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5834/5/18 REV 5

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ENER 37 ENV 57 CLIMA 19 COMPET 58 CONSOM 22 FISC 47 CODEC 128

## **NOTE**

From:	General Secretariat of the Council
To:	Permanent Representatives Committee
No. Cion doc.:	15135/1/16 ENER 418 ENV 758 CLIMA 169 COMPET 637 CONSOM 301 FISC 221 IA 131 CODEC 1809 REV 1 + ADD 1 REV 1 + ADD 2 REV 1
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the internal market for electricity (recast)

# I. INTRODUCTION

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

5834/5/18 REV 5 BL/ns

TREE.2.B EN

## II. STATE OF PLAY

- 3. The TTE (Energy) Council adopted, on 18 December 2017, a general approach on the above-mentioned proposal. The first informal trilogue, based on the Council general approach, took place on 27 June 2018, the second and third based on revised mandates was held on 11 September 2018 and 18 October. The trilogues and technical meetings in between allowed the co-legislators to advance significantly and propose compromise suggestions. Moreover, a broad mandate was also given to the technical meetings to make progress on the entire Regulation.
- 4. Till present, the main areas of discussions were articles regarding the subject-matter and the scope (article 1); principles regarding the operation of electricity markets (article 3); day-ahead and intraday markets, trade on day-ahead and intraday markets, forward markets, technical bidding limits and value of lost load (articles 6-10); measures to address congestion and congestion management, definition of the bidding zones, capacity allocation (articles 13-14); resource adequacy, reliability, capacity mechanisms (articles 18-24) and the Regional Security Coordinators (articles 32-44).
- 5. During September and October the Energy Working Party has pursued its examination of the Presidency's compromise proposals. Furthermore, in order to prepare the fourth informal trilogue, several technical meetings with the EP have taken place.

## III. REVISED MANDATE

6. In view of the fourth informal trilogue scheduled for 13 November 2018, the basis for the discussion will be the fourth-column table contained in <u>Annex I</u> to this note that sets out in the 4th column textual proposals '*provisionally agreed*' in second trilogue or '*provisionally agreed in TM*' (technical meetings) which await to be provisionally confirmed at the fourth trilogue. The Presidency also indicates additional compromise proposals.

In <u>Annex II</u>, consolidated version of Article 13 was included to facilitate the reading of the compromise on this article.

5834/5/18 REV 5 BL/ns 2

TREE.2.B

- 7. Paragraphs 'provisionally agreed' in trilogues or technical meetings (in TM) till now are:
  - Recitals in lines: 46-51
  - *Article 1 (all)*
  - *Article 2 (line 109)*
  - Article 3 (lines: 112-123, 126-129)
  - Article 6 (all)
  - *Article 8 (line 184)*
  - Article 9 (lines 189-190)
  - *Article 10 (line 192-193)*
  - *Article 25 (line 470)*
  - *Article 27 (line 485-486, 496-498)*
  - *Article 28 (line 505)*
  - *Articles 32 to 33 (all)*
  - Article 34 (lines 549-550, 555-575
  - *Article 35 to 44 (all)*
  - Annex (all without lines 948-951)
- 8. Additional *compromise proposals* not yet seen by Coreper are the following:
  - *Recital 44 (line 58)*
  - Article 2 (line 76, 98)
  - Article 13 (all) (consolidated version of the compromise is found in Annex II)
  - Article 14 (all)
  - Article 18 (lines 338-344, 346-349)
  - Article 18a (lines 353-354)
  - *Article 20 (line 395)*
  - *Article 21 (line 406)*
  - Article 23 (lines 433-443, 449-458)
- 9. Compromise proposals indicated in the 4th column of articles: 5 (all), 7 (lines: 177-180), 9 (lines: 186,187), 27 (lines: 481, 493), were already seen by Coreper. However, the discussion with the European Parliament is not yet finalised.
- 10. Regarding other European Parliament's amendments, the Presidency proposes to <u>maintain the Council's general approach</u> at this stage of negotiations.

5834/5/18 REV 5 BL/ns

TREE.2.B

In the fourth column, bold italics indicates text proposed by the EP; bold indicates texts of the 11. Council general approach added to the Commission proposal and compromise texts proposed by the Presidency in response to the EP amendments; **bold and underlined** (or **bold italics** and underlined) indicates new text elements, diverging from the previous document (5834/18 REV 4) and strikethrough indicates deletions.

#### IV. **CONCLUSION**

The <u>Permanent Representatives Committee</u> is invited to agree on a revised mandate for the fourth informal trilogue on 13 November 2018, on the basis of the text included in Annex I and Annex II.

5834/5/18 REV 5 BL/ns

TREE.2.B EN

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

(recast)

			· · · · · · · · · · · · · · · · · · ·	
1.	COMISSION PROPOSAL  (COD 2016/0379 - doc. 15135/1/16 REV 1 + ADD 1	EP PLENARY TEXT	COUNCIL GENERAL APPROACH (doc. )	Compromise proposals
	REV 1)			
2.	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty on the Functioning of the European Union, and in		THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty on the Functioning of the European Union, and in particular Article	N.B. any compromise proposals for the recitals are <u>provisional</u> , and without prejudice to any alignment with the content of the Articles that may prove necessary.
	particular Article 194 (2) thereof, Having regard to the proposal from the European Commission, After transmission of the draft legislative act to the national parliaments, Having regard to the opinion of the European Economic and		194 (2) thereof, Having regard to the proposal from the European Commission, After transmission of the draft legislative act to the national parliaments, Having regard to the opinion of the European Economic and Social Committee, Having regard to the opinion of	
	Social Committee, Having regard to the opinion of the Committee of the Regions, Acting in accordance with the ordinary legislative procedure, Whereas:		the Committee of the Regions, Acting in accordance with the ordinary legislative procedure, Whereas:	

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

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

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

-		(2 ) TI'D 14'	
6.		(3a) This Regulation is	
		establishing rules to ensure the	
		functioning of the internal	
		energy market while	
		integrating a limited number	
		of requirements related to the	
		development of renewable	
		forms of energy and	
		environmental policy, in	
		particular specific rules for	
		certain renewable power	
		generating facilities,	
		concerning balancing	
		responsibility, dispatch and	
		redispatch as well as a threshold for CO2 emissions of	
		new generation capacity where	
		it is subject to a capacity	
		mechanism.	
7.	(4) State interventions, often	(4) State interventions, often	
	designed in an uncoordinated	designed in an uncoordinated	
	manner, have led to increasing	manner, have led to increasing	
	distortions of the wholesale	distortions of the wholesale	
	electricity market, with	electricity market, with negative	
	negative consequences for	consequences for investments	
	investments and cross-border		
	trade.	and cross-border trade.	

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

### AM 1

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

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

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

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

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

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14.		(7d) In order to enable	
		transmission system operators	
		to procure and use balancing	
		capacity in an efficient,	
		economic and market-based	
		manner, there is a need to	
		foster market integration. In	
		this regard, the Balancing	
		Guidelines established in its	
		Title IV three methodologies	
		through which transmission	
		system operators may allocate	
		cross-zonal capacity for the	
		exchange of balancing capacity	
		and sharing of reserves, when	
		supported on the basis of a	
		cost-benefit analysis: the co-	
		optimisation process, the	
		market-based allocation	
		process and the allocation	
		based on an economic	
		efficiency analysis. The co-	
		optimisation allocation process	
		should be performed on a day-	
		ahead basis whereas the	
		market-based allocation	
		process could be performed	
		where the contracting is done	
		not more than one week in	
		advance of the provision of the	
		balancing capacity and the	
		allocation based on an	
		economic efficiency analysis	
		where the contracting is done	
		more than one week in	
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	advance of the provision of the
	balancing capacity on the
	conditions that the volumes
	allocated are limited and that
	an assessment is done every
	year. Once a methodology for
	the allocation process of cross-
	zonal capacity is approved by
	the relevant regulatory
	authorities, early application
	of the methodology by two or
	more transmission system
	operators could take place to
	gain experience and allow for
	a smooth application by more
	transmission system operators
	in the future. The application
	of such a methodology, where
	existing, should nevertheless
	be harmonised by all
	transmission system operators
	in order to foster market
	integration.

15.	(7e) The Balancing Guideline	
13.	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
	establishes in its Title V that	
	the general objective of	
	imbalance settlement is to	
	ensure that balance	
	responsible parties support the	
	system's balance in an efficient	
	way and to incentivise market	
	participants in keeping and/or	
	helping to restore the system	
	balance. To make balancing	
	markets and the overall	
	energy system fit for the	
	integration of increasing	
	shares of variable renewables,	
	imbalance prices should reflect	
	the real-time value of energy.	

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

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

18.			The network code on	
			rements for generators <sup>2</sup>	
			ut the requirements for	
		grid c	onnection of power-	
		gener	ating facilities, namely	
		synch	ronous power-generating	
		modu	les, power park modules	
		and of	ffshore power park	
			les, to the interconnected	
		system	n. It, therefore, helps to	
			e fair conditions of	
		compe	etition in the internal	
			icity market, to ensure	
			n security and the	
			ation of renewable	
			icity sources, and to	
			ate Union-wide trade in	
			icity. Articles 66 and 67	
			network code set out	
			for emerging	
			ologies in electricity	
		gener		
19.	(8) Core market principles	U	Core market principles	
17.	should set out that electricity		d set out that electricity	
	prices are to be determined		are to be determined	
	through demand and supply.		gh demand and supply.	
	Those prices should signal		prices should signal when	
	when electricity is needed,		icity is needed, providing	
	providing market-based		et-based incentives for	
	incentives for investments into		ments into flexibility	
	flexibility sources such as		es such as flexible	
	flexible generation,		ation, interconnection,	
	interconnection, demand	deman	nd response or storage.	
	response or storage.			

<sup>&</sup>lt;sup>2</sup> Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators.

5834/5/18 REV 5

ANNEX I

TREE.2.B

BL/ns

19

20.	(9) The decarbonisation of	(9) While decarbonisation of
	the electricity sector, with	the electricity sector, with
	renewable energy becoming a	renewable energy becoming a
	major part of the market, is a	major part of the market, is one
	core objective of the Energy	of the goals of the Energy
	Union. As the Union moves	Union [ ] it is crucial that the
	towards the decarbonisation of	market removes existing barriers
	the electricity sector and	to cross-border trade and
	increasing penetration of	encourages investments into
	renewable energy sources, it is	supporting infrastructure, for
	crucial that the market removes	example, more flexible
	existing barriers to cross-border	generation, interconnection,
	trade and encourages	demand response and storage.
	investments into supporting	To support this shift to variable
	infrastructure, for example,	and distributed generation, and
	more flexible generation,	to ensure that energy market
	interconnection, demand	principles are the basis for the
	response and storage. To	Union's electricity markets of
	support this shift to variable and	the future, a renewed focus on
	distributed generation, and to	short-term markets and scarcity
	ensure that energy market	pricing is essential.
	principles are the basis for the	
	Union's electricity markets of	
	the future, a renewed focus on	
	short-term markets and scarcity	
	pricing is essential.	

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

## AM 2

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

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

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

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

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

	participants concerning	participants concerning available	
	available transfer capacities and	transfer capacities and the	
	the security, planning and	security, planning and	
	operational standards that affect	operational standards that affect	
	the available transfer capacities.	the available transfer capacities.	
25.	(14) To efficiently steer	(14) To efficiently steer	
23.	necessary investments, prices	necessary investments, prices	
	also need to provide signals	also need to provide signals	
	where electricity is most	where electricity is most needed.	
	needed. In a zonal electricity	In a zonal electricity system,	
	system, correct locational	correct locational signals require	
	signals require a coherent,	a coherent, objective and reliable	
	objective and reliable	determination of bidding zones	
	determination of bidding zones	via a transparent process. In	
	via a transparent process. In	order to ensure efficient	
	order to ensure efficient	operation and planning of the	
	operation and planning of the	Union electricity network and to	
	Union electricity network and	provide effective price signals	
	to provide effective price	for new generation capacity,	
	signals for new generation	demand response or	
	capacity, demand response or	transmission infrastructure,	
	transmission infrastructure,	bidding zones should reflect	
	bidding zones should reflect	structural congestion. In	
	structural congestion. In	particular, cross-zonal capacity	
	particular, cross-zonal capacity	should not be reduced in order to	
	should not be reduced in order	resolve internal congestion.	
	to resolve internal congestion.	reserve internal congestion.	
26.	vo 14001, v movimum vomgestrom	(14a) To reflect the divergent	
		principles of optimising	
		bidding zones without	
		jeopardizing liquid markets	
		and grid investments two	
		options should be foreseen to	
		overcome congestions.	
		Member States can choose	
		Member States can choose	

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

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

<b>27.</b>	(15) Efficient decarbonisation	(15) Efficient [ ] market
	of the electricity system via	integration requires
	market integration requires	systematically abolishing
	systematically abolishing	barriers to cross-border trade to
	barriers to cross-border trade to	overcome market fragmentation
	overcome market fragmentation	and to allow Union energy
	and to allow Union energy	customers to fully benefit from
	customers to fully benefit from	the advantages of integrated
	the advantages of integrated	electricity markets and
	electricity markets and	competition.
	competition.	
28.	(16) This Regulation should	(16) This Regulation should
	lay down basic principles with	lay down basic principles with
	regard to tarification and	regard to tarification and
	capacity allocation, whilst	capacity allocation, whilst
	providing for the adoption of	providing for the adoption of
	guidelines detailing further	guidelines detailing further
	relevant principles and	relevant principles and
	methodologies, in order to	methodologies, in order to allow
	allow rapid adaptation to	rapid adaptation to changed
	changed circumstances.	circumstances.
29.	(17) The management of	(17) The management of
	congestion problems should	congestion problems should
	provide correct economic	provide correct economic signals
	signals to transmission system	to transmission system operators
	operators and market	and market participants and
	participants and should be	should be based on market
	based on market mechanisms.	mechanisms.

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

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

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

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

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

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

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

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

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

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

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

			system security and market efficiency. Regional Security Coordinators should have the flexibility to carry out the tasks in the region as best adapted to the nature of the individual tasks entrusted to them.	flexibility to carry out the tasks in the region as best adapted to the nature of the individual tasks entrusted to them.
48.	(35) Regional operational centres should carry out functions where their regionalisation brings added value compared to functions performed at national level. The functions of regional operational centres should cover the functions carried out by regional security coordinators as well as additional system operation, market operation and risk preparedness functions. The functions carried out by regional operational centres should exclude real time operation of the electricity system.	AM 8 (35) Regional <i>coordination</i> centres should carry out functions where their regionalisation brings added value compared to functions performed at national level. The functions of regional operational centres should cover the functions carried out by regional security coordinators as well as additional functions <i>with regional importance</i> . The functions carried out by regional <i>coordination</i> centres should exclude real time operation of the electricity system.	Coordinators should fulfil tasks where their regionalisation brings added value compared to functions performed at national level. The [] tasks of [] Regional Security Coordinators should cover the functions carried out by regional security coordinators pursuant to the System Operation Guideline <sup>3</sup> as well as additional system operation, market operation and risk preparedness functions. The [] tasks carried out by [] Regional Security Coordinators should exclude real time operation of the electricity system.	Provisionally agreed in TM:  (35) Regional Coordination Centres should perform fulfil tasks where their regionalisation brings added value compared to functions tasks performed at national level. The [] tasks of Regional Coordination Centres should cover the functions tasks carried out by regional security coordinators pursuant to the System Operation Guideline as well as additional system operation, market operation and risk preparedness tasks functions. The [] tasks carried out by Regional Coordination Centresshould exclude real time operation of the electricity system.

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<sup>&</sup>lt;sup>3</sup> Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (OJ L 220, 25.8.2017, p. 1).

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

49.		AM 9 (35 a) In performing their functions, regional coordination centres shall contribute to the achievement of the 2030 and 2050 objectives set out in the climate and energy policy framework.		Provisionally agreed in TM: (35 a) In performing their tasks functions, regional coordination centres should shall contribute to the achievement of the 2030 and 2050 objectives set out in the climate and energy policy framework.
50.	(36) Regional operational centres should primarily act in the interest of system and market operation of the region over the interests of any single entity. Hence, regional operational centres should be entrusted with decision-making powers to act and to direct actions to be taken by transmission system operators of the system operation region for certain functions and with an enhanced advisory role for the remaining functions.		(36) [] Regional Security Coordinators should primarily act in the interest of system and market operation of the region over the interests of any single entity. Hence, [] Regional Security Coordinators should be entrusted with [] powers necessary to support [] actions to be taken by transmission system operators of the system operation region for certain functions and with an enhanced advisory role for the remaining functions.	Provisionally agreed in TM:  (36) Regional Coordination Centres should primarily act in the interest of system and market operation of the region over the interests of any single entity. Hence, Regional Coordination Centres should be entrusted with [] the powers necessary to coordinate the support [] actions to be taken by transmission system operators of the system operation region for certain functions and with an enhanced advisory role for the remaining functions.
50a.				Provisionally agreed in TM: (36a) The human, technical, physical and financial resources of Regional Coordination Centres should not go beyond what is strictly necessary for the fulfilment of its tasks.
51.	(37) ENTSO for Electricity should ensure that the actions of regional operational centres are coordinated across the regions' boundaries.		(37) ENTSO for Electricity should ensure that the actions of [] Regional Security Coordinators are coordinated across the regions' boundaries.	Provisionally agreed in TM:  (37) ENTSO for Electricity should ensure that the actions activities of Regional Coordination Centres are coordinated across the regions' boundaries.

**52.** (38) In order to raise efficiencies in the electricity distribution networks in the Union and ensure close cooperation with transmission system operators and ENTSO for electricity, a European entity of distribution system operators in the Union ("EU DSO entity") should be established. The tasks of the EU DSO entity should be welldefined and its working method should ensure efficiency, transparency and representativeness amongst the Union distribution system operators. The EU DSO Entity should closely cooperate with ENTSO for Electricity on the preparation and implementation of the network codes where applicable and should work on providing guidance on the integration inter alia of distributed generation and storage in distribution networks or other areas which relate to the management of distribution networks.

(38) In order to raise efficiencies in the electricity distribution networks in the Union and ensure close cooperation with transmission system operators and ENTSO for electricity, a European entity of distribution system operators in the Union ("EU DSO entity") should be established. The tasks of the EU DSO entity should be well-defined and its working method should ensure efficiency, transparency and representativeness amongst the Union distribution system operators. The EU DSO Entity should closely cooperate with ENTSO for Electricity on the preparation and implementation of the network codes where applicable and should work on providing guidance on the integration inter alia of distributed generation and storage in distribution networks or other areas which relate to the management of distribution networks. The EU DSO shall also take due consideration of the specificities inherent in distribution systems connected downstream with electricity systems on islands which are not connected with other electricity systems via interconnectors.

(39) Increased cooperation and coordination among transmission system operators is required to create network codes for providing and managing effective and transparent access to the transmission networks across borders, and to ensure coordinated and sufficiently forward-looking planning and sound technical evolution of the transmission system in the Union , including the creation of interconnection capacities, with due regard to the environment. Those network codes should be in line with framework guidelines, which are non-binding in nature (framework guidelines) and which are developed by the Agency . The Agency should have a role in reviewing, based on matters of fact, draft network codes, including their compliance with the framework guidelines, and it should be enabled to recommend them for adoption by the Commission. The Agency should assess proposed amendments to the network codes and it should be enabled to recommend them for adoption by the Commission.		
transmission system operators is required to create network codes for providing and managing effective and transparent access to the transmission networks across borders, and to ensure coordinated and sufficiently forward-looking planning and sound technical evolution of the transmission system in the Union, including the creation of interconnection capacities, with due regard to the environment. Those network codes should be in line with framework guidelines, which are non-binding in nature (framework guidelines) and which are developed by the Agency. The Agency should have a role in reviewing, based on matters of fact, draft network codes, including their compliance with the framework guidelines, and it should be enabled to recommend them for adoption by the Commission. The Agency should assess proposed amendments to the network codes and it should be enabled to recommend them for	53.	(39) Increased cooperation
is required to create network codes for providing and managing effective and transparent access to the transmission networks across borders, and to ensure coordinated and sufficiently forward-looking planning and sound technical evolution of the transmission system in the Union, including the creation of interconnection capacities, with due regard to the environment. Those network codes should be in line with framework guidelines, which are non-binding in nature (framework guidelines) and which are developed by the Agency. The Agency should have a role in reviewing, based on matters of fact, draft network codes, including their compliance with the framework guidelines, and it should be enabled to recommend them for adoption by the Commission. The Agency should assess proposed amendments to the network codes and it should be enabled to recommend them for		and coordination among
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network codes and it should be enabled to recommend them for		
enabled to recommend them for		
adoption by the Commission.		
		adoption by the Commission.

(39) Increased cooperation and coordination among transmission system operators is required to create network codes for providing and managing effective and transparent access to the transmission networks across borders, and to ensure coordinated and sufficiently forward-looking planning and sound technical evolution of the transmission system in the Union, including the creation of interconnection capacities, with due regard to the environment. Those network codes should be in line with framework guidelines, which are nonbinding in nature (framework guidelines) and which are developed by the Agency. The Agency should have a role in reviewing, based on matters of fact, draft network codes, including their compliance with the framework guidelines, and it should be enabled to recommend them for adoption by the Commission. The Agency should assess proposed amendments to the network codes and it should be enabled to recommend them for adoption by the Commission. Transmission system operators

	Transmission system operators	should	d operate their networks in	
	should operate their networks in	accord	dance with those network	
	accordance with those network	codes		
	codes.			
54.	(40) To ensure the smooth	(40)	To ensure the smooth	
	functioning of the internal	functi	ioning of the internal	
	market in electricity, provision	marke	et in electricity, provision	
	should be made for procedures		d be made for procedures	
	which allow the adoption of		allow the adoption of	
	decisions and guidelines with		ions and guidelines with	
	regard, inter alia, to tarification		d, inter alia, to tarification	
	and capacity allocation by the		apacity allocation by the	
	Commission whilst ensuring the		mission whilst ensuring the	
	involvement of Member States'		vement of Member States'	
	regulatory authorities in that	regula	atory authorities in that	
	process, where appropriate		ss, where appropriate	
	through their European		gh their European	
	association. Regulatory		iation. Regulatory	
	authorities, together with other		rities, together with other	
	relevant authorities in the	releva	ant authorities in the	
	Member States, have an	Memb	ber States, have an	
	important role to play in	impor	rtant role to play in	
	contributing to the proper		ibuting to the proper	
	functioning of the internal		ioning of the internal	
	market in electricity.		et in electricity.	
55.	(41) All market participants	(41)	All market participants	
	have an interest in the work	have a	an interest in the work	
	expected of the ENTSO for	expec	eted of the ENTSO for	
	Electricity. An effective	Electr	ricity. An effective	
	consultation process is therefore		lltation process is therefore	
	essential and existing structures		tial and existing structures	
	that are set up to facilitate and		re set up to facilitate and	
	streamline the consultation		nline the consultation	
	process, such as via national		ss, such as via national	
	regulators or the Agency,	•	ators or the Agency, should	
	should play an important role.	play a	an important role.	

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

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

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

Council proposal for an addition:

(44) Investments in major new infrastructure should be promoted strongly while ensuring the proper functioning of the internal market in electricity. In order to enhance the positive effect of exempted direct current interconnectors on competition and security of supply, market interest during the project-planning phase should be tested and congestion-management rules should be adopted. Where direct current interconnectors are located in the territory of more than one Member State, the Agency should handle as a last resort the exemption request in order to take better account of its cross-border implications and to facilitate its administrative handling. Moreover, given the exceptional risk profile of constructing those exempt major infrastructure projects, undertakings with supply and production interests should be able to benefit from a temporary derogation from the full unbundling rules for the projects concerned. Exemptions granted under Regulation (EC) No 1228/2003<sup>7</sup> continue to apply until the scheduled expiry date as decided in the granted exemption decision. Offshore electricity infrastructure with dual functionality (so-called 'offshore hybrid assets') combining transport of offshore wind energy to shore and interconnectors,

	granted under Regulation (EC) No 1228/2003 <sup>5</sup> continue to apply until the scheduled expiry date as decided in the granted exemption decision.	until the s as decided	36 continue to apply cheduled expiry date d in the granted decision.	should also be eligible for exemption such as under the rules applicable to new direct current interconnectors. Where necessary, the regulatory framework should duly consider the specific situation of these assets to overcome barriers to the realisation of societally cost-efficient offshore hybrid assets.
59.	(45) To enhance trust in the		enhance trust in the	
	market, its participants need to		s participants need to	
	be sure that those engaging in		at those engaging in	
	abusive behaviour can be		ehaviour can be subject	
	subject to effective,		re, proportionate and	
	proportionate and dissuasive		penalties. The	
	penalties. The competent		t authorities should be	
	authorities should be given the		competence to	
	competence to investigate		e effectively	
	effectively allegations of		s of market abuse. To	
	market abuse. To that end, it is	• • • • • • • • • • • • • • • • • • •	t is necessary that	
	necessary that competent		t authorities have	
	authorities have access to data		data that provides	
	that provides information on		on on operational	
	operational decisions made by		made by supply	
	supply undertakings. In the		ngs. In the electricity	
	electricity market, many		any relevant decisions	
	relevant decisions are made by		by the generators,	
	the generators, which should		ould keep information	
	keep information in relation	in relation	thereto available to	

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

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

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

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

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

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

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

the C	Council receive all	provisions for new	
	uments at the same time as	interconnectors. It is of	
	mber States' experts, and	particular importance that the	
	r experts systematically	Commission carry out	
	e access to meetings of	appropriate consultations during	
	nmission expert groups	its preparatory work, including	
	ling with the preparation of	at expert level, and that those	
dele	egated acts.	consultations be conducted in	
		accordance with the principles	
		laid down in the	
		Interinstitutional Agreement on	
		Better Law-Making of 13 April	
		2016 <sup>8</sup> . In particular, to ensure	
		equal participation in the	
		preparation of []	
		implementing acts, the	
		European Parliament and the	
		Council receive all documents at	
		the same time as Member States'	
		experts, and their experts	
		systematically have access to	
		meetings of Commission expert	
		groups dealing with the	
		preparation of []	
		implementing acts.	
		implementing acts.	

OJ L 123, 12.5.2016, p. 1.

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

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

69.		Chapter I Subject matter, scope and definitions		
70.		Subject	Article 1 t-matter and scope	
71.	This Regulation aims at:  (a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 <sup>9</sup> by enabling market signals to be delivered for increased flexibility, decarbonisation and innovation;	(a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 <sup>30</sup> by enabling market signals to be delivered for increased flexibility, efficiency, decarbonisation, innovation and a higher share of renewable energy sources.	This Regulation aims at:  (a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 <sup>10</sup> by enabling market signals to be delivered for increased security of supply, flexibility, sustainability, decarbonisation and innovation;	(a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 <sup>11</sup> by enabling market signals to be delivered for increased <i>efficiency</i> , <i>higher share of renewable energy sources</i> , security of supply, flexibility, sustainability, decarbonisation and innovation;

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 53

 ANNEX I
 TREE.2.B
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<sup>9</sup> COM/2014/015 final.

<sup>10</sup> COM/2014/015 final.

<sup>11</sup> COM/2014/015 final.

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

## **AM 11**

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

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

Provisionally agreed:

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

73.	(c) setting fair rules for		(c) setting fair rules for cross-	No change
	cross-border exchanges in		border exchanges in electricity,	
	electricity, thus enhancing		thus enhancing competition	(c) setting fair rules for cross-border
	competition within the internal		within the internal market in	exchanges in electricity, thus enhancing
	market in electricity, taking into		electricity, taking into account	competition within the internal market in
	account the particular		the particular characteristics of	electricity, taking into account the particular
	characteristics of national and		national and regional markets.	characteristics of national and regional
	regional markets. This includes		This includes the establishment	markets. This includes the establishment of a
	the establishment of a		of a compensation mechanism	compensation mechanism for cross-border
	compensation mechanism for		for cross-border flows of	flows of electricity and the setting of
	cross-border flows of electricity		electricity and the setting of	harmonised principles on cross-border
	and the setting of harmonised		harmonised principles on cross-	transmission charges and the allocation of
	principles on cross-border		border transmission charges and	available capacities of interconnections
	transmission charges and the		the allocation of available	between national transmission systems;
	allocation of available		capacities of interconnections	,
	capacities of interconnections		between national transmission	
	between national transmission		systems;	
	systems;			
74.	(d) facilitating the	AM 12	(d) facilitating the emergence	Provisionally agreed:
	emergence of a well-	(d) facilitating the emergence of	of a well-functioning and	
	functioning and transparent	a well-functioning, <i>liquid</i> and	transparent wholesale market	(d) facilitating the emergence of a well-
	wholesale market with a high	transparent whole sale market	with a high level of security of	functioning and transparent whole sale
	level of security of supply in	contributing to a high level of	supply in electricity. It provides	market <i>contributing to</i> a high level of
	electricity. It provides for	security of supply in electricity. It	for mechanisms to harmonise	security of supply in electricity. It provides
	mechanisms to harmonise the	provides for mechanisms to	the rules for cross-border	for mechanisms to harmonise the rules for
	rules for cross-border	harmonise the rules for cross-	exchanges in electricity	cross-border exchanges in electricity.
	exchanges in electricity.	border exchanges in electricity.		

75.	Article 2 Definitions				
76.	1. For the purpose of this Regulation, the definitions contained in Article 2 of Directive [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], in Article 2 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council 12, in Article 2 of Commission Regulation (EU) No 543/2013 13 and in Article 2 of [Recast Renewable Energies Directive] apply.	1. For the purpose of this Regulation, the definitions contained in Article 2 of Directive [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], in Article 2 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council <sup>14</sup> , in Article 2 of Commission Regulation (EU) No 543/2013 <sup>15</sup> and in Article 2 of [Recast Renewable Energies Directive] apply [with the exception of the definition of 'interconnector' which shall be replaced by the following: 'interconnector' means a transmission line which erosses or spans a border	Council proposal for an addition:  1. For the purpose of this Regulation, the definitions contained in Article 2 of Directive [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], in Article 2 of Regulation (EU) No 1227/2011 of the European Parliament and of the Council 16, in Article 2 of Commission Regulation (EU) No 543/2013 17 and in Article 2 of [Recast Renewable Energies Directive] apply with the exception of the definition of 'interconnector' which shall be replaced by the following: 'interconnector' means a transmission line which crosses or spans a border between Member States and which connects the national transmission systems of the Member States.		

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

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ANNEX I

TREE.2.B

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56

Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (OJ L 163, 15.6.2013, p. 1).

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

Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (OJ L 163, 15.6.2013, p. 1).

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

<sup>17</sup> Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (OJ L 163, 15.6.2013, p. 1).

			between Member States and which connects the national transmission systems of the	
			Member States.]	
77.	2. In addition, the		2. In addition, the following	
	following definitions shall		definitions shall apply:	
	apply:			
<b>78.</b>	(a) 'regulatory authorities'		(a) 'regulatory authorities'	
	means the regulatory authorities		means the regulatory authorities	
	referred to in Article 57(1) of		referred to in Article 57(1) of	
	[recast of Directive 2009/72/EC		[recast of Directive 2009/72/EC	
	as proposed by COM(2016)		as proposed by COM(2016)	
	864/2];		864/2];	
79.	(b) 'cross-border flow'		(b) 'cross-border flow' means	
	means a physical flow of		a physical flow of electricity on	
	electricity on a transmission		a transmission network of a	
	network of a Member State that		Member State that results from	
	results from the impact of the		the impact of the activity of	
	activity of producers and/or		producers and/or customers	
	customers outside that Member		outside that Member State on its	
	State on its transmission		transmission network;	
0.0	network;	175.40	( ) ( ) ( )	
80.	(c) 'congestion' means a	AM 13	(c) 'congestion' means a	
	situation in which all requests	(c) 'congestion' means a	situation in which all requests	
	from market participants to	situation in which all requests from	from market participants to trade	
	trade between two bidding zones cannot be accommodated	market participants to trade [] cannot be accommodated because	between [ ] network areas cannot be accommodated	
	because they would	they would significantly affect the	because they would significantly	
	significantly affect the physical flows on network elements	physical flows on network elements which cannot	affect the physical flows on network elements which cannot	
	which cannot accommodate those flows;	accommodate those flows;	accommodate those flows;	
	mose nows;			

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

86.	(i) 'balancing' means all	(i) 'balancing' means all
	actions and processes, in all	actions and processes, in all
	timelines, through which	timelines, through which
	transmission system operators	transmission system operators
	ensure, in a continuous way,	ensure, in a continuous way,
	maintenance of the system	maintenance of the system
	frequency within a predefined	frequency within a predefined
	stability range and compliance	stability range and compliance
	with the amount of reserves	with the amount of reserves
	needed with respect to the	needed with respect to the
	required quality;	required quality;
87.	(j) 'balancing energy' means	(j) 'balancing energy' means
07.	energy used by transmission	energy used by transmission
	system operators to perform	system operators to perform
	balancing;	balancing;
88.	(k) 'balancing service	(k) 'balancing service
00.	provider' means a market	provider' means a market
	participant providing either or	participant providing either or
	both balancing energy and	both balancing energy and
	balancing capacity to	balancing capacity to
	transmission system operators;	transmission system operators;
89.	(1) 'balancing capacity'	(1) 'balancing capacity' means
07.	means a volume of capacity that	a volume of capacity that a
	a balancing service provider has	balancing service provider has
	agreed to hold to and in respect	agreed to hold to and in respect
	to which the balancing service	to which the balancing service
	provider has agreed to submit	provider has agreed to submit
	bids for a corresponding	bids for a corresponding volume
	volume of balancing energy to	of balancing energy to the
	the transmission system	transmission system operator for
	operator for the duration of the	the duration of the contract;
	contract;	the datation of the contract,
	contract,	

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

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

99.	(v) 'strategic reserve' means	AM 16	[]	
	a capacity mechanism in which	(v) 'strategic reserve' means a		
	resources are only dispatched in	capacity mechanism in which		
	case day-ahead and intraday	resources are held outside the		
	markets have failed to clear,	electricity market and are only		
	transmission system operators	dispatched in case day-ahead and		
	have exhausted their balancing	intraday markets have failed to		
	resources to establish an	clear, transmission system		
	equilibrium between demand	operators have exhausted their		
	and supply, and imbalances in	balancing resources to establish an		
	the market during periods	equilibrium between demand and		
	where the reserves were	supply, and imbalances in the		
	dispatched are settled at the	market during periods where the		
	value of lost load;	reserves were dispatched are settled		
	value of lost load,	at least at technical price limits or		
		at the value of lost load;		
100.	(w) 'high-efficiency	ut the value of lost load,	(w) 'high-efficiency	
100.	` '		` ,	
	cogeneration' means		cogeneration' means	
	cogeneration meeting the		cogeneration meeting the criteria	
	criteria laid down in Annex II		laid down in Annex II of	
	of Directive 2012/27/EU of the		Directive 2012/27/EU of the	
	European Parliament and of the		European Parliament and of the	
	Council <sup>18</sup> ;		Council <sup>19</sup> ;	

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

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

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

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

108.	(ee) 'specific balancii	ng
	product' means a prod	uct
	different from a standa	ard
	product, the requireme	ents for
	which are set out in the	
	Balancing Guideline ac	lopted
	on the basis of Article	•
	<b>Regulation 714/2009.</b>	
109.	(ff) 'delegated opera	tor' Provisionally agreed:
10).	means an entity to who	
	specific tasks or obliga	\
	entrusted to a transmis	_
		· · · · · · · · · · · · · · · · · · ·
	system operator or not electricity market oper	, <u> </u>
	_	•
	under this Regulation	•
	other Regulation, Dire	•
	Network Code or Guid	<b>V</b> 1
	have been delegated by	
	transmission system op	<u> </u>
	or nominated electricit	•   9 • • • •
	market operator or ha	
	assigned by a Member	State or
	Regulatory Authority;	

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

116.	(c) customers shall be enabled to benefit from market opportunities and increased competition on retail markets;	AM 20 (c) customers shall be enabled to benefit from market opportunities and increased competition on retail markets and be empowered to act as participant in the energy market and the energy transition;	(c) customers shall be enabled to benefit from market opportunities and increased competition on retail markets;	Provisionally agreed:  (c) customers shall be enabled to benefit from market opportunities and increased competition on retail markets and be empowered to act as participant in the energy market and the energy transition;
117.	(d) market participation of consumers and small businesses shall be enabled by aggregation of generation from multiple generation facilities or load from multiple demand facilities to provide joint offers on the electricity market and be jointly operated in the electricity system, subject to compliance with EU treaty rules on competition;		(d) market participation of consumers and small businesses shall be enabled by aggregation of generation from multiple generation facilities or load from multiple demand facilities to provide joint offers on the electricity market and be jointly operated in the electricity system, subject to compliance with EU treaty rules on competition;	(d) market participation of consumers and small businesses shall be enabled by aggregation of generation from multiple generation facilities or load from multiple demand facilities to provide joint offers on the electricity market and be jointly operated in the electricity system, subject to compliance with EU treaty rules on competition;
118.	(e) market rules shall support the decarbonisation of the economy by enabling the integration of electricity from renewable energy sources and providing incentives for energy efficiency;	AM 21 (e) market rules shall support the decarbonisation of the electricity system and thus the economy by enabling the integration of electricity from renewable energy sources including energy storage and providing incentives for energy efficiency;	(e) market rules shall [ ]  accompany the decarbonisation of the economy e.g. by enabling the integration of electricity from renewable energy sources and providing incentives for energy efficiency;	Provisionally agreed:  (e) market rules shall [ ] accompany enable the decarbonisation of the electricity system and thus the economy e.g. by enabling the integration of electricity from renewable energy sources and providing incentives for energy efficiency;

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

100	(1) 11 1 1 11 1		(*) 11 1 1 11 1	37 7
123.	(j) all producers shall be		(j) all producers shall be	No change
	directly or indirectly		directly or indirectly responsible	(j) all producers shall be directly or
	responsible for selling the		for selling the electricity they	indirectly responsible for selling the
	electricity they generate;		generate;	electricity they generate;
124.		AM 25		Maintain Council GA
		Article 3 – paragraph 1 – point j		
		a (new)		
		(ja) electricity generation		
		operators shall bear full financial		
		and legal responsibility deriving		
		from their assets;		
125.	(k) market rules shall allow	AM 26	[1	Maintain Council GA
125.				Maintain Council GA
	for progress in research and	(k) market rules shall allow for		
	development to be realized and	progress in research and		
	used to the benefit of society;	development into sustainable,		
		secure and low-carbon energy		
		sources, technologies or systems to		
		be realized and used to the benefit		
		of society;		
126.	(l) market rules shall enable	AM 27	(l) market rules shall enable	Provisionally agreed:
	the efficient dispatch of	(1) market rules shall enable the	the efficient dispatch of	(l) market rules shall enable the efficient
	generation assets and demand	efficient dispatch of generation	generation assets and demand	dispatch of generation assets, <i>energy storage</i>
		assets, <i>storage</i> and demand		and demand response;
	response;		response;	and demand response,
		response;		

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

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

<i>134</i> .	Article 4	Article 4	
137.	Balancing responsibility	Balance[] responsibility	
135.	1. All market participants shall aim for system balance and shall be financially responsible for imbalances they cause in the system. They shall either be balance responsible parties or delegate their responsibility to a balance responsible party of their choice.	1. All market participants [ ] shall be [ ] responsible for the imbalances they cause in the system. To that end, the market participants [ ] shall either be balance responsible parties or contractually delegate their responsibility to a balance responsible party of their choice. In accordance with the Balancing Guideline adopted on the basis of Article 17 and 18 of the Regulation 714/2009, each balance responsible party shall be financially responsible for its imbalances and strive to be balanced or help the power system to be balanced.	
136.	2. Member States may provide for derogation from balance responsibility in respect of:	2. Member States may provide [ ] derogations from [ ] balancing responsibility only in the following cases:	
137.	(a) demonstration projects;	(a) demonstration projects for emerging technologies as defined in Article 66 and 67 of Regulation (EU) 2016/631 <sup>20</sup> ;	

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

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

141.	3. From 1 January 2026, point (b) of paragraph 2 shall apply only to generating installations using renewable energy sources or highericiency cogeneration with an installed electricity capacity of less than 250 kW.		3. For power generating facilities commissioned after 1 January 2026, point (b) of paragraph 2 shall apply only to renewable energy sources or high-efficiency cogeneration with an total installed electricity capacity of less than [] 150 kW. Member States may apply a lower threshold.	
142.		Bal	Article 5 ancing market	
143.	1. All market participants shall have access to the balancing market, be it individually or through aggregation. Balancing market rules and products shall respect the need to accommodate increasing shares of variable generation as well as increased demand responsiveness and the advent of new technologies.	AM 32 1. All market participants, including those providing electricity generated from variable renewable sources and demand side response and storage services shall have full access to the balancing market, be it individually or through aggregation. Balancing market rules and products shall respect the need to accommodate increasing shares of variable generation as well as increased demand responsiveness and the advent of new technologies.		Maintain Council GA  Entire article was not yet discussed with the EP. The fourth column is identical to REV 2 and 3 seen by COREPER on 7 September and 12 October.

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

147.	3. Balancing energy shall be procured separately from balancing capacity.  Procurement processes shall be transparent while at the same time respecting confidentiality.	AM 34 3. Balancing energy shall be procured separately from balancing capacity. The price of balancing energy shall not be pre-determined in a contract of balancing except where an exemption is applied in accordance with Article 16(6) of the Commission Regulation (EU) 2017/2195 <sup>1a</sup> . Procurement processes shall be transparent while at the same time respecting confidentiality.  The Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (OJ L 312, 28.11.2017 p. 6).		Compromise proposal: This corresponds to 5(5a) of the GA; see also article 16(6) of Reg. 2017/2195 (Balancing Guideline). Exemptions see new para. 5(11).  3. The price of balancing energy shall not be pre-determined [ ] in a contract for balancing capacity.  Procurement processes shall be transparent while at the same time respecting confidentiality in accordance with paragraph 4 of Article 40 of the [recast Electricity Directive].
148.	4. Balancing markets shall ensure operational security whilst allowing for maximum use and efficient allocation of cross-zonal capacity across timeframes in accordance with Article 15.		4. Balancing markets shall ensure operational security whilst allowing for maximum use and efficient allocation of cross-zonal capacity across timeframes in accordance with Article 15.	No change 4. Balancing markets shall ensure operational security whilst allowing for maximum use and efficient allocation of cross-zonal capacity across timeframes in accordance with Article 15.
149.	5. Marginal pricing shall be used for the settlement of balancing energy. Market participants shall be allowed to bid as close to real time as possible, and at least after the intraday cross-zonal gate closure time determined in accordance with Article 59 of	AM 35 5. The settlement of balancing energy shall be based on marginal pricing. On balancing markets, market participants shall be allowed to bid as close to real time as possible, and balancing energy gate closure times shall not be before intraday cross-zonal gate	5. [] For standard and specific balancing products, the settlement of balancing energy shall be based on marginal pricing, pay-ascleared, without prejudice to the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.	Compromise proposal:  [ ] The settlement of balancing energy for standard and specific balancing products shall be based on marginal pricing, pay-ascleared, [ ]  Market participants shall be allowed to bid as close to real time as possible, and [ ] balancing energy gate closure times shall

	Commission Regulation (EU) 2015/1222 <sup>21</sup> .	closure time determined in accordance with Article 59 of Commission Regulation (EU) 2015/1222 <sup>34</sup> 34 Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (OJ L 197, 25.7.2015, p. 24).	Market participants shall be allowed to bid as close to real time as possible, and [ ] balancing energy gate closure times shall not be before the intraday cross-zonal gate closure time determined in accordance with Article 59 of Commission Regulation (EU) 2015/1222 <sup>22</sup> . Transmission system operator applying a central dispatching model may define additional rules in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.	not be before the intraday cross-zonal gate closure time [ ].  Transmission system operator applying a central dispatching model may define additional rules in accordance with [ ] the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009.
150.			5a. The price of balancing energy shall not be predetermined in a contract for balancing capacity. An exemption for specific balancing products may be applied in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009. Procurement processes shall be transparent while at the same time respecting confidentiality in accordance with paragraph 4 of Article 40 of the [recast Electricity Directive].	Compromise proposal: Accept to delete here Paragraph 5a is moved to paragraph 3.

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

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

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

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

155.	9. The procurement of upward balancing capacity and downward balancing capacity shall be carried out separately. The contracting shall be performed for not longer than one day before the provision of the balancing capacity and the contracting period shall have a maximum of one day.	AM 38 9. The procurement of upward balancing capacity and downward balancing capacity shall be carried out separately. <i>Procurement of balancing capacity</i> shall be performed for not longer than one day before the provision of the balancing capacity and the contracting period shall have a	9. The procurement of upward balancing capacity and downward balancing capacity shall be carried out separately, [ ] in accordance with the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009. To the extent possible, and at least for a minimum of 40 % of the	Maintain Council GA
		maximum <i>duration</i> of one day.	standard products used for balancing capacity, the contracting of balancing capacity shall be performed for not longer than one day before the provision of the balancing capacity and the contracting period shall have a maximum of one day. The contracting of the remaining part of the	
			balancing capacity shall be performed for a maximum of one month in advance of the provision of balancing capacity and the contracting period of the remaining part of balancing capacity shall have a maximum period of one month.	

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

1.50			() 1 1 0 1 1 1 1	16.1.1.0.11.01
159.			(c) analysis of the impact of	Maintain Council GA
			such an exemption on the	
			participation of balancing	
			resources; and	
160.			(d) justification for the	Maintain Council GA
			exemption demonstrating that	
			such an exemption would lead	
			to lower costs for consumers.	
161.	10. Transmission system	AM 39	10. Transmission system	Compromise proposal:
	operators shall publish close to	10. Transmission system	operators shall publish, [ ] as	10. Transmission system operators <i>or</i>
	real-time information on the	operators or third parties to whom	soon as possible but not later	third parties delegated operators shall
	current balancing state of their	these responsibilities have been	than 30 minutes after real-time,	publish, [ ] as soon as possible but not
	control areas, the imbalance	delegated by the relevant	the information on the current [	later than 30 minutes after real-time, the
	price and the balancing energy	transmission system operator,	] system balance of their [ ]	information on the current [ ] system
	price.	Member State or regulatory	scheduling areas [ ] and the	balance of their [ ] scheduling areas, [ ]
		authority shall publish close to	estimated [ ] balancing energy	the estimated imbalance prices [ ] and the
		real-time information on the	prices. To the extent that	estimated [ ] balancing energy prices.
		current balancing state of their	responsibility for provision of	
		control areas, the <i>estimated</i>	this information has been	
		imbalance price and the <i>estimated</i>	assigned or delegated to a	
		balancing energy price.	third party, in accordance	
			with the Balancing Guideline	
			adopted on the basis of Article	
			18 of the Regulation	
			714/2009Article, those parties	
			will be responsible for meeting	
			the requirements of this	
			Article.	

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

<i>164</i> .		Article 6	
		Day-ahead and intraday markets	
164. 165.	1. Transmission system operators and nominated electricity market operators shall jointly organise the management of the integrated day-ahead and intraday markets based on market coupling as set out in Regulation (EU) 2015/1222. Transmission system operators and nominated electricity market operators shall cooperate at Union level or, where more appropriate, on a regional basis in order to maximise the efficiency and effectiveness of Union electricity day-ahead and intraday trading. The obligation to cooperate shall be without prejudice to the application of the provisions of Union competition law. In their functions relating to electricity trading, transmission system operators and nominated market operators shall be subject to regulatory oversight by regulators and the Agency pursuant to Article 59 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2] and Articles 4 and 9 of [recast of Regulation (EC) No		Provisionally agreed:  1. Transmission system operators and nominated electricity market operators shall jointly organise the management of the integrated day-ahead and intraday markets based on market coupling as set out in Regulation (EU) 2015/1222. Transmission system operators and nominated electricity market operators shall cooperate at Union level or, where more appropriate, on a regional basis in order to maximise the efficiency and effectiveness of Union electricity day-ahead and intraday trading. The obligation to cooperate shall be without prejudice to the application of the provisions of Union competition law. In their functions relating to electricity trading, transmission system operators and nominated electricity market operators shall be subject to regulatory oversight by regulators and the Agency pursuant to Article 59 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2] and Articles 4 and 9 of [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863/2].

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

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

<i>176</i> .			Article 7	
		Trade on day-a	head and intraday markets	
177.	1. Market operators shall allow market participants to trade energy as close to real time as possible and at least up to the intraday cross-zonal gate closure time determined in accordance with Article 59 of Regulation (EU) 2015/1222.	1. Market operators shall allow market participants to trade energy as close to real time as possible and at least up to 15 minutes before real time across all bidding zones.	1. Nominated electricity market operators shall allow market participants to trade energy as close to real time as possible and at least up to the intraday cross-zonal gate closure time determined in accordance with [ ] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	Provisionally agreed to keep Nominated electricity market operators.  AM 43 or keeping the ref. to CACM guideline is still under negotiations.
178.	2. Market operators shall provide market participants with the opportunity to trade in energy in time intervals at least as short as the imbalance settlement period in both dayahead and intraday markets.	AM 44 2. Market operators shall provide market participants with the opportunity to trade in energy <i>in national and cross-border markets</i> in time intervals at least as short as the imbalance settlement period in both day-ahead and intraday markets.	2. Nominated electricity market operators shall provide market participants with the opportunity to trade in energy in time intervals at least as short as the imbalance settlement period in both day-ahead and intraday markets in accordance with the balancing guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	Compromise proposal: (Seen by COREPER on 7 September and 12 October) Still to be discussed with the EP  2. Nominated electricity market operators shall provide market participants with the opportunity to trade in energy in time intervals at least as short as the imbalance settlement period in both dayahead and intraday markets

179.	3. Market operators shall provide products for trading in day-ahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 1 Megawatt or less, to allow for the effective participation of demand-side response, energy storage and small-scale renewables.	AM 45 3. Market operators shall provide products for trading in dayahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 500 Kilowatt, to allow for the effective participation of demand-side response, energy storage and small-scale renewables including directly by customers.	3. Nominated electricity market operators shall provide products for trading in dayahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 1 Megawatt [], to allow for the effective participation of demand-side response, energy storage and small-scale renewables in accordance to the methodologies developed in the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	Compromise proposal: (Seen by COREPER on 7 September and 12 October) Still to be discussed with the EP  3. Nominated electricity market operators shall provide products for trading in day-ahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 1 Megawatt or less, to allow for the effective participation of demand-side response, energy storage and small-scale renewables including directly by customers.  [ ]
180.	4. By 1 January 2025, the imbalance settlement period shall be 15 minutes in all control areas.	AM 46 4. By 1 January 2021, the imbalance settlement period shall be 15 minutes in all control areas.	4. By 1 January 2021, the imbalance settlement period shall be 15 minutes in all [ ] scheduling areas unless regulatory authorities have granted a derogation or an exemption in accordance with the balancing guideline adopted on the basis of Article 18 of the Regulation 714/2009.	Compromise proposal discussed in Coreper on 12 October, still to be discussed with the EP:  4. By 1 January 2021, the imbalance settlement period shall be 15 minutes in all [   scheduling areas unless regulatory authorities have granted a derogation or an exemption in accordance with the balancing guideline adopted on the basis of Article 18 of the Regulation 714/2009.  Derogations and exemptions may only be granted until 1 January 2025.

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

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

<i>185.</i>	Article 9		Article 9	
	Price Restrictions		[ ] Technical bidding limits	
186.	1. There shall be no maximum limit of the wholesale electricity price unless it is set at the value of lost load as determined in accordance with Article 10. There shall be no minimum limit of the wholesale electricity price unless it is set at a value of minus 2000 € or less and, in the event that it is or anticipated to be reached, set at a lower value for the following day. This provision shall apply, inter alia, to bidding and clearing in all timeframes and include balancing energy and imbalance prices.	AM 48  1. There shall be no maximum  [] and no minimum limit of the wholesale electricity price []. This provision shall apply, inter alia, to bidding and clearing in all timeframes and include balancing energy and imbalance prices.	electricity prices and balancing energy prices, including bidding and clearing prices, shall not be subject to a minimum or maximum limit. This is without prejudice to the technical price limits which may be applied in the balancing timeframe according to the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009 and in the day-ahead and intraday timeframes as set out in the following paragraph.	Compromise proposal: (Seen by COREPER on 7 September and 12 October) Still to be discussed with the EP  There shall be no maximum [ ] and no minimum limit of the wholesale electricity price [ ]. This provision shall apply, inter alia, to bidding and clearing in all timeframes and include balancing energy and imbalance prices. This is without prejudice to the technical price limits which may be applied in the balancing timeframe according to the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009 and in the day-ahead and intraday timeframes as set out in the following paragraph.
187.	2. By way of derogation from paragraph 1, until [OP: two years after entry into force] market operators may apply limits on maximum clearing prices for day-ahead and intraday timeframes in accordance with Articles 41 and 54 of Regulation (EU) 2015/1222. In the event that limits are, or are anticipated to be, reached, they shall be raised for the following day.	AM 49 2. By way of derogation from paragraph 1, market operators may apply technical limits on maximum and minimum bidding limits for day-ahead and intraday timeframes in accordance with Articles 41 and 54 of Regulation (EU) 2015/1222 and for the balancing timeframe in accordance with Regulation (EU) 2017/2195. In the event that those technical limits are, or are anticipated to be, reached, they shall be automatically adjusted. The technical price limits shall be	2. [] Nominated electricity market operators may apply harmonised limits on maximum and minimum clearing prices for day-ahead and intraday timeframes in accordance with [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009. These limits shall take into account the maximum value of lost load. Nominated market operators shall implement a transparent	Compromise proposal: (Seen by COREPER on 7 September and 12 October) Still to be discussed with the EP  2. Nominated electricity market operators may apply harmonised limits on maximum and minimum clearing prices for day-ahead and intraday timeframes in accordance with [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009. These limits shall be sufficiently high so as not to unnecessarily restrict trade, be harmonised for the common market area_and take into account the

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

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

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

Provisionally agreed:

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

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

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

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

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

204.		The Commission shall approve or reject a request for exemption within six months of receipt of the		
		request. Any exemption granted		
		shall avoid retroactive changes for		
		installations already benefiting		
		from priority dispatch,		
		notwithstanding any agreement		
		between a Member State and an		
205.	From 1 January 2026 maint (a)	installation on a voluntary basis.	2. For power consulting	
205.	From 1 January 2026, point (a) of paragraph 2 shall apply only	From 1 January 2026, point (a) of paragraph 2 shall apply only to	3a. For power generating facility commissioned as from	
	to generating installations using	generating installations using	1 January 2026, point (a) of	
	renewable energy sources or	renewable energy sources or high-	paragraph 2 shall apply only to	
	high-efficiency cogeneration	efficiency cogeneration with an	power generating facilities [ ]	
	with an installed electricity	installed electricity capacity of less	using renewable energy sources	
	capacity of less than 250 kW or,	than 250 kW [ ].	or high-efficiency cogeneration	
	if the threshold under the first		with an installed electricity	
	sentence of this paragraph has		capacity of less than [] <u>1</u> 50	
	been reached, of less than 125		kW [ ]. Member States may	
	kW.		apply a lower threshold.	

206. Generating installations using renewable energy sources or high-efficiency cogeneration which have been commissioned prior to [OP: entry into force] and have, when commissioned, been subject to priority dispatch under Article 15(5) of Directive 2012/27/EU of the European Parliament and of the Council or Article 16(2) of Directive 2009/28/EC of the European Parliament and of the Council<sup>23</sup> shall remain subject to priority dispatch. Priority dispatch shall no longer be applicable from the date where the generating installation is subject to significant modifications, which shall be the case at least where a new connection agreement is required or the generation capacity is increased.

## AM 54

Without prejudice to paragraph 3 of this Article, generating installations using renewable energy sources or highefficiency cogeneration which have been commissioned prior to [OP: entry into force] and have, when commissioned, been subject to priority dispatch under Article 15 (5) of Directive 2012/27/EU of the European Parliament and of the Council or Article 16 (2) Directive 2009/28/EC of the European Parliament and of the Council<sup>39</sup> shall remain subject to priority dispatch. Priority dispatch shall no longer be applicable from the date where the generating installation is subject to significant modifications, which shall be the case at least where a new connection agreement is required or the generation capacity is increased.

35 Directive 2009/28/EC of the

European Parliament and of the

Council of 23 April 2009 on the promotion of the use of energy from renewable sources and

Without prejudice to contracts concluded before [entry into force of the legislation], power generating facility using renewable energy sources or high-efficiency cogeneration which have been commissioned prior to [OP: entry into force] and have, when commissioned, been subject to priority dispatch under Article 15(5) of Directive 2012/27/EU of the European Parliament and of the Council or Article 16(2) of Directive 2009/28/EC of the European Parliament and of the Council<sup>24</sup> shall [ ] continue to benefit from priority dispatch. Priority dispatch shall no longer be applicable from the date where the [ ] power generating facility is subject to significant modifications, which shall be the case at least where a new connection agreement is required or the generation capacity is increased.

\_\_

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

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

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

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

## AM 55

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

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

(part of 2, moved as 2a)

211.	2a. Without prejudice to
211.	1 0
	Articles 107 to 109 TFEU non-
	market-based [ ] redispatching
	of generation or redispatching of
	demand response [ ] may only
	be used [ ] subject to the
	following conditions:
212.	(a) no market-based alternative
	is available,
213.	(b) [ ] all available market-
	based resources have been used,
	or
214.	(c) [ ] the number of
	generation or demand facilities
	available in the area where
	suitable generation or demand
	facilities for the provision of the
	service are located is too low to
215	ensure effective competition. [ ]
215.	(d) the current grid
	situation leads to congestion in
	such a regular and predictable
	way that market-based
	redispatch would lead to
	regular strategic bidding
	which would increase the level
	of internal congestion and the
	Member State concerned has
	adopted an action plan to
	address this congestions or
	ensures that
	minimum available capacity
	for cross-zonal trade is in
	accordance with Article 14 (7).
	accordance with the left 17 (1).

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

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

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

			generating facility using renewable energy sources or high-efficiency cogeneration represents more than 50 % of annual gross final consumption of electricity;	
225.	(b) take appropriate grid and market-related operational measures in order to minimise the curtailment or downward redispatching of electricity produced from renewable energy sources or higherficiency cogeneration.		(b) take appropriate grid and market-related operational measures in order to minimise the [ ] downward redispatching of electricity produced from renewable energy sources or high-efficiency cogeneration.	
226.		AM 58 Article 12 – paragraph 4 – point b (new)  (ba) ensure that their networks are sufficiently flexible such that they are in a position to manage them.		
227.	5. Where non-market-based downward redispatching or curtailment is used, the following principles shall apply:		5. Where non-market-based downward redispatching [] is used, the following principles shall apply:	

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

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

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

235.	Chapter III						
		Network access and congestion management					
236.		SECTION 1					
		CAPACITY ALLOCATION					
237.	Article 13 Definition of bidding zones		Article 13  Measures to address congestion and definition of bidding zones	Compromise proposal: to divide article 13, into 13 and 13a. <u>Due to changing of</u> structure and shifting parts of paragraphs please note that the comparison with first three columns may not be exact and/or possible. A consolidated version of 13 and 13a can be found in Annex II.  Article 13 Bidding Zone Review Article 13a Action plans			
238.	1. Bidding zone borders shall be based on long-term, structural congestions in the transmission network and bidding zones shall not contain such congestions. The configuration of bidding zones in the Union shall be designed in such a way as to maximise economic efficiency and cross-border trading opportunities while maintaining security of supply.	1. The configuration of bidding zones in the Union shall be designed in such a way as to ensure liquidity of day-ahead and intraday markets, and thus to maximise economic efficiency and cross-border trading opportunities while maintaining security of supply. Bidding zone borders shall be based on long-term, structural congestions in the transmission network and bidding zones shall not contain such congestions unless they have no impact on neighbouring bidding zones, or their impact is mitigated by remedial actions.	1. Member States shall take all appropriate measures to address congestions. Bidding zone borders shall be based on long-term, structural congestions in the transmission network []. Bidding zones shall not contain such structural congestions unless they have no impact, or their impact on neighbouring bidding zones is mitigated through the use of remedial actions and they do not lead to reductions of cross zonal trading capacity. The configuration of the bidding zones in the Union shall be designed in such a way as to maximise economic efficiency and in order to maximise cross-border trading opportunities, []	Compromise proposal: Following adoption this will be paragraph 1 of Article 13:  1. Member States shall take all appropriate measures to address congestions. Bidding zone borders shall be based on long-term, structural congestions in the transmission network []. Bidding zones shall not contain such structural congestions unless they have no impact, or their impact on neighbouring bidding zones is mitigated through the use of remedial actions and they do not lead to reductions of cross zonal trading capacity in accordance with the requirements of Art 14. The configuration of the bidding zones in the Union shall be designed in such a way as to maximise economic efficiency and in order to maximise cross-border trading opportunities, while maintaining security of supply with due respect to the			

			with due respect to the	provisions in Article 14.
			provisions in Article 14.	
239.	2. Each bidding zone should	AM 64		Compromise proposal:
	be equal to an imbalance price	2. Each bidding zone should be		
	area.	equal to an imbalance price area,		(covered in line 152)
		except where an imbalance price		
		area may constitute a part of a		
		bidding zone.		
239a.				Compromise proposal:
				Following adoption this will be paragraph 2
				of Article 13:
				2. Every three years, the ENTSO for
				Electricity shall report on structural
				congestion and other major physical
				congestion between and within bidding
				zones, including location and frequency of
				such congestion in accordance with the
				capacity allocation and congestion
				management guideline adopted on the
				basis of Article 18 of Regulation (EU)
				714/2009 and an assessment of whether
				the cross-zonal trade capacity reached the
				minimum threshold pursuant to Article
				<u>14.</u>
240.	3. In order to ensure an	AM 65	3. In order to ensure an	Compromise proposal:
	optimal bidding zone definition	3. In order to ensure an optimal	optimal bidding zone [ ]	Following adoption this will be paragraph 3
	in closely interconnected areas,	bidding zone definition in closely	configuration [ ] a bidding	of Article 13:
	a bidding zone review shall be	interconnected areas, a bidding	zone review shall be carried out.	
	carried out. That review shall	zone review shall be carried out.	That review shall identify all	3. In order to ensure an optimal bidding
	include analysis of the	That review shall include analysis	structural congestion and	zone [ ] configuration [ ] a bidding zone
	configuration of bidding zones	of the configuration of bidding	include analysis of [ ] different	review shall be carried out. That review shall
	in a coordinated manner with	zones in a coordinated manner with	configurations of bidding zones	identify all structural congestion and
	the involvement of affected	the involvement of affected	in a coordinated manner with the	include analysis of [ ] different
	stakeholders from all affected	stakeholders from all affected	involvement of affected	configurations of bidding zones in a
	Member States, following the	Member States, following the	stakeholders from all	coordinated manner with the involvement of

process in accordance with Articles 32 to 34 of Regulation (EU) 2015/1222. The Agency shall approve and may request amendments to the methodology and assumptions that will be used in the bidding zone review process as well as the alternative bidding zone configurations considered.

process in accordance with Articles 32 to 34 of Regulation (EU) 2015/1222. Current bidding zones shall be assessed based on their ability to create a reliable market environment, ensure sufficient flexible generation and load capacity, which is crucial for avoiding grid bottlenecks, balancing electricity demand and supply securing the long-term security of investments and the *grid.* The Agency shall approve and may request amendments to the methodology and assumptions that will be used in the bidding zone review process as well as the alternative bidding zone configurations considered. The methodology shall take due account of infrastructure development projects that are expected to be realised within the next 5 years.

relevant Member States. following the process in accordance with [ ] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009. All relevant transmission system operators shall submit a proposal to the relevant national regulatory authorities for approval. The relevant national regulatory authorities shall come to an unanimous decision on the proposal within [3 month]. In case they do not agree within this time frame, the Agency shall [ ] decide on the methodology and assumptions that will be used in the bidding zone review process as well as the alternative bidding zone configurations considered. The methodology shall be based on structural congestions which are not expected to be overcome within the next five years, for example taking due account of tangible progress on infrastructure development projects, that are expected to be realised within the next five vears.

affected stakeholders from all [] relevant Member States, following the process in accordance with [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009. Current bidding zones shall be assessed based on their ability to create a reliable market environment, ensure sufficient including for flexible generation and load capacity, which is crucial for avoiding grid bottlenecks, balancing electricity demand and supply, securing the long-term security of investments and the grid in network infrastructure.

(ex part of line 242) In this article and in article 13a, relevant Member States, transmission system operators or national regulatory authorities refer to those Member States, transmission system operators or national regulatory authorities participating in the review of the bidding zone configuration and also those in the same capacity calculation region pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.

240a.		Compromise proposal:
		Following adoption this will be paragraph 4 of Article 13:
		(based on para 3 Council)
		(ex part of line 240) All relevant
		transmission system operators shall
		submit a proposal <u>for the methodology</u> and assumptions that will be used in the
		review process as well as the alternative
		bidding zone configurations considered to
		the relevant national regulatory
		authorities for approval. The relevant
		national regulatory authorities shall come
		to a unanimous decision on the proposal within [3 months]. In case they do not
		agree within this time frame, the Agency
		shall [ ] decide on the methodology and
		assumptions [ ] as well as the alternative
		bidding zone configurations considered. The
		methodology shall be based on structural congestions which are not expected to be
		overcome within the next five years, [for
		example taking due account of tangible
		progress on infrastructure development
		projects, that are expected to be realised
241	20 Lunguagina of the	within the next five years.
241.	3a. Irrespective of the concrete outcome of the	Compromise proposal:
	infrastructure development	
	projects, Article 14 shall apply	
	to the calculation of the	
	available capacity for cross-	
	zonal exchanges. Where an action plan is implemented	
	pursuant to paragraph 4a, the	
	threshold referred to in Article	
	14(7) shall be reached not later	
	than end of 2025.	

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

later.

## **AM 66**

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

The transmission system operators participating in the bidding zone review shall submit a **joint** proposal to the [ ] relevant Member States or designated competent authorities of the relevant Member States [no later than 12 months after entry into force of this Regulation, specific date to be inserted by OJI. In this article, relevant Member States refer to those Member States participating in the review of the bidding zone configuration and also those in the same capacity calculation region pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.

Compromise proposal: Partially incorporated in second part of paragraph 3 above.

Following adoption this will be paragraph 5 of Article 13:

4. Based on the methodology and assumptions approved pursuant to paragraph 3, the transmission system operators participating in the bidding zone review shall submit a **joint** proposal to the [ | relevant Member States or designated competent authorities of the relevant Member States whether to amend or maintain the bidding zone configuration no later than 12 months after [entry into force of this Regulation, specific date to be inserted by OJ]. Other Member States, Energy Community Contracting Parties or other third countries sharing the same synchronous area with any Member State may submit comments.

	commitments on addressing	
	existing congestion made by the	
	relevant Member States. The	
	relevant Member States shall	
	notify the Commission and the	
	Agency of their decision and any	
	cross-border agreements entered	
	into by the Member States, the	
	regulatory authorities or the	
	transmission system operators for	
	the purpose of achieving	
	consensus. Agreements entered	
	into by the relevant Member States	
	shall not deviate from coordinated	
	capacity calculation processes as	
	set out in Article 14 of this	
	Regulation nor from the relevant	
	provisions of Regulation (EU)	
	2015/1222.	
243.	AM 67	Compromise proposal:
	Article 13 – paragraph 4 a(new)	
	4 a. Where the relevant Member	
	States fail to come to a unanimous	
	decision within the deadline	
	referred to in paragraph 4, or	
	where the Member States become	
	aware of the fact that	
	commitments on which a previous	
	unanimous decision was based	
	were not complied with, they shall	
	immediately notify the	
	Commission.	

244.	The Commission shall initiate a	Compromise proposal:
	conciliation procedure and shall	
	act as a mediator between the	
	relevant Member States. In the	
	conciliation procedure, the	
	relevant Member States shall,	
	within six months of such	
	initiation, adopt a unanimous	
	decision on whether to amend or	
	maintain the bidding zone	
	configuration.	
245.	Where the relevant Member States	Compromise proposal:
	in the conciliation fail to adopt a	
	unanimous decision within six	
	months, the Member State with	
	the internal structural congestion	
	shall have the choice to either	
	amend its bidding zone or	
	establish a roadmap with concrete	
	measures on how to overcome the	
	congestions in its national	
	territory in due time. That	
	Member State shall immediately	
	notify its choice to the	
	Commission.	
246.	For those Member States that	
	choose to amend their bidding	
	zones, the Commission shall adopt	
	a decision within six months of	
	that notification, after a thorough	
	evaluation of all the issues at	
	stake, together with an assessment	
	of all available solutions.	

245	4 3371	
247.	4a. Where structural	Compromise proposal:
	congestion has been identified	Following adoption this will be paragraph 6
	by one or more transmission	of Article 13:
	system operator or where the	Where structural congestion has been
	bidding zone review	identified in the report pursuant to
	recommends a bidding zone	paragraph 2 or by one or more
	change of one or more	transmission system operators in their
	Member States, the concerned	control areas in a report approved by the
	<b>Member States in cooperation</b>	relevant national regulatory authorities by
	with their transmission system	one or more transmission system operator
	operators have the possibility,	or where the bidding zone review
	within 6 months, to define	recommends a bidding zone change of one
	action plans, national or	or more Member States, the concerned
	multinational.	Member States in cooperation with their
		transmission system operators have the
		possibility shall decide, within 6 months,
		to either define national or multinational
		action plans <del>, national or multinational</del>
		pursuant to Art 13a, or to review their
		bidding zone configuration. The decision
		shall be immediately notified to the
		Commission and the Agency.
		Commission and the regency.
		Compromise proposal:
		Following adoption this will be paragraph 1
		of Article 13a:
		of Article <u>13u</u> .
		Following a decision pursuant to Article
		13(6), Member States shall develop action
		plans in cooperation with national
	Those estion plans shall	
	These action plans shall contain a concrete timetable	regulatory authorities. These action plans shall contain a concrete timetable for
	for adopting measures to	adopting measures to reduce the
	reduce the structural	structural congestions identified within
	congestions identified within	the period of [no later than [4] years after

		the period of <i>[no later than [4]]</i>	entry into force of this Regulation, specific
		years after entry into force of	date to be inserted by OJ] [ ]
		this Regulation, specific date to	
		be inserted by OJJ, including	
		for example acceleration of	
		network development, more	
		efficient use of existing	
		infrastructure, a review of	
		current system operation	
		practices, increased	
		coordination of system	
		operation with relevant	
		neighbouring transmission	
		system operators, review of	
		regulation regarding remedial	
		actions and barriers to	
		increased flexibility and	
		national energy policy	
		measures that shift the	
		location of production and	
		consumption.	
248.		4b. Member State	Compromise proposal:
		implementing the actions plans	Following adoption this will be paragraph 2
		pursuant to paragraph 4a	of Article 13a:
		shall ensure that without	Irrespective of the concrete progress of
		prejudice to derogations under	the action plan, Member States [ ] shall
		Articles 14(7a) and 14(7b), the	ensure that without prejudice to the
		level of allocated capacity set	derogation under Article [ ] 14 (7b), the
		out in Article 14(7) is achieved	cross-border trade capacities are
		in the last year of the action	increased every year up to the benchmark
		plan, and in no case later than	level [ ] calculated in accordance with
		end of 2025, the minimum	Article 14 (7), which is to be achieved by
		allocated capacity. Member	the end of 2025. The yearly increase shall
		States shall achieve the	be achieved by means of a linear
		capacity referred to in this	trajectory. The starting of this trajectory
	l		- aj 11301 j. 1110 starting of this trajectory

paragraph by means of a linear trajectory. This linear trajectory and the starting of this trajectory, which shall be either the capacity allocated at this border in the year before implementation of the action plan or the average of the three last years before the action plan, whatever is higher, shall be agreed with the Member States of the same capacity calculation region. For the period when a **Member State is implementing** an action plan, the Member State shall ensure that the capacity made available for cross-zonal trade to be compliant with paragraph 7 is at least equal to the values of the trajectory, including by use of remedial actions in the capacity calculation region, but the decisions of the regulatory authorities referred to in paragraphs 7a and 7b are not applicable to such a **Member State. Costs of** remedial actions required to follow the trajectory or make available cross-zonal capacity at the borders concerned by the action plan shall be borne by the Member State or

shall be either the capacity allocated at this border in the year before adoption of the roadmap or the average of the three last years before the adoption of the roadmap, whatever is higher. This linear trajectory [ I shall be agreed with the Member States of the same capacity calculation region. For the period when a Member State is implementing an action plan, the Member State shall ensure that the capacity made available for cross-zonal trade to be compliant with Article 14 (7) is at least equal to the values of the trajectory, including by use of remedial actions in the capacity calculation region but the decisions of the regulatory authorities referred to in paragraphs 7a and 7b of article 14 are not applicable to such a Member State.

Compromise proposal:

Following adoption this will be paragraph 3 of Article <u>13a</u>:

Costs of remedial actions required to follow the trajectory or make available cross-zonal capacity at the borders concerned by the action plan shall be borne by the Member State or Member States implementing the action plan.

		<b>Member States implementing</b>	
		the action plan.	
249.		4c. Six months before the	Compromise proposal:
		expiry of the action plan,	Following adoption this will be paragraph 6
		Member States shall decide	of Article <u>13a</u> :
		whether to split their bidding	Six months before the expiry of the action
		zone to address remaining	plan, Member States shall decide whether
		congestions or whether to	to <u>amend</u> their bidding zone to address
		address remaining internal	remaining congestions or whether to
		congestions with remedial	address remaining internal congestions
		actions for which they shall	with remedial actions for which they shall
		cover the costs. Yearly, during	cover the costs.
		the implementation of the	
		action plan and within six	
		months after the expiry of the	
		action plan, the transmission	
		system operators participating	
		in the bidding zone review	
		shall assess the available cross-	
		zonal capacity calculated in	
		accordance with the	
		methodology referred to in	
		Article 14(7) for the period of	
		the last 12 months, and	
		determine in a report whether	
		the cross-border trade	Compromise proposal:
		capacity reached the minimum	Following adoption this will be paragraph 7
		level outlined in Article 14(7).	of Article <u>13a</u> :
		Where a structural congestion	Where a structural congestion has been
		has been identified pursuant to	identified pursuant to paragraph 4 but no
		paragraph 4a but no action	action plan was defined within 6 months,
		plan was defined within 6	the relevant transmission system
		months, the relevant	operators shall within twelve months after
		transmission system operators	a structural congestion has been identified
		shall within twelve months	assess [ ] whether the available cross-

		C	1 1 1 1 1 1 1 1 1
		after a structural congestion	border capacity has reached the minimum
		has been identified assess the	level outlined in Article 14(7) for the
		available cross-zonal capacity	period of the last 12 months <i>and report to</i>
		calculated in accordance with	relevant national regulatory authorities and
		the methodology referred to in	the Agency. For those Member States for
		Article 14(7) for the period of	which the assessment demonstrates that a
		the last 12 months, and	transmission system operator has not been
		determine in a report whether	compliant with the minimum level,
		the cross-border trade	paragraph 5 applies.
		capacity reached its minimum	
		level outlined in Article 14(7).	
		The assessments under this	
		paragraph shall be	
		continuously reiterated every	
		24 months for the period of the	
		last 24 months.	
250.		4d. For those Member	Compromise proposal:
		States for which the	Following adoption this will be paragraph 5
		assessment following	of Article <u>13a</u> :
		paragraph 4c demonstrates	For those Member States for which the
		that a transmission system	assessment following paragraph 4
		operator has not been	demonstrates that a transmission system
		compliant with the level	operator has not been compliant with the
		outlined in Article 14(7) or for	level outlined in Article 14(7) linear
		those Member States that have	trajectory [] the relevant Member States
		opted for a bidding zone split,	shall come to a unanimous decision within
		the relevant Member States	6 months from receiving the assessment
		shall come to a unanimous	referred in paragraph 4 on whether to
		decision within 6 months from	maintain or amend the bidding zone
		receiving the report referred	configuration. Other Member States may
		in paragraph 4c on whether to	submit comments to the relevant Member
		maintain or amend the	States who should take account of these
		bidding zone configuration.	comments when coming to their decision.
		Other Member States may	The decision shall be justified and shall
		submit comments to the	notified to the Commission and the
		Sasini Committee to the	nounca to the Commission and the

	relevant Member States who should take account of these comments when coming to their decision. The decision shall be justified, and shall notified to the Commission and the Agency.	Agency. Should the relevant Member States fail to come to a unanimous decision within the allowed timeframe, they shall immediately notify the Commission. [The Commission may make further proposals and may invite the relevant Member States for consultation aiming at fostering a balanced solution within three months.] As a measure of last resort, the Commission after consultation with the Agency and the relevant stakeholders shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States [], by six months after receiving of such a notification. []
251.	4e. Should the relevant Member States fail to come to	Compromise proposal: Following adoption this will be paragraph 7
	an unanimous decision within	of Article 13:
	the allowed timeframe, they	For those Member States for which the
	shall immediately notify the	assessment following paragraph 4c
	<b>Commission. The Commission</b>	demonstrates that a transmission system
	may make further proposals	operator has not been compliant with the
	and may invite the relevant	level outlined in Article 14(7) or for For
	<b>Member States for</b>	those Member States that have opted for a
	consultation aiming at	proposal to amend the bidding zone
	fostering a balanced solution	configuration split, the relevant Member
	within three months. As a	States shall come to a unanimous decision
	measure of last resort, the	within 6 months after the notification
	Commission after consultation	pursuant to paragraph 4 from receiving
	with the Agency and the	the report referred in paragraph 4c on
	relevant stakeholders shall	whether to maintain or amend the bidding
	adopt a decision whether to	zone configuration. Other Member States
	amend or maintain the	may submit comments to the relevant
	bidding zone configuration in	Member States who should take account

	and between those Member States that are subject to the decision according to paragraph 4d, by six months after receiving of such a notification.	of these comments when coming to their decision. The decision shall be justified and notified to the Commission and the Agency. (ex 4e) Should the relevant Member States fail to come to a unanimous decision within the allowed timeframe, they shall immediately notify the Commission. [The Commission may make further proposals and may invite the relevant Member States for consultation aiming at fostering a balanced solution within three months.] As a measure of last resort, the Commission after consultation with the Agency and the relevant stakeholders shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States that are subject to the decision according to paragraph 4d, by six months after receiving such a notification.
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252.			4f. In case one of the	Compromise proposal:
			consecutive reassessments	[]
			referred to in paragraph 4c	
			demonstrates that a	
			transmission system operator	
			has not been compliant with	
			the provisions from Article	
			14(7c) the procedure under	
			paragraphs 4d and 4e shall	
			apply.	
<b>253.</b>	5. The decision referred to	AM 68	5. The decision referred to in	Compromise proposal:
	in paragraph 4 shall be based on	5. Where the relevant Member	paragraph 4d or 4e shall be	Following adoption this will be paragraph 6
	the result of the bidding zone	State chooses to establish a	based on the report identifying	of Article <u>13a</u> :
	review and the transmission	detailed road map with concrete	structural congestion or the	Six months before the expiry of the action
	system operators' proposal	milestones on how the congestion	result of the bidding zone review	plan, Member States shall decide whether
	concerning its maintenance or	issues will be resolved, that	and the transmission system	to <u>amend</u> their bidding zone to address
	amendment. The decision shall	Member State shall, within six	operators' proposal in	remaining congestions or whether to
	be justified, in particular as	months of the Commission	paragraph 4a and the report	address remaining internal congestions
	regards possible deviations	decision, present that roadmap to	in paragraph 4c concerning its	with remedial actions for which they shall
	from the result of the bidding	the Commission and other	maintenance or amendment [ ].	cover the costs.
	zone review.	relevant Member States. During	The decision shall be justified,	
		the implementation of the	in particular as regards possible	
		roadmap the relevant Member	deviations from the result of the	
		State shall regularly report to the	bidding zone review and shall	
		Commission on the progress	take account of the positions	
		made.	and commitments of the	
			concerned Member States and	
			the comments provided by	
			other Member States.	

254.	Irrespective of the concrete	Compromise proposal:
	progress of the roadmap, the	
	Member State that is	(covered in line 248)
	implementing a roadmap shall	
	ensure that the cross-border trade	
	capacities are increased every year	
	up to the benchmark level of at	
	least 75% calculated in	
	accordance with Article 14	
	paragraph 7, which is to be	
	achieved by the end of 2025. The	
	yearly increase shall be achieved	
	by means of a linear trajectory.	
255.	The starting of this trajectory shall	Compromise proposal:
	be either the capacity allocated at	
	this border in the year before	(covered in line 248)
	adoption of the roadmap or the	
	average of the three last years	
	before the adoption of the	
	roadmap, whatever is higher.	
256.	Member States shall be considered	Compromise proposal:
	to be in compliance with Article 14	
	paragraph $\overline{7}$ if the capacity made	(covered in line 248)
	available for cross-zonal trade is	
	at least equal to the values of the	
	linear trajectory.	

257.	AM 69 Article 13 – paragraph 5 a (new)  5a. The relevant transmission system operators and national regulatory authorities shall assess yearly whether the available crossborder capacity has reached the linear trajectory or, as of the end of 2025, the minimum level outlined in Article 14(7).	Compromise proposal: Following adoption this will be paragraph 4 of Article 13a: Yearly during the implementation of the action plan and within six months after the expiry of the action plan, the relevant transmission system operators participating in the bidding zone review shall [] assess whether the available cross-border capacity has reached the linear trajectory or, as of the end of 2025, the minimum level outlined in Article 14 (7) for the period of the last 12 months [] and report to relevant national regulatory authorities and the Agency. [This assessment [] shall be continuously reiterated every 24 months for the period of the last 24 months.]
258.	AM 70 Article 13 – paragraph 5 b (new)  5b. For those Member States for which the assessment referred to in paragraph 5a demonstrates that a transmission system operator has not been compliant with the linear trajectory, or as of the end of 2025, with the level outlined in Article 14 (7), the Commission may recommend additional measures and as a measure of last resort, adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States.	Compromise proposal: [ ]

259.	6. Where further bidding zone reviews are launched under Article 32(1)(a), (b) or (c) of Regulation (EU) 2015/1222, the Commission may adopt a decision within six months of the conclusion of that bidding zone review.	AM 71 deleted	6. Where further bidding zone reviews are launched under [ ] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 the procedure outlined in this Article shall be followed.	Compromise proposal: Following adoption this will be paragraph 10 of Article 13: Where further bidding zone reviews are launched under [ ] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 this Article shall apply. the procedure outlined in this Article shall be followed.
260.	7. The Commission shall consult relevant stakeholders on its decisions under this Article before they are adopted.	AM 72 7. Member States and the Commission shall consult relevant stakeholders before adopting a decision under this Article.		Compromise proposal: Following adoption this will be paragraph 8 of Article 13: Member States and the Commission shall consult relevant stakeholders before adopting a decision under this Article.
261.	8. The Commission decision shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity. The Commission may define appropriate transitional arrangements as part of its decision.	AM 73 8. The decision adopted under this Article shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity. Appropriate transitional arrangements may be defined as part of the decision.	8. [] Any decision adopted according to this Article shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity and shall not be less than 12 months after the decision is published unless otherwise agreed with the relevant Member States. The [] decision may define appropriate transitional arrangements [].	Compromise proposal: Following adoption this will be paragraph 9 of Article 13: 8. [] Any decision adopted according to this Article shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity and shall not be less than 12 months after the decision is published unless otherwise agreed with the relevant Member States. The [] decision may define appropriate transitional arrangements [].

262.		AM 74 Article 13 – paragraph 8 a (new) 8a. Where further bidding zone reviews are launched under point (a), (b) or (c) of Article 32(1) of Regulation (EU) 2015/1222, paragraphs 4 to 8 of this Article shall apply.		Compromise proposal: [ ] (covered by line 259)
263.		General principles of capacit	Article 14 y allocation and congestion manage	ement
264.	1. Network congestion problems shall be addressed with non-discriminatory market-based solutions which give efficient economic signals to the market participants and transmission system operators involved. Network congestion problems shall be solved with non-transaction based methods, i.e. methods that do not involve a selection between the contracts of individual market participants. When taking operational measures to ensure that its transmission system remains in the normal state, the transmission system operator shall take into account the effect of those measures on neighbouring control areas and coordinate such measures with other affected transmission system operators as provided for in Regulation (EU) 1222/2015.	General principles of cupucity	1. Network congestion problems shall be addressed with non-discriminatory market-based solutions which give efficient economic signals to the market participants and transmission system operators involved. Network congestion problems shall be solved with non-transaction based methods, i.e. methods that do not involve a selection between the contracts of individual market participants. When taking operational measures to ensure that its transmission system remains in the normal state, the transmission system operator shall take into account the effect of those measures on neighbouring control areas and coordinate such measures with other affected transmission system operators [as provided for in [ ] the capacity	Maintain General Approach (no agreement on the reference to the Guideline)

		allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009].	
265.	2. Transaction curtailment procedures shall only be used in emergency situations where the transmission system operator must act in an expeditious manner and re-dispatching or countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner. Except in cases of force majeure, market participants who have been allocated capacity shall be compensated for any curtailment.	2. Transaction curtailment procedures shall only be used in emergency situations where the transmission system operator must act in an expeditious manner and re-dispatching or countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner. Except in cases of force majeure, market participants who have been allocated capacity shall be compensated for any curtailment.	No change  2. Transaction curtailment procedures shall only be used in emergency situations where the transmission system operator must act in an expeditious manner and redispatching or countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner. Except in cases of force majeure, market participants who have been allocated capacity shall be compensated for any curtailment.
266.		2a. Transmission system operators may decide not to implement the coordinated actions issued by the regional security coordinator of the system operation region, or the regional security coordinator himself may reduce the capacities calculated in the coordinated capacity calculation in their coordinated actions where the outcome of the coordinated capacity calculation, carried out pursuant to the capacity	2a. Regional coordination centres shall perform coordinated capacity calculation as provided for in article 34(1)(a) in accordance with paragraphs 3 and 7 pursuant to the process set out in Article 38(1).  In this process they shall assess whether the outcome of the coordinated capacity calculation would result in a violation of operational security limits, for example due to insufficient availability of remedial actions, taking into account all remedial

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

actions available in the capacity
calculation region including redispatch
and countertrading, except load shedding.
If this is the case, the regional
coordination centres may, as a measure of
last resort, set out coordinated actions
reducing the cross-zonal capacities
accordingly.

Transmission system operators may only deviate from coordinated actions in respect of coordinated capacity calculation and coordinated security analysis in accordance with Article 38(2).

Every three months, the regional coordination centres shall report to the relevant national regulatory authorities and the Agency on reductions and deviations pursuant to this paragraph and shall assess the incidences and make recommendations, if needed, on how to avoid such deviations in the future. If the Agency concludes that the prerequisites for a deviation pursuant to this paragraph were not fulfilled or are of a structural nature, the Agency shall submit an opinion to the relevant national regulatory authorities and the Commission. The relevant national regulatory authorities shall take appropriate action against transmission system operators or regional coordination centres pursuant to articles 59 or 62 of the [recast Electricity Directivel if the prerequisites for a

deviations in the future. If the deviation pursuant to this paragraph were Agency comes to the not fulfilled. conclusion that the prerequisites for a deviation Deviations of a structural nature shall be taken into account in decisions pursuant pursuant to this paragraph were not fulfilled are of a to articles 13(6) and 13a(5), where structural nature, the Agency applicable. shall submit an opinion to the relevant regulatory authority and the Commission. The regulatory authority shall take appropriate action against the transmission system operators if the prerequisites for a deviation pursuant to this paragraph were not fulfilled. The maximum capacity AM 75 Unless otherwise Council compromise: 267. 3. The maximum capacity of provided in paragraphs 7, 7a, **Unless otherwise provided in** of the interconnections and/or paragraphs 7, 7a, 7b, 7d and 2a The the transmission networks the interconnections and/or the 7b. 7d and 2a the maximum affecting cross-border flows level of capacity of the maximum level of capacity of the transmission networks affecting shall be made available to cross-border flows shall be made interconnections and/or the interconnections and/or the transmission market participants, complying available to market participants, transmission networks affected networks affected by cross-border [ ] with safety standards of secure complying with safety standards of by cross-border [ ] capacity capacity shall be made available to market network operation. Countersecure network operation. Countershall be made available to participants, complying with safety standards trading and redispatch, trading and redispatch, including market participants, complying of secure network operation. Counter-trading including cross-border cross-border redispatch, shall be with safety standards of secure and redispatch, including cross-border redispatch, shall be used to used to maximise available network operation. Counterredispatch, shall be used to optimize maximise available capacities capacities unless it is demonstrated trading and redispatch, including maximise available capacities to reach the unless it is demonstrated that it that it is not beneficial to economic cross-border redispatch, shall be minimum levels pursuant to paragraph 7 is not beneficial to economic efficiency at Union level. used to optimize available l and a coordinated and noncapacities [ ] and a efficiency at Union level. When allocating cost of remedial discriminatory process for cross-border actions between transmission coordinated and nonremedial actions shall be applied to enable system operators, regulators shall this, following the implementation of the a discriminatory process for re-dispatching and counter-trading cost analyse to what extent cross-border remedial actions unscheduled flows leaving and reshall be applied to enable this. sharing methodology-fin accordance with

		entering a bidding zone contribute to the congestion observed between two bidding zones and allocate the counter-trading and redispatch costs in proportion to their contribution to the congestion.	following the implementation of the re-dispatching and countertrading cost sharing methodology in accordance with the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009].
268.	4. Capacity shall be allocated only by means of explicit capacity auctions or implicit auctions including both capacity and energy. Both		4. Capacity shall be allocated only by means of explicit capacity auctions or implicit auctions including both capacity and energy. Both	No change  4. Capacity shall be allocated only by means of explicit capacity auctions or implicit auctions including both capacity and energy. Both methods may coexist on the
	methods may coexist on the same interconnection. For intraday trade continuous trading shall be used, which may be complemented by auctions.		methods may coexist on the same interconnection. For intraday trade continuous trading shall be used which may be complemented by auctions.	same interconnection. For intra-day trade continuous trading shall be used which may be complemented by auctions.

269.	5. The highest value bids,	5. In case of congestion, the	Maintain General Approach
207.	whether implicit or explicit in a	valid highest value bids for	mamam Seneral Approach
	given timeframe, shall be	network capacity, whether	
	successful. Other than in the	implicit or explicit, offering the	
	case of new interconnectors	highest value for the (scarce)	
	which benefit from an	transmission capacity in a	
	exemption under Article 7 of	given timeframe, shall be	
		successful. Other than in the	
	Regulation (EC) No 1228/2003,	case of new interconnectors	
	Article 17 Regulation 714/2009		
	or Article 59, establishing	which benefit from an	
	reserve prices in capacity-	exemption under Article 7 of	
	allocation methods shall not be	Regulation (EC) No 1228/2003,	
	allowed.	Article 17 Regulation 714/2009	
		or Article 59, establishing	
		reserve prices in capacity-	
		allocation methods shall not be	
		allowed.	
<b>270.</b>	6. Capacity shall be freely	6. Capacity shall be freely	No change:
	tradable on a secondary basis,	tradable on a secondary basis,	6. Capacity shall be freely tradable on a
	provided that the transmission	provided that the transmission	secondary basis, provided that the
	system operator is informed	system operator is informed	transmission system operator is informed
	sufficiently in advance. Where	sufficiently in advance. Where a	sufficiently in advance. Where a
	a transmission system operator	transmission system operator	transmission system operator refuses any
	refuses any secondary trade	refuses any secondary trade	secondary trade (transaction), this shall be
	(transaction), this shall be	(transaction), this shall be	clearly and transparently communicated and
	clearly and transparently	clearly and transparently	explained to all the market participants by
	communicated and explained to	communicated and explained to	that transmission system operator and
	all the market participants by	all the market participants by	notified to the regulatory authority.
	that transmission system	that transmission system	
	operator and notified to the	operator and notified to the	
	regulatory authority.	regulatory authority.	

7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to other market participants in order to solve congestion inside their own control area or as a means of managing flows on a border between two control areas observed even without any transaction, that is to say flows over control areas caused by origin and destination within

one control area.

## **AM 76**

7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to other market participants in order to solve congestion inside their own control area or as a means of managing flows on a border between two control areas observed even without any transaction, that is to say flows over control areas caused by origin and destination within one control area.

7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to [] market participants in order to solve congestion inside their own bidding zone or as a means of managing flows leaving and re-entering the same bidding zone without being scheduled unless otherwise provided under paragraph 7a or 7b.

Council compromise:

7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to [] market participants in order to solve congestion inside their own bidding zone or as a means of managing flows leaving and reentering the same bidding zone without being scheduled unless otherwise provided under paragraph 7a or 7b.

272.	Without prejudice to the forth subparagraph of Article 13(5), this paragraph shall be considered to be complied with if the following minimum levels of available capacity for cross-zonal trade, which is calculated pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 taking account of contingencies, are reached:	Without prejudice to the application of the derogations under paragraph 7a and 7b, this paragraph shall be considered to be complied with if the following minimum levels of available capacity for cross-zonal trade, which is calculated pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 taking account of N-1 criterion, are reached:	Council compromise: Without prejudice to the application of the derogations under paragraphs 27a and 7b and to the application of article 13a(2), this paragraph shall be considered to be complied with if the following minimum levels of available capacity for cross-zonal trade, which is calculated pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 taking account of N-1 criterion, are reached:
273.	(i) for borders using a coordinated net transfer capacity approach, if at least 75 % of the net transfer capacity pursuant to capacity allocation and congestion management guideline are made available for cross-border trade;	(i) For borders using a coordinated net transmission capacity approach, 75% of the net transfer capacity pursuant to capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009;	(i) For borders using a coordinated net transmission capacity approach, the minimum level shall be 75% of the net transfer capacity pursuant respecting operational security limits after deduction of contingencies and reliability margins, as determined according to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009;
274.	(ii) for borders using a flow-based approach, if on cross-zonal and internal critical network elements considered in the flow-based calculation at least 75 % of the thermal capacity after reduction of the amount required to secure the N-1 principle pursuant to the capacity allocation	(ii) For borders using a flow-based approach, 75% of the remaining available margin on internal and cross border critical network elements made available for cross border flows pursuant to capacity allocation and congestion management	Council compromise:  (ii) For borders using a flow-based approach, the minimum level shall be 75% of the remaining available margin capacity respecting operational security limits of internal and cross-zonal border critical network elements made available for cross border flows pursuant after deduction of reliability margins and

		and congestion management guideline is used as an input for capacity allocation.	guideline adopted on the basis of Article 18 of the Regulation 714/2009.	taking into account contingencies, as determined according to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of the Regulation 714/2009.
275.			The derogations pursuant to paragraph 7a shall not result with a value below this threshold.	Council compromise (new text):  For the purpose of this paragraph the reliability margins shall not be higher than [10]%.
276.			7a. Based on a proposal by all transmission system operators of a capacity calculation region, the relevant regulatory authorities by way of derogation from paragraph 7 shall approve the level of total available crosszonal capacity at each bidding zone border, which shall be used in the capacity calculation methodology, to take account of cross-zonal unscheduled flows to the extent that could be expected without structural congestions in a bidding zone.	Provisionally agreed in TM:  [ ]
277.	Upon request by a transmission system operator, the relevant regulatory authority may grant a derogation from the first subparagraph where it is necessary for maintaining operational security or where it is beneficial to economic efficiency at Union level. Such		7b. Upon request by [] transmission system operators of a capacity calculation region [] the relevant regulatory authorities may grant a derogation from [] paragraph 7 for foreseeable reasons where it is necessary for maintaining	Council compromise:  7b. Upon request by [ ] transmission system operators of a capacity calculation region [ ] the relevant regulatory authorities may grant a derogation from [ ] paragraph 7 for foreseeable reasons where it is necessary for maintaining operational security [ ] other than the ones covered under

a derogation, which may not relate to curtailment of already allocated capacities pursuant to paragraph 5, shall be limited in time, strictly limited to what is necessary, and avoid discrimination between internal and cross-zonal exchanges. Before granting a derogation. the relevant regulatory authority shall consult the regulatory authorities of other Member States forming part of an affected capacity calculation region. In case a regulatory authority disagrees with the proposed derogation, the Agency shall decide on the derogation pursuant to Article 6(8)(a) [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863/2]. The justification and reasons for the derogation shall be published. Where a derogation is granted, the relevant transmission system operators shall develop and publish a methodology and projects that shall provide a long-term solution to the issue that the derogation seeks to address. The derogation shall expire when the time limit is reached or, once the solution is applied, whichever is earlier.

operational security [ ] other than the ones covered under paragraph 7a, for instance in case of grid maintenance measures. Such a derogation, which may not relate to curtailment of already allocated capacities pursuant to paragraph 5, shall be limited [ ] to one year at a time, or up to maximum two years with a significantly decreasing level of the derogation each year, be strictly limited to what is necessary, and avoid discrimination between internal and cross-zonal exchanges. The justification and reasons for the derogation shall be published. Where a derogation is granted, the relevant transmission system operators shall develop and publish a methodology and projects [ ] that shall provide a long-term solution to the issue that the derogation seeks to address. The derogation shall expire when the time limit is reached or, once the solution is applied, whichever is earlier.

paragraph 7a, for instance in case of grid maintenance measures. Such a derogation. which may not relate to curtailment of already allocated capacities pursuant to paragraph 52, shall be limited [ ] to one year at a time, or up to maximum two years with a significantly decreasing level of the derogation each year, be strictly limited to what is necessary, and avoid discrimination between internal and crosszonal exchanges. Before granting a derogation, the relevant regulatory authority shall consult the regulatory authorities of other Member States forming part of an affected capacity calculation region. In case a regulatory authority disagrees with the proposed derogation, the Agency shall decide on the derogation pursuant to Article 6(8)(a) [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863/2]. [ ] The justification and reasons for the derogation shall be published. Where a derogation is granted, the relevant transmission system operators shall develop and publish a methodology and projects that shall provide a long-term solution to the issue that the derogation seeks to address. The derogation shall expire when the time limit is reached or, once the solution is applied, whichever is earlier.

278.	8. Market participants shall	8. Market participants shall	No change:
	inform the transmission system	inform the transmission system	. Market participants shall inform the
	operators concerned a	operators concerned a	transmission system operators concerned a
	reasonable time in advance of	reasonable time in advance of	reasonable time in advance of the relevant
	the relevant operational period	the relevant operational period	operational period whether they intend to use
	whether they intend to use	whether they intend to use	allocated capacity. Any allocated capacity
	allocated capacity. Any	allocated capacity. Any	that will not be used shall be reattributed to
	allocated capacity that will not	allocated capacity that will not	the market, in an open, transparent and non-
	be used shall be reattributed to	be used shall be reattributed to	discriminatory manner.
	the market, in an open,	the market, in an open,	alsorimmatory mariner.
	transparent and non-	transparent and non-	
	discriminatory manner.	discriminatory manner.	
279.	9. Transmission system	9. Transmission system	No change:
	operators shall, as far as	operators shall, as far as	9. Transmission system operators shall,
	technically possible, net the	technically possible, net the	as far as technically possible, net the
	capacity requirements of any	capacity requirements of any	capacity requirements of any power flows in
	power flows in opposite	power flows in opposite	opposite direction over the congested
	direction over the congested	direction over the congested	interconnection line in order to use that line
	interconnection line in order to	interconnection line in order to	to its maximum capacity. Having full regard
	use that line to its maximum	use that line to its maximum	to network security, transactions that relieve
	capacity. Having full regard to	capacity. Having full regard to	the congestion shall never be denied.
	network security, transactions	network security, transactions	
	that relieve the congestion shall	that relieve the congestion shall	
	never be denied.	never be denied.	
280.	10. The financial	10. The financial	No change:
	consequences of failure to	consequences of failure to	10. The financial consequences of failure
	honour obligations associated	honour obligations associated	to honour obligations associated with the
	with the allocation of capacity	with the allocation of capacity	allocation of capacity shall be attributed to
	shall be attributed to those who	shall be attributed to those who	those who are responsible for such a failure.
	are responsible for such a	are responsible for such a	Where market participants fail to use the
	failure. Where market	failure. Where market	capacity that they have committed to use, or,
	participants fail to use the	participants fail to use the	in the case of explicitly auctioned capacity,
	capacity that they have	capacity that they have	fail to trade on a secondary basis or give the
	committed to use, or, in the	committed to use, or, in the case	capacity back in due time, they shall lose the
	case of explicitly auctioned	of explicitly auctioned capacity,	rights to such capacity and pay a cost-

capacity, fail to trade on a secondary basis or give the capacity back in due time, they shall lose the rights to such capacity and pay a costreflective charge. Any costreflective charges for the nonuse of capacity shall be justified and proportionate. If a transmission system operator does not fulfil its obligation, it shall be liable to compensate the market participant for the loss of capacity rights. Consequential losses shall not be taken into account for that purpose. The key concepts and methods for the determination of liabilities that accrue upon failure to honour obligations shall be set out in advance in respect of the financial consequences, and shall be subject to review by the relevant national regulatory authority or authorities.

fail to trade on a secondary basis or give the capacity back in due time, they shall lose the rights to such capacity and pay a costreflective charge. Any costreflective charges for the nonuse of capacity shall be justified and proportionate. If a transmission system operator does not fulfil its obligation, it shall be liable to compensate the market participant for the loss of capacity rights. Consequential losses shall not be taken into account for that purpose. The key concepts and methods for the determination of liabilities that accrue upon failure to honour obligations shall be set out in advance in respect of the financial consequences, and shall be subject to review by the relevant [ ] regulatory authority or authorities.

reflective charge. Any cost-reflective charges for the non-use of capacity shall be justified and proportionate. If a transmission system operator does not fulfil its obligation, it shall be liable to compensate the market participant for the loss of capacity rights. Consequential losses shall not be taken into account for that purpose. The key concepts and methods for the determination of liabilities that accrue upon failure to honour obligations shall be set out in advance in respect of the financial consequences, and shall be subject to review by the relevant [ ] regulatory authority or authorities.

281. When allocating costs of remedial actions between transmission system operators, regulators shall analyse to what extent flows leaving and re-entering a bidding zone without being scheduled contribute to the congestion between two bidding zones observed, and allocate the costs in proportion to the contribution to the congestion in line with re-dispatching and countertrading cost sharing methodology in accordance with the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 and Article 76 of Commission Regulation (EU) 2017/XYZZ. This shall not apply to the threshold pursuant to paragraph 7a.

Council compromise:

When allocating costs of remedial actions between transmission system operators, regulators national regulatory authorities shall analyse to what extent flows leaving and re-entering a bidding zone without being scheduled contribute to the congestion between two bidding zones observed, and allocate the costs in proportion to the contribution to the congestion in line with re-dispatching and countertrading cost sharing methodology in accordance with the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 and Article 76 of Commission Regulation (EU) 2017/XYZZ. This shall not apply to the threshold pursuant to paragraph 7a, except for costs induced by flows leaving and re-entering a bidding zone without being scheduled to the extent that could be expected without structural congestion in a bidding zone.

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

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

289.	3. Transmission system operators shall use the methodologies developed in network codes and guidelines on balancing, where applicable, to allocate cross-zonal capacity for the exchange of balancing capacity or sharing of reserves pursuant to Article 5(4) and (7).	3. Where cross-zonal capacity is allocated for the exchange of balancing capacity or sharing of reserves pursuant to Article 5(8), transmission system operators shall use the methodologies developed in [] accordance with the balancing guideline adopted on the basis of Article 18 of the Regulation 714/2009.	
290.	4. Transmission system operators shall not increase the reliability margin calculated pursuant to Regulation (EU) 2015/1222 due to the exchange of balancing capacity or sharing of reserves.	4. Transmission system operators shall not increase the reliability margin calculated pursuant to Regulation (EU) 2015/1222 due to the exchange of balancing capacity or sharing of reserves.	

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

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

205	2 17/1	2 11/1	
295.	3. Where appropriate, the	3. Where appropriate, the	
	level of the tariffs applied to	level of the tariffs applied to	
	producers and/or consumers	producers and/or consumers	
	shall provide locational signals	shall provide locational signals	
	at Union level, and take into	at Union level, and take into	
	account the amount of network	account the amount of network	
	losses and congestion caused,	losses and congestion caused,	
	and investment costs for	and investment costs for	
	infrastructure.	infrastructure.	
296.	4. When setting the charges	4. When setting the charges	
	for network access, the	for network access, the	
	following shall be taken into	following shall be taken into	
	account:	account:	
297.	(a) payments and receipts	(a) payments and receipts	
	resulting from the inter-	resulting from the inter-	
	transmission system operator	transmission system operator	
	compensation mechanism;	compensation mechanism;	
298.	(b) actual payments made	(b) actual payments made and	
270.	and received as well as	received as well as payments	
	payments expected for future	expected for future periods of	
	periods of time, estimated on	time, estimated on the basis of	
	the basis of past periods.	past periods.	
299.	5. Setting the charges for	5. Setting the charges for	
299.	network access under this	network access under this	
	Article shall be without	Article shall be without	
	prejudice to charges resulting	prejudice to charges resulting	
	from congestion management	from congestion management	
• • • •	referred to in Article 14.	referred to in Article 14.	
300.	6. There shall be no specific	6. There shall be no specific	
	network charge on individual	network charge on individual	
	transactions for cross-border	transactions for cross-[ ] zonal	
	trade of electricity.	trade of electricity.	
		or electricity.	

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

## **AM 80**

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

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

302. Regulatory authorities **AM 81** [ ] The allowed revenues Regulatory authorities shall shall provide incentives to to be covered through distribution system operators to provide incentives to distribution distribution tariffs may include procure services for the system operators for the *most* performance targets in order to operation and development of efficient operation and incentivise distribution system their networks and integrate development of their networks and operators [ ] to operate their innovative solutions in the integrate innovative solutions in the networks as efficiently as distribution systems. For that distribution systems, including possible. purpose regulatory authorities through the procurement of shall recognise as eligible and services. For that purpose include all relevant costs in regulatory authorities shall distribution tariffs and recognise as eligible and include all relevant costs in distribution tariffs introduce performance targets in order to incentivise and introduce performance targets distribution system operators to in order to incentivise distribution raise efficiencies, including system operators to raise energy efficiency, in their efficiencies, including energy efficiency, flexibility and the networks. digitalisation of the distribution networks including the deployment of smart grids and intelligent metering systems, in their networks.

303.	9. By [OP: please add	AM 82	9. By [OP: please add	
	specific date – three months	9. By [OP: please add specific	specific date – three months	
	after entry into force] the	date – three months after entry into	after entry into force to	
	Agency shall provide a	force] the Agency shall <i>evaluate</i>	mitigate the risk of market	
	recommendation addressed to	the feasibility on the convergence	fragmentation the Agency shall	
	regulatory authorities on the	of transmission and distribution	provide a [ ] best practice	
	progressive convergence of	tariff methodologies. <i>The</i>	report on [ ] transmission and	
	transmission and distribution	<i>feasibility study</i> shall address at	distribution tariff methodologies	
	tariff methodologies. That	least:	while leaving sufficient room	
	recommendation shall address		to take national specificities	
	at least:		into account. That [ ] best	
			practice report shall address at	
			least:	
304.	(a) the ratio of tariffs applied		(a) the ratio of tariffs applied	
	to producers and to consumers;		to producers and to consumers;	
305.	(b) the costs to be recovered		(b) the costs to be recovered	
	by tariffs;		by tariffs;	
306.	(c) time differentiated		(c) time differentiated	
	network tariffs;		network tariffs;	
<b>307.</b>	(d) locational signals;		(d) locational signals;	
308.	(e) the relationship between		(e) the relationship between	
	transmission and distribution		transmission and distribution	
	tariffs, including principles		tariffs, []	
	relating to non-discrimination;			
309.	(f) methods to ensure		(f) methods to ensure	
	transparency in the setting and		transparency in the setting and	
210	structure of tariffs;	175.00	structure of tariffs;	
310.	(g) groups of network users	AM 83	(g) groups of network users	
	subject to tariffs, including	(g) groups of network users	subject to tariffs, including tariff	
	tariff exemptions.	subject to tariffs according to	exemptions.	
		characteristics and forms of		
		consumption, including tariff		
		exemptions		

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

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

<i>322</i> .		Article 17
		Congestion income
323.	1. Congestion-management	1. Congestion-management
	procedures associated with a	procedures associated with a
	pre-specified timeframe may	pre-specified timeframe may
	generate revenue only in the	generate revenue only in the
	event of congestion which	event of congestion which arises
	arises for that timeframe, except	for that timeframe, except in the
	in the case of new	case of new interconnectors
	interconnectors which benefit	which benefit from an
	from an exemption under	exemption under Article 7 of
	Article 7 of Regulation (EC) No	Regulation (EC) No 1228/2003,
	1228/2003, Article 17 of	Article 17 of Regulation (EC)
	Regulation (EC) No 714/2009	No 714/2009 or Article 59. The
	or Article 59. The procedure for	procedure for the distribution of
	the distribution of those	those revenues shall be subject
	revenues shall be subject to	to review by the regulatory
	review by the regulatory	authorities and shall neither
	authorities and shall neither	distort the allocation process in
	distort the allocation process in	favour of any party requesting
	favour of any party requesting	capacity or energy nor provide a
	capacity or energy nor provide	disincentive to reduce
	a disincentive to reduce	congestion.
	congestion.	

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

329.	3. The use of revenues in	AM 86	3. The use of revenues in	
	accordance with points (a) and	3. The use of revenues in	accordance with points (a)	
	(b) of paragraph 2 shall be	accordance with [ ] paragraph 2	(b) or (c) of paragraph 2 shall be	
	subject to a methodology	shall be subject to a methodology	subject to a methodology	
	proposed by the Agency and	proposed by the Agency and	proposed [ ] by the	
	approved by the Commission.	approved by the Commission. The	transmission system operators	
	The Agency's proposal shall be	Agency's proposal shall be	in consultation with regulatory	
	submitted to the Commission	submitted to the Commission by	authorities and approved by	
	by [OP: 12 months after entry	[OP: 12 months after entry into	the Agency. The transmission	
	into force] and be approved	force] and be approved within six	system operators shall submit	
	within six months.	months.	the proposal to the Agency by	
			[OP: 12 months after entry into	
			force and the Agency shall	
			decide on it within six months.	
330.	The Agency may, at its own			
	initiative or upon a request from			
	the Commission update the			
	methodology and the			
	Commission shall approve the			
	updated methodology not later			
	than six months from its			
	submission.			
331.	Before submission to the		[]	
	Commission, the Agency shall			
	consult on the methodology			
	pursuant to Article 15 [recast of			
	Regulation (EC) No 713/2009			
	as proposed by COM(2016)			
	863/2].			
332.	The methodology shall detail as	The methodology shall detail as a	<b>3a.</b> The methodology shall	
	a minimum the conditions	minimum the conditions under	detail as a minimum the	
	under which the revenues can	which the revenues can be used for	conditions under which the	
	be used for points (a) and (b) of	[ ] paragraph 2 and the conditions	revenues [ ] are deemed to	
	paragraph 2 and the conditions	under which, and for how long,	have fulfilled the objectives	
	under which, and for how long,	they may be placed on a separate	expressed in points (a) [ ] (b)	
	they may be placed on a	internal account line for future use	or (c) of paragraph 2 [ ].	

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

334.	Chapter IV Resource adequacy			
335.		AM 88 Resource adequacy and capacity mechanisms	Article 18 Resource adequacy	
336.	1. Member States shall monitor resource adequacy within their territory based on the European resource adequacy assessment pursuant to Article 19.	AM 89 1. Member States shall monitor resource adequacy within their territory based on the European resource adequacy assessment pursuant to Article 19 and shall publish a report on the results of the monitoring.	1. Member States shall monitor resource adequacy within their territory [ ] based on the European resource adequacy assessment pursuant to Article 19 and may perform in addition national resource adequacy assessment pursuant to Article 19a.	
337.	2. Where the European resource adequacy assessment identifies a resource adequacy concern Member States shall identify any regulatory distortions that caused or contributed to the emergence of the concern.	AM 90 2. Where the European resource adequacy assessment identifies a resource adequacy concern Member States shall identify any regulatory distortions and/or market failures that caused or contributed to the emergence of the concern.	2. Where the European or the national resource adequacy assessments identify a resource adequacy concern Member States shall identify any regulatory distortions or market distortions, or system bottlenecks such as insufficient infrastructure, that caused or contributed to the emergence of the concern.	
338.	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	AM 91 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	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	Council compromise (3 (a) - (f)):  3. A Member State with identified adequacy concerns shall publish a market reform 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:

	interconnection, energy storage, demand side measures and energy efficiency.	build on the principles set out in Article 3 and in particular:	principles defined in Article 3 and consider removing regulatory distortions, enabling scarcity pricing via free price formation, developing interconnections with other Member States, allowing for undistorted market access for all market participants including, but not limited to energy storage, demand side measures and energy efficiency.		
339.		(a) remove regulatory distortions;		(a)	remove regulatory distortions;
340.		(b) remove price caps;		<i>(b)</i>	remove price caps <u>in accordance</u> with article 9;
341.		(c) introduce an administrative shortage pricing for balancing energy;		(c)	introduce a shortage pricing function for balancing energy as referred in Article 44(3) of Regulation 2017/2195;
342.		(d) increase interconnection and internal grid capacity;		(d)	increase interconnection and internal grid capacity;
343.		(e) enable self-generation, energy storage, demand side measures and energy efficiency by removing regulatory obstacles;		(e)	enable self-generation, energy storage, demand side measures and energy efficiency by removing regulatory obstacles by adopting measures to eliminate any identified regulatory distortions;

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

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

251		2 3371 (1 (* 1	
351.		3a. Where the national	
		resource adequacy assessment	
		identifies a concern with	
		regards to a bidding zone and	
		the European resource	
		adequacy assessment has not	
		identified a concern with	
		regards to the same bidding	
		zone, the body governing the	
		national resource adequacy	
		assessment shall consult the	
		ENTSO for Electricity and	
		request for an opinion of the	
		Agency. To this extent the	
		body governing the national	
		resource adequacy assessment	
		shall, within one month from	
		the publication of the national	
		resource adequacy assessment,	
		submit to the ENTSO for	
		Electricity and the Agency a	
		report reasoning the occurring	
		divergence between the two	
		resource adequacy	
		assessments. Within one	
		month from the date of the	
		submission of the report the	
		ENTSO for Electricity shall	
		provide its assessment on these	
		divergences and within two	
		months from the date of the	
		submission of the report the	
		Agency shall provide an	
		opinion. The concerned	
		Member State shall take due	
		notice of the assessment and	
		the opinion.	
•	·	·	

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

355.	3. Member States shall assess
333.	
	whether a capacity mechanism in
	the form of strategic reserve can
	address the adequacy concerns.
	Where this is not the case,
	Member States may implement a
	different type of capacity
	mechanism. The parameters
	determining the amount of
	capacity procured in the capacity
	mechanism shall be approved by
	the national regulatory authority.
356.	4. Member States shall not
	introduce capacity mechanisms
	where one or both of the following
	applies: (a) the European resource
	adequacy assessment has not
	identified a resource adequacy
	concern; (b) the detailed
	implementation plan as referred to
	in Article 18(3) has not received a
	positive decision by the
	Commission as referred to in
	Article 18(3b).
357.	5. Where a Member State
337.	already applies a capacity
	mechanism, it shall review that
	mechanism and shall provide that
	no new contracts are concluded
	under that mechanism where one
250	or both of the following applies:
358.	(a) the European resource
	adequacy assessment has not
	identified a resource adequacy
	concern;

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

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

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

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

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

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

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

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

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

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

		<u> </u>		
401.	2. Member States shall	2.	Member States shall	
	ensure that foreign capacity	ensure	e that foreign capacity	
	capable of providing equivalent	capab	le of providing equivalent	
	technical performance to	techni	ical performance to	
	domestic capacities has the	dome	stic capacities has the	
	opportunity to participate in the	oppor	tunity to participate in the	
	same competitive process as	same	competitive process as	
	domestic capacity.	dome	stic capacity. In the case	
		of car	pacity mechanisms in	
		opera	tion as of the [date of	
		entry	into force], Member	
		States	s may allow direct	
		partic	cipation in the same	
		comp	etitive process of	
		interc	connectors as foreign	
		capac	eity for a maximum of	
		four y	years after [entry into	
		force	or two years following	
		the aj	oproval of the	
		metho	odologies referred to in	
		parag	graph 10 of this Article,	
		whate	ever happens earlier.	
		Mem	ber States may apply	
		follow	ving requirements to the	
		foreig	gn capacity:	

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

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

		arratama atmaga la atrava am tla a	
		system stress between the	
		system where the mechanism is	
		applied and the system in which	
		the foreign capacity is located. A	
		calculation is required for each	
		bidding zone border.	
408.	7. Member States shall	7. Member States shall	
	ensure that the entry capacity	ensure that the entry capacity	
	referred to in paragraph 6 is	referred to in paragraph 6 is	
	allocated to eligible capacity	allocated to eligible capacity	
	providers in a transparent, non-	providers in a transparent, non-	
	discriminatory and market-	discriminatory and market-based	
	based manner.	manner.	
409.	8. Any difference in the	8. [ ] If there are capacity	
	cost of foreign capacity and	mechanisms open for cross-	
	domestic capacity arising	border participation in two	
	through the allocation referred	neighbouring Member States,	
	to in paragraph 7 shall accrue to	any revenues arising through	
	transmission system operators	the allocation referred to in	
	and be shared between them	paragraph 7 shall accrue to	
	according to the methodology	transmission system operators	
	referred in point (b) of	and be shared between them	
	paragraph 10. Transmission	according to the methodology	
	system operators shall use such	referred in point (b) of paragraph	
	revenues for the purposes set	10 or a common methodology	
	out in Article 17(2).	approved by both relevant	
		regulatory authorities. If the	
		neighbouring Member State is	
		not applying a capacity	
		mechanism, the share of	
		revenues shall be approved by	
		the competent national	
		authority of the Member State	
		where the capacity mechanism	
		is implemented after seeking	

		the opinion of the regulatory	
		authorities of the neighbouring	
		<b>Member States.</b> Transmission	
		system operators shall use such	
		revenues for the purposes set out	
		in Article 17(2).	
410.	9. The transmission system	9. The transmission system	
	operator where the foreign	operator where the foreign	
	capacity is located shall:	capacity is located shall:	
411.	(a) establish whether	(a) establish whether	
	interested capacity providers	interested capacity providers can	
	can provide the technical	provide the technical	
	performance as required by the	performance as required by the	
	capacity mechanism in which	capacity mechanism in which	
	the capacity provider intends to	the capacity provider intends to	
	participate and register the	participate and register the	
	capacity provider in the registry	capacity provider in the registry	
	as eligible capacity providers.	as eligible capacity providers.	
412.	(b) carry out availability	(b) carry out availability	
	checks as appropriate.	checks [ ]	
413.		(c) be notified by the	
		respective capacity provider	
		without delay about its	
		participation in foreign	
		capacity mechanism	
414.		(d) notify to the	
		transmission system operator	
		in the Member State applying	
		the capacity mechanism the	
		information received under	
		paragraph 9a to 9c.	

415.	10. By [OP: twelve months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency:	10. By [OP: twelve months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency:	
416.	(a) a methodology for calculating the maximum entry capacity for cross-border participation as referred to in paragraph 6;	(a) a methodolog for calculating by the Region Security Coordinator and transmission system operate the maximum entry capacity cross-border participation as referred to in paragraph 6;	ors
417.	(b) a methodology for sharing the revenues referred to in paragraph 8;	(b) a methodology for sha the revenues referred to in paragraph 8;	ing
418.	(c) common rules to carry out availability checks referred to in point (b) of paragraph 9;	(c) common rules to carry availability checks referred to point (b) of paragraph 9;	
419.	(d) common rules to determine when a non-availability payment is due;	(d) common [] <b>principle</b> determine when a non-availability payment is due;	s to
420.	(e) terms of the operation of the registry as referred to in point (a) of paragraph 9;	(e) terms of the operation the registry as referred to in point (a) of paragraph 9;	of
421.	(f) common rules to identify capacity eligible to participate as referred to in point (a) of paragraph 9.	(f) common rules to ident capacity eligible to participat referred to in point (a) of paragraph 9.	

422.	The proposal shall be subject to	The proposal shall be subject to	
	prior consultation and approval	prior consultation and approval	
	by the Agency under the	by the Agency under the	
	procedure set out in Article 22.	procedure set out in Article 22.	
423.	11. The Agency shall verify	11. The [ ] national	
	whether the capacities have	regulatory authorities	
	been calculated in line with the	concerned shall verify whether	
	methodology as referred to in	the capacities have been	
	point (a) of paragraph 10.	calculated in line with the	
		methodology as referred to in	
		point (a) of paragraph 10.	
424.	12. National regulatory	12. [ ] Regulatory authorities	
	authorities shall ensure that	shall ensure that cross-border	
	cross-border participation in	participation in capacity	
	capacity mechanisms is	mechanisms is organised in an	
	organised in an effective and	effective and non-discriminatory	
	non-discriminatory manner.	manner. They shall in particular	
	They shall in particular provide	provide for adequate	
	for adequate administrative	administrative arrangements for	
	arrangements for the	the enforcement of non-	
	enforcement of non-availability	availability payments across	
	payments across borders.	borders.	

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

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

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

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

445.	(a) be held outside the market;		
446.	(b) be dispatched only where day-		
1101	ahead and intraday markets have		
	failed to clear and transmission		
	system operators have exhausted		
	their balancing resources to		
	establish an equilibrium between		
	demand and supply;		
447.	(c) ensure that during periods		
••••	where strategic reserves were		
	dispatched, imbalances are settled		
	at the technical price limit applied		
	by the market operators pursuant		
	to Article 9 or at the value of lost		
	load, whichever the higher.		
448.	(d) be limited to maximum		
	emissions of 200kg/CO2/kW for		
	the electricity production per year		
	The electricity generated, or the		
	load reduction achieved by		
	resources in the strategic reserve		
	shall not be sold through		
	wholesale electricity markets.		
449.		2a. When a capacity	Council compromise:
		mechanism is designed as a	2a. When a capacity mechanism is
		strategic reserve, resources in	designed as a strategic reserve, resources
		the strategic reserve shall only	in the strategic reserve shall only be
		be dispatched in case	dispatched in case transmission system
		transmission system operators	operators are likely to exhaust their
		are likely to exhaust their	balancing resources to establish an
		balancing resources to establish an equilibrium	equilibrium between demand and supply.
		between demand and supply.	
		This requirement is without	This requirement is without prejudice to
		prejudice to activating	activating resources ahead of actual
		resources ahead of actual	dispatch in order to respect their ramping
		1050u1005 uneau of actual	constraints and operating requirements.

dispatch in order to respect their ramping constraints and operating requirements. During periods where resources in the strategic reserve were dispatched imbalances in the market shall be settled at least at the bidding limit pursuant to Article 9. The resources taking part in the strategic reserve shall not get remunerated through wholesale electricity markets or balancing markets.

Energy from resources in reserve that is released during activation shall be redispatched to avoid market distortion.

The output of the strategic reserve during activation shall not be attributed to balance groups through wholesale markets or shall not change their imbalances.

During imbalance settlement periods where resources in the strategic reserve were dispatched imbalances in the market shall be settled at <a href="Ithe value of lost load/at">Ithe value of lost load/at</a> a value higher than the maximum clearing price as referred in Article 54 of <a href="Regulation(EU) 2015/1222 [CACM]">Regulation(EU) 2015/1222 [CACM]</a>.

The output of the strategic reserve following dispatch shall be attributed to balance responsible parties through the imbalance settlement mechanism.

The resources taking part in the strategic reserve shall not get remunerated through wholesale electricity markets or balancing markets.

The plants in the strategic reserve shall be held outside of the market for the duration of the contractual period.

450.	3. Capacity mechanisms shall not create unnecessary market distortions and not limit cross-border trade. The amount of capacity committed in the mechanism shall not go beyond what is necessary to address the concern.	AM 114 3. In addition to the requirements laid down in paragraph 1, capacity mechanisms other than strategic reserves shall:	3. Capacity mechanisms shall:	Council compromise: 3. In addition to the requirements laid down in paragraph 1, capacity mechanisms other than strategic reserves shall:
451.		(a) be constructed so as to ensure that the price paid for availability automatically tends to zero when the level of capacity supplied is expected to be adequate to meet the level of capacity demanded;		(a) be constructed so as to ensure that the price paid for availability automatically tends to zero when the level of capacity supplied is expected to be adequate to meet the level of capacity demanded
452.		(b) remunerate the participating resources merely for their availability and ensure that the remuneration does not affect decisions of the capacity provider whether or not to generate;		(b) remunerate the participating resources merely for their availability and ensure that the remuneration does not affect decisions of the capacity provider whether or not to generate;

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

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

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

464.			5a. When designing capacity	
404.				
			mechanisms, Member States	
			shall include a provision	
			allowing for efficient phase-out	
			of a capacity mechanism	
			within 4 years in case the	
			resource adequacy concern is	
			no longer present. This phase-	
			out can be an administrative	
			cessation of the mechanism,	
			with a reasonable advance	
			notice, or provisions in the	
			design of the mechanism	
			which would lead to the	
			suspension of associated	
			economic incentives when	
			there is no adequacy concern.	
<i>465</i> .			Article 24	
		Exist	ing mechanisms	
466.	Member States applying	AM 117	1. Member States applying	
	capacity mechanisms on [OP:	Member States applying capacity	capacity mechanisms on [OP:	
	entry into force of this	mechanisms on [OP: entry into	entry into force of this	
	Regulation] shall adapt their	force of this Regulation] shall	Regulation   shall adapt their	
	mechanisms to comply with	adapt their mechanisms to comply	mechanisms to comply with	
	Articles 18, 21 and 23 of this	with Articles 18, <i>18a</i> , 21 and 23 of	Articles 18, 21 and 23 of this	
	Regulation.	this Regulation.	Regulation without prejudice	
1			to commitments or contracts,	
			· · · · · · · · · · · · · · · · · · ·	
			concluded before that date,	
			concluded before that date, and without prejudice to the	
			concluded before that date,	
			concluded before that date, and without prejudice to the Union State aid rules pursuant to Articles 107 to 109 TFEU,	
			concluded before that date, and without prejudice to the Union State aid rules pursuant to Articles 107 to 109 TFEU, including state aid decisions	
			concluded before that date, and without prejudice to the Union State aid rules pursuant to Articles 107 to 109 TFEU,	

467.	Chapter V Transmission system operation			
468.	Article 25  European network of transmission system operators for electricity			
469.	1. Transmission system operators shall cooperate at Union level through the ENTSO for Electricity, in order to promote the completion and functioning of the internal market in electricity and cross-border trade and to ensure the optimal management, coordinated operation and sound technical evolution of the European electricity transmission network.	1. oper Unic for I pron func marl   zon optin coor tech Euro	Transmission system rators shall cooperate at on level through the ENTSO Electricity, in order to mote the completion and ctioning of the internal rket in electricity and cross [ onal trade and to ensure the imal management, rdinated operation and sound mical evolution of the opean electricity asmission network.	Maintain Council GA
470.	2. In performing its functions under EU law, the ENTSO for Electricity shall act for the European good and independent from individual national interests or the national interests of transmission system operators, and shall contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency.	ENT cont susta obje fram ener 2020 cont integ gene ener in er	In performing its ctions under EU law, the TSO for Electricity shall [ ] tribute to the efficient and tainable achievement of the ectives set out in the policy nework for climate and rgy covering the period from 0 to 2030, in particular by tributing to the efficient egration of electricity erated from renewable rgy sources and to increases mergy efficiency while intaining system security.	2. In performing its functions under EU law, the ENTSO for Electricity shall act in the interest of a well functioning and integrated Internal Electricity market and shall [] contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency while maintaining system security. The ENTSO for Electricity shall have adequate human and financial resources to carry out its duties.

471.			icle 26 e ENTSO for Electricity	
472.	1. The transmission system operators for electricity shall submit to the Commission and to the Agency the draft statutes, a list of members and draft rules of procedure, including the rules of procedures on the consultation of other stakeholders, of the ENTSO for	1. op su th lis of of co	The transmission system perators for electricity shall bmit to the Commission and to the Agency the draft statutes, a state of members and draft rules of procedure, including the rules of procedures on the consultation of other akeholders, of the ENTSO for	No change 1. The transmission system operators for electricity shall submit to the Commission and to the Agency the draft statutes, a list of members and draft rules of procedure, including the rules of procedures on the consultation of other stakeholders, of the ENTSO for Electricity to be established.
473.	Electricity to be established.  2. Within two months of the day of the receipt, the Agency, after formally consulting the organisations representing all stakeholders, in particular the system users, including customers, shall provide an opinion to the Commission on the draft statutes, list of members and draft rules of procedure.	Example 2. day after a second	ectricity to be established.	No change  2. Within two months of the day of the receipt, the Agency, after formally consulting the organisations representing all stakeholders, in particular the system users, including customers, shall provide an opinion to the Commission on the draft statutes, list of members and draft rules of procedure.

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

477.	Article 27				
		Tasks of the	ENTSO for Electricity		
478.	1. The ENTSO for Electricity shall:	·	1. The ENTSO for Electricity shall:	No change 1. The ENTSO for Electricity shall:	
479.	(a) elaborate network codes in the areas set out in Article 55(1) with a view to achieving the objectives set out in Article 25.		(a) elaborate network codes in the areas set out in Article 55(1) with a view to achieving the objectives set out in Article 25	No change  (a) elaborate network codes in the areas set out in Article 55(1) with a view to achieving the objectives set out in Article 25	
480.	(b) adopt and publish a non- binding Union-wide ten-year network development plan, (Union-wide network development plan), every two years;		(b) adopt and publish a non- binding Union-wide ten-year network development plan, (Union-wide network development plan), every two years;	No change (b) adopt and publish a non-binding Union-wide ten-year network development plan, (Union-wide network development plan), every two years;	
481.	(c) prepare and adopt proposals related to the European resource adequacy assessment pursuant to Article 19(2), (3) and (5) and for the technical specifications for cross-border participation in capacity mechanisms pursuant to Article 21(10);	AM 118  (c) prepare and adopt proposals related to the European resource adequacy assessment pursuant to Article 19(1a) and for the technical specifications for cross-border participation in capacity mechanisms pursuant to Article 21(10);	(c) prepare and adopt proposals related to the European resource adequacy assessment pursuant to Article 19(2), (3) and (5) and for the technical specifications for cross-border participation in capacity mechanisms pursuant to Article 21(10);	Compromise proposal: (Seen by COREPER on 7 September and 12 October) Still to be discussed with the EP c) prepare and adopt proposals related to the European resource adequacy assessment pursuant to Article 19 [ ] and for the technical specifications for cross-border participation in capacity mechanisms pursuant to Article 21(10);	
482.	(d) adopt recommendations relating to the coordination of technical cooperation between Union and third-country transmission system operators;		(d) adopt recommendations relating to the coordination of technical cooperation between Union and third-country transmission system operators;	No change (d) adopt recommendations relating to the coordination of technical cooperation between Union and third-country transmission system operators;	
483.	(e) adopt a framework for the cooperation and coordination between regional operational centres;		(e) adopt a framework for the cooperation and coordination between [ ] regional security coordinators;	Maintain Council GA	

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

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

492.	(h) adopt an annual work		(h) adopt an annual work	No change (h) adopt an annual work programme;
493.	programme;	AM 119 Article 27 – paragraph 1 – point h a (new) (h a) standardise, in cooperation with the EU DSO entity, relevant data formats and protocols to facilitate cross-border exchange of data;	programme;	Compromise proposal: (Seen by COREPER on 7 September and 12 October) Still to be discussed with the EP h a (new) (h a) contribute to the establishment of interoperability requirements and non-discriminatory and transparent procedures for accessing data as provided for in Article 24 of the [Electricity Directive]
494.	(i) adopt an annual report;		(i) adopt an annual report;	No change (i) adopt an annual report;
495.	(j) carry out and adopt seasonal adequacy outlooks pursuant to Article 9(2) [Regulation on risk preparedness as proposed by COM(2016) 862].		(j) carry out and adopt seasonal adequacy outlooks pursuant to Article 9(2) [Regulation on risk preparedness as proposed by COM(2016) 862].	No change  (j) carry out and adopt seasonal adequacy outlooks pursuant to Article 9(2) [Regulation on risk preparedness as proposed by COM(2016) 862] .
496.		AM 120 Article 27 – paragraph 1 – point j a (new) (j a) promote digitalisation of transmission systems to ensure, inter alia, efficient real time data acquisition and use and smart substations;		Provisionally agreed to merge with (fb) line 486.)

497.		AM 121 Article 27 – paragraph 1 – point j b (new) (j b) promote data management, cyber security and data protection in cooperation with relevant authorities and regulated entities;		Provisionally agreed: (j b) promote data management, cyber security and data protection in cooperation with relevant authorities and regulated entities;
498.		AM 122 Article 27 – paragraph 1 – point j c (new) (j c) develop demand response in cooperation with DSOs.		Provisionally agreed:  (j c) develop take into account the development of demand response in fulfilling its tasks;
499.	2. The ENTSO for Electricity shall report to the Agency on shortcomings identified regarding the establishment and performance of regional operational centres.	AM 123 2. The ENTSO for Electricity shall report to the Agency on shortcomings identified regarding the establishment and performance of regional <i>coordination</i> centres.	2. The ENTSO for Electricity shall report to the Agency on shortcomings identified regarding the establishment and performance of [ ] Regional Security Coordinators.	Maintain Council GA
500.	3. The ENTSO for Electricity shall publish the minutes of its Assembly, Board and Committees meetings and provide the public with regular information on its decision-making and activities.		3. The ENTSO for Electricity shall publish the minutes of its Assembly, Board and Committees meetings and provide the public with regular information on its decision-making and activities.	No change 3. The ENTSO for Electricity shall publish the minutes of its Assembly, Board and Committees meetings and provide the public with regular information on its decision-making and activities.

501.	4. The annual work	4. The annual work	No change
	programme referred to in (h) of	programme referred to in (h) of	4. The annual work programme referred
	paragraph 1 shall contain a list	paragraph 1 shall contain a list	to in (h) of paragraph 1 shall contain a list
	and description of the network	and description of the network	and description of the network codes to be
	codes to be prepared, a plan on	codes to be prepared, a plan on	prepared, a plan on coordination of operation
	coordination of operation of the	coordination of operation of the	of the network, and research and
	network, and research and	network, and research and	development activities, to be realised in that
	development activities, to be	development activities, to be	year, and an indicative calendar.
	realised in that year, and an	realised in that year, and an	
	indicative calendar.	indicative calendar.	
502.	5. The ENTSO for	5. The ENTSO for	No change
	Electricity shall make available	Electricity shall make available	5. The ENTSO for Electricity shall make
	all information required by the	all information required by the	available all information required by the
	Agency to fulfil its tasks under	Agency to fulfil its tasks under	Agency to fulfil its tasks under Article
	Article 29(1). Transmission	Article 29(1). Transmission	29(1). Transmission system operators shall
	system operators shall make	system operators shall make	make available all information required for
	available all information	available all information	the ENTSO for Electricity to fulfil its task
	required for the ENTSO for	required for the ENTSO for	under sentence 1.
	Electricity to fulfil its task	Electricity to fulfil its task under	
	under sentence 1.	sentence 1.	
503.	6. Upon request of the	6. Upon request of the	No change
	Commission, the ENTSO for	Commission, the ENTSO for	6. Upon request of the Commission, the
	Electricity shall give its views	Electricity shall give its views to	ENTSO for Electricity shall give its views to
	to the Commission on the	the Commission on the adoption	the Commission on the adoption of the
	adoption of the guidelines as	of the guidelines as laid down in	guidelines as laid down in Article 57.
	laid down in Article 57.	Article 57.	

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

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

510.	The Agency shall monitor the	The Agency shall monitor the	No change
	implementation by the ENTSO	implementation by the ENTSO	The Agency shall monitor the
	for Electricity of network codes	for Electricity of network codes	implementation by the ENTSO for
	elaborated under Article 55(14)	elaborated under Article 55(14).	Electricity of network codes elaborated
	. Where the ENTSO for	Where the ENTSO for	under Article 55(14). Where the ENTSO for
	Electricity has failed to	Electricity has failed to	Electricity has failed to implement such
	implement such network codes,	implement such network codes,	network codes, the Agency shall request the
	the Agency shall request the	the Agency shall request the	ENTSO for Electricity to provide a duly
	ENTSO for Electricity to	ENTSO for Electricity to	reasoned explanation as to why it has failed
	provide a duly reasoned	provide a duly reasoned	to do so. The Agency shall inform the
	explanation as to why it has	explanation as to why it has	Commission of that explanation and provide
	failed to do so. The Agency	failed to do so. The Agency shall	its opinion thereon.
	shall inform the Commission of	inform the Commission of that	
	that explanation and provide its	explanation and provide its	
	opinion thereon.	opinion thereon.	
511.	The Agency shall monitor and	The Agency shall monitor and	No change
	analyse the implementation of	analyse the implementation of	The Agency shall monitor and analyse the
	the network codes and the	the network codes and the	implementation of the network codes and the
	guidelines adopted by the	guidelines adopted by the	guidelines adopted by the Commission as
	Commission as laid down in	Commission as laid down in	laid down in Article 54(1), and their effect
	Article 54(1), and their effect	Article 54(1), and their effect on	on the harmonisation of applicable rules
	on the harmonisation of	the harmonisation of applicable	aimed at facilitating market integration as
	applicable rules aimed at	rules aimed at facilitating market	well as on non-discrimination, effective
	facilitating market integration	integration as well as on non-	competition and the efficient functioning of
	as well as on non-	discrimination, effective	the market, and report to the Commission.
	discrimination, effective	competition and the efficient	
	competition and the efficient	functioning of the market, and	
	functioning of the market, and	report to the Commission.	
	report to the Commission.		

512.	2. The ENTSO for	2.	The ENTSO for	No change
	Electricity shall submit the draft	Ele	ectricity shall submit the draft	2. The ENTSO for Electricity shall
	Union-wide network	Un	ion-wide network	submit the draft Union-wide network
	development plan, the draft	dev	velopment plan, the draft	development plan, the draft annual work
	annual work programme,	anı	nual work programme,	programme, including the information
	including the information	inc	luding the information	regarding the consultation process, and the
	regarding the consultation		garding the consultation	other documents referred to in Article 27(1)
	process, and the other		ocess, and the other	to the Agency for its opinion.
	documents referred to in Article	do	cuments referred to in Article	
	27(1) to the Agency for its	270	(1) to the Agency for its	
	opinion.	opi	inion.	
513.	Within two months from the		thin two months from the day	No change
	day of receipt, the Agency shall		receipt, the Agency shall	Within two months from the day of receipt,
	provide a duly reasoned opinion		ovide a duly reasoned opinion	the Agency shall provide a duly reasoned
	as well as recommendations to		well as recommendations to	opinion as well as recommendations to the
	the ENTSO for Electricity and		ENTSO for Electricity and to	ENTSO for Electricity and to the
	to the Commission where it		Commission where it	Commission where it considers that the draft
	considers that the draft annual	con	nsiders that the draft annual	annual work programme or the draft Union-
	work programme or the draft		rk programme or the draft	wide network development plan submitted
	Union-wide network		ion-wide network	by the ENTSO for Electricity do not
	development plan submitted by		velopment plan submitted by	contribute to non-discrimination, effective
	the ENTSO for Electricity do		ENTSO for Electricity do	competition, the efficient functioning of the
	not contribute to non-		t contribute to non-	market or a sufficient level of cross-border
	discrimination, effective		crimination, effective	interconnection open to third-party access.
	competition, the efficient		mpetition, the efficient	
	functioning of the market or a		nctioning of the market or a	
	sufficient level of cross-border		ficient level of cross-border	
	interconnection open to third-	inte	erconnection open to third-	
	party access.	pai	ty access.	

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

<i>516</i> .		Article 31				
		Regional cooperation of transmission system operators				
517.	1. Transmission system	1. Transmission system	No change			
	operators shall establish	operators shall establish region				
	regional cooperation within the	cooperation within the ENTSC	establish regional cooperation within the			
	ENTSO for Electricity to	for Electricity to contribute to	ENTSO for Electricity to contribute to the			
	contribute to the activities	the activities referred to in	activities referred to in Article 27(1), (2) and			
	referred to in Article 27(1), (2)	Article 27(1), (2) and (3). In	(3). In particular, they shall publish a			
	and (3). In particular, they shall	particular, they shall publish a	regional investment plan every two years,			
	publish a regional investment	regional investment plan every	and may take investment decisions based on			
	plan every two years, and may	two years, and may take	that regional investment plan. The ENTSO			
	take investment decisions based	investment decisions based on	for Electricity shall promote cooperation			
	on that regional investment	that regional investment plan.	between transmission system operators at			
	plan. The ENTSO for	The ENTSO for Electricity sha				
	Electricity shall promote	promote cooperation between	communication and monitoring of regional			
	cooperation between	transmission system operators				
	transmission system operators	regional level ensuring	harmonised at Union level.			
	at regional level ensuring	interoperability, communicatio	1			
	interoperability, communication	and monitoring of regional				
	and monitoring of regional	performance in those areas				
	performance in those areas	which are not yet harmonised a	t			
	which are not yet harmonised at	Union level.				
	Union level.					

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

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

522.	If a region is not covered by an existing or a planned regional security coordinator, the		Provisionally agreed to delete, and introduce a new recital (line 46)
	transmission system operators of that region shall establish a		
523.	regional coordination centre.  All transmission system operators shall adhere to a single regional coordination centre.		Provisionally agreed to delete, in line with the compromise in line 542
524.	All transmission system operators of a system operation region shall submit to the regulatory authorities of the system operation region for a review a proposal for the establishment of regional coordination centres in accordance with the criteria set out in this chapter.		Provisionally agreed to delete
525.	The regulatory authorities of the system operation region shall review and approve the proposal in compliance with the procedures established pursuant to Article 8 of Regulation (EU) [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863]		Provisionally agreed: The regulatory authorities of the system operation region shall review and approve the proposal in compliance with the procedures established pursuant to Article 8 of Regulation (EU) [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863]
526.	The proposals referred to the forth subparagraph shall include the following information:	The proposal shall contain the following elements:	Provisionally agreed: The proposal shall at least include the following elements:

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

532a.				Provisionally agreed: g) (new) where two Regional Coordination Centres are maintained on a rotational basis, a description of the arrangements to provide clear responsibilities and procedures on the execution of their tasks.
533.	2. Regional operational centres shall be organised in a legal form as referred to in Article 1 of Directive 2009/101/EC of the European Parliament and of the Council. <sup>25</sup>		2. [] Regional Security Coordinators shall be established in the system operation region where it will carry out its tasks and shall be organised in a legal form as referred to in [] Annex II of Directive [] (EU) 2017/1132 of the European Parliament and of the Council <sup>26</sup> .	Provisionally agreed:  2. Regional Coordination Centres shall be established in the system operation region where it will carry out its tasks and shall be organised in a legal form as referred to in [ ] Annex II of Directive [ ] (EU)  2017/1132 of the European Parliament and of the Council <sup>27</sup> .
534.		AM 127 Article 32 – paragraph 1 a (new) 1 a. Regional coordination centres shall enter into operation by [OP: twelve months after entry into force of this Regulation].		Provisionally agreed:  1a (new) Following the approval by national regulatory authorities of the proposal in paragraph 1, Regional Coordination Centres shall replace Regional Security Coordinators established pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009 and enter into operation by 1 July 2022.

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

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

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

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

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

541.	1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal defining system operation regions covered by regional operational centres, taking into account existing regional security coordinators, on the basis of the following criteria:	AM 131 1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal defining system operation regions covered by regional <i>coordination</i> centres, taking into account existing regional security coordinators, on the basis of the following criteria:	1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal [] specifying which transmission system operators, bidding zones, bidding zone borders, capacity calculation regions and outage coordination regions are covered by each of the system operation regions.	By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal[] specifying which transmission system operators, bidding zones, bidding zone borders, capacity calculation regions and outage coordination regions are covered by each of the system operation regions. The proposal shall take into account the grid topology, including the degree of interconnection and of interdependency of the power system in terms of flows and the size of the region which shall cover at least one capacity calculation region.
542.			1a. Where a Member State is part of multiple different synchronous areas, the transmission system operator may be coordinated by two regional security coordinators. For the bidding zone borders adjacent to system operation regions, the proposal in paragraph 1 shall specify how the coordination between regional security coordinators for these borders is to take place.	Provisionally agreed:  1a. The transmission system operators of a system operation region shall adhere to the Regional Coordination Centres 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.  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.
543.	1b. Each of the Regions Security Coordinators sha perform the tasks listed in Article 34(1) for the transmission system oper of the system operation ro where it is established.	all Provisionally agreed to delete  L  ators

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

549.	Article 34 Tasks of regional operational	AM 132 Article 34 – title	Article 34 Tasks of [ ] Regional Security	Provisionally agreed:  Article 34
	centres	Tasks of regional <i>coordination</i> centres	Coordinators	Tasks of Regional Coordination Centres
550.	1. Each regional operational centre shall perform all the following functions in the system operation region where it is established and regional operational centres shall perform at least the following functions, set out in more detail in Annex I:	AM 133  1. Each regional <i>coordination</i> centre shall perform all the following functions in the system operation region where it is established and regional <i>coordination</i> centres shall perform at least the following functions, set out in more detail in Annex I:	1. Each Regional [ ] security coordinator shall perform [ ] the following [ ] tasks of regional relevance for transmission system operators in the system operation region [ ] set out in more detail in Annex I:	Provisionally agreed:  1. Each Regional Coordination Centre shall perform at least all the following tasks of regional relevance for transmission system operators in the entire system operation region where it is established, set out in more detail in Annex I:
551.	(a) coordinated capacity calculation;	(a) coordinated capacity calculation in accordance with the methodologies developed pursuant to Articles 21, 26, 29 and 30 of Regulation (EU) 2015/1222;	(a) coordinated capacity calculation in accordance with the methodologies developed pursuant to the Capacity Allocation and Congestion Management Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA (no agreement on the reference to the Guideline)
552.	(b) coordinated security analysis;	(b) coordinated security analysis in accordance with the methodologies developed pursuant to Articles 75 and 76 of Commission Regulation (EU) 2017/1485 <sup>1a</sup> ; <sup>1a</sup> Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (OJ L 220, 25.8.2017, p. 1).	(b) coordinated security analysis in accordance with the methodologies developed pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA (no agreement on the reference to the Guideline)

553.	(c) creation of common system models;	(c) creation of common system models in accordance with the methodologies and procedures developed pursuant to Articles 67, 70 and 79 of Commission Regulation (EU) 2017/1485;	(c) creation of common [ ] grid models in accordance with the methodologies and procedures developed pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Maintain Council GA (no agreement on the reference to the Guideline)
554.	(d) consistency assessment of transmission system operators' defense plans and restoration plans;	(d) consistency assessment of transmission system operators' defense plans and restoration plans in accordance with the procedure set out in Article 6 of Commission Regulation (EU) 2017/2196 <sup>b</sup> ;   1b Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration (OJ L 312, 28.11.2017, p. 54)	(d) support the consistency assessment of transmission system operators' defence plans and restoration plans in accordance with the procedure set out in the Emergency and Restoration Network Code adopted on the basis of Article 6 of Regulation 714/2009;	Maintain Council GA (no agreement on the reference to the Guideline)
555.			(da) regional week ahead to day-ahead system adequacy forecasts and assessments of risk reducing actions in accordance with the procedures set out in the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	Provisionally agreed to modified EP text, and to adapt it after conclusion of negotiations on the Risk preparedness regulation:  (da) regional week ahead to [day-ahead / intraday] system adequacy forecasts and preparation assessments of risk reducing actions in accordance with the methodology set out in Article 8 of Regulation (EU) [Regulation on risk preparedness as proposed by COM(2016)862] and the procedures set out in the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;

556.			(db) regional outage planning	Provisionally agreed (Without the agreement
			coordination in accordance	on the reference to the Guideline, which will
			with the procedures set out in	be decided horizontally)
			the System Operation	(db) regional outage planning
			Guideline adopted on the basis	coordination in accordance with the
			of Article 18 of Regulation	procedures set out in the System
			714/2009;	<b>Operation Guideline adopted on the basis</b>
				of Article 18 of Regulation 714/2009;
557.			(dc) training and	Provisionally agreed:
			certification of staff working	(dc) training and certification of staff
			for Regional Security	working for Regional Coordination
			Coordinators[+];	Centres;
558.	(e) coordination and		(e) <b>support the</b> coordination	Provisionally agreed:
	optimization of regional		and optimization of regional	(e) <b>support the</b> coordination and
	restoration;		restoration as requested by	optimization of regional restoration as
			transmission system operators;	requested by transmission system
				operators;
559.	(f) post-operation and post-		(f) post-operation and post-	No change:
	disturbances analysis and		disturbances analysis and	(f) post-operation and post-disturbances
	reporting;		reporting;	analysis and reporting;
560.	(g) regional sizing of reserve			Provisionally agreed (revert to original
	capacity;			COM proposal):
				(g) regional sizing of reserve capacity;
561.	(h) facilitate the regional	(h) <i>calculation of</i> the regional		Provisionally agreed (revert to original
	procurement of balancing	balancing capacity;		COM proposal):
	capacity;			(h) facilitate the regional procurement of
				balancing capacity;

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

567.	(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];		(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];
568.	(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional operational centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional <i>coordination</i> centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];		Provisionally agreed: [ ]
569.	(p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional operational centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional <i>coordination</i> centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(p) tasks related to the seasonal adequacy outlooks if and to the extent they are requested [] pursuant to Article 9([] 3) of [Regulation on risk preparedness as proposed by COM(2016) 862];	Provisionally agreed:  (p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional <i>coordination</i> centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];
570.	(q) calculate the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms pursuant to Article 21(6).		(q) calculate the value for the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms [ ] for the purpose to issue an recommendation pursuant to Article 21(6).	Provisionally agreed:  (q) calculate the value for the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms [ ] for the purposes to of issue issuing an recommendation pursuant to Article 21(6).

571.		(qa) tasks related to support transmission system operators in the identification of needs for new capacity, for upgrade of existing capacity or their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) 347/2013 and included in the ten-year network development plan referred to in Article 51 of the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].		Provisionally agreed:  (qa) tasks related to support transmission system operators in the identification of needs for new transmission capacity, for upgrade of existing transmission capacity or their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) 347/2013 and included in the ten-year network development plan referred to in Article 51 of the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].
572.	2. The Commission may add other functions to the regional operational centres, not involving decision making power, pursuant to Chapter VII of this Regulation.	AM 134  2. The Commission may add other functions to the regional <i>coordination</i> centres, not involving decision making power, pursuant to Chapter VII of this Regulation.	2. [] Upon joint proposal of regulatory authorities, following consultation with the transmission system operators and the Regional Security Coordinators, the Member States of the system operation region may jointly decide to provide for additional advisory coordination tasks, on the basis of which Regional Security Coordinators will issue recommendations pursuant to Article 38. In such instance, Regional Security Coordinators shall execute those tasks on the basis of the methodologies drafted by transmission system operators and agreed by the relevant regulatory authorities.	Provisionally agreed: (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 to Article 62(1) shall issue an opinion on the assignation of new advisory tasks to the regional coordination centres.  Where the Electricity Cross-Border Committee has issued an opinion in favour of assigning new advisory tasks to the regional coordination centres, the Commission, taking into account the opinion of the Electricity Cross-Border Committee, may, by means of implementing act, assign advisory tasks to the regional coordination centres.]

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

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

580.	(c) a procedure for the adoption of decisions and recommendations in accordance with Article 38;	(c) a procedure for the adoption and revision of decisions and recommendations in accordance with Article 38 that ensures equitable treatment between members of the regional operational centre;	(c) a procedure for the adoption of [ ] coordinated actions and recommendations in accordance with Article 38;	Provisionally agreed for Council text and amend line 530 (Article 32(1)(d)):  (c) a procedure for the adoption of coordinated actions and recommendations in accordance with Article 38;
581.	(d) a procedure for the revision of decisions and recommendations adopted by regional operational centres in accordance with Article 39.	deleted	(d) a procedure for the revision of [] coordinated actions and recommendations [] issued by Regional Security Coordinators in accordance with Article 39.	Provisionally agreed to delete
<i>582</i> .			Article 36 ng arrangements	
583.	1. Regional operational centres shall develop working arrangements to address planning and operational aspects related to the functions to be performed, taking into account, in particular, the specificities and requirements of those functions as specified in Annex I.	AM 138 1. Regional coordination centres shall develop working arrangements that are efficient, inclusive, transparent and facilitate consensus, to address planning and operational aspects related to the functions to be performed, taking into account, in particular, the specificities and requirements of those functions as specified in Annex I.	1. [] Regional Security Coordinators shall develop working arrangements to address planning and operational aspects related to the [] tasks to be performed taking into account, in particular, the specificities and requirements of those [] tasks as specified in Annex I. Regional Security Coordinators shall also develop a process for any revision of these working arrangements.	1. Regional Coordination Centres shall develop working arrangements that are efficient, inclusive, transparent and facilitate consensus, to address planning and operational aspects related to the [] tasks to be performed taking into account, in particular, the specificities and requirements of those [] tasks as specified in Annex I. Regional Coordination Centres shall also develop a process for any revision of these working arrangements.

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

587.	2. If necessary, the	Provisionally agreed:
	Regional Security	
	Coordinators may consult the	2. If necessary, the Regional
	Member States of the system	Coordination Centres may shall consult
	operation region and, where	the Member States of the system
	applicable, their regional	operation region and, where there is a
	forums on matters of political	regional forum applicable, their regional
	relevance excluding the day-	forums on matters of political relevance
	to-day activities of Regional	excluding the day-to-day activities of
	Security Coordinators and the	Regional Coordination Centres and the
	implementation of their tasks.	implementation of their tasks. The
	The Regional Security	Regional Coordination Centres shall take
	Coordinators shall take due	due account of the recommendations given
	account of the	by the Member States and where
	recommendations given by the	applicable, by their regional forums.
	Member States and where	
	applicable, by their regional	
	forums.	

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

<i>590</i> .	Article 38	AM 142	Article 38	Provisionally agreed to merge articles 38
	Adoption of decisions and recommendations	Article 38 – title Adoption <i>and revisions</i> of	[ ] Coordinated actions and recommendations	and 39 Adoption <b>and revision</b> of <b>coordinated</b>
	recommendations	decisions and recommendations	recommendations	actions and recommendations
591.	1. Regional operational centres shall develop a procedure for the adoption of decisions and recommendations.	AM 143 1. The transmission system operators of each regional coordination centre shall develop procedures for the adoption and revision of decisions and recommendations that ensures	1. [] The transmission system operators of a system operation region shall develop a procedure for the adoption of [] coordinated actions and recommendations put forward by Regional Security Coordinators in accordance	Provisionally agreed: (Following adoption this will be paragraph 1 of the merged article)  1. [] 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
		geographically balanced representation and equitable treatment of members of the regional coordination centre.	with the criteria set out in paragraphs 2 to 4.	Coordination Centres in accordance with the criteria set out in paragraphs 2 to 4.
592.	2. Regional operational centres shall adopt binding decisions addressed to the transmission system operators in respect of the functions referred to in points (a), (b), (g) and (q) of Article 34(1). Transmission system operators shall implement the binding decisions issued by the regional operational centres except in cases when the safety of the system will be negatively affected.	AM 144 2. Regional coordination centres shall adopt binding decisions addressed to the transmission system operators in respect of the functions referred to in (a) and (b) of Article 34(1). Transmission system operators shall implement the binding decisions issued by the regional coordination centres except in cases where the implementation of the decision would result in a violation of operational security limits defined by each transmission system operator pursuant to Article 25 of Commission Regulation (EU) 2017/1485.	2. [] Regional Security Coordinators shall [] set-out coordinated actions addressed to the transmission system operators in respect of the [] tasks referred to in points (a) and (b), [] of Article 34(1). Transmission system operators may decide not to [] implement the coordinated actions [] issued by the [] Regional Security Coordinators 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.	Provisionally agreed: (Following adoption this will be paragraph 2 of the merged article) The reference to System Operation Guideline still to be agreed horizontally.  2. 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].

593.			2a. Where following the	Provisionally agreed:
			revision triggered in	(Following adoption this will be the second
			accordance with Article 39, a	part of paragraph 5 of the merged article)
			transmission system operator	
			decides not to implement a	Where following the revision triggered in
			coordinated action for the	accordance with Article [39] [paragraph
			reasons set out in paragraph 2,	X], a transmission system operator
			it shall transparently report	decides not to implement a coordinated
			the detailed reasons to the	action for the reasons set out in paragraph
			Regional Security Coordinator	[2], it shall transparently report the
			and the transmission system	detailed reasons to the Regional
			operators of the system	Coordination Centre and the transmission
			operation region without	system operators of the system operation
			undue delay. In such cases, the	region without undue delay. In such cases,
			Regional Security Coordinator	the Regional Coordination Centre shall
			shall assess the impact on the	assess the impact on the other
			other transmission system	transmission system operators of the
			operators of the system	system operation region and may propose
			operation region and may	a different set of coordinated actions
			propose a different set of	subject to a procedure in paragraph 2.
			coordinated actions subject to	
			a procedure in paragraph 2.	
<b>594.</b>	3. Regional operational	AM 145	3. [ ] Regional Security	Provisionally agreed:
	centres shall adopt	3. Regional <i>coordination</i>	Coordinators shall adopt	(Following adoption this will be paragraph 3
	recommendations addressed to	centres shall adopt	recommendations addressed to	of the merged article)
	the transmission system	recommendations addressed to the	the transmission system	3. <b>Regional Coordination Centres</b> shall
	operators for the functions	transmission system operators for	operators for the [ ] tasks	adopt issue recommendations addressed to
	referred to in points (c) to (f)	the functions <i>listed in Article 34(1)</i>	referred to in [ ] Article 34(1)	the transmission system operators for the []
	and (h) to (p) of Article 34(1).	which are not referred to in	except for tasks covered in	tasks listed in Article 34(1) which are not
		paragraph 2 of this Article.	paragraph 2 of this Article.	referred to in <i>paragraph 2 of this</i> Article

595.	AM 146 Article 38 – paragraph 3 a (new) 3 a. Where a transmission system operator decides to deviate from the decision or recommendation issued by the regional coordination centre, it shall submit a detailed explanation to the regional coordination centre and to other transmission system operators of the system operation region without delay.	Provisionally agreed to delete
596.	AM 147 Article 38 – paragraph 3 b (new) 3 b. The revision shall be triggered at the request of one or more of the transmission system operators of the system operation region. Following the revision of the decision or recommendation, regional operational centres shall confirm or modify the measure.	Provisionally agreed:  (Following adoption this will be paragraph 4 of the merged article)  4. 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.
597.	AM 148 Article 38 – paragraph 3 c (new) 3 c. Where the measure subject to revision is a binding decision in accordance with Article 38(2) of this Regulation, the request for revision shall not suspend the decision except in cases where the implementation of the decision would result in a violation of operational security limits defined by each transmission system operator pursuant to Article 25 of the System Operation guidelines.	Provisionally agreed to delete

598.	4. The regulatory authorities of a system operation region may jointly decide to grant binding decision-making powers to the regional operational centre for one or more of the functions provided for in points (c) to (f) and (h) to (l) of Article 34(1).	4. The regulatory authorities of a system operation region may jointly decide to grant binding decision-making powers to the regional <i>coordination</i> centre for one or more of the functions <i>listed in</i> Article 34(1) <i>and which are not referred to in paragraph 2 of this Article</i> .	4. Upon proposal of regulatory authority, following consultation with the transmission system operators and Regional Security Coordinators the [ ] Member States of a system operation region may jointly decide to grant the competence for coordinated actions or binding decision-making powers to the [ ] Regional Security Coordinators for one or more of the [ ] tasks provided for in [ ] Article 34(1).	Provisionally agreed: (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 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.]
<i>599</i> .	Article 39 Revision of decisions and	AM 150 deleted	Article 39 Revision of [   coordinated	Provisionally agreed in TM to merge articles 38 and 39
	recommendations	истеней	actions and recommendations	30 ana 37
600.	1. Regional operational centres shall develop a procedure for the revision of decisions and recommendations.		1. [] Regional Security Coordinators shall develop a procedure for the revision of [] coordinated actions and recommendations referred to tasks described in Article 34.	Provisionally agreed to delete

601.	2. The procedure shall be	2. The procedure shall be	Provisionally agreed to delete
	triggered at the request of one	triggered at the request of one or	
	or more of the transmission	more of the transmission system	
	system operators of the system	operators of the system	
	operation region. Following the	operation region. Following the	
	revision of the decision or	revision of the [ ] coordinated	
	recommendation, regional	action or recommendation, [ ]	
	operational centres shall	Regional Security	
	confirm or modify the measure.	Coordinators [+] shall confirm	
£0.0	•	or modify the measure.	
602.	3. Where the measure	3. Where the measure	Provisionally agreed:
	subject to revision is a binding	subject to revision is a [ ]	
	decision in accordance with	coordinated action in	(Following adoption this will be the first part
	Article 38(2), the request for	accordance with Article 38(2),	of paragraph 5 of the merged article)
	revision shall not suspend the	the request for revision shall not	
	decision except in cases when	suspend the [ ] coordinated	<u>5.</u> Where the measure subject to revision
	the safety of the system will be	action except in cases [ ] where	is a <b>coordinated action</b> in accordance with
	negatively affected.	the implementation of the	[Article 38(2)], the request for revision shall
		coordinated actions would	not suspend the <b>coordinated action</b> except
		result in a violation of the	in cases [ ] where the implementation of
		operational security limits	the coordinated action would result in a
		defined by each transmission	violation of the operational security limits
		system operator in accordance	defined by each transmission system
		with the System Operation	operator in accordance with the System
		Guideline adopted on the basis	Operation Guideline adopted on the basis
		of Article 18 of Regulation	of Article 18 of Regulation 714/2009.
		714/2009	

603.	4. Where the measure	4. Where <b>following</b> the [ ]	Provisionally agreed:
	subject to revision is a	revision [ ] of the	(Following adoption this will be paragraph 6
	recommendation in accordance	recommendation in accordance	of the merged article)
	with Article 38(3) and	with Article 38([ ]3) [ ]a	<b><u>6.</u></b> Where <b>following</b> the [ ] revision [ ]
	following its revision a	transmission system operator	of the recommendation in accordance with
	transmission system operator	decides to deviate from the	[Article 38([ ]3)] [ ]a transmission system
	decides to deviate from the	recommendation, the	operator decides to deviate from the
	recommendation, the	transmission system operator	recommendation, the transmission system
	transmission system operator	shall submit a [ ] justification to	operator shall submit a [ ] justification to the
	shall submit a detailed	the [ ] Regional Security	Regional Coordination Centres and to the
	justification to the regional	Coordinators and to the other	other transmission system operators of the
	operational centre and to the	transmission system operators of	system operation region.
	other transmission system	the system operation region.	
	operators of the system		
	operation region.		

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

609.	(b) deciding upon and	(b) [ ] implementing the	(b) deciding upon and	Provisionally agreed:
	implementing the	organisational structure;	implementing the organisational	(b) deciding upon and implementing the
	organisational structure;		structure;	organisational structure;
610.	(c) preparing and endorsing		(c) preparing and endorsing	No change
	the annual budget;		the annual budget;	(c) preparing and endorsing the annual
			-	budget;
611.	(d) developing and endorsing		(d) developing and endorsing	Provisionally agreed:
	the cooperative decision-		the cooperative [ ] processes in	(d) developing and endorsing the
	making processes in accordance		accordance with Article 35.	cooperative [ ] processes in accordance with
	with Article 35.			Article 35.
612.	4. The competences of the	AM 155	4. The competences of the	Provisionally agreed:
	management board shall	4. The competences of the	management board shall exclude	4. The competences of the management
	exclude those that are related to	management board shall <i>not</i>	those that are related to the day-	board shall exclude those that are related to
	the day-to-day activities of	<i>include decisions</i> related to the	to-day activities of [ ] Regional	the day-to-day activities of [ ] Regional
	regional operational centres and	execution of the functions of	Security Coordinators and the	Coordination Centres and the performance
	the performance of its	regional <i>coordination</i> centres.	performance of its tasks [].	of its tasks [].
	functions.			
<i>613</i> .			Article 41	
		Organi	sational structure	
614.	1. Regional operational	AM 156	1 Tuonamiasian avatam	Provisionally agreed:
	centres shall set up and manage	1. The transmission system	1. Transmission system	, 0
	their organisation according to	operators of a system operation	operators shall establish the	1. The transmission system operators of
	a structure that supports the	region shall set up the	necessary arrangements for	a system operation region shall set up the
	safety of their functions.	organisational structure of	Regional security coordinators	organisational structure of Regional
	Their organisational structure	regional coordination centres.	to [] manage their	Coordination Centres that supports the
	shall specify:	Their organisational structure shall	organisation according to a	safety of their tasks. Their organisational
		specify:	structure that supports the safety	structure shall specify:
		-r - J	of their tasks [].	
			Their organisational structure	
			shall specify:	

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

<i>618</i> .			Article 42		
	Equipment and staff				
619.	Regional operational centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions.	AM 159 Regional coordination centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions independently and impartially. The human, technical, physical and financial resources for regional coordination centres shall not go beyond what is strictly necessary for the fulfilment of its tasks while geographically balanced representation and equitable treatment of members of regional coordination centre shall be ensured.	[ ] Regional Security Coordinators shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their [ ] tasks.	Provisionally agreed:  Regional Coordination Centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their [ ] tasks independently and impartially.  Provisionally agreed to add in recitals:  The human, technical, physical and financial resources for regional coordination centres should not go beyond what is strictly necessary for the fulfilment of its tasks.	
<i>620</i> .			Article 43 ring and reporting		
621.	Regional operational centres shall establish a process	AM 160 1. Regional <i>coordination</i>	1. [ ] Regional Security Coordinators shall establish a	Provisionally agreed: 1. Regional Coordination Centres shall	
	for the continuous monitoring of at least:	centres shall establish a process for the continuous monitoring of at least:	process for the continuous monitoring of at least:	establish a process for the continuous monitoring of at least:	
622.	(a) their operational performance;	(a) their operational performance;	(a) their operational performance;	No change (a) their operational performance;	

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

627.	4. Regional operational centres shall submit an annual report concerning their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02 <sup>28</sup> .	4. Regional <i>coordination</i> centres shall submit an annual report <i>containing relevant</i> monitoring data pursuant to paragraph 1 of this Article and information on their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02.	4. [] Regional Security Coordinators shall submit an annual report concerning their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02 <sup>29</sup> .	4. Regional <i>Coordination</i> Centres shall submit an annual report <i>containing relevant monitoring data pursuant to paragraph 1 of this Article and information on</i> their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the system operation region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02.
628.	5. Regional operational centres shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the system operation region, the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations.	AM 164 5. Regional <i>coordination</i> centres shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the system operation region, the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations.	5. [] Regional Security Coordinators shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the region the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations. Following this report, the regulatory authorities of the region may propose to the Regional Security Coordinators measures to address the shortcomings.	5. Regional Coordination Centres shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the system operation region the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations. Following this report, the relevant regulatory authorities of the system operation region may propose to the Regional Coordination Centres measures to address the shortcomings.

<sup>&</sup>lt;sup>28</sup> Commission Decision of 15 November 2012 setting up the Electricity Coordination Group (OJ C 353, 17.11.2012, p.2).

5834/5/18 REV 5

ANNEX I BL/ns 239 **EN** 

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

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

<i>632</i> .		Article 45		
		Ten-year network development plan		
633.	1. The Union-wide	1. The Union-wide network		
	network development plan	development plan referred to		
	referred to under Article	under Article 27(1)(b) shall		
	27(1)(b) shall include the	include the modelling of the		
	modelling of the integrated	integrated network, scenario		
	network, scenario development	development and an assessment		
	and an assessment of the	of the resilience of the system.		
	resilience of the system.	The Union-wide network		
	The Union-wide network	development plan shall, in		
	development plan shall, in	particular:		
	particular:			
634.	(a) build on national	(a) build on national		
	investment plans, taking into	investment plans, taking into		
	account regional investment	account regional investment		
	plans as referred to in Article	plans as referred to in Article		
	12(1), and, if appropriate,	12(1), and, if appropriate, Union		
	Union aspects of network	aspects of network planning as		
	planning as set out in	set out in Regulation (EU) No		
	Regulation (EU) No 347/2013	347/2013 of the European		
	of the European Parliament and	Parliament and of the Council;		
	of the Council <sup>30</sup> ; it shall be	it shall be subject to a cost-		
	subject to a cost-benefit	benefit analysis using the		
	analysis using the methodology	methodology established as set		
	established as set out in Article	out in Article 11 of that		
	11 of that Regulation;	Regulation;		

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

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

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

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

645.	5. The magnitude of cross-	5. The magnitude of cross-	
	border flows hosted and the	border flows hosted and the	
	magnitude of cross-border	magnitude of cross-border flows	
	flows designated as originating	designated as originating and/or	
	and/or ending in national	ending in national transmission	
	transmission systems shall be	systems shall be determined on	
	determined on the basis of the	the basis of the physical flows of	
	physical flows of electricity	electricity actually measured	
	actually measured during a	during a given period of time.	
	given period of time.		
646.	6. The costs incurred as a	6. The costs incurred as a	
	result of hosting cross-border	result of hosting cross-border	
	flows shall be established on	flows shall be established on the	
	the basis of the forward-looking	basis of the forward-looking	
	long-run average incremental	long-run average incremental	
	costs, taking into account	costs, taking into account losses,	
	losses, investment in new	investment in new infrastructure,	
	infrastructure, and an	and an appropriate proportion of	
	appropriate proportion of the	the cost of existing	
	cost of existing infrastructure,	infrastructure, in so far as such	
	in so far as such infrastructure	infrastructure is used for the	
	is used for the transmission of	transmission of cross-border	
	cross-border flows, in particular	flows, in particular taking into	
	taking into account the need to	account the need to guarantee	
	guarantee security of supply.	security of supply. When	
	When establishing the costs	establishing the costs incurred,	
	incurred, recognised standard-	recognised standard-costing	
	costing methodologies shall be	methodologies shall be used.	
1	used. Benefits that a network	Benefits that a network incurs as	
	incurs as a result of hosting	a result of hosting cross-border	
	cross-border flows shall be	flows shall be taken into account	
	taken into account to reduce the	to reduce the compensation	
	compensation received.	received.	

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

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

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

651.	3. Transmission system		3. Transmission system	
051.			3	
	operators shall publish		operators shall publish estimates	
	estimates of available transfer		of available transfer capacity for	
	capacity for each day,		each day, indicating any	
	indicating any available transfer		available transfer capacity	
	capacity already reserved.		already reserved. Those	
	Those publications shall be		publications shall be made at	
	made at specified intervals		specified intervals before the	
	before the day of transport and		day of transport and shall	
	shall include, in any event,		include, in any event, week-	
	week-ahead and month-ahead		ahead and month-ahead	
	estimates, as well as a		estimates, as well as a	
	quantitative indication of the		quantitative indication of the	
	expected reliability of the		expected reliability of the	
	available capacity.		available capacity.	
652.	4. Transmission system	AM 167	4. Transmission system	
	operators shall publish relevant	4. Transmission system	operators shall publish relevant	
	data on aggregated forecast and	operators shall publish relevant	data on aggregated forecast and	
	actual demand, on availability	data on aggregated forecast and	actual demand, on availability	
	and actual use of generation and	actual demand, on availability and	and actual use of generation and	
	load assets, on availability and	actual use of generation and load	load assets, on availability and	
	use of the networks and	assets, on availability and use of	use of the networks and	
	interconnections, and on	the networks and interconnections,	interconnections, and on	
	balancing power and reserve	on balancing power and reserve	balancing power and reserve	
	capacity. For availability and	capacity and on the availability of	capacity. For availability and	
	actual use of small generation	<i>flexibility</i> . For availability and	actual use of small generation	
	and load units, aggregated	actual use of small generation and	and load units, aggregated	
	estimate data may be used.	load units, aggregated estimate data	estimate data may be used.	
	•	may be used.		
653.	5. The market participants	-	5. The market participants	
	concerned shall provide the		concerned shall provide the	
	transmission system operators		transmission system operators	
	with the relevant data.		with the relevant data.	

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

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

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

	compatibility with Article 52(2)	compatibility with Article 52(2)	
	or Article 53 and Article 43 of	or Article 53 and Article 43 of	
	[recast of Directive 2009/72/EC	[recast of Directive 2009/72/EC	
	as proposed by COM(2016)	as proposed by COM(2016)	
	<u>864/2</u> ].	864/2].	
658.	When preparing the opinion	When preparing the opinion	
0.50.	referred to in the first	referred to in the first	
	subparagraph, the Commission	subparagraph, the Commission	
	may request the Agency to	may request the Agency to	
	provide its opinion on the	provide its opinion on the	
	national regulatory authority's	national regulatory authority's	
	decision. In such a case, the	decision. In such a case, the two-	
		month period referred to in the	
	two-month period referred to in		
	the first subparagraph shall be	first subparagraph shall be	
	extended by two further	extended by two further months.	
<b>670</b>	months.		
659.	In the absence of an opinion by	In the absence of an opinion by	
	the Commission within the	the Commission within the	
	periods referred to in the first	periods referred to in the first	
	and second subparagraphs, the	and second subparagraphs, the	
	Commission shall be deemed	Commission shall be deemed	
	not to raise objections to the	not to raise objections to the	
	regulatory authority's decision.	regulatory authority's decision.	
660.	2. Within two months of	2. Within two months of	
	receiving an opinion of the	receiving an opinion of the	
	Commission, the national	Commission, the national	
	regulatory authority shall adopt	regulatory authority shall adopt	
	its final decision regarding the	its final decision regarding the	
	certification of the transmission	certification of the transmission	
	system operator, taking the	system operator, taking the	
	utmost account of that opinion.	utmost account of that opinion.	
	The regulatory authority's	The regulatory authority's	
	decision and the Commission's	decision and the Commission's	
	opinion shall be published	opinion shall be published	
	together.	together.	

661.	3. At any time during the	3. At any time during the	
001.	,	,	
	procedure, regulatory	procedure, regulatory authorities	
	authorities and/or the	and/or the Commission may	
	Commission may request from	request from a transmission	
	a transmission system operator	system operator and/or an	
	and/or an undertaking	undertaking performing any of	
	performing any of the functions	the functions of generation or	
	of generation or supply any	supply any information relevant	
	information relevant to the	to the fulfilment of their tasks	
	fulfilment of their tasks under	under this Article.	
	this Article.		
662.	4. Regulatory authorities	4. Regulatory authorities and	
	and the Commission shall	the Commission shall preserve	
	preserve the confidentiality of	the confidentiality of	
	commercially sensitive	commercially sensitive	
	information.	information.	
663.	5. Where the Commission	5. Where the Commission	
	has received notification of the	has received notification of the	
	certification of a transmission	certification of a transmission	
	system operator under Article	system operator under Article	
	43(9) of [recast of Directive	43(9) of [recast of Directive	
	2009/72/EC as proposed by	2009/72/EC as proposed by	
	COM(2016) 864/2], the	COM(2016) 864/2], the	
	Commission shall take a	Commission shall take a	
	decision relating to	decision relating to certification.	
	certification. The regulatory	The regulatory authority shall	
	authority shall comply with the	comply with the Commission	
	Commission decision.	decision.	

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

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

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

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

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

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

684.	(c) decisions of the General Assembly are adopted according with the following rules: - when 65% of the votes attributed to the members of the General Assembly are reached,  - whereby each member disposes of a number of votes proportional to the respective number of customers and  - the final outcome is supported by at least 55% of the members of the General Assembly.	(c) decisions of the General Assembly are adopted according with the following rules:  - when 65% of the votes attributed to the members of the General Assembly are reached,  - whereby each member disposes of a number of votes proportional to the respective number of customers and  - the final outcome is supported by at least 55% of	
685.	(d) decisions of the General Assembly are blocked according with the following rules: -when 35% of the votes attributed to the members of the General Assembly are reached, - whereby each member disposes of a number of votes proportional to the respective number of customers; and - the final outcome is supported by at least 25% of the members of the General Assembly	the members of the General Assembly.  (d) decisions of the General Assembly are blocked according with the following rules: -when 35% of the votes attributed to the members of the General Assembly are reached,  - whereby each member disposes of a number of votes proportional to the respective number of customers; and  - the final outcome is supported by at least 25% of the members of the General	

686.	(e) the Board of Directors is	(e) the Board of Directors is	
	elected by the General Assembly	elected by the General	
	for a mandate of maximum 4	Assembly for a mandate of	
	years;	maximum 4 years;	
<b>687.</b>	(f) the Board of Directors	(f) the Board of Directors	
	nominates the President and the	nominates the President and	
	three Vice-Presidents among its	the three Vice-Presidents	
	members;	among its members;	
688.	(g) DSO-TSO cooperation	(g) DSO-TSO cooperation	
	pursuant to Articles 52 and 53 is	pursuant to Articles 52 and 53	
	led by the Board of Directors;	is led by the Board of	
		Directors;	
689.	(h) decisions of the Board of	(h) decisions of the Board of	
	Directors are adopted by simple	Directors are adopted by	
	majority of 15 votes;	simple majority of 15 votes;	
690.	(i) based on proposal by the	(i) based on proposal by the	
	Board of Directors, the Secretary	<b>Board of Directors, the</b>	
	General is appointed by the	Secretary General is appointed	
	General Assembly among its	by the General Assembly	
	members for a four years	among its members for a four	
	mandate, renewable once;	years mandate, renewable	
		once;	
691.	(j) based on proposal by the	(j) based on proposal by the	
	Board of Directors, Expert Groups	<b>Board of Directors, Expert</b>	
	are appointed by the General	Groups are appointed by the	
	Assembly whereby each group	General Assembly whereby	
	shall not exceed 30 members with	each group shall not exceed 30	
	the possibility of 1/3 coming from	members with the possibility	
	outside the membership. In	of 1/3 coming from outside the	
	addition, 'one country' expert	membership. In addition, 'one	
	group shall be established and	country' expert group shall be	
	consist of exactly one DSO	established and consist of	
	representative from each Member	exactly one DSO	
	State.	representative from each	
		Member State.	

692.	2. Procedures adopted by the EU DSO entity shall safeguard the fair and proportionate treatment of its members and reflect the diverse geographical and economic structure of its membership. In particular, the procedures shall foresee that:	2. Procedures adopted by the EU DSO entity shall safeguard the fair and proportionate treatment of its members and reflect the diverse geographical and economic structure of its membership. In particular, the procedures shall foresee that:	
693.	(a) the Board of Directors is composed by the President of the Board and 27 members' representatives, of which: -[] 9 are representatives of members with more than 1 million grid users; -[] 9 are representatives of members with more than 100,000 and less than 1 million grid users; and -[] 9 are representatives of members with less than 100,000 grid users;	(a) the Board of Directors is composed by the President of the Board and 27 members' representatives, of which: - 9 are representatives of members with more than 1 million grid users; - 9 are representatives of members with more than 100,000 and less than 1 million grid users; and - 9 are representatives of members with less than 100,000 grid users;	
694.	(b) representatives of existing DSO associations may participate as observers to the meetings of the Board of Directors;	(b) representatives of existing DSO associations may participate as observers to the meetings of the Board of Directors;	
695.	(c) the Board of Directors may not consist of more than 3 representatives of members based in the same Member State or the same industrial group;	(c) the Board of Directors may not consist of more than 3 representatives of members based in the same Member State or the same industrial group;	

	·	
696.	(d) each Vice-President of the	(d) each Vice-President of
	Board has to be nominated among	the Board has to be nominated
	representatives of members in	among representatives of
	each category described in	members in each category
	paragraph (a) above;	described in paragraph (a)
		above;
697.	(e) representatives of members	(e) representatives of
	based in one Member State or the	members based in one
	same industrial group may not	Member State or the same
	constitute the majority of the	industrial group may not
	Expert Group participants;	constitute the majority of the
		Expert Group participants;
698.	(f) the Board of Directors shall	(f) the Board of Directors
	establish a Strategic Advisory	shall establish a Strategic
	group that provides its opinion to	Advisory group that provides
	the Board of Directors and the	its opinion to the Board of
	Expert Groups and consists of	Directors and the Expert
	representatives of the European	Groups and consists of
	DSO associations and	representatives of the
	representatives of those Member	European DSO associations
	States which are not represented	and representatives of those
	in the Board of Directors.	Member States which are not
		represented in the Board of
		Directors.

<i>699</i> .			Article 51	
		Tasks of	the EU DSO entity	
700.	1. The tasks of the EU DSO	AM 174	1. The tasks of the EU DSO	
	entity shall be the following:	1. The tasks of the EU DSO	entity shall be the following:	
701	(-)1:4-14:	entity shall be the following:	(a) (b) (CA) [ ]	
701.	(a) coordinated operation	(a) <b>promote</b> coordinated	(a) (b in GA) [] promote	
	and planning of transmission and distribution networks;	operation and planning of transmission and distribution	operation and planning of [ ] distribution networks in	
	and distribution networks,	networks;	cooperation with operation	
		networks,	and planning of transmission	
			networks;	
702.	(b) integration of renewable	(b) improve and maximise the	(b) (c in GA) facilitation of	
702.	energy resources, distributed	integration of renewable energy	the integration of renewable	
	generation and other resources	resources, distributed generation	energy resources, distributed	
	embedded in the distribution	and <i>facilitate</i> other resources	generation and other resources	
	network such as energy storage;	embedded in the distribution	embedded in the distribution	
	and the same of th	network such as energy storage	network such as energy storage;	
		and sectoral integration;	<i>Symmetry</i>	
703.	(c) development of demand	(c) facilitate the development of	(c) (d in GA) facilitation of [	
	response;	demand response;	] demand side flexibility and	
			response, and distribution grid	
			users' access to markets;	
704.	(d) digitalisation of	(d) <i>improve the</i> digitalisation of	(d) (e in GA) contribute to	
	distribution networks including	distribution networks including	the digitalisation of distribution	
	deployment of smart grids and	deployment of smart grids and	[] systems including	
	intelligent metering systems;	<i>smart</i> metering systems;	deployment of smart grids and	
			intelligent metering systems;	

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

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

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

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

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

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

727.	(c) not go beyond what is	(c)	not go beyond what is	Maintain Council GA
	necessary for that purpose; and	neces	sary for that purpose; and	
728.	(d) be without prejudice to	(d)	be without prejudice to	Maintain Council GA
	the Member States' right to	the M	lember States' right to	
	establish national network	establ	lish national network codes	
	codes which do not affect cross-	which	n do not affect cross [ ]	
	border trade.	zonal	trade.	
<i>729</i> .		Article	2 55	
		Establishment of i	network codes	
730.	1. The Commission is	1.	The Commission is	
	empowered to adopt delegated	empo	wered to adopt [ ]	
	acts in accordance with Article	imple	ementing acts in	
	63 concerning the establishment	accord	dance with Article [ ]	
	of network codes in the	62(2)	in order to ensure	
	following areas:	unifo	rm conditions for the	
			ementation of this	
		Regul	lation by establishing [ ]	
		netwo	ork codes in the following	
		areas:		

	(a) natwork cacurity and
(a) network security and	(a) network security and reliability rules including rules
	for technical transmission
1 2 1	reserve capacity for operational
network security;	network security <b>including</b>
	system states, remedial actions
	and operational security
	limits, voltage control and
	reactive power management,
	short-circuit current
	management, power flow
	management, contingency
	analysis and handling,
	protection equipment and
	schemes, data exchange,
	compliance, training,
	operational planning and
	security analysis, regional
	operational security
	coordination, outage
	coordination, availability plans
	of relevant assets, adequacy
	analysis, ancillary services,
	scheduling, and operational
	planning data environments;
	reliability rules including rules for technical transmission reserve capacity for operational network security;

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

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

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

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

- 747. 2. The Commission shall, after consulting the Agency, the ENTSO for Electricity and the other relevant stakeholders. establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, the Commission may require the EU DSO entity for electricity instead of the ENTSO for Electricity to convene a drafting committee and submit a proposal for a network code to the agency.
- **AM 181**
- The Commission shall, after consulting the Agency, the ENTSO for Electricity, the EU DSO entity for electricity and the other relevant stakeholders, establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, the Commission may require the EU DSO entity for electricity instead of the ENTSO for Electricity to convene a drafting committee and submit a proposal for a network code to the agency.
- The Commission shall. after consulting the Agency, the ENTSO for Electricity, the EU **DSO Entity** and the other relevant stakeholders, establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and [ ] not primarily relevant for the transmission, the Commission may require the EU DSO entity in cooperation with [ ] the ENTSO for Electricity to convene a drafting committee and submit a proposal for a network code to the agency.

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<b>750.</b>	5. The Agency shall submit	5. The Agency shall submit	
700	a non-binding framework	a non-binding framework	
	guideline to the Commission	guideline to the Commission	
	where requested to do so under	where requested to do so under	
	paragraph 3. The Agency shall	paragraph 3. The Agency shall	
	review the non-binding	review the non-binding	
	framework guideline and re-	framework guideline and re-	
	submit it to the Commission	submit it to the Commission	
	where requested to do so under	where requested to do so under	
751	paragraph 6. 6. If the Commission	paragraph 6. 6. If the Commission	
751.			
	considers that the framework	considers that the framework	
	guideline does not contribute to	guideline does not contribute to	
	market integration, non-	market integration, non-	
	discrimination, effective	discrimination, effective	
	competition and the efficient	competition and the efficient	
	functioning of the market, it	functioning of the market, it may	
	may request the Agency to	request the Agency to review the	
	review the framework guideline	framework guideline within a	
	within a reasonable period of	reasonable period of time and re-	
	time and re-submit it to the	submit it to the Commission.	
	Commission.		
752.	7. If the Agency fails to	7. If the Agency fails to	
	submit or re-submit a	submit or re-submit a framework	
	framework guideline within the	guideline within the period set	
	period set by the Commission	by the Commission under	
	under paragraphs 3 or 6, the	paragraphs 3 or 6, the	
	Commission shall elaborate the	Commission shall elaborate the	
	framework guideline in	framework guideline in	
	question.	question.	

753.	8. The Commission shall request the ENTSO for Electricity or, where so decided in the priority list pursuant to paragraph 2, the EU DSO entity for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline,	8. The Commission share request the ENTSO for Electricity or, where so decin the priority list pursuant paragraph 2, the EU DSO of [ ] in co-operation with the ENTSO for Electricity, to submit a proposal for a net code which is in line with the	cided to entity he o work the
	to the Agency within a reasonable period of time not exceeding 12 months.	relevant framework guideli the Agency within a reason period of time not exceeding months.	nable
754.	9. The ENTSO for Electricity, or where so decided in the priority list pursuant to paragraph 2, the EU DSO entity, shall convene a drafting committee to support it in the network code development process. The drafting committee shall consist of representatives of the ENTSO for Electricity, the Agency, the EU DSO entity, where appropriate of nominated	9. The ENTSO for Electricity, or where so decin the priority list pursuant paragraph 2, the EU DSO eshall convene a drafting committee to support it in the network code development process. The drafting commishall consist of representation of the ENTSO for Electricithe Agency, where appropriate of nominated	to entity, the inittee ives ity, oriate ore
	electricity market operators and a limited number of the main affected stakeholders. The ENTSO for Electricity or where so decided in the priority list pursuant to paragraph 2 the EU DSO entity, shall elaborate proposals for network codes in the areas referred to in paragraph 1 upon a request	electricity market operators a limited number of the ma affected stakeholders. The ENTSO for Electricity or v so decided in the priority li pursuant to paragraph 2 the DSO entity, in co-operation with the ENTSO for Electricity shall elaborate proposals for network code	where st e EU on

	addressed to it by the	the	e areas referred to in paragraph	
	Commission in accordance with		upon a request addressed to it	
	paragraph 8.	by	the Commission in	
		acc	cordance with paragraph 8.	
755.	10. The Agency shall revise	10.	<ol><li>The Agency shall revise</li></ol>	
	the network code and ensure	the	e network code and ensure that	
	that the network code is in line	the	e network code is in line with	
	with the relevant framework	the	e relevant framework	
	guideline and contributes to	gui	ideline and contributes to	
	market integration, non-	ma	arket integration, non-	
	discrimination, effective	dis	scrimination, effective	
	competition, and the efficient	cor	empetition, and the efficient	
	functioning of the market and,	fun	nctioning of the market and	
	submit the revised network		bmit the revised network code	
	code to the Commission within	to	the Commission within six	
	six months of the day of the	mo	onths of the day of the receipt	
	receipt of the proposal. In the	of	the proposal. In the proposal	
	proposal submitted to the	sub	bmitted to the Commission,	
	Commission, the Agency shall		e Agency shall take into	
	take into account the views		count the views provided by	
	provided by all involved parties	all	l involved parties during the	
	during the drafting of the		afting of the proposal led by	
	proposal led by the ENTSO for		e ENTSO for Electricity or the	
	Electricity or the EU DSO		U DSO entity and shall	
	entity and shall formally		rmally consult the relevant	
	consult the relevant		akeholders on the version to be	
	stakeholders on the version to	sub	bmitted to the Commission.	
	be submitted to the			
	Commission.			

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

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

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

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

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

<i>767</i> .		Article 57
, 0, 1		Guidelines
768.	1. The Commission may adopt binding guidelines in the areas listed below.	1. Until 31 December 2025 the Commission may adopt binding guidelines by in the areas listed below. Those guidelines shall be adopted as implementing acts in accordance with the examination procedure referred to in Article 62(2).
769.	2. The Commission may adopt a delegated act as a Guideline in the areas where such acts could also be developed under the network code procedure pursuant to Article 55 (1).	2. Until 31 December 2025 the Commission may adopt [] implementing acts as a Guideline in the areas where such acts could also be developed under the network code procedure pursuant to Article 55 (1).
770.	3. Guidelines may be adopted relating to the intertransmission system operator compensation mechanism. They shall specify, in accordance with the principles set out in Articles 46 and 16:	3. Guidelines may be adopted relating to the intertransmission system operator compensation mechanism. They shall specify, in accordance with the principles set out in Articles 46 and 16:

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

774.	(d) details of the	(d) (	(d) details of the	
	methodology for determining	method	dology for determining the	
	the costs and benefits incurred	costs a	nd benefits incurred as a	
	as a result of hosting cross-	result of	of hosting cross-border	
	border flows, in accordance	flows,	in accordance with	
	with Article 46(6);	Article	46(6);	
775.	(e) details of the treatment in	(e) (	details of the treatment in	
	the context of the inter-	the cor	ntext of the inter-	
	transmission system operator	transm	ission system operator	
	compensation mechanism of	compe	nsation mechanism of	
	electricity flows originating or	electric	city flows originating or	
	ending in countries outside the	ending	in countries outside the	
	European Economic Area; and	Europe	ean Economic Area; and	
776.	(f) the participation of	(f) t	the participation of	
	national systems which are	nationa	al systems which are	
	interconnected through direct	interco	nnected through direct	
	current lines, in accordance	current	current lines, in accordance with	
	with Article 46.	Article	Article 46.	

		1	
777.	4. Guidelines may also	4. Guidelines may also	
	determine appropriate rules	determine appropriate rules	
	relating to charges applied to	relating to charges applied	
	producers, energy storage and	producers, energy storage a	nd
	customers (load) under national	customers (load) under nat	ional
	distribution and transmission	[ ] transmission tariff syste	ms [
	tariff systems and connection	], including the reflection o	f the
	regimes, including the	inter-transmission system	
	reflection of the inter-	operator compensation	
	transmission system operator	mechanism in national netv	vork
	compensation mechanism in	charges and the provision o	f
	national network charges and	appropriate and efficient	
	the provision of appropriate and	locational signals, in accord	lance
	efficient locational signals, in	with the principles set out i	n
	accordance with the principles	Article 16.	
	set out in Article 16.		
778.	The guidelines may make	The guidelines may make	
	provision for appropriate and	provision for appropriate ar	nd
	efficient harmonised locational	efficient harmonised location	
	signals at Union level.	signals at Union level.	
779.	Any such harmonisation shall	Any such harmonisation sh	all
	not prevent Member States	not prevent Member States	
	from applying mechanisms to	applying mechanisms to en	
	ensure that network access	that network access charges	
	charges borne by customers	borne by customers (load) a	
	(load) are comparable	comparable throughout the	
	throughout their territory.	territory.	

780.	5. Where appropriate,	5. Where appropriate,
700.	guidelines providing the	guidelines providing the
	minimum degree of	minimum degree of
	harmonisation required to	harmonisation required to
	achieve the aim of this	achieve the aim of this
	Regulation may also specify:	Regulation may also specify:
781.		
/81.		()
	trading of electricity;	trading of electricity;(b) details
		of investment incentive rules for
		interconnector capacity
		including locational signals;
782.	(b) details of investment	(b) details of investment
	incentive rules for	incentive rules for
	interconnector capacity	interconnector capacity
	including locational signals;	including locational signals;
783.	6. The Commission may	6. The Commission may
	adopt guidelines on the	adopt guidelines on the
	implementation of operational	implementation of operational
	coordination between	coordination between
	transmission system operators	transmission system operators at
	at Union level. Those	Union level. Those guidelines
	guidelines shall be consistent	shall be consistent with and
	with and build upon the	build upon the network codes
	network codes referred to in	referred to in Article 55 of this
	Article 55 of this Regulation	Regulation and build upon the
	and build upon the adopted	adopted specifications referred
	specifications referred to in	to in Article 27(1)(g) of this
	Article 27(1)(g) of this	Regulation. When adopting
	Regulation. When adopting	those guidelines, the
1	those guidelines, the	Commission shall take into
	Commission shall take into	account differing regional and
	account differing regional and	national operational
	national operational	requirements.
	requirements.	1
	requirements.	<u> </u>

784.	Those guidelines shall be		[Those guidelines shall be	
	adopted in accordance with the		adopted in accordance with the	
	examination procedure referred		examination procedure referred	
	to in Article 62(2).		to in Article $\hat{6}2(2)$ .	
785.	7. When adopting or	AM 184	7. When adopting or	
	amending guidelines, the	7. When adopting or amending	amending guidelines, the	
	Commission shall consult the	guidelines, the Commission shall	Commission shall consult the	
	Agency, the ENTSO for	consult the Agency, the ENTSO for	Agency, the ENTSO for	
	Electricity and other	Electricity, the EU DSO entity and	Electricity, the EU DSO Entity	
	stakeholders where relevant.	other stakeholders where relevant.	and other stakeholders where	
			relevant.	
<i>786</i> .		I	Article 58	
700.		Right of Mambar States to	provide for more detailed measure.	g.
505	TEL: D. 14: 1 111	Right of Member States to	. ·	3
<b>787.</b>	This Regulation shall be		This Regulation shall be without	
	without prejudice to the rights		prejudice to the rights of	
	of Member States to maintain		Member States to maintain or	
	or introduce measures that		introduce measures that contain	
	contain more detailed		more detailed provisions than	
	provisions than those set out in		those set out in this Regulation,	
	this Regulation, in the		in the guidelines referred to in	
	guidelines referred to in Article		Article 57 or in the network	
	57 or in the network codes		codes referred to in Article 55,	
	referred to in Article 55,		provided those measures do not [	
	provided those measures do not		] contradict of Union	
	endanger the effectiveness of		legislation.	
	Union legislation.			

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

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

		I		
<b>796.</b>	(e) since the partial market	(e)		
	opening referred to in Article	ope	ening referred to in Article 19	
	19 of Directive 96/92/EC of the		Directive 96/92/EC of the	
	European Parliament and of the	Eu	ropean Parliament and of the	
	Council <sup>31</sup> , no part of the capital	Co	ouncil <sup>32</sup> , no part of the capital	
	or operating costs of the	or	operating costs of the	
	interconnector has been	int	terconnector has been	
	recovered from any component	rec	covered from any component	
	of charges made for the use of	of	charges made for the use of	
	transmission or distribution	tra	nsmission or distribution	
	systems linked by the	sys	stems linked by the	
	interconnector; and	int	terconnector; and	
797.	(f) the exemption must not	(f)	the exemption must not be	
	be to the detriment of	to	the detriment of competition	
	competition or the effective	or	the effective functioning of	
	functioning of the internal	the	e internal market in electricity,	
	market in electricity, or the	or	the efficient functioning of	
	efficient functioning of the	the	e regulated system to which	
	regulated system to which the	the	e interconnector is linked.	
	interconnector is linked.			

21

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

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

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

801.	Within two months from the	W	Within two months from the	
	date on which the request for	da	late on which the request for	
	exemption was received by the	ex	exemption was received by the	
	last of the regulatory authorities	la	ast of the regulatory authorities	
	concerned, the Agency may	co	concerned, the Agency may	
	submit an advisory opinion to	sı	ubmit an advisory opinion to	
	those regulatory authorities	th	hose regulatory authorities	
	which could provide a basis for	w	which could provide a basis for	
	their decision.	th	heir decision.	
802.	In deciding to grant an	Ir	n deciding to grant an	
	exemption, consideration shall		exemption, consideration shall	
	be given, on a case-by-case	bo	be given, on a case-by-case	
	basis, to the need to impose		pasis, to the need to impose	
	conditions regarding the		conditions regarding the	
	duration of the exemption and		luration of the exemption and	
	non-discriminatory access to		on-discriminatory access to the	
	the interconnector. When		nterconnector. When deciding	
	deciding those conditions,	th	hose conditions, account shall,	
	account shall, in particular, be	in	n particular, be taken of	
	taken of additional capacity to		dditional capacity to be built or	
	be built or the modification of	th	he modification of existing	
	existing capacity, the time-		apacity, the time-frame of the	
	frame of the project and	l pi	project and national	
	national circumstances.	ci	rircumstances.	

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

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

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

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

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

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

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

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

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

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

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

834.	If the transmission system of
	Cyprus is not connected to
	other Member States'
	transmission systems via
	interconnections by 1 January
	2026, Cyprus shall assess the
	need for derogation from those
	provisions and may submit a
	request for continued
	derogation to the Commission.
	The Commission shall assess
	whether the application of the
	respective provisions risks
	causing substantial problems
	for the operation of the
	electricity system in Cyprus or
	whether their application in
	Cyprus is expected to provide
	benefits to market functioning.
	On the basis of this
	assessment, the Commission
	shall issue a reasoned decision
	on full or partial prolongation
	of the derogation which shall
	be published in the Official
	Journal of the European
	Union.
835.	3. The provisions of the
	Regulation shall not affect the
	application of the derogations
	pursuant to the [Electricity
	Directive].

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

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

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

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

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

853.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council <sup>33</sup> shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council <sup>34</sup> shall apply.
<i>854</i> .		Article 63
		Exercise of the delegation
<b>855.</b>	1. The power to adopt	1. The power to adopt
	delegated acts is conferred on	delegated acts is conferred on
	the Commission subject to the	the Commission subject to the
	conditions laid down in this	conditions laid down in this
	Article.	Article.
<b>856.</b>	2. The power to adopt	2. The power to adopt
	delegated acts referred to in	delegated acts referred to in
	Article 31(3), Article 46(4),	Article [ ] 46(4), [ ] and
	Article 55(1), Article 56(1) and	Article 59(11) shall be conferred
	(4), and Article 59(11) shall be	on the Commission for an
	conferred on the Commission	undetermined period of time
	for an undetermined period of	from the [OP: please insert the
	time from the [OP: please insert	date of entry into force].
	the date of entry into force].	

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

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

857.	3. The delegation of power	3. The delegation of power	
	referred to in Article 31(3),	referred to in [ ] Article 46(4), [	
	Article 46(4), Article 55(1),	] and Article 59(11) may be	
	Article 56(1) and (4), and	revoked at any time by the	
	Article 59(11) may be revoked	European Parliament or by the	
	at any time by the European	Council. A decision to revoke	
	Parliament or by the Council. A	shall put an end to the delegation	
	decision to revoke shall put an	of power specified in that	
	end to the delegation of power	decision. It shall take effect on	
	specified in that decision. It	the day following the	
	shall take effect on the day	publication of the decision in the	
	following the publication of the	Official Journal of the European	
	decision in the Official Journal	Union or at a later date specified	
	of the European Union or at a	therein. It shall not affect the	
	later date specified therein. It	validity of any [delegated] act	
	shall not affect the validity of	already in force.	
	any delegated act already in		
	force.		
<b>858.</b>	4. Before adopting a	4. Before adopting a	
	delegated act, the Commission	delegated act, the Commission	
	shall consult experts designated	shall consult Electricity Cross-	
	by each Member State in	border Committee and experts	
	accordance with the principles	designated by each Member	
	laid down in the	State in accordance with the	
	Interinstitutional Agreement on	principles laid down in the	
	Better Law-Making of 13 April	Interinstitutional Agreement on	
	2016.	Better Law-Making of 13 April	
		2016.	

859.	5. As soon as it adopts a	5. As soon as it adopts a	
	delegated act, the Commission	delegated act, the Commission	
	shall notify it simultaneously to	shall notify it simultaneously to	
	the European Parliament and to	the European Parliament and to	
	the Council.	the Council.	
860.	6. A delegated act adopted	6. A delegated act adopted	
	pursuant to Article 31(3),	pursuant to [ ] Article 46(4), [ ]	
	Article 46(4), Article 55(1),	and Article 59(11) shall enter	
	Article $56(1)$ and $(4)$ , and	into force only if no objection	
	Article 59(11) shall enter into	has been expressed either by the	
	force only if no objection has	European Parliament or by the	
	been expressed either by the	Council within a period of two	
	European Parliament or by the	months of notification of that act	
	Council within a period of two	to the European Parliament and	
	months of notification of that	the Council or if, before the	
	act to the European Parliament	expiry of that period, the	
	and the Council or if, before the	European Parliament and the	
	expiry of that period, the	Council have both informed the	
	European Parliament and the	Commission that they will not	
	Council have both informed the	object. That period shall be	
	Commission that they will not	extended by two months at the	
	object. That period shall be	initiative of the European	
	extended by two months at the	Parliament or of the Council.	
	initiative of the European		
	Parliament or of the Council.		

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

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

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

869.	ANNEX I					
	AM 186					
870.	FUNCTIONS OF REGIONAL OPERATIONAL CENTRES	FUNCTIONS OF REGIONAL COORDINATION CENTRES	[ ] TASKS OF REGIONAL [  SECURITY  COORDINATORS	Provisionally agreed: TASKS OF REGIONAL COORDINATION CENTRES		
871.	1. Coordinated capacity calculation	Coordinated capacity     calculation	1. Coordinated capacity calculation	Provisionally agreed: 1. Coordinated capacity calculation		
872.	1.1. Regional operational centres shall perform coordinated calculation of cross zonal capacities.	1.1. Regional <i>coordination</i> centres shall perform coordinated calculation of cross zonal capacities.	1.1 Regional [ ] security coordinators shall perform the coordinated calculation of cross zonal capacities.	Provisionally agreed:  1.1 Regional Coordination Centres shall perform the coordinated calculation of cross zonal capacities.		
873.	1.2. Coordinated capacity calculation shall be performed in due time for each market timeframe and as frequently as needed during the intraday timeframe.		[ ] Coordinated capacity calculation shall be performed [ ] for [ ] the day-ahead and intraday timeframes.	Provisionally agreed:  [ ] Coordinated capacity calculation shall be performed [ ] for [ ] the day-ahead and intraday timeframes.		
874.			1.2a Coordinated capacity calculation shall be performed on the basis of the methodologies developed pursuant to Articles 21, 26, 29 and 30 of [Commission Regulation 2015/1222 establishing a guideline on capacity allocation and congestion management].	Provisionally agreed: (Without the agreement on the reference to the Guideline, which will be decided horizontally)  1.2a Coordinated capacity calculation shall be performed on the basis of the methodologies developed pursuant to Articles 21, 26, 29 and 30 of [Commission Regulation 2015/1222 the Guideline on capacity allocation and congestion management adopted on the basis of Article 18 of Regulation 714/2009 establishing a guideline on capacity allocation and congestion management].		

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

880.			2.2a Coordinated security analysis shall be performed on the basis of the methodologies developed pursuant to Articles 75 and 76 of Commission Regulation 2017/1485 establishing a guideline on electricity transmission system operation.	Provisionally agreed: (Without the agreement on the reference to the Guideline, which will be decided horizontally)  2.2a Coordinated security analysis shall be performed on the basis of the methodologies developed pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009 Articles 75 and 76 of Commission Regulation 2017/1485 establishing a guideline on electricity transmission system operation.
881.	2.3. Regional operational centres shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region.	2.3. Regional <i>coordination</i> centres shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region.	2.3 Regional [ ] security coordinators shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region.	Provisionally agreed:  2.3 Regional Coordination Centres shall share the results of the coordinated security analysis with at least the transmission system operators of the system operation region.
882.	2.4. When as a result of the coordinated security analysis a regional operational centre detects a possible constraint, it shall design remedial actions maximizing economic efficiency.	2.4. When as a result of the coordinated security analysis a regional <i>coordination</i> centre detects a possible constraint, it shall design remedial actions maximizing economic efficiency.	2.4 When as a result of the coordinated security analysis a regional [] security coordinator detects a possible constraint, it shall design remedial actions maximizing effectivenes and economic efficiency.	Provisionally agreed:  2.4 When as a result of the coordinated security analysis a Regional Coordination  Centre detects a possible constraint, it shall design remedial actions maximizing effectivenes and economic efficiency.
883.		2.4 a. Coordinated security analysis shall be performed based on a common system model in accordance with point 2 and on a methodology to design coordinated remedial actions developed by the transmission system operators of the relevant system operation region.		Provisionally agreed to delete

884.	3. Creation of common		3. Creation of common [ ]	Provisionally agreed:
	system models		grid models	3. Creation of common [ ] grid models
885.	3.1. Regional operational centres shall set up efficient	3.1. Regional <i>coordination</i> centres shall set up efficient	3.1 Regional [ ] security coordinators shall set up	<ul><li><i>Provisionally agreed:</i></li><li>3.1 Regional Coordination Centres shall</li></ul>
	processes for the creation of a	processes for the creation of a	efficient processes for the	set up efficient processes for the creation of a
	common system model for each	common system model for each	creation of a common [ ] grid	common [ ] grid model for each operational
	operational planning timeframe.	operational planning timeframe.	model for each operational	planning timeframe between the year-
	operational pranting time taking	op • ranning various v	planning timeframe between the	ahead and intraday timeframes.
			year-ahead and intraday	uncau unu meruauj emerrumes.
			timeframes.	
886.	3.2. Transmission system	3.2. Transmission system	3.2 Transmission system	Provisionally agreed:
	operators shall appoint one	operators shall appoint one regional	operators shall appoint one	3.2 Transmission system operators shall
	regional operational centre to	<i>coordination</i> centre to build the	regional [ ] security	appoint one regional [ ] security
	build the common system	common system model for all	coordinator to build the Union-	coordinator to build the Union-wide
	model for all regions.	regions.	wide common [ ] grid models [	common [ ] grid models [ ].
			].	
887.			3.2a Common grid models	Provisionally agreed:
			shall be performed in	(Without the agreement on the reference to
			accordance with the	the Guideline, which will be decided
			methodologies developed	horizontally)
			pursuant to Articles 67, 70 and	3.2a Common grid models shall be
			79 of Commission Regulation	performed in accordance with the
			2017/1485 establishing a	methodologies developed pursuant to the
			guideline on electricity	System Operation Guideline and Articles
			transmission system operation	67, 70 and 79 of Commission Regulation
			and pursuant to Article 28 of	2017/1485 establishing a guideline on
			Commission Regulation	electricity transmission system operation
			2015/1222 establishing a	and pursuant to Article 28 of Commission
			guideline on capacity	Regulation 2015/1222 establishing a
			allocation and congestion	guideline on capacity allocation and
			management.	congestion management the capacity
				allocation and congestion management
				guideline adopted on the basis of Article
				18 of Regulation 714/2009.]

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

891.		4.1a Regional security	Provisionally agreed:
		coordinators shall support the	(Without the agreement on the reference to
		transmission system operators	the Guideline, which will be decided
		of the system operation region	horizontally)
		in carrying out the consistency	4.1a Regional Coordination Centres shall
		assessment of transmission	support the transmission system operators
		system operators' defense	of the system operation region in carrying
		plans and restoration plans	out the consistency assessment of
		pursuant to the procedures set	transmission system operators' defense
		out in Article 6 of	plans and restoration plans pursuant to
		[Commission Regulation	the procedures set out in Article 6 of
		xxxx/xxxx establishing a	Commission Regulation xxxx/xxxx
		network code on electricity	establishing a the network code on
		emergency and restoration].	electricity emergency and restoration
		emergency and restoration.	adopted in accordance with Article 6 of
			Regulation 714/2009].
892.	4.1. All transmission system	4.1 All transmission system	No change:
	operators shall agree on a	operators shall agree on a	4.1 All transmission system operators
	threshold above which the	threshold above which the	shall agree on a threshold above which the
	impact of actions of one or	impact of actions of one or more	impact of actions of one or more
	more transmission system	transmission system operators in	transmission system operators in the
	operators in the emergency,	the emergency, blackout or	emergency, blackout or restoration states is
	blackout or restoration states is	restoration states is considered	considered significant for other transmission
	considered significant for other	significant for other transmission	system operators synchronously or non-
	transmission system operators	system operators synchronously	synchronously interconnected.
	synchronously or non-	or non- synchronously	
	synchronously interconnected.	interconnected.	

893.	4.2. Using the threshold defined pursuant to point 4.1, each regional operational centre shall provide support to the transmission system operators of the system operation region regarding the assessment of the consistency of its transmission system operators' system defence plans and the restoration plans.	4.2. Using the threshold defined pursuant to point 4.1, each regional <i>coordination</i> centre shall provide support to the transmission system operators of the system operation region regarding the assessment of the consistency of its transmission system operators' system defence plans and the restoration plans.		Provisionally agreed to delete. Same as line 891.
894.	4.3. In providing support to the transmission system operators, the regional operational centre shall:	4.3. In providing support to the transmission system operators, the regional <i>coordination</i> centre shall:	4.3 In providing support to the transmission system operators, the regional [ ] security coordinator shall:	Provisionally agreed: 4.3 In providing support to the transmission system operators, the Regional Coordination Centre shall:
895.	(a) identify potential incompatibilities;		(a)identify potential incompatibilities;	No change (a)identify potential incompatibilities;
896.	(b) propose mitigation actions.		(b) propose mitigation actions.	No change (b) propose mitigation actions.
897.	4.4. Transmission system operators shall take into account the proposed mitigation actions.		4.4 Transmission system operators shall <b>assess and</b> take into account the proposed mitigation actions.	Provisionally agreed: 4.4 Transmission system operators shall assess and take into account the proposed mitigation actions.
898.	5. Coordination and optimization of regional restoration		5. (8 in GA) Support the coordination and optimization of regional restoration	Provisionally agreed: 5. (8 in GA) Support the coordination and optimization of regional restoration
899.	5.1. Regional operational centres shall be equipped with the close to real time supervisory control and data acquisition systems with the observability defined by applying the threshold defined in accordance with point 4.1.	deleted		Provisionally agreed to delete

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

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

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

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

Provisionally agreed:
(Without the agreement on the reference to the network code, which will be decided

horizontally) (8.2 IN GA) Each relevant [regional security coordinator | shall [ ] support the transmission system operators appointed as [ ] frequency leaders and the resynchronisation leaders pursuant to **Articles 29 and 33 of Commission** Regulation xxxx/xxxx establishing a the network code on emergency and restoration [aiming at improving] adopted in accordance with Article 7 of Regulation 714/2009 | to improve the efficiency and effectiveness of system restoration. The transmission system operators of the system operation region shall define the role of the Regional Coordination Centre relating to the support to the coordination and optimisation of regional restoration.

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

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

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

918.	(c) take into account the volumes of required reserve capacity that are expected to be provided by balancing energy bids, which are not submitted based on a contract for balancing capacity.		Provisionally agreed:  (c) take into account the volumes of required reserve capacity that are expected to be provided by balancing energy bids, which are not submitted based on a contract for balancing capacity.
919.		(ca) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of procurement.	Provisionally agreed: [ ] (line 917 = 919)
920.	8.2. Regional operational centres shall support the transmission system operators of the system operation region in procuring the required amount of balancing capacity determined in accordance with point 8.1. The procurement of balancing capacity shall:	deleted	Provisionally agreed: 8.2. Regional operational centres shall support the transmission system operators of the system operation region in procuring the required amount of balancing capacity determined in accordance with point 8.1. The procurement of balancing capacity shall:
921.	(a) be performed at the day- ahead and/or intraday timeframe;	deleted	Provisionally agreed:  (a) be performed at the day-ahead and/or intraday timeframe;
922.	(b) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of procurement.	deleted	Provisionally agreed:  (b) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of procurement.

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

926.	9.3. When performing a regional generation adequacy assessment, each regional operational centre shall coordinate with other regional operational centres to:	9.3. When performing a regional generation adequacy assessment, each regional <i>coordination</i> centre shall coordinate with other regional <i>coordination</i> centres to:	9.3 (5.3 in GA)When performing a regional [ ] system adequacy assessment, each regional [ ] security coordinator shall coordinate with other regional [ ] security coordinators to:	Provisionally agreed: 9.3 (5.3 in GA)When performing a regional [ ] system adequacy assessment, each Regional Coordination Centre shall coordinate with other Regional [ ] Coordination Centres to:
927.	(a) verify the underlying assumptions and forecasts;		(a) verify the underlying assumptions and forecasts;	No change:  (a) verify the underlying assumptions and forecasts;
928.	(b) detect possible cross- regional lack of adequacy situations.		<ul><li>(b) detect possible cross- regional lack of adequacy situations.</li></ul>	No change: (b) detect possible cross-regional lack of adequacy situations.
929.	9.4. Each regional operational centre shall deliver the results of the regional generation adequacy assessments together with the actions it proposes to reduce risks of lack of adequacy to the transmission system operators of the system operation region and to other regional operational centres.	9.4. Each regional <i>coordination</i> centre shall deliver the results of the regional generation adequacy assessments together with the actions it proposes to reduce risks of lack of adequacy to the transmission system operators of the system operation region and to other regional <i>coordination</i> centres.	9.4 (5.4 in GA) Each regional [ ] security coordinator shall deliver the results of the regional generation adequacy assessments together with the actions it proposes to reduce risks of lack of adequacy to the transmission system operators of the system operation region and to other regional [ ] security coordinators.	Provisionally agreed: 9.4 (5.4 in GA) Each Regional Coordination Centre shall deliver the results of the regional generation adequacy assessments together with the actions it proposes to reduce risks of lack of adequacy to the transmission system operators of the system operation region and to other Regional Coordination Centres.
930.	10. Regional outage coordination		10. (6 in GA) Regional outage planning coordination	Provisionally agreed:  10. (6 in GA) Regional outage planning coordination
931.	10.1. Each regional operational centre shall perform outage coordination in order to monitor the availability status of the relevant assets and coordinate their availability plans to ensure the operational security of the transmission system, while	10.1. Each regional <i>coordination</i> centre shall perform outage coordination in order to monitor the availability status of the relevant assets and coordinate their availability plans to ensure the operational security of the transmission system, while	10.1 (6.1 in GA) Each regional [ ] security coordinator shall perform regional outage coordination in accordance with the procedures set out in Article 80 of Commission Regulation 2017/1485 establishing a guideline on	Provisionally agreed: 10.1 (6.1 in GA) Each Regional Coordination Centre shall perform regional outage coordination in accordance with the procedures set out in Article 80 of Commission Regulation 2017/1485 establishing a guideline on electricity transmission system operation [the System]

	maximizing the capacity of the interconnectors and/or the transmission systems affecting cross-zonal flows.	maximizing the capacity of the interconnectors and/or the transmission systems affecting cross-zonal flows.	electricity transmission system operation in order to monitor the availability status of the relevant assets and coordinate their availability plans to ensure the operational security of the transmission system, while maximizing the capacity of the interconnectors and/or the transmission systems affecting cross-zonal flows.	Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009 in order to monitor the availability status of the relevant assets and coordinate their availability plans to ensure the operational security of the transmission system, while maximizing the capacity of the interconnectors and/or the transmission systems affecting cross-zonal flows.
932.	10.2. Each regional operational centre shall maintain a single list of relevant grid elements, power generating modules and demand facilities of the system operation region and make it available on the ENTSO for Electricity operational planning data environment.	10.2. Each regional <i>coordination</i> centre shall maintain a single list of relevant grid elements, power generating modules and demand facilities of the system operation region and make it available on the ENTSO for Electricity operational planning data environment.	10.2 (6.2 in GA) Each regional [ ] security coordinator shall maintain a single list of relevant grid elements, power generating modules and demand facilities of the system operation region and make it available on the ENTSO for Electricity operational planning data environment.	Provisionally agreed: 10.2 (6.2 in GA) Each Regional Coordination Centre shall maintain a single list of relevant grid elements, power generating modules and demand facilities of the system operation region and make it available on the ENTSO for Electricity operational planning data environment.
933.	10.3. Each regional operational centre shall carry out the following activities related to outage coordination in the system operation region:	10.3. Each regional <i>coordination</i> centre shall carry out the following activities related to outage coordination in the system operation region:	10.3 (6.3 in GA) Each regional [ ] security coordinator shall carry out the following activities related to outage coordination in the system operation region:	Provisionally agreed: 10.3 (6.3 in GA) Each Regional Coordination Centre shall carry out the following activities related to outage coordination in the system operation region:
934.	(a) assess outage planning compatibility using all transmission system operators' year-ahead availability plans;		(a) assess outage planning compatibility using all transmission system operators' year-ahead availability plans;	No change:  (a) assess outage planning compatibility using all transmission system operators' year-ahead availability plans;
935.	(b) provide the transmission system operators of the system operation region with a list of detected planning incompatibilities and the solutions it proposes to solve the incompatibilities.		(b) provide the transmission system operators of the system operation region with a list of detected planning incompatibilities and the solutions it proposes to solve the incompatibilities.	No change:  (b) provide the transmission system operators of the system operation region with a list of detected planning incompatibilities and the solutions it proposes to solve the incompatibilities.

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

0.40	12.2 The training and are		12.2 (7.2 in C.4) The atmosition	Duraniai an alla mana ada
940.	12.2. The training programs		12.2 (7.2 in GA) The training	Provisionally agreed:
	shall cover all the relevant		programs shall cover all the	12.2 (7.2 in GA) The training programs
	components of system		relevant components of system	shall cover all the relevant components of
	operation, including scenarios		operation, where the regional	system operation, where the Regional
	of regional crisis.		security coordinator performs	Coordination Centre performs tasks
			tasks including scenarios of	including scenarios of regional crisis.
			regional crisis.	
941.	13. Identification of		13. Identification of regional	No change:
	regional crisis situations and		crisis situations and	13. Identification of regional crisis
	preparation of risk mitigation		preparation of risk mitigation	situations and preparation of risk
	scenarios reviewing the risk		scenarios reviewing the risk	mitigation scenarios reviewing the risk
	preparedness plans as		preparedness plans as	preparedness plans as established in
	established in Member States		established in Member States	Member States
942.	13.1. If ENTSO for Electricity	13.1. If ENTSO for Electricity	13.1 If the ENTSO for	Provisionally agreed:
	delegates this function, regional	delegates this function, regional	Electricity delegates this	Lines 942 - 944 need to be checked for
	operational centres shall	coordination centres shall identify	function, regional [ ] security	consistency with Risk Preparedness
	identify regional crisis	regional crisis scenarios in	coordinators shall identify	Regulation.
	scenarios in accordance with	accordance with the criteria set out	regional crisis scenarios in	3
	the criteria set out in Article	in Article 6(1) of [Risk	accordance with the criteria set	13.1 If <b>the</b> ENTSO for Electricity delegates
	6(1) of [Risk Preparedness	Preparedness Regulation as	out in Article 6(1) of [Risk	this function, Regional Coordination
	Regulation as proposed by	proposed by COM(2016) 862]	Preparedness Regulation as	Centres shall identify regional crisis
	COM(2016) 862]	proposed by COM(2010) 802]	proposed by COM(2016) 862].	scenarios in accordance with the criteria set
	COM(2010) 802]		proposed by COM(2010) 802].	out in Article 6(1) of [Risk Preparedness
0.42				Regulation as proposed by COM(2016) 862].
943.			The identification of regional	Provisionally agreed:
			crisis scenarios shall be	The identification of regional crisis
			performed in accordance with	scenarios shall be performed in
			the methodology set out in	accordance with the methodology set out
			Article 5 of the [Risk	in Article 5 of the [Risk Preparedness
			Preparedness Regulation].	Regulation].
944.	13.2. Regional operational	13.2. Regional <i>coordination</i>	13.2 Regional [ ] security	Provisionally agreed:
	centres shall prepare and carry	centres shall prepare and carry out	coordinators shall support the	13.2 Regional Coordination Centres shall
	out yearly crisis simulation in	yearly crisis simulation in	competent authorities of each	support the competent authorities of each
	cooperation with competent	cooperation with competent	system operation region in the	system operation region in the preparation
	authorities according to Article	authorities according to Article	preparation and carrying out of [	and carrying out of [ ] annual crisis

	12(3) of [Risk Preparedness Regulation as proposed by COM(2016) 862].	12(3) of [Risk Preparedness Regulation as proposed by COM(2016) 862].	] annual crisis simulation [ ] in accordance with Article 12(3) of [Risk Preparedness Regulation as proposed by COM(2016) 862].	simulation [ ] in accordance with Article 12(3) of [Risk Preparedness Regulation as proposed by COM(2016) 862].
945.		13a. Identification of needs for new capacity, for upgrade of existing capacity or their alternatives.		Provisionally agreed: 13a. Identification of needs for new transmission capacity, for upgrade of existing transmission capacity or their alternatives.
946.		13a.1. Regional coordination centres shall support transmission system operators in the identification of needs for new capacity, for an upgrading of existing capacity or for their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) No 347/2013 and to be included in the ten-year network development plan referred to in Article 51 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2]		Provisionally agreed: 13a.1. Regional Coordination Centres shall support transmission system operators in the identification of needs for new transmission capacity, for an upgrading of existing transmission capacity or for their alternatives, to be submitted to the regional groups established pursuant to Regulation (EU) No 347/2013 and to be included in the ten-year network development plan referred to in Article 51 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].
947.			The preparation of risk mitigation scenarios shall be performed in accordance with the process set out in Article 12 of the [Risk Preparedness Regulation].	Provisionally agreed: Line 947 need to be checked for consistency with Risk Preparedness Regulation. The preparation of risk mitigation scenarios shall be performed in accordance with the process set out in Article 12 of the [Risk Preparedness Regulation].

948.	14. (10 in GA) Calculation of the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms.	To be discussed – <u>check for consistency with</u> <u>section on capacity mechanisms</u>
949.	14.1 (10.1 in GA) Regional security coordinators shall support TSO in calculating the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms taking into account the expected availability of interconnection and the likely concurrence of system stress between the system where the mechanism is applied and the system in which the foreign capacity is located.	To be discussed – <u>check for consistency with</u> <u>section on capacity mechanisms</u>
950.	14.2 (10.2 in GA) The calculation shall be performed in accordance with the methodology set out in Article 21(10)(a) of this Regulation.	To be discussed – <u>check for consistency with</u> <u>section on capacity mechanisms</u>
951.	14.3 (10.3 in GA) Regional security coordinators shall provide a calculation for each bidding zone border covered by the system operation region.	To be discussed – <u>check for consistency with</u> <u>section on capacity mechanisms</u>

952.	15. (11 in GA) Preparation Prov	visionally agreed:
	of seasonal outlooks 15.	(11 in GA) Preparation of seasonal
	outl	ooks
953.	<b>15.1</b> (11.1 in GA) If the <i>Prov</i>	visionally agreed:
	ENTSO for Electricity 15.1	(11.1 in GA) If the ENTSO for
	delegates this function Elec	tricity delegates this function
	pursuant to Article 9 of [Risk   purs	suant to Article 9 of [Risk
	preparedness Regulation], prep	paredness Regulation], Regional
	regional security coordinators Coo	rdination Centres shall carry out
	shall carry out regional regi	onal seasonal adequacy outlooks.
	seasonal adequacy outlooks.	
954.	15.2 (11.2 in GA) The Prov	visionally agreed:
	preparation of seasonal 15.2	(11.2 in GA) The preparation of
	outlooks shall be carried out seas	onal outlooks shall be carried out on
	on the basis of the the	basis of the methodology developed
	methodology developed purs	suant to Article 8 of [Risk
	pursuant to Article 8 of [Risk   prep	paredness Regulation].
	preparedness Regulation].	·

## **Article 13 - Bidding zone review**

(Consolidated compromise proposal)

- 1. Member States shall take all appropriate measures to address congestions. Bidding zone borders shall be based on long-term, structural congestions in the transmission network []. Bidding zones shall not contain such structural congestions unless they have no impact, or their impact on neighbouring bidding zones is mitigated through the use of remedial actions and they do not lead to reductions of cross zonal trading capacity in accordance with the requirements of Art 14. The configuration of the bidding zones in the Union shall be designed in such a way as to maximise economic efficiency and in order to maximise cross-border trading opportunities, while maintaining security of supply with due respect to the provisions in Article 14.
- 2. Every three years, the ENTSO for Electricity shall report on structural congestion and other major physical congestion between and within bidding zones, including location and frequency of such congestion in accordance with the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 and an assessment of whether the cross-zonal trade capacity reached the minimum threshold pursuant to Article 14.
- 3. In order to ensure an optimal bidding zone [ ] configuration [ ] a bidding zone review shall be carried out. That review shall identify all structural congestion and include analysis of [ ] different configurations of bidding zones in a coordinated manner with the involvement of affected stakeholders from all [ ] relevant Member States, following the process in accordance with [ ] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009. Current bidding zones shall be assessed based on their ability to create a reliable market environment, ensure sufficient including for flexible generation and load capacity, which is crucial for avoiding grid bottlenecks, balancing electricity demand and supply, securing the long-term security of investments and the grid in network infrastructure.

In this article <u>and in article 13a</u>, relevant Member States, <u>transmission system operators or national regulatory authorities</u> refer to those Member States, <u>transmission system operators or national regulatory authorities</u> participating in the review of the bidding zone configuration and also those in the same capacity calculation region pursuant to the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.

- 4. All relevant transmission system operators shall submit a proposal on for the methodology and assumptions that will be used in the review process as well as the alternative bidding zone configurations considered to the relevant national regulatory authorities for approval. The relevant national regulatory authorities shall come to a unanimous decision on the proposal within [3 months]. In case they do not agree within this time frame, the Agency shall [ ] decide on the methodology and assumptions [ ] as well as the alternative bidding zone configurations considered. The methodology shall be based on structural congestions which are not expected to be overcome within the next five years, [for example] taking due account of tangible progress on infrastructure development projects, that are expected to be realised within the next five years.
- 5. Based on the methodology and assumptions approved pursuant to paragraph 3, [T]the transmission system operators participating in the bidding zone review shall submit a joint proposal to the [] relevant Member States or designated competent authorities of the relevant Member States whether to amend or maintain the bidding zone configuration no later than 12 months after [entry into force of this Regulation, specific date to be inserted by OJ]. Other Member States, Energy Community Contracting Parties or other third countries sharing the same synchronous area with any Member State may submit comments.
- 6. Where structural congestion has been identified in the report pursuant to paragraph 2 or by one or more transmission system operators in their control areas in a report approved by the relevant national regulatory authorities or where the bidding zone review recommends a bidding zone change of one or more Member States, the concerned Member States in cooperation with their transmission system operators shall decide, within 6 months, to either define national or multinational action plans pursuant to Art 13a, or to review their bidding zone configuration. The decision shall be immediately notified to the Commission and the Agency.
- 7. For those Member States that have opted for a proposal to amend the bidding zone configuration, the relevant Member States shall come to a unanimous decision within 6 months after the notification pursuant to paragraph 4. Other Member States may submit comments to the relevant Member States who should take account of these comments when coming to their decision. The decision shall be justified and notified to the Commission and the Agency. Should the relevant Member States fail to come to a unanimous decision within the allowed timeframe, they shall immediately notify the Commission. [The Commission may make further proposals and may invite the relevant Member States for consultation aiming at fostering a balanced solution within three months.] As a measure of last resort, the Commission after consultation with the Agency and the relevant stakeholders shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States [1] by six months after receiving such a notification.
- **8.** *Member States and* the Commission shall consult relevant stakeholders *before adopting a decision* under this Article.

- 9. [ ] Any decision adopted according to this Article shall specify the date of implementation of a change. That implementation date shall balance the need for expediency with practical considerations, including forward trade of electricity and shall not be less than 12 months after the decision is published unless otherwise agreed with the relevant Member States. The [ ] decision may define appropriate transitional arrangements [ ].
- 10. Where further bidding zone reviews are launched under [ ] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009 this Article shall apply.

## Article 13a - Action plans

(Consolidated compromise proposal)

- 1. Following a decision pursuant to Article 13(6), Member States shall develop action plans in cooperation with national regulatory authorities. These action plans shall contain a concrete timetable for adopting measures to reduce the structural congestions identified within the period of [no later than [4] years after entry into force of this Regulation, specific date to be inserted by OJ[1]
- 2. Irrespective of the concrete progress of the action plan, Member States [ ] shall ensure that without prejudice to derogation under Article [ ] 14 (7b), the cross-border trade capacities are increased every year up to the benchmark level [ ] calculated in accordance with Article 14 (7), which is to be achieved by the end of 2025. The yearly increase shall be achieved by means of a linear trajectory. The starting of this trajectory shall be either the capacity allocated at this border in the year before adoption of the roadmap or the average of the three last years before the adoption of the roadmap, whatever is higher. This linear trajectory [ ] shall be agreed with the Member States of the same capacity calculation region. For the period when a Member State is implementing an action plan, the Member State shall ensure that the capacity made available for cross-zonal trade to be compliant with Article 14 (7) is at least equal to the values of the trajectory, including by use of remedial actions in the capacity calculation region but the decisions of the regulatory authorities referred to in paragraphs 7a and 7b of article 14 are not applicable to such a Member State.
- 3. Costs of remedial actions required to follow the trajectory or make available cross-zonal capacity at the borders concerned by the action plan shall be borne by the Member State or Member States implementing the action plan.
- 4. Yearly during the implementation of the action plan and within six months after the expiry of the action plan, the <u>relevant</u> transmission system operators <u>participating in the bidding zone review</u> shall [] assess whether the available cross-border capacity has reached the linear trajectory or, as of the end of 2025, the minimum level outlined in Article 14 (7) for the period of the last 12 months [] <u>and report to relevant national regulatory authorities and the Agency</u>. [This assessment [] shall be continuously reiterated every 24 months for the period of the last 24 months.]

- 5. For those Member States for which the assessment following paragraph 4 demonstrates that a transmission system operator has not been compliant with the level outlined in Article 14(7) linear trajectory [] the relevant Member States shall come to a unanimous decision within 6 months from receiving the assessment referred in paragraph 4 on whether to maintain or amend the bidding zone configuration. Other Member States may submit comments to the relevant Member States who should take account of these comments when coming to their decision. The decision shall be justified and shall notified to the Commission and the Agency. Should the relevant Member States fail to come to a unanimous decision within the allowed timeframe, they shall immediately notify the Commission. [The Commission may make further proposals and may invite the relevant Member States for consultation aiming at fostering a balanced solution within three months.] As a measure of last resort, the Commission after consultation with the Agency and the relevant stakeholders shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States [], by six months after receiving of such a notification. []
- 6. Six months before the expiry of the action plan, Member States shall decide whether to amend their bidding zone to address remaining congestions or whether to address remaining internal congestions with remedial actions for which they shall cover the costs.
- 7. Where a structural congestion has been identified pursuant to paragraph 4 but no action plan was defined within 6 months, the relevant transmission system operators shall within twelve months after a structural congestion has been identified assess [ ] whether the available cross-border capacity has reached the minimum level outlined in Article 14(7) for the period of the last 12 months and report to relevant national regulatory authorities and the Agency. For those Member States for which the assessment demonstrates that a transmission system operator has not been compliant with the minimum level, paragraph 5 applies.