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Public consultation - Framework Guideline on Demand Response

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Introduction

Context

In accordance with Article 59(3) of the <u>Electricity Regulation</u>, <u>Commission Implementing Decision</u> (EU) 2020 /1479 established a priority list for the development of network codes and guidelines for electricity for the period from 2020 to 2023. Article 1 of this Decision provides for the development of harmonised rules regarding demand side flexibility, including rules on aggregation, energy storage and demand curtailment rules. Subsequently to this decision, the European Commission invited ACER by <u>letter of 21 October 2021</u>, to launch a scoping exercise for the development of new rules based on Article 59(1)(e) of the Electricity Regulation. <u>ACER's results</u> of the scoping exercise were sent to the European Commission on 1 February 2022.

In accordance with Article 59(4) of the Electricity Regulation, the European Commission invited, by <u>letter of 1 June 2022</u>, ACER to draft Framework Guidelines for new rules on demand response. This draft Framework Guideline is a response to this letter.

This Framework Guideline need to be subject to a public consultation for two months pursuant to Article 59 (5) of the Electricity Regulation and subsequently submitted to the European Commission in accordance with Article 59(6) of the Electricity Regulation.

The purpose of this survey is to conduct this public consultation by inviting stakeholders to express their level of agreement (through the likert scale) with consulting on the provided draft Framework Guideline on Demand Response (FG). One response (between 'strongly agree' and 'strongly disagree') is expected for each paragraph of the document allowing also for the option of 'no opinion'.

There is room for providing comments and potential alternative draft proposals on each paragraph of the draft FG at the end. Please complete this survey by following the numbering of draft FG paragraphs.

Replies to this consultation should be submitted by Tuesday 2 August 2022 23:59 hrs (CET).

Below you may find for your convenience the draft FG and an Excel document that can facilitate your company's internal coordination to complete this survey.

Draft Framework Guideline on Demand Response:

DR-FG_for_public_consultation.pdf

Excel document for internal coordination:

PC-DR-FG Template for internal coordination.xlsx

Background documents

Legal acts

Regulation (EU) 2019/942 of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators.

Regulation (EU) 2019/943 of 5 June 2019 on the internal market for electricity.

Relevant documents

Roadmap on the Evolution of the Regulatory Framework for Distributed Flexibility.

ASSET Study on Regulatory priorities for enabling Demand Side Flexibility

CEER Paper on DSO Procedures of Procurement of Flexibility

TSO-DSO Report – An integrated approach to active system management

Data protection and confidentiality

ACER will process personal data of the respondents in accordance with <u>Regulation (EU) 2018/1725</u>, taking into account that this processing is necessary for performing ACER's consultation tasks.

More information on data protection is available on <u>ACER's website</u>.

ACER will not publish personal data.

Following this consultation, ACER will make public:

- the number of responses received;
- company names, except those with a valid reason for not having their company name disclosed;
- all non-confidential responses; and
- ACER's evaluation of responses.

You may request that (1) the name of the company you are representing and/or (2) information provided in your response is treated as confidential. To this aim, you need to explicitly indicate whether your answers contain confidential information, and also provide a valid reason if you want that the name of your company remains confidential.

You will be asked these questions at the end of the survey.

Respondent's data

Other

* Name ar	nd surname
	rmation will not be published.
	a Azhieva
* Email	
This info	rmation will not be published.
lima	a.azhieva@eudsoentity.ey
* Compan	у
EU	DSO Entity
* Oc	of the company's cost
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© S	pain
S S	weden

* Coun	* Countries where your company is active				
V	All EU Member states				
	Austria				
	Belgium				
	Bulgaria				
	Croatia				
	Cyprus				
	Czechia				
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	End-user (or association)				

Other market participant

1. General Provisions

What is your general opinion on the drafted proposal of the following paragraphs?

Opinion table

Please note that the survey does not cover all paragraphs, we have excluded those that we considered trivial and not relevant to the consultation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
* (2)	0	0	0	0	0	0
* (3)	0	0	0	•	0	0
* (4)	0	0	0	•	0	0
* (12)	0	0	•	0	0	0
* (15)	0	0	0	•	0	0
* (16)	0	0	0	0	0	0
* (17)	0	0	0	0	•	0

In case of disagreement on proposed paragraphs, please write alternative draft proposals and reasonings in the table below (optional).

	Comment	Alternative draft proposal
(2)	"We agree with this approach, we also do not see the scope only limited to demand response. The new rules need to address load, storage, distributed generation, aggregated or not. To avoid any confusion, even if the new rules in the Electricity Regulation only refer to demand response, we would highly recommend to use rather 'distributed flexibility' instead of 'demand response'. The Electricity Directive, Article 32, refers to 'the use of flexibility in distribution networks' and to 'procurement of flexibility services', so we think the used of the term distributed flexibility is justified. Furthermore, Member States transposing the Directive have widelely used the term 'flexibility' in their own legislation."	() No resource providers shall be excluded and the main aim of the new rules shall be to ensure access to all electricity markets for all resource providers, (insert: hence the change of the title of this Framework Guideline to 'Framework Guideline on Distributed Flexibility'.)
(3)	The new rules should apply to both DSOs and TSOs.	-
(4)	We agree a right balance is needed between what is to be developed on EU level and what should be left to the MS. Therefore including only requirements for wholesale electricity markets seems justified.	-
(12)	"We understand that all definitions from the Electricy Directive and Regulation and from the existing network codes and guidelines are applicable to this Framework Guideline and that the specific terms defined here are only useful to clarify the provisions of the Framework Guideline. However, we think several terms are missing and some definitions may lead to confusion. As we think an 'all SO proposal' needs to be workable in all Member States, we propose to change the definition as proposed. Furthermore, some used terms might be in conflict with existing guidelines."	all SO proposal' (insert: or 'defined by all SOs') means a proposal from (insert:or a definition of all) SOs in a MS, (insert: as far as the SOs are directly concerned by the topic at hand.)

(15)		-
(16)	Why move the demand response services of the NC DC to the SOGL? It seems more logic to move them to the new network code on distributed flexibility.	Title III of the DCC Regulation defines the connection of demand units used by a demand facility or a closed distribution system to provide demand response services to SOs. The DCC Regulation describes technical capabilities for the connection of demand units to provide demand response services to SOs, with the exception of some requirements described in Articles 28 to 30 for the demand response services set in Article 27. For the sake of clarify, since the connection to the grid is a different aspect from the provision of services to SOs, this FG recommends carrying over the technical requirements to provide demand response services from the DCC Regulation to the (delete: SO) (insert: new Distributed Flexibility) Regulation. As a result, the scope of the RfG and DCC Regulations would be limited to capabilities for grid connection while all requirements set in prequalification processes for the provision of SO services would be in the (delete: SO) (insert: new Distributed Flexibility) Regulation.
(17)	We agree that the FG should only focus on solving local congestions. We should avoid cross border activation among different bidding zones (already in the CACM). However there is a need for further clarification of 'local physical congestion' and 'local congestion management' (paragraph 54). The use of these terms create confusion.	

2. General requirements for market access

What is your general opinion on the drafted proposal of the following paragraphs?

Opinion table

Please note that the survey does not cover all paragraphs, we have excluded those that we considered trivial and not relevant to the consultation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
* (18)	0	0	0	•	0	0
* (19)	0	0	0	•	0	0
* (20)	0	0	0	•	0	0
* (21)	0	0	•	0	0	0
* (22)	0	0	0	0	•	0
* (23)	0	•	0	0	0	0
* (24)	0	0	0	0	0	0
* (25)	0	0	0	0	0	•
* (26)	0	0	0	0	0	•
* (27)	0	0	0	•	0	0
* (28)	0	0	0	•	0	0
* (29)	0	0	•	0	0	0
* (30)	0	0	0	•	0	0
* (31)	0	0	0	•	0	0
* (32)	0	0	0	•	0	0
* (33)	0	0	0	0	•	0
* (34)	0	0	0	0	0	•
* (36)	0	0	0	0	0	•
* (37)	0	0	0	•	0	0
* (38)	0	•	0	0	0	0

In case of disagreement on proposed paragraphs, please write alternative draft proposals and reasonings in the table below (optional).

	Comment	Alternative draft proposal
(18)	"As explained in Section 1.1 the main aim of the new rules shall be to ensure access for demand response and other relevant resources to all electricity wholesale markets AND local markets. This concept has to be mainly expanded in Chapter 4 (with focus on Data Management) and Chapter 5 (with focus on National Market Organization rules). In this meaning, there is the need to better specify the applicability of the FG also to local markets and, as general comment. At EU Level we should define ""COMMON PRINCIPLES"" on which each MS will organize its internal markets. Market Design is to be organised at National Level according to the «Common Principles». "	
(19)	"Measurement of the delivered flexibility should be done by the use of the ""Main Connection Point Smart Meter"" (proper definition needed) because only at that point there is the actual effect of Demand Response on the Grid. At MS level will be defined the way to interact with the ""Main Connection Point Smart Meter"" (read measurement and send flexibility commands). Sub-Metering could be an additional option for a product if agreed between TSOs and DSOs at MS level where prerequisites a ""Main Smart Meters"" at the final connections is not available or doesn't fit with the technical requirement of the specific service (very useful are functionalities carachterizing new generation Smart Meters). In those cases TSOs and DSOs must have the possibility to dispose of these measurements.	

(20)	What really matters for DSOs is to be informed in "real time" (i.e. in time to uphold system responsibilities) of all the movements (in power and energy) requested to the resources connected to its grids and all the data/interfaces that DSOs should provide/implemment to fullfil this provison (for example, in case of a fault on a MV line generating the doubling of currents on the backup one, all the real time behaviours of generators on the backup line have a critical impact on DSO operation of that area).	
(21)	"The definition of ""processes on how to define rules at MS level"" provides general guidelines to MSs leaving to them the needed freedom. Delegating of DSO's tasks should not be mandatory."	"The new rules shall include provisions for assigning DSO's tasks related to congestion management and/or voltage control, if decided by the DSO and allowed by the MS or relevant regulatory authority."
(22)	It implies a strong TSO-DSO Cooperation in definition of processes that is crucial, even on planning non-grid investments in terms of interfaces and communication platforms.	
(23)	"Simplification of Aggregation Model looking for general optimization is welcome, but still each MS should be able to adapt to its need the ""standardized models"" respecting the general principles. Strong agreement on the fact that ""the new rules shall ensure that the energy activated for the provision of the service is not double counted"" At EU level should be definied general principles on Aggregation Models, leaving the possibility at MS level to adapt the proposed ones or add new ones if needed. In any case, all the models should secure to DSO the location of the single aggregated resources."	

(24)	It is important to define the principles of "who pays for what" AND "who does what": "ALL" costs coming from the different MSs have to be taken into account, so that we cannot speak about "exaustive list of cost", but leave open and here talk about "priciples for defining eligible costs", meaning with this the nature and boundaries of the costs that Market Players are allowed to claim, without listing a detail of them since these details can be different at MS level.	
(25)		
(26)		
(27)	"Since the customer behavior is "ONE", the baseline (or any other characterization of customer behavior) should be "ONE" per each Metering Point, and the scope will be to provide general criteria on baseline definition and better definitions and relations between "connection point" and "metering point". It must be defined where the service ""IS MEANT TO BE DELIVERED"" in the relation between SP and SO: for the SO the delivery point is the connection point and/or the main (smart) metering point."	
(28)	"Baselines should be defined by SOs when possible, but specific cases may exist where SO could delegate baseline or alternative methologies. FG should define general principles for establishment of baselines or alternative methodologies at Member State level. The baseline methodology or alternative methodologies still have to describe the ""same unambigous behaviour"" since is referred ""to the same Service Provider"" so that at the end the results have to guarantee a unique descriptions of SP's attended forecast."	

(29)	Refer to (19) since the topic is treated there:Sub-Metering could be an additional option if agreed between TSOs and DSOs at MS level where prerequisites a "Main Smart Meters" at the final connections are not available.	
(30)		
(31)	"In the case when sub-meters usage is agreed with SOs, the responsibility of the coherence with the new rules is up to the sub-meter owners. This is the why, as above commented, the reference has to be ""one Smart Meter"" and ""one baseline"", otherwise there is the risk of mismatch in energy counting and service remuneration."	
(32)	"It is important to consider also the case, happening is some Member States, where "metering point" and "connection point" do not coincide. In this specific situation, the "metering point" of a "connection point" could be defined as ""the closest point to the connection equipped with a DSO smart meter; if a connection serves several meters in parallel, the withdrawal and /or injection of the connection point will be algebraic sum of the of the withdrawal and/or injection of the several meters in parallel"". Calculations behind that same connection point must be the same or coherent with each other for the BRP to manage the imbalance of energy. This enforces the interpretation of ""ONE behaviour - ONE baseline"" stated in (26) and (30). In any case, the new rules shall distinguish between the imbalance adjustment of the BRP of the market participants (including SPs) and the adjustments to the allocated volume of the BRP responsible for the imbalances on the connection point, differentiating the respective calculations, depending on the applicable aggregation model, but in any case ensuring consistency among the volumes involved, in order to avoid free riding."	
(33)	It is already a crucial point in the actual Market Design of several MS	

(34) (36)		
(37)	The local application should be left to the MS and NRA as already specified in Directive 2012/27/EU.	
(38)	"Isn't it a clear task for MS like stated in Directive 2012/27/EU Art. 36.2? By way of derorgation from paragraph 1, Member States may allow distribution system operators to own, develop, manage or operate energy storage facilities, where they are fully integrated network components and the regulatory authority has granted its approval,	
	SO can operate (a part or a whole) of a storage facility, so that there is no reason to define percentages and it is impossible to define any upper limit to this percentage (i.e. 100% ownership for DSOs should be possible too according to local needs or market situation). "	

3. Prequalification

What is your general opinion on the drafted proposal of the following paragraphs?

Opinion table

Please note that the survey does not cover all paragraphs, we have excluded those that we considered trivial and not relevant to the consultation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
* (39)	0	0	0	•	0	0
* (40)	0	0	0	•	0	0
* (41)	0	0	0	•	0	0
* (42)	0	0	0	0	0	•
* (43)	0	0	•	0	0	0
* (44)	0	0	0	•	0	0
* (45)	0	0	0	•	0	0
* (46)	0	0	•	0	0	0
* (47)	0	0	•	0	0	0
* (48)	0	0	0	0	0	•
* (49)	0	0	0	•	0	0
* (50)	0	0	•	0	0	0

In case of disagreement on proposed paragraphs, please write alternative draft proposals and reasonings in the table below (optional).

	Comment	Alternative draft proposal
(39)	In addition to firm [grid] pre-qualification commitments from the connecting system operator, there are two ways of enabling more flexibility service providers being qualified: a. conditional grid pre-qualification, where the pre-qualification is dependent on certain conditions being met, or b. dynamic grid pre-qualification, where the pre-qualification can change over time, however, the aim is to increase the pre-qualified capacity, when new information on the grid is available. Regarding (ii), we understand that the meaning is to consider the technical needs to perform a test. We propose a new wording to make it clearer.	ii. Product prequalification shall ensure that the SP fulfils all technical requirements to deliver a particular product. SOs shall check the technical capabilities of the SP against the technical requirements determined by the specific product and perform a test to make sure that the SP can deliver the requested service, (insert: considering the technical needs to) ensure the system security and grid operation.
(40)	We think that it is not necessary to establish specificities for each prequalification process if it is not considered indispensable.	i) The specificities of each prequalification process and additional technical requirements shall be defined by all SOs within each Member State according to common national terms and conditions or a methodology for ex-post verification and prequalification processes (hereafter referred to as "TCM")
(41)	The TCMs will define when ex-ante product prequalification is justified without being ""technically"" the sole reason.	For the products where an ex-ante prequalification process is technically justified in the national TCMs (see Section 3.2), the new rules shall set a reduction of the lead times in the different steps of these prequalification processes for those SPs who are already qualified for at least another product and meet some of the technical requirements set in the prequalification processes for these products according to the Table of Equivalences (see Section 3.3).
(42)		

For specific balancing, congestion management and voltage control products, the new rules shall require to perform an ex-post verification process by default. The new rules shall define this process considering the following principles and requirements: i) As a prerequisite to provide the product, the SOs shall only require a qualification of the service provider with the aim of ensuring the SP has a settlement account and financial liabilities, it complies with the legal provisions, etc. possibility (delete: No ex-ante product prequalification shall be performed at service providing unit or group level i.e. the capabilities of General: The text should make more clear when prequalification is possible the unit for grid connection will be taken as a prequalification to provide the for specific balancing, congestion management and voltage control service) ii) After the qualification of the SP, the contracting SO shall perform an ex-(ii) We also believe that the possibility to verify service delivery should be post verification based on the service delivery and some verification detailed in the new rules. criteria. (delete: The new rules shall define different options for these ex-(iv) and (v) We think that "through the SO service provision tool" should be post verification criteria including the possibility to verify service delivery removed, as this is too specific and it might also be national standard based on a minimum number of deliveries.) In the national TCMs, all SOs (43)procedures. Platforms should not be mandatory as this would transgress shall agree on the ex-post verification criteria chosen to assess the service national data management provisions, which are responsibility of the MS. delivery. If the SP does not meet the ex-post verification thus failing in the service delivery, it may be subject to a penalty, if set in the national TCMs. Ex-ante prequalification can be important for DSOs, while ex-post iii) This ex-post verification shall not include to perform any ex-post verification might help to remove obstancles for distributed flexibility. DSOs verification test at service providing unit/group level. The new rules shall should be able to choose the most appropriate process for each product guarantee that if any ex-post verification test is required by the contracting and/or situation. SO, it will shall bear the corresponding costs. iv) The SP shall notify any change in the service providing units or groups of its portfolio (delete: through the SO service provision tool.) The SOs procuring the products will be up to date with all changes and will request additional information if needed through the SO service provision tool (see Section 4.4). v) When a potential service provider aims to participate in multiple SO products, it shall be allowed to submit only one application (delete: through the SO service provision tool), providing also the geographical distribution of its connection points (see Section 4.4).

(44)	Ex-ante prequalification can be important for DSOs, while ex-post verification might help to remove obstancles for distributed flexibility. DSOs should be able to choose the most appropriate process for each product and/or situation. We propose to change the order to the sentence and to specify that we are refering only to product, but not to grid prequalification. Grid prequalification must always be done ex ante.	The new rules shall (delete: define the technical criteria that will) allow SOs to (delete: deviate from the ex-post verification process and thus) perform an ex-ante (insert: product) prequalification process at service providing unit /group level as a prerequisite to provide the product. (insert: Grid prequalification is always done ex ante by default.)
(45)	One year to propose TCMs seems enough. Since many SOs could intervene in the process, we think that agreement is always necessary.	"The new rules shall define the principles and process for all SOs within each Member State to propose common national terms and conditions or a methodology to define all ex-post verification and prequalification processes for SOs services (TCMs) within (insert: one year) after entry into force of the new rules." "They shall (insert: agree on defining) a process and timeline where all SOs within each Member State propose guidelines to harmonise the IT and communication requirements in the prequalification processes."
(46)	We propose to add a new (iv) since "standardized devices" seems no to be part of (iii). We propose a new wording for (v) to also take into account the possibility of negative outcomes.	"(insert: New: iv) Standardised devices shall be exempt from overcoming a prequalification process if they meet all the technical requirements set in the Table of Equivalences for E50the corresponding product (see Section 3.3). They shall only be required to register in the SO service provision tool." (v) In principle, a prequalified service providing unit or group shall (delete: not) lose its "prequalification status" (insert: if a negative outcome is obtained) while conducting new prequalification processes (and tests, if needed) because of changes in its unit(s) or group(s).
(47)	Fair rules should apply for the agreement of all national SOs on the TCM.	
(48)		
(49)	ToE should include also the standard balancing products, as ToE are indeed included in 42.	

(50)	(iv) We think that equal requirements should be enough to provide prequalification.	The new rules shall provide that an existing prequalification in one product is accepted by the SOs as a prequalification for another product if the ToE indicates that the existing prequalification has more (insert: or equal) challenging technical requirements in all attributes, both products have similar IT and communication requirements and the SP requests for providing the latter product. The new rules shall provide that already prequalified technical requirements in one product are accepted by the SOs as tested for another product if the ToE indicates that the prequalified technical requirements are more (insert: or equal) challenging than the corresponding technical requirements of the prequalification process of the latter product.
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4. Data exchange and SOs coordination

What is your general opinion on the drafted proposal of the following paragraphs?

Opinion table

Please note that the survey does not cover all paragraphs, we have excluded those that we considered trivial and not relevant to the consultation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
* (51)	0	0	0	•	0	0
* (52)	0	0	0	•	0	0
* (53)	0	0	0	•	0	0
* (54)	0	•	0	0	0	0
* (55)	0	0	0	•	0	0
* (56)	0	•	0	0	0	0
* (57)	•	0	0	0	0	0
* (58)	•	0	0	0	0	0
* (59)	•	0	0	0	0	0
* (60)	0	0	•	0	0	0
* (61)	0	•	0	0	0	0
* (62)	0	•	0	0	0	0
* (63)	0	0	0	•	0	0
* (64)	0	0	0	0	•	0
* (65)	0	0	•	0	0	0
* (66)	0	0	•	0	0	0
* (67)	•	0	0	0	0	0
* (68)	0	•	0	0	0	0
* (69)	0	0	0	0	•	0
* (70)	©	0	0	•	0	0
* (71)	©	0	0	•	0	0
* (72)	©	0	0	•	0	0
* (73)	0	0	0	0	0	0
* (74)	©	•	0	0	0	0

* (75)	0	•	0	0	0	0
* (76)	0	•	0	0	0	0
* (77)	0	•	0	0	0	0
* (78)	0	•	0	0	0	0
* (79)	0	•	0	0	0	0
* (80)	0	•	0	0	0	0
* (81)	0	0	0	•	0	0
* (82)	0	•	0	0	0	0
* (83)	0	•	0	0	0	0

In case of disagreement on proposed paragraphs, please write alternative draft proposals and reasonings in the table below (optional).

	Comment	Alternative draft proposal
(51)	NRA to approve a common proposal of ALL SOs is a good practice and should be kept. We just recommend to remove ""locationally tagged bids in "" (to account e. g. for the possibility that not the bids themselves are not locationally tagged and the location is derived in a MS setting from the resource, amongst other options that would make it better to have an open formulation here) and ""in particular intraday and balancing markets"" (as also here there might be other options).	SO services may be procured in dedicated local markets for SO services as described in Section 4.2, or through (delete: locationally tagged bids in) wholesale markets, (delete: in particular intraday and balancing markets), as described in this Section. In any case, the new rules shall provide that the NRA approves the overall market design in each Member State upon a proposal from all SOs in the MS. The first all SO proposal shall be submitted to the NRA for approval within two years after entry into force of the new rules. The NRA shall approve, reject or amend the proposal within six months after reception. The NRA may ask the SOs to provide an amended version of the approved proposal for the overall market design, whenever it deems it necessary and at least 12 months after the last approval.
(52)	Should be kept more open in order to enable optimal solutions in the Network Code	"The new rules shall provide principles for the coordination of local markets with wholesale markets, promoting good coordination between TSOs/DSOs and ensuring coherence in the interaction across different markets and different time frames (delete: through the scheduling and imbalance settlement process.) The overall design of local and wholesale markets in each Member State shall be such that: o Possibilities for with holding of capacities and market abuse are minimised. o Liquidity is maximised in each market. o It shall be possible to propose bids that are not procured in one market to another market, given they are qualified for that market. o The SO does not unduly distort electricity wholesale markets by procuring SO services."

(53)	This paragraph should be moved to the market access chapter. We recommend replacing ""locationally tagged bids"" with ""location-related offers"" to allow for more openness in mechanisms being applied for different MSs and services.	The new rules shall provide that if the SO is allowed to procure locationally tagged bids from the wholesale market to use for SO services, the products and pricing mechanis m applied for its purchases shall be approved by the NRA as described in chapter 5. The pricing mechanisms may be different from the general pricing mechanism in the wholesale market, and take into account the particularity of the purchaser being interested in (delete: locationally tagged bids) (insert: location-related offers), contrarily to other buyers in the market.
(54)	"We do not see the value of a mandatory regulation at EU level here. ""Forwarding bids to wholesale markets"" is a service to be treated contractually between aggregator/resource owner and the third party. All regarding further activities must follow prerequisites and provisions for the participation in wholesale markets. This paragraph should be moved to the market access chapter."	"The new rules shall provide that the overall market design on national level may include, among others: - whether and under which conditions bids offered in intraday or balancing markets can be used for local congestion management for distribution and /or transmission grids. In this case, the new rules shall provide the possibility for organising additional local markets, allowing for SOs to procure products others than the ones traded on intraday or balancing markets; (delete: - whether and under which conditions third party market operators of local markets for SO services may inject bids from SPs, aggregated or not, into wholesale markets;) - roles, responsibilities and interactions of different entities, such as SOs, wholesale markets and third party operators of local SO markets."

(55)	"We should distinguish between IT platforms and local markets. Behind one IT platform (only one gate) can co-exist different markets depending of the service and where the congestion is located. Such markets will have different merit order lists with different SP and buyers. However, we do believe that it is important to state clearly that in circumstances when a SO is the procuring SO, it up to him to decide whether to become the market operator. The platforms can be developed (built) by anybody, not necessarily by the market operator. A market platform has different components. See also the report of Ofgem. Some parts can be outsourced (if decided by the SO) to market parties but some parts must stay under the control of the SOs.	"Within the overall market design approved by the NRA, as described in the previous Section, an SO can procure SO services from a local market operated by: - the procuring SO itself, alone or together with other SOS - a different SO or different SOs - a third party. The new rules shall specify that the market operator of a local market for SO services (delete: develops and) maintains an IT solution (platform) for this market, communicates with the potential SPs and provides the clearing and settlement of bids."
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(56)	"It is considered a good idea to give some guidance via principles the NC has to follow. However, for formal-technical reasons we propose to reformulate the paragraph and add some very important principles. Not only SOs hold data that is needed to be active on more than one market, so the obligation formulated in point 4 should apply to all actors, in dependence of the MS environment. Especially interoperability and data portability between platforms is very important for the avoidance of lock-ins and problematic monopolies. There are examples of such issues in wholesale markets, where platform /technology vendors use contractual and technological means to keep liquidity solely in their environments actively blocking competition and innovation and we should avoid doing the same mistakes. For a prominent example and background information on related concepts, please check the final report regarding the completed (and finally ordered to re-sell) acquisition of Trayport by ICE (Intercontinental Exchange) done by UK Competition & Markets Authority: https://assets.publishing.service.gov.uk /media/58049a0740f0b64fbe000006/ice-trayport-final-report.pdf "	"The new rules shall establish principles applicable to all operators of local markets for SO services, including: - The market operator shall be (insert: independent and) neutral regarding all service providers, (insert: system operators) and technologies, and the way their offers are presented to SOs The market shall be accessible to all market participants, including aggregators, and all market participants should be treated equally (insert: whatever their role, ownership, origin or technology.) - The market operator shall protect confidential (delete: data received from the SPs) (insert: from access by non-entitled parties. The new rules shall define this class of data.) - The SOs (insert: and all market actors) shall share all relevant data with market participants (delete: through) (insert: with) all (delete: relevant) (insert: entitled) platforms, including platforms that are neither owned nor operated by or operated on behalf of the (insert: actors themselves, needed to) (delete: Data exchange with other platforms shall) enable service providers to participate in several markets. (insert: - The new rules shall provide for the avoidance of vendor lock-ins, platform and network effects, especially with regards to market operators, their platforms and their technologies. Therefore, interoperability of and data portability between platforms must be guaranteed. This will foster competition between solutions and allow for ongoing innovation and evolution.) Further details may be set nationally. The new rules shall provide that the
		Further details may be set nationally. The new rules shall provide that the NRA is responsible to ensure compliance with these requirements by operators of local markets for SO services."

(57)	The FGs should be restricted to obligations and keep the "mays" and optional things out. This also reduced degrees of freedom for the NC drafting team to produce an optimal text.	"In the case where the MS allows for third party operated local markets for SO services, the new rules shall provide that: (delete: - The MS may allow the third party market operator to regroup bids in order to suit the needs of an SO. However, this shall follow the pricing mechanism defined by the national SOs and approved by the NRA. Moreover, the regrouping shall follow specifications given by the SO and that are consistent with European and national congestion management TCMs. By no means, the market operator shall perform any arbitrage in the bid selection, thus the specifications given by the SO shall be detailed enough for the market operator to simply apply them.) (delete: - The MS may allow the third party market operator to forward bids to wholesale markets, subject to the SPs consent and when the concerned product is compatible with the concerned wholesale market. Nevertheless,) The new rules shall provide appropriate requirements for neutrality, transparency, (insert: open-ness and data portability to allow for competition and innovation,) (delete: in particular as concerns pricing mechanism and choice of bids to be forwarded, if such forwarding activity is performed by the market operator of a local market for SO services.) - A competition is enabled for the services provided by the Third Party or if not - it must be guaranteed that the ownership and governance is shared between all SOs in a MS on equal footing."
(58)	In fact, due to the changes in (56) the whole paragraph should be removed - as in this case Market Access Facilitation would also be part of market domain and market platform performance anyhow. If this is not the case, we propose the alternative formulation.	(58) The new rules shall establish that SOs (insert: or Third Parties) (delete: operating local markets for SO services may regroup bids for SOs needs subject to the same conditions.) may (insert: establish market access facilitation services to help service providing units or groups, aggregators and other service providers to get easy and efficient access to markets.) (delete: However, SOs operating local markets for SO services shall not forward bids submitted by SPs to wholesale markets.) Market access facilitation services are not part of the regulated domain and it must be guaranteed that they are subject to competition and evolution.

In fact, due to the changes in (56) the whole paragraph should be removed. If this is not the case, we propose the alternative formulation:	(59) The new rules shall provide that any third party market operator of local markets for SO services that is no SO itself must be independent from all market activities, i.e. suppply and demand in electricity markets., with the potential exception of the regrouping of bids mentioned above. (delete: As an additional requirement, the SO shall ensure, before procuring congestion management products from a third party market operator, that it is independent and fulfils all regulatory requirements)
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(60)

"The paragraph should clarify that the terms might be different at the end of the day. It would be beneficial to understandability if the body creating these rules has the freedom to adjust terminology with the surrounding European framework. Furthermore, a definition for e.g. ""intermediate SO"" should be added. This is very important, as e.g. there might be one or more SO beween the TSO and the connecting DSO at lower voltage level. All must have the chance to avoid problematic activation.

Especially here we need to sync with Article 182 SOGL:

- 4. During the prequalification of a reserve providing unit or group connected to its distribution system, each reserve connecting DSO and each intermediate DSO, in cooperation with the TSO, shall have the right to set limits to or exclude the delivery of active power reserves located in its distribution system, based on technical reasons such as the geographical location of the reserve providing units and reserve providing groups.
- 5. Each reserve connecting DSO and each intermediate DSO shall have the right, in cooperation with the TSO, to set, before the activation of reserves, temporary limits to the delivery of active power reserves located in its distribution system. The respective TSOs shall agree with their reserve connecting DSOs and intermediate DSOs on the applicable procedures.

"

(delete: The new rules shall require the scope of 'affected TSO' in Article 3 (94) of the SOGL Regulation to be extended to DSOs affected by SOs services used by other SOs. Furthermore,)

(insert: The new rules shall define the scope of ""SO affected by SO services"" in accordance with Article 3(94) of the SO Regulation.

Furthermore,) the new rules shall provide definitions for the following terms:

- Requesting SO: the SO requesting data or the activation of a resource connected to its
- own grid or the grid of another SO, in order to solve an issue (congestion, voltage) on the grid of the requesting SO, or which lies under the responsibility of the requesting SO (i.e. balancing for a TSO).
- Connecting SO: the DSO responsible for the distribution network or the TSO re sponsible for the monitoring area to which a service providing unit or group is connected.

(insert: - Intermediate SO: All SOs in the grid hierarchy that are affected by an activation or data request.)

- SO coordination area: the area affected by an existing or forecasted congestion or voltage control issue, in particular with probable and/or recurrent incidence. The SO coordination area shall include (delete: all) (insert: those) connection points and assets (insert: which are essental for the SO coordination and) from which the SO may need data in order to forecast and solve the congestion or voltage control issue, and where delivered SO services may contribute to solving the issue. One SO coordination area may cover parts of the grids of several SOs, and overlap with other SO coordination areas linked to different issues if the merging of areas is not relevant for solving the issue. The definition of SO coordination area and affected SO shall be such that the affected SO(s) to be equal to the SO(s) having parts of their grids within the SO coordination area. The definition of a SO coordination area may be aligned with the one of "observability area" as used in the SO Regulation.
- SO coordination group: the term regroups the requesting SO and affected SO, linked to one or several congestions or voltage control issues.

(61)	The applicability of SO coordination areas is far too wide and has to be restricted both regarding the relevance of the necessity as well as the scope (e.g. only over two voltage levels).	The new rules shall provide principles for the requesting SO to establish the SO coordination area according to the definition. When a SO coordination area may include parts of the grid of several SOs, the requesting SO shall include the potentially affected SOs in the assessment. The new rules shall establish that the SO coordination areas shall be assessed regularly by the SOs, and at least when preparing the network development plan every second year as described in Article 32(3) of the Electricity Directive. This shall ensure a dynamic use of SO coordination areas, not on a day-to-day basis but with the aim of establishing coordination when this is necessary for the management of a (delete: probable and/or recurrent) (insert: an essential and recurrent) congestion or voltage control issues (insert: that impact other SOs significantly.)
(62)	It is good that there are different levels of coordination. It should not be the case however that cooperation has to extend at least to planning, operation, data exchange and flex, i.e. to everything. Then the different levels fail to make sense.	"The new rules shall establish principles for establishing and selecting different levels of coordination within a SO coordination group, according to the degree to which the different SOs are affected and to the need for coordination. Depending on the coordination level, the SO coordination group shall cooperate (delete: at least on) (insert: on an appropriate subset) of the following topics: - Network development planning as described in Article 32(3) of the Electricity Directive; - Grid operation and forecast for grid operation; - Data exchange as described hereunder and in section 4.5; - Procurement and activation of SO services. The new rules shall provide principles for the coordination of these activities."
(63)		
(64)		

(65)	"According to SOGL 182 (4)/(5) - see above - not only the ""connecting SO"", but also the ""intermediate SO"" may refuse an activation. If e.g. a BSP is activated and a unit or group is located in a lower voltage grid area, there might be SOs between the asset and the activating TSO that are affected by that activation. It will also not be possible to formulate ""one process"" that fits for all MSs. A good European regulatory practice to cope with this is to formulate ""business requirements"" or ""clear objectives"" for the processes to be established in MSs. Implementation of national procedures is and will be very diverse and this needs to be respected by the new rules.	The new rules shall also provide that - SOs can procure (insert: services from) (delete: and activate) resources located (delete: on each other's) (insert: in other SOs') grids when these may be useful for more efficient operation of and/or investment (investment deferral) in its own grid or, as concerns the TSO, for balancing. - The connecting (insert: or intermediate) SO may refuse an activation if the activation endangers operational security. The new rules shall define principles for when an SO may withhold resources and (insert: the business requirements for MS processes) to apply in that case. (delete: This process) (insert: These business requirements) should ensure that: o transparency is (delete: given) (insert: guaranteed for) (delete: to the) (insert: all) stakeholders; o the connected (insert: or intermediate) SO informs the requesting SOs as soon as it is aware that the resource should not be activated. If necessary and applicable, the local market for SO services where the resource is offered shall also be informed so that (delete: the resource is not proposed here) (insert: it can take appropriate action;) o the SO that denies the activation explains the reasons for the unavailability of the resource to others SOs and be reported regularly to its NRA. The new rules should provide guidance on how the concerned SP shall be remunerated, including potential measures for mitigating the risk of gaming. The NRA shall be in charge of controlling that the withholding of resources by the SOs are reasonable and in line with the established criteria for withholding. The NRA instructs complaints of SOs regarding unreasonable withholding of resources by an SO."
(66)	Here we need to clarify terms. What does "open position" mean? If this refers to flexibility products that do not function balancing-neutral (e.g. rules-based Redispatch 2.0 in Germany vs. GOPACS Congestion Mgmt in NL), this can also be dealt with by the market parties themselves.	

(67)	"Remove ""The TSO shall receive all the data exchanged between the grid users and the SOs."". Data exchange between SO should be bi-directional and limited to necessary data. Furthermore, there is no legal basis for on an overall/unreflected copying of all that data, especially if the TSO is not directly affected. It might be that the new rules could provide the ""conditions under which clearly defined and relevant data must be shared with the TSO and intermediary DSOs"". Maybe it would be better to highlight that the new rules must be in line with higher-level data regulation (e.g, GDPR, Data Act, Free Flow of Data). This also contradicts with the previous paragraphs where it is pointed out that only aggregated data needs to be exchanged."	"The new rules shall provide that the SOs of a SO coordination group receive: (i) from each other, data similar to those described in Articles 43(3) and 44 of the SO Regulation, for assets within the SO coordination area, and (ii) from the grid users within the SO coordination area, data similar to those described in Articles 48-50 and 53 of the SO Regulation, whose data is needed to forecast and solve the congestion or voltage control issue. The new rules shall provide principles for identifying the exact data to be provided, and for identifying which grid users shall provide data, in a clear, transparent and non-discriminatory manner. (delete: The TSO shall receive all the data exchanged between the grid users and the SOs.")
(68)	"""by flagging bids as unavailable"" presumes a certain way of working. This should be removed to guarantee needed flexibility in the formulation of the new rules. Remove the ""Data exchange requirements shall ensure the TSO receives necessary data in time from the DSO."". This is redundant and therefore problematic. Definition of ""Necessary data"" will be part of the MS TCMs and ""in time"" (chronological requirements) will inevitably also be part of this. Remove the last sentence. The reason for why this is problematic is that this is hardly measurable if we do not define a clear optimisation goal. Financial optimisation is competing with redundancy, market facilitation and risk management considerations, for example."	The principles for establishing SO coordination areas, SO coordination groups and for forecasting and solving congestion and voltage control issues, including rejecting activation (delete: by flagging bids as unavailable,) shall be further developed in a national TCM for SO coordination in each MS, ensuring that congestion and voltage control issues are dealt with in a consistent manner throughout each MS independently of whether the issue affects other SOs than the requesting SO or not, and ensuring that the coordination processes in new SO coordination groups is not hampered by different approaches. The national TCM shall be aligned with existing requirements for solving physical congestion, balancing and voltage control issues, in particular the regional (CCR) ROSC methodologies and the EU-wide methodology for coordinating operation security analysis. In particular, it shall ensure that the TSO's balancing actions or other TSO remedial actions do not aggravate congestion or voltage control issues on the distribution grid or regenerate problems that have been solved by actions taken by the DSO. (delete: Data exchange requirements shall ensure the TSO receives necessary data in time from the DSO. The national TCM shall ensure optimal use of resources.)

(69)	The process is very reasonable and it is vital to demand for ALL-SO proposals. There have been discussions and questioning if small DSOs are to be included in the proposal drafting. However, in MSs with a significant number of such small DSOs they have very effective representations.	
(70)	Please consider extending the intervals, at least in later stages.	
	"We have always supported for a flexibility register and agree on the principle of simplifying registration and prequalification of service providers but the architecture (one tool or set of common procedures), the scope and functionalities should be left for national implementation.	
(71)	Just the formulation here is a bit misleading and would - if taken literally - strongly harm MS environments that organise their metering point data management de-centrally very successfully. Assuming that the real objective here is that at least at MS level all stakeholder in need of that data get access in an efficient, standardised and ONE way, the paragraph should be reformulated in order to account for this. Mandating MSs to put up national central platforms ignores the fact that the organisation of data management is up to the MSs, would intervene much too much in existing and successfully performing national environments and would be too much to demand in secondary legislation. Furthermore, as the alternative formulation proposed shows, it is not necessary to achieve the business objectives.	"The new rules shall define (insert: the requirements for a standard set of procedures to be defined at MS level) (delete: a SO service provision tool) to support SOs and SPs in the preparation phase (i.e. from long to shorter before real time). (delete: this tool) (insert: These) shall include at least the following functionalities: i) To (delete: centralise) (insert: provide a standardised MS procedure) to participate in different products and services (including at least balancing, congestion management and voltage control) as well as all prequalification processes, if applicable. ii) To register all service providers that are qualified and can participate in different products and services."
	As far as we understood from the public workshop on June 28th, the Editorial Team is aware, so this should also be put into writing."	

(72)	"iii) is contradictory to the original formulation of 68. On the one hand ""the tool"" should centralise registration for all products, on the other we demand interoperability between registers. This is another argument for switching to ""defining the requirements for a standard sets of procedures to be defined MS level"" Also the rest of iii) is very hard to understand. Again, we should focus on the rationale/business objective behind and be careful not to intervene unjustifiably in proven-in-use MS energy data management. There are countries with centralised connection registers, and others who are keeping the data and the responsibility of its management at the source. Both models are in use and de-centralised approach often perform very well, so we must stay neutral with regards to the functional architecture behind. Also here, we understood from the workshop on June 28th that it is not the plan to mandate centralised flexibility resource registries, and this should be put into clear writing."	"To define (delete: this tool these) (insert: this stand the requirements formulated in the) new rules shall requirements: i) The definition of one (delete: tool) (insert: standard Member State. ii) The service providers shall not have access to the services without being registered in the (delete: tool) (insert: flexibility resource data management.) (insert: iii) Service providing units or groups may perfor a single product or service and have the option data at a later point in time.) (insert: iv) Applications and platforms realising data flexibility resources follow a standardised methodol service providers and make needed data available non-discriminatory and interoperable way.) (delete: iii) The service providing units or groups she register one application to participate in different performance on the product/service and the ast requirements, if applicable. Thus, where applicable visible and interoperable among existing registers rebalancing products, i.e. service providers shall not a standarding products.

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s shall be only required to t products or services in a n may be required in the associated prequalification ble, data shall be made ers referring to different not register information twice that is already enrolled for the same service providing unit or group.)

(73)	"Again, here we propose to focus on the business objective, which is - as far as we understand it - to make it as easy as possible for service providing units or groups to participate and that they have an easy-to-use interface at national level. We propose to remove the status examples in order not to presume any functional design and leave this to the NC (or better European interoperability regulation with regards to DR) iii) should be obvious - ideally, we should remove it rather to avoid redundance/consistency issues Also, we recommend changing the wording for ""the tool"" to ""standard set of procedures to be defined at MS level""	The new rules shall guarantee the following: i) The (delete: tool) (insert: standard set of procedures) is easy-to-(delete: implement) (insert: integrate) and user-friendly. ii) When a prequalification of the service providing unit or group is required, all the steps of the process (insert: can be performed through a procedure) (delete: in the tool.) The corresponding service provider (delete: will) (insert: may) submit all required information electronically through the tool and will be able to track the status of the process (delete:(e.g. application submitted, ongoing check of application completeness, TSO/DSO request for additional information (if needed), application complete, ongoing execution of tests, etc.).) iii) Data of each service providing unit or group has a level of granularity as necessary for each type of product or service. The tool will also allow aggregating data as necessary. (insert: iv) The standard set of procedures shall define a way of making data and changes of that data available to all entitled parties (e.g., exchanges, market and DSO-TSO co-ordination platforms, market access facilitators, FSPs, etc.).)
(74)	In MSs where e.g. each SO is acting as a flexibility registry - self-responsibly, but offering a national procedure for SPs - , it doesn't make sense to have a common "data governance". Rather the governance of the national standard set of procedures should be joint.	The new rules shall define the (delete: data) governance (delete: of the tool) (insert: with regards to the MS standard set of procedures) to ensure the security (delete: and granted,) (insert: effective and non-discriminatory) data access only to (insert: all) authorized parties to protect the privacy and confidentiality of the different service providers and their corresponding service providing units and groups. This data governance shall take into account the following principles:

(75)	"Also in the first point it is important to clarify that the responsibility is at the party which submits/changes data. Please also provide a definition of ""data provider"""	"Data quality: - The data provider (insert: for each set of data considered (e.g., FSP for information on the characteristics of a flexible resource, the metering point administrator for connection point information, etc.)) (delete: will) (insert: shall) be responsible for (delete: the data quality and truthfulness) (insert: to be up-to-date, correct and precise.) - The SO to whose grid the unit is connected stays responsible for the correct representation of the connection data."
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(76)	Also here - MSs running de-centralised (but standardised) connection point and flexibility resource data management must not be discriminated (if they fulfill the business requirements). So there will in some MSs not be "one entity or multiple entities that run ONE tool". There are countries that run standardised yet multiple (communicating) "flexibility resource registries" for their "flexibility resource data management". This must not be compromised and it would also not be possible to intervene so strongly in national energy data management provisions in secondary legislation (especially if the business requirements are met). The last point should be removed because it is obvious and also doesn't fit with respect to the concern raised above.	Responsibilities: - (delete: After data submission, the tool manager will be responsible for verifying data completeness and format in line with the minimum standards of the tool.) (insert: Flexibility resource registry operators (might be more than one party in a MS) is responsible to validate submitted data (in terms of minimum technical requirements or syntactical correctness) and inform the submitting party on the status and success of its submission.) - The SO(s) procuring each product/service will be responsible for validating the data needed to provide the product/service (delete: (e.g. the) (insert: to ensure it meets e.g.) minimum technical requirements (insert: or is syntactically correct) (delete:, if prequalification is needed),) (insert: and give the submitting party information on the status and success of the submission.) - The (delete: data provider) (insert: flexibility resource registry operator must provide auditable records on data changes allowing for a correct identification of responsibilities for e.g. incorrect, incomplete data.) (delete: will be responsible for the impact of low quality data on the operations or tasks carried out by the users of the tool.) The new rules shall define the roles, interactions and requirements of a conflict resolution mechanism in the event of a negative impact caused by low quality data. - The(delete: tool operator) (insert: MS flexibility resource registry operators (again, there can be more than one in a MS)) will be responsible for (delete: up keeping) (insert: operating) the IT infrastructure. (delete: - The entity(ies) who will operate or manage the tool will be decided at national level.)
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(77)	"Point 1, 2, 3 - see comments above Point 3 and 4 - focus on the business objective - there will be MSs with more than one Flexibility Resource Registries (following standardised procedures) Point 5 - focus on the business objective, data sharing based on consent is possible anyways and should be left open here Point 6 - NOT ALL DATA can and should be shared. This contradicts with data regulation and other responsibilities, so it can only be data relevant for offered services"	Data privacy and confidentiality: The new rules shall guarantee that the (delete: tool) (insert: standardised sets of procedures are) realised in a way that respects unbundling principles in order to avoid sharing sensitive data that could favour unwanted emerging opportunities for gaming or market abuse. The new rules shall also ensure that the (delete: tool is) (insert: standard sets of procedures are) realised in a way that the SOs who are not effectively unbundled only use the accessible data in the tool for their initial purpose. (delete: The tool manager) (insert: MS flexibility resource registry operators) shall guarantee privacy and confidentiality when processing data for validation after submission by the data provider and when giving access to third party entities to the data. The (delete: tool operator) (insert: MS flexibility resource registry operators) shall (delete: not have a conflict of interest as it will have) (insert: give) access to private or confidential data (insert: according to the standard set of procedures to all entitled parties on the same terms and in a non-discriminatory way.) One service provider shall not be able to see (delete: the data) (insert: business secrets) from other service providers, (delete: unless express consent by the data owner, i.e. the individual grid users of the service providing units or groups of the latter service provider.) (The d) Data (insert: relevant for offered services) related to the service providing unit or group shall be visible only to the TSOs/DSOs to which the resource is prequalified/capable to deliver the relevant products or services (i.e. visible not only to the SO to which the resource is connected to but to all SOs to which the resource can provide the service(s)).
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(78)

"Interoperability is not defined here. There is no perpsective, no target for interoperability, so this is much too vague to allow for good results. It is also not stated what the requirements for ""modern"" or ""multiple up-to-date standards"" are. Also, this needs to be brought in line with ""European energy data interoperability"" efforts. Therefore, we propose the formulation on the right.

Also, the Implementing Acts on Data Interoperability are the place to address the topic following Article 24 of Directive (EU) 2019/944 (""In order to promote competition in the retail market and to avoid excessive administrative costs for the eligible parties, Member States shall facilitate the full interoperability of energy services within the Union.""). There is ONE place in legislation to achieve this ONCE and this should not be duplicated. We need to avoid redundancies and inconsistencies, apart from the fact that these provisions already provide very good rails to drive standardisation and interoperability. It is also very important that the matter is treated consistently across use case families.

- Organise with EU Smart Grids Task Force (DG ENER) and define realistic interfaces between the two initiatives (DR/Flex business requirements in the new rules, interoperability/standardisation for the use cases to be treated via the IAs after Art 24). These IAs have been elaborated in a very broad stakeholder management process, discussed for years and they are close to publication and to be put into force. Dont duplicate here. Clear definition of responsibilities and separation of concerns will be beneficiary.

- The interoperability paragraph should be placed at a more general level (not only in the ""data exchange in prequalification"" section)"

"Interoperability:

- The new rules shall set common principles on the fundamental features of the (delete: tool) (insert :MS standard set of procedures) to ensure interoperability (insert: within MSs and at a European level.) (insert: - To ensure interoperability at European level, the new rules shall position themselves within the Implementing Acts on Data Interoperability following Article 24 of Directive (EU) 2019/944.)

(delete: - Multiple up-to-date standards shall be allowed in order to interoperate with the tool. Each standard shall be easy to implement, empower the entities populating the tool and future-proof. It will also protect privacy and security, and strive for harmonisation on a European level.) (delete: - The new rules shall include a process where all TSOs and DSOs select and implement at least one modern standard that enables interoperability with each tool in each Member State. All SOs within each Member State shall agree upon the modern standard to be implemented. In doing so, they shall consult stakeholders to determine user requirements and analyse the compatibility of existing modern standards with those requirements, including ease of use, future-proofness, modularity and cost of installation and maintenance. The report containing the results of the analysis and the recommended modern standard to be implemented in the Member State shall be consulted and approved by all relevant NRAs.)

- Specific design choices of the (delete: tool) (insert: MS standard sets of procedures) and how (insert: they) interact with existing registers, platforms and tools shall be developed in (delete: cooperation) (insert: agreement) between TSO(s) and DSO(s) at national level, involving national (insert: regulatory) authorities.

(insert: - MS standard sets of procedures shall follow as far as possible existing European standards and deviations from them must be documented and the rationale for deviations explained (e.g. stranded investment risk, unfitness of the standard etc.).

- In accordance with the activities to harmonise European standards defined by the Interoperability Implementing Acts, the new rules shall foresee a proper place for European standardisation of data exchanged.)"

(79)	"- Real-time is not defined here. What is meant? Can we assume ""time of delivery"" or ""shortly after delivery/during delivery""? - joint services management is not defined and also problematic due to technological/implementation neutrality - SOGL data exchange requirements are not set to cover this. Also ""as close as possible to real-time"" is neither defined (we assume ""as close as possible to delivery interval"") and also not functional. Consider 2DA/DA/ID activities. In order to allow for more functional formulations (DSOs and TSOs have a lot of work done in the field in recent years), we strongly mandate to remove the respective sentence in the Framework Guidelines. - (ii) is not possible - these assets are managed by service providing units. So limitations must be sent to these actors first who can then take them from the market. In addition, SOGL 182(5) limitations are possible closer to delivery time for balancing. - for ii) to iv) there is no legal or operational basis - if needed, this must be treated in the Network Code directly in detail"	"(79) The new rules shall define processes to ensure data exchange between TSOs and DSOs during the operation phase (delete: (i.e. shorter before real time till real time)) in order to guarantee a coordinated access to available resources, an optimal selection and activation of available resources (delete: and a joint services management. In particular, the new rules shall require the TSOs and DSOs to develop a common national process:) (delete: i) To determine size information on flexibility capacities and location of physical congestions based on the input of SGUs scheduled data exchange. The physical congestions shall be calculated as close as possible to real time with a granularity as close as possible to the imbalance settlement period in order to accurately reflect real-time system conditions.) (delete: ii) To exchange the status of the available volumes of the service providing units and groups that may be affected by the potential physical congestions in their grid and the activations by the SOs.) (delete: iii) To exchange the contracted capacities of the service providing units and groups to provide each product or service.) (delete: iv) To exchange the selected energy volumes of the service providing units or groups for the different products and services.)"
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(80)	"This cannot be formulated the same way. The principles for platforms and applications in the operating phase are very diverse and also the text in the principles contains (e.g. ""the tool""). Therefore, we recommend putting up a new paragraph ""principles for applications and platforms"" at a higher /cross-functional level (not just in Data exchange in the operational phase). Also, please consider the principles formulated on the right: * Implementation neutrality * Avoidance of vendor lock-ins * Applications and platforms must be developed and established following existing European and national distributions of responsibilities. * Applications and platforms should as far as possible integrate with existing European standards * Direction should be standardisation and not centralisation We have formulated some examples in cell E in a non-exhaustive list."	
(81)		
(82)	As the exact methodology is MS responsibility, the new European rules can not specify the data exchange. It must give guidance and requirements to the national procedures. Also, "real-time" should be changed to "delivery" or "delivery interval".	The (delete: new rules) (insert: MS standard set of procedures)shall specify what data needs to be communicated after (delete: real-time) (insert: the delivery interval and by which actors.) (delete: The data should include at least the activated energy volumes for each service providing units or groups for the different products and services.)

(83)

"We believe that as stated in (82) this should be MS responsibility and therefore (83) should be removed. It is also too detailed for framework guidelines, and this might prevent optimal formulations in the final legislation process.

in Point 2, the actors must be defined clearly that exchange data (will not always be 1:N). Also, there are more than two possibilities that exist, and the current formulation is one-sided. In order to get to good results, we mandate to remove the ""two possibilities exist"" sentences and leave it to the rules to define good terms in detail.

With regards to Point 3, the new European rules will not be in the position to formulate the exact how and when, as many details will have to comply with national environments. It is much better - as proposed - to let the new rules name the responsibility on the MS level and set clear requirements for the MS rules."

"The rules shall include at least the following principles:

- Data aggregation where possible, in order to limit the data to be communicated and

ensure (delete: a minimum level of privacy for the final consumers taking part in the service provision) (insert: that data is only exchanged based on justification through clearly defined business processes.) The new rules shall require that data regarding the delivery of the service must be communicated on service providing unit or group level. (delete: For this purpose, areas shall be defined in which different service providing units or groups compete for the delivery of the service to a DSO or a TSO.) The new rules shall set clear boundaries when data on the level of individual demand response, storage, or power generation module level is exchanged.

- Single point of contact: the new rules must clearly define the (insert: actors) (delete: entity) that (delete: receives the) (insert: exchange data under the context of the described methodologies and procedures.) (delete: Two possibilities exist: either the DSO receives the data with an obligation to communicate the same data immediately and directly to the TSO in case the service was delivered to the TSO, or the entity receiving the data is the one requesting the service provision.)
- Transparency and traceability: (insert: MS standard sets of procedures) (delete: in case data is communicated, the new rules)shall specify how, when, and for what purpose the final customers' data is used, who has the permission and the process through which this information is available to the final customer. All data transfers should be traceable. Consumers should have a complete view of all parties that are involved in the data-sharing flow. (insert: The new rules shall set the business requirements with respect to this for the MSs.)
- Error detection and correction: the new rules shall include provisions in case the communication fails. The (delete: entity) (insert: actor) receiving the data shall ensure (delete: real-time) (insert: timely) validation of the received data and (delete: real-time) communication to (delete: the service provider) (insert: all affected parties) in case errors (delete: (missing data, wrong format, erroneous data)) are detected."

5. Congestion management

What is your general opinion on the drafted proposal of the following paragraphs?

Opinion table

Please note that the survey does not cover all paragraphs, we have excluded those that we considered trivial and not relevant to the consultation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
* (84)	0	0	0	•	0	0
* (85)	0	0	0	0	0	0
* (86)	0	•	0	0	0	0
* (87)	0	0	0	•	0	0
* (88)	0	0	0	•	0	0
* (89)	0	0	0	•	0	0
* (90)	0	0	0	•	0	0
* (91)	0	0	0	0	0	•
* (92)	0	0	0	•	0	0
* (93)	0	0	0	0	0	•
* (94)	0	0	•	0	0	0
* (95)	0	0	•	0	0	0
* (96)	0	0	0	0	0	•
* (97)	0	0	•	0	0	0
* (98)	0	•	0	0	0	0
* (99)	0	•	0	0	0	0
* (100)	0	•	0	0	0	0
* (101)	0	0	•	0	0	0
* (103)	0	0	0	0	0	•
* (104)	0	0	0	0	0	•

In case of disagreement on proposed paragraphs, please write alternative draft proposals and reasonings in the table below (optional).

Please note that you won't be able to see the full size of your response in the Survey Tool but once you download the PDF of your response, a full table with your input will be shown.

Comment table

	Comment	Alternative draft proposal
(84)	Clarification for the list of attributes since it should be non-exhaustive	shall define a common European (insert: non-exhaustive) list of attributes
(85)	The voltage level may be also an important indicator for creating the products.	The new rules shall ensure that different products correspond with the needs of system operators, which depend on network topology, (insert: voltage level), the number of service providers in the area, and the size and predictability of congestion, among other things.
(86)	This procedure based on an all SO proposal must take into account that products that may be different between DSOs and TSOs or in between DSO. In line with our general opinion we welcome the concept of all SO proposals. These should however be limited to those SO for which the topic is relevant.	The new rules shall provide that the list of standardised products shall be submitted to the NRA for approval through an all SO proposal. (insert: However, when the products are used only by DSOs, the proposal shall be submitted to NRA for approval through an all DSO proposal in cooperation with the TSO.) The NRA may approve, amend or reject the proposal.
(87)		
(88)		
(89)	DSO could use any of those options among their tool to manage congestion.	such as congestion management (insert:products,) grid investment, non-firm connection agreements ()
(90)	"The procurement and activation shall be market based": This sentence does not seem consistent with article 89 which states that "SO services congestion management products" can be "market-based and non-market-based".	(insert:"For market-based procurement of SO services,)the new rules shall include principles for procurement and pricing applicable to different products, different time horizons and specific features of the local systems. (insert: Market-based products shall be procured and activated) through a process that ensures transparency and the selection of the most costefficient resource. Market based processes may be different for long/short term procurement and activation, depending on the products and the timeframe.
(91)		

(92)	We believe that it is important to clarify this, since non-firm connection agreements are also based on long term contracts and they can be offered to all customers as explained in the art 89.	The new rules shall provide that long term contracts (insert: for the procurement of) congestion management (insert: products) shall only be purchased in a market based way.
(93)		
(94)		
(95)	Article should be made consistent with suggestion for article 86.	The new rules shall provide that the pricing mechanisms shall be submitted to the NRA for approval through an all SO proposal. (insert: However, when the products are used only by DSOs, the proposal shall be submitted to NRA for approval through an all DSO proposal in cooperation with the TSO.)The NRA may approve, amend or reject the proposal.
(96)		
(97)	The rules should be the same for all SOs independently whether they are integrated with a SP or not.	The procuring SO should be required to act in a non-discriminatory manner when procuring and using congestion management products, (delete: in particular if the SO is vertically integrated with a SP.)
(98)	The articles related to Network Development Plans are way too detailed and are adressing topics already dealt with in Art. 32 of Directive 2012/27 /EU.	"(insert: DSOs should consider publishing) the following information (delete: is published) in their network development plans (NDP): - the planning methodology to identify (insert: significant) network development projects making sure that the provided description is comprehensible for stakeholders. It should explain how the procurement of congestion management products was assessed by the DSO; - underlying network development scenario(s), which depict plausible prospective developments of the (delete: energy) (insert:power) system, describing a best estimate of future network development. (insert: For example,) for projects based on congestion management, (insert: when feasible), information about the predicted need of congestion management for different time-scenarios (peak/off-peak, summer/winter, day of the week, time of the day) should be provided and split in upward and downward demand."

(99)	"Forecasts may not be feasible depending on use case and time horizon; the SO should publish the best available scenarios instead. While we agree in principle to maximum transparency for regulated entities, this should be limited by the necessity to limit gaming and the abuse of market power. Especially the publication of a reserve price by the SO will encourage this behavior."	"this includes information on the area of delivery (network points), (delete: forecasts) (insert: the best available scenarios) about the expected number of events, (insert: possible) timing of events and the resulting need for congestion management, selection criteria, reserve price (if applicable) [] New rules should provide guidance on the publication of reserve prices, taking into account effects on liquidity, participation, market power, gaming and potential mitigating measures (e.g. publishing a price range rather than a fixed reserve price).(insert: SO should provide maximum tansparency to market participants; this should be limited however where more transparency results in less liquidity, opportunities for gaming and abuse of market power, for instance, in narrow DSO congestion management markets, the information to be provided can easily lead to the collapse of these markets. In particular the SO must not be required to publish their reserve prices.) Information about procurement and activation shall be provided in English, at least, and shall be made available in an efficient manner. The data should be made publicly available in easy and accessible formats. The NRA can require DSOs to publish the information on a common platform on national level."
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(100)	The articles related to Network Development Plans are way too detailed and are adressing topics already dealt with in Art. 32 of Directive 2012/27 /EU. It is unclear what "methodology" here refers to. However, if scenarios should be consistent in between, common methodology may have no sense since DSOs can have very different network and particularities can be the general rule.	"(delete: On national level, the DSOs shall establish a common methodology, which allows for adaption to the particularities of each grid.) (delete: This) (insert: The) methodology (insert: used by each DSO) shall be consistent with the planning methodology of the national TSOs for the TYNDP where relevant. It shall give guidance on how to consider congestion management as an alternative (insert: or a complement) to grid reinforcement. The NDP shall include underlying network development scenario(s), which depict plausible prospective developments of the (delete: energy) (insert: power) system, describing a best estimate future network development and taking into account the TYNDP and the underlying scenarios used by the national TSOs, as well as national scenario plans for (deletel: any) (insert: relevant) sector interacting with the electricity sector. For projects based on congestion management or voltage control provision of SO services, (insert: when feasible), information about the predicted need for such products SO services for different time-scenarios (peak/off-peak, summer/winter, day of the week, time of the day) shall be provided and split in upward and downward demand. Information can be provided in aggregated form for lower voltage levels."
(101)	The articles related to Network Development Plans are way too detailed and are adressing topics already dealt with in Art. 32 of Directive 2012/27 /EU.	The new rules shall require that the DSOs, after the public consultation required in Article 32(4) of the Electricity Directive, justify how comments and remarks coming from the public consultation have affected NDPs, and if some (insert: significant requirement) (delete: responses) have not led to changes, why this choice have been made.
(103)		
(104)		

6. Voltage control

What is your general opinion on the drafted proposal of the following paragraphs?

In case of disagreement on proposed paragraphs, please write alternative draft proposals and reasonings in the table below (optional).

Please note that you won't be able to see the full size of your response in the Survey Tool but once you download the PDF of your response, a full table with your input will be shown.

Opinion table

Please note that the survey does not cover all paragraphs, we have excluded those that we considered trivial and not relevant to the consultation.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	No opinion
* (105)	0	0	0	•	0	0
* (106)	0	0	0	•	0	0
* (107)	0	•	0	0	0	0
* (108)	0	0	0	•	0	0
* (109)	0	0	0	•	0	0
* (110)	0	•	0	0	0	0
* (111)	0	0	0	•	0	0
* (112)	0	•	0	0	0	0

Comment table

	Comment	Alternative draft proposal
(105)		No comment
(106)	No comment	No comment
(107)	Minimal text changes	The new rules shall define a common European list of (insert: non-exhaustive) attributes for products used for voltage control that shall be used by SOs when describing the products to be procured. This list shall in no way limit the type of products that may be described by a SO but strive towards harmonised description when possible.
(108)	No comment	No comment
(109)	No comment	No comment

(110)	New text proposal.	The new rules shall provide that market-based procurement is to be preferred but may be completed by rules-based procurement (delete: for short term products) when and where market-based procurement is economically not efficient. The rules-based procurement may include compensation or not. In this case, the new rules shall provide guidance to avoid market distortion due to interaction between market based and non-market-based procurement. The new rules shall provide that, in particular, market-based procurement of long-term voltage control services shall be considered when the mandatory capabilities as defined in RfG Regulation and DCC Regulation are not sufficient for the provision of voltage control to satisfy the needs of the SO. In this case, (insert: by default) the activation of the procured resources shall follow the same rule as the activation of mandatory capabilities, i.e. rules based activation with a similar compensation scheme as for mandatory resources. (insert: These compensation schemes could be different if it is justified and provides some benefits.)
(111)	No comment	No comment
(112)	"Although in order to correctly report the requested information it is necessary to define how it should be measured and whether it is only about reporting th+B104e volume in kVArh or also the volume of services that are procured (e.g. report the number of installations and the number of tap changes) for compare how much the voltage control service is used. It is necessary to standardize this report with Congestion Management as much as possible.	

Questions on confidentiality

* Do your answers contain confidential information?

Yes	
No	
Do you want the name of your company to remain confidential?	
In the evaluation of responses, ACER will not link responses to specific respondents or groups of respondents unless this is	
appropriate.	
O Yes	
No	

Useful links

Roadmap on the Evolution of the Regulatory Framework for Distributed Flexibility (https://www.edsoforsmartgrids.eu/wp-content/uploads/210722_TSO-DSO-Task-Force-on-Distributed-Flexibility_proofread-FINAL-2.pdf)

ASSET Study on Regulatory priorities for enabling Demand Side Flexibility (https://asset-ec.eu/wp-content/uploads/2020/12/ASSET-EC-Regulatory-priorities-for-enabling-Demand-Side-Flexibility.Final_-1.pdf)

CEER Paper on DSO Procedures of Procurement of Flexibility (https://www.ceer.eu/documents/104400/-/-/f65ef568-dd7b-4f8c-d182-b04fc1656e58)

TSODSO Report An integrated approach to active system management (https://eepublicdownloads.entsoe.eu/clean-documents/Publications/Position papers and reports/TSO-DSO ASM 2019 190416.pdf)

Background Documents

ACER scoping letter of 1 February 2022

European Commission letter of 1 June 2022

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