	
	the safety of the system will be	action except in cases [] where	
	negatively affected.	the implementation of the	
	negatively affected.	coordinated actions would	
		result in a violation of the	
		operational security limits	
		defined by each transmission	
		system operator in accordance	
		with the System Operation	
		Guideline adopted on the basis	
		_	
		of Article 18 of Regulation	
60.0	4 777	714/2009	16.1.1.6.11.6.1
603.	4. Where the measure	4. Where following the []	Maintain Council GA
	subject to revision is a	revision [] of the	
	recommendation in accordance	recommendation in accordance	
	with Article 38(3) and	with Article 38([]3) []a	
	following its revision a	transmission system operator	
	transmission system operator	decides to deviate from the	
	decides to deviate from the	recommendation, the	
	recommendation, the	transmission system operator	
	transmission system operator	shall submit a [] justification to	
	shall submit a detailed	the [] Regional Security	
	justification to the regional	Coordinators and to the other	
	operational centre and to the	transmission system operators of	
	other transmission system	the system operation region.	
	operators of the system		
	operation region.		

604.	Article 40 Management board of regional operational centres	AM 151 Article 40 – title Management board of regional coordination centres	Article 40 Management board of [] Regional Security Coordinators	Maintain Council GA
605.	1. In order to adopt measures related to their governance and to monitor their performance, the regional operational centres shall establish a management board.	AM 152 1. In order to adopt measures related to their governance and to monitor their performance, the regional <i>coordination</i> centres shall establish a management board.	1. In order to adopt measures related to their governance and to monitor their performance, the [] Regional Security Coordinators shall establish a management board.	Maintain Council GA
606.	2. The management board shall be composed of members representing the transmission system operators and of observers representing the regulatory authorities of the system operation region. The representatives of the regulatory authorities shall have no voting rights.	AM 153 2. The management board shall be composed of members representing <i>all</i> the transmission system operators of the system operation region. The <i>composition</i> of the <i>management board</i> shall <i>be geographically balanced</i> .	2. The management board shall be composed of members representing the transmission system operators [].	Compromise proposal (Seen by COREPER on 7 September) 2. The management board shall be composed of members representing all the transmission system operators [] that participate in the respective Regional Security Coordinators.
607.	3. The management board shall be responsible for:	AM 154 3. The management board shall be responsible for:	3. The management board shall be responsible for:	No change
608.	(a) drafting and endorsing the statutes and rules of procedure of the regional operational centre;	(a) drafting and endorsing the statutes and rules of procedure of the regional <i>coordination</i> centre;	(a) drafting and endorsing the statutes and rules of procedure of the [] Regional Security Coordinators;	Maintain Council GA

610.	(b) deciding upon and implementing the organisational structure;(c) preparing and endorsing the annual budget;	(b) [] implementing the organisational structure;	(b) deciding upon and implementing the organisational structure;(c) preparing and endorsing the annual budget;	Maintain Council GA Maintain Council GA
611.	(d) developing and endorsing the cooperative decision- making processes in accordance with Article 35.		(d) developing and endorsing the cooperative [] processes in accordance with Article 35.	Maintain Council GA
612.	4. The competences of the management board shall exclude those that are related to the day-to-day activities of regional operational centres and the performance of its functions.	AM 155 4. The competences of the management board shall <i>not include decisions</i> related to the <i>execution of the functions</i> of regional <i>coordination</i> centres.	4. The competences of the management board shall exclude those that are related to the day-to-day activities of [] Regional Security Coordinators and the performance of its tasks [].	Maintain Council GA
<i>613</i> .		Organi	Article 41 isational structure	
614.	1. Regional operational centres shall set up and manage their organisation according to a structure that supports the safety of their functions. Their organisational structure shall specify:	AM 156 1. The transmission system operators of a system operation region shall set up the organisational structure of regional coordination centres. Their organisational structure shall specify:	1. Transmission system operators shall establish the necessary arrangements for Regional security coordinators to [] manage their organisation according to a structure that supports the safety of their tasks []. Their organisational structure shall specify:	Compromise proposal (Seen by COREPER on 7 September) 1. The transmission system operators of a system operation region shall set up the organisational structure of Regional Security Coordinators that supports the safety of their tasks. Their organisational structure shall specify:

<i>615</i> .	(a) the authority, duties and	AM 157	(a) the authority, duties and	Maintain Council GA
	responsibilities of the	(a) the authority, duties and	responsibilities of the	
	management personnel;	responsibilities of the []	management personnel;	
		personnel;		
<i>616</i> .	(b) the relationship and		(b) the relationship and	No change
	reporting lines between		reporting lines between different	
	different parts and processes of		parts and processes of the	
	the organisation.		organisation.	
617.	2. Regional operational	AM 158	2. [] Regional Security	Compromise proposal (Seen by COREPER
	centres may set up regional	2. Regional <i>coordination</i>	Coordinators may set up	on 7 September)
	desks to address local	centres may set up regional desks	regional desks to address []	
	specificities or back-up	to address local specificities or	sub-regional specificities or	2. [] Regional Security Coordinators
	operational centres for the	back-up <i>coordination</i> centres for	back-up regional security	may set up regional desks to address [] sub-
	efficient and reliable exercise of	the efficient and reliable exercise	coordinators for the efficient and	regional specificities or back-up regional
	their functions.	of their functions where proven to	reliable exercise of their []	security coordinators for the efficient and
		be strictly necessary.	tasks.	reliable exercise of their [] tasks where
		-		proven to be strictly necessary.

<i>618</i> .			Article 42	
		Equi	pment and staff	
619.	Regional operational centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions.	Regional coordination centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions independently and impartially. The human, technical, physical and financial resources for regional coordination centres shall not go beyond what is strictly necessary for the fulfilment of its tasks while geographically balanced representation and equitable treatment of members of regional coordination centre shall be ensured.	[] Regional Security Coordinators shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their [] tasks.	Maintain Council GA
<i>620</i> .			Article 43	
		Monito	ring and reporting	
621.	1. Regional operational centres shall establish a process for the continuous monitoring of at least:	AM 160 1. Regional <i>coordination</i> centres shall establish a process for the continuous monitoring of at least:	1. [] Regional Security Coordinators shall establish a process for the continuous monitoring of at least:	Maintain Council GA
622.	(a) their operational performance;	(a) their operational performance;	(a) their operational performance;	No change

623.	(b) the decisions and recommendations issued and the outcome achieved;	(b) the decisions and recommendations issued in particular on those where the transmission system operators have deviated and the outcome achieved;	(b) the [] coordinated actions and recommendations issued the degree of implementation of the coordinated actions and recommendations by the transmission system operators and the outcome achieved;	Maintain Council GA
624.	(c) the effectiveness and efficiency of each of the functions for which they are responsible.		(c) the effectiveness and efficiency of each of the [] tasks for which they are responsible.	Maintain Council GA
625.	2. Regional operational centres shall submit to the Agency and to the regulatory authorities of the system operation region the data resulting from their continuous monitoring at least annually.	AM 161 deleted	2. [] Regional Security Coordinators shall submit to the Agency [] to the regulatory authorities and to the transmission system operators of the system operation region the data resulting from their continuous monitoring at least annually.	Maintain Council GA
626.	3. Regional operational centres shall establish their costs in a transparent manner and report them to the Agency and to the regulatory authorities of the system operation region.	AM 162 3. Regional <i>coordination</i> centres shall establish their costs in a transparent manner and report them to the Agency and to the regulatory authorities of the system operation region.	3. [] Regional Security Coordinators shall establish their costs in a transparent manner and report them to the Agency and to the regulatory authorities of the system operation region.	Maintain Council GA

627.	4. Regional operational centres shall submit an annual report concerning their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02 ²⁴ .	4. Regional <i>coordination</i> centres shall submit an annual report <i>containing relevant</i> monitoring data pursuant to paragraph 1 of this Article and information on their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02.	4. [] Regional Security Coordinators shall submit an annual report concerning their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02 ²⁵ .	Maintain Council GA
628.	5. Regional operational centres shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the system operation region, the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations.	AM 164 5. Regional <i>coordination</i> centres shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the system operation region, the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations.	5. [] Regional Security Coordinators shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the region the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations. Following this report, the regulatory authorities of the region may propose to the Regional Security Coordinators measures to address the shortcomings.	Maintain Council GA

Commission Decision of 15 November 2012 setting up the Electricity Coordination Group (OJ C 353, 17.11.2012, p.2). Commission Decision of 15 November 2012 setting up the Electricity Coordination Group (OJ C 353, 17.11.2012, p.2). 24

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629.		AM 165 Article 43 – paragraph 5 a (new) 5 a. Without prejudice to the principle of confidentiality and the need to preserve security and commercially sensitive information regional coordination centres shall make public the reports referred to in paragraphs 4 and 5.		Compromise proposal (Seen by COREPER on 7 September) 5 a. Without prejudice to the principle of confidentiality and the need to preserve security and commercially sensitive information Regional Security Coordinators[] shall make public the reports referred to in paragraphs 4 and 5.
<i>630</i> .			Article 44 Liability	
631.	Regional operational centres shall take the necessary steps to cover liability related to the execution of their tasks, in particular, where they adopt decisions binding on transmission system operators. The method employed to provide the cover shall take into account the legal status of the regional operational centre and the level of commercial insurance cover available.	AM 166 The proposal for the establishment of regional coordination centres in accordance with Article 32, shall include arrangements to cover liability related to the execution of the tasks of the regional coordination centre. The method employed to provide the cover shall take into account the legal status of the regional coordination centre and the level of commercial insurance cover available.	[] In the proposal for the establishment of regional security coordinators in accordance with Article 32, the transmission system operators of the system operation region shall take the necessary steps to cover liability related to the execution of their tasks. [] The method employed to provide the cover shall take into account the legal status of the [] Regional Security Coordinators and the level of commercial insurance cover available.	Maintain Council GA

<i>632</i> .		Article 45
		Ten-year network development plan
633.	1. The Union-wide	1. The Union-wide network
	network development plan	development plan referred to
	referred to under Article	under Article 27(1)(b) shall
	27(1)(b) shall include the	include the modelling of the
	modelling of the integrated	integrated network, scenario
	network, scenario development	development and an assessment
	and an assessment of the	of the resilience of the system.
	resilience of the system.	The Union-wide network
	The Union-wide network	development plan shall, in
	development plan shall, in	particular:
	particular:	
634.	(a) build on national	(a) build on national
	investment plans, taking into	investment plans, taking into
	account regional investment	account regional investment
	plans as referred to in Article	plans as referred to in Article
	12(1), and, if appropriate,	12(1), and, if appropriate, Union
	Union aspects of network	aspects of network planning as
	planning as set out in	set out in Regulation (EU) No
	Regulation (EU) No 347/2013	347/2013 of the European
	of the European Parliament and	Parliament and of the Council;
	of the Council ²⁶ ; it shall be	it shall be subject to a cost-
	subject to a cost-benefit	benefit analysis using the
	analysis using the methodology	methodology established as set
	established as set out in Article	out in Article 11 of that
	11 of that Regulation;	Regulation;

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Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure (OJ L 115, 25.4.2013, p. 39).

635.	(b) regarding cross-border	(b) regarding cross-border	
000.	interconnections, also build on	interconnections, also build on	
	the reasonable needs of	the reasonable needs of different	
	different system users and	system users and integrate long-	
	integrate long-term	term commitments from	
	commitments from investors	investors referred to in Articles	
	referred to in Articles 44 and 51	44 and 51 of [recast of Directive	
	of [recast of Directive	2009/72/EC as proposed by	
	2009/72/EC as proposed by	COM(2016) 864/2]; and	
	COM(2016) 864/2]; and	COM(2010) 804/2], and	
636.	(c) identify investment gaps,	(c) identify investment gaps,	
030.	notably with respect to cross-	notably with respect to cross-	
	border capacities.	border capacities.	
(27	i		
637.	In regard to point (c), a review of barriers to the increase of	In regard to point (c), a review of barriers to the increase of	
	cross-border capacity of the	cross-border capacity of the	
	network arising from different	network arising from different	
	approval procedures or	approval procedures or practices	
	practices may be annexed to the	may be annexed to the Union-	
	Union-wide network	wide network development plan.	
(20	development plan.	2 771 4 1 11 11	
638.	2. The Agency shall provide	2. The Agency shall provide	
	an opinion on the national ten-	an opinion on the national ten-	
	year network development	year network development plans	
	plans to assess their consistency	to assess their consistency with	
	with the Union-wide network	the Union-wide network	
	development plan. If the	development plan. If the Agency	
	Agency identifies	identifies inconsistencies	
	inconsistencies between a	between a national ten-year	
	national ten-year network	network development plan and	
	development plan and the	the Union-wide network	
	Union-wide network	development plan, it shall	
	development plan, it shall	recommend amending the	
	recommend amending the	national ten-year network	
	national ten-year network	development plan or the Union-	

development plan or the Unionwide network development plan wide network development plan as appropriate. If such national as appropriate. If such national ten-year network development ten-year network development plan is elaborated in accordance plan is elaborated in accordance with Article 51 of [recast of Directive 2009/72/EC as with Article 51 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], proposed by COM(2016) the Agency shall recommend 864/2], the Agency shall that the competent national regulatory authority amend the recommend that the competent national regulatory authority national ten-year network amend the national ten-year development plan in accordance network development plan in with Article 51(7) of that accordance with Article 51(7) Directive and inform the of that Directive and inform the Commission thereof. Commission thereof.

<i>639</i> .	Article 46			
		Inter-transmission system operator compensation mechanism		
640.	1. Transmission system	1. Transmission system		
	operators shall receive	operators shall receive		
	compensation for costs incurred	compensation for costs incurred		
	as a result of hosting cross-	as a result of hosting cross-		
	border flows of electricity on	border flows of electricity on		
	their networks.	their networks.		
641.	2. The compensation	2. The compensation		
	referred to in paragraph 1 shall	referred to in paragraph 1 shall		
	be paid by the operators of	be paid by the operators of		
	national transmission systems	national transmission systems		
	from which cross-border flows	from which cross-border flows		
	originate and the systems where	originate and the systems where		
	those flows end.	those flows end.		
642.	3. Compensation payments	3. Compensation payments		
	shall be made on a regular basis	shall be made on a regular basis		
	with regard to a given period of	with regard to a given period of		
	time in the past. Ex-post	time in the past. Ex-post		
	adjustments of compensation	adjustments of compensation		
	paid shall be made where	paid shall be made where		
	necessary, to reflect costs	necessary, to reflect costs		
	actually incurred.	actually incurred.		
643.	The first period of time for	The first period of time for		
	which compensation payments	which compensation payments		
	shall be made shall be	shall be made shall be		
	determined in the guidelines	determined in the guidelines		
	referred to in Article 57.	referred to in Article 57.		
644.	4. The Commission shall	4. The Commission shall		
	adopt delegated acts in	adopt delegated acts in		
	accordance with Article 63	accordance with Article 63		
	concerning the amounts of	concerning the amounts of		
	compensation payments	compensation payments payable.		
	payable.			

647. For the purpose of the inter-transmission system operator compensation mechanism only, where transmission networks of two or more Member States form part, in whole or in part, of a single control block, the control block as a whole shall be considered as forming part of the transmission network of one of the Member States concerned. in order to avoid flows within control blocks being considered as cross-border flows under Article 2(2)(b) and giving rise to compensation payments under paragraph 1 of this Article. The regulatory authorities of the Member States concerned may decide which of the Member States concerned shall be that of which the control block as a whole is to be considered to form part.

For the purpose of the inter-transmission system operator compensation mechanism only, where transmission networks of two or more Member States form part, in whole or in part, of a single control block, the control block as a whole shall be considered as forming part of the transmission network of one of the Member States concerned, in order to avoid flows within control blocks being considered as cross-border flows under Article 2(2)(b) and giving rise to compensation payments under paragraph 1 of this Article. The regulatory authorities of the Member States concerned may decide which of the Member States concerned shall be that of which the control block as a whole is to be considered to form part.

<i>648</i> .		Article 47				
		Provision of information				
649.	1. Transmission system	1. Transmission system				
	operators shall put in place	operators shall put in place				
	coordination and information	coordination and information				
	exchange mechanisms to ensure	exchange mechanisms to ensure				
	the security of the networks in	the security of the networks in				
	the context of congestion	the context of congestion				
	management.	management.				
650.	2. The safety, operational	2. The safety, operational				
	and planning standards used by	and planning standards used by				
	transmission system operators	transmission system operators				
	shall be made public. The	shall be made public. The				
	information published shall	information published shall				
	include a general scheme for	include a general scheme for the				
	the calculation of the total	calculation of the total transfer				
	transfer capacity and the	capacity and the transmission				
	transmission reliability margin	reliability margin based upon the				
	based upon the electrical and	electrical and physical features				
	physical features of the	of the network. Such schemes				
	network. Such schemes shall be	shall be subject to the approval				
	subject to the approval of the	of the regulatory authorities.				
	regulatory authorities.					

651.	3. Transmission system		3. Transmission system	
001.	operators shall publish		operators shall publish estimates	
	estimates of available transfer		of available transfer capacity for	
	capacity for each day,		each day, indicating any	
	indicating any available transfer		available transfer capacity	
	capacity already reserved.		already reserved. Those	
	Those publications shall be		publications shall be made at	
	made at specified intervals		specified intervals before the	
	before the day of transport and		day of transport and shall	
	ž 1			
	shall include, in any event, week-ahead and month-ahead		include, in any event, week- ahead and month-ahead	
	estimates, as well as a		estimates, as well as a	
	quantitative indication of the		quantitative indication of the	
	expected reliability of the		expected reliability of the	
(50	available capacity.	AB# 4/8	available capacity.	
652.	4. Transmission system	AM 167	4. Transmission system	
	operators shall publish relevant	4. Transmission system	operators shall publish relevant	
	data on aggregated forecast and	operators shall publish relevant	data on aggregated forecast and	
	actual demand, on availability	data on aggregated forecast and	actual demand, on availability	
	and actual use of generation and	actual demand, on availability and	and actual use of generation and	
	load assets, on availability and	actual use of generation and load	load assets, on availability and	
	use of the networks and	assets, on availability and use of	use of the networks and	
	interconnections, and on	the networks and interconnections,	interconnections, and on	
	balancing power and reserve	on balancing power and reserve	balancing power and reserve	
	capacity. For availability and	capacity and on the availability of	capacity. For availability and	
	actual use of small generation	<i>flexibility</i> . For availability and	actual use of small generation	
	and load units, aggregated	actual use of small generation and	and load units, aggregated	
	estimate data may be used.	load units, aggregated estimate data	estimate data may be used.	
		may be used.		
653.	5. The market participants		5. The market participants	
	concerned shall provide the		concerned shall provide the	
	transmission system operators		transmission system operators	
	with the relevant data.		with the relevant data.	

654. Generation undertakings 6. which own or operate generation assets, where at least one generation asset has an installed capacity of at least 250 MW, or which have a portfolio comprising at least 400 MW of generation assets, shall keep at the disposal of the national regulatory authority, the national competition authority and the Commission, for five years all hourly data per plant that is necessary to verify all operational dispatching decisions and the bidding behaviour at power exchanges, interconnection auctions. reserve markets and over-thecounter-markets. The per-plant and per hour information to be stored shall include, but shall not be limited to, data on available generation capacity and committed reserves, including allocation of those committed reserves on a perplant level, at the times the bidding is carried out and when production takes place.

Generation undertakings which own or operate generation assets, where at least one generation asset has an installed capacity of at least 250 MW, or which have a portfolio comprising at least 400 MW of generation assets, shall keep at the disposal of the national regulatory authority, the national competition authority and the Commission, for five years all hourly data per plant that is necessary to verify all operational dispatching decisions and the bidding behaviour at power exchanges, interconnection auctions, reserve markets and over-the-countermarkets. The per-plant and per hour information to be stored shall include, but shall not be limited to, data on available generation capacity and committed reserves, including allocation of those committed reserves on a per-plant level, at the times the bidding is carried out and when production takes

place.

655.	7. Transmission system	7. Transmission system
	operators shall exchange	operators shall exchange
	regularly a set of sufficiently	regularly a set of sufficiently
	accurate network and load flow	accurate network and load flow
	data in order to enable load	data in order to enable load flow
	flow calculations for each	calculations for each
	transmission system operator in	transmission system operator in
	their relevant area. The same	their relevant area. The same set
	set of data shall be made	of data shall be made available
	available to the regulatory	to the regulatory authorities and
	authorities and to the	to the Commission and
	Commission upon request. The	Member States upon request.
	regulatory authorities and the	The regulatory authorities,
	Commission shall treat that set	Member States and the
	of data confidentially, and shall	Commission shall treat that set
	ensure that confidential	of data confidentially, and shall
	treatment is also given by any	ensure that confidential
	consultant carrying out	treatment is also given by any
	analytical work on their request,	consultant carrying out
	on the basis of those data.	analytical work on their request,
	on the case of these and.	on the basis of those data.
<i>656</i> .		Article 48
	Certification of to	ansmission system operators
		1. The Commission shall
657.	1. The Commission shall	examine any notification of a
	examine any notification of a	decision on the certification of a
	decision on the certification of a	transmission system operator as
	transmission system operator as	laid down in Article 52(6) of
	laid down in Article 52(6) of	[recast of Directive 2009/72/EC
	[recast of Directive 2009/72/EC	as proposed by COM(2016)
	as proposed by COM(2016)	864/2] as soon as it is received.
	864/2 as soon as it is received.	Within two months of the day of
	Within two months of the day	receipt of such notification, the
	of receipt of such notification,	Commission shall deliver its
	the Commission shall deliver its	opinion to the relevant national
	opinion to the relevant national	regulatory authority as to its
	regulatory authority as to its	

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661.	3. At any time during the		3. At any time during the	
	procedure, regulatory		procedure, regulatory authorities	
	authorities and/or the		and/or the Commission may	
	Commission may request from		request from a transmission	
	a transmission system operator		system operator and/or an	
	and/or an undertaking		undertaking performing any of	
	performing any of the functions		the functions of generation or	
	of generation or supply any		supply any information relevant	
	information relevant to the		to the fulfilment of their tasks	
	fulfilment of their tasks under		under this Article.	
	this Article.		and this interes.	
662.	4. Regulatory authorities		4. Regulatory authorities and	
002.	and the Commission shall		the Commission shall preserve	
	preserve the confidentiality of		the confidentiality of	
	commercially sensitive		commercially sensitive	
	information.		information.	
663.	5. Where the Commission		5. Where the Commission	
005.	has received notification of the		has received notification of the	
	certification of a transmission		certification of a transmission	
	system operator under Article		system operator under Article	
	43(9) of [recast of Directive		43(9) of [recast of Directive	
	2009/72/EC as proposed by		2009/72/EC as proposed by	
	COM(2016) 864/2], the		COM(2016) 864/2], the	
	Commission shall take a		Commission shall take a	
	decision relating to		decision relating to certification.	
	certification. The regulatory		The regulatory authority shall	
	authority shall comply with the		comply with the Commission	
	Commission decision.	1	decision.	

664.			Chapter VI on system operation	
665.	Article 49 European entity for distribution system operators		Article 49 [] Cooperation of distribution system operators	
666.	Distribution system operators which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35 [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity.	AM 168 Distribution system operators shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall <i>have the right to</i> become registered members of the entity.	operators [] shall cooperate at Union level [] to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. []	

667.	Registered members may participate in the EU DSO entity directly or be represented by the national association designated by the Member State or by an Union level association.	
668.	In performing its functions under Union law, the EU DSO entity shall act independently from individual national interests or the national interests of distribution system operators.	
669.		1a. Distribution system operators are entitled to associate themselves through the establishment of a European Entity for Distribution system operators the EU DSO entity and to join it. The EU DSO entity shall be established at the latest by 31 December 2022 and shall fulfil the tasks and procedures foreseen by this Regulation in accordance with Article [51]. As an expert entity working for the common European interest, it shall not represent particular interest nor seek to influence the decision making process to defend certain interests.

670.			1b. Members of the EU DSO entity shall be subject to registration and payment of a fair and proportionate membership fee.	
671.	Article 50 Establishment of the EU DSO entity for electricity		Article 50 Establishment of the EU DSO entity[]	
672.			0. EU DSO entity shall consist of, at least, a General Assembly, Board of Directors, Strategic Advisor Group, Expert Groups and a Secretary General.	
673.	1. By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency, shall submit to the Commission and to the Agency the draft statutes, a list of registered members, the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders and the financing rules, of the EU DSO entity to be established.	AM 169 1. By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency, shall submit to the Commission and to the Agency the draft statutes, a list of participating distribution system operators and entities designated to represent distribution system operators, the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders, the decision-making procedure and the financing rules, of the EU DSO entity to be established.	1. [] Within [OP: twelve months after entry into force], the distribution system operators [] shall submit to the Commission and to the Agency the draft statutes in accordance with [Article 50a] including a code of conduct, a list of registered members, the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders and the financing rules, of the EU DSO entity to be established.	

674.		The duaft will a of muce dure of the		
0/4.		The draft rules of procedure of the		
		EU DSO entity shall ensure		
		balanced representation of all		
		participating DSOs regardless of		
		their size, including in the		
		decision-making procedure.		
675.	2. Within two months of	AM 170	2. Within two months of	
	receipt, the Agency, after	2. Within two months of	receipt, the Agency, after	
	formally consulting the	receipt, the Agency, after formally	formally consulting the	
	organisations representing all	consulting the organisations	organisations representing all	
	stakeholders, in particular	representing all stakeholders, in	stakeholders, in particular	
	distribution system users, shall	particular distribution system users	distribution system users, shall	
	provide an opinion to the	and consumer protection	provide an opinion to the	
	Commission on the draft	<i>organisations</i> , shall provide an	Commission on the draft	
	statutes, the list of members and	opinion to the Commission on the	statutes, the list of members and	
	the draft rules of procedure.	draft statutes, the list of members	the draft rules of procedure.	
	1	and the draft rules of procedure,	•	
		taking into account in particular		
		the rules related to the		
		independence of the EU DSO, to		
		1 -		
		the prevention of conflicts of		
		interests, and to the necessity to		
		ensure geographically balanced		
		representation and equitable		
		treatment of its Members.		

676.	3. The Commission shall	AM 171	3. The Commission shall	
070.	deliver an opinion on the draft	3. The Commission shall	deliver an opinion on the draft	
	statutes, the list of members and	deliver an opinion on the draft	statutes, the list of members and	
	the draft rules of procedure	statutes, the list of members and	the draft rules of procedure	
	taking into account the opinion	the draft rules of procedure,	taking into account the opinion	
	of the Agency provided for in	including the rules of procedures	of the Agency provided for in	
	paragraph 2, within three	on the consultation with ENTSO	paragraph 2, within three months	
	months of receipt of the opinion	for Electricity and other	of receipt of the opinion of the	
	of the Agency.	stakeholders, the decision-making	Agency.	
	of the Agency.	procedure and the financing rules,	Agency.	
		taking into account the opinion of		
		the Agency provided for in		
		paragraph 2, within three months of		
		receipt of the opinion of the		
677.	4. Within three months of	Agency.	4. Within three months of	
0//.	the day of receipt of the		the day of receipt of the	
	-			
	Commission's positive opinion,		Commission's positive opinion, the distribution system operators	
	the distribution system operators shall establish the EU		shall establish the EU DSO	
	DSO entity and adopt and		entity and adopt and publish its	
	publish its statutes and rules of		statutes and rules of procedure.	
678.	procedure. 5. The documents referred		5. The documents referred to	
070.	to in paragraph 1 shall be		in paragraph 1 shall be	
	submitted to the Commission		submitted to the Commission	
	and to the Agency in case of		and to the Agency in case of	
	changes thereof or upon their reasoned request. The Agency		changes thereof or upon their reasoned request. The Agency	
	and the Commission shall		and the Commission shall	
			deliver an opinion in line with	
	deliver an opinion in line with			
	the process set out in		the process set out in paragraph	
	paragraphs 2 to 4.		2 to 4.	

679.	6. The costs related to the	AM 172	6. The costs related to the	
0.20	activities of the EU DSO entity	6. The costs related to the	activities of the EU DSO entity	
	shall be borne by distribution	activities of the EU DSO entity	shall be borne by distribution	
	system operators who are	shall be borne by distribution	system operators who are	
	registered members and shall be	system operators who are	registered members and shall be	
	taken into account in the	registered members and shall be	taken into account in the	
	calculation of tariffs.	considered as eligible cost and	calculation of tariffs. Regulatory	
	Regulatory authorities shall	taken into account by the	authorities shall approve those	
	approve those costs only if they	regulatory authority in the	costs only if they are reasonable	
	are reasonable and	calculation of tariffs. Regulatory	and proportionate.	
	proportionate.	authorities shall approve those	and proportionate.	
	proportionate.	costs only if they are reasonable		
		and proportionate.		
680.		AM 173	Article 50a	
000.		Article 50 a (new)	Principal rules and procedures	
		Article 50 a (new) Article 50a	for the EU DSO entity for	
		Principal rules and procedures for	electricity	
		the EU DSO entity for electricity	electricity	
		me EO DSO emmy for electricity		
601			1 The statutes of the EII	
681.		1. The statutes of the EU DSO	1. The statutes of the EU	
681.		1. The statutes of the EU DSO entity adopted in accordance with	DSO entity adopted in	
681.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the	DSO entity adopted in accordance with Article 50	
681.		1. The statutes of the EU DSO entity adopted in accordance with	DSO entity adopted in accordance with Article 50 shall safeguard the following	
		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles:	DSO entity adopted in accordance with Article 50 shall safeguard the following principles:	
681.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the	
		The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: a participation in the works of the EU DSO entity is limited to	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is	
		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members	
		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of	
		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the	
682.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership;	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership;	
		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions	
682.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the	
682.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU DSO entity as well as policy	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU DSO entity as well as	
682.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU DSO entity as well as policy guidelines for the Board of	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU DSO entity as well as policy guidelines for the Board	
682.		1. The statutes of the EU DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU DSO entity as well as policy	DSO entity adopted in accordance with Article 50 shall safeguard the following principles: (a) participation in the works of the EU DSO entity is limited to registered members with the possibility of delegation within the membership; (b) strategic decisions regarding the activities of the EU DSO entity as well as	

684.	(c) decisions of the General	(c) decisions of the General
	Assembly are adopted according	Assembly are adopted
	with the following rules:	according with the following
	- when 65% of the votes attributed	rules:
	to the members of the General	- when 65% of the votes
	Assembly are reached,	attributed to the members of
		the General Assembly are
	- whereby each member disposes	reached,
	of a number of votes proportional	
	to the respective number of	- whereby each member
	customers and	disposes of a number of votes
		proportional to the respective
		number of customers and
	- the final outcome is supported by	
	at least 55% of the members of the	- the final outcome is
	General Assembly.	supported by at least 55% of
		the members of the General
		Assembly.

685.	(d) decisions of the General Assembly are blocked according with the following rules: -when 35% of the votes attributed to the members of the General Assembly are reached, - whereby each member disposes of a number of votes proportional to the respective number of customers; and - the final outcome is supported by at least 25% of the members of the General Assembly	(d) decisions of the General Assembly are blocked according with the following rules: -when 35% of the votes attributed to the members of the General Assembly are reached, - whereby each member disposes of a number of votes proportional to the respective number of customers; and - the final outcome is supported by at least 25% of the members of the General Assembly	
686.	(e) the Board of Directors is elected by the General Assembly for a mandate of maximum 4 years;	(e) the Board of Directors is elected by the General Assembly for a mandate of maximum 4 years;	
687.	(f) the Board of Directors nominates the President and the three Vice-Presidents among its members;	(f) the Board of Directors nominates the President and the three Vice-Presidents among its members;	
688.	(g) DSO-TSO cooperation pursuant to Articles 52 and 53 is led by the Board of Directors;	(g) DSO-TSO cooperation pursuant to Articles 52 and 53 is led by the Board of Directors;	

689.	(h) decisions of the Board of Directors are adopted by simple	(h) decisions of the Board of Directors are adopted by	
600	majority of 15 votes;	simple majority of 15 votes;	
690.	(i) based on proposal by the	(i) based on proposal by the	
	Board of Directors, the Secretary	Board of Directors, the	
	General is appointed by the	Secretary General is appointed	
	General Assembly among its	by the General Assembly	
	members for a four years	among its members for a four	
	mandate, renewable once;	years mandate, renewable	
		once;	
691.	(j) based on proposal by the	(j) based on proposal by the	
	Board of Directors, Expert Groups	Board of Directors, Expert	
	are appointed by the General	Groups are appointed by the	
	Assembly whereby each group	General Assembly whereby	
	shall not exceed 30 members with	each group shall not exceed 30	
	the possibility of 1/3 coming from	members with the possibility	
	outside the membership. In	of 1/3 coming from outside the	
	addition, 'one country' expert	membership. In addition, 'one	
	group shall be established and	country' expert group shall be	
	consist of exactly one DSO	established and consist of	
	representative from each Member	exactly one DSO	
	State.	representative from each	
		Member State.	
692.	2. Procedures adopted by the	2. Procedures adopted by	
	EU DSO entity shall safeguard the	the EU DSO entity shall	
	fair and proportionate treatment	safeguard the fair and	
	of its members and reflect the	proportionate treatment of its	
	diverse geographical and	members and reflect the	
	economic structure of its	diverse geographical and	
	membership. In particular, the	economic structure of its	
	procedures shall foresee that:	membership. In particular, the	
		procedures shall foresee that:	

693.	(a) the Board of Directors is composed by the President of the Board and 27 members' representatives, of which: -[] 9 are representatives of members with more than 1 million grid users; -[] 9 are representatives of members with more than 100,000 and less than 1 million grid users; and -[] 9 are representatives of members with less than 100,000 grid users;	(a) the Board of Directors is composed by the President of the Board and 27 members' representatives, of which: - 9 are representatives of members with more than 1 million grid users; - 9 are representatives of members with more than 100,000 and less than 1 million grid users; and - 9 are representatives of members with less than 100,000 grid users;	
694.	(b) representatives of existing DSO associations may participate as observers to the meetings of the Board of Directors;	(b) representatives of existing DSO associations may participate as observers to the meetings of the Board of Directors;	
695.	(c) the Board of Directors may not consist of more than 3 representatives of members based in the same Member State or the same industrial group;	(c) the Board of Directors may not consist of more than 3 representatives of members based in the same Member State or the same industrial group;	
696.	(d) each Vice-President of the Board has to be nominated among representatives of members in each category described in paragraph (a) above;	(d) each Vice-President of the Board has to be nominated among representatives of members in each category described in paragraph (a) above;	

697.	(e) representatives of members	(e) representatives of	
	based in one Member State or the	members based in one	
	same industrial group may not	Member State or the same	
	constitute the majority of the	industrial group may not	
	Expert Group participants;	constitute the majority of the	
		Expert Group participants;	
698.	(f) the Board of Directors shall	(f) the Board of Directors	
	establish a Strategic Advisory	shall establish a Strategic	
	group that provides its opinion to	Advisory group that provides	
	the Board of Directors and the	its opinion to the Board of	
	Expert Groups and consists of	Directors and the Expert	
	representatives of the European	Groups and consists of	
	DSO associations and	representatives of the	
	representatives of those Member	European DSO associations	
	States which are not represented	and representatives of those	
	in the Board of Directors.	Member States which are not	
		represented in the Board of	
		Directors.	

<i>699</i> .			Article 51	
		Tasks of	the EU DSO entity	
700.	1. The tasks of the EU DSO	AM 174	1. The tasks of the EU DSO	
	entity shall be the following:	1. The tasks of the EU DSO	entity shall be the following:	
		entity shall be the following:		
701.	(a) coordinated operation	(a) <i>promote</i> coordinated	(a) (b in GA) [] promote	
	and planning of transmission	operation and planning of	operation and planning of []	
	and distribution networks;	transmission and distribution	distribution networks in	
		networks;	cooperation with operation	
			and planning of transmission	
			networks;	
702.	(b) integration of renewable	(b) improve and maximise the	(b) (c in GA) facilitation of	
	energy resources, distributed	integration of renewable energy	the integration of renewable	
	generation and other resources	resources, distributed generation	energy resources, distributed	
	embedded in the distribution	and <i>facilitate</i> other resources	generation and other resources	
	network such as energy storage;	embedded in the distribution	embedded in the distribution	
		network such as energy storage	network such as energy storage;	
		and sectoral integration;		
703.	(c) development of demand	(c) <i>facilitate the</i> development of	(c) (d in GA) facilitation of [
	response;	demand response;] demand side flexibility and	
			response, and distribution grid	
			users' access to markets;	
704.	(d) digitalisation of	(d) <i>improve the</i> digitalisation of	(d) (e in GA) contribute to	
	distribution networks including	distribution networks including	the digitalisation of distribution	
	deployment of smart grids and	deployment of smart grids and	[] systems including	
	intelligent metering systems;	<i>smart</i> metering systems;	deployment of smart grids and	
			intelligent metering systems;	

705.	(e) data management, cyber security and data protection;	(e) guarantee non- discriminatory and neutral access to data regardless of the data management model, and promote standardization, cross-border data exchange, in particular with ENTSO for Electricity where relevant to facilitate data exchange, cyber security and data protection;	(e) (f in GA) support the development of data management, cyber security and data protection in cooperation with relevant authorities and regulated entities;	
706.	(f) participation in the elaboration of network codes pursuant to Article 55.	(f) <i>participate</i> in the elaboration of network codes pursuant to Article 55.	(f) (a in GA) participation in the elaboration of network codes which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission and distribution networks pursuant to Article 55.	
707.	2. In addition the EU DSO entity shall:		2. In addition the EU DSO entity shall:	
708.	(a) cooperate with ENTSO for electricity on the monitoring of implementation of the network codes and guidelines which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission and distribution networks and which are adopted pursuant to this Regulation;	AM 175 (a) cooperate effectively with ENTSO for electricity, the Agency and national regulators to facilitate the monitoring by the Agency and where relevant the national regulatory authorities of implementation of the network codes and guidelines which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission and distribution networks and which are adopted pursuant to this Regulation;	(a) cooperate with ENTSO for electricity on the monitoring of implementation of the network codes and guidelines which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission and distribution networks and which are adopted pursuant to this Regulation;	

709.	(b) cooperate with ENTSO	(b) cooperate with ENTSO	
	for electricity and adopt best	for electricity and adopt best	
	practices on the coordinated	practices on the coordinated	
	operation and planning of	operation and planning of	
	transmission and distribution	transmission and distribution	
	systems including issues such	systems including issues such as	
	as exchange of data between	exchange of data between	
	operators and coordination of	operators and coordination of	
	distributed energy resources;	distributed energy resources;	
710.	(c) work on identifying best	[]	
	practices on the areas identified		
	in paragraph 1 and for the		
	introduction of energy		
	efficiency improvements in the		
	distribution network;		
711.	(d) adopt an annual work	(d) adopt an annual work	
	programme and an annual	programme and an annual	
	report;	report;	
712.	(e) operate in full	(e) operate in full compliance	
	compliance with competition	with competition rules and	
	rules.	ensure neutrality.	

713. Article 52 Consultations in the network code development process AM 176 714. While preparing possible While preparing possible network codes pursuant to While participating in the network codes pursuant to elaboration of new network codes Article 55, the EU DSO entity Article 55, the EU DSO entity shall conduct an extensive pursuant to Article 55, the EU DSO shall conduct an extensive consultation process, at an early entity shall conduct an extensive consultation process, at an early stage and in an open and consultation process, at an early stage and in an open and transparent manner, involving stage and in an open and transparent manner, involving all relevant stakeholders, and, transparent manner, involving all all relevant stakeholders, and, in in particular, the organisations relevant stakeholders, and, in particular, the organisations representing all stakeholders, in particular, the organisations representing all stakeholders, in accordance with the rules of representing all stakeholders, in accordance with the rules of procedure referred to in Article accordance with the rules of procedure referred to in Article 50 That consultation shall also procedure referred to in Article 50 50 That consultation shall also involve national regulatory involve [] regulatory That consultation shall also involve authorities and other national national regulatory authorities and authorities and other national authorities, supply and other national authorities, supply authorities, supply and generation undertakings, system and generation undertakings, generation undertakings, system users including customers, system users including customers, users including customers, [], distribution system operators, distribution system operators, technical bodies and stakeholder including relevant industry including relevant industry platforms. It shall aim at associations, technical bodies associations, technical bodies and identifying the views and and stakeholder platforms. It stakeholder platforms. It shall aim proposals of all relevant parties shall aim at identifying the at identifying the views and during the decision-making views and proposals of all proposals of all relevant parties process. relevant parties during the during the decision-making decision-making process. process.

715.	2. All documents and		2. All documents and	\Box
710.	minutes of meetings related to		minutes of meetings related to	
	the consultations referred to in		the consultations referred to in	
	paragraph 1 shall be made		paragraph 1 shall be made	
716	public.		public.	\dashv
716.	3. The EU DSO entity shall		3. The EU DSO entity shall	
	take into consideration the		take into consideration the views	
	views provided during the		provided during the	
	consultations. Before adopting		consultations. Before adopting	
	proposals for network codes		proposals for network codes	
	referred to in Article 55 the EU		referred to in Article 55 the EU	
	DSO entity shall indicate how		DSO entity shall indicate how	
	the observations received		the observations received during	
	during the consultation have		the consultation have been taken	
	been taken into consideration. It		into consideration. It shall	
	shall provide reasons where		provide reasons where	
	observations have not been		observations have not been	
	taken into account.		taken into account.	
<i>717</i> .			Article 53	٦
		Cooperation between distribution syst	em operators and transmission system operators	
718.		AM 177		ヿ
		Article 53 – paragraph -1 (new)		
		-1. The ENTSO for Electricity		
		and the EU DSO entity shall		
		develop a formal mechanism to		
		facilitate cooperation between		
		distribution system operators and		
		transmission system operators.		
		transmission system operators.		

719.	1. Distribution system	AM 178	1. Distribution system	
	operators shall cooperate with	1. Distribution system	operators and transmission	
	transmission system operators	operators and transmission system	system operators shall	
	in planning and operating their	operators shall cooperate in	cooperate with each other [] in	
	networks. In particular,	planning and operating their	planning and operating their	
	transmission and distribution	networks. In particular,	networks. In particular,	
	system operators shall exchange	transmission and distribution	transmission and distribution	
	all necessary information and	system operators shall exchange all	system operators shall exchange	
	data regarding, the performance	necessary information and data	all necessary information and	
	of generation assets and	regarding, the performance of	data regarding, the performance	
	demand side response, the daily	generation assets and demand side	of generation assets and demand	
	operation of their networks and	response, the daily operation of	side response, the daily	
	the long-term planning of	their networks and the long-term	operation of their networks and	
	network investments, with the	planning of network investments,	the long-term planning of	
	view to ensure the cost-	with the view to ensure the cost-	network investments, with the	
	efficient, secure and reliable	efficient development and	view to ensure the cost-efficient,	
	development and operation of	operation and the secure and	secure and reliable development	
	their networks.	reliable operation of their	and operation of their networks.	
		networks.		
720.	2. Transmission and		2. Transmission and	
	distribution system operators		distribution system operators	
	shall cooperate in order to		shall cooperate with each other	
	achieve coordinated access to		in order to achieve coordinated	
	resources such as distributed		access to resources such as	
	generation, energy storage or		distributed generation, energy	
	demand response that may		storage or demand response that	
	support particular needs of both		may support particular needs of	
	the distribution system and the		both the distribution system and	
	transmission system.		the transmission system.	

721.	Chapter VII Network codes and guidelines					
722.	Article 54					
722.		Adoption of network codes and guidelines				
723.	1. The Commission may, subject to the empowerments in Articles 55 and 57, adopt delegated acts. Such delegated acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to Article 55 paragraph 2, by the EU DSO entity and the Agency pursuant to the procedure in Article 55 or as guidelines pursuant to the procedure in Article 57.	1. The Commission may, subject to the empowerments in Articles 55 and 57, adopt [] implementing acts. Such [] implementing acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to Article 55 paragraph 2, by the EU DSO entity where relevant in mutual cooperation with the ENTSO for Electricity and the Agency pursuant to the procedure in Article 55 or as				
724.	2. The network codes and	guidelines pursuant to the procedure in Article 57. 2. The network codes and Maintain Council GA				
725.	guidelines shall (a) ensure that they provide the minimum degree of harmonisation required to achieve the aims of this Regulation;	guidelines shall (a) ensure that they provide the minimum degree of harmonisation required to achieve the aims of this Regulation; Maintain Council GA				
726.	(b) take into account, where appropriate, regional specificities;	(b) take into account, where appropriate, regional specificities; Maintain Council GA				

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TREE.2.B

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727.	(c) not go beyond what is necessary for that purpose; and	(c) not go beyond what is necessary for that purpose; and	Maintain Council GA
728.	(d) be without prejudice to the Member States' right to establish national network codes which do not affect cross-border trade.	(d) be without prejudice to the Member States' right to establish national network codes which do not affect cross [] zonal trade.	Maintain Council GA
729.		Article 55 Establishment of network codes	
730.	1. The Commission is empowered to adopt delegated acts in accordance with Article 63 concerning the establishment of network codes in the following areas:	1. The Commission is empowered to adopt [] implementing acts in accordance with Article [] 62(2) in order to ensure uniform conditions for the implementation of this Regulation by establishing [] network codes in the following areas:	

731.	(a) notwork courity and	(a) naturally contributed
/31.	(a) network security and	(a) network security and
	reliability rules including rules	reliability rules including rules
	for technical transmission	for technical transmission
	reserve capacity for operational	reserve capacity for operational
	network security;	network security including
		system states, remedial actions
		and operational security
		limits, voltage control and
		reactive power management,
		short-circuit current
		management, power flow
		management, contingency
		analysis and handling,
		protection equipment and
		schemes, data exchange,
		compliance, training,
		operational planning and
		security analysis, regional
		operational security
		coordination, outage
		coordination, outage coordination, availability plans
		of relevant assets, adequacy
		analysis, ancillary services,
		scheduling, and operational
		planning data environments;

732.	(b) network connection	(b) network connection rules
	rules;	including connection of
		transmission-connected
		demand facilities,
		transmission-connected
		distribution facilities and
		distribution systems,
		connection of demand units
		used to provide demand
		response, requirements for
		grid connection of generators,
		requirements for high-voltage
		direct current grid connection,
		requirements for direct
		current-connected power park
		modules and remote-end high-
		voltage direct current
		converter stations, and
		operational notification
		procedures for grid
		connection;
733.	(c) third-party access rules;	(c) third-party access rules;
734.	(d) data exchange and	(d) data exchange and
	settlement rules;	settlement rules;
735.	(e) interoperability rules;	(e) interoperability rules;
736.	(f) operational procedures in	(f) operational procedures in
	an emergency;	an emergency including system
		defence plans, restoration
		plans, market interactions,
		information exchange and
		communication and tools and
		facilities;

737.	(g) capacity-allocation and	(g) capacity-allocation and
7071	congestion-management rules	congestion-management rules [
	including curtailment of	including day ahead,
	generation and redispatch of	intraday and forward capacity
	generation and demand;	calculation methodologies and
		processes, grid models,
		bidding zone configuration,
		redispatching and
		countertrading, trading
		algorithms, single day-ahead
		and intraday coupling,
		firmness of allocated cross-
		zonal capacity, congestion
		income distribution, cross-
		zonal transmission risk
		hedging, nomination
		procedures, and capacity
		allocation and congestion
		management cost recovery ;
738.	(h) rules for trading related	(h) rules for trading related to
7000	to technical and operational	technical and operational
	provision of network access	provision of network access
	services and system balancing;	services and system balancing
	services and system baraneing,	including functions and
		responsibilities, platforms for
		the exchange of balancing
		energy, gate closure times,
		requirements for standard and
		specific products, procurement
		of balancing services,
		allocation of cross-zonal
		capacity for the exchange of
		balancing services or sharing
		of reserves, settlement of
		balancing energy, settlement

			of exchanges of energy	
			between system operators,	
			imbalance settlement and	
			settlement of balancing	
			capacity;	
739.	(i) transparency rules;		(i) transparency rules;	
740.	(j) balancing rules including		(j) balancing rules including	
	network-related reserve power		network-related reserve power	
	rules;		rules including load frequency	
			control, frequency quality	
			defining and target	
			parameters, frequency	
			containment reserves,	
			frequency restoration reserves,	
			replacement reserves,	
			exchange and sharing of	
			reserves, cross-border	
			*	
			activation processes of	
			reserves, time-control	
			processes and transparency of	
			information;	
741.	(k) rules regarding	AM 179	(k) rules regarding	
	harmonised transmission and	deleted	harmonised transmission []	
	distribution tariff structures and		tariff structures [as referred to	
	connection charges including		in Article 16] [] including	
	locational signals and inter-		locational signals and inter-	
	transmission system operator		transmission system operator	
	compensation rules;		compensation rules; energy	
	1		efficiency regarding electricity	
			networks;	
			networks;	

742.	(l) energy efficiency		[]	
	regarding electricity networks;			
743.	(m) rules for non-		(m) rules for non-	
	discriminatory, transparent		discriminatory, transparent	
	provision of non-frequency		provision of non-frequency	
	ancillary services, including		ancillary services, including	
	steady state voltage control,		steady state voltage control,	
	inertia, fast reactive current		inertia, fast reactive current	
	injection, black-start capability;		injection, inertia for grid	
			stability, short circuit current,	
			black-start capability and island	
			operation capability;	
744.	(n) demand response,		[]	
	including aggregation, energy			
	storage, and demand			
	curtailment rules;			
745.	(o) cyber security rules; and		(o) sector-specific rules for	
			cyber security [] aspects of	
			cross-border electricity flows,	
			on common minimum	
			requirements, planning,	
			monitoring, reporting and	
			crisis management;	
746.	(p) rules concerning regional	AM 180	[]	
	operational centres.	deleted		

747. 2. The Commission shall, after consulting the Agency, the ENTSO for Electricity and the other relevant stakeholders. establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, the Commission may require the EU DSO entity for electricity instead of the ENTSO for Electricity to convene a drafting committee and submit a proposal for a network code to the agency.

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The Commission shall, after consulting the Agency, the ENTSO for Electricity, the EU DSO entity for electricity and the other relevant stakeholders, establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, the Commission may require the EU DSO entity for electricity instead of the ENTSO for Electricity to convene a drafting committee and submit a proposal for a network code to the agency.

The Commission shall. after consulting the Agency, the ENTSO for Electricity, the EU **DSO Entity** and the other relevant stakeholders, establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and [] not **primarily** relevant for the transmission, the Commission may require the EU DSO entity in cooperation with [] the ENTSO for Electricity to convene a drafting committee and submit a proposal for a network code to the agency.

748.	3. The Commission shall	3. The Commission shall
740.	request the Agency to submit to	request the Agency to submit to
	it within a reasonable period of	it within a reasonable period of
	time not exceeding six months a	time not exceeding six months a
	non-binding framework	non-binding framework
	guideline (framework	guideline (framework guideline)
	guideline) setting out clear and	setting out clear and objective
	objective principles for the	principles for the development
	development of network codes	of network codes relating to the
	relating to the areas identified	areas identified in the priority
	in the priority list. The request	list. The request of the
	of the Commission may include	Commission may include
	conditions which the	conditions which the framework
	framework guideline shall	guideline shall address. Each
	address. Each framework	framework guideline shall
	guideline shall contribute to	contribute to market integration,
	market integration, non-	non-discrimination, effective
	discrimination, effective	competition, and the efficient
	competition, and the efficient	functioning of the market. Upon
	functioning of the market. Upon	a reasoned request from the
	a reasoned request from the	Agency, the Commission may
	Agency, the Commission may	extend that period.
	extend that period.	
749.	4. The Agency shall	4. The Agency shall
	formally consult the ENTSO	formally consult the ENTSO for
	for Electricity, the EU DSO	Electricity, the EU DSO entity,
	entity, and the other relevant	and the other relevant
	stakeholders in regard to the	stakeholders in regard to the
	framework guideline, during a	framework guideline, during a
	period of no less than two	period of no less than two
	months, in an open and	months, in an open and
	transparent manner.	transparent manner.

750.	5. The Agency shall submit	5. The Agency shall su	hmit
750.			omit
	a non-binding framework	a non-binding framework	
	guideline to the Commission	guideline to the Commission	
	where requested to do so under	where requested to do so u	
	paragraph 3. The Agency shall	paragraph 3. The Agency s	hall
	review the non-binding	review the non-binding	
	framework guideline and re-	framework guideline and re	
	submit it to the Commission	submit it to the Commission	
	where requested to do so under	where requested to do so u	nder
	paragraph 6.	paragraph 6.	
751.	6. If the Commission	6. If the Commission	
	considers that the framework	considers that the framewo	rk
	guideline does not contribute to	guideline does not contribu	te to
	market integration, non-	market integration, non-	
	discrimination, effective	discrimination, effective	
	competition and the efficient	competition and the efficie	nt
	functioning of the market, it	functioning of the market,	it may
	may request the Agency to	request the Agency to revie	ew the
	review the framework guideline	framework guideline within	n a
	within a reasonable period of	reasonable period of time a	
	time and re-submit it to the	submit it to the Commission	n.
	Commission.		
752.	7. If the Agency fails to	7. If the Agency fails to)
	submit or re-submit a	submit or re-submit a fram	ework
	framework guideline within the	guideline within the period	set
	period set by the Commission	by the Commission under	
	under paragraphs 3 or 6, the	paragraphs 3 or 6, the	
	Commission shall elaborate the	Commission shall elaborate	e the
	framework guideline in	framework guideline in	
	question.	question.	

753.	8. The Commission shall request the ENTSO for Electricity or, where so decided in the priority list pursuant to paragraph 2, the EU DSO entity for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline, to the Agency within a	8. The Commission shall request the ENTSO for Electricity or, where so decided in the priority list pursuant to paragraph 2, the EU DSO entity [] in co-operation with the ENTSO for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline, to	
	reasonable period of time not	the Agency within a reasonable	
	exceeding 12 months.	period of time not exceeding 12	
754.	9. The ENTSO for	months. 9. The ENTSO for	
/54.	Electricity, or where so decided	Electricity, or where so decided	
	in the priority list pursuant to	in the priority list pursuant to	
	paragraph 2, the EU DSO	paragraph 2, the EU DSO entity,	
	entity, shall convene a drafting	shall convene a drafting	
	committee to support it in the	committee to support it in the	
	network code development	network code development	
	process. The drafting	process. The drafting committee	
	committee shall consist of	shall consist of representatives	
	representatives of the ENTSO	of the ENTSO for Electricity,	
	for Electricity, the Agency, the	the Agency, where appropriate	
	EU DSO entity, where	of the EU DSO entity, where	
	appropriate of nominated	appropriate of nominated	
	electricity market operators and	electricity market operators and	
	a limited number of the main	a limited number of the main	
	affected stakeholders. The	affected stakeholders. The	
	ENTSO for Electricity or where	ENTSO for Electricity or where	
	so decided in the priority list pursuant to paragraph 2 the EU	so decided in the priority list pursuant to paragraph 2 the EU	
	DSO entity, shall elaborate	DSO entity, in co-operation	
	proposals for network codes in	with the ENTSO for	
	the areas referred to in	Electricity shall elaborate	
	paragraph 1 upon a request	proposals for network codes in	

	addressed to it by the	the areas referred to in paragraph	
	Commission in accordance with	1 upon a request addressed to it	
	paragraph 8.	by the Commission in	
		accordance with paragraph 8.	
755.	10. The Agency shall revise	10. The Agency shall revise	
	the network code and ensure	the network code and ensure that	
	that the network code is in line	the network code is in line with	
	with the relevant framework	the relevant framework	
	guideline and contributes to	guideline and contributes to	
	market integration, non-	market integration, non-	
	discrimination, effective	discrimination, effective	
	competition, and the efficient	competition, and the efficient	
	functioning of the market and,	functioning of the market and	
	submit the revised network	submit the revised network code	
	code to the Commission within	to the Commission within six	
	six months of the day of the	months of the day of the receipt	
	receipt of the proposal. In the	of the proposal . In the proposal	
	proposal submitted to the	submitted to the Commission,	
	Commission, the Agency shall	the Agency shall take into	
	take into account the views	account the views provided by	
	provided by all involved parties	all involved parties during the	
	during the drafting of the	drafting of the proposal led by	
	proposal led by the ENTSO for	the ENTSO for Electricity or the	
	Electricity or the EU DSO	EU DSO entity and shall	
	entity and shall formally	formally consult the relevant	
	consult the relevant	stakeholders on the version to be	
	stakeholders on the version to	submitted to the Commission.	
	be submitted to the		
	Commission.		

F		
756.	11. Where the ENTSO for	11. Where the ENTSO for
	Electricity or the EU DSO	Electricity or the EU DSO entity
	entity have failed to develop a	have failed to develop a network
	network code within the period	code within the period of time
	of time set by the Commission	set by the Commission under
	under paragraph 8, the	paragraph 8, the Commission
	Commission may request the	may request the Agency to
	Agency to prepare a draft	prepare a draft network code on
	network code on the basis of	the basis of the relevant
	the relevant framework	framework guideline. The
	guideline. The Agency may	Agency may launch a further
	launch a further consultation in	consultation in the course of
	the course of preparing a draft	preparing a draft network code
	network code under this	under this paragraph. The
	paragraph. The Agency shall	Agency shall submit a draft
	submit a draft network code	network code prepared under
	prepared under this paragraph	this paragraph to the
	to the Commission and may	Commission and may
	recommend that it be adopted.	recommend that it be adopted.
757.	12. The Commission may	12. The Commission may
	adopt, on its own initiative,	adopt, on its own initiative,
	where the ENTSO for	where the ENTSO for Electricity
	Electricity or the EU DSO	or the EU DSO entity have
	entity have failed to develop a	failed to develop a network
	network code, or the Agency	code, or the Agency has failed to
	has failed to develop a draft	develop a draft network code as
	network code as referred to in	referred to in paragraph 11 of
	paragraph 11 of this Article, or	this Article, or upon
	upon recommendation of the	recommendation of the Agency
	Agency under paragraph 10 of	under paragraph 10 of this
	this Article, one or more	Article, one or more network
	network codes in the areas	codes in the areas listed in
	listed in paragraph 1.	paragraph 1.

758.	13. Where the Commission	13. Where the Commission	
	proposes to adopt a network	proposes to adopt a network	
	code on its own initiative, the	code on its own initiative, the	
	Commission shall consult the	Commission shall consult the	
	Agency, the ENTSO for	Agency, the ENTSO for	
	Electricity and all relevant	Electricity and all relevant	
	stakeholders in regard to the	stakeholders in regard to the	
	draft network code during a	draft network code during a	
	period of no less than two	period of no less than two	
	months.	months.	
759.	14. This Article shall be	14. This Article shall be	
	without prejudice to the	without prejudice to the	
	Commission's right to adopt	Commission's right to adopt and	
	and amend the guidelines as	amend the guidelines as laid	
	laid down in Article 57. It shall	down in Article 57. It shall be	
	be without prejudice to the	without prejudice to the	
	possibility for the ENTSO for	possibility for the ENTSO for	
	Electricity to develop non-	Electricity to develop non-	
	binding guidance in the areas	binding guidance in the areas set	
	set out in paragraph 1 where	out in paragraph 1 where this	
	this does not relate to areas	does not relate to areas covered	
	covered by a request addressed	by a request addressed to it by	
	to it by the Commission. This	the Commission. This	
	guidance shall be submitted to	guidance shall be submitted to	
	the Agency for an opinion. This	the Agency for an opinion. This	
	opinion shall be taken duly into	opinion shall be taken duly into	
	account by the ENTSO for	account by the ENTSO for	
	Electricity.	Electricity.	

760.			Article 56 nts of network codes	
761.	1. The Commission is empowered to adopt delegated acts in accordance with Article 63 concerning the amendment of network codes following the procedure under Article 55. Amendments can also be proposed by the Agency under the procedure set out in paragraphs 2 to 4 of this Article.		1. Until 31 December 2025 the Commission is empowered to adopt [] implementing acts in accordance with Article [] 62(2) concerning the amendment of network codes within the areas listed in Article 55(1) and following the procedure under Article 55. []	
762.	2. Draft amendments to any network code adopted under Article 55 may be proposed to the Agency by persons who are likely to have an interest in that network code, including the ENTSO for Electricity, the EU DSO entity, transmission system operators, system users and consumers. The Agency may also propose amendments on its own initiative.	AM 182 2. Draft amendments to any network code adopted under Article 55 may be proposed to the Agency by persons who are likely to have an interest in that network code, including the ENTSO for Electricity, the EU DSO entity, transmission and distribution system operators, system users and consumers. The Agency may also propose amendments on its own initiative.	2. Draft amendments to any network code adopted under Article 55 may be proposed to the Agency by persons who are likely to have an interest in that network code, including the ENTSO for Electricity, the EU DSO entity, regulatory authorities distribution and transmission system operators, system users and consumers. The Agency may also propose amendments on its own initiative.	

763.	3. The Agency may make	3. The Agency may make
703.	reasoned proposals for	reasoned proposals for
	amendments to the	amendments to the Commission
	Commission, explaining how	explaining how such proposals
	such proposals are consistent	are consistent with the
	with the objectives of the	objectives of the network codes
	network codes set out in Article	set out in Article 55(2). Where
	55(2). Where it deems an	it deems an amendment proposal
	amendment proposal admissible	admissible and on amendments
	and on amendments on its own	on its own initiative, the Agency
	initiative, the Agency shall	shall consult all stakeholders in
	consult all stakeholders in	accordance with Article 15
	accordance with Article 15	[recast of Regulation (EC) No
	[recast of Regulation (EC) No	713/2009 as proposed by
	713/2009 as proposed by	COM(2016) 863/2].
	COM(2016) 863/2].	COM(2010) 003/2].
764.	4. The Commission is	4. Until 31 December 2025
704.		
	empowered to adopt, taking	the Commission is empowered
	account of the Agency's	to adopt, taking account of the
	proposals, amendments to any	Agency's proposals,
	network code adopted under	amendments to any network
	Article 55 6 as delegated acts in	code adopted under Article 55 as
	accordance with Article 63.	[] implementing acts in
		accordance with Article []
		62(2).

765.	5. Consideration of proposed amendments under the procedure set out in Article 63 shall be limited to consideration of the aspects related to the proposed amendment. Those proposed amendments are without prejudice to other amendments which the Commission may propose.		[]	
766.	propose.	AM 183		
		Article 56 a (new)		
		Article 56 a		
		By 31 December 2022 the		
		Commission shall assess the		
		existing implementing acts		
		containing network codes and		
		guidelines in order to evaluate which of their elements could be		
		usefully enshrined in legislative		
		acts of the Union concerning the		
		internal electricity market. The		
		Commission shall submit a		
		detailed report of its assessment to		
		the European Parliament and to		
		the Council. That report shall be		
		accompanied, where appropriate,		
		by legislative proposals following		
		up on the Commission's		
		assessment.		

<i>767</i> .		Article 57
		Guidelines
768.	1. The Commission may	1. Until 31 December 2025
	adopt binding guidelines in the	the Commission may adopt
	areas listed below.	binding guidelines by in the
		areas listed below. Those
		guidelines shall be adopted as
		implementing acts in
		accordance with the
		examination procedure
		referred to in Article 62(2).
769.	2. The Commission may	2. Until 31 December 2025
	adopt a delegated act as a	the Commission may adopt []
	Guideline in the areas where	implementing acts as a
	such acts could also be	Guideline in the areas where
	developed under the network	such acts could also be
	code procedure pursuant to	developed under the network
	Article 55 (1).	code procedure pursuant to
		Article 55 (1).
770.	3. Guidelines may be	3. Guidelines may be
	adopted relating to the inter-	adopted relating to the inter-
	transmission system operator	transmission system operator
	compensation mechanism. They	compensation mechanism. They
	shall specify, in accordance	shall specify, in accordance with
	with the principles set out in	the principles set out in Articles
	Articles 46 and 16:	46 and 16:

771.	(a) details of the procedure	(a) details of the procedure
//1.	• •	
	for determining which	for determining which
	transmission system operators	transmission system operators
	are liable to pay compensation	are liable to pay compensation
	for cross-border flows including	for cross-border flows including
	as regards the split between the	as regards the split between the
	operators of national	operators of national
	transmission systems from	transmission systems from
	which cross-border flows	which cross-border flows
	originate and the systems where	originate and the systems where
	those flows end, in accordance	those flows end, in accordance
	with Article 46(2);	with Article 46(2);
772.	(b) details of the payment	(b) details of the payment
	procedure to be followed,	procedure to be followed,
	including the determination of	including the determination of
	the first period for which	the first period for which
	compensation is to be paid, in	compensation is to be paid, in
	accordance with the second	accordance with the second
	subparagraph of Article 46(3);	subparagraph of Article 46(3);
773.	(c) details of methodologies	(c) details of methodologies
	for determining the cross-	for determining the cross-border
	border flows hosted for which	flows hosted for which
	compensation is to be paid	compensation is to be paid under
	under Article 46, in terms of	Article 46, in terms of both
	both quantity and type of flows,	quantity and type of flows, and
	and the designation of the	the designation of the
	magnitudes of such flows as	magnitudes of such flows as
	originating and/or ending in	originating and/or ending in
	transmission systems of	transmission systems of
	individual Member States, in	individual Member States, in
	accordance with Article 46(5);	accordance with Article 46(5);

774.	(d) details of the	(d) details of the
	methodology for determining	methodology for determining the
	the costs and benefits incurred	costs and benefits incurred as a
	as a result of hosting cross-	result of hosting cross-border
	border flows, in accordance	flows, in accordance with
	with Article 46(6);	Article 46(6);
775.	(e) details of the treatment in	(e) details of the treatment in
	the context of the inter-	the context of the inter-
	transmission system operator	transmission system operator
	compensation mechanism of	compensation mechanism of
	electricity flows originating or	electricity flows originating or
	ending in countries outside the	ending in countries outside the
	European Economic Area; and	European Economic Area; and
776.	(f) the participation of	(f) the participation of
	national systems which are	national systems which are
	interconnected through direct	interconnected through direct
	current lines, in accordance	current lines, in accordance with
	with Article 46.	Article 46.

777.	4. Guidelines may also	4. Guidelines may also	
	determine appropriate rules	determine appropriate rules	
	relating to charges applied to	relating to charges applied to	
	producers, energy storage and	producers, energy storage and	1
	customers (load) under national	customers (load) under nation	nal
	distribution and transmission	[] transmission tariff system	s [
	tariff systems and connection], including the reflection of	he
	regimes, including the	inter-transmission system	
	reflection of the inter-	operator compensation	
	transmission system operator	mechanism in national netwo	rk
	compensation mechanism in	charges and the provision of	
	national network charges and	appropriate and efficient	
	the provision of appropriate and	locational signals, in accorda	nce
	efficient locational signals, in	with the principles set out in	
	accordance with the principles	Article 16.	
	set out in Article 16.		
778.	The guidelines may make	The guidelines may make	
	provision for appropriate and	provision for appropriate and	
	efficient harmonised locational	efficient harmonised location	
	signals at Union level.	signals at Union level.	
779.	Any such harmonisation shall	Any such harmonisation shal	
	not prevent Member States	not prevent Member States fr	om
	from applying mechanisms to	applying mechanisms to ensu	re
	ensure that network access	that network access charges	
	charges borne by customers	borne by customers (load) are	
	(load) are comparable	comparable throughout their	
	throughout their territory.	territory.	

700	<i>c</i> 3371	<i>E</i> 3371 · .	
780.	5. Where appropriate,	5. Where appropriate,	
	guidelines providing the	guidelines providing the	
	minimum degree of	minimum degree of	
	harmonisation required to	harmonisation required to	
	achieve the aim of this	achieve the aim of this	
	Regulation may also specify:	Regulation may also specify:	
781.	(a) details of rules for the	(a) details of rules for the	
	trading of electricity;	trading of electricity;(b) details	
		of investment incentive rules for	
		interconnector capacity	
		including locational signals;	
782.	(b) details of investment	(b) details of investment	
	incentive rules for	incentive rules for	
	interconnector capacity	interconnector capacity	
	including locational signals;	including locational signals;	
783.	6. The Commission may	6. The Commission may	
	adopt guidelines on the	adopt guidelines on the	
	implementation of operational	implementation of operational	
	coordination between	coordination between	
	transmission system operators	transmission system operators at	
	at Union level. Those	Union level. Those guidelines	
	guidelines shall be consistent	shall be consistent with and	
	with and build upon the	build upon the network codes	
	network codes referred to in	referred to in Article 55 of this	
	Article 55 of this Regulation	Regulation and build upon the	
	and build upon the adopted	adopted specifications referred	
	specifications referred to in	to in Article 27(1)(g) of this	
	Article 27(1)(g) of this	Regulation. When adopting	
	Regulation. When adopting	those guidelines, the	
	those guidelines, the	Commission shall take into	
	Commission shall take into	account differing regional and	
	account differing regional and	national operational	
	national operational	requirements.	
	requirements.	•	

784.	Those guidelines shall be		[Those guidelines shall be	
	adopted in accordance with the		adopted in accordance with the	
	examination procedure referred		examination procedure referred	
	to in Article 62(2).		to in Article 62(2).]	
785.	7. When adopting or	AM 184	7. When adopting or	
	amending guidelines, the	7. When adopting or amending	amending guidelines, the	
	Commission shall consult the	guidelines, the Commission shall	Commission shall consult the	
	Agency, the ENTSO for	consult the Agency, the ENTSO for	Agency, the ENTSO for	
	Electricity and other	Electricity, the EU DSO entity and	Electricity, the EU DSO Entity	
	stakeholders where relevant.	other stakeholders where relevant.	and other stakeholders where	
			relevant.	
<i>786</i> .			Article 58	
			provide for more detailed measure.	S
787.	This Regulation shall be		This Regulation shall be without	
	without prejudice to the rights		prejudice to the rights of	
	of Member States to maintain		Member States to maintain or	
	or introduce measures that		introduce measures that contain	
	contain more detailed		more detailed provisions than	
	provisions than those set out in		those set out in this Regulation,	
	this Regulation, in the		in the guidelines referred to in	
	guidelines referred to in Article		Article 57 or in the network	
	57 or in the network codes		codes referred to in Article 55,	
	referred to in Article 55,		provided those measures do not [
		1	7 4 70 4 CTT '	
	provided those measures do not] contradict of Union	
	provided those measures do not endanger the effectiveness of		legislation.	

788.	Article 58a
	By 31 December 2023 the
	Commission shall assess the
	existing implementing acts
	containing network codes and
	guidelines in order to evaluate
	which of their elements could
	be usefully enshrined in
	legislative acts of the Union
	concerning the internal
	electricity market and how the
	empowerments for network
	codes and guidelines pursuant
	to Articles 55 and 57 could be
	revised. The Commission shall
	submit a detailed report of its
	assessment to the European
	Parliament and the Council.
	That report shall be
	accompanied, where
	appropriate, by legislative
	proposals following up on the
	Commission's assessment.

789.		Chapter VIII Final provisions	
790.		Article 59 New interconnectors	
791.	1. New direct current interconnectors may, upon request, be exempted, for a limited period of time, from the provisions of Article 17(2) of this Regulation and Articles 6, 43 59(6) and 60(1) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2] under the following conditions:	1. New direct current interconnectors may, upon request, be exempted, for a limited period of time, from the provisions of Article 17(2) of this Regulation and Articles 6, 43, 59(6) and 60(1) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2] under the following conditions:	
792.	(a) the investment must enhance competition in electricity supply;	(a) the investment must enhance competition in electricity supply;	
793.	(b) the level of risk attached to the investment is such that the investment would not take place unless an exemption is granted;	(b) the level of risk attached to the investment is such that the investment would not take place unless an exemption is granted;	
794.	(c) the interconnector must be owned by a natural or legal person which is separate at least in terms of its legal form from the system operators in whose systems that interconnector will be built;	(c) the interconnector must be owned by a natural or legal person which is separate at least in terms of its legal form from the system operators in whose systems that interconnector will be built;	
795.	(d) charges are levied on users of that interconnector;	(d) charges are levied on users of that interconnector;	

796.	(a) ginas the neutral market	(a) since the newtral more transfer
790.	(e) since the partial market	(e) since the partial market
	opening referred to in Article	opening referred to in Article 19
	19 of Directive 96/92/EC of the	of Directive 96/92/EC of the
	European Parliament and of the	European Parliament and of the
	Council ²⁷ , no part of the capital	Council ²⁸ , no part of the capital
	or operating costs of the	or operating costs of the
	interconnector has been	interconnector has been
	recovered from any component	recovered from any component
	of charges made for the use of	of charges made for the use of
	transmission or distribution	transmission or distribution
	systems linked by the	systems linked by the
interconnector; and		interconnector; and
797.	(f) the exemption must not	(f) the exemption must not be
	be to the detriment of	to the detriment of competition
	competition or the effective	or the effective functioning of
	functioning of the internal	the internal market in electricity,
	market in electricity, or the	or the efficient functioning of
	efficient functioning of the	the regulated system to which
	regulated system to which the	the interconnector is linked.
	interconnector is linked.	

Directive 96/92/EC of the European Parliament and of the Council of 19 December 1996 concerning common rules for the internal market in electricity (OJ L 27, 30.1.1997, p. 20).

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Directive 96/92/EC of the European Parliament and of the Council of 19 December 1996 concerning common rules for the internal market in electricity (OJ L 27, 30.1.1997, p. 20).

798.	2. Paragraph 1 shall also	2. Paragraph 1 shall also
1200	apply, in exceptional cases, to	apply, in exceptional cases, to
	alternating current	alternating current
	interconnectors provided that	interconnectors provided that the
	the costs and risks of the	costs and risks of the investment
	investment in question are	
		in question are particularly high
	particularly high when	when compared with the costs
	compared with the costs and	and risks normally incurred
	risks normally incurred when	when connecting two
	connecting two neighbouring	neighbouring national
	national transmission systems	transmission systems by an
	by an alternating current	alternating current
	interconnector.	interconnector.
799.	3. Paragraph 1 shall also	3. Paragraph 1 shall also
	apply to significant increases of	apply to significant increases of
	capacity in existing	capacity in existing
	interconnectors.	interconnectors.
800.	4. The decision on the	4. The decision on the
	exemption under paragraphs 1,	exemption under paragraphs 1, 2
	2 and 3 shall be taken on a	and 3 shall be taken on a case-
	case-by-case basis by the	by-case basis by the regulatory
	regulatory authorities of the	authorities of the Member States
	Member States concerned. An	concerned. An exemption may
	exemption may cover all or part	cover all or part of the capacity
	of the capacity of the new	of the new interconnector, or of
	interconnector, or of the	the existing interconnector with
	existing interconnector with	significantly increased capacity.
	significantly increased capacity.	

801.	Within two months from the	Within two months from the
	date on which the request for	date on which the request for
	exemption was received by the	exemption was received by the
	last of the regulatory authorities	last of the regulatory authorities
	concerned, the Agency may	concerned, the Agency may
	submit an advisory opinion to	submit an advisory opinion to
	those regulatory authorities	those regulatory authorities
	which could provide a basis for	which could provide a basis for
	their decision.	their decision.
802.	In deciding to grant an	In deciding to grant an
	exemption, consideration shall	exemption, consideration shall
	be given, on a case-by-case	be given, on a case-by-case
basis, to the need to impose		basis, to the need to impose
	conditions regarding the	conditions regarding the
	duration of the exemption and	duration of the exemption and
	non-discriminatory access to	non-discriminatory access to the
	the interconnector. When	interconnector. When deciding
	deciding those conditions,	those conditions, account shall,
	account shall, in particular, be	in particular, be taken of
	taken of additional capacity to	additional capacity to be built or
	be built or the modification of	the modification of existing
	existing capacity, the time-	capacity, the time-frame of the
	frame of the project and	project and national
	national circumstances.	circumstances.

803.	Before granting an exemption,	Before granting an exemption,
005.	the regulatory authorities of the	the regulatory authorities of the
	Member States concerned shall	Member States concerned shall
	decide upon the rules and	decide upon the rules and
	mechanisms for management	mechanisms for management
	and allocation of capacity.	and allocation of capacity.
	Congestion-management rules	Congestion-management rules
	shall include the obligation to	shall include the obligation to
	offer unused capacity on the	offer unused capacity on the
	market and users of the facility	market and users of the facility
	shall be entitled to trade their	shall be entitled to trade their
	contracted capacities on the	contracted capacities on the
	secondary market. In the	secondary market. In the
	assessment of the criteria	assessment of the criteria
	referred to in points (a), (b) and	referred to in points (a), (b) and
	(f) of paragraph 1, the results of	(f) of paragraph 1, the results of
	the capacity-allocation	the capacity-allocation
	procedure shall be taken into	procedure shall be taken into
	account.	account.
804.	Where all the regulatory	Where all the regulatory
	authorities concerned have	authorities concerned have
	reached agreement on the	reached agreement on the
	exemption decision within six	exemption decision within six
	months, they shall inform the	months, they shall inform the
	Agency of that decision.	Agency of that decision.
805.	The exemption decision,	The exemption decision,
	including any conditions	including any conditions
	referred to in the second	referred to in the second
	subparagraph of this paragraph,	subparagraph of this paragraph,
	shall be duly reasoned and	shall be duly reasoned and
	published.	published.

806.	5. The decision referred to	5. The decision referred to in	
	in paragraph 4 shall be taken by	paragraph 4 shall be taken by the	
	the Agency:	Agency:	
807.	(a) where all the regulatory	(a) where all the regulatory	
	authorities concerned have not	authorities concerned have not	
	been able to reach an agreement	been able to reach an agreement	
	within six months from the date	within six months from the date	
	the exemption was requested	the exemption was requested	
	before the last of those	before the last of those	
	regulatory authorities; or	regulatory authorities; or	
808.	(b) upon a joint request from	(b) upon a joint request from	
	the regulatory authorities	the regulatory authorities	
	concerned.	concerned.	
	Before taking such a decision,	Before taking such a decision,	
the Agency shall consult the the Agency shall		the Agency shall consult the	
		regulatory authorities concerned	
	concerned and the applicants.	and the applicants.	
809.	6. Notwithstanding	6. Notwithstanding	
	paragraphs 4 and 5, Member	paragraphs 4 and 5, Member	
	States may provide for the	States may provide for the	
	regulatory authority or the	regulatory authority or the	
	Agency, as the case may be, to	Agency, as the case may be, to	
	submit, for formal decision, to	submit, for formal decision, to	
	the relevant body in the	the relevant body in the Member	
	Member State, its opinion on	State, its opinion on the request	
	the request for an exemption.	for an exemption. That opinion	
	That opinion shall be published	shall be published together with	
	together with the decision.	the decision.	

810.	7. A copy of every request	
	for exemption shall be	
	transmitted for information	
	without delay by the regulatory	
	authorities to the Agency and to	
	the Commission on receipt. The	
	decision shall be notified,	
	without delay, by the regulatory	
	authorities concerned or by the	
	Agency (notifying bodies), to	
	the Commission, together with	
	all the relevant information	
	with respect to the decision.	
	That information may be	
	submitted to the Commission in	
	aggregate form, enabling the	
	Commission to reach a well-	
	founded decision. In particular,	
	the information shall contain:	

A copy of every request for exemption shall be transmitted for information without delay by the regulatory authorities to the Agency and to the Commission on receipt. The decision shall be notified, without delay, by the regulatory authorities concerned or by the Agency (notifying bodies), to the Commission, together with all the relevant information with respect to the decision. That information may be submitted to the Commission in aggregate form, enabling the Commission to reach a well-founded decision. In particular, the information shall contain:

811.	(a) the detailed reasons on	(a) the detailed reasons on the
	the basis of which the	basis of which the exemption
	exemption was granted or	was granted or refused,
	refused, including the financial	including the financial
	information justifying the need	information justifying the need
	for the exemption;	for the exemption;
812.	(b) the analysis undertaken	(b) the analysis undertaken of
	of the effect on competition and	the effect on competition and the
	the effective functioning of the	effective functioning of the
	internal market in electricity	internal market in electricity
	resulting from the grant of the	resulting from the grant of the
	exemption;	exemption;
813.	(c) the reasons for the time	(c) the reasons for the time
	period and the share of the total	period and the share of the total
	capacity of the interconnector	capacity of the interconnector in
	in question for which the	question for which the
	exemption is granted; and	exemption is granted; and
814.	(d) the result of the	(d) the result of the
	consultation of the regulatory	consultation of the regulatory
	authorities concerned.	authorities concerned.

815. 8. Within a period of 50 working days from the day following receipt of notification under paragraph 7, the Commission may take a decision requesting the notifying bodies to amend or withdraw the decision to grant an exemption. That period of 50 working days may be extended by an additional period of 50 working days where further information is sought by the Commission. That additional period shall begin on the day following receipt of the complete information. The initial period may also be extended by consent of both the Commission and the notifying bodies.

Within a period of 50 working days from the day following receipt of notification under paragraph 7, the Commission may take a decision requesting the notifying bodies to amend or withdraw the decision to grant an exemption. That period of 50 working days may be extended by an additional period of 50 working days where further information is sought by the Commission. That additional period shall begin on the day following receipt of the complete information. The initial period may also be extended by consent of both the Commission and the notifying bodies.

816.	When the requested information	When the requested information
010.	is not provided within the	is not provided within the period
	period set out in the request, the	set out in the request, the
	notification shall be deemed to	notification shall be deemed to
	be withdrawn unless, before the	be withdrawn unless, before the
	expiry of that period, either the	expiry of that period, either the
	period is extended by consent	period is extended by consent of
	of both the Commission and the	both the Commission and the
	notifying bodies, or the	notifying bodies, or the notifying
	notifying bodies, in a duly	bodies, in a duly reasoned
	reasoned statement, inform the	statement, inform the
	Commission that they consider	Commission that they consider
	the notification to be complete.	the notification to be complete.
817.	The notifying bodies shall	The notifying bodies shall
017.	comply with a Commission	comply with a Commission
	decision to amend or withdraw	decision to amend or withdraw
	the exemption decision within	the exemption decision within
	one month and shall inform the	one month and shall inform the
010	Commission accordingly.	Commission accordingly.
818.	The Commission shall preserve	The Commission shall preserve
	the confidentiality of	the confidentiality of
	commercially sensitive	commercially sensitive
010	information.	information.
819.	The Commission's approval of	The Commission's approval of
	an exemption decision shall	an exemption decision shall
	expire two years after the date	expire two years after the date of
	of its adoption in the event that	its adoption in the event that
	construction of the	construction of the
	interconnector has not yet	interconnector has not yet
	started by that date, and five	started by that date, and five
	years after the date of its	years after the date of its
	adoption if the interconnector	adoption if the interconnector
	has not become operational by	has not become operational by
	that date, unless the	that date, unless the Commission
	Commission decides, on the	decides, on the basis of a

	basis of a reasoned request by	reasoned request by the
	the notifying bodies, that any	notifying bodies, that any delay
	delay is due to major obstacles	is due to major obstacles beyond
	beyond the control of the	the control of the person to
	person to whom the exemption	whom the exemption has been
	has been granted.	granted.
820.	9. Where the regulatory	Where the regulatory authorities
	authorities of the Member	of the Member States concerned
	States concerned decide to	decide to modify a decision
	modify a decision under	under paragraph 1, they shall
	paragraph 1, they shall notify	notify this decision without
	this decision without delay to	delay to the Commission,
	the Commission, together with	together with all the relevant
	all the relevant information	information with respect to the
	with respect to the decision.	decision. Paragraphs 1 to 8 shall
	Paragraphs 1 to 8 shall apply to	apply to this notified decision,
	this notified decision, taking	taking into account the
	into account the particularities	particularities of the existing
	of the existing exemption.	exemption.
821.	10. The Commission may,	The Commission may, upon
	upon request or on its own	request or on its own initiative,
	initiative, reopen the	reopen the proceedings:
	proceedings:	respensive processings.
822.	(a) where, taking due	(a) where, taking due
	consideration of legitimate	consideration of legitimate
	expectations by the parties and	expectations by the parties and
	of the economic balance	of the economic balance
	achieved in the original	achieved in the original
	exemption decision, there has	exemption decision, there has
	been a material change in any	been a material change in any of
	of the facts on which the	the facts on which the decision
	decision was based:	was based;
	decision was eased,	mus oused,

823.	(b) where the undertakings	(b) where the undertakings
	concerned act contrary to their	concerned act contrary to their
	commitments; or	commitments; or
824.	(c) where the decision was	(c) where the decision was
	based on incomplete, incorrect	based on incomplete, incorrect
	or misleading information	or misleading information
	provided by the parties.	provided by the parties.
825.	11. The Commission is	11. The Commission is
	empowered to adopt delegated	empowered to adopt delegated
	acts in accordance with Article	acts in accordance with Article
	63 concerning the adoption of	63 concerning the adoption of
	guidelines for the application of	guidelines for the application of
	the conditions laid down in	the conditions laid down in
	paragraph 1 of this Article and	paragraph 1 of this Article and
	to set out the procedure to be	to set out the procedure to be
	followed for the application of	followed for the application of
	paragraphs 4, 7 8, 9 and 10 of	paragraphs 4, 7, 8, 9 and 10 of
	this Article.	this Article.
826.		Article 59a
		Derogations
827.		1. Member States may
		apply for derogations from the
		relevant provisions of Articles
		3, 5, 6 (1), 7 (1) and (4), 8 to 10,
		13 to 15, 17 to 22, 23 (1), (2),
		(4) (5) and (5a), 24, 32 to 44
		and 48 in the following cases:

828.	(a) the Member State can
	demonstrate that there are
	substantial problems for the
	operation of their small
	isolated and connected
	systems. In this case, the
	derogation shall be limited in
	time and subject to conditions
	aiming at increased
	competition and integration
	with the internal market.
829.	(b) for outermost regions
	within the meaning of Article
	349 of TFEU, that cannot be
	interconnected with the
	European energy market for
	evident physical reasons. In
	this case, the derogation is not
	limited in time.

830.	In both cases, the derogation
	shall be subject to conditions
	aimed at ensuring that the
	derogation does not hamper
	the transition towards
	renewable energies.
831.	When granting a derogation,
	the Commission shall reflect in
	its decision to which extent the
	derogations must take into
	account the application of the
	network codes and guidelines.
832.	If a derogation is granted, the
	Commission shall inform the
	Member States of those
	applications before taking a
	decision, taking into account
	respect for confidentiality.
833.	2. Articles 3, 4, 5, 6 (1),
	(2)(c), (2)(h), 7 to 10, 12 to 15,
	17 to 22, 23 (1), (2), (5) and
	(5a), $23(4)(b)$, 24 , $31(2)$, (3) , 32
	to 44, 46 and 48 shall not apply
	to Cyprus until its
	transmission system becomes
	connected to other Member
	States' transmission systems
	via interconnections.
834.	If the transmission system of
	Cyprus is not connected to
	other Member States'
	transmission systems via
	interconnections by 1 January
	2026, Cyprus shall assess the
	need for derogation from those

	provisions and may submit a
	request for continued
	derogation to the Commission.
	The Commission shall assess
	whether the application of the
	respective provisions risks
	causing substantial problems
	for the operation of the
	electricity system in Cyprus or
	whether their application in
	Cyprus is expected to provide
	benefits to market functioning.
	On the basis of this
	assessment, the Commission
	shall issue a reasoned decision
	on full or partial prolongation
	of the derogation which shall
	be published in the Official
	Journal of the European
	Union.
835.	3. The provisions of the
035.	
	Regulation shall not affect the
	application of the derogations
	pursuant to the [Electricity
	Directive].

<i>836</i> .	Article 60		
		Provision of information and confidentiality	
837.	1. Member States and the	1. Member States and the	
	regulatory authorities shall, on	regulatory authorities shall, on	
	request, provide to the	request, provide to the	
	Commission all information	Commission all information	
	necessary for the purposes of	necessary for the purposes of	
	enforcing the provisions of this	enforcing the provisions of this	
	Regulation.	Regulation.	
838.	The Commission shall fix a	The Commission shall fix a	
	reasonable time limit within	reasonable time limit within	
	which the information is to be	which the information is to be	
	provided, taking into account	provided, taking into account the	
	the complexity of the	complexity of the information	
	information required and the	required and the urgency with	
	urgency with which the	which the information is needed.	
	information is needed.		
839.	2. If the Member State or	2. If the Member State or the	
	the regulatory authority	regulatory authority concerned	
	concerned does not provide the	does not provide the information	
	information referred to in	referred to in paragraph 1 within	
	paragraph 1 within the given	the given time-limit pursuant to	
	time-limit pursuant to	paragraph 1, the Commission	
	paragraph 1, the Commission	may request all information	
	may request all information	necessary for the purpose of	
	necessary for the purpose of	enforcing the provisions of this	
	enforcing the provisions of this	Regulation directly from the	
	Regulation directly from the	undertakings concerned.	
	undertakings concerned.		
840.	When sending a request for	When sending a request for	
	information to an undertaking,	information to an undertaking,	
	the Commission shall at the	the Commission shall at the	
	same time forward a copy of	same time forward a copy of the	
	the request to the regulatory	request to the regulatory	
	authorities of the Member State	authorities of the Member State	
	in whose territory the seat of	in whose territory the seat of the	
	the undertaking is situated.	undertaking is situated.	

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841.	3. In its request for	3. In its request for
011.	information under paragraph 1,	information under paragraph 1,
	the Commission shall state the	the Commission shall state the
	legal basis of the request, the	legal basis of the request, the
	time-limit within which the	time-limit within which the
	information is to be provided,	information is to be provided,
	the purpose of the request, and	the purpose of the request, and
	the penalties provided for in	the penalties provided for in
	Article 61(2) for supplying	Article 61(2) for supplying
	incorrect, incomplete or	incorrect, incomplete or
	misleading information. The	misleading information. The
	Commission shall fix a	Commission shall fix a
	reasonable time-limit taking	reasonable time-limit taking into
	into account the complexity of	account the complexity of the
	the information required and	information required and the
	the urgency with which the	urgency with which the
	information is needed.	information is needed.
842.	4. The owners of the	4. The owners of the
072.	undertakings or their	undertakings or their
	representatives and, in the case	representatives and, in the case
	of legal persons, the persons	of legal persons, the persons
	authorised to represent them by	authorised to represent them by
	law or by their instrument of	law or by their instrument of
	incorporation, shall supply the	incorporation, shall supply the
	information requested. Where	information requested. Where
	lawyers duly authorised so to	lawyers duly authorised so to act
	act supply the information on	supply the information on behalf
	behalf of their clients, the client	of their clients, the client shall
	shall remain fully responsible in	remain fully responsible in the
	the event that the information	event that the information
	supplied is incomplete,	supplied is incomplete, incorrect
	incorrect or misleading.	or misleading.

843.	5. Where an undertaking	5. Where an undertaking
043.	\mathcal{E}	\mathcal{E}
	does not provide the	does not provide the information
	information requested within	requested within the time-limit
	the time-limit fixed by the	fixed by the Commission or
	Commission or supplies	supplies incomplete information,
	incomplete information, the	the Commission may by
	Commission may by decision	decision require the information
	require the information to be	to be provided. That decision
	provided. That decision shall	shall specify what information is
	specify what information is	required and fix an appropriate
	required and fix an appropriate	time-limit within which it is to
	time-limit within which it is to	be supplied. It shall indicate the
	be supplied. It shall indicate the	penalties provided for in Article
	penalties provided for in Article	61(2). It shall also indicate the
	61(2). It shall also indicate the	right to have the decision
	right to have the decision	reviewed by the Court of Justice
	reviewed by the Court of	of the European Union.
	Justice of the European Union .	
844.	The Commission shall, at the	The Commission shall, at the
	same time, send a copy of its	same time, send a copy of its
	decision to the regulatory	decision to the regulatory
	authorities of the Member State	authorities of the Member State
	within the territory of which the	within the territory of which the
	person is resident or the seat of	person is resident or the seat of
	the undertaking is situated.	the undertaking is situated.

845. 846.	6. The information referred to in paragraphs 1 and 2 shall be used only for the purposes of enforcing the provisions of this Regulation. The Commission shall not	6. The information referred to in paragraphs 1 and 2 shall be used only for the purposes of enforcing the provisions of this Regulation. The Commission shall not
840.	disclose information of the kind covered by the obligation of professional secrecy which is acquired pursuant to this Regulation.	disclose information of the kind covered by the obligation of professional secrecy which is acquired pursuant to this Regulation.
847.		Article 61 Penalties
848.	1. Without prejudice to paragraph 2, the Member States shall lay down rules on penalties applicable to infringements of the provisions of this Regulation, the network codes adopted pursuant to Article 55, and the guidelines adopted pursuant to Article 57 and shall take all measures necessary to ensure that those provisions are implemented. The penalties provided for must be effective, proportionate and dissuasive.	1. Without prejudice to paragraph 2, the Member States shall lay down rules on penalties applicable to infringements of the provisions of this Regulation, the network codes adopted pursuant to Article 55, and the guidelines adopted pursuant to Article 57 and shall take all measures necessary to ensure that those provisions are implemented. The penalties provided for must be effective, proportionate and dissuasive.
849.	2. The Commission may, by decision, impose on undertakings fines not exceeding 1 % of the total turnover in the preceding business year where, intentionally or negligently,	2. The Commission may, by decision, impose on undertakings fines not exceeding 1 % of the total turnover in the preceding business year where, intentionally or negligently, they supply incorrect, incomplete or

	they supply incorrect,		misleading information in	
	incomplete or misleading		response to a request made	
	information in response to a		pursuant to Article 60(3) or fail	
	request made pursuant to		to supply information within the	
	Article 60(3) or fail to supply		time-limit fixed by a decision	
	information within the time-		adopted pursuant to the first	
	limit fixed by a decision		subparagraph of Article 60(5). In	
	adopted pursuant to the first		setting the amount of a fine, the	
	subparagraph of Article 60(5).		Commission shall have regard to	
	In setting the amount of a fine,		the gravity of the failure to	
	the Commission shall have		comply with the requirements of	
	regard to the gravity of the		the first subparagraph.	
	failure to comply with the		1 2 1	
	requirements of the first			
	subparagraph.			
850.	3. Penalties provided for		3. Penalties provided for	
	pursuant to paragraph 1 and		pursuant to paragraph 1 and	
	decisions taken pursuant to		decisions taken pursuant to	
	paragraph 2 shall not be of a		paragraph 2 shall not be of a	
	criminal law nature.		criminal law nature.	
<i>851</i> .			Article 62	
		Comr	nittee procedure	
852.	1. The Commission shall be		1. The Commission shall be	
	assisted by the committee set up		assisted by the committee set up	
	by Article 68 of [recast of		by Article 68 of [recast of	
	Directive 2009/72/EC as		Directive 2009/72/EC as	
	proposed by COM(2016)		proposed by COM(2016) 864/2].	
	864/2].			

853.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council ²⁹ shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 o the European Parliament and of the Council ³⁰ shall apply.	f
<i>854</i> .		Article 63 Exercise of the delegation	
855.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	
856.	2. The power to adopt delegated acts referred to in Article 31(3), Article 46(4), Article 55(1), Article 56(1) and (4), and Article 59(11) shall be conferred on the Commission for an undetermined period of time from the [OP: please insert the date of entry into force].	2. The power to adopt delegated acts referred to in Article [] 46(4), [] and Article 59(11) shall be conferred on the Commission for an undetermined period of time from the [OP: please insert the date of entry into force].	

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ANNEX TREE.2.B

²⁹

Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

857.	3. The delegation of power referred to in Article 31(3), Article 46(4), Article 55(1), Article 56(1) and (4), and Article 59(11) may be revoked at any time by the European	3. The delegation of power referred to in [] Article 46(4), [] and Article 59(11) may be revoked at any time by the European Parliament or by the Council. A decision to revoke
	Parliament or by the Council. A decision to revoke shall put an end to the delegation of power specified in that decision. It shall take effect on the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated act already in force.	shall put an end to the delegation of power specified in that decision. It shall take effect on the day following the publication of the decision in the <i>Official Journal of the European Union</i> or at a later date specified therein. It shall not affect the validity of any [delegated] act already in force.

0.50	1 D 0 1 .:		
858.	4. Before adopting a	4. Before adopting a	
	delegated act, the Commission	delegated act, the Commission	
	shall consult experts designated	shall consult Electricity Cross-	
	by each Member State in	border Committee and experts	
	accordance with the principles	designated by each Member	
	laid down in the	State in accordance with the	
	Interinstitutional Agreement on	principles laid down in the	
	Better Law-Making of 13 April	Interinstitutional Agreement on	
	2016.	Better Law-Making of 13 April	
		2016.	
859.	5. As soon as it adopts a	5. As soon as it adopts a	
	delegated act, the Commission	delegated act, the Commission	
	shall notify it simultaneously to	shall notify it simultaneously to	
	the European Parliament and to	the European Parliament and to	
	the Council.	the Council.	
860.	6. A delegated act adopted	6. A delegated act adopted	
000.	pursuant to Article 31(3),	pursuant to [] Article 46(4), []	
	Article 46(4), Article 55(1),	and Article 59(11) shall enter	
	Article 56(1) and (4), and	into force only if no objection	
	Article 59(11) shall enter into	has been expressed either by the	
	force only if no objection has	European Parliament or by the	
	been expressed either by the	Council within a period of two	
		months of notification of that act	
		*	
		i arriament of of the Council.	
	_		
	European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.	months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.	

861.			Article 64	
			Repeal	
862.	Regulation (EC) No 714/2009 is repealed. References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.		1. Regulation (EC) No 714/2009 is repealed. References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.	
863.			1a. Any implementing act adopted on the basis of Regulation 714/2009 shall continue to apply beyond the date of repeal of Regulation 714/2009 until it is repealed.	
864.		AM 185 Article 64 a (new) Article 64 a Review By 1 June 2025, the Commission shall review and submit a report on the implementation of this Regulation, together with a legislative proposal if appropriate, to the European Parliament and to the Council.		

865.		Article 65	
		Entry into force	
866.	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. It shall apply from 1 January 2020.	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. It shall apply from 1 January 2020. Articles 13 and 58a of this Regulation shall apply with effect from the date of entry into force of this Regulation. For the purpose of implementing Article 13, Article 14 of this Regulation shall apply with effect from the date of entry into force of this Regulation. For the purpose of reviewing this Regulation. For the purpose of reviewing this Regulation no later than by the end of 2030, the Commission shall, where appropriate, submit a proposal.	

867.	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States	
868.	Done at Brussels,	Done at Brussels,	
	For the European Parliament	For the European Parliament	
	The President	The President	
	For the Council	For the Council	
	The President	The President	

869.			ANNEX I	
			AM 186	
870.	FUNCTIONS OF	FUNCTIONS OF REGIONAL	[] TASKS OF REGIONAL [
	REGIONAL	COORDINATION CENTRES	JSECURITY	
	OPERATIONAL CENTRES		COORDINATORS	
871.	1. Coordinated capacity	1. Coordinated capacity	1. Coordinated capacity	
	calculation	calculation	calculation	
872.	1.1. Regional operational	1.1. Regional <i>coordination</i>	1.1 Regional [] security	
	centres shall perform	centres shall perform coordinated	coordinators shall perform the	
	coordinated calculation of cross	calculation of cross zonal	coordinated calculation of cross	
	zonal capacities.	capacities.	zonal capacities.	
873.	1.2. Coordinated capacity		[] Coordinated capacity	
	calculation shall be performed		calculation shall be performed [
	in due time for each market] for [] the day-ahead and	
	timeframe and as frequently as		intraday timeframes.	
	needed during the intraday			
	timeframe.			
874.			1.2a Coordinated capacity	
			calculation shall be performed	
			on the basis of the	
			methodologies developed	
			pursuant to Articles 21, 26, 29	
			and 30 of [Commission	
			Regulation 2015/1222	
			establishing a guideline on	
			capacity allocation and	
			congestion management].	

875.	1.3. Coordinated capacity		1.3 Coordinated capacity	
	calculation shall be performed		calculation shall be performed	
	based on a common system		based on a common [] grid	
	model in accordance with point		model in accordance with point	
	2 and on a coordinated capacity		3[].	
	calculation methodology			
	developed by the transmission			
	system operators of the relevant			
	system operation region.			
876.	1.4. Coordinated capacity		1.4 Coordinated capacity	
	calculation shall ensure		calculation shall ensure an	
	efficient congestion		efficient congestion	
	management in accordance with		management in accordance with	
	the principles of congestion		the principles of congestion	
	management defined in this		management defined in this	
	Regulation.		Regulation.	
877.	2. Coordinated security		2. Coordinated security	
	analysis		analysis	
878.	2.1. Regional operational	2.1. Regional <i>coordination</i>	2.1. Regional [] security	
	centres shall perform	centres shall perform coordinated	coordinators shall perform	
	coordinated security analysis	security analysis aiming at ensuring	coordinated security analysis	
	aiming at ensuring secure	secure system operation.	aiming at ensuring secure	
	system operation.		system operation.	
879.	2.2. Security analysis shall be		2.2 Security analysis shall be	
	performed for all operational		performed for all operational	
	planning timeframes using the		planning timeframes, between	
	common system models.		the year-ahead and intraday	
			timeframes, using the common	
			[] grid models.	

880.			2.2a Coordinated security analysis shall be performed on the basis of the methodologies developed pursuant to Articles 75 and 76 of Commission Regulation 2017/1485 establishing a guideline on electricity transmission system	
881.	2.3. Regional operational centres shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region. 2.4. When as a result of the coordinated security analysis a regional operational centre detects a possible constraint, it shall design remedial actions maximizing economic efficiency.	 2.3. Regional <i>coordination</i> centres shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region. 2.4. When as a result of the coordinated security analysis a regional <i>coordination</i> centre detects a possible constraint, it shall design remedial actions maximizing economic efficiency. 	operation. 2.3 Regional [] security coordinators shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region. 2.4 When as a result of the coordinated security analysis a regional [] security coordinator detects a possible constraint, it shall design remedial actions maximizing effectivenes and economic	
883.		2.4 a. Coordinated security analysis shall be performed based on a common system model in accordance with point 2 and on a methodology to design coordinated remedial actions developed by the transmission system operators of the relevant system operation region.	efficiency.	

884.	3. Creation of common		3. Creation of common []	
	system models		grid models	
885.	3.1. Regional operational	3.1. Regional <i>coordination</i>	3.1 Regional [] security	
	centres shall set up efficient	centres shall set up efficient	coordinators shall set up	
	processes for the creation of a	processes for the creation of a	efficient processes for the	
	common system model for each	common system model for each	creation of a common [] grid	
	operational planning timeframe.	operational planning timeframe.	model for each operational	
			planning timeframe between the	
			year-ahead and intraday	
			timeframes.	
886.	3.2. Transmission system	3.2. Transmission system	3.2 Transmission system	
	operators shall appoint one	operators shall appoint one regional	operators shall appoint one	
	regional operational centre to	<i>coordination</i> centre to build the	regional [] security	
	build the common system	common system model for all	coordinator to build the Union-	
	model for all regions.	regions.	wide common [] grid models [
		-8	1.	
887.			3.2a Common grid models	
			shall be performed in	
			accordance with the	
			methodologies developed	
			pursuant to Articles 67, 70 and	
			79 of Commission Regulation	
			2017/1485 establishing a	
			guideline on electricity	
			transmission system operation	
			and pursuant to Article 28 of	
			Commission Regulation	
			2015/1222 establishing a	
			guideline on capacity	
			allocation and congestion	
			management.	

888.	3.3. Common system models shall include relevant data for efficient operational planning and capacity calculation in all operational planning timeframes.		3.3 Common [] grid models shall include relevant data for efficient operational planning and capacity calculation in all operational planning timeframes between the year-ahead and intraday timeframes.	
889.	3.4. Common system models shall be made available to all regional operational centres, transmission system operators, ENTSO for Electricity and the Agency, upon its request.	3.4. Common system models shall be made available to all regional <i>coordination</i> centres, transmission system operators, ENTSO for Electricity and the Agency, upon its request.	3.4 Common [] grid models shall be made available to all regional [] security coordinators, transmission system operators, ENTSO for Electricity and the Agency, upon its request.	
890.	4. Consistency assessment of transmission system operators' defense plans and restoration plans		4. Support to the consistency assessment of transmission system operators' defense plans and restoration plans	

004		
891.		4.1a Regional security
		coordinators shall support the
		transmission system operators
		of the system operation region
		in carrying out the consistency
		assessment of transmission
		system operators' defense
		plans and restoration plans
		pursuant to the procedures set
		out in Article 6 of
		[Commission Regulation
		xxxx/xxxx establishing a
		network code on electricity
		emergency and restoration].
892.	4.1. All transmission system	4.1 All transmission system
	operators shall agree on a	operators shall agree on a
	threshold above which the	threshold above which the
	impact of actions of one or	impact of actions of one or more
	more transmission system	transmission system operators in
	operators in the emergency,	the emergency, blackout or
	blackout or restoration states is	restoration states is considered
	considered significant for other	significant for other transmission
	transmission system operators	system operators synchronously
	synchronously or non-	or non- synchronously
		interconnected.
	synchronously interconnected.	interconnected.

893.	4.2. Using the threshold	4.2. Using the threshold defined	[]	
	defined pursuant to point 4.1,	pursuant to point 4.1, each regional		
	each regional operational centre	coordination centre shall provide		
	shall provide support to the	support to the transmission system		
	transmission system operators	operators of the system operation		
	of the system operation region	region regarding the assessment of		
	regarding the assessment of the	the consistency of its transmission		
	consistency of its transmission	system operators' system defence		
	system operators' system	plans and the restoration plans.		
	defence plans and the			
	restoration plans.			
894.	4.3. In providing support to	4.3. In providing support to the	4.3 In providing support to	
	the transmission system	transmission system operators, the	the transmission system	
	operators, the regional	regional <i>coordination</i> centre shall:	operators, the regional []	
	operational centre shall:		security coordinator shall:	
895.	(a) identify potential		(a)identify	
	incompatibilities;		potential	
			incompatibilities;	
896.	(b) propose mitigation		(b) propose mitigation	
	actions.		actions.	
897.	4.4. Transmission system		4.4 Transmission system	
	operators shall take into		operators shall assess and take	
	account the proposed mitigation		into account the proposed	
	actions.		mitigation actions.	
898.	5. Coordination and		5. (8 in GA) Support the	
	optimization of regional		coordination and optimization	
	restoration		of regional restoration	
899.	5.1. Regional operational	deleted	[]	
	centres shall be equipped with			
	the close to real time			
	supervisory control and data			
	acquisition systems with the			
	observability defined by			
	applying the threshold defined			
	in accordance with point 4.1.			

900. 5.2. Each relevant regional operational centre shall provide assistance to the appointed frequency leaders and the resynchronisation leaders aiming at improving the efficiency and effectiveness of system restoration.

Transmission system operators shall be entitled to request assistance from regional operational centres if their system is in a blackout or restoration state.

5.2. Each relevant regional *coordination* centre shall provide assistance to the appointed frequency leaders and the resynchronisation leaders aiming at improving the efficiency and effectiveness of system restoration. Transmission system operators shall be entitled to request assistance from regional *coordination* centres if their system is in a blackout or restoration state.

(8.2 IN GA) Each relevant regional [] security coordinator shall [] support the transmission system operators appointed as [] frequency leaders and the resynchronisation leaders pursuant to Articles 29 and 33 of Commission Regulation xxxx/xxxx establishing a network code on emergency and restoration [aiming at improving to improve the efficiency and effectiveness of system restoration. **The** transmission system operators of the system operation region shall define the role of the regional security coordinator relating to the support to the coordination and optimisation of regional restoration.

901.			8.3 in GA (ex last sentence of	
			5.2) Transmission system	
			operators [] may [] request	
			assistance from regional []	
			security coordinators if their	
			system is in a blackout or	
			restoration state.	
902.			8.4 in GA Regional security	
			coordinators shall be equipped	
			with the close to real time	
			supervisory control and data	
			acquisition systems with the	
			observability defined by	
			applying the threshold defined	
			in accordance with point 4.1.	
903.	6. Post-operation and		6. (9 in GA) Post-operation	
	post-disturbances analysis		and post-disturbances analysis	
	and reporting		and reporting	
904.	6.1. Regional operational	6.1. Regional <i>coordination</i>	6.1 (9.1 in GA) Regional []	
	centres shall investigate and	centres shall investigate and	security coordinators shall []	
	prepare a report on any incident	prepare a report on any incident	prepare a report on any incident	
	above the threshold defined in	above the threshold defined in	above the threshold defined in	
	accordance with point 4.1. The	accordance with point 4.1. The	accordance with point 4.1. The	
	regulatory authorities of the	regulatory authorities of the system	regulatory authorities of the	
	system operation region and the	operation region and the Agency	system operation region and the	
	Agency may be involved in the	may be involved in the	Agency may be involved in the	
	investigation upon their request.	investigation upon their request.	investigation upon their request.	
	The report shall contain	The report shall contain	The report shall contain	
	recommendations aiming at	recommendations aiming at	recommendations aiming at	
	preventing similar incidents in	preventing similar incidents in	preventing similar incidents in	
	future.	future.	future.	

905.	6.2. The report shall be made available to all transmission system operators, regulatory authorities, the Commission and the Agency. The Agency may issue recommendations aiming at preventing similar incidents in future.		6.2 (9.5 in GA) The report shall be [] published . The Agency may issue recommendations aiming at preventing similar incidents in future.	
906.	7. Regional sizing of		[]	
700.	reserve capacity			
907.	7.1. Regional operational centres shall determine the reserve capacity requirements for the system operation region. The determination of reserve capacity requirements shall: (a) pursue the general objective to maintain	7.1. Regional <i>coordination</i> centres shall determine the reserve capacity requirements for the system operation region. The determination of reserve capacity requirements shall:		
	operational security in the most cost effective manner;			
909.	(b) be performed at the day- ahead and/or intraday timeframe;			
910.	(c) determine the overall amount of required reserve capacity for the system operation region;			

911.	 (d) define minimum reserve capacity requirements for each type of reserve capacity; (e) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of 			
	procurement;			
913.	(f) set out the necessary requirements for the geographical distribution of required reserve capacity, if any.			
914.	8. Facilitation of the		[]	
	regional procurement of			
015	balancing capacity	0.1 D : 1 P		
915.	8.1. Regional operational centres shall support the	8.1. Regional <i>coordination</i> centres shall support the		
	transmission system operators	transmission system operators of		
	of the system operation region	the system operation region in		
	in determining the amount of	determining the amount of		
	balancing capacity that needs to	balancing capacity that needs to be		
	be procured. The determination	procured. The determination of the		
	of the amount of balancing capacity shall:	amount of balancing capacity shall:		
916.	(a) be performed at the day-			
	ahead and/or intraday			
	timeframe;			
917.	(b) take into account possible			
	substitutions between different			
	types of reserve capacity with			
	the aim to minimise the costs of			
	procurement;			

918.	(c) take into account the volumes of required reserve capacity that are expected to be provided by balancing energy bids, which are not submitted based on a contract for balancing capacity.		
919.		(ca) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of procurement.	
920.	8.2. Regional operational centres shall support the transmission system operators of the system operation region in procuring the required amount of balancing capacity determined in accordance with point 8.1. The procurement of balancing capacity shall:	deleted	
921.	(a) be performed at the day- ahead and/or intraday timeframe;	deleted	
922.	(b) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of procurement.	deleted	

923.	9. Regional system adequacy forecasts and preparation of risk reducing actions		9. (5 in GA) Week-ahead to day-ahead regional system adequacy [] assessments and preparation of risk reducing actions	
924.	9.1. Regional operational centres shall perform week ahead to intraday regional adequacy assessments.	9.1. Regional <i>coordination</i> centres shall perform week ahead to intraday regional adequacy assessments.	9.1 (5.1 in GA)Regional regional [] security coordinators shall perform week ahead to [] day-ahead regional adequacy assessments in accordance with the procedures set out in Article 81 of Commission Regulation 2017/1485 establishing a guideline on electricity system operation and on the basis of the methodology developed pursuant Article 8 of [Risk preparedness Regulation].	
925.	9.2. Regional operational centres shall base the adequacy assessments on the information provided by the transmission system operators of system operation region with the aim of detecting situations where a lack of adequacy is expected in any of the control areas or at regional level. Regional operational centres shall take into account possible crosszonal exchanges and operational security limits in all operational planning timeframes.	9.2. Regional <i>coordination</i> centres shall base the adequacy assessments on the information provided by the transmission system operators of system operation region with the aim of detecting situations where a lack of adequacy is expected in any of the control areas or at regional level. Regional <i>coordination</i> centres shall take into account possible cross-zonal exchanges and operational security limits in all operational planning timeframes.	9.2 (5.2 in GA) Regional [] security coordinators shall base the short-term regional adequacy assessments on the information provided by the transmission system operators of system operation region with the aim of detecting situations where a lack of adequacy is expected in any of the control areas or at regional level. Regional [] security coordinators shall take into account possible cross-zonal exchanges and operational security limits in all relevant operational planning timeframes.	

926.	9.3. When performing a	9.3. When performing a regional	9.3 (5.3 in GA)When	
	regional generation adequacy	generation adequacy assessment,	performing a regional []	
	assessment, each regional	each regional <i>coordination</i> centre	system adequacy assessment,	
	operational centre shall	shall coordinate with other regional	each regional [] security	
	coordinate with other regional	coordination centres to:	coordinator shall coordinate	
	operational centres to:		with other regional [] security	
			coordinators to:	
927.	(a) verify the underlying		(a) verify the underlying	
	assumptions and forecasts;		assumptions and forecasts;	
928.	(b) detect possible cross-		(b) detect possible cross-	
	regional lack of adequacy		regional lack of adequacy	
	situations.		situations.	
929.	9.4. Each regional operational	9.4. Each regional <i>coordination</i>	9.4 (5.4 in GA) Each regional	
	centre shall deliver the results	centre shall deliver the results of	[] security coordinator shall	
	of the regional generation	the regional generation adequacy	deliver the results of the regional	
	adequacy assessments together	assessments together with the	generation adequacy	
	with the actions it proposes to	actions it proposes to reduce risks	assessments together with the	
	reduce risks of lack of adequacy	of lack of adequacy to the	actions it proposes to reduce	
	to the transmission system	transmission system operators of	risks of lack of adequacy to the	
	operators of the system	the system operation region and to	transmission system operators of	
	operation region and to other	other regional <i>coordination</i>	the system operation region and	
	regional operational centres.	centres.	to other regional [] security	
	8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		coordinators.	
930.	10. Regional outage		10. (6 in GA) Regional	
	coordination		outage planning coordination	
931.	10.1. Each regional operational	10.1. Each regional <i>coordination</i>	10.1 (6.1 in GA) Each regional	
	centre shall perform outage	centre shall perform outage	[] security coordinator shall	
	coordination in order to monitor	coordination in order to monitor	perform regional outage	
	the availability status of the	the availability status of the	coordination in accordance	
	relevant assets and coordinate	relevant assets and coordinate their	with the procedures set out in	
	their availability plans to ensure	availability plans to ensure the	Article 80 of Commission	
	the operational security of the	operational security of the	Regulation 2017/1485	
	transmission system, while	transmission system, while	establishing a guideline on	
	maximizing the capacity of the	maximizing the capacity of the	electricity transmission system	
	interconnectors and/or the	interconnectors and/or the	operation in order to monitor	

	transmission systems affecting	transmission systems affecting	the availability status of the	
	cross-zonal flows.	cross-zonal flows.	relevant assets and coordinate	
			their availability plans to ensure	
			the operational security of the	
			transmission system, while	
			maximizing the capacity of the	
			interconnectors and/or the	
			transmission systems affecting	
			cross-zonal flows.	
932.	10.2. Each regional operational	10.2. Each regional <i>coordination</i>	10.2 (6.2 in GA) Each regional	
	centre shall maintain a single	centre shall maintain a single list of	[] security coordinator shall	
	list of relevant grid elements,	relevant grid elements, power	maintain a single list of relevant	
	power generating modules and	generating modules and demand	grid elements, power generating	
	demand facilities of the system	facilities of the system operation	modules and demand facilities	
	operation region and make it	region and make it available on the	of the system operation region	
	available on the ENTSO for	ENTSO for Electricity operational	and make it available on the	
	Electricity operational planning	planning data environment.	ENTSO for Electricity	
	data environment.		operational planning data	
			environment.	
933.	10.3. Each regional operational	10.3. Each regional <i>coordination</i>	10.3 (6.3 in GA) Each regional	
	centre shall carry out the	centre shall carry out the following	[] security coordinator shall	
	following activities related to	activities related to outage	carry out the following activities	
	outage coordination in the	coordination in the system	related to outage coordination in	
	system operation region:	operation region:	the system operation region:	
934.	(a) assess outage planning		(a) assess outage planning	
	compatibility using all		compatibility using all	
	transmission system operators'		transmission system operators'	
	year-ahead availability plans;		year-ahead availability plans;	
935.	(b) provide the transmission		(b) provide the transmission	
	system operators of the system		system operators of the system	
	operation region with a list of		operation region with a list of	
	detected planning		detected planning	
	incompatibilities and the		incompatibilities and the	
	solutions it proposes to solve		solutions it proposes to solve the	
	the incompatibilities.		incompatibilities.	

936.	11. Optimization of inter- transmission system operators compensation		11. (12 in GA) Optimization of inter-transmission system operators compensation
	mechanisms		mechanisms
937.	11.1. Regional operational centres shall support the transmission system operators of the system operation region in administering the financial flows related to intertransmission system operators settlements involving more than two transmission system operators, such as redispatching costs, congestion income, unintentional deviations or reserve procurement costs.	11.1. Regional <i>coordination</i> centres shall support the transmission system operators of the system operation region in administering the financial flows related to inter- transmission system operators settlements involving more than two transmission system operators, such as redispatching costs, congestion income, unintentional deviations or reserve procurement costs.	11.1 (12.1 in GA) The transmission system operators of the system operation region may jointly decide to receive support from the regional security coordinator [] in administering the financial flows related to inter-transmission system operators settlements involving more than two transmission system operators, such as redispatching costs, congestion income, unintentional deviations or reserve procurement costs.
938.	12. Training and certification		12. (7 in GA) Training and certification of staff working for regional security coordinators
939.	12.1. Regional operational centres shall prepare and execute training and certification programs focusing on regional system operation for the personnel working in the planning and control rooms of the transmission system operators of system operation region.	12.1. Regional <i>coordination</i> centres shall prepare and execute training and certification programs focusing on regional system operation for the personnel working in the planning and control rooms of the transmission system operators of system operation region.	12.1. (7.1 in GA) Regional [] security coordinators shall prepare and execute training and certification programs focusing on regional system operation for the personnel working for regional security coordinators []

940.	12.2. The training programs		12.2 (7.2 <i>in GA</i>) The training	
	shall cover all the relevant		programs shall cover all the	
	components of system		relevant components of system	
	operation, including scenarios		operation, where the regional	
	of regional crisis.		security coordinator performs	
			tasks including scenarios of	
			regional crisis.	
941.	13. Identification of		13. Identification of regional	
	regional crisis situations and		crisis situations and	
	preparation of risk mitigation		preparation of risk mitigation	
	scenarios reviewing the risk		scenarios reviewing the risk	
	preparedness plans as		preparedness plans as	
	established in Member States		established in Member States	
942.	13.1. If ENTSO for Electricity	13.1. If ENTSO for Electricity	13.1 If the ENTSO for	
	delegates this function, regional	delegates this function, regional	Electricity delegates this	
	operational centres shall	<i>coordination</i> centres shall identify	function, regional [] security	
	identify regional crisis	regional crisis scenarios in	coordinators shall identify	
	scenarios in accordance with	accordance with the criteria set out	regional crisis scenarios in	
	the criteria set out in Article	in Article 6(1) of [Risk	accordance with the criteria set	
	6(1) of [Risk Preparedness	Preparedness Regulation as	out in Article 6(1) of [Risk	
	Regulation as proposed by	proposed by COM(2016) 862]	Preparedness Regulation as	
	COM(2016) 862]		proposed by COM(2016) 862].	
943.			The identification of regional	
			crisis scenarios shall be	
			performed in accordance with	
			the methodology set out in	
			Article 5 of the [Risk	
			Preparedness Regulation].	
944.	13.2. Regional operational	13.2. Regional <i>coordination</i>	13.2 Regional [] security	
	centres shall prepare and carry	centres shall prepare and carry out	coordinators shall support the	
	out yearly crisis simulation in	yearly crisis simulation in	competent authorities of each	
	cooperation with competent	cooperation with competent	system operation region in the	
	authorities according to Article	authorities according to Article	preparation and carrying out of [
	12(3) of [Risk Preparedness	12(3) of [Risk Preparedness] annual crisis simulation [] in	
	Regulation as proposed by	Regulation as proposed by	accordance with Article 12(3)	

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COM(2016) 862].	COM(2016) 862].	of [Risk Preparedness Regulation as proposed by COM(2016) 862].	
945.	13a. Identification of needs for new capacity, for upgrade of existing capacity or their alternatives.		
946.	13a.1. Regional coordination centres shall support transmission system operators in the identification of needs for new capacity, for an upgrading of existing capacity or for their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) No 347/2013 and to be included in the ten-year network development plan referred to in Article 51 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2]		
947.		The preparation of risk mitigation scenarios shall be performed in accordance with the process set out in Article 12 of the [Risk Preparedness Regulation].	
948.		14. (10 in GA) Calculation of the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms.	

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949.	14.1 (10.1 in GA) Regional
	security coordinators shall
	support TSO in calculating the
	maximum entry capacity
	available for the participation
	of foreign capacity in capacity
	mechanisms taking into
	account the expected
	availability of interconnection
	and the likely concurrence of
	system stress between the
	system where the mechanism
	is applied and the system in
	which the foreign capacity is
	located.
950.	14.2 (10.2 in GA) The
	calculation shall be performed
	in accordance with the
	methodology set out in Article
	21(10)(a) of this Regulation.
951.	14.3 (10.3 in GA) Regional
	security coordinators shall
	provide a calculation for each
	bidding zone border covered
	by the system operation
	region.
952.	15. (11 in GA) Preparation
752.	of seasonal outlooks
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953.	15.1 (11.1 in GA) If the
	ENTSO for Electricity
	delegates this function
	pursuant to Article 9 of [Risk
	preparedness Regulation],
	regional security coordinators
	shall carry out regional
	seasonal adequacy outlooks.
954.	15.2 (11.2 in GA) The
	preparation of seasonal
	outlooks shall be carried out
	on the basis of the
	methodology developed
	pursuant to Article 8 of [Risk
	preparedness Regulation].