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From: General Secretariat of the Council
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)

In document ST 5834 2018 REV 5:

Line 180, 4th column (*Council compromise*) should read:

<p>180.</p>	<p>4. By 1 January 2025, the imbalance settlement period shall be 15 minutes in all control areas.</p>	<p>AM 46</p> <p>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.</p>	<p><i>Compromise proposal agreed in Coreper on 12 October, still to be discussed with the EP:</i></p> <p>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.</p> <p>Derogations and exemptions may only be granted until 1 January 2025. When an exemption has been granted, the imbalance settlement period shall be no greater than 30 minutes by 2025.</p>
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Line 338, 4th column (*Council compromise*) should read ('implementation' instead of 'a market reform'):

<p>338.</p>	<p>3. Member States shall publish a timeline for adopting measures to eliminate any identified regulatory distortions. When addressing resource adequacy concerns Member States shall in particular consider removing regulatory distortions, enabling scarcity pricing, developing interconnection, energy storage, demand side measures and energy efficiency.</p>	<p>AM 91</p> <p>3. A Member State with <i>identified adequacy concerns</i> shall publish <i>an implementation plan</i> with a timeline for adopting measures to eliminate any identified regulatory distortions <i>and/or market failures</i>. When addressing resource adequacy concerns, the Member States shall <i>build on the principles set out in Article 3</i> and in particular:</p>	<p>3. Member States shall publish roadmap with a concrete timeline for adopting measures to eliminate any identified regulatory distortions [] or market distortions, or system bottlenecks. When addressing resource adequacy concerns Member States shall in particular take into account the 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.</p>	<p><i>Council compromise (3 (a) - (f)):</i></p> <p>3. A Member State with identified adequacy concerns shall publish an implementation plan with a timeline for adopting measures to eliminate any identified regulatory distortions and/or market failures. When addressing resource adequacy concerns, the Member States shall build on the principles set out in Article 3 and in particular:</p>
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Line 542, 4th column (*Provisionally agreed*) should read in the first sentence Regional Coordination Centre, instead of Centres:

<p>542.</p>		<p>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.</p>	<p><i>Provisionally agreed:</i></p> <p>1a. The transmission system operators of a system operation region shall adhere to the Regional Coordination Centre 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 Coordination Centres. For the bidding zone borders adjacent to system operation regions, the proposal in paragraph 1 shall specify how the coordination between Regional Coordination Centres for these borders is to take place.</p> <p>For the Continental Europe synchronous area, where the activities of two Regional Coordination Centres may overlap in a system operation region, the TSOs of that system operation region shall decide to either designate a single Regional Coordination Centre in that region or that the two Regional Coordination Centres perform some or all of the tasks of regional relevance in the entire system operation region on a rotational basis and other tasks by a single designated Regional Coordination Centre.</p>
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Line 593 4th column (*Provisionally agreed*) should read:

<p>593.</p>		<p>2a. Where following the 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.</p>	<p><i>Provisionally agreed:</i> (Following adoption this will be the second part of paragraph 2 of the merged article)</p> <p>Where following the revision triggered in accordance with Article 39) [paragraph X] a transmission system operator decides not to implement a coordinated action for the reasons set out in this paragraph 2), it shall transparently report the detailed reasons to the Regional Coordination Centre and the transmission system operators of the system operation region without undue delay. In such cases, the Regional Coordination Centre 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 the procedure in this paragraph. in paragraph 2.</p>
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Line 603 4th column (*Provisionally agreed*) should read (deletion in first sentence):

<p>603.</p>	<p>4. Where the measure subject to revision is a recommendation in accordance with Article 38(3) and following its revision a transmission system operator decides to deviate from the recommendation, the transmission system operator shall submit a detailed justification to the regional operational centre and to the other transmission system operators of the system operation region.</p>		<p>4. Where following the [] revision [] of the recommendation in accordance with Article 38(3) [] a transmission system operator decides to deviate from the recommendation, the transmission system operator shall submit a [] justification to the [] Regional Security Coordinators and to the other transmission system operators of the system operation region.</p>	<p><i>Provisionally agreed:</i> (<i>Following adoption this will be the second part of paragraph 3 of the merged article</i>)</p> <p>6. Where following the [] revision [] of the recommendation in accordance with Article 38(3) [] a transmission system operator decides to deviate from the recommendation, the transmission system operator shall submit a [] justification to the Regional Coordination Centres and to the other transmission system operators of the system operation region.</p>
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Following adoption, the sequence of paragraphs in the merged article (38 and 39) should be the following (line numbering): 590, 591, 592, 593, 594, 603, 596, 602, 598.

Consolidated version of merged article 38+39

(590) Adoption and revision of coordinated actions and recommendations

1. (591) [] **The transmission system operators of a system operation region shall develop a procedure for the adoption and revision of coordinated actions and recommendations put forward by Regional Coordination Centres in accordance with the criteria set out in paragraphs 2 to 4.**
2. (592) **Regional Coordination Centres shall adopt issue binding coordinated actions addressed to the transmission system operators in respect of the ~~functions~~ tasks referred to in points (a), (b) [] of Article 34(1). Transmission system operators shall implement the ~~binding~~ coordinated actions issued by the regional operational centres except in cases when the safety of the system will be negatively affected, where the implementation of the 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 714/2009].**
(ex para 2a of article 38) (593) Where following the revision triggered in accordance with Article [39] [paragraph X], a transmission system operator decides not to implement a coordinated action for the reasons set out in this paragraph [2], it shall transparently report the detailed reasons to the Regional Coordination Centre and the transmission system operators of the system operation region without undue delay. In such cases, the Regional Coordination Centre 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 the procedure in this paragraph. ~~#~~ paragraph 2.

3. (594) **Regional Coordination Centres** shall ~~adopt~~ **issue** recommendations addressed to the transmission system operators for the [] tasks *listed in Article 34(1) which are not referred to in paragraph 2 of this Article.* .

(*ex para 6 of article 39*) (603) Where **following** the [] ~~revision~~ [] **of the recommendation in accordance with Article 38(3)** [] a transmission system operator decides to deviate from the recommendation, the transmission system operator shall submit a [] justification to the **Regional Coordination Centres** and to the other transmission system operators of the system operation region.

4. (596) *The revision of coordinated actions or a recommendation 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 coordinated action or recommendation, regional coordination centres shall confirm or modify the measure.*

5. (602) Where the measure subject to revision is a **coordinated action** in accordance with [Article 38(2)], the request for revision shall not suspend the **coordinated action** except in cases [] where the implementation of the coordinated action 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 714/2009.

6. (*ex para 4 of article 38*) (598) (*Exact wording still to be finalised*) [Upon a request by the European Commission or by a Member State, the Electricity Cross-Border Committee set up pursuant Article 62(1) shall issue an opinion on granting regional coordination centres with the power to issue coordinated actions for one or more of the tasks listed in Article 34(1), other than those referred to in paragraph 2 of this Article.

Where the Electricity Cross-Border Committee has issued an opinion in favour of granting regional coordination centres with the power to issue coordinated actions, the Commission, taking into account the opinion of the Electricity Cross-Border Committee, may, by means of implementing act, grant regional coordination centres the power to issue coordinated actions for one or more of the tasks listed in Article 34(1), other than those referred to in paragraph 2 of this Article.]
