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Council of the European Union

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NOTE

From:	General Secretariat of the Council
То:	Permanent Representatives Committee
No. Cion doc.:	15135/1/16 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

- 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.
- 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.

II. STATE OF PLAY

- 3. The TTE (Energy) Council adopted, on 18 December 2017, a general approach on the abovementioned proposal. The first informal trilogue, based on the Council general approach, took place on 27 June 2018, the second, third and fourth based on revised mandates was held on 11 <u>September 2018, 18 October and 13 November</u>. 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 <u>entire</u> Regulation.
- 4. The entire proposal was discussed in technical meetings. Moreover, during September, October and November the Energy Working Party has pursued its examination of the Presidency's compromise proposals. Furthermore, in order to prepare the fifth informal trilogue, several technical meetings with the EP have taken place.

III. REVISED MANDATE

5. In view of the fifth informal trilogue scheduled for 5 December 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 fifth trilogue. The Presidency also indicates additional *Council compromise proposals*.

In <u>Annex II</u>, consolidated version of Articles 13, 18a, 18b, 38 and 39 was included to facilitate the reading of the latest compromises on these articles. The content of Annex II is also included in the 4 column document.

- 6. Paragraphs '*provisionally agreed*' in trilogues or technical meetings (*in TM*) as well as *Council compromise proposals* are indicated in the fourth column.
- In the fourth column, all changes leading to and including Coreper of 16 November 2018 are bold for additions and [] for deletions. New proposals are bold and underlined (or bold italics and underlined) and deletions are strikethrough.

IV. CONCLUSION

The <u>Permanent Representatives Committee</u> is invited to agree on a revised mandate for the fourth informal trilogue on 5 December 2018, on the basis of the text included in Annex I and Annex II.

ANNEX I

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

(recast)

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

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

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

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

6.		(3a) This Regulation is establishing rules to ensure 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.	
<u>6a</u> .			Council compromise proposal: <u>6a. Considering that renewable energy</u> <u>sources or high energy cogeneration from</u> <u>small power generation facilities may be</u> <u>granted priority dispatch either via a</u> <u>specific priority order in the dispatching</u> <u>methodology or via legal or regulatory</u> <u>requirements for market operators to</u> <u>provide this energy at all cost on the</u> <u>market.</u>
7.	(4) State interventions, often designed in an uncoordinated manner, have led to increasing distortions of the wholesale electricity market, with negative consequences for investments and cross-border trade.	(4) State interventions, often designed in an uncoordinated manner, have led to increasing distortions of the wholesale electricity market, with negative consequences for investments and cross-border trade.	

8.	(5) 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 (5) 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.	(5) 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.	
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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.

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

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

13.		(7c) The integration of
		balancing energy markets
		should facilitate the efficient
		functioning of the intraday
		market in order to provide the
		possibility for market
		participants to balance
		themselves as close as possible
		to real time as set with the
		balancing energy gate closure
		times defined in Article 24 of
		the Balancing Guideline. Only
		the imbalances remaining
		after the end of the intraday
		market should be balanced by
		transmission system operators
		with the balancing market.
		The Balancing Guideline
		foresees in its Article 53 the
		harmonisation of the
		imbalance settlement period to
		15 minutes in Europe. Such
		harmonisation should support
		intraday trading and foster the
		development of a number of
		trading products with same
		delivery windows.
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14.	(7d) In order to enable
14.	
	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
	more than one week in

advance of the provision of the
balancing capacity on the
conditions that the volumes
allocated are limited and that
an assessment is done every
year. Once a methodology for
the allocation process of 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	(7.) The Delensing Criticling
15.	(7e) The Balancing Guideline
	establishes in its Title V that
	the general objective of
	imbalance settlement is to
	ensure that balance
	responsible parties support the
	system's balance in an efficient
	way and to incentivise market
	participants in keeping and/or
	helping to restore the system
	balance. To make balancing
	markets and the overall
	energy system fit for the
	integration of increasing
	shares of variable renewables,
	imbalance prices should reflect
	the real-time value of energy.

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.	

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.
	products.

18.		(7h) The network code on	
		requirements for generators ²	
		sets out the requirements for	
		grid connection of power-	
		generating facilities, namely	
		synchronous power-generating	
		modules, power park modules	
		and offshore power park	
		modules, to the interconnected	
		system. It, therefore, helps to	
		ensure fair conditions of	
		competition in the internal	
		electricity market, to ensure	
		system security and the	
		integration of renewable	
		electricity sources, and to	
		facilitate Union-wide trade in	
		electricity. Articles 66 and 67	
		of the network code set out	
		rules for emerging	
		technologies in electricity	
		generation.	
18a.			Council compromise proposal:
			(7i) When a review of an existing bidding
			zone configuration is launched by one
			single regulatory authority or TSO with
			the approval of its competent regulatory
			authority, for the bidding zones inside the
			TSO's control area, if the bidding zone
			configuration has negligible impact on
			neighboring TSOs' control areas,
			including interconnectors, and the review
			of bidding zone configuration is necessary

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

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		to improve efficiency, or to maintain
		operational security, the TSO of the
		relevant control area and the competent
		<u>regulatory authority should be,</u>
		respectively, the only TSO and the only
		regulatory authority participating in the
		review. The relevant TSO and regulatory
		authority, respectively, should give the
		neighboring TSOs prior notice of the
		review and the results of the review should
		be published.
18b.		(7j) When Regional Coordination Centres
		perform capacity calculation, they should
		maximise capacity considering non-costly
		remedial actions and respecting the
		operational security limits of TSOs of the
		Capacity Calculation Region. Where the
		calculation does not result in capacity
		equal or above the threshold set out in this
		Regulation, Regional Coordination
		Centres should consider all available
		costly remedial actions to further increase
		capacity up to the threshold, including
		redispatching potential within and
		between the capacity calculation regions,
		while respecting the operational security
		limits of TSOs of the Capacity Calculation
		Region.
18c.		(7k) When performing capacity
		calculation, regional coordination centres
		shall calculate cross-zonal capacities using
		data from transmission system operators
		which respects the operational security
		limits of their respective control areas.
		Transmission system operators may
		decide to deviate from coordinated
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			capacity calculation where its
			implementation would result in a violation
			of the operational security limits of
			network elements in its control area.
			These deviations should be carefully
			monitored and transparently reported to
			prevent abuse and ensure that the volume
			of interconnection capacity to be made
			available to market participants is not
			limited in order to solve congestion inside
			a bidding zone. Where an action plan is in
			place, the action plan should take account
			of deviations and address their cause.
10		$(0) \qquad 0 \qquad 1 \qquad \vdots \qquad \vdots \qquad 1$	of deviations and address then cause.
19.	(8) Core market principles	(8) Core market principles	
	should set out that electricity	should set out that electricity	
	prices are to be determined	prices are to be determined	
	through demand and supply.	through demand and supply.	
	Those prices should signal	Those prices should signal when	
	when electricity is needed,	electricity is needed, providing	
	providing market-based	market-based incentives for	
	incentives for investments into	investments into flexibility	
	flexibility sources such as	sources such as flexible	
	flexible generation,	generation, interconnection,	
	interconnection, demand	demand response or storage.	
		demand response of storage.	
	response or storage.		

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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	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 <i>react to market signals and to</i> 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 <i>pricing</i> . When fully embedded in the market structure, short-term markets and scarcity pricing will contribute to the removal of other <i>market distortive</i> 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, <i>SMEs and industrial</i> <i>consumers</i>	(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	
stable prices for final customers, in particular households and SMEs.	households, <i>SMEs and industrial</i> consumers.		

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

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

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

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

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.
Pawaa

27.	(15) Efficient decarbonisation	(15)) Efficient [] market	
- / •	of the electricity system via		gration requires	
	market integration requires		tematically abolishing	
	systematically abolishing		riers to cross-border trade to	
	barriers to cross-border trade to		rcome market fragmentation	
	overcome market fragmentation		to allow Union energy	
	and to allow Union energy		tomers to fully benefit from	
	customers to fully benefit from		advantages of integrated	
	2			
	the advantages of integrated		ctricity markets and	
	electricity markets and	com	npetition.	
20	competition.	(10)	(T1, D, 1)	
28.	(16) This Regulation should) This Regulation should	
	lay down basic principles with		down basic principles with	
	regard to tarification and		ard to tarification and	
	capacity allocation, whilst		acity allocation, whilst	
	providing for the adoption of		viding for the adoption of	
	guidelines detailing further		delines detailing further	
	relevant principles and		evant principles and	
	methodologies, in order to		hodologies, in order to allow	
	allow rapid adaptation to	-	id adaptation to changed	
	changed circumstances.		eumstances.	
29.	(17) The management of) The management of	
	congestion problems should		gestion problems should	
	provide correct economic		vide correct economic signals	
	signals to transmission system		ransmission system operators	
	operators and market		market participants and	
	participants and should be	shou	uld be based on market	
	based on market mechanisms.	mec	chanisms.	

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.	

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

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

he corried out in compliance	Union's compatition miles which
be carried out in compliance	Union's competition rules which
with Union's competition rules	remain applicable to the
which remain applicable to the	decisions of the ENTSO for
decisions of the ENTSO for	Electricity. The tasks of the
Electricity. The tasks of the	ENTSO for Electricity should be
ENTSO for Electricity should	well-defined and its working
be well-defined and its working	method should ensure
method should ensure	efficiency, transparency and the
efficiency, transparency and the	representative nature of the
representative nature of the	ENTSO for Electricity. The
ENTSO for Electricity. The	network codes prepared by the
network codes prepared by the	ENTSO for Electricity are not
ENTSO for Electricity are not	intended to replace the necessary
intended to replace the	national network codes for non-
necessary national network	cross-border issues. Given that
codes for non-cross-border	more effective progress may be
issues. Given that more	achieved through an approach at
effective progress may be	regional level, transmission
achieved through an approach	system operators should set up
at regional level, transmission	regional structures within the
system operators should set up	overall cooperation structure,
regional structures within the	whilst ensuring that results at
overall cooperation structure,	regional level are compatible
whilst ensuring that results at	with network codes and non-
regional level are compatible	binding ten-year network
with network codes and non-	development plans at Union
binding ten-year network	level. Member States should
development plans at Union	promote cooperation and
level. Member States should	monitor the effectiveness of the
promote cooperation and	network at regional level.
monitor the effectiveness of the	Cooperation at regional level
network at regional level.	should be compatible with
Cooperation at regional level	progress towards a competitive
should be compatible with	and efficient internal market in
progress towards a competitive	electricity.
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 concern that capacity mechanisms address should be based on the EU assessment. 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 concern that capacity mechanisms address should be based on the EU assessment. 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 concern that capacity mechanisms address should be based on the EU assessment. <i>Capacity mechanisms should be allowed to be introduced only if the Union level resource adequacy concern that capacity 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.</i> 	
39. (27) The medium to long-term AM 5 (27) The medium to long-term	
resource adequacy assessment (27) The <i>methodology for the</i> resource adequacy assessment	
(from 10 year-ahead to year- long-term resource adequacy (from 10 year-ahead to year-	
ahead) set out in this regulation assessment (from 10 year-ahead to ahead) set out in this regulation	
has a different purpose than the year-ahead) set out in this has a different purpose than the	
seasonal outlooks (six months regulation has a different purpose seasonal outlooks (six months aband) as act out in Article 0	
ahead) as set out in Article 9 than the seasonal outlooks (six ahead) as set out in Article 9	
[Regulation on risk months ahead) as set out in Article [Regulation on risk preparedness	
preparedness as proposed by 9 [Regulation on risk preparedness as proposed by COM(2016) 862]. Medium- to as proposed by COM(2016) 862]. Medium- to long-term	
long-term assessments are Medium- to long-term assessments assessments are mainly used to	
mainly used to assess the need are mainly used to <i>identify</i> assessments are mainly used to	
for capacity mechanisms <i>adequacy concerns</i> whereas mechanisms whereas seasonal	

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

41.		AM 6 (28a) Member States should introduce capacity mechanisms only as a last resort, where adequacy concerns cannot be addressed through the removal of existing market distortions. Before introducing a capacity mechanism which operates within the electricity market and therefore is market-distortive, Member States should evaluate whether strategic reserves would be sufficient to address their adequacy concerns. Strategic reserves are less distortive since they operate only outside the market and only in rare cases when markets can no longer clear. Strategic reserves can avoid financial consequences to market operators that cannot		
		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 control rules pursuant to Articles 107 to 109 TFUE must be complied with at all times.		(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.	
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44.	 (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 <i>strategic reserves</i> should be laid down <i>in this Regulation</i> . Transmission system operators across the borders should facilitate <i>the participation of</i> 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	

45.	participation would be possible, enable participation and check availabilities. National regulatory authorities should enforce the cross-border rules in the Member States. (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.	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. (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

	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 [] 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.
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 	 (in relation to article 32.1 (line 521)) 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</i> <i>importance</i> . The functions carried out by regional <i>coordination</i> centres should exclude real time operation of the electricity system.	(35) [] Regional Security 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 ³ 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 [] tasks where their regionalisation brings added value compared to [] tasks performed at national level. The [] tasks of Regional Coordination Centres should cover the [] tasks carried out by regional security coordinators pursuant to the System Operation Guideline⁴ as well as additional system operation, market operation and risk preparedness tasks []. The [] tasks carried out by Regional Coordination Centres should exclude real time operation

³ 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).

⁴ 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 [], regional coordination centres should [] 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 []. Hence, Regional Coordination Centres should be entrusted with [] the powers necessary to coordinate the [] 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 [] 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 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.	(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 distributed generation and	
	the management of distribution	networks. The EU DSO shall	
	noti of to.	the specificities inherent in	
		distribution systems connected downstream with electricity	
		systems on islands which are	
		not connected with other	
		electricity systems via	
		interconnectors.	

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

	T : :		
	Transmission system operators	should operate their networks in	
	should operate their networks in	accordance with those network	
	accordance with those network	codes.	
	codes.		
54.	(40) To ensure the smooth	(40) To ensure the smooth	
	functioning of the internal	functioning of the internal	
	market in electricity, provision	market in electricity, provision	
	should be made for procedures	should be made for procedures	
	which allow the adoption of	which allow the adoption of	
	decisions and guidelines with	decisions and guidelines with	
	regard, inter alia, to tarification	regard, inter alia, to tarification	
	and capacity allocation by the	and capacity allocation by the	
	Commission whilst ensuring the	Commission whilst ensuring the	
	involvement of Member States'	involvement of Member States'	
	regulatory authorities in that	regulatory authorities in that	
	process, where appropriate	process, where appropriate	
	through their European	through their European	
	association. Regulatory	association. Regulatory	
	authorities, together with other	authorities, together with other	
	relevant authorities in the	relevant authorities in the	
	Member States, have an	Member States, have an	
	important role to play in	important role to play in	
	contributing to the proper	contributing to the proper	
	functioning of the internal	functioning of the internal	
	market in electricity.	market in electricity.	
55.	(41) All market participants	(41) All market participants	
	have an interest in the work	have an interest in the work	
	expected of the ENTSO for	expected of the ENTSO for	
	Electricity. An effective	Electricity. An effective	
	consultation process is therefore	consultation process is therefore	
	essential and existing structures	essential and existing structures	
	that are set up to facilitate and	that are set up to facilitate and	
	streamline the consultation	streamline the consultation	
	process, such as via national	process, such as via national	
	regulators or the Agency,	regulators or the Agency, should	
	should play an important role.	play an important role.	

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

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58.	(44) Investments in major new	(44) Investments in major new	Council proposal for an addition:
	infrastructure should be	infrastructure should be	
	promoted strongly while	promoted strongly while	(44) Investments in major new
	ensuring the proper functioning	ensuring the proper functioning	infrastructure should be promoted strongly
	of the internal market in	of the internal market in	while ensuring the proper functioning of the
	electricity. In order to enhance	electricity. In order to enhance	internal market in electricity. In order to
	the positive effect of exempted	the positive effect of exempted	enhance the positive effect of exempted
	direct current interconnectors	direct current interconnectors on	direct current interconnectors on competition
	on competition and security of	competition and security of	and security of supply, market interest during
	supply, market interest during	supply, market interest during	the project-planning phase should be tested
	the project-planning phase	the project-planning phase	and congestion-management rules should be
	should be tested and	should be tested and congestion-	adopted. Where direct current
	congestion-management rules	management rules should be	interconnectors are located in the territory of
	should be adopted. Where	adopted. Where direct current	more than one Member State, the Agency
	direct current interconnectors	interconnectors are located in	should handle as a last resort the exemption
	are located in the territory of	the territory of more than one	request in order to take better account of its
	more than one Member State,	Member State, the Agency	1
	the Agency should handle as a	should handle as a last resort the	cross-border implications and to facilitate its
	last resort the exemption	exemption request in order to	administrative handling. Moreover, given the
	request in order to take better	take better account of its cross-	exceptional risk profile of constructing those
	account of its cross-border	border implications and to	exempt major infrastructure projects,
	implications and to facilitate its	facilitate its administrative	undertakings with supply and production
	administrative handling.	handling. Moreover, given the	interests should be able to benefit from a
	Moreover, given the	exceptional risk profile of	temporary derogation from the full
	exceptional risk profile of	constructing those exempt major	unbundling rules for the projects concerned.
	constructing those exempt	infrastructure projects,	Exemptions granted under Regulation (EC)
	major infrastructure projects,	undertakings with supply and	No 1228/2003 ⁷ continue to apply until the
	undertakings with supply and	production interests should be	scheduled expiry date as decided in the
	production interests should be	able to benefit from a temporary	granted exemption decision. Offshore
	able to benefit from a	derogation from the full	electricity infrastructure with dual
	temporary derogation from the	unbundling rules for the projects	functionality (so-called 'offshore hybrid
	full unbundling rules for the	concerned. Exemptions granted	assets') combining transport of offshore
	projects concerned. Exemptions	under Regulation (EC) No	wind energy to shore and interconnectors,
L			

	granted under Regulation (EC) No 1228/2003 ⁵ continue to apply until the scheduled expiry date as decided in the granted exemption decision.	1228/2003 ⁶ continue to apply until the scheduled expiry date as decided in the granted exemption 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	(45) To enhance trust in the	
	market, its participants need to	market, its participants need to	
	be sure that those engaging in	be sure that those engaging in	
	abusive behaviour can be	abusive behaviour can be subject	
	subject to effective,	to effective, proportionate and	
	proportionate and dissuasive	dissuasive penalties. The	
	penalties. The competent	competent authorities should be	
	authorities should be given the	given the competence to	
	competence to investigate	investigate effectively	
	effectively allegations of	allegations of market abuse. To	
	market abuse. To that end, it is	that end, it is necessary that	
	necessary that competent	competent authorities have	
	authorities have access to data	access to data that provides	
	that provides information on	information on operational	
	operational decisions made by	decisions made by supply	
	supply undertakings. In the	undertakings. In the electricity	
	electricity market, many	market, many relevant decisions	
	relevant decisions are made by	are made by the generators,	
	the generators, which should	which should keep information	
	keep information in relation	in relation thereto available to	

⁷ 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).

⁵ 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).

⁶ Regulation (EC) No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity (OJ L 176, 15.7.2003, p. 1).

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	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.

61.	 (47) Member States should lay down rules on penalties applicable to infringements of the provisions of this Regulation and ensure that they are implemented. Those penalties must be effective, proportionate and dissuasive. 	(47) Member States should lay down rules on penalties applicable to infringements of the provisions of this Regulation and ensure that they are implemented. Those penalties must be effective, proportionate and dissuasive.	
62.	(48) Member States and the Energy Community Contracting Parties should closely cooperate on all matters concerning the development of an integrated electricity trading region and should take no measures that endanger the further integration of electricity markets or security of supply of Member States and Contracting Parties.	(48) Member States, [] the Energy Community Contracting Parties and other third countries which are applying this Regulation or are part of the synchronous grid of Continental Europe should closely cooperate on all matters concerning the development of an integrated electricity trading 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	(10) At the time of a dention
03.		(49) At the time of adoption
	minimum degree of	of Regulation 714/2009, only
	harmonization required for	few rules for the internal
	effective market functioning,	electricity market existed at
	the power to adopt acts in	EU level. Since then, the EU
	accordance with Article 290 of	internal market has become
	the Treaty on the Functioning	more complex due to the
	of the European Union should	fundamental change the
	be delegated to the Commission	markets are undergoing in
	in respect of areas which are fundamental for market	particular regarding
		deployment of variable
	integration. These should	renewable electricity
	include the geographical area	production. Therefore the
	for regional cooperation of	Network Codes and Guidelines
	transmission system operators, the amount of compensation	have become extensively
	payments between transmission	comprehensive addressing
	system operators, the adoption	both technical and general
	and amendment of network	issues. In order to ensure the
	codes and guidelines, as well as	minimum degree of
	the application of exemption	harmonization required for
	provisions for new	effective market functioning, the
	interconnectors. It is of	power to adopt and amend
	particular importance that the	implementing acts in
	Commission carry out	accordance with Article 291 of
	appropriate consultations	the Treaty on the Functioning of
	during its preparatory work,	the European Union should be
	including at expert level, and	conferred to the Commission
	that those consultations be	
	conducted in accordance with	in respect of non-essential
	the principles laid down in the	elements of certain specific
	Interinstitutional Agreement on	areas which are fundamental for
	Better Law-Making of 13 April	market integration. These should
	2016 . In particular, to ensure	include [] the adoption and
	equal participation in the	amendment of network codes
	preparation of delegated acts,	and guidelines, as well as the
	the European Parliament and	application of exemption
	and Dai opean i amament and	

the Council receive all	provisions for new	1
documents at the same time as	interconnectors. It is of	
Member States' experts, and	particular importance that the	
their experts systematically	Commission carry out	
have access to meetings of	appropriate consultations during	
Commission expert groups	its preparatory work, including	
dealing with the preparation of	at expert level, and that those	
delegated acts.	consultations be conducted in	
	accordance with the principles	
	laid down in the	
	Interinstitutional Agreement on	
	Better Law-Making of 13 April	
	2016^8 . In particular, to ensure	
	equal participation in the	
	preparation of []	
	implementing acts, the	
	European Parliament and the	
	Council receive all documents at	
	the same time as Member States'	
	experts, and their experts	
	systematically have access to	
	meetings of Commission expert	
	groups dealing with the	
	preparation of []	
	implementing acts.	

OJ L 123, 12.5.2016, p. 1.

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

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

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 ⁹ by enabling market signals to be delivered for increased flexibility, decarbonisation and innovation;	AM 10 (a) setting the basis for an efficient achievement of the objectives of the European Energy Union and in particular the climate and energy framework for 2030 ³⁰ by enabling market signals to be delivered for increased flexibility, <i>efficiency</i> , decarbonisation, innovation <i>and a higher share of</i> <i>renewable energy sources</i> . ³⁰ COM/2014/015 final.	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 ¹⁰ by enabling market signals to be delivered for increased security of supply, flexibility, sustainability, decarbonisation and innovation;	 <i>Provisionally agreed:</i> (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 2030¹¹ by enabling market signals to be delivered for increased <i>efficiency, higher share of renewable energy sources</i>, security of supply, flexibility, sustainability, decarbonisation and innovation;
72.	(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 contribute to the decarbonisation of the economy	AM 11 (b) setting fundamental principles for well-functioning <i>cross-border</i> , integrated <i>and liquid</i> electricity markets, which allow non-discriminatory market access for all resource providers and electricity customers, empower consumers, enable <i>competitiveness</i> <i>on the global market</i> , demand response, <i>energy storage</i> and energy efficiency, facilitate aggregation of distributed demand	(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	 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 <i>competitiveness on the global market as well as</i> demand response, <i>energy storage</i> and energy efficiency, facilitate aggregation of distributed demand and supply, [] and enabling market <i>and sectoral</i> integration and market-based remuneration of electricity

⁹ COM/2014/015 final.

¹⁰ COM/2014/015 final.

¹¹ COM/2014/015 final.

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

75.		Article 2 Definitions		No indications means that the given definition was not yet discussed with the EP
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 ¹⁴ , in Article 2 of Commission Regulation (EU) No 543/2013 ¹⁵ 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	Council compromise proposal: (seen by Coreper): 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.

¹² 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).

¹³ 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).

¹⁵ 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).

¹⁷ 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).

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

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

86.	(i) "holonoing" moong all	(i) 'balancing' means all
00.	(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
	energy used by transmission	energy used by transmission
	system operators to perform	system operators to perform
	balancing;	balancing;
88.	(k) 'balancing service	(k) 'balancing service
	provider' means a market	provider' means a market
	participant providing either or	participant providing either or
	both balancing energy and	both balancing energy and
	balancing capacity to	balancing capacity to
	transmission system operators;	transmission system operators;
89.	(1) 'balancing capacity'	(1) 'balancing capacity' means
	means a volume of capacity that	a volume of capacity that a
	a balancing service provider has	balancing service provider has
	agreed to hold to and in respect	agreed to hold to and in respect
	to which the balancing service	to which the balancing service
	provider has agreed to submit	provider has agreed to submit
	bids for a corresponding	bids for a corresponding volume
	volume of balancing energy to	of balancing energy to the
	the transmission system	transmission system operator for
	operator for the duration of the	the duration of the contract;
	contract;	
L	contract,	

00	() <u>11.1</u>	(m) 11-1-m "1.1 ()	
90.	(m) 'balance responsible	(m) 'balance responsible party'	
	party' means a market	means a market participant or its	
	participant or its chosen	chosen representative	
	representative responsible for	responsible for its imbalances in	
	its imbalances in the electricity	the electricity market;	
	market;		
91.	(n) 'imbalance settlement	(n) 'imbalance settlement	
	period' means the time unit for	period' means the time unit for	
	which the imbalance of the	which the imbalance of the	
	balance responsible parties is	balance responsible parties is	
	calculated;	calculated;	
92.	(o) 'imbalance price' means	(o) 'imbalance price' means	
	the price, be it positive, zero or	the price, be it positive, zero or	
	negative, in each imbalance	negative, in each imbalance	
	settlement period for an	settlement period for an	
	imbalance in each direction;	imbalance in each direction;	
93.	(p) 'imbalance price area'	(p) 'imbalance price area'	
	means the area in which an	means the area in which an	
	imbalance price is calculated;	imbalance price is calculated;	
94.	(q) 'prequalification process'	(q) 'prequalification process'	
	means the process to verify the	means the process to verify the	
	compliance of a provider of	compliance of a provider of	
	balancing capacity with the	balancing capacity with the	
	requirements set by the	requirements set by the	
	transmission system operators;	transmission system operators;	
95.	(r) 'reserve capacity' means	(r) 'reserve capacity' means	
	the amount of frequency	the amount of frequency	
	containment reserves,	containment reserves, frequency	
	frequency restoration reserves	restoration reserves or	
	or replacement reserves that	replacement reserves that needs	
	needs to be available to the	to be available to the	
	transmission system operator;	transmission system operator;	

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

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

¹⁸ 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).

¹⁹ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

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

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.

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

110.			Chapter II for the electricity market			
111.	Article 3					
		Principles regarding th	he 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:	 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: 	 Provisionally agreed: 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.	<i>No change:</i>(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;	No change: (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 <i>the</i> <i>electricity system and thus</i> the economy by enabling the integration of electricity from renewable energy sources <i>including energy storage</i> 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 [] enable the decarbonisation of <i>the electricity system and thus</i> 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:
11/1	appropriate investment	(f) market rules shall <i>encourage</i>	appropriate investment	f) market rules shall deliver appropriate
	incentives for generation,	<i>free price formation to</i> 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, <i>in particular long</i> -	demand response to meet market	
			A	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;
		<i>facilitate fair competition</i> 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;	

123.	(j) all producers shall be		(j) all producers shall be	No change:
	directly or indirectly		directly or indirectly responsible	(i) 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		To be discussed
		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	[]	Provisionally agreed in TM:
	for progress in research and	(k) market rules shall allow for		
	development to be realized and	progress in research and		(k) market rules shall allow for [] <u>the</u>
	used to the benefit of society;	development <i>into sustainable</i> ,		development of demonstration projects
		secure and low-carbon energy		into sustainable, secure and low-carbon
		sources, technologies or systems to		<i>energy sources, technologies or systems</i> to
		be realized and used to the benefit		be realized and used to the benefit of society;
		of society;		
126.	(l) market rules shall enable	AM 27	(l) market rules shall enable	Provisionally agreed:
	the efficient dispatch of	(l) market rules shall enable the	the efficient dispatch of	(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>
	response;	assets, storage and demand	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</i> <i>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, <i>energy storage</i> 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.	AM 29 (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 <i>while current</i> <i>products offered on exchanges</i> <i>should be further expanded and</i> <i>promoted at Union level</i> ; <i>Regulatory changes shall take into</i> <i>account effects on both short-term</i> <i>and long-term forward and</i> <i>futures markets and products.</i>	(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 [] 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. 132.	Just transitionJust transitionThe Commission shall supportMember States that put in place anational strategy for theprogressive reduction of installedcoal and other solid fossil fuelgeneration and mining capacitythrough all available means,including targeted financialsupport to enable a "justtransition" in regions affected bystructural change. TheCommission shall assist MemberStates to address the social, skillsand industrial impacts of the cleanenergy transition.	Just transitionCouncil compromise proposal:The Commission shall support MemberStates that put in place a national strategyfor the progressive reduction of installedcoal and other solid fossil fuel generationand mining capacity through all availablemeans, including targeted financial supportto enable a "just transition" in regionsaffected by structural change. TheCommission shall assist Member States toaddress the social and economic-skills andindustrial-impacts of the clean energytransition.
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.	Council compromise proposal: The Commission shall work in close partnership with the actors of coal and carbon-intensive regions, provide guidance, in particular for facilitate 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.

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134.	Article 4	Article 4	
	Balancing responsibility	Balance[] responsibility	
135.	1. All market participants shall aim for system balance and shall be financially responsible for imbalances they cause in the system. They shall either be balance responsible parties or delegate their responsibility to a balance responsible party of their choice.	1.All market participants []shall be [] responsible for theimbalances they cause in thesystem.To that end, themarket participants [] shalleither be balance responsibleparties or contractually delegatetheir responsibility to a balanceresponsible party of their choice.In accordance with theBalancing Guideline adoptedon the basis of Article 17 and18 of the Regulation 714/2009,each balance responsible partyshall be financially responsiblefor its imbalances and strive tobe balanced or help the powersystem to be balanced.	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: 	 Council compromise proposal: 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 ²⁰ ;	 Council compromise proposal: (a) demonstration projects for emerging technologies as defined in Article 66 and 67 of Regulation (EU) 2016/631²¹;for innovative technologies, subject to

²⁰ 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).

²¹ 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).
				annuaral by the negative antherity
				approval by the regulatory authority
				which shall be limited to the time and
				extent the derogation is necessary for
				achieving the demonstration purposes.
138.	(b) generating installations		(b) power generating facility	Council compromise proposal:
	using renewable energy sources		[], using renewable energy	(b) power generating facilities using
	or high-efficiency cogeneration		sources or high-efficiency	renewable energy sources or high-efficiency
	with an installed electricity		cogeneration with a total	cogeneration with an installed electricity
	capacity of less than 500 kW;		installed electricity capacity of	capacity of less than [350] kW;
			less than [] 250 kW;	
139.	(c) installations benefitting		(c) Without prejudice to	Council compromise proposal:
	from support approved by the		contracts concluded before	(c) installations benefitting from support
	Commission under Union State		[entry into force of the	approved by the Commission under Union
	aid rules pursuant to Articles		legislation], and installations	State aid rules pursuant to Articles 107 to
	107 to 109 TFEU, and		benefitting from support	109 TFEU, and commissioned prior to [OP:
	commissioned prior to [OP:		approved by the Commission	entry into force]. Member States may,
	entry into force]. Member		under Union State aid rules	without prejudice to Articles 107 and 108
	States may, subject to Union		pursuant to Articles 107 to 109	TFEU, incentivise market participants which
	state aid rules, incentivize		TFEU, and commissioned prior	are fully or partly exempted from balancing
	market participants which are		to [OP: entry into force].	responsibility to accept full balancing
	fully or partly exempted from		Member States may,	responsibility].
	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	
1			accept full balancing	
ł			responsibility].	
140.		AM 31	2a. When a Member State	Council compromise proposal:
		Article 4 – paragraph 2 a (new)	chooses to provide a	2a. When a Member State chooses to
		2a. When a Member State	derogation according to	provide a derogation in accordance with
		chooses to provide a derogation in	Article 4 (2), they need to	Article 4(2), it shall ensure that the
		accordance with Article 4(2), it	ensure that the financial	financial responsibilities for imbalances are
		shall ensure that the financial	responsibilities of imbalances	fulfilled by another party.
		responsibilities for imbalances are	are fulfilled by another party.	
		fulfilled by another party.		
		july and by another purify		

141.	3. From 1 January 2026, point (b) of paragraph 2 shall apply only to generating installations using renewable energy sources or high- efficiency 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.	 Council compromise proposal: 3. [] For power generating facilities commissioned after 1 January 2026, point (b) of paragraph 2 shall apply only to generating installations using renewable energy sources or high-efficiency cogeneration with an installed electricity capacity of less than [200] kW.
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, <i>including those providing</i> <i>electricity generated from variable</i> <i>renewable sources and demand</i> <i>side response and storage services</i> shall have <i>full</i> 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.		Provisionally agreed in TM: []

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. <i>All</i> <i>generation, including from</i> <i>variable renewable sources,</i> <i>demand side response and storage</i> <i>shall be enabled to participate on</i> <i>equal footing in balancing</i> <i>markets,</i> 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, 	 Provisionally agreed in TM to accept Council compromise: 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;
144a.				Provisionally agreed in TM: (new compromise): (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;	 Provisionally agreed in TM to accept Council compromise: 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	 Provisionally agreed in TM (c) respect the need to accommodate increasing shares of variable generation as

			as well as increased demand responsiveness and the advent of new technologies.	well as increased demand responsiveness and the advent of new technologies.
147.	 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 ^{1a} . Procurement processes shall be transparent while at the same time respecting confidentiality. ^{1a} Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (OJ L 312, 28.11.2017 p. 6).		 Provisionally agreed in TM to accept Council compromise: 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: 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	AM 35 5. The settlement of balancing energy <i>shall be based on marginal</i> <i>pricing</i> . <i>On balancing markets</i> , market participants shall be allowed to bid as close to real time	5. [] For standard and specific balancing products, the settlement of balancing energy shall be based on marginal pricing, pay-as- cleared, without prejudice to	 Provisionally agreed in TM: (revised Council compromise): ref. is replaced by content of article 30(5) of the Balancing Guideline. 5. [] The settlement of balancing energy for

	intraday cross-zonal gate closure time determined in accordance with Article 59 of Commission Regulation (EU) 2015/1222 ²² .	as possible, and <i>balancing energy</i> <i>gate closure times shall not be</i> <i>before</i> intraday cross-zonal gate closure time determined in accordance with Article 59 of Commission Regulation (EU) 2015/1222 ³⁴ ³⁴ Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (OJ L 197, 25.7.2015, p. 24).	the Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009. 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 ²³ . 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.	<pre>standard and specific balancing products shall be based on marginal pricing, pay-as- cleared, unless all National Regulatory Authorities have approved an alternative pricing method on the basis of joint proposal by all transmission system operators following an analysis demonstrating that an alternative pricing method is more efficient. 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 []. Transmission system operator applying a central dispatching model may define additional rules in accordance with [] the Commission Regulation (EU) 2017/2195.</pre>
150.			5a. The price of balancing energy shall not be pre- determined 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	Provisionally agreed in TM to delete here. [] Paragraph 5a is moved to paragraph 3.

 ²² 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).

 ²³ 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).

be transparent while at the same time respecting confidentiality in accordance
with paragraph 4 of Article 40 of the [recast Electricity Directive].

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

153.	7. The sizing of reserve capacity shall be performed at regional level in accordance with point 7 of Annex I. Regional operational centres shall support transmission system operators in determining the amount of balancing capacity that needs to be procured in accordance with point 8 of Annex I.	AM 36 7. The sizing of reserve capacity shall be performed at regional level in accordance with point 7 of Annex I. Regional <i>coordination</i> centres shall support transmission system operators in determining the amount of balancing capacity that needs to be procured in accordance with point 8 of Annex I.	7. The [] dimensioning of reserve capacity shall be performed [] by the transmission system operators in accordance with the System Operation Guideline adopted on the basis of Article 18 of the Regulation 714/2009 and may be facilitated on a regional level.	 Provisionally agreed to align this paragraph with agreement on RCCs: 7. The [] dimensioning of reserve capacity shall be performed [] by the transmission system operators [] and may be facilitated on a regional level.
154.	8. The procurement of balancing capacity shall be facilitated on a regional level in accordance with point 8 of Annex I. The procurement shall be based on a primary market and organised in such a way as to be non-discriminatory between market participants in the prequalification process individually or through aggregation.	AM 37 8. The procurement of balancing capacity shall be <i>performed by the transmission</i> <i>system operators</i> . The procurement shall be based on a primary market and organised in such a way as to be non-discriminatory between market participants in the prequalification process, <i>whether</i> <i>market participants participate</i> individually or through aggregation <i>subject to technical constraints</i> <i>inherent in managing networks</i> . <i>The reservation of cross-zonal</i> <i>capacity for the exchange of</i> <i>balancing capacity shall be limited</i> <i>to 5% of the available capacity for</i> <i>the exchange of energy of the</i> <i>previous relevant calendar year</i> <i>between the respective bidding</i> <i>zones</i> .	8. The procurement of balancing capacity shall be performed by the transmission system operators, facilitated on a regional level in accordance with [] Balancing Guideline adopted on the basis of Article 18 of the Regulation 714/2009. The procurement of balancing capacity shall be market-based [] and organised in such a way as to be non-discriminatory between market participants in the prequalification process individually or through aggregation in accordance with paragraph 4 of Article 40 of the [recast Electricity Directive].	 Provisionally agreed in TM to align this paragraph with agreement on RCCs and add additional section. 8. The procurement of balancing capacity shall be performed by the transmission system operators and may be facilitated on a regional level []. The procurement of balancing capacity shall be market-based [] and organised in such a way as to be non-discriminatory between market participants in the prequalification process, whether market participants participate individually or through aggregation in accordance with paragraph 4 of Article 40 of the [recast Electricity Directive]. Procurement of balancing capacity shall be based on a primary market unless and to the extent that the national regulatory authority has approved use of other forms of market-based procurement on the grounds of lack of competition in the

				<u>market for balancing services.</u> <u>Derogations from use of primary markets</u> <u>shall be reviewed every 3 years.</u>
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</i> <i>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 maximum <i>duration</i> of one day.	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 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.	 Provisionally agreed in TM: Ref. is replaced by content of article 32(3) of the Balancing Guideline. 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 standard products used for balancing capacity unless the national regulatory authority approves an exemption from this principle on the basis of the transmission system operator demonstrating that this would result in higher economic efficiency. 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, unless and to the extent the national regulatory authority has approved earlier contracting and/or longer contracting periods to ensure security of supply or improve economic efficiency. At least for a minimum of 40 % of the standard products used for balancing capacity, the contracting of the balancing capacity, the contracting of the 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	Provisionally agreed in TM:
	transmission system operator	
	the regulatory authority may	9. On the request of the transmission
	extend the contracting period	system operator the regulatory authority
	of the remaining part of	may extend the contracting period of the
	balancing capacity referred to	remaining part of balancing capacity
	in paragraph 9 to a maximum	referred to in paragraph 9 to a maximum
	period of twelve months	period of twelve months provided that
	provided that such decision	such decision will be limited in time, and
	will be limited in time, and the	the positive effects in terms of lowering of
	positive effects in terms of	costs for consumers will exceed the
	lowering of costs for	negative impacts on the market. <u>After 31</u>
	consumers will exceed the	December 2025, contracting periods shall
	negative impacts on the	not extend to periods longer than six
	market. The request shall	months. The request shall include:
	include:	I
157.	(a) specification of the time	Provisionally agreed in TM (GA):
	period during which the	(a) specification of the time period during
	exemption would apply;	which the exemption would apply;
158.	(b) specification of the volume	Provisionally agreed in TM (GA):
	of balancing capacity for	(b) specification of the volume of
	which the exemption would	balancing capacity for which the
	apply;	exemption would apply;
L		

159.			(c) analysis of the impact of	Provisionally agreed in TM (GA):
137.			such an exemption on the	(c) analysis of the impact of such an
			participation of balancing	exemption on the participation of
			resources; and	balancing resources; and
160.			(d) justification for the	Provisionally agreed in TM (GA):
100.			exemption demonstrating that	(d) justification for the exemption
			such an exemption would lead	demonstrating that such an exemption
			to lower costs for consumers.	would lead to lower costs for consumers.
160a.			to lower costs for consumers.	Provisionally agreed in TM:
				9b. By 1 January 202X [to be aligned with the general review clause in order for report to be available in time], national regulatory authorities shall report to the Agency and the Commission on the share of contract durations and procurement periods longer than one day
161.	10. Transmission system operators shall publish close to real-time information on the current balancing state of their control areas, the imbalance price and the balancing energy price.	AM 39 10. Transmission system operators or third parties to whom these responsibilities have been delegated by the relevant transmission system operator, Member State or regulatory authority shall publish close to real-time information on the current balancing state of their control areas, the estimated imbalance price and the estimated balancing energy price.	10. Transmission system operators shall publish, [] as soon as possible but not later than 30 minutes after real-time, the information on the current [] system balance of their [] scheduling areas [] and the estimated [] balancing energy prices. To the extent that responsibility for provision of this information has been assigned or delegated to a 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.	Provisionally agreed in TM to Council compromise proposal: Transmission system operators or [] delegated operators shall publish, [] as soon as possible but not later than 30 minutes after real-time, the information on the current [] system balance of their [] scheduling areas, [] the estimated imbalance prices [] and the estimated [] balancing energy prices.

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].	Provisionally agreed in TM to delete.
163.		Provisionally agreed in TM: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.Proposals for exemptions shall include a description of measures proposed to

	minimise the use of specific productssubject to economic efficiency, ademonstration that the specific productsdo not create significant inefficiencies anddistortions in the balancing market withinand outside the scheduling area as well as,where applicable, the rules andinformation for the process for convertingthe balancing energy bids fromstandard products.
	products into balancing energy bids from

1.6.4			4 1			
164.			Article 6			
	Day-ahead and intraday markets					
165.	1. Transmission system		1. Transmission system	Provisionally agreed:		
	operators and nominated		operators and nominated			
	electricity market operators		electricity market operators shall	1. Transmission system operators and		
	shall jointly organise the		jointly organise the management	nominated electricity market operators shall		
	management of the integrated		of the integrated day-ahead and	jointly organise the management of the		
	day-ahead and intraday markets		intraday markets based on	integrated day-ahead and intraday markets		
	based on market coupling as set		market coupling as set out in	based on market coupling as set out in		
	out in Regulation (EU)		Regulation (EU) 2015/1222.	Regulation (EU) 2015/1222. Transmission		
	2015/1222. Transmission		Transmission system operators	system operators and nominated electricity		
	system operators and nominated		and nominated electricity market	market operators shall cooperate at Union		
	electricity market operators		operators shall cooperate at	level or, where more appropriate, on a		
	shall cooperate at Union level		Union level or, where more	regional basis in order to maximise the		
	or, where more appropriate, on		appropriate, on a regional basis	efficiency and effectiveness of Union		
	a regional basis in order to		in order to maximise the	electricity day-ahead and intraday trading.		
	maximise the efficiency and		efficiency and effectiveness of	The obligation to cooperate shall be without		
	effectiveness of Union		Union electricity day-ahead and	prejudice to the application of the provisions		
	electricity day-ahead and		intraday trading. The obligation	of Union competition law. In their functions		
	intraday trading. The obligation		to cooperate shall be without	relating to electricity trading, transmission		
	to cooperate shall be without		prejudice to the application of	system operators and nominated electricity		
	prejudice to the application of		the provisions of Union	market operators shall be subject to		
	the provisions of Union		competition law. In their	regulatory oversight by regulators and the		
	competition law. In their		functions relating to electricity	Agency pursuant to Article 59 of [recast of		
	functions relating to electricity		trading, transmission system	Directive 2009/72/EC as proposed by		
	trading, transmission system		operators and nominated	COM(2016) 864/2] and Articles 4 and 9 of		
	operators and nominated market		electricity market operators	[recast of Regulation (EC) No 713/2009 as		
	operators shall be subject to		shall be subject to regulatory	proposed by COM(2016) 863/2].		
	regulatory oversight by		oversight by regulators and the			
	regulators and the Agency		Agency pursuant to Article 59 of			
	pursuant to Article 59 of [recast		[recast of Directive 2009/72/EC			
	of Directive 2009/72/EC as		as proposed by COM(2016)			
	proposed by COM(2016)		864/2] and Articles 4 and 9 of			
	864/2] and Articles 4 and 9 of		[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].					

166.	2. Day-ahead and intraday			N/a alagraga
	markets shall		2. Day-ahead and intraday markets shall	<i>No change:</i> 2. Day-ahead and intraday markets shall
1/8		A 3 # 41		
167.	(a) be organised in such a	AM 41	(a) be organised in such a	Provisionally agreed:
	way as to be non-	(a) be [] non-discriminatory;	way as to be non-discriminatory;	(a) be organised in such a way as to be
	discriminatory;			non-discriminatory;
168.	(b) maximise the ability of		(b) maximise the ability of all	Provisionally agreed:
	market participants to		market participants to []	(b) maximise the ability of all market
	contribute to avoid system		manage their imbalances;	participants to [] manage [] imbalances;
	imbalances;			
169.	(c) maximise the		(c) maximise the	Provisionally agreed:
	opportunities for market		opportunities for all market	(c) maximise the opportunities for all
	participants to participate in		participants to participate in	market participants to participate in cross-
	cross-border trade as close as		cross-[] zonal trade as close as	zonal trade as close as possible to real time
	possible to real time across all		possible to real time across all	across all bidding zones;
	bidding zones;		bidding zones;	
170.	(d) provide prices that reflect		(d) provide prices that reflect	Provisionally agreed:
	market fundamentals and that		market fundamentals, including	(d) provide prices that reflect market
	market participants can rely on		the real time value of energy,	fundamentals, including the real time value
	when agreeing on longer-term		and that market participants can	of energy, and that market participants can
	hedging products;		rely on when agreeing on	rely on when agreeing on longer-term
			longer-term hedging products;	hedging products;
171.	(e) ensure operational		(e) ensure operational	No change
	security whilst allowing for		security whilst allowing for	(e) ensure operational security whilst
	maximum use of transmission		maximum use of transmission	allowing for maximum use of transmission
	capacity;		capacity;	capacity;
172.	(f) be transparent while at		(f) be transparent while at the	Provisionally agreed:
	the same time respecting		same time respecting	(f) be transparent while at the same time
	confidentiality;		confidentiality and ensuring	respecting confidentiality and ensuring
			trading occurs in an	trading occurs in an anonymous manner;
			anonymous manner; and;	and;

173.	(g) ensure trades are anonymous; and		[]	Provisionally agreed: []
174.	(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.	AM 42 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 <i>and</i> <i>energy storage</i> as well as increased demand responsiveness and the advent of new technologies	[]	Provisionally agreed (deletion): [] In addition provisionally agreed to add new point (i) to Article 6(2) above (line 174a).

176.			Article 7		
	Trade on day-ahead and intraday markets				
177.	1. Market operators shall allow market participants to trade energy as close to real time as possible and at least up to the intraday cross-zonal gate closure time determined in accordance with Article 59 of Regulation (EU) 2015/1222.	AM 43 1. Market operators shall allow market participants to trade energy as close to real time as possible and at least up to 15 minutes before real time across all bidding zones.	1. Nominated electricity market operators shall allow market participants to trade energy as close to real time as possible and at least up to the intraday cross-zonal gate closure time determined in accordance with [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009.	 Provisionally agreed in TM: 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 [] the capacity allocation and congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009. Provisionally agreed in TM to insert review for gate closure time in general review clause. 	
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 day- ahead 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</i> <i>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.	 Provisionally agreed in TM: 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. 	

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 day- ahead and intraday markets which are sufficiently small in size, with minimum bid sizes of 500 <i>Kilowatt</i> , to allow for the effective participation of demand-side response, energy storage and small- scale renewables <i>including directly</i> <i>by customers</i> .	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 [], 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	 Provisionally agreed in TM: 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 <u>500 Kilowatt</u> or less, to allow for the effective participation of demand-side response, energy storage and small-scale renewables <i>including directly by customers</i>.
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.	 congestion management guideline adopted on the basis of Article 18 of Regulation (EU) 714/2009. 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. 	 Provisionally agreed in TM: 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. When an exemption has been granted, the imbalance settlement period shall be no greater than 30 minutes by 2025.

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

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

185.	Article 9 Price Restrictions		Article 9 [] Technical bidding limits	Provisionally agreed in TM (title): Article 9 [] Technical bidding limits
186.	 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.	1. [] Wholesale 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.	Council compromise proposal: 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 <i>technical</i> limits on maximum <i>and minimum bidding limits</i> for day-ahead and intraday timeframes in accordance with Articles 41 and 54 of Regulation (EU) 2015/1222 <i>and for the balancing timeframe</i> <i>in accordance with Regulation</i> <i>(EU) 2017/2195</i> . In the event that <i>those technical</i> limits are, or are anticipated to be, reached, they shall be <i>automatically adjusted</i> . <i>The technical price limits shall be</i>	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	Council compromise proposal: 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 maximum value of lost load. Nominated market operators shall implement a

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	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. 3. Transmission system operators shall not take any measures with the aim of changing the wholesale prices. [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. <i>Council compromise proposal: maintain</i> <i>Council GA</i> 3. Transmission system operators shall not take any measures with the aim of changing the wholesale prices. []
189.	day. 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.	 Provisionally agreed: A. 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	5. Where a national	Provisionally agreed:
	has identified a policy or	regulatory authority or other	
	measure which could serve to	competent authority	5. Where a national regulatory
	restrict price formation it shall	designated by a Member State	authority or other competent authority
	take all appropriate actions to	has identified a policy or	designated by a Member State has
	eliminate or, if not possible,	measure which could serve to	identified a policy or measure which could
	mitigate the impact on bidding	restrict price formation it shall	serve to restrict price formation it shall take
	behaviour. Member States shall	take all appropriate actions to	all appropriate actions to eliminate or, if not
	provide a report to the	eliminate or, if not possible,	possible, mitigate the impact on bidding
	Commission by [OP: six	mitigate the impact on bidding	behaviour. Member States shall provide a
	months after entry into force]	behaviour. Member States shall	report to the Commission by [OP: six months
	detailing the measures and	provide a report to the	after entry into force] detailing the measures
	actions they have taken or	Commission by [OP: six months	and actions they have taken or intend to take.
	intend to take.	after entry into force] detailing	
		the measures and actions they	
		have taken or intend to take.	

101			4 .: 1 10	
191.		Val	Article 10 lue 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).	AM 50 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).	Intervention1.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).	Provisionally agreed: 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 State, 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. 194.	2. Member States shall update their estimate at least every five years.	Dispatching of gen	2. Member States shall update their estimate at least every five years or when a significant change is observed . <i>Article 11</i> <i>eration and demand response</i>	 Provisionally agreed: 2. Member States shall update their estimate at least every five years or earlier when a significant change is observed.
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 [].	 Council compromise proposal (GA): 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 high- efficiency 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:	Council compromise proposal: 2. [] Without prejudice to Articles 107 to 109 TFEU Member States may shall provide for electricity generated [] using renewable energy sources or high- efficiency cogeneration from small [] power generating facility or power generating facility using emerging technologies to be granted priority dispatch up to the following extent:

197.	(a) generating installations using renewable energy sources or high-efficiency cogeneration with an installed electricity capacity of less than 500 kW; or	AM 51 (a) generating installations using renewable energy sources or high- efficiency cogeneration with an installed electricity capacity of less than 500 kW; []	(a) [] power generating facility using renewable energy sources or high-efficiency cogeneration with an installed electricity capacity of less than [] 250 kW; or	<i>Council compromise proposal:</i> [] power generating facility using renewable energy sources or high-efficiency cogeneration with an installed electricity capacity of less than [] <u>[350]</u> kW; or
198.	(b) demonstration projects for innovative technologies.	AM 52 (b) generating installations which are demonstration projects for innovative technologies; Member States may apply higher limits to local energy communities as established in the Directive (EU) [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].	(b) demonstration projects for emerging [] technologies as defined in the network code on requirements for generators adopted on the basis of Article 6 of Regulation 714/2009.	Council compromise proposal: (b) demonstration projects for innovative technologies, <u>subject to approval by the</u> <u>regulatory authority which shall be</u> <u>limited to the time and extent the</u> <u>derogation is necessary for achieving the</u> <u>demonstration purposes.</u>
198 a.				Council compromise proposal: 2a. <u>A Member State may decide not to</u> apply priority dispatch pursuant to paragraph 2 (a) to additional power generating facilities with a start of operation at least 6 months after the decision, or to apply a lower capacity threshold than set out under paragraph (2) (a), subject to the following conditions: (a) its well functioning intraday, wholesale and balancing markets are fully accessible to all market players in accordance with the provisions of this Regulation;
				Kegulation;(b) curtailment rules and congestion management are transparent to all market parties;(c) the national contribution of the

	Member States towards 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 Article
	4(a)(2) of the [Governance Regulation] is
	at least equal to the corresponding result
	of the formula set out in Annex II of the
	[Governance Regulation] and the Member
	State's share of energy from renewable
	sources is not below its reference points
	pursuant to Article 4(a)(2) [Governance
	Regulation];
	(d) the Member State has notified the
	planned derogation setting out in detail
	how the conditions set out under (a) to (c)
	are fulfilled to the Commission; and
	(e) the Member State has published the
	planned derogation including the detailed
	reasoning, taking due account of the
	protection of commercially sensitive
	information where required.
	Any derogation shall avoid retroactive
	changes for installations already
	benefiting from priority dispatch,
	notwithstanding any agreement between a
	Member State and an installation on a
	<u>voluntary basis.</u>
	Without proividing to Antiples 107 to 100
	Without prejudice to Articles 107 to 109
	TFEU, Member States may provide
	incentives to installations eligible for
	priority dispatch to voluntarily give up
	priority dispatch.

199.	3. Where the total capacity of generating installations subject to priority dispatch under paragraph 2 is higher than 15 % of the total installed generating capacity in a Member State, point (a) of paragraph 2 shall apply only to additional generating installations using renewable energy sources or high- efficiency cogeneration with an installed electricity capacity of less than 250 kW.	AM 53 3. A Member State which does not at the time of entry into force of this Regulation grant priority dispatch to any generating installations may request to be exempted from the provisions of paragraph 2 if it can demonstrate to the Commission that all of the following conditions are met:	Council compromise proposal: []
200.		(a) no priority dispatch exists for installations other than those listed in paragraph 2 is in place;	Council compromise proposal: []
201.		(b) its liquid intraday, wholesale and balancing markets are fully accessible to all market players in accordance with the provisions of this Regulation;	Council compromise proposal: [] (moved to 198a)
202.		(c) its curtailment rules and congestion management are transparent to all market parties and comply with the provisions of this Regulation;	Council compromise proposal: []
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	Council compromise proposal: []

204.		The Commission shall approve or		Council compromise proposal:
		reject a request for exemption		
		within six months of receipt of the		
		request. Any exemption granted		
		shall avoid retroactive changes for		
		installations already benefiting		
		from priority dispatch,		
		notwithstanding any agreement		
		between a Member State and an		
		installation on a voluntary basis.		
205.	From 1 January 2026, point (a)	From 1 January 2026, point (a) of	3a. For power generating	Council compromise proposal:
	of paragraph 2 shall apply only	paragraph 2 shall apply only to	facility commissioned as from	3a. For power generating facility
	to generating installations using	generating installations using	1 January 2026, point (a) of	commissioned as from 1 January 2026,
	renewable energy sources or	renewable energy sources or high-	paragraph 2 shall apply only to	point (a) of paragraph 2 shall apply only to
	high-efficiency cogeneration	efficiency cogeneration with an	power generating facilities []	power generating facilities [] using
	with an installed electricity	installed electricity capacity of less	using renewable energy sources	renewable energy sources or high-efficiency
	capacity of less than 250 kW or,	than 250 kW [].	or high-efficiency cogeneration	cogeneration with an installed electricity
	if the threshold under the first		with an installed electricity	capacity of less than [] [200] kW [].
	sentence of this paragraph has		capacity of less than [] <u>1</u> 50	Member States may apply a lower
	been reached, of less than 125		kW []. Member States may	threshold.
	kW.		apply a lower threshold.	

206.	4. Generating installations	AM 54	4. [] Without prejudice to	Council compromise proposal (GA):
	using renewable energy sources	4. Without prejudice to	contracts concluded before	
	or high-efficiency cogeneration	paragraph 3 of this Article,	[entry into force of the	4. [] Without prejudice to contracts
	which have been commissioned	generating installations using	legislation], power generating	concluded before [entry into force of the
	prior to [OP: entry into force]	renewable energy sources or high-	facility using renewable energy	legislation], power generating facility
	and have, when commissioned,	efficiency cogeneration which have	sources or high-efficiency	using renewable energy sources or high-
	been subject to priority dispatch	been commissioned prior to [OP:	cogeneration which have been	efficiency cogeneration which have been
	under Article 15(5) of Directive	entry into force] and have, when	commissioned prior to [OP:	commissioned prior to [OP: entry into force]
	2012/27/EU of the European	commissioned, been subject to	entry into force] and have, when	and have, when commissioned, been subject
	Parliament and of the Council	priority dispatch under Article 15	commissioned, been subject to	to priority dispatch under Article 15(5) of
	or Article 16(2) of Directive	(5) of Directive 2012/27/EU of the	priority dispatch under Article	Directive 2012/27/EU of the European
	2009/28/EC of the European	European Parliament and of the	15(5) of Directive 2012/27/EU	Parliament and of the Council or Article
	Parliament and of the Council ²⁴	Council or Article 16 (2) Directive	of the European Parliament and	16(2) of Directive 2009/28/EC of the
	shall remain subject to priority	2009/28/EC of the European	of the Council or Article 16(2)	European Parliament and of the Council ²⁶
	dispatch. Priority dispatch shall	Parliament and of the Council ³⁹	of Directive 2009/28/EC of the	shall [] continue to benefit from priority
	no longer be applicable from	shall remain subject to priority	European Parliament and of the	dispatch. Priority dispatch shall no longer be
	the date where the generating	dispatch. Priority dispatch shall no	Council ²⁵ shall [] continue to	applicable from the date where the [] power
	installation is subject to	longer be applicable from the date	benefit from priority dispatch.	generating facility is subject to significant
	significant modifications, which	where the generating installation is	Priority dispatch shall no longer	modifications, which shall be the case at
	shall be the case at least where	subject to significant modifications,	be applicable from the date	least where a new connection agreement is
	a new connection agreement is	which shall be the case at least	where the [] power generating	required or the generation capacity is
	required or the generation	where a new connection agreement	facility is subject to significant	increased.
	capacity is increased.	is required or the generation	modifications, which shall be the	meredsed.
		capacity is increased.	case at least where a new	
		1	connection agreement is	
		³⁵ Directive 2009/28/EC of the	required or the generation	
		European Parliament and of the	capacity is increased.	
		Council of 23 April 2009 on the		

²⁴ 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).

²⁵ 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).

²⁶ 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.	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).	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.	No change: 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.	 Provisionally agreed in TM (GA) : [] 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. Provisionally agreed in TM to modify definition 'z'. Line 103.

210.	2. The resources curtailed	AM 55	2. The resources	Provisionally agreed in TM:
	or redispatched shall be	2. The resources curtailed or	redispatched shall be selected	
	selected amongst generation or	redispatched shall be selected	amongst generation, storage or	2. The resources []redispatched shall be
	demand facilities submitting	amongst generation, energy	demand facilities [] using	selected amongst generation, storage or
	offers for curtailment or	storage, and/or demand response	market-based mechanisms and	demand facilities [] using market-based
	redispatching using market-	facilities submitting offers for	be financially compensated. []	mechanisms and be financially compensated.
	based mechanisms and be	curtailment or redispatching using	Balancing energy bids used for	[] Balancing energy bids used for
	financially compensated. Non-	market-based mechanisms and be	redispatching shall not set the	redispatching shall not set the balancing
	market-based curtailment or	financially compensated. Non-	balancing energy price in	energy price. in accordance with the
	redispatching of generation or	market-based curtailment or	accordance with the Balancing	Balancing Guideline adopted on the basis
	redispatching of demand	redispatching of generation or	Guideline adopted on the basis	of Article 18 of the Regulation 714/2009.
	response shall only be used	redispatching of energy storage	of Article 18 of the Regulation	
	where no market-based	and/or demand response shall only	714/2009.	
	alternative is available, where	be used <i>for operational security</i>		
	all available market-based	reasons and where no market-		
	resources have been used, or	based alternative is available or	(part of 2, moved as 2a)	
	where the number of generation	where all available market-based		
	or demand facilities available in	resources have been used, or where		
	the area where suitable	the number of generation, energy		
	generation or demand facilities	storage or demand facilities		
	for the provision of the service	available in the area where suitable		
	are located is too low to ensure	generation, energy storage or		
	effective competition. The	demand facilities for the provision		
	provision of market-based	of the service are located is too low		
	resources shall be open to all	to ensure effective competition.		
	generation technologies, storage	The provision of market-based		
	and demand response, including	resources shall be open to all		
	operators located in other	generation technologies, storage		
	Member States unless	and demand response, including		
	technically not feasible.	operators located in other Member		
		States unless technically not		
		feasible.		

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

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

218.	(b) the reasons, volumes in MWh	Provisionally agreed in TM (EP text):
	and type of generation source	(b) the reasons, volumes in MWh and type
	subject to curtailment or	of generation source subject to curtailment
	downward redispatching;	or downward redispatching;
219.	(c) the measures taken to reduce	Provisionally agreed in TM (EP text):
	the need for the curtailment or	(c) the measures taken to reduce the need
	downward redispatching of	for the curtailment or downward
	generating installations using	redispatching of generating installations
	renewable energy sources or high-	using renewable energy sources or high-
	efficiency cogeneration in the	efficiency cogeneration in the future
	future including investments in	including investments in digitalisation of
	digitalisation of the grid	the grid infrastructure and in services that
	infrastructure and in services that	increase flexibility;
	increase flexibility;	
220.	(d) requests and contractual	Provisionally agreed in TM: deletion
	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	Provisionally agreed in TM:
	authority shall publish the data	The competent regulatory authority shall
	referred to in paragraphs (a) to (d)	publish <u>a summary of</u> the data referred to
	together with recommendations	in paragraphs (a) to (d) together with
	for improvement where necessary.	recommendations for improvement where
		necessary.

222.		Curtailment or redispatching of generating installations using renewable energy sources or high- efficiency cogeneration shall be subject to compensation pursuant to paragraph 6.		Provisionally agreed in TM: deletion []
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:	 No change: 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 high- efficiency 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 high- efficiency cogeneration in their area;	AM 57 (a) guarantee the capability of transmission and distribution networks to transmit electricity produced from renewable energy sources, <i>energy storage, demand-</i> <i>response</i> 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 <i>they can demonstrate in a</i> <i>transparent way that</i> this is more economically efficient and does not exceed 5 % of installed capacities using renewable energy sources, <i>energy storage, demand-response</i> 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	 Provisionally agreed in TM: (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 they can demonstrate in a transparent way that 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
			generating facility using renewable energy sources or high-efficiency cogeneration represents more than 50 % of annual gross final consumption of electricity;	more than 50 % of annual gross final consumption of electricity;
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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 high- efficiency 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.	 Provisionally agreed in TM (GA): (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.		Provisionally agreed in TM (EP): (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:	 <i>Provisionally agreed in TM (GA):</i> 5. Where non-market-based downward redispatching [] is used, the following principles shall apply:

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

230.	(c) self-generated electricity from generating installations using renewable energy sources or high-efficiency cogeneration which is not fed into the transmission or distribution network shall not be curtailed unless no other solution would resolve network security issues;		[]	 Council compromise proposal (revert to COM): (c) self-generated electricity from generating installations using renewable energy sources or high-efficiency cogeneration which is not fed into the transmission or distribution network shall not be curtailed unless no other solution would resolve network security issues;
231.	(d) downward redispatching or curtailment under letters a to c shall be duly and transparently justified. The justification shall be included in the report under paragraph 3.		(d) downward redispatching [] under letters a [] and b [] it shall be duly and transparently justified. The justification shall be included in the report under paragraph 3.	 Provisionally agreed in TM: (d) downward redispatching [] under letters a [] and b [] it shall be duly and transparently justified. The justification shall be included in the report under paragraph 3.
232.	6. Where non-market based curtailment or redispatching is used, it shall be subject to financial compensation by the system operator requesting the curtailment or redispatching to the owner of the curtailed or redispatched generation or demand facility. Financial compensation shall at least be equal to the highest of the following elements:	AM 61 6. Where non-market based curtailment or redispatching is used, it shall be subject to financial compensation by the system operator requesting the curtailment or redispatching to the owner of the curtailed or redispatched generation, <i>energy storage</i> or demand facility. Financial compensation shall at least be equal to the highest of the following elements:	6. Where non-market based [] redispatching is used, it shall be subject to financial compensation by the system operator requesting the [] redispatching to the [] operator of the [] redispatched generation or demand facility except in the case of generators accepting connection agreement in which firm delivery of energy is not 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:	 Provisionally agreed in TM: 6. Where non-market based [] redispatching is used, it shall be subject to financial compensation by the system operator requesting the [] redispatching to the [] operator of the [] redispatched generation, <u>energy storage</u> or demand <u>response</u> facility except in the case of generators accepting connection agreement in which firm delivery of energy is not 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 high- efficiency 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;	 Provisionally agreed in TM (GA): (b) 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 day- ahead 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.	 Provisionally agreed in TM: (b) [] Net revenues from the sale of electricity on the day-ahead market that the generating, <u>energy</u> storage or demand <u>response</u> facility would have generated without the [] redispatching request. Where financial support is granted to generating, <u>storage</u> or demand <u>response</u> 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.	<i>Article 13</i> <i>Definition of bidding zones</i>		Article 13 Measures to address congestion and definition of bidding zones	Council compromise proposal: to divide article 13, into 13 and 13a. <u>Due to changing</u> of 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.	AM 63 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, []	Council compromise proposal: Following adoption this will be paragraph 1		

			with due respect to the provisions in Article 14.	supply with due respect to the provisions in Article 14.
239.	2. Each bidding zone should be equal to an imbalance price area.	AM 64 2. Each bidding zone should be equal to an imbalance price area, <i>except where an imbalance price</i> <i>area may constitute a part of a</i> <i>bidding zone</i> .	[]	Council compromise proposal: [] (covered in line 152)
239a.				 Council 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 14.
240.	3. In order to ensure an optimal bidding zone definition in closely interconnected areas, a bidding zone review shall be carried out. That review shall include analysis of the configuration of bidding zones in a coordinated manner with the involvement of affected stakeholders from all affected Member States, following the	AM 65 3. In order to ensure an optimal bidding zone definition in closely interconnected areas, a bidding zone review shall be carried out. That review shall include analysis of the configuration of bidding zones in a coordinated manner with the involvement of affected stakeholders from all affected Member States, following the	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 []	 Council compromise proposal: Following adoption this will be paragraph 3 of Article 13: 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

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 years.	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, [] 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 [] 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.
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240a.			Council compromise proposal: Following adoption this will be paragraph 4 of Article 13: (based on para 3 Council) (ex part of line 240) By [3 months after the entry into force of this Regulation] all relevant transmission system operators shall submit a proposal [] 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 [] within 3 months 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 [] three years, [] taking due account of tangible progress on infrastructure development projects, that are expected to be realised within the next [] three years.
241.		3a. Irrespective of the concrete outcome of the infrastructure development projects, Article 14 shall apply to the calculation of the available capacity for cross-	Council compromise proposal: []

242.	4. The transmission system operators participating in the bidding zone review shall	AM 66 4. The transmission system operators participating in the	 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. 4. The transmission system operators participating in the bidding zone review shall 	Council compromise proposal: Partially incorporated in second part of paragraph 3 above.
	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.	bidding zone review shall submit a proposal to the <i>relevant Member</i> <i>States</i> whether to amend or maintain the bidding zone configuration. <i>The relevant</i> <i>Member States shall be those</i> <i>participating in the review</i> <i>pursuant to Article 32(2) of</i> <i>Regulation (EU) 2015/1222 and</i> <i>those in the same Capacity</i> <i>Calculation Region(s) pursuant to</i> <i>Regulation (EU) 2015/1222.</i> Based on <i>the</i> proposal, the <i>relevant</i> <i>Member States</i> shall <i>come to a</i> <i>unanimous</i> decision <i>within six</i> <i>months on</i> whether to amend or maintain the bidding zone configuration. Other Member <i>States, Energy Community</i> <i>Contracting Parties or other third</i> <i>countries sharing the same</i> <i>synchronous area with any</i> <i>Member State may submit</i> <i>comments. The decision shall be</i> <i>reasoned,</i> in accordance with <i>relevant Union law and shall take</i> <i>account of any observations of</i> <i>other Member States, Energy</i> <i>Community Contracting Parties</i>	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 OJJ. 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.	 Following adoption this will be paragraph 5 of Article 13: 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 approval of the methodology pursuant to paragraph 4. [] Other Member States, Energy Community Contracting Parties or other third countries sharing the same synchronous area with any Member State may submit comments.

	and other third countries sharing the same synchronous area with any Member State, as well as of commitments on addressing existing congestion made by the relevant Member States. The relevant Member States shall notify the Commission and the Agency of their decision and any cross-border agreements entered 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)	
243.	2015/1222.AM 67Article 13 – paragraph 4 a(new)4 a.Where the relevant MemberStates fail to come to a unanimousdecision within the deadlinereferred to in paragraph 4, orwhere the Member States becomeaware of the fact thatcommitments on which a previousunanimous decision was basedwere not complied with, they shallimmediately notify theCommission.	Council compromise proposal: []

244.	The Commission shall initiate a	Council 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	Council 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	Council compromise proposal:
	choose to amend their bidding	[]
	zones, the Commission shall adopt	
	a decision within six months of	
	that notification, after a thorough	
	evaluation of all the issues at	
	stake, together with an assessment	
	of all available solutions.	

247.		4a. Where structural	Council compromise proposal:
2 7,•		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
		Member States in cooperation	respective [] national regulatory
		with their transmission system	authority or authorities [] the respective
		operators have the possibility,	Member State in cooperation with their
		within 6 months, to define	transmission system operators [] shall
		action plans, national or	decide, within 6 months, to either define
		multinational.	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.
			Council compromise proposal:
			Following adoption this will be paragraph 1
			of Article 13a:
			Following a decision pursuant to Article
			13(6), the respective Member State or
			States shall develop action plans in
			cooperation with their national regulatory
			authority. These action plans shall contain
			a concrete timetable for adopting
			measures to reduce the structural
		These action plans shall	congestions identified within the period of
		contain a concrete timetable	[no later than [4] years after the decision
		for adopting measures to	pursuant to Article 13(6) [].
		reduce the structural	
		congestions identified within	

	the period of <i>[no later than [4]</i> years after entry into force of this Regulation, specific date to be inserted by OJ], including for example acceleration of network development, more efficient use of existing infrastructure, a review of current system operation practices, increased coordination of system operation with relevant neighbouring transmission system operators, review of regulation regarding remedial actions and barriers to increased flexibility and national energy policy measures that shift the location of production and consumption.	
248.	implementing the actions plans pursuant to paragraph 4a shall ensure that without prejudice to derogations under Articles 14(7a) and 14(7b), the level of allocated capacity set out in Article 14(7) is achieved in the last year of the action plan, and in no case later than end of 2025, the minimum allocated capacity. Member States shall achieve the capacity, referred to in this	Council compromise proposal: Following adoption this will be paragraph 2 of Article <u>13a</u> : Irrespective of the concrete progress of the action plan, Member States [] shall ensure that without prejudice to the 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

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	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. [] 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 [].
cross-zonal trade to be compliant with paragraph 7 is at least equal to the values of the trajectory, including by use of remedial actions in the capacity calculation region, but the decisions of the regulatory authorities referred to in paragraphs 7a and 7b are not applicable to such a Member State. Costs of remedial actions required to follow the trajectory or make available cross-zonal capacity at the borders concerned by the action plan shall be borne by the Member State or Member States implementing the action plan.	Council 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.

249.		4c. Six months before the	Council compromise proposal:
		expiry of the action plan,	Following adoption this will be paragraph 6
		Member States shall decide	of Article 13a:
		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 amend 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	Council compromise proposal:
		determine in a report whether	Following adoption this will be paragraph 7
		the cross-border trade	of Article <u>13a</u> :
		capacity reached the minimum	Where a structural congestion has been
		level outlined in Article 14(7).	identified pursuant to paragraph 4 but no
		Where a structural congestion	action plan was defined within 6 months,
		has been identified pursuant to	the relevant transmission system
		paragraph 4a but no action	operators shall within twelve months after
		plan was defined within 6	a structural congestion has been identified
		months, the relevant	assess [] whether the available cross-
		transmission system operators	border capacity has reached the minimum
		shall within twelve months	level outlined in Article 14(7) for the
		after a structural congestion	period of the last 12 months and report to
		has been identified assess the	relevant national regulatory authorities and

		e Agency. For those Member States for
		hich the assessment demonstrates that a
		ansmission system operator has not been
		ompliant with the minimum level,
	the last 12 months, and de	<mark>ecision-making process in</mark> paragraph 5
	determine in a report whether ap	pplies.
	the cross-border trade	
	capacity reached its minimum	
	level outlined in Article 14(7).	
	The assessments under this	
	paragraph shall be	
	continuously reiterated every	
	24 months for the period of the	
	last 24 months.	
250.	4d. For those Member <i>Ca</i>	ouncil compromise proposal:
	States for which the Fa	ollowing adoption this will be paragraph 5
	assessment following of	f Article <u>13a</u> :
	paragraph 4c demonstrates Fo	or those Member States for which the
	that a transmission system as	ssessment following paragraph 4
	operator has not been de	emonstrates that a transmission system
	compliant with the level op	perator has not been compliant with the
	outlined in Article 14(7) or for [] linear trajectory [] the relevant
	those Member States that have M	Iember States shall come to a unanimous
	opted for a bidding zone split, de	ecision within 6 months from receiving
	the relevant Member States th	ne assessment referred in paragraph 4 on
	shall come to a unanimous wi	hether to maintain or amend the bidding
		one configuration. Other Member States
		ay submit comments to the relevant
		Iember States who should take account
		f these comments when coming to their
	8	ecision. The decision shall be justified
	•	nd [] notified to the Commission and the
		gency. Should the relevant Member
		tates fail to come to a unanimous
	should take account of these de	ecision within the allowed timeframe,

comments when coming to their decision. The decision shall be justified, and shall notified to the Commission and the Agency.	they shall immediately notify the Commission. [] 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. []
4e. Should the relevant Member States fail to come to an unanimous decision within the allowed timeframe, they shall immediately notify the Commission. The Commission may make further proposals and may invite the relevant Member States for consultation aiming at fostering a balanced solution within three months. As a measure of last resort, the Commission after consultation with the Agency and the relevant stakeholders shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States that are subject to the decision according to paragraph 4d, by six months after receiving of such a notification.	Council compromise proposal: Following adoption this will be paragraph 7 of Article 13: []-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. (ex 4e) Should the relevant Member States fail to come to a unanimous decision within the allowed timeframe, they shall immediately notify the Commission. [] As a measure of last resort, the Commission after consultation with the Agency [] shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States [] by six months after receiving such a notification.

252.			4f. In case one of the	Council 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	
253.	5. The decision referred to	AM 68	apply.5. The decision referred to in	Council compromise proposal:
255.		5. Where the relevant Member		
	in paragraph 4 shall be based on the result of the hidding zero	S. Where the relevant Member State chooses to establish a	paragraph 4d or 4e shall be	<i>Following adoption this will be paragraph 6</i> <i>of Article <u>13a</u>:</i>
	the result of the bidding zone review and the transmission		based on the report identifying structural congestion or the	·
		detailed road map with concrete	e e	Six months before the expiry of the action plan, Member States shall decide whether
	system operators' proposal concerning its maintenance or	milestones on how the congestion issues will be resolved, that	result of the bidding zone review and the transmission system	
	amendment. The decision shall		operators' proposal in	to amend their bidding zone to address
		Member State shall, within six		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 the Commission and other	in paragraph 4c concerning its	with remedial actions for which they shall cover the costs.
	from the result of the bidding		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 deviations from the result of the	
		roadmap the relevant Member		
		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	Council 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	Council 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	Council compromise proposal:
	to be in compliance with Article 14	[]
	paragraph 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.	

255		$C \rightarrow 1 \rightarrow 1$
257.	AM 69	Council compromise proposal:
	Article 13 – paragraph 5 a (new)	Following adoption this will be paragraph 4
		of Article <u>13a</u> :
	5a. The relevant transmission	Yearly during the implementation of the
	system operators and national	action plan and within six months after
	regulatory authorities shall assess	the expiry of the action plan, the relevant
	yearly whether the available cross-	transmission system operators [] shall [
	border capacity has reached the	assess whether the available cross-border
	linear trajectory or, as of the end	capacity has reached the linear trajectory
	of 2025, the minimum level	or, as of the end of 2025, the minimum
	outlined in Article 14(7).	level outlined in Article 14 (7) for the
	outtinet in Article 14(7).	
		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	Council compromise proposal:
	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.	

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.	Council 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. []
260.	7. The Commission shall consult relevant stakeholders on its decisions under this Article before they are adopted.	AM 72 7. <i>Member States and</i> the Commission shall consult relevant stakeholders <i>before adopting a</i> <i>decision</i> under this Article.	[]	Council 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 <i>adopted under this Article</i> 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 <i>may be defined</i> as part of <i>the</i> 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 [].	Council 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 []. 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.		Council compromise proposal: [] (covered by line 259)
263.		General principles of capacit	<i>Article 14</i> 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.		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	Council compromise proposal (COM): 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.

		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 re- dispatching or countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner. Except in cases of force majeure, market participants who have been allocated capacity shall be compensated for any curtailment.
266.		2a. Transmission system operators may decide not to implement the coordinated actions issued by the regional security coordinator of the system operation region, or the regional security coordinator himself may reduce the capacities calculated in the coordinated capacity calculation in their coordinated actions where the outcome of the coordinated capacity calculation, carried out pursuant to the capacity	Council compromise proposal: 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). [] They shall calculate cross-zonal capacities respecting operational security limits using data from transmission system operators including the technical availability of remedial actions, except load shedding. Where regional

allocation and congestion	coordination centres conclude that all
management guideline and	available remedial actions in the capacity
paragraphs 3 and 7, would	calculation region or between capacity
result in a violation of the	calculation regions are not sufficient to
operational security limits	reach the threshold in Article 14(7) while
defined by the transmission	respecting operational security limits, they
system operator in accordance	may, as a measure of last resort, set out
with the System Operation	coordinated actions reducing the cross-
Guideline adopted on the basis	zonal capacities accordingly.
of Article 18 of Regulation	
714/2009, for example in case	Transmission system operators may only
of insufficient redispatch	deviate from coordinated actions in
potential within the capacity	respect of coordinated capacity
calculation region. Such a	calculation and coordinated security
deviation shall be duly	analysis in accordance with Article 38(2).
justified by the relevant	
transmission system operators.	Every three months, the regional
The relevant transmission	coordination centres shall report to the
system operators shall inform	relevant national regulatory authorities
the Regional Security	and the Agency on reductions and
Coordinators and the national	deviations pursuant to this paragraph and
regulatory authorities of the	shall assess the incidences and make
capacity calculation region of	recommendations, if needed, on how to
such deviation without undue	avoid such deviations in the future. If the
delay in accordance with	Agency concludes that the prerequisites
Article 38(2a) of this	for a deviation pursuant to this paragraph
Regulation. Once a year, the	were not fulfilled or are of a structural
Regional Security Coordinator	nature, the Agency shall submit an
shall report to the relevant	opinion to the relevant national regulatory
national regulatory authorities	authorities and the Commission. The
and the Agency on the	relevant national regulatory authorities
deviations pursuant to this	shall take appropriate action against
paragraph and shall assess the	transmission system operators or regional
incidences and analyse, if	coordination centres pursuant to articles
needed, how to avoid such	59 or 62 of the [recast Electricity
needed, now to avoid such	57 01 02 01 the frecast Electricity

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

		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.	
268.	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 same interconnection. For intra- day trade continuous trading shall be used, which may be complemented by auctions.		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 same interconnection. For intra- day trade continuous trading shall be used which may be complemented by auctions.	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 same interconnection. For intra-day trade continuous trading shall be used which may be complemented by auctions.
269.	5. The highest value bids, whether implicit or explicit in a given timeframe, shall be successful. Other than in the case of new interconnectors which benefit from an exemption under Article 7 of Regulation (EC) No 1228/2003, Article 17 Regulation 714/2009 or Article 59, establishing reserve prices in capacity- allocation methods shall not be allowed.		5. In case of congestion, the valid highest value bids for network capacity, whether implicit or explicit, offering the highest value for the (scarce) transmission capacity in a given timeframe, shall be successful. Other than in the case of new interconnectors which benefit from an exemption under Article 7 of Regulation (EC) No 1228/2003, Article 17 Regulation 714/2009 or Article 59, establishing reserve prices in capacity- allocation methods shall not be allowed.	 Council compromise proposal (GA): In case of congestion, the valid highest value bids for network capacity, whether implicit or explicit, offering the highest value for the (scarce) transmission capacity in a given timeframe, shall be successful. Other than in the case of new interconnectors which benefit from an exemption under Article 7 of Regulation (EC) No 1228/2003, Article 17 Regulation 714/2009 or Article 59, establishing reserve prices in capacity-allocation methods shall not be allowed.

270. 271.	 6. Capacity shall be freely tradable on a secondary basis, provided that the transmission system operator is informed sufficiently in advance. Where a transmission system operator refuses any secondary trade (transaction), this shall be clearly and transparently communicated and explained to all the market participants by that transmission system operator and notified to the regulatory authority. 7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to other market participants in 	AM 76 7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to other market	 6. Capacity shall be freely tradable on a secondary basis, provided that the transmission system operator is informed sufficiently in advance. Where a transmission system operator refuses any secondary trade (transaction), this shall be clearly and transparently communicated and explained to all the market participants by that transmission system operator and notified to the regulatory authority. 7. Transmission system operators shall not limit the volume of interconnection capacity to be made available to L market participants in order. 	 No change: Capacity shall be freely tradable on a secondary basis, provided that the transmission system operator is informed sufficiently in advance. Where a transmission system operator refuses any secondary trade (transaction), this shall be clearly and transparently communicated and explained to all the market participants by that transmission system operator and notified to the regulatory authority. Council compromise proposal: Transmission system operators shall not limit the volume of interconnection capacity to be made available to [] market participants in order to solve congestion
271.				
				1 2
	order to solve congestion inside	participants in order to solve	[] market participants in order to solve congestion inside their	inside their own bidding zone or as a
	their own control area or as a	congestion inside their own control	own bidding zone or as a	means of managing flows [] resulting
	means of managing flows on a	area or as a means of managing	means of managing flows	from transaction internal to bidding zones
	border between two control	flows on a border between two	leaving and re-entering the	[].
	areas observed even without	control areas observed even	same bidding zone without	L 1.
	any transaction, that is to say	without any transaction, that is to	being scheduled unless	
	flows over control areas caused	say flows over control areas caused	otherwise provided under	
	by origin and destination within	by origin and destination within	paragraph 7a or 7b.	
	one control area.	one control area.		

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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 proposal: Without prejudice to the application of the derogations under paragraphs 2a 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 [] 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;	 Council compromise proposal: (i) For borders using a coordinated net transmission capacity approach, the minimum level shall be 75% of the net transmission [] capacity [] 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 proposal: (ii) For borders using a flow-based approach, the minimum level shall be a margin set in the capacity calculation process as available for flows induced by cross-zonal exchange. The margin shall be 75% of the [] capacity respecting operational security limits of internal and cross-zonal [] critical network elements

		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.	after deduction of reliability margins and 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 proposal: 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 cross- zonal 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 proposal: 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 []. Such a derogation, which may not relate to

a derogation, which may not	Τ1	an anotional accountry [] athere	autailmant of almostry allocated as
relate to curtailment of already		operational security [] other	curtailment of already allocated capacities
		than the ones covered under	pursuant to paragraph 2, shall be limited []
allocated capacities pursuant to		paragraph 7a, for instance in	to one year at a time, or up to maximum
paragraph 5, shall be limited in		case of grid maintenance	two years with a significantly decreasing
time, strictly limited to what is		measures. Such a derogation,	level of the derogation each year, be
necessary, and avoid		which may not relate to	strictly limited to what is necessary, and
discrimination between internal		curtailment of already allocated	avoid discrimination between internal and
and cross-zonal exchanges.		capacities pursuant to paragraph	cross-zonal exchanges. Before granting a
Before granting a derogation,		5, shall be limited [] to one	derogation, the relevant regulatory
the relevant regulatory authority		year at a time, or up to	authority shall consult the regulatory
shall consult the regulatory		maximum two years with a	authorities of other Member States
authorities of other Member			
States forming part of an		significantly decreasing level	forming part of an affected capacity
affected capacity calculation		of the derogation each year, be	calculation region. In case a regulatory
region. In case a regulatory		strictly limited to what is	authority disagrees with the proposed
authority disagrees with the		necessary, and avoid	derogation, the Agency shall decide on the
proposed derogation, the		discrimination between internal	derogation pursuant to Article 6(8)(a)
Agency shall decide on the		and cross-zonal exchanges. []	[recast of Regulation (EC) No 713/2009 as
derogation pursuant to Article		The justification and reasons for	proposed by COM(2016) 863/2]. [] The
6(8)(a) [recast of Regulation		the derogation shall be	justification and reasons for the derogation
(EC) No 713/2009 as proposed		published. Where a derogation is	shall be published. Where a derogation is
by COM(2016) 863/2]. The		granted, the relevant	granted, the relevant transmission system
justification and reasons for the		transmission system operators	operators shall develop and publish a
derogation shall be published.		shall develop and publish a	methodology and projects that shall provide
Where a derogation is granted,		methodology and projects []	a long-term solution to the issue that the
the relevant transmission		that shall provide a long-term	derogation seeks to address. The derogation
system operators shall develop		solution to the issue that the	
and publish a methodology and			shall expire when the time limit is reached
projects that shall provide a		derogation seeks to address. The	$\operatorname{or}_{\overline{s}}$ once the solution is applied, whichever is
long-term solution to the issue		derogation shall expire when the	earlier.
that the derogation seeks to		time limit is reached or, once the	
address. The derogation shall		solution is applied, whichever is	
expire when the time limit is		earlier.	
reached or, once the solution is			
applied, whichever is earlier.			

170	9 Montrat nontrainanta al-11	9 Montrot nontininanta al-11	No change
278.	8. Market participants shall	8. Market participants shall	No change:
	inform the transmission system	inform the transmission system	8. 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,	
	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	5
	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-
i	cuse of explicitly auctioned	or explicitly additioned capacity,	rights to such capacity and pay a cost-

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

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281.		11. When allocating costs of	
		remedial actions between	11. When allocating costs of remedial
		transmission system operators	, actions between transmission system
		regulators shall analyse to	operators, [] national regulatory
		what extent flows leaving and	authorities shall analyse to what extent
		re-entering a bidding zone	flows [] resulting from transactions
		without being scheduled	internal to bidding zones contribute to the
		contribute to the congestion	congestion between two bidding zones
		between two bidding zones	observed, and allocate the costs [] based
		observed, and allocate the	on the contribution to the congestion, []
		costs in proportion to the	except for costs induced by flows []
		contribution to the congestion	resulting from transactions internal to
		in line with re-dispatching and	bidding zones to the extent that could be
		countertrading cost sharing	expected without structural congestion in
		methodology in accordance	a bidding zone. For this purpose, all
		with the capacity allocation	transmission system operators of a
		and congestion management	capacity calculation region shall jointly
		guideline adopted on the basis	establish a maximum level of expected
		of Article 18 of Regulation	flows resulting from transactions internal
		(EU) 714/2009 and Article 76	to bidding zones, applicable to all bidding
		of Commission Regulation	zone borders of the capacity calculation
		(EU) 2017/XYZZ. This shall	region, which shall be approved by all
		not apply to the threshold	national regulatory authorities of the
		pursuant to paragraph 7a.	capacity calculation region.

282.		Article 15 Allocation of cross-zonal capacity across timeframes				
283.	1. Transmission system operators shall recalculate available cross-zonal capacity at least after day-ahead and after intraday cross-zonal gate closure times. Transmission system operators shall allocate the available cross-zonal capacity plus any remaining cross-zonal capacity not previously allocated and any cross-zonal capacity released by physical transmission right holders from previous allocations in the next cross- zonal capacity allocation process.	 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. 				
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:Council compromise proposal (GA): 1a.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:Ia.Transmission system operators shall define an appropriate structure for the allocation of cross-zonal 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	Council compromise proposal (GA):
		markets;	a) the characteristics of the markets;
286.		b) the operational	Council compromise proposal (GA):
		condition, such as the	b) the operational condition, such as
		implications of netting firmly	the implications of netting firmly declared
		declared schedules;	schedules;
287.		c) the level of	Council compromise proposal (GA):
		harmonisation of the	c) the level of harmonisation of the
		percentages and timeframes	percentages and timeframes adopted for
		adopted for the different	the different cross-zonal capacity
		cross-zonal capacity allocation	allocation mechanisms in place.
		mechanisms in place.	
288.	2. When cross-zonal	2. When cross-zonal	No change:
	capacity is available after the	capacity is available after the	
	intraday cross-zonal gate	intraday cross-zonal gate closure	2. When cross-zonal capacity is available
	closure time, transmission	time, transmission system	after the intraday cross-zonal gate closure
	system operators shall use the	operators shall use the cross-	time, transmission system operators shall use
	cross-zonal capacity for the	zonal capacity for the exchange	the cross-zonal capacity for the exchange of
	exchange of balancing energy	of balancing energy or for	balancing energy or for operating the
	or for operating the imbalance	operating the imbalance netting	imbalance netting process.
	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.	 Council compromise proposal: 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 <u>network codes and guidelines</u> on balancing. [] 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.	 No change: 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.		Network shou	Section 2 es and congestion income	
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292. 293.	Article 16 Charges for access to networks 1. Charges applied by	AM 77 Charges for access to networks, <i>use</i> <i>of networks and reinforcement</i> AM 78	Article 16 Charges for connection and access to networks	Provisionally agreed in TM: Article 16 Charges for access to networks, <u>use of</u> <u>networks and reinforcement</u> Provisionally agreed in TM:
273.	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	ANY 78 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 <i>fair, costreflective</i>, 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. <i>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</i>. In particular, they shall <i>neutrally support overall system efficiency in the long run through price signals to consumers and producers and they shall as far as possible</i> be applied in a way which does not discriminate between production connected at the 	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	 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 <u>cost-reflective</u>, 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. [] <u>These charges</u> <u>shall not include unrelated costs</u> <u>supporting unrelated policy objectives</u>. 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 <u>neutrally</u> <u>support overall system efficiency in the</u> <u>long run through price signals to</u> <u>consumers and producers and in</u> 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 <u>unduly</u> discriminate either positively or negatively against energy

	response. Without prejudice to paragraph 3, those charges shall not be distance-related.	distribution level and production connected at the transmission level, either positively or negatively. They shall not discriminate against energy storage and <i>aggregation</i> <i>and</i> shall not create disincentives <i>for self-generation, self-</i> <i>consumption and</i> for participation in demand response. Without prejudice to paragraph 3, those charges shall not be distance- related.	either positively or negatively 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.	storage <u>and aggregation</u> and shall not create disincentives <u>for self-generation, self-</u> <u>consumption and</u> 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 <i>global competitiveness, and</i> support <i>efficient</i> investments, <i>in</i> <i>particular in digitalisation,</i> <i>flexibility services and</i> <i>interconnections,</i> 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.	 Provisionally agreed in TM: 2. Tariff methodologies shall [] reflect provide appropriate incentives and reflect 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 efficient investments, [] I the related research activities and facilitate innovation in the consumer's interest in areas such as digitalisation, flexibility services and interconnection.

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

301.	7. 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 7. Transmission and distribution tariffs shall be cost- reflective 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.	7. 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.	 Provisionally agreed in TM: 7. Distribution tariffs shall reflect the cost of be cost-reflective taking into account the use of the distribution network by system users including active customers, may contain network 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, [] time differentiated network tariffs shall be considered by national regulatory authorities when fixing or approving transmission and distribution tariffs or their methodologies in line with article 59(6) of the [Electricity Directive] and, where appropriate, may be introduced, reflecting the use of the network, in a transparent, cost efficient and foreseeable way for the consumer. (see also above para 2)
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302.	8. Regulatory authorities shall provide incentives to distribution system operators to procure services for the operation and development of their networks and integrate innovative solutions in the distribution systems. For that purpose regulatory authorities shall recognise as eligible and include all relevant costs in distribution tariffs and introduce performance targets in order to incentivise distribution system operators to raise efficiencies, including energy efficiency, in their networks.	AM 81 8. Regulatory authorities shall provide incentives to distribution system operators for the <i>most</i> <i>efficient</i> operation and development of their networks and integrate innovative solutions in the distribution systems, <i>including</i> <i>through the procurement of</i> <i>services</i> . For that purpose regulatory authorities shall recognise as eligible and include all relevant costs in distribution tariffs and introduce performance targets in order to incentivise distribution system operators to raise efficiencies, including energy efficiency, <i>flexibility and the</i> <i>digitalisation of the distribution</i> <i>networks including the</i> <i>deployment of smart grids and</i> <i>intelligent metering systems</i> , in their networks.	8. [] The allowed revenues to be covered through distribution tariffs may include performance targets in order to incentivise distribution system operators [] to operate their networks as efficiently as possible.	 <i>Provisionally agreed in TM:</i> 8. Regulatory authorities <u>Distribution</u> <u>tariff methodologies</u> shall provide incentives to distribution system operators for the <i>most <u>cost-efficient</u></i> operation and development of their networks and integrate innovative solutions in the distribution systems, including through the procurement of services. For that purpose regulatory authorities shall recognise as eligible and include all relevant costs in distribution tariffs and <u>may</u> introduce performance targets in order to incentivise distribution system operators to raise efficiencies, including <u>through</u> energy efficiency, <i>flexibility and the development</i> <i>of smart grids and intelligent metering</i> <i>systems</i>, in their networks.
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303.	9. By [OP: please add	AM 82	9. By [OP: please add	Provisionally agreed in TM (GA):
	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	9. By [OP: please add specific date –
	Agency shall provide a	force] the Agency shall <i>evaluate</i>	mitigate the risk of market	three months after entry into force] to
	recommendation addressed to	the feasibility on the convergence	fragmentation the Agency shall	mitigate the risk of market fragmentation
	regulatory authorities on the	of transmission and distribution	provide a [] best practice	the Agency shall provide a [] best practice
	progressive convergence of	tariff methodologies. The	report on [] transmission and	report on [] transmission and distribution
	transmission and distribution	<i>feasibility study</i> shall address at	distribution tariff methodologies	tariff methodologies while leaving sufficient
	tariff methodologies. That	least:	while leaving sufficient room	room to take national specificities into
	recommendation shall address		to take national specificities	account. That [] best practice report shall
	at least:		into account. That [] best	address at least:
			practice report shall address at	
			least:	
304.	(a) the ratio of tariffs applied		(a) the ratio of tariffs applied	No change:
	to producers and to consumers;		to producers and to consumers;	(a) the ratio of tariffs applied to producers
				and to consumers;
305.	(b) the costs to be recovered		(b) the costs to be recovered	No change:
	by tariffs;		by tariffs;	(b) the costs to be recovered by tariffs;
306.	(c) time differentiated		(c) time differentiated	No change:
	network tariffs;		network tariffs;	(c) time differentiated network tariffs;
307.	(d) locational signals;		(d) locational signals;	No change:
				(d) locational signals;
308.	(e) the relationship between		(e) the relationship between	Provisionally agreed in TM (GA):
	transmission and distribution		transmission and distribution	(e) the relationship between transmission
	tariffs, including principles		tariffs,	and distribution tariffs,
	relating to non-discrimination;			
309.	(f) methods to ensure		(f) methods to ensure	No change:
	transparency in the setting and		transparency in the setting and	(f) methods to ensure transparency in the
	structure of tariffs;		structure of tariffs;	setting and structure of tariffs;
310.	(g) groups of network users	AM 83	(g) groups of network users	Provisionally agreed in TM (GA):
	subject to tariffs, including	(g) groups of network users	subject to tariffs, including tariff	(g) groups of network users subject to
	tariff exemptions.	subject to tariffs <i>according to</i>	exemptions.	tariffs including, where applicable, their
		characteristics and forms of		characteristics, forms of consumption, and
		consumption, including tariff		any tariff exemptions.
		exemptions		

310a.			(e) losses in high, medium and low-voltage grids; (moved from line 317)
311.		The Agency shall update its report at least once every two years.	Provisionally agreed in TM (GA): 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:		Provisionally agreed in TM: []
313.	(a) volume of curtailed energy in MWh, disaggregated per type of generation source;		Provisionally agreed in TM: []
314.	(b) percentage of the length of lines operated under dynamic line ratings;		Provisionally agreed in TM: []
315.	(c) percentage of substations remotely monitored and controlled in real-time;		Provisionally agreed in TM: []
316.	(d) percentage of the length of lines operated under dynamic line ratings;		Provisionally agreed in TM: []
317.	(e) losses in high, medium and low-voltage grids;		Provisionally agreed in TM: [] Moved to line 310a.
318.	(f) the frequency and duration of power interruptions on the grid.		Provisionally agreed in TM:

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.		Provisionally agreed in TM: []
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].		[]	Provisionally agreed in TM: 10. [] Regulatory authorities shall take the best practice report duly into consideration when approving or fixing transmission or distribution 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.		[]	Provisionally agreed in TM:

322.		Article 17 Congestion income	
323.	1. Congestion-management procedures associated with a pre-specified timeframe may generate revenue only in the event of congestion which arises for that timeframe, except in the case of new interconnectors which benefit from an exemption under Article 7 of Regulation (EC) No 1228/2003, Article 17 of Regulation (EC) No 714/2009 or Article 59. The procedure for the distribution of those revenues shall be subject to review by the regulatory authorities and shall neither distort the allocation process in favour of any party requesting capacity or energy nor provide a disincentive to reduce congestion.	Congestion income1.Congestion-management procedures associated with a pre-specified timeframe may generate revenue only in the event of congestion which arises for that timeframe, except in the case of new interconnectors which benefit from an exemption under Article 7 of Regulation (EC) No 1228/2003, Article 17 of Regulation (EC) No 714/2009 or Article 59. The procedure for the distribution of those revenues shall be subject to review by the regulatory authorities and shall neither distort the allocation process in favour of any party requesting capacity or energy nor provide a disincentive to reduce congestion.	No change: 1. Congestion-management procedures associated with a pre-specified timeframe may generate revenue only in the event of congestion which arises for that timeframe, except in the case of new interconnectors which benefit from an exemption under Article 7 of Regulation (EC) No 1228/2003, Article 17 of Regulation (EC) No 714/2009 or Article 59. The procedure for the distribution of those revenues shall be subject to review by the regulatory authorities and shall neither distort the allocation process in favour of any party requesting capacity or energy nor provide a disincentive to reduce congestion.

324. 325.	 2. Any revenues resulting from the allocation of interconnection capacity shall be used for the following purposes: (a) guaranteeing the actual availability of the allocated capacity; 	AM 85 2. Any revenues resulting from the allocation of interconnection capacity shall be used for the following purposes: (a) guaranteeing the actual availability of the allocated capacity; <i>or</i>	 2. Any revenues resulting from the allocation of interconnection capacity shall be used for the following purposes: (a) guaranteeing the actual availability of the allocated capacity including firmness compensation; 	 Provisionally agreed in TM: 2. Any revenues resulting from the allocation of interconnection capacity shall be used <u>as a priority</u> for the following purposes: Provisionally agreed in TM: (a) guaranteeing the actual availability of the allocated capacity including firmness compensation; or
325a.				Provisionally agreed in TM: (aa) by optimising the usage of existing interconnectors by coordinated remedial actions such as redispatch and countertrading, where applicable; or
326.	(b) maintaining or increasing interconnection capacities through network investments, in particular in new interconnectors.	(b) maintaining or increasing interconnection capacities through <i>optimisation of the usage of</i> <i>existing interconnectors by</i> <i>coordinated remedial and</i> <i>countertrading actions or</i> network investments, <i>up to the target value</i> <i>for transfer capacity at cross-</i> <i>border boundaries</i> .	(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,	 Provisionally agreed in TM: (b) maintaining or increasing interconnection capacities through network investments, in particular in new interconnectors and internal lines <u>relevant</u> to reduce interconnector congestion. are relevant to re 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.	Provisionally agreed in TM: []

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.	 Provisionally agreed in TM: 2a. <u>Where the priority objectives</u> set out in paragraph 2 are adequately fulfilled, the 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. The residual revenues shall be placed on a separate internal account line until such time as it can be spent on the purposes set out in paragraph 2.
329.	3. The use of revenues in accordance with points (a) and (b) of paragraph 2 shall be subject to a methodology proposed by the Agency and approved by the Commission. The Agency's proposal shall be submitted to the Commission by [OP: 12 months after entry into force] and be approved within six months.	AM 86 3. The use of revenues in accordance with [] paragraph 2 shall be subject to a methodology proposed by the Agency and approved by the Commission. The Agency's proposal shall be submitted to the Commission by [OP: 12 months after entry into force] and be approved within six months.	3. The use of revenues in accordance with points (a) [] (b) or (c) of paragraph 2 shall be subject to a methodology proposed [] by the transmission system operators in consultation with regulatory authorities and approved by the Agency. The transmission system operators shall submit the proposal to the Agency by [OP: 12 months after entry into force] and the Agency shall decide on it within six months.	 Provisionally agreed in TM: 3. The use of revenues in accordance with points (a) or (b) or (c) of paragraph 2 shall be subject to a methodology proposed [] by the transmission system operators after consultation of regulatory authorities and relevant stakeholders and approved by the Agency. The transmission system operators shall submit 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.		[]	Provisionally agreed in TM: The Agency may [] <u>request transmission</u> <u>system operators to update the</u> <u>methodology. The Agency</u> 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].		[]	Provisionally agreed in TM:
332.	The methodology shall detail as a minimum the conditions under which the revenues can be used for points (a) and (b) of paragraph 2 and the conditions under which, and for how long, they may be placed on a separate internal account line for future use on those purposes.	The methodology shall detail as a minimum the conditions under which the revenues can be used for [] paragraph 2 and the conditions under which, and for how long, they may be placed on a separate internal account line for future use on those purposes.	3a. The methodology shall detail as a minimum the conditions under which the revenues [] are deemed to have fulfilled the objectives expressed in points (a) [] (b) or (c) of paragraph 2 [].	<i>Provisionally agreed in TM:</i> The methodology shall detail as a minimum the conditions under which the revenues can be used for [] paragraph 2 and the conditions under which, and for how long, they may be placed on a separate internal account line for future use on those purposes

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

334.			Chapter IV ource 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.	Council compromise proposal: Member States shall monitor resource adequacy within their territory [] based on the European resource adequacy assessment pursuant to Article 19. [] For the purposes of complementing the European resource adequacy assessment, Member States may in addition perform national resource adequacy assessments 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 <i>and/or market failures</i> 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.	 Council compromise proposal (aligned with paragraph 3): 2. Where the European or the national resource adequacy assessments identify 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.
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	 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 	 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 	Council compromise (3 (a) - (g)): 3. [] Member States 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 as a part of the State Aid process. When addressing resource

	pricing, developing interconnection, energy storage, demand side measures and energy efficiency.	concerns, the Member States shall <i>build on the principles set out in Article 3 and</i> in particular:	particular take into account the principles defined in Article 3 and consider removing regulatory distortions, enabling scarcity pricing via free price formation, developing interconnections with other Member States, allowing for undistorted market access for all market participants including, but not limited to energy storage, demand side measures and energy efficiency.	[] ir	acy concerns, the Member States shall a particular take into account the iples set out in Article 3 and [] der:
339.		(a) remove regulatory distortions;		<i>(a)</i>	<i>removing</i> regulatory distortions;
340.		(b) remove price caps;		<i>(b)</i>	<i>remove price caps in accordance with article 9;</i>
341.		(c) introduce an administrative shortage pricing for balancing energy;		(C)	<i>introduce a shortage</i> pricing <i>function for balancing energy</i> as referred in Article 44(3) of Regulation 2017/2195;
342.		(d) increase interconnection and internal grid capacity;		(d)	<i>increase</i> interconnection <i>and</i> <i>internal grid capacity <u>with a view to</u> <u>reaching at least their</u> <u>interconnection targets as referred</u> <u>in Article 4(d)(1) of the Governance</u> Regulation;</i>
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 adopting measures to eliminate any identified regulatory distortions;

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

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

351.		3a. Where the national	Council compromise proposal to move to
551.		resource adequacy assessment	article 19.
		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.	
		uie opinion.	

352.	AM 97 Article 18 a (new) General principles for capacity mechanisms	Council compromise proposal (this article should be merged with article 23 - 2 opening paragraphs). Consolidated version of article 18a/18b can be found in Annex II Article 18 a (new) General principles for capacity mechanisms
353.	1. To address residual concerns that cannot be eliminated by the measures pursuant to Article 18(3), Member States may, as a last resort and subject this Article and to Union State aid rules, introduce capacity mechanisms	Council compromise proposal (accept para 1): 1. To address residual concerns that [] may not be eliminated by the measures pursuant to Article 18(3), Member States may, [] while implementing those measures and subject to this Article and to Union State aid rules, introduce capacity mechanisms.
354.	2. Before introducing capacity mechanisms under paragraph, as referred to in paragraph 1, Member States shall conduct a comprehensive study of their possible effects on the neighbouring Member States by consulting, at least, its electrically connected neighbouring Member States and the stakeholders of those Member States.	Council compromise proposal (accept para 2): 2. Before introducing capacity mechanisms under paragraph, as referred to in paragraph 1, Member States shall conduct a comprehensive study of their possible effects on the neighbouring Member States by consulting, at least, its electrically connected neighbouring Member States and the stakeholders of those Member States.

rr	
354a.	2a. Member States shall not introduce
	capacity mechanisms where both the
	European and the national adequacy
	assessments, or in the absence of a
	national adequacy assessment, the
	European adequacy assessment have not
	identified a resource adequacy concern.
	3. Member States shall not introduce
	capacity mechanisms before the Agency
	has published its opinion as referred to in
	Article 18(3b).
	4. Where a Member State applies a
	capacity mechanism, it shall review that
	mechanism and shall provide that no new
	contracts are concluded under that
	mechanism where both the European and
	the national adequacy assessment, or in
	the absence of a national adequacy
	assessment, the European adequacy
	assessment, the European adequacy assessment have not identified a resource
	adequacy concern.
	<u>aucquaty contern.</u>
	5. When designing capacity mechanisms
	<u>S. when designing capacity incentions</u> Member States shall include a provision
	allowing for an efficient administrative
	phase-out of the capacity mechanism in
	case no new contracts are concluded
	under paragraph 5 during [3] consecutive
	<u>years.</u>

355.	3. Member States shall assess	Council compromise proposal (deletion):
	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	Council compromise proposal (deletion):
	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	Council compromise proposal (deletion):
	already applies a capacity	
	mechanism, it shall review that	
	mechanism and shall provide that	
	no new contracts are concluded	
	under that mechanism where one	
	or both of the following applies:	
358.	(a) the European resource	Council compromise proposal (deletion):
	adequacy assessment has not	
	identified a resource adequacy	
	concern;	

359.	(b) the detailed implementation	Council compromise proposal (deletion):
	plan as referred to in Article 18(3)	
	has not received a positive	
	decision by the Commission as	
	referred to in Article 18(3b).	
360.	6. Capacity mechanisms shall	Council compromise proposal (deletion):
	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	Council compromise proposal (deletion):
	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 <i>[OP: 5 years</i>	
	after the entry into force of this	
	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 [].	 Council compromise proposal: 1. The European resource adequacy assessment shall <i>determine resource</i> adequacy concerns by assessing the overall adequacy of the electricity system to supply current and projected demands for electricity for every single year within 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 tenyear 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.		Council compromise proposal (EP text): 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.	Council compromise proposal (GA): . 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	AM 100	3. Transmission system	Council compromise proposal:
	operators shall provide the	3. Transmission system	operators shall provide the	3. Transmission system operators shall
	ENTSO for Electricity with the	operators shall provide the ENTSO	ENTSO for Electricity with the	provide the ENTSO for Electricity with the
	data it needs to carry out, every	for Electricity with the <i>necessary</i>	data it needs to carry out [] the	data it needs to carry out [] the European
	year, the European resource	data. The transmission system	European resource adequacy	resource adequacy assessment.
	adequacy assessment. The	operators shall have the right to	assessment. The ENTSO for	
	ENTSO for Electricity shall	request relevant data not	Electricity shall carry out the	Where a national resource adequacy
	carry out the assessment every	containing commercially sensitive	assessment every year.	assessment is performed pursuant to
	year.	information, and not already	Generators and other market	Article 19a, Transmission System
		collected by the relevant DSO,	participants shall provide	Operators, along with Member States
		from generators and other market	transmission system operators	authorities, shall also provide the ENTSO
		participants.	with data regarding expected	for electricity with :
			utilization of the generation	
			resources, considering the	 a methodology report detailing the
			availability of primary	assumptions and scenarios used in the
			resources and appropriate	<u>current year national adequacy</u>
			scenarios of projected demand	<u>assessment.</u>
			and supply.	
				<u>- a synthesis of the conclusions of the</u>
				current year national 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 <i>transparent</i> 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:	 <i>Council compromise proposal:</i> The European resource adequacy assessment shall be based on a <i>transparent</i> 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;	 <i>Council compromise proposal (GA):</i> (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, new- build of generation assets and measures to reach energy efficiency targets and appropriate sensitivities on wholesale prices and carbon price developments;	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 of generation assets and measures to reach energy efficiency <i>and</i> <i>electricity interconnection</i> targets and appropriate sensitivities on wholesale prices and carbon price developments;	(b) is based on appropriate central scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, new- build of generation assets and measures to reach energy efficiency targets and appropriate sensitivities on extreme weather events, hydrological conditions, wholesale prices and carbon price developments;	 Council compromise proposal: (b) is based on appropriate central scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, <i>mothballing</i>, newbuild of generation assets and measures to reach energy efficiency <i>and electricity interconnection</i> targets and appropriate sensitivities on extreme weather events, hydrological conditions, wholesale prices and carbon price developments;
370.		AM 103 Article 19 – paragraph 4 – point b a (new) (ba) contains a worst case scenario which reflects the exceptionality and different likeliness of the rare events a strategic reserve is designed to address; the generation adequacy gap in such a worst case scenario		Council compromise proposal (deletion): []

		shall only justify a strategic reserve with a size of not more than 5% of the peak load of the respective Member State;		
371.			(ba) reflects on how the	Council compromise proposal (EP text):
			different types of capacity	(ba) reflects on how the different types of
			mechanisms address adequacy	capacity mechanisms address adequacy
			concerns;	concerns;
372.	(c) appropriately takes	AM 104	(c) appropriately takes	Council compromise proposal (EP text):
	account of the contribution of	(c) appropriately takes account	account of the contribution of all	
	all resources including existing	of the contribution of all resources	resources including existing and	(c) appropriately takes account of the
	and future generation, energy	including existing and future	future generation, energy	contribution of all resources including
	storage, demand response, and	generation, energy storage, <i>sectoral</i>	storage, demand response, and	existing and future generation, energy
	import and export possibilities	integration, demand response, and	import and export possibilities	storage, , sectoral integration, demand
	and their contribution to	import and export possibilities and	and their contribution to flexible	response, and import and export possibilities
	flexible system operation;	their contribution to flexible system	system operation;	and their contribution to flexible system
		operation;		operation;

373.	(d) anticipates the likely	(d) anticipates the likely	No change:
575.	impact of the measures referred	impact of the measures referred	d) anticipates the likely impact of the
	in Article 18(3);	in Article 18(3);	measures referred in Article 18(3);
274			
374.	(e) includes scenarios		Council compromise proposal (GA):
	without existing or planned	and where applicable with	(e) includes scenarios with out and where
	capacity mechanisms;	existing or planned capacity	applicable with existing or planned capacity
		mechanisms;	mechanisms;
375.	(f) is based on a market	(f) is based on a market	No change:
	model using, where applicable,	model using, where applicable,	(f) is based on a market model using,
	the flow-based approach;	the flow-based approach;	where applicable, the flow-based approach;
376.	(g) applies probabilistic	(g) applies probabilistic	No change:
	calculations;	calculations;	(g) applies probabilistic calculations;
377.		(ga) applies a single	Council compromise proposal (GA):
		modelling tool with the	(ga) applies a single modelling tool with
		possibility to use it for national	the possibility to use it for national
		scenarios, sensitivities and	scenarios, sensitivities and assumptions;
		assumptions;	
378.	(h) applies at least the	(h) applies at least the	Council compromise proposal (GA):
	following indicators:	following indicators referred to	(h) applies at least the following
		in Article 20:	indicators referred to in Article 20:
379.	 "expected energy not 	 "expected energy not 	No change:
	served", and	served", and	"expected energy not served", and
380.	 "loss of load 	 "loss of load expectation"; 	No change:
	expectation";		"loss of load expectation";
381.	(i) identifies the sources of	(i) identifies the sources of	No change:
	possible resource adequacy	possible resource adequacy	(i) identifies the sources of possible
	concerns, in particular whether	concerns, in particular whether it	resource adequacy concerns, in particular
	it is a network or a resource	is a network or a resource	whether it is a network or a resource
	constraint, or both.	constraint, or both.	constraint, or both.

382.		AM 105 Article 19 – paragraph 4 – point i a (new) (<i>ia</i>) respects real network development.		Council compromise proposal (EP text): (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;	 Council compromise proposal (GA): (j) ensures that national characteristics of generation, demand flexibility and storage, the availability of primary resources and the level of interconnection are properly taken into consideration;
384.	5. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Agency a draft methodology for calculating:		5. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Agency a draft methodology for calculating:	 No change: 5. By [OP: six months after entry into force of this Regulation], the ENTSO for Electricity shall submit to the Agency a draft methodology for calculating:
385.	(a) the value of lost load;		(a) the value of lost load;	No change: (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.		Council compromise proposal: Accept and move to line 388a
387.	(b) the "cost of new entry" for generation, or demand response; and		(b) the "cost of new entry" for generation, or demand response; and	No change:(b) the "cost of new entry" for generation, or demand response; and
388.	(c) the reliability standard expressed as "expected energy not served" and the "loss of load expectation".		(c) the reliability standard [] referred to in Article 20	Council compromise proposal (GA): (c) the reliability standard [] referred to in Article 20

388a.				(Moved from line 386) 5a. The methodology shall be based on a transparent, objective and verifiable criteria.
389.	6. The proposals under paragraphs 2 and 5 and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation and approval by the Agency under the procedure set out in Article 22.	AM 107 6. The proposals under paragraphs 2 and 5 of this Article, the scenarios and assumptions on which they are based, and the results of the European resource adequacy assessment under paragraph 1a of this Article shall be subject to prior consultation and approval by the Agency under the procedure set out in Article 22.	6. The proposals under paragraphs 2 and 5 for the draft methodology, the scenarios, sensitivities and assumptions on which they are based, and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation with Member States, the Electricity Coordination Group and relevant stakeholders and approval by the Agency under the procedure set out in Article 22.	 Council compromise proposal (GA): 6. The proposals under paragraphs 2 and 5 for the draft methodology, the scenarios, sensitivities and assumptions on which they are based, and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation with Member States, the Electricity Coordination Group and relevant stakeholders and approval by the Agency under the procedure set out in Article 22.

390.		Article 19a	Council compromise proposal:
		National resource adequacy	Article 19a
		assessments	National resource adequacy assessments
391.		1. National resource	Council compromise proposal:
		adequacy assessment shall be	National resource adequacy assessment
		based on the methodology	shall have a regional scope and shall be
		referred in Article 19(2) in	based on the methodology referred in
		particular provisions provided	Article 19(2) in particular provisions
		in paragraph 4 (b) to (j);	provided in paragraph 4 (b) to (j).
		however, may provide	however, may provide additional
		additional scenarios,	scenarios, sensitivities and assumptions
		sensitivities and assumptions	taking into account national
		taking into account national	considerations.
		considerations. The national	The national resource adequacy
		resource adequacy assessment	assessment shall use the same modelling
		shall use the same modelling	<u>methodology</u> tools as used by the ENTSO
		tools as used by the ENTSO	for Electricity for the European resource
		for Electricity for the	adequacy assessment and the same input
		European resource adequacy	data <u>, and other data<u>, or additional tools</u></u>
		assessment and the same input	pursuant to paragraph 1a to reflect
		data and other data to reflect	national scenarios, sensitivities and
		national scenarios, sensitivities	assumptions.
		and assumptions. In addition,	In addition, national resource adequacy
		national resource adequacy	assessment, when assessing foreign
		assessment, when assessing	contribution to the security of supply of
		foreign contribution to the	the bidding zones they cover, shall apply
		security of supply of the	the values of the European adequacy
		bidding zones they cover, shall	assessment or, when applicable, available
		apply the values for foreign	regional adequacy assessments, regarding
		contribution subject to	cross-border contribution to the security
		provisions of Article 21.	of supply with electrically connected
			<u>Member States.</u> 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	Council compromise proposal (GA): 1a. In addition to the national resource adequacy assessment performed pursuant to paragraph 1, Member States may perform a second assessment using different modelling tools than those used by the ENTSO for Electricity for the European resource adequacy assessment while following the remaining requirements of paragraph 1.
393.	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.	Council compromise proposal (GA): 2. National resource adequacy assessments and, where applicable, the European resource adequacy assessment and the opinion of the Agency pursuant to paragraph 3 of this article shall be made publicly available. (to be moved as a separate Article)
393a.		Council compromise proposal :(Partially moved from line 351) 3. 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 include within its national resource adequacy assessment report, a reasoning on the occurring divergence between the two resource

				adequacy assessments. Member Statesshall publish this report and forward it tothe Agency.Within two months from the date of thesubmission of the report the Agency shallprovide an opinion on whether thediscrepancies between the national andthe European assessment are justified.The body governing the national resourceadequacy assessment shall take dueaccount of the Agency's opinion, andwhere necessary amend its finalassessment. Where it decides not to takefully into account the Agency's opinion, itshall publish a report with a detailed
20.4			4 1 . 20	<u>reasoning.</u>
394.		D 1:	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 proposal: (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 regulatory authority based on the methodology pursuant to Article 19(5).		2. The reliability standard shall be set by the [] Member State or a competent authority designated by the Member State based on the methodology pursuant to Article 19(5)	 Council compromise proposal: GA 2. The reliability standard shall be set by the [] Member State or a competent authority designated by the Member State based on the methodology pursuant to Article 19(5)
397.	3. The reliability standard shall be calculated using the value of lost load and the cost of new entry over a given timeframe.		3. The reliability standard shall be calculated using at least the value of lost load and the cost of new entry over a given timeframe and be expressed as "expected energy not served" and the "loss of load expectation".	 Council compromise proposal: GA 3. The reliability standard shall be calculated using at least the value of lost load and the cost of new entry over a given timeframe and be expressed as "expected energy not served" and the "loss of load expectation".
398.	4. The parameters determining the amount of capacity procured in the capacity mechanism shall be approved by the national regulatory authority.	AM 109 deleted	4. When applying capacity mechanisms the parameters determining the amount of capacity procured in the capacity mechanism shall be approved by the [] Member State or another competent authority designated by the Member State.	 Council compromise proposal: GA 4. When applying capacity mechanisms the parameters determining the amount of capacity procured in the capacity mechanism shall be approved by the [] Member State or another competent authority designated by the Member State.
399.		Cross-border partici	Article 21 ipation in capacity mechanisms	
400.	1. Mechanisms other than strategic reserves shall be open to direct participation of capacity providers located in another Member State provided there is a network connection between that Member State and the bidding zone applying the mechanism.		1. Mechanisms other than strategic reserves and where technically feasible, strategic reserves, shall be open to direct cross-border participation of capacity providers located in another Member State [] pursuant to the provisions of this Article.	Council compromise proposal: 1. Mechanisms other than strategic reserves and where technically feasible, strategic reserves, shall be open to direct cross-border participation of capacity providers located in another Member State [] pursuant to the provisions of this Article.

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

402.		a Member S network con that Membe	tate with a direct nection between r State and the ite applying the	Council compromise proposal (text to be merged with line 401): <u>Member States may require foreign</u> <u>capacity to be located in a Member State</u> <u>with a direct network connection between</u> <u>that Member State and the Member State</u> <u>applying the mechanism.</u>
403.		participating	g in another chanism for which	Council compromise proposal: [] (deleted)
404.	3. Member States shall not restrict capacity which is located in their territory from participating in capacity mechanisms of other Member States.	restrict capac in their territo participating	ity which is located ory from in capacity	 No change: 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.	in [] capacit not change, a impact cross- and physical Member Stat determined s	Iter or otherwise zonal schedules flows between es which shall be olely by the apacity allocation	Council compromise proposal (GA): 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. 406a.	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 is contracted.	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 is contracted. <i>Capacity providers</i> <i>shall be able to participate with no</i> <i>more than their available</i> <i>maximum capacity.</i>	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.	Council compromise proposal (paragraph 5 is modified into 5 and 5a): 5. Capacity providers shall be able to participate [] in multiple capacity mechanisms. In this case In case capacity providers participate in more than one mechanism for the same delivery period, they shall participate up to 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 according to the methodology in paragraph 10a. Council compromise proposal: 5a. Capacity providers shall be [] subject to non-availability payments in
407.	6. Regional operational centres established pursuant to Article 32 shall annually calculate the maximum entry capacity available for the	AM 111 6. Regional <i>coordination</i> centres established pursuant to Article 32 shall annually calculate the maximum entry capacity	6. Where capacity mechanisms are applied, Transmission System Operators [] shall annually calculate the maximum entry	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. Council compromise proposal: Where capacity mechanisms are applied, Transmission System Operators [] For the purposes of providing a recommendation to TSOs regional
	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.	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.	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 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.	coordination centres established pursuant to Article 32 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,. This calculation shall take 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. TSOs shall annually set the maximum entry capacity available for the participation of foreign capacity based on the recommendation of the Regional
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				Coordination Centre.
408.	7. Member States shall ensure that the entry capacity referred to in paragraph 6 is allocated to eligible capacity providers in a transparent, non- discriminatory and market- based manner.		7. Member States shall ensure that the entry capacity referred to in paragraph 6 is allocated to eligible capacity providers in a transparent, non- discriminatory and market-based manner.	 No change: 7. Member States shall ensure that the entry capacity referred to in paragraph 6 is allocated to eligible capacity providers in a transparent, non-discriminatory and market-based manner.
409.	8. Any difference in the cost of foreign capacity and domestic capacity arising through the allocation referred to in paragraph 7 shall accrue to		8. [] If there are capacity mechanisms open for cross- border participation in two neighbouring Member States, any revenues arising through	Council compromise proposal: 8. [] If there are capacity mechanisms open for cross-border participation in two neighbouring Member States, any revenues arising through the allocation

	transmission system operators and be shared between them according to the methodology referred in point (b) of paragraph 10. Transmission	the allocation referred to in paragraph 7 shall accrue to transmission system operators and be shared between them according to the methodology	referred to in paragraph 7 shall accrue to transmission system operators and be shared between them according to the methodology referred in point (b) of paragraph 10 or a common methodology approved by both
	system operators shall use such revenues for the purposes set out in Article 17(2).	referred in point (b) of paragraph 10 or a common methodology approved by both relevant regulatory authorities. If the neighbouring Member State is not applying a capacity mechanism, the share of revenues shall be approved by the competent national authority of the Member State where the capacity mechanism is implemented after seeking the opinion of the regulatory authorities of the neighbouring Member States. Transmission system operators shall use such revenues for the purposes set out	relevant regulatory authorities. If the neighbouring Member State is not applying a capacity mechanism <u>or is</u> <u>applying a capacity mechanism which is</u> <u>not open to cross border participation</u> , the share of revenues shall be approved by the competent national authority of the Member State where the capacity mechanism is implemented after seeking the opinion of the regulatory authorities of the neighbouring Member States. Transmission system operators shall use such revenues for the purposes set out in Article 17(2).
410.	9. The transmission system operator where the foreign capacity is located shall:	 in Article 17(2). 9. The transmission system operator where the foreign capacity is located shall: 	<i>No change:</i>9. The transmission system operator where the foreign capacity is located shall:
411.	 (a) establish whether interested capacity providers can provide the technical performance as required by the capacity mechanism in which the capacity provider intends to participate and register the capacity provider in the registry as eligible capacity providers. 	 (a) establish whether interested capacity providers can provide the technical performance as required by the capacity mechanism in which the capacity provider intends to participate and register the capacity provider in the registry as eligible capacity providers. 	 No change: (a) establish whether interested capacity providers can provide the technical performance as required by the capacity mechanism in which the capacity provider intends to participate and register the capacity provider in the registry as eligible capacity providers.

412.	(b) carry out availability checks as appropriate.	(b) carry out availabilityCouncil compromise proposal (GA):checks [](b) carry out availability checks []
413.		(c) be notified by the respective capacity provider without delay about its participation in foreign capacity mechanismCouncil compromise proposal (GA): (c) be notified by the respective capacity provider without delay about its participation in foreign 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.Council compromise proposal (GA): (d) notify to the transmission system operator in the Member State applying the capacity mechanism the 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:No change: 10.No change: 10.10.By [OP: twelve months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency:No change: 10.
416.	(a) a methodology for calculating the maximum entry capacity for cross-border participation as referred to in paragraph 6;	 (a) a methodology for calculating by the Regional Security Coordinator and transmission system operators the maximum entry capacity for cross-border participation as referred to in paragraph 6; (a) a methodology for calculating by the Regional Security Coordinator and transmission system operators the maximum entry capacity for participation as referred to in paragraph 6;
417.	(b) a methodology for sharing the revenues referred to in paragraph 8;	 (b) a methodology for sharing the revenues referred to in paragraph 8; No change: (b) a methodology for sharing the revenues referred to in paragraph 8;
418.	(c) common rules to carry out availability checks referred to in point (b) of paragraph 9;	 (c) common rules to carry out availability checks referred to in point (b) of paragraph 9; No change: (c) common rules to carry out availability checks referred to in point (b) of paragraph 9;

419.	(d) common rules to	(d) common [] principles to	Council compromise proposal (COM):
	determine when a non-	determine when a non-	(d) common rules to determine when a
	availability payment is due;	availability payment is due;	non-availability payment is due;
420.	(e) terms of the operation of	(e) terms of the operation of	No change:
	the registry as referred to in	the registry as referred to in	(e) terms of the operation of the registry
	point (a) of paragraph 9;	point (a) of paragraph 9;	as referred to in point (a) of paragraph 9;
421.	(f) common rules to identify	(f) common rules to identify	No change:
	capacity eligible to participate	capacity eligible to participate as	(f) common rules to identify capacity
	as referred to in point (a) of	referred to in point (a) of	eligible to participate as referred to in
	paragraph 9.	paragraph 9.	point (a) of paragraph 9.
422.	The proposal shall be subject to	The proposal shall be subject to	No change:
	prior consultation and approval	prior consultation and approval	The proposal shall be subject to prior
	by the Agency under the	by the Agency under the	consultation and approval by the Agency
	procedure set out in Article 22.	procedure set out in Article 22.	under the procedure set out in Article 22.
423.	11. The Agency shall verify	11. The [] national	Council compromise proposal (GA):
	whether the capacities have	regulatory authorities	11. The [] national regulatory
	been calculated in line with the	concerned shall verify whether	authorities concerned shall verify whether
	methodology as referred to in	the capacities have been	the capacities have been calculated in line
	point (a) of paragraph 10.	calculated in line with the	with the methodology as referred to in point
		methodology as referred to in	(a) of paragraph 10.
		point (a) of paragraph 10.	
424.	12. National regulatory	12. [] Regulatory authorities	Council compromise proposal (COM):
	authorities shall ensure that	shall ensure that cross-border	12. National regulatory authorities shall
	cross-border participation in	participation in capacity	ensure that cross-border participation in
	capacity mechanisms is	mechanisms is organised in an	capacity mechanisms is organised in an
	organised in an effective and	effective and non-discriminatory	effective and non-discriminatory manner.
	non-discriminatory manner.	manner. They shall in particular	They shall in particular provide for adequate
	They shall in particular provide	provide for adequate	administrative arrangements for the
	for adequate administrative	administrative arrangements for	enforcement of non-availability payments
	arrangements for the	the enforcement of non-	across borders.
	enforcement of non-availability	availability payments across	
	payments across borders.	borders.	

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

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427.		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 ENTSO for Electricity.	Approval procedure1.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 ENTSO for Electricity.No change: 1.1.Where reference is made to this Article, the procedure set to 4 shall be proposal submitted by the ENTSO for Electricity.No change: 1.
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.	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.Council compromise proposal (GA): 2.2.Prior to submitting the proposal, the ENTSO for Electricity shall conduct a consultation process involving all relevant stakeholders, []2.Prior to submitting the proposal, the ENTSO for Electricity shall conduct a consultation process involving all relevant stakeholders, []2.Prior to submitting the proposal, the ENTSO for Electricity shall conduct a consultation process involving
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 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.	 No change: 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.			<mark>o be moved as Article 18b.</mark> 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.	Consolidated version of article 18a/18b can be found in Annex II Council compromise proposal lines 433 - 443: 1 . Any capacity mechanism shall:
433a.				(a1) be temporary
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 providers to be available in times of expected system stress;		(e) provide incentives for capacity providers to be available in times of expected system stress;
439.		(f) ensure that the remuneration is determined through a market- based process;		(f) ensure that the remuneration is determined through the competitive process;
440.		(g) set out the required technical conditions for the participation of capacity providers in advance of the selection process;		(g) set out the required technical conditions for the participation of capacity providers in advance of the selection process;
441.		(h) be open to participation of all resources, including storage and demand side management that are capable of providing the required technical performance;		(h) be open to participation of all resources, including storage and demand side management that are capable of providing the required technical performance;
442.		(i) apply appropriate penalties to capacity providers when not available in the event of system stress;		(i) apply appropriate penalties to capacity providers when not available in the event of system stress;
443.		(j) ensure that capacity contracts for existing installations are rewarded for a maximum length of 1 year.		[]
444.	2. Where a Member State wishes to implement a capacity mechanism, it shall consult on the proposed mechanism at least with its electrically connected neighbouring Member States.	AM 113 2. Capacity mechanisms in the form of strategic reserves shall:	2. Where a Member State wishes to implement a capacity mechanism, it shall consult on the proposed mechanism at least with its directly electrically connected neighbouring Member States based on a comprehensive study on the possible effects on those Member States.	Council compromise proposal lines 444 - 448: []

445.	(a) be held outside the market;		[]
446.	(b) be dispatched only where day-		
	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		
448.	load, whichever the higher. (d) be limited to maximum		
448.	(a) be united 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 <i>not be sold through</i>		
	wholesale electricity markets.		
449.		2a. When a capacity	Future paragraph 2 of Article 18b
		mechanism is designed as a	2. Design principles for strategic reserves
		strategic reserve, resources in	
		the strategic reserve shall only	<u>a.</u> When a capacity mechanism is designed
		be dispatched in case	as a strategic reserve, resources in the
		transmission system operators	strategic reserve shall only be dispatched
		are likely to exhaust their	in case transmission system operators are
		balancing resources to	likely to exhaust their balancing resources
		establish an equilibrium	to establish an equilibrium between
		between demand and supply.	demand and supply.
		This requirement is without	This requirement is without projection to
		prejudice to activating resources ahead of actual	This requirement is without prejudice to
		resources anead of actual	activating resources ahead of actual

	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.	dispatch in order to respect their ramping constraints and operating requirements. Energy from resources in reserve that is released during activation but before resources are being dispatched shall be re- dispatched 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. <u>b</u> . During imbalance settlement periods where resources in the strategic reserve were dispatched imbalances in the market shall be settled <u>at least</u> at the value of lost load /at a value higher than the <u>intraday</u> technical price limit maximum clearing price as referred in Article 9(1) of this Regulation, whichever higher. 54-of Regulation (EU) 2015/1222 [CACM]]. <u>c</u> . The output of the strategic reserve following dispatch shall be attributed to balance responsible parties through the imbalance settlement mechanism. <u>d</u> . The resources taking part in the strategic reserve shall not get remunerated through wholesale electricity markets or balancing markets. <u>e</u> . The [] resources taking part in the strategic reserve shall be held outside of the market <u>at least</u> for the duration of the contractual period.
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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 proposal: Future paragraph 3 of Article 18b 3. Design principles for other capacity mechanisms than strategic reserves (a) 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;		Council compromise proposal (EP): (aa) be constructed so as to ensure that the price paid for availability automatically tends to zero when the level of capacity supplied which would be profitable on the energy market without a capacity mechanism is expected to be adequate to meet the level of capacity demanded; (Text from the Guidelines on state aid for environmental protection and energy 2014- 2020, chapter: 3.9.5)
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;		Council compromise proposal (EP): (bb) 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;

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453.		(c) ensure that capacity obligations are transferable between eligible capacity providers.		Council compromise proposal (EP): (cc) ensure that capacity obligations are transferable between eligible capacity providers.
454.			(a) not create unnecessary market distortions and not limit cross [] zonal trade;	Council compromise proposal lines 454 - 458: []]
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:	 Council compromise proposal: 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 [<i>OP: date of entry into force</i>] shall not receive payments or commitments for future payments under a capacity mechanism as of 31 December 2025.	 Council compromise proposal: (a) Generation capacity emitting more than 550 gr CO2/kWh of energy or and more than [700] kg CO2 on average per year per installed kW that started to provide electricity to the grid 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 [<i>OP: date of entry into force</i>] 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	 Council compromise proposal: (b) Generation capacity emitting more than 550 gr CO2/kWh of energy or and more than [700] kg CO2 on average per year per installed kW that started to provide electricity to the grid for which a final investment decision has been made before [OP: date of entry into force] shall not receive payments or commitments for future payments under a capacity mechanism as of 31 December 2030, except for contracts with a remaining duration of not more than 5 years concluded before 31 December 2030. Between 31 December 2025 and 31

			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.	December 2030, the capacity receiving remuneration for this participation should be reduced by 5% per year.
462.			(c) The emission limit of 550 gr CO2/kWh of energy and the limit of 700 kg CO2 on average per year per installed kW shall be calculated based on the design efficiency of the generation unit as provided by an accredited certification organisation.	 Council compromise proposal (GA): (c) The emission limit of 550 gr CO2/kWh of energy and the limit of [700] kg CO2 on average per year per installed kW shall be calculated based on the design efficiency of the generation unit as provided by an accredited certification organisation.
463.	5. Where the European resource adequacy assessment has not identified a resource adequacy concern, Member States shall not apply capacity mechanisms.	AM 116 deleted	[]	Council compromise proposal: deletion. Covered by line 354a. []

464.			5a. When designing capacity mechanisms, Member States shall include a provision allowing for efficient phase-out of a capacity mechanism within 4 years in case the resource adequacy concern is no longer present. This phase- out can be an administrative cessation of the mechanism, with a reasonable advance notice, or provisions in the design of the mechanism which would lead to the suspension of associated economic incentives when there is no adequacy concern. <i>Article 24</i>	Council compromise proposal: deletion. Covered by line 354a. []
466.	Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation.	AM 117 Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 18a , 21 and 23 of this Regulation.	<i>ing mechanisms</i> 1. Member States applying capacity mechanisms on [OP: <i>entry into force of this</i> <i>Regulation</i>] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation without prejudice to commitments or contracts, concluded before that date, and without prejudice to the Union State aid rules pursuant to Articles 107 to 109 TFEU, including state aid decisions taken thereafter before that date.	Council compromise proposal: 1. Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with the Articles 18, 21 and 23 of <u>Chapter 4</u> of this Regulation without prejudice to commitments or contracts, concluded before that date, and without prejudice to the Union State aid rules pursuant to Articles 107 to 109 TFEU, including state aid decisions taken thereafter before that date. Council compromise proposal for a recital on state aid rules similar to Renewable

Energy Directive II:
Pursuant to Article 108 TFEU, the Commission has exclusive competence to assess the compatibility of State aid measures with the internal market which the Member States may put in place. That assessment is carried out on the basis of Article 107(3) TFEU and in accordance with the relevant provisions and guidelines which the Commission may adopt to that effect. This Regulation is without prejudice to the Commission's exclusive competence granted by the TFEU.

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

471.		Article 26 Establishment of the 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 Electricity to be established.	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.No change: 1.No change: 1.1.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 procedures on the consultation of other1.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, of the ENTSO for Electricity to be established.
473.	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.	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.No change: No change: 2.2.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.No change: 2.2.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:
7/7.	deliver an opinion on the draft		eliver an opinion on the draft	3. The Commission shall deliver an
	statutes, list of members and		atutes, list of members and	opinion on the draft statutes, list of members
	draft rules of procedures taking		aft rules of procedures taking	and draft rules of procedures taking into
	into account the opinion of the		to account the opinion of the	account the opinion of the Agency provided
	Agency provided for in		gency provided for in	for in paragraph 2 and within three months
	paragraph 2 and within three		aragraph 2 and within three	of the day of the receipt of the opinion of the
	months of the day of the receipt		onths of the day of the receipt	Agency.
	of the opinion of the Agency.		f the opinion of the Agency.	
475.	4. Within three months of	4.		No change:
	the day of receipt of the		e day of receipt of the	4. Within three months of the day of
	Commission's favourable	Co	ommission's favourable	receipt of the Commission's favourable
	opinion, the transmission	opi	pinion, the transmission system	opinion, the transmission system operators
	system operators shall establish	ope	perators shall establish the	shall establish the ENTSO for Electricity and
	the ENTSO for Electricity and	EN	NTSO for Electricity and adopt	adopt and publish its statutes and rules of
	adopt and publish its statutes	and	nd publish its statutes and rules	procedure.
	and rules of procedure.	of	f procedure.	
476.	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	sub	ibmitted to the Commission	paragraph 1 shall be submitted to the
	and to the Agency in case of	and	nd to the Agency in case of	Commission and to the Agency in case of
	changes thereof or upon	cha	nanges thereof or upon	changes thereof or upon reasoned request of
	reasoned request of the		asoned request of the	the Commission or of the Agency. The
	Commission or of the Agency.		ommission or of the Agency.	Agency and the Commission shall deliver an
	The Agency and the		he Agency and the	opinion in accordance with paragraphs 2 to
	Commission shall deliver an		ommission shall deliver an	4.
	opinion in accordance with		binion in accordance with	
	paragraphs 2 to 4.	·	aragraphs 2 to 4.	
	r			

477.			Article 27	
·····		Tasks of the	<i>ENTSO for Electricity</i>	
478.	1. The ENTSO for Electricity shall :		1. The ENTSO for Electricity shall:	<i>No change:</i> 1. The ENTSO for Electricity shall:
479.				
4/9.	(a) elaborate network codes in the areas set out in Article		(a) elaborate network codes in the areas set out in Article	No change (a) elaborate network codes in the areas
	55(1) with a view to achieving		55(1) with a view to achieving	set out in Article 55(1) with a view to
	the objectives set out in Article 25.		the objectives set out in Article 25	achieving the objectives set out in Article 25
480.			-	No change:
400.				
	binding Union-wide ten-year network development plan,		binding Union-wide ten-year network development plan,	
	(Union-wide network		(Union-wide network	Union-wide ten-year network development plan, (Union-wide network development
	development plan), every two		development plan), every two	plan), every two years;
	1 1 // 5		1 1 // 2	plan), every two years,
481.	years; (c) prepare and adopt	AM 118	years; (c) prepare and adopt	Provisionally agreed: (to be adapted to
401.	(c) prepare and adopt proposals related to the	(c) prepare and adopt proposals	(c) prepare and adopt proposals related to the	article 19)
	European resource adequacy	related to the European resource	European resource adequacy	c) prepare and adopt proposals related to
	assessment pursuant to Article	adequacy assessment pursuant to	assessment pursuant to Article	the European resource adequacy assessment
	19(2), (3) and (5) and for the	Article 19(1a) and for the technical	19(2), (3) and (5) and for the	pursuant to Article 19 [] and for the
	technical specifications for	specifications for cross-border	technical specifications for	technical specifications for cross-border
	cross-border participation in	participation in capacity	cross-border participation in	participation in capacity mechanisms
	capacity mechanisms pursuant	mechanisms pursuant to Article		pursuant to Article 21(10);
	to Article 21(10);	21(10);	capacity mechanisms pursuant to Article 21(10);	pursuant to Article 21(10),
482.	(d) adopt recommendations	21(10),	(d) adopt recommendations	No change:
402.	relating to the coordination of		relating to the coordination of	(d) adopt recommendations relating to the
	technical cooperation between		technical cooperation between	coordination of technical cooperation
	Union and third-country		Union and third-country	between Union and third-country
	transmission system operators;		transmission system operators;	transmission system operators;
483.	(e) adopt a framework for		(e) adopt a framework for the	Provisionally agreed:
	the cooperation and		cooperation and coordination	(e) adopt a framework for the cooperation
	coordination between regional		between [] regional security	and coordination between [] Regional
	operational centres;		coordinators;	Coordination Centres;

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;Provisionally agreed: (f) adopt a proposal defining the system operation region [] in accordance with the provisions of Article 33;
485.		(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 and 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: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 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;

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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;	(ii) adopt an annual work 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] <u>.</u>
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 [] 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) [] 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.	 Provisionally agreed: 2. The ENTSO for Electricity shall report to the Agency on shortcomings identified regarding the establishment and performance of [] Regional Coordination Centres.
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 programme referred to in (h) of paragraph 1 shall contain a list and description of the network codes to be prepared, a plan on coordination of operation of the network, and research and development activities, to be realised in that year, and an	4. The annual work programme referred to in (h) of paragraph 1 shall contain a list and description of the network codes to be prepared, a plan on coordination of operation of the network, and research and development activities, to be realised in that year, and an	to in (h) of paragraph 1 shall contain a list and description of the network codes to be prepared, a plan on coordination of operation
502.	indicative calendar.5.The ENTSO forElectricity shall make availableall information required by theAgency to fulfil its tasks underArticle 29(1).Transmissionsystem operators shall makeavailable all informationrequired for the ENTSO forElectricity to fulfil its taskunder sentence 1.	indicative calendar.5.The ENTSO forElectricity shall make availableall information required by theAgency to fulfil its tasks underArticle 29(1).Transmissionsystem operators shall makeavailable all informationrequired for the ENTSO forElectricity to fulfil its task undesentence 1.	 No change: 5. The ENTSO for Electricity shall make available all information required by the Agency to fulfil its tasks under Article 29(1). Transmission system operators shall make available all information required for the ENTSO for Electricity to fulfil its task under sentence 1.
503.	6. Upon request of the Commission, the ENTSO for Electricity shall give its views to the Commission on the adoption of the guidelines as laid down in Article 57.	6. Upon request of the Commission, the ENTSO for Electricity shall give its views t the Commission on the adoption of the guidelines as laid down in Article 57.	the Commission on the adoption of the

504.	Article 28				
505. 1. pro ref EN con con sta trai all in j rep acco pro 26 inv aut aut ger use dis inc ass ano sha vie	While preparing the oposals pursuant to the tasks ferred to in Article 27(1), the NTSO for Electricity shall nduct an extensive nsultation process, at an early age and in an open and unsparent manner, involving relevant stakeholders, and, particular, the organisations presenting all stakeholders, in cordance with the rules of ocedure referred to in Article 5. That consultation shall also volve national regulatory thorities and other national thorities, supply and neration undertakings, system ers including customers, stribution system operators, cluding relevant industry sociations, technical bodies d stakeholder platforms. It all aim at identifying the ews and proposals of all levant parties during the cision-making process.	AM 124 1. While preparing the proposals pursuant to the tasks referred to in Article 27(1), the ENTSO for Electricity shall conduct an extensive consultation process, at an early stage and structured in a way to enable accommodating stakeholder comments before final adoption and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 26 . That consultation shall also involve national regulatory authorities and other national authorities, supply and generation undertakings, system users including customers and their representatives, distribution system operators, including relevant industry associations, technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties	Article 28 Consultations	Provisionally agreed: While preparing the proposals pursuant to the tasks referred to in Article 27(1), the ENTSO for Electricity shall conduct an extensive consultation process, at an early stage and structured in a way to enable accommodating stakeholder comments before final adoption and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 26. That consultation shall also involve national regulatory authorities and other national authorities, supply and generation undertakings, system users including customers [] distribution system operators, including relevant industry associations, technical bodies and stakeholder platforms. It shall aim at identifying the views 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.	 2. All documents and minutes of meetings related to the consultations referred to in paragraph 1 shall be made public. 2. All documents and minutes of meetings related to the consultations referred to in paragraph 1 shall be made 		
507.	3. Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.	3.Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.No change: 3.Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.No change: 3.Before adopting the proposals pursuant to Article 27(1) the ENTSO for Electricity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.		
508.	Article 29 Monitoring by the Agency			
509.	1. The Agency shall monitor the execution of the tasks referred to in Article 27(1), (2) and (3) of the ENTSO for Electricity and report to the Commission.	1.The Agency shall monitor the execution of the tasks referred to in Article 27(1), (2) and (3) of the ENTSO for Electricity and report to the Commission.No change: 1.No change: 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.		

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512.	2. The ENTSO for	2. 1	The ENTSO for	No change:
	Electricity shall submit the draft	Electric	tity shall submit the draft	2. The ENTSO for Electricity shall
	Union-wide network	Union-	wide network	submit the draft Union-wide network
	development plan, the draft	develop	oment plan, the draft	development plan, the draft annual work
	annual work programme,	annual	work programme,	programme, including the information
	including the information	includii	ng the information	regarding the consultation process, and the
	regarding the consultation	regardin	ng the consultation	other documents referred to in Article 27(1)
	process, and the other	process	, and the other	to the Agency for its opinion.
	documents referred to in Article	docume	ents referred to in Article	
	27(1) to the Agency for its	27(1) to	the Agency for its	
	opinion.	opinion	l.	
513.	Within two months from the	Within	two months from the day	No change:
	day of receipt, the Agency shall		pt, the Agency shall	Within two months from the day of receipt,
	provide a duly reasoned opinion		a duly reasoned opinion	the Agency shall provide a duly reasoned
	as well as recommendations to		as recommendations to	opinion as well as recommendations to the
	the ENTSO for Electricity and		TSO for Electricity and to	ENTSO for Electricity and to the
	to the Commission where it		nmission where it	Commission where it considers that the draft
	considers that the draft annual		ers that the draft annual	annual work programme or the draft Union-
	work programme or the draft		rogramme or the draft	wide network development plan submitted
	Union-wide network		wide network	by the ENTSO for Electricity do not
	development plan submitted by		oment plan submitted by	contribute to non-discrimination, effective
	the ENTSO for Electricity do		TSO for Electricity do	competition, the efficient functioning of the
	not contribute to non-		tribute to non-	market or a sufficient level of cross-border
	discrimination, effective		ination, effective	interconnection open to third-party access.
	competition, the efficient		ition, the efficient	
	functioning of the market or a		ning of the market or a	
	sufficient level of cross-border		nt level of cross-border	
	interconnection open to third-	intercon	nnection open to third-	
	party access.	party ac	ccess.	

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.	<i>No change:</i> 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.	

516.	Article 31					
	Regional cooperation of transmission system operators					
517.	1. Transmission system operators shall establish regional cooperation within the ENTSO for Electricity to contribute to the activities referred to in Article 27(1), (2) and (3). In particular, they shall publish a regional investment plan every two years, and may take investment decisions based on that regional investment plan. The ENTSO for Electricity shall promote cooperation between transmission system operators at regional level ensuring interoperability, communication and monitoring of regional performance in those areas which are not yet harmonised at Union level.	 Transmission system operators shall establish regional cooperation within the ENTSO for Electricity to contribute to the activities referred to in Article 27(1), (2) and (3). In particular, they shall publish a regional investment plan every two years, and may take investment decisions based on that regional investment plan. The ENTSO for Electricity shall promote cooperation between transmission system operators at regional level ensuring interoperability, communication and monitoring of regional performance in those areas which are not yet harmonised at 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 allocations, and the integration of balancing and reserve power		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	 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.
519.	mechanisms.3.For the purposes of	AM 125	mechanisms.3.For the purposes of	To be discussed
	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	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> ,	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	

	ENTSO for Electricity.	<i>the</i> 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.	
520.	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.	 Provisionally agreed: 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.

524.	All transmission system operators		Provisionally agreed to delete
	shall <i>adhere to a single</i> regional <i>coordination centre.</i>		the compromise in line 542
	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.		
525.	The regulatory authorities of the		Provisionally agreed:
	system operation region shall		The regulatory authorities of the system
	review and approve the proposal		operation region shall review and approve
	in compliance with the procedures		the proposal []
	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	The proposal shall contain the	Provisionally agreed:
	subparagraph shall include the	following elements:	The proposal shall at least include the
	following information:		following elements:

527.	(a) Member State where the	a) the participating	Provisionally agreed:
	regional coordination centre are	Member States and TSOs;	
	to be located;		a) the [] Member State where the seat of
			the Regional Coordination Centres will be
			located and the participating TSOs;
528.	(b) the organisational, financial	b) the organisational,	Provisionally agreed: (identical texts)
	and operational arrangements	financial and operational	b) the organisational, financial and
	necessary to ensure the efficient,	arrangements necessary to	operational arrangements necessary to
	secure and reliable operation of	ensure the efficient, secure and	ensure the efficient, secure and reliable
	the interconnected transmission	reliable operation of the	operation of the interconnected
	system;	interconnected transmission	transmission system;
		system;	•
529.	(c) an implementation plan for the	c) an implementation plan	Provisionally agreed: (identical texts)
	entry into operation of the	for the entry into operation of	c) an implementation plan for the
	regional coordination centres;	the Regional Security	entry into operation of the Regional
		Coordinators;	Coordination Centres
530.	(d) the statutes and rules of	d) the statutes and rules of	Provisionally agreed: (identical texts)
	procedure of regional	procedure of Regional	d) the statutes and rules of procedure
	coordination centres;	Security Coordinators;	of Regional Coordination Centres
531.	(e) a description of cooperative	e) a description of	Provisionally agreed: (identical texts)
	processes in accordance with	cooperative processes in	e) a description of cooperative
	Article 35;	accordance with Article 35;	processes in accordance with Article 35;
532.	(f) a description of the	f) a description of the	Provisionally agreed: (identical texts)
	arrangements concerning the	arrangements concerning the	f) a description of the arrangements
	liability of regional coordination	liability of Regional Security	concerning the liability of Regional
	centres in accordance with Article	Coordinators in accordance	Coordination Centres in accordance with
	44.	with Article 44.	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. ²⁷		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 ²⁸ .	 Provisionally agreed: 2. Regional Coordination Centres 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 Council²⁹.
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.

²⁷ 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).

²⁸ 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).

²⁹ 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. 536.	3. Regional operational centres shall complement the role of transmission system	AM 128 Article 32 – paragraph 2 a (new) 2 a. In performing its functions under Union law, the regional coordination centres shall act independently from individual national interests and from the interests of transmission system operators. AM 129 3. Regional coordination centres shall complement the role	3. [] Transmission system operators shall be responsible for managing electricity flows	 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. Provisionally agreed: Regional Coordination Centres shall
	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.	of transmission system operators by performing functions of regional relevance. <i>The</i> transmission system <i>operators shall be responsible for</i> <i>managing electricity flows and</i> <i>ensuring a secure, reliable and</i> <i>efficient electricity system in</i> <i>accordance with Article 40 of the</i> <i>Directive (EU) [recast of Directive</i> <i>2009/72/EC as proposed by</i> <i>COM(2016) 864/2]</i> .	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.	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 <i>coordination</i> centres	Article 33 Geographical scope of [] Regional Security Coordinators	Provisionally agreed: Article 33 Geographical scope of Regional 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 operation regions.	Provisionally agreed to delete. This paragraph is covered in row 541.
540.			Operation regions0b. Regional security coordinators may encompass larger or smaller geographical areas than those existing pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009. In such instance, the respective transmission system operators shall submit a proposal to the Agency defining the system operation regions covered by the Regional security coordinator.	Provisionally agreed: 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.	Provisionally agreed: 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 Centre established in that region. Exceptionally, where the control area of a transmission system operator is part of multiple different synchronous areas, the transmission system operator may be coordinated by two Regional Coordination Centres. For the bidding zone borders adjacent to system operation regions, the proposal in paragraph 1 shall specify how the coordination 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 Regional	Provisionally around to delate
		Security Coordinators shall	Provisionally agreed to delete
		perform the tasks listed in Article 34(1) for the	11
		transmission system operators	
		of the system operation region	
		where it is established.	
544.	(a) The grid topology,		Provisionally agreed to delete
5776	including the degree of		
	interconnection and of		[]
	interdependency of the power		
	systems in terms of flows;		

545.	(b) the synchronous connection of the systems;	[]	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 centres	AM 132 Article 34 – title Tasks of regional <i>coordination</i> centres	Article 34 Tasks of [] Regional Security Coordinators	Provisionally agreed: Article 34 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 [] 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 <i>in accordance with the</i> <i>methodologies developed pursuant</i> <i>to Articles 21, 26, 29 and 30 of</i> <i>Regulation (EU) 2015/1222;</i>	(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;	To be discussed
552.	(b) coordinated security analysis;	 (b) coordinated security analysis in accordance with the methodologies developed pursuant to Articles 75 and 76 of Commission Regulation (EU) 2017/1485^{1a}; ^{1a} Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (OJ L 220, 25.8.2017, p. 1). 	(b) coordinated security analysis in accordance with the methodologies developed pursuant to the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;	To be discussed

553.	(c) creation of common system models;	(c) creation of common system models <i>in accordance with the</i> <i>methodologies and procedures</i> <i>developed pursuant to Articles 67,</i> <i>70 and 79 of Commission</i> <i>Regulation (EU) 2017/1485</i> ;	(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;	To be discussed
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 <i>in accordance with the procedure</i> <i>set out in Article 6 of Commission</i> <i>Regulation (EU) 2017/2196^b</i> ; ^{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;	To be discussed
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 [] 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 coordination 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 (Without the agreement on the reference to the Guideline, which will be decided horizontally) (db) regional outage planning coordination in accordance with the procedures set out in the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009;
557.			(dc) training and certification of staff working for Regional Security Coordinators[+];	Provisionally agreed: (dc) training and certification of staff working for Regional Coordination Centres;
558.	(e) coordination and optimization of regional restoration;		 (e) support the coordination and optimization of regional restoration as requested by transmission system operators; 	 Provisionally agreed: (e) support the coordination and optimization of regional restoration as requested by transmission system operators;
559.	(f) post-operation and post- disturbances analysis and reporting;		(f) post-operation and post- disturbances analysis and reporting;	No change:(f) post-operation and post-disturbancesanalysis and reporting;
560.	(g) regional sizing of reserve capacity;		[]	 Provisionally agreed (revert to original COM proposal): (g) regional sizing of reserve capacity;
561.	(h) facilitate the regional procurement of balancing capacity;	(h) <i>calculation of</i> the regional balancing capacity;	[]	 Provisionally agreed (revert to original COM proposal): (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]; 	No change: (n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];
568.	(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional operational centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];	(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional <i>coordination</i> centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];		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 [] of [] issuing a 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.	Council compromise proposal: Upon joint proposal of <u>their</u> regulatory authorities <u>or the Commission</u> , following consultation with the <u>Electricity Cross-</u> <u>Border Committee</u> , transmission system operators and the Regional Coordination Centre <u>of the system operation region</u> , the Member States of the system operation region may jointly decide to provide for additional advisory coordination tasks, on the basis of which <u>their</u> Regional Coordination Centre will issue recommendations pursuant to Article 38. In such instance, Regional Coordination Centre shall execute those tasks on the basis of the methodologies drafted by <u>the</u> <u>relevant</u> transmission system operators and agreed by the relevant regulatory authorities.

573.	3. Transmission system operators shall provide their regional operational centre with the information necessary to	AM 135 3. Transmission system operators shall provide their regional <i>coordination</i> centre with	3. Transmission system operators shall provide their [] Regional Security Coordinators with the	 Provisionally agreed: 3. Transmission system operators shall provide their Regional Coordination Centres with the information necessary to
	carry out its functions.	the information necessary to carry out its functions.	information necessary to carry out its [] tasks.	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 decisions and recommendations proposed by the regional operational centres.	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> <i>system stability and security of</i> <i>supply.</i>	4. [] Regional Security Coordinators shall provide transmission system operators of the system operation region with all the information necessary to implement the [] coordinated actions and recommendations proposed by the [] Regional Security Coordinators.	 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 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

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

580.	(c) a procedure for the adoption of decisions and recommendations in accordance with Article 38;	(c) a procedure for the adoption and revision of decisions and recommendations in accordance with Article 38 that ensures equitable treatment between members of the regional operational centre;	(c) a procedure for the adoption of [] coordinated actions and recommendations in accordance with Article 38;	 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
582.		Worki	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 <i>coordination</i> centres shall develop working arrangements <i>that are efficient,</i> <i>inclusive, transparent and</i> <i>facilitate consensus,</i> 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.	 Provisionally agreed: 1. Regional Coordination Centres shall develop working arrangements <i>that are</i> <i>efficient, inclusive, transparent and</i> <i>facilitate consensus,</i> 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.
585.		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. [] Regional Coordination Centres
		Member States of the system	[] shall consult the Member States of the
		operation region and, where	system operation region and, where there
		applicable, their regional	is a regional forum [], their regional
		forums on matters of political	forums on matters of political relevance
		relevance excluding the day-	excluding the day-to-day activities of
		to-day activities of Regional	Regional Coordination Centres and the
		Security Coordinators and the	implementation of their tasks. The
		implementation of their tasks.	Regional Coordination Centres shall take
		The Regional Security	due account of the recommendations given
		Coordinators shall take due	by the Member States and where
		account of the	applicable, by their regional forums.
		recommendations given by the	
		Member States and where	
		applicable, by their regional	
		forums.	

588.	AM 141	Provisionally agreed:
	Article 37 a (new)	2 8
	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	propose improvements,
	•	
	identify shortcomings and propose	
500	improvements;	Duration 11 and 1
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.	

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590.	<i>Article 38</i> Adoption of decisions and	AM 142 Article 38 – title	Article 38 [] Coordinated actions and	Provisionally agreed to merge articles 38 and 39
	recommendations	Adoption <i>and revisions</i> of	recommendations	
	recommendations	decisions and recommendations	recommendations	Adoption and revision of coordinated actions and recommendations
591.	1. Regional operational	AM 143	1. [] The transmission	Provisionally agreed:
	centres shall develop a	1. The transmission system	system operators of a system	(Following adoption this will be paragraph 1
	procedure for the adoption of	operators of each regional	operation region shall develop	of the merged article)
	decisions and recommendations.	<i>coordination centre</i> shall develop <i>procedures</i> for the adoption <i>and</i>	a procedure for the adoption of [] coordinated actions and	1. [] The transmission system
	recommendations.	<i>revision</i> of decisions and	1	operators of a system operation region
		recommendations <i>that ensures</i>	recommendations put forward	shall develop a procedure for the adoption and revision of coordinated actions and
		geographically balanced	by Regional Security Coordinators in accordance	recommendations put forward by Regional
		representation and equitable	with the criteria set out in	Coordination Centres in accordance with
		treatment of members of the	paragraphs 2 to 4.	the criteria set out in paragraphs 2 to 4.
		regional coordination centre.	paragraphs 2 to 4.	the criteria set out in paragraphs 2 to 4.
592.	2. Regional operational	AM 144	2. [] Regional Security	Provisionally agreed:
372.	centres shall adopt binding	2. Regional <i>coordination</i>	Coordinators shall [] set-out	(Following adoption this will be paragraph 2
	decisions addressed to the	centres shall adopt binding	coordinated actions addressed	of the merged article)
	transmission system operators	decisions addressed to the	to the transmission system	<i>The reference to System Operation Guideline</i>
	in respect of the functions	transmission system operators in	operators in respect of the []	still to be agreed horizontally.
	referred to in points (a), (b), (g)	respect of the functions referred to	tasks referred to in points (a)	2. Regional Coordination Centres shall
	and (q) of Article 34(1).	in (a) <i>and (b)</i> of Article 34(1).	and (b), [] of Article 34(1).	[] issue[] coordinated actions
	Transmission system operators	Transmission system operators	Transmission system operators	addressed to the transmission system
	shall implement the binding	shall implement the binding	may decide not to []	operators in respect of the tasks referred
	decisions issued by the regional	decisions issued by the regional	implement the coordinated	to in points (a), (b) [] of Article 34(1).
	operational centres except in	<i>coordination</i> centres except in	actions [] issued by the []	Transmission system operators shall
	cases when the safety of the	cases where the implementation of	Regional Security	implement the [] coordinated actions []
	system will be negatively	the decision would result in a	Coordinators where the	where the implementation of the
	affected.	violation of operational security	implementation of the	coordinated actions would result in a
		limits defined by each	coordinated actions would	violation of the operational security limits
		transmission system operator	result in a violation of the	defined by each transmission system
		pursuant to Article 25 of	operational security limits	operator [in accordance with [] the
		Commission Regulation (EU)	defined by each transmission	System Operation Guideline adopted on
		<i>2017/1485</i> .	system operator in accordance	the basis of Article 18 of Regulation
			with [] the System Operation	714/2009].
			Guideline adopted on the basis	
			of Article 18 of Regulation	
			714/2009.	

593.			2a. Where following the	Provisionally agreed:
393.			8	
			revision triggered in	(Following adoption this will be the second
			accordance with Article 39, a	part of paragraph 2 of the merged article)
			transmission system operator	
			decides not to implement a	Where [] a transmission system operator
			coordinated action for the	decides not to implement a coordinated
			reasons set out in paragraph 2,	action for the reasons set out in this
			it shall transparently report	paragraph [], it shall transparently
			the detailed reasons to the	report the detailed reasons to the Regional
			Regional Security Coordinator	Coordination Centre and the transmission
			and the transmission system	system operators of the system operation
			operators of the system	region without undue delay. In such cases,
			operation region without	the Regional Coordination Centre shall
			undue delay. In such cases, the	assess the impact on the other
			Regional Security Coordinator	transmission system operators of the
			shall assess the impact on the	system operation region and may propose
			other transmission system	a different set of coordinated actions
			operators of the system	subject to the a procedure in this
			operation region and may	paragraph [].
			propose a different set of	paragraph [].
			coordinated actions subject to	
			0	
504	2 Designal en enstien el	A N. A 1.45	a procedure in paragraph 2.	
594.	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. Regional Coordination Centres shall
	operators for the functions	transmission system operators for	operators for the [] tasks	[] issue recommendations addressed to the
	referred to in points (c) to (f)	the functions <i>listed in Article 34(1)</i>	referred to in [] Article 34(1)	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	Provisionally agreed to delete
596.	without delay.AM 147Article 38 – paragraph 3 b (new)3 b.The revision shall betriggered at the request of one ormore of the transmission systemoperators of the system operationregion. Following the revision ofthe decision or recommendation,regional operational centres shallconfirm 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	AM 149	4. Upon proposal of	Council compromise proposal:
	authorities of a system	4. The regulatory authorities of	regulatory authority, following	Upon proposal of <u>a</u> regulatory authority
	operation region may jointly	a system operation region may	consultation with the	or the Commission, following consultation
	decide to grant binding	jointly decide to grant binding	transmission system operators	with the <u>Electricity Cross-Border</u>
	decision-making powers to the	decision-making powers to the	and Regional Security	<u>Committee</u> , transmission system operators
	regional operational centre for	regional <i>coordination</i> centre for	Coordinators the [] Member	and Regional Coordination Centre <u>of the</u>
	one or more of the functions	one or more of the functions <i>listed</i>	States of a system operation	system operation region, the [] Member
	provided for in points (c) to (f)	<i>in</i> Article 34(1) <i>and which are not</i>	region may jointly decide to	States of a system operation region may
	and (h) to (l) of Article $34(1)$.	referred to in paragraph 2 of this	grant the competence for	jointly decide to grant the competence for
		Article.	coordinated actions or binding	coordinated actions or binding decision-
			decision-making powers to the [making powers to their [] Regional
] Regional Security	Coordination Centre for one or more of the
			Coordinators for one or more	[] tasks provided for in [] Article 34(1).
			of the [] tasks provided for in [
] Article 34(1).	
599.	Article 39	AM 150	Article 39	Provisionally agreed in TM to merge articles
	Revision of decisions and	deleted	Revision of [] coordinated	<i>38 and 39</i>
	recommendations		actions and recommendations	
600.	1. Regional operational		1. [] Regional Security	Provisionally agreed to delete
	centres shall develop a		Coordinators shall develop a	[]
	procedure for the revision of		procedure for the revision of []	
	decisions and		coordinated actions and	
	recommendations.		recommendations referred to	
			tasks described in Article 34.	

601.	2. The procedure shall be	2. The procedure shall be	Provisionally agreed to delete
001.	triggered at the request of one	triggered at the request of one or	
	or more of the transmission	more of the transmission system	[]
		operators of the system	
	system operators of the system	operation region. Following the	
	operation region. Following the	revision of the [] coordinated	
	revision of the decision or	action or recommendation, []	
	recommendation, regional	Regional Security	
	operational centres shall	Coordinators [+] shall confirm	
	confirm or modify the measure.	or modify the measure.	
(0)	3. Where the measure		Description allowers d
602.			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	5. Where the measure subject to revision
	the safety of the system will be	action except in cases [] where	is a coordinated action in accordance with
	negatively affected.	the implementation of the	[Article 38(2)], the request for revision shall
		coordinated actions would	not suspend the coordinated action 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	01 / 11 ucie 10 01 Regulation / 17/2007.
		/14/2007	

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

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

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

615.	(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;		
616.	(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 coordination 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.

618.		Equi	Article 42 ipment 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 <i>coordination</i> 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 <i>independently and</i> <i>impartially</i> . 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.
620.		Monito	Article 43 ring and reporting	
621.	1. Regional operational centres shall establish a process for the continuous monitoring of at least:	AM 160 1. Regional <i>coordination</i> centres shall establish a process for the continuous monitoring of at least:	1. [] Regional Security Coordinators shall establish a process for the continuous monitoring of at least:	 <i>Provisionally agreed:</i> 1. Regional Coordination Centres shall 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 <i>in</i> <i>particular on those where the</i> <i>transmission system operators</i> <i>have deviated</i> 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 ³⁰ .	AM 163 4. Regional <i>coordination</i> centres shall submit an annual report <i>containing relevant</i> <i>monitoring data pursuant to</i> <i>paragraph 1 of this Article and</i> <i>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.	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 ³¹ .	 <i>Provisionally agreed:</i> 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.	 Provisionally agreed: 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.

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

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.
630.			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.

632.		Article 45 Ten-year network development plan				
633.	1.The Union-wide network development plan referred to under Article 27(1)(b) shall include the 	1.The Union-wide network development plan referred to under Article 27(1)(b) shall include the modelling of the integrated network, scenario development and an assessment of the resilience of the system. The Union-wide network development plan shall, in particular:No change: 1.No change: 1.1.The Union-wide network development plan referred to under Article 27(1)(b) shall include the modelling of the integrated network, scenario development and an assessment of the resilience of the system. The Union-wide network development plan shall, in particular:No change: 1.1.The Union-wide network development and an assessment of the resilience of the system. The Union-wide network development plan shall, in particular:No change: 1.				
634.	 (a) build on national investment plans, taking into account regional investment plans as referred to in Article 12(1), and, if appropriate, Union aspects of network planning as set out in Regulation (EU) No 347/2013 of the European Parliament and of the Council ³²; it shall be subject to a cost-benefit analysis using the methodology established as set out in Article 11 of that Regulation; 	 (a) build on national investment plans, taking into account regional investment plans as referred to in Article 12(1), and, if appropriate, Union aspects of network planning as set out in Regulation (EU) No 347/2013 of the European Parliament and of the Council; it shall be subject to a cost- benefit analysis using the methodology established as set out in Article 11 of that Regulation; No change: (a) build on national investment plans, taking into account regional investment plans as referred to in Article 12(1), and, if appropriate, Union aspects of network planning as set out in Regulation (EU) No 347/2013 of the European Parliament and of the Council; it shall be subject to a cost- benefit analysis using the methodology established as set out in Article 11 of that Regulation; 				

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	No change:
	interconnections, also build on	interconnections, also build on	(b) regarding cross-border
	the reasonable needs of	the reasonable needs of different	interconnections, also build on the
	different system users and	system users and integrate long-	reasonable needs of different system users
	integrate long-term	term commitments from	and integrate long-term commitments from
	commitments from investors	investors referred to in Articles	investors referred to in Articles 44 and 51 of
	referred to in Articles 44 and 51	44 and 51 of [recast of Directive	[recast of Directive 2009/72/EC as proposed
	of [recast of Directive	2009/72/EC as proposed by	by COM(2016) 864/2]; and
	2009/72/EC as proposed by	COM(2016) 864/2]; and	by COM(2010) 804/2], and
	COM(2016) 864/2]; and	COW(2010) 804/2, and	
636.	(c) identify investment gaps,	(c) identify investment gaps,	No change:
030.	notably with respect to cross-	notably with respect to cross-	(c) identify investment gaps, notably with
	border capacities.	border capacities.	respect to cross-border capacities.
637.	In regard to point (c) , a review	In regard to point (c), a review	No change:
057.	of barriers to the increase of	of barriers to the increase of	In regard to point (c), a review of barriers to
	cross-border capacity of the	cross-border capacity of the	the increase of cross-border capacity of the
	1 5	1 2	network arising from different approval
	network arising from different approval procedures or	network arising from different	procedures or practices may be annexed to
	practices may be annexed to the	approval procedures or practices	
	Union-wide network	may be annexed to the Union-	the Union-wide network development plan
		wide network development plan.	
638.	development plan.2.The Agency shall provide	2. The Agency shall provide	No di succes
638.			No change:
	an opinion on the national ten-	an opinion on the national ten-	2. The Agency shall provide an opinion
	year network development	year network development plans	on the national ten-year network
	plans to assess their consistency	to assess their consistency with	development plans to assess their
	with the Union-wide network	the Union-wide network	consistency with the Union-wide network
	development plan. If the	development plan. If the Agency	development plan. If the Agency identifies
	Agency identifies	identifies inconsistencies	inconsistencies between a national ten-year
	inconsistencies between a	between a national ten-year	network development plan and the Union-
	national ten-year network	network development plan and	wide network development plan, it shall
	development plan and the	the Union-wide network	recommend amending the national ten-year
	Union-wide network	development plan, it shall	network development plan or the Union-
	development plan, it shall	recommend amending the	wide network development plan as
	recommend amending the	national ten-year network	appropriate. If such national ten-year
	national ten-year network	development plan or the Union-	network development plan is elaborated in

development plan or the Union-	N	wide network development plan	accordance with Article 51 of [recast of
wide network development plan	6	as appropriate. If such national	Directive 2009/72/EC as proposed by
as appropriate. If such national	t	ten-year network development	COM(2016) 864/2], the Agency shall
ten-year network development	l t	plan is elaborated in accordance	recommend that the competent national
plan is elaborated in accordance	- N	with Article 51 of [recast of	regulatory authority amend the national ten-
with Article 51 of [recast of	I	Directive 2009/72/EC as	year network development plan in
Directive 2009/72/EC as	I	proposed by COM(2016) 864/2],	accordance with Article $51(7)$ of that
proposed by COM(2016)	t	the Agency shall recommend	Directive and inform the Commission
864/2], the Agency shall	t	that the competent national	thereof.
recommend that the competent	I	regulatory authority amend the	
national regulatory authority	1	national ten-year network	
amend the national ten-year		development plan in accordance	
network development plan in	X.	with Article $51(7)$ of that	
accordance with Article 51(7)	I	Directive and inform the	
of that Directive and inform the	(Commission thereof.	
Commission thereof.			

639.		Article 46
039.	Int	er-transmission system operator compensation mechanism
640. 641.	1.Transmission system operators shall receive compensation for costs incurred as a result of hosting cross- 	1.Transmission system operators shall receive compensation for costs incurred as a result of hosting cross- border flows of electricity on their networks.No change: 1.No change: receive compensation for costs incurred as a result of hosting cross-border flows of electricity on their networks.2.The compensation referred to in paragraph 1 shall be paid by the operators ofNo change: 2.
	national transmission systems from which cross-border flows originate and the systems where those flows end.	national transmission systems from which cross-border flows originate and the systems where those flows end.
642.	3. Compensation payments shall be made on a regular basis with regard to a given period of time in the past. Ex-post adjustments of compensation paid shall be made where necessary, to reflect costs actually incurred.	3.Compensation payments shall be made on a regular basis with regard to a given period of time in the past. Ex-post adjustments of compensation paid shall be made where necessary, to reflect costs actually incurred.No change: 3.3.Compensation payments shall be made on a regular basis with regard to a given period of time in the past. Ex-post adjustments of compensation paid shall be made where necessary, to reflect costs actually incurred.No change: 3.
643.	The first period of time for which compensation payments shall be made shall be determined in the guidelines referred to in Article 57.	The first period of time for which compensation payments shall be made shall be determined in the guidelines referred to in Article 57.No change: No change: The first period of time for which compensation payments shall be made shall be determined in the guidelines referred to in Article 57.
644.	4. The Commission shall adopt delegated acts in accordance with Article 63 concerning the amounts of compensation payments payable.	 4. The Commission shall adopt delegated acts in accordance with Article 63 concerning the amounts of compensation payments payable. No change: 4. The Commission shall adopt delegated acts in accordance with Article 63 concerning the amounts of payments payable.

645.	5. The magnitude of cross- border flows hosted and the magnitude of cross-border flows designated as originating and/or ending in national transmission systems shall be determined on the basis of the physical flows of electricity actually measured during a given period of time.	5. The magnitude of cross- border flows hosted and the magnitude of cross-border flows designated as originating and/or ending in national transmission systems shall be determined on the basis of the physical flows of electricity actually measured during a given period of time.	 No change: 5. The magnitude of cross-border flows hosted and the magnitude of cross-border flows designated as originating and/or ending in national transmission systems shall be determined on the basis of the physical flows of electricity actually measured during a given period of time.
646.	 6. The costs incurred as a result of hosting cross-border flows shall be established on the basis of the forward-looking long-run average incremental costs, taking into account losses, investment in new infrastructure, and an appropriate proportion of the cost of existing infrastructure is used for the transmission of cross-border flows, in particular taking into account the need to guarantee security of supply. When establishing the costs incurred, recognised standard-costing methodologies shall be used. Benefits that a network incurs as a result of hosting cross-border flows shall be taken into account to reduce the compensation received. 	6. The costs incurred as a result of hosting cross-border flows shall be established on the basis of the forward-looking long-run average incremental costs, taking into account losses, investment in new infrastructure, and an appropriate proportion of the cost of existing infrastructure, in so far as such infrastructure is used for the transmission of cross-border flows, in particular taking into account the need to guarantee security of supply. When establishing the costs incurred, recognised standard-costing methodologies shall be used. Benefits that a network incurs as a result of hosting cross-border flows shall be taken into account to reduce the compensation received.	 No change: 6. The costs incurred as a result of hosting cross-border flows shall be established on the basis of the forward-looking long-run average incremental costs, taking into account losses, investment in new infrastructure, and an appropriate proportion of the cost of existing infrastructure, in so far as such infrastructure is used for the transmission of cross-border flows, in particular taking into account the need to guarantee security of supply. When establishing the costs incurred, recognised standard-costing methodologies shall be used. Benefits that a network incurs as a result of hosting cross-border flows shall be taken into account to reduce the compensation received.

647.	7. For the purpose of the	7. For the purpose of the	No change:				
	inter-transmission system	inter-transmission system	7. For the purpose of the inter-				
	operator compensation	operator compensation	transmission system operator compensation				
	mechanism only, where	mechanism only, where	mechanism only, where transmission				
	transmission networks of two or	transmission networks of two or	networks of two or more Member States				
	more Member States form part,	more Member States form part,	form part, in whole or in part, of a single				
	in whole or in part, of a single	in whole or in part, of a single	control block, the control block as a whole				
	control block, the control block	control block, the control block	shall be considered as forming part of the				
	as a whole shall be considered	as a whole shall be considered as	transmission network of one of the Member				
	as forming part of the	forming part of the transmission	States concerned, in order to avoid flows				
	transmission network of one of	network of one of the Member	within control blocks being considered as				
	the Member States concerned,	States concerned, in order to	cross-border flows under Article 2(2)(b) and				
	in order to avoid flows within	avoid flows within control	giving rise to compensation payments under				
	control blocks being considered	blocks being considered as	paragraph 1 of this Article. The regulatory				
	as cross-border flows under	cross-border flows under Article	authorities of the Member States concerned				
	Article $2(2)(b)$ and giving rise	2(2)(b) and giving rise to	may decide which of the Member States				
	to compensation payments	compensation payments under	concerned shall be that of which the control				
	under paragraph 1 of this	paragraph 1 of this Article. The	block as a whole is to be considered to form				
	Article . The regulatory	regulatory authorities of the	part.				
	authorities of the Member	Member States concerned may					
	States concerned may decide	decide which of the Member					
	which of the Member States	States concerned shall be that of					
	concerned shall be that of	which the control block as a					
	which the control block as a	whole is to be considered to					
	whole is to be considered to	form part.					
	form part.						
648.		Article 47					
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		Provision of information					
649.	1. Transmission system operators shall put in place coordination and information exchange mechanisms to ensure the security of the networks in the context of congestion management.	1.Transmission system operators shall put in place coordination and information exchange mechanisms to ensure the security of the networks in the context of congestion management.No change: 1.1.Transmission system operators put in place coordination and information exchange mechanisms to ensure the security of the networks in the context of congestion management.No change: 1.	tion ecurity				
650.	2. The safety, operational and planning standards used by transmission system operators shall be made public. The information published shall include a general scheme for the calculation of the total transfer capacity and the transmission reliability margin based upon the electrical and physical features of the network. Such schemes shall be subject to the approval of the regulatory authorities.	 2. The safety, operational and planning standards used by transmission system operators shall be made public. The information published shall include a general scheme for the calculation of the total transfer capacity and the transmission reliability margin based upon the electrical and physical features of the network. Such schemes shall be subject to the approval of the regulatory authorities. No change: The safety, operational and plan standards used by transmission system operators shall be made public. The information published shall include a general scheme for the calculation of the total transfer capacity and the transmission reliability margin based upon the electrical and physical features of the network. Such schemes shall be subject to the approval of the regulatory authorities. 	n general trical Such				

651. 652.	 3. Transmission system operators shall publish estimates of available transfer capacity for each day, indicating any available transfer capacity already reserved. Those publications shall be made at specified intervals before the day of transport and shall include, in any event, week-ahead and month-ahead estimates, as well as a quantitative indication of the expected reliability of the available capacity. 4. Transmission system operators shall publish relevant data on aggregated forecast and actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, and on balancing power and reserve capacity. For availability and actual use of small generation 	AM 167 4. Transmission system operators shall publish relevant data on aggregated forecast and actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, on balancing power and reserve capacity <i>and on the availability of</i> <i>flexibility</i> . For availability and	 Transmission system operators shall publish estimates of available transfer capacity for each day, indicating any available transfer capacity already reserved. Those publications shall be made at specified intervals before the day of transport and shall include, in any event, week- ahead and month-ahead estimates, as well as a quantitative indication of the expected reliability of the available capacity. Transmission system operators shall publish relevant data on aggregated forecast and actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, and on balancing power and reserve capacity. For availability and actual use of small generation 	 No change: 3. Transmission system operators shall publish estimates of available transfer capacity for each day, indicating any available transfer capacity already reserved. Those publications shall be made at specified intervals before the day of transport and shall include, in any event, week-ahead and month-ahead estimates, as well as a quantitative indication of the expected reliability of the available capacity. <i>Council compromise proposal:</i> 4. Transmission system operators shall publish relevant data on aggregated forecast and actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, on balancing power and reserve capacity <i>and on the availability of flexibility</i>. For availability and actual use of small generation and load units, aggregated
	actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, and on balancing power and reserve capacity. For availability and	data on aggregated forecast and actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, on balancing power and reserve capacity <i>and on the availability of</i>	actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, and on balancing power and reserve capacity. For availability and	publish relevant data on aggregated forecast and actual demand, on availability and actual use of generation and load assets, on availability and use of the networks and interconnections, on balancing power and reserve capacity <i>and on the availability of</i> <i>flexibility</i> . For availability and actual use of
653.	estimate data may be used.5. The market participants concerned shall provide the	load units, aggregated estimate data may be used.	estimate data may be used.5. The market participants concerned shall provide the	<i>No change:</i> 5. The market participants concerned
	transmission system operators with the relevant data.		transmission system operators with the relevant data.	shall provide the transmission system operators with the relevant data.

654.	6. Generation undertakings	 6. Generation undertakings	No change:
	which own or operate	which own or operate generation	6. Generation undertakings which own or
	generation assets, where at least	assets, where at least one	operate generation assets, where at least one
	one generation asset has an	generation asset has an installed	generation asset has an installed capacity of
	installed capacity of at least 250	capacity of at least 250 MW, or	at least 250 MW, or which have a portfolio
	MW, or which have a portfolio	which have a portfolio	comprising at least 400 MW of generation
	comprising at least 400 MW of	comprising at least 400 MW of	assets, shall keep at the disposal of the
	generation assets, shall keep at	generation assets, shall keep at	national regulatory authority, the national
	the disposal of the national	the disposal of the national	competition authority and the Commission,
	regulatory authority, the	regulatory authority, the national	for five years all hourly data per plant that is
	national competition authority	competition authority and the	necessary to verify all operational
	and the Commission, for five	Commission, for five years all	dispatching decisions and the bidding
	years all hourly data per plant	hourly data per plant that is	behaviour at power exchanges,
	that is necessary to verify all	necessary to verify all	interconnection auctions, reserve markets
	operational dispatching	operational dispatching	and over-the-counter-markets. The per-plant
	decisions and the bidding	decisions and the bidding	and per hour information to be stored shall
	behaviour at power exchanges,	behaviour at power exchanges,	include, but shall not be limited to, data on
	interconnection auctions,	interconnection auctions, reserve	available generation capacity and committed
	reserve markets and over-the-	markets and over-the-counter-	reserves, including allocation of those
	counter-markets. The per-plant	markets. The per-plant and per	committed reserves on a per-plant level, at
	and per hour information to be	hour information to be stored	the times the bidding is carried out and when
	stored shall include, but shall	shall include, but shall not be	production takes place.
	not be limited to, data on	limited to, data on available	
	available generation capacity	generation capacity and	
	and committed reserves,	committed reserves, including	
	including allocation of those	allocation of those committed	
	committed reserves on a per-	reserves on a per-plant level, at	
	plant level, at the times the	the times the bidding is carried	
	bidding is carried out and when	out and when production takes	
	production takes place.	 place.	

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

	compatibility with Article 52(2) or Article 53 and Article 43 of [recast of Directive 2009/72/EC as proposed by COM(2016) <u>864/2</u>].	compatibility with Article 52(2) or Article 53 and Article 43 of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2].	COM(2016) 864/2].
658.	When preparing the opinion referred to in the first subparagraph, the Commission may request the Agency to provide its opinion on the national regulatory authority's decision. In such a case, the two-month period referred to in the first subparagraph shall be extended by two further months.	When preparing the opinion referred to in the first subparagraph, the Commission may request the Agency to provide its opinion on the national regulatory authority's decision. In such a case, the two month period referred to in the first subparagraph shall be extended by two further months.	No change: When preparing the opinion referred to in the first subparagraph, the Commission may request the Agency to provide its opinion on the national regulatory authority's decision. In such a case, the two-month period referred to in the first subparagraph shall be extended by two further months.
659.	In the absence of an opinion by the Commission within the periods referred to in the first and second subparagraphs, the Commission shall be deemed not to raise objections to the regulatory authority's decision.	In the absence of an opinion by the Commission within the periods referred to in the first and second subparagraphs, the Commission shall be deemed not to raise objections to the regulatory authority's decision.	No change: In the absence of an opinion by the Commission within the periods referred to in the first and second subparagraphs, the Commission shall be deemed not to raise objections to the regulatory authority's decision.
660.	2. Within two months of receiving an opinion of the Commission, the national regulatory authority shall adopt its final decision regarding the certification of the transmission system operator, taking the utmost account of that opinion. The regulatory authority's decision and the Commission's opinion shall be published together.	 2. Within two months of receiving an opinion of the Commission, the national regulatory authority shall adopt its final decision regarding the certification of the transmission system operator, taking the utmost account of that opinion. The regulatory authority's decision and the Commission's opinion shall be published together. 	No change:2.Within two months of receiving an opinion of the Commission, the national regulatory authority shall adopt its final decision regarding the certification of the transmission system operator, taking the utmost account of that opinion. The regulatory authority's decision and the Commission's opinion shall be published together.

661.	3. At any time during the procedure, regulatory authorities and/or the Commission may request from a transmission system operator and/or an undertaking performing any of the functions of generation or supply any information relevant to the fulfilment of their tasks under this Article.	and req sys und the sup to t	At any time during the ocedure, regulatory authorities d/or the Commission may quest from a transmission stem operator and/or an dertaking performing any of e functions of generation or pply any information relevant the fulfilment of their tasks der this Article.	 No change: 3. At any time during the procedure, regulatory authorities and/or the Commission may request from a transmission system operator and/or an undertaking performing any of the functions of generation or supply any information relevant to the fulfilment of their tasks under this Article.
662.	4. Regulatory authorities and the Commission shall preserve the confidentiality of commercially sensitive information.	the	Regulatory authorities and e Commission shall preserve e confidentiality of mmercially sensitive formation.	 No change: 4. Regulatory authorities and the Commission shall preserve the confidentiality of commercially sensitive information.
663.	5. Where the Commission has received notification of the certification of a transmission system operator under Article 43(9) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], the Commission shall take a decision relating to certification. The regulatory authority shall comply with the Commission decision.	cert sys 43(200 CO CO Co dec The con	Where the Commission s received notification of the rtification of a transmission stem operator under Article (9) of [recast of Directive 09/72/EC as proposed by DM(2016) 864/2], the ommission shall take a cision relating to certification. he regulatory authority shall mply with the Commission cision.	No change: 5. Where the Commission has received notification of the certification of a transmission system operator under Article 43(9) of [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], the Commission shall take a decision relating to certification. The regulatory authority shall comply with the Commission decision.

664.	Chapter VI Distribution system operation				
665.	Article 49 European entity for distribution system operators		Article 49 [] Cooperation of distribution system operators		
666.	Distribution system operators which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35 [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity.	AM 168 Distribution system operators shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall <i>have</i> <i>the right to</i> become registered members of the entity.	1. Distribution system 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. []	Council compromise proposal (GA): 1. Distribution system 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.		Council compromise proposal: deletion []
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.		Council compromise proposal: deletion []
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.	Council compromise proposal: 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.	Council compromise proposal: 1b. Members of the EU DSO entity shall be subject to registration and payment of a fair and proportionate membership fee <u>according to the number</u> <u>of connected customers</u> .
671.	Article 50 Establishment of the EU DSO entity for electricity		Article 50 Establishment of the EU DSO entity[]	Maintain GA on entire Article 50
672.			0. EU DSO entity shall consist of, at least, a General Assembly, Board of Directors, Strategic Advisor Group, Expert Groups and a Secretary General.	
673.	1. By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency, shall submit to the Commission and to the Agency the draft statutes, a list of registered members, the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders and the financing rules, of the EU DSO entity to be established.	AM 169 1. By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency, shall submit to the Commission and to the Agency the draft statutes, a list of <i>participating</i> <i>distribution system operators and</i> <i>entities designated to represent</i> <i>distribution system operators</i> , the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders, <i>the decision-making procedure</i> and the financing rules, of the EU DSO entity to be established.	1. [] Within [OP: twelve months after entry into force], the distribution system operators [] shall submit to the Commission and to the Agency the draft statutes in accordance with [Article 50a] including a code of conduct, a list of registered members, the draft rules of procedure, including the rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders and the financing rules, of the EU DSO entity to be established.	

674.		The 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 <i>and consumer protection</i> <i>organisations</i> , shall provide an opinion to the Commission on the draft statutes, the list of members and the draft rules of procedure, <i>taking into account in particular</i> <i>the rules related to the</i> <i>independence of the EU DSO, to</i> <i>the prevention of conflicts of</i> <i>interests, and to the necessity to</i> <i>ensure geographically balanced</i> <i>representation and equitable</i> <i>treatment of its Members.</i>	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	AM 171	3. The Commission shall	
070	deliver an opinion on the draft	3. The Commission shall	deliver an opinion on the draft	
	statutes, the list of members and	deliver an opinion on the draft	statutes, the list of members and	
	the draft rules of procedure	statutes, the list of members and	the draft rules of procedure	
	taking into account the opinion	the draft rules of procedure,	taking into account the opinion	
	of the Agency provided for in	including the rules of procedures	of the Agency provided for in	
	paragraph 2, within three	on the consultation with ENTSO	paragraph 2, within three months	
	months of receipt of the opinion	for Electricity and other	of receipt of the opinion of the	
	of the Agency.	stakeholders, the decision-making	Agency.	
		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.		
677.	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 positive opinion,		Commission's positive opinion,	receipt of the Commission's positive
	the distribution system		the distribution system operators	opinion, the distribution system operators
	operators shall establish the EU		shall establish the EU DSO	shall establish the EU DSO entity and adopt
	DSO entity and adopt and		entity and adopt and publish its	and publish its statutes and rules of
	publish its statutes and rules of		statutes and rules of procedure.	procedure.
	procedure.			
678.	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 their		changes thereof or upon their	changes thereof or upon their reasoned
	reasoned request. The Agency		reasoned request. The Agency	request. The Agency and the Commission
	and the Commission shall		and the Commission shall	shall deliver an opinion in line with the
	deliver an opinion in line with		deliver an opinion in line with	process set out in paragraph 2 to 4.
	the process set out in		the process set out in paragraph	r
	paragraphs 2 to 4.		2 to 4.	

679.	6. The costs related to the	AM 172	6. The costs related to the	
	activities of the EU DSO entity	6. The costs related to the	activities of the EU DSO entity	
	shall be borne by distribution	activities of the EU DSO entity	shall be borne by distribution	
	system operators who are	shall be borne by distribution	system operators who are	
	registered members and shall be	system operators who are	registered members and shall be	
	taken into account in the	registered members and shall be	taken into account in the	
	calculation of tariffs.	considered as eligible cost and	calculation of tariffs. Regulatory	
	Regulatory authorities shall	taken into account by the	authorities shall approve those	
	approve those costs only if they	regulatory authority in the	costs only if they are reasonable	
	are reasonable and	calculation of tariffs. Regulatory	and proportionate.	
	proportionate.	authorities shall approve those		
		costs only if they are reasonable		
		and proportionate.		
680.		AM 173	Article 50a	
		Article 50 a (new)	Principal rules and procedures	
		Article 50a	for the EU DSO entity for	Maintain GA on entire Article 50a
		Principal rules and procedures for	electricity	
		the EU DSO entity for electricity		
681.		1. The statutes of the EUDSO	1. The statutes of the EU	
		entity adopted in accordance with	DSO entity adopted in	
		Article 50 shall safeguard the	accordance with Article 50	
		following principles:	shall safeguard the following	
			principles:	
682.		(a) participation in the works of	(a) participation in the	
		the EU DSO entity is limited to	works of the EU DSO entity is	
		registered members with the	limited to registered members	
		possibility of delegation within the	with the possibility of	
		membership;	delegation within the	
			membership;	
683.		(b) strategic decisions	(b) strategic decisions	
		regarding the activities of the EU	regarding the activities of the	
		DSO entity as well as policy	EU DSO entity as well as	
		guidelines for the Board of	policy guidelines for the Board	
		Directors are adopted by the	of Directors are adopted by	
1		General Assembly;	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 	 (c) decisions of the General Assembly are adopted according with the following rules: when 65% of the votes
	Assembly are reached, - whereby each member disposes of a number of votes proportional to the respective number of customers and	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.	- the final outcome is supported by at least 55% of the members of the General Assembly.
685.	 (d) decisions of the General Assembly are blocked according with the following rules: -when 35% of the votes attributed to the members of the General Assembly are reached, - whereby each member disposes of a number of votes proportional to the respective number of customers; and 	 (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 propertional to the respective
	- the final outcome is supported by at least 25% of the members of the General Assembly	proportional to the respective number of customers; and the final outcome is supported by at least 25% of the members of the General Assembly

686.	(e) the Board of Directors is	(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;	
687.	(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	Board of Directors, the	
	General is appointed by the	Secretary General is appointed	
	General Assembly among its	by the General Assembly	
	members for a four years	among its members for a four	
	mandate, renewable once;	years mandate, renewable	
	,	once;	
691.	(j) based on proposal by the	(j) based on proposal by the	
	Board of Directors, Expert Groups	Board of Directors, Expert	
	are appointed by the General	Groups are appointed by the	
	Assembly whereby each group	General Assembly whereby	
	shall not exceed 30 members with	each group shall not exceed 30	
	the possibility of 1/3 coming from	members with the possibility	
	outside the membership. In	of 1/3 coming from outside the	
	addition, 'one country' expert	membership. In addition, 'one	
	group shall be established and	country' expert group shall be	
	consist of exactly one DSO	established and consist of	
	representative from each Member	exactly one DSO	
	State.	representative from each	
	Suuc.	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	2. Procedures adopted by the EU DSO entity shall safeguard the fair and proportionate treatment of its members and reflect the diverse geographical and	
	membership. In particular, the procedures shall foresee that:	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) anoth Vian Dussidant of the	(d) each Vice-President of
090.	(d) each Vice-President of the	
	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
	in the Doura of Directors.	
		represented in the Board of
		Directors.

699.			Article 51		
	Tasks of the EU DSO entity				
700.	1. The tasks of the EU DSO entity shall be the following:	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:	Maintain GA on entire Article 51	
701.	(a) coordinated operation and planning of transmission and distribution networks;	(a) <i>promote</i> coordinated operation and planning of transmission and distribution networks;	(a) (<i>b in GA</i>) [] promote operation and planning of [] distribution networks in cooperation with operation and planning of transmission networks;		
702.	(b) integration of renewable energy resources, distributed generation and other resources embedded in the distribution network such as energy storage;	(b) <i>improve and maximise the</i> integration of renewable energy resources, distributed generation and <i>facilitate</i> other resources embedded in the distribution network such as energy storage <i>and sectoral integration</i> ;	(b) (c in GA) facilitation of the integration of renewable energy resources, distributed generation and other resources embedded in the distribution network such as energy storage;		
703.	(c) development of demand response;	(c) <i>facilitate the</i> development of demand response;	(c) (d in GA) facilitation of [] demand side flexibility and response, and distribution grid users' access to markets;		
704.	(d) digitalisation of distribution networks including deployment of smart grids and intelligent metering systems;	(d) <i>improve the</i> digitalisation of distribution networks including deployment of smart grids and <i>smart</i> metering systems;	 (d) (e in GA) contribute to the digitalisation of distribution [] systems including 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 <i>effectively</i> with ENTSO for electricity, <i>the Agency</i> <i>and national regulators to</i> <i>facilitate</i> the monitoring <i>by the</i> <i>Agency and where relevant the</i> <i>national regulatory authorities</i> 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	
707.	for electricity and adopt best	for electricity and adopt best	
	practices on the coordinated	practices on the coordinated	
	operation and planning of	operation and planning of	
	transmission and distribution	transmission and distribution	
	systems including issues such	systems including issues such as	
	as exchange of data between	exchange of data between	
	operators and coordination of	operators and coordination of	
	distributed energy resources;	distributed energy resources;	
710.	(c) work on identifying best		
	practices on the areas identified		
	in paragraph 1 and for the		
	introduction of energy		
	efficiency improvements in the		
	distribution network;		
711.	(d) adopt an annual work	(d) adopt an annual work	
	programme and an annual	programme and an annual	
	report;	report;	
712.	(e) operate in full	(e) operate in full compliance	
	compliance with competition	with competition rules and	
	rules.	ensure neutrality.	

713.	Article 52 Consultations in the network code development process					
714.	1. While preparing possible network codes pursuant to Article 55, the EU DSO entity shall conduct an extensive consultation process, at an early stage and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 50. That consultation shall also involve national regulatory authorities and other national authorities, supply and generation undertakings, system users including customers, distribution system operators, including relevant industry associations, technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties during the decision-making process.	AM 176 1. While <i>participating in the</i> <i>elaboration of new</i> network codes pursuant to Article 55, the EU DSO entity shall conduct an extensive consultation process, at an early stage and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 50. That consultation shall also involve national regulatory authorities and other national authorities, supply and generation undertakings, system users including customers, distribution system operators, including relevant industry associations, technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties during the decision-making process.	1. While preparing possible network codes pursuant to Article 55, the EU DSO entity shall conduct an extensive consultation process, at an early stage and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 50. That consultation shall also involve [] regulatory authorities and other national authorities, supply and generation undertakings, system users including customers, [], technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties during the decision-making process.	Council compromise proposal: 1. While participating in the elaboration of new network codes pursuant to Article 55, the EU DSO entity shall conduct an extensive consultation process, at an early stage and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 50. That consultation shall also involve <u>national</u> regulatory authorities and other national authorities, supply and generation undertakings, system users including customers, [], technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties during the decision-making process.		

715	2 A 11 de server en te en 1			NT - 1
715.	2. All documents and		2. All documents and	No change:
	minutes of meetings related to		minutes of meetings related to	2. All documents and minutes of
	the consultations referred to in		the consultations referred to in	meetings related to the consultations referred
	paragraph 1 shall be made		paragraph 1 shall be made	to in paragraph 1 shall be made public.
	public.		public.	
716.	3. The EU DSO entity shall		3. The EU DSO entity shall	No change:
	take into consideration the		take into consideration the views	
	views provided during the		provided during the	3. The EU DSO entity shall take into
	consultations. Before adopting		consultations. Before adopting	consideration the views provided during the
	proposals for network codes		proposals for network codes	consultations. Before adopting proposals for
	referred to in Article 55 the EU		referred to in Article 55 the EU	network codes referred to in Article 55 the
	DSO entity shall indicate how		DSO entity shall indicate how	EU DSO entity shall indicate how the
	the observations received		the observations received during	observations received during the consultation
	during the consultation have		the consultation have been taken	have been taken into consideration. It shall
	been taken into consideration. It		into consideration. It shall	provide reasons where observations have not
	shall provide reasons where		provide reasons where	been taken into account.
	observations have not been		observations have not been	
	taken into account.		taken into account.	
-1-	taken into account.			
717.			Article 53	
		Cooperation between distribution syst	em operators and transmission syst	
718.		AM 177		Council compromise proposal to delete:
		Article 53 – paragraph -1 (new)		[]
		-1. The ENTSO for Electricity		
		and the EU DSO entity shall		- Cooperation between ENTSO-E and EU
		develop a formal mechanism to		DSO entity covered in lines: 707-709.
		facilitate cooperation between		- Cooperation between DSOs and TSOs
		distribution system operators and		covered in line 719.
		transmission system operators.		
(in anomiosion system operators.		

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

721.		Chapter VII
		Network codes and guidelines
722.		Article 54
		Adoption of network codes and guidelines
723.	1. The Commission may, subject to the empowerments in Articles 55 and 57, adopt delegated acts. Such delegated acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to Article 55 paragraph 2, by the EU DSO entity and the Agency pursuant to the procedure in Article 55 or as guidelines pursuant to the procedure in Article 57.	1.The Commission may, subject to the empowerments in Articles 55 and 57, adopt [] implementing acts. Such [] implementing acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to Article 55 paragraph 2, by the EU DSO entity where relevant in mutual cooperation with the ENTSO for Electricity and the Agency pursuant to the procedure in Article 55 or as guidelines pursuant to the procedure in Article 57.Council compromise proposal (GA):1.The Commission may, subject to the empowerments in Articles 55 and 57, adopt [] implementing acts. Such [] implementing acts. Such [] implementing acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to to Article 55 paragraph 2, by the EU DSO entity where relevant in mutual cooperation with the procedure in Article 55 or as guidelines pursuant to the procedure in Article 57.
724.	2. The network codes and guidelines shall	2. The network codes and guidelines shall No change: 2. The network codes and guidelines shall
725.	(a) ensure that they provide the minimum degree of harmonisation required to achieve the aims of this Regulation;	(a) ensure that they provide the minimum degree of harmonisation required to achieve the aims of this Regulation;No change: (a) ensure that they provide the minimum degree of harmonisation required to achieve the aims of this Regulation;
726.	(b) take into account, where appropriate, regional specificities;	(b) take into account, where appropriate, regional specificities;No change: (b) take into account, where appropriate, regional specificities;

727.	(c) not go beyond what is necessary for that purpose; and		(c) not go beyond what is necessary for that purpose; and	No change: (c) not go beyond what is necessary for that purpose; and
728.	(d) be without prejudice to the Member States' right to establish national network codes which do not affect cross- border trade.	t e v	(d) be without prejudice to the Member States' right to establish national network codes which do not affect cross [] zonal trade.	Council compromise proposal (GA): (d) be without prejudice to the Member States' right to establish national network codes which do not affect cross [] zonal trade.
729.			rticle 55 nt of network codes	
730.	1. The Commission is empowered to adopt delegated acts in accordance with Article 63 concerning the establishment of network codes in the following areas:	i a c u i I I I I I	1. The Commission is empowered to adopt [] implementing acts in accordance with Article [] 62(2) in order to ensure uniform conditions for the implementation of this Regulation by establishing [] network codes in the following areas:	Council compromise proposal:1.The Commission is empowered toadopt [] implementing acts in accordancewith Article [] 62(2) in order to ensureuniform conditions for theimplementation of this Regulation byestablishing [] network codes withtechnical framework conditions andminimum requirements with cross-borderrelevance in the following areas:

731.	(a) network security and	(a) network secu	
	reliability rules including rules	reliability rules inc	luding rules
	for technical transmission	for technical transm	nission (a) network security and reliability rules
	reserve capacity for operational	reserve capacity fo	r operational including rules for technical transmission
	network security;	network security in	reserve capacity for operational network
		system states, rem	
		and operational se	
		limits, voltage con	
		reactive power ma	e i
		short-circuit curr	
		management, pow	8 /1 8 /
		management, con	
		analysis and hand	
		protection equipm	
		schemes, data exc	
		compliance, train	
		operational plann	
		security analysis,	
		operational security	
		coordination, out	
		coordination, out	
		of relevant assets,	
		analysis, ancillary	
		scheduling, and o	
		planning data env	rironments;

732.	(b) network connection rules;	(b) network connection 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;	high-voltage direct current converter stations, and operational notification
733.	(c) third-party access rules;	(c) third-party access rules;	No change: (c) third-party access rules;
734.	(d) data exchange and settlement rules;	(d) data exchange and settlement rules;	No change:(d)data exchange and settlement rules;
735.	(e) interoperability rules;	(e) interoperability rules;	No change: (e) interoperability rules;
736.	(f) operational procedures in an emergency;	(f) operational procedures in an emergency including system defence plans, restoration plans, market interactions, information exchange and communication and tools and facilities;	 Council compromise proposal (GA): (f) operational procedures in 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	Council compromise proposal (GA):
	congestion-management rules	congestion-management rules [
	including curtailment of] including day ahead,	(g) capacity-allocation and congestion-
	generation and redispatch of	intraday and forward capacity	management rules [] including day ahead,
	generation and demand;	calculation methodologies and	intraday and forward capacity calculation
		processes, grid models,	methodologies and processes, grid models,
		bidding zone configuration,	bidding zone configuration, redispatching
		redispatching and	and countertrading, trading algorithms,
		countertrading, trading	single day-ahead and intraday coupling,
		algorithms, single day-ahead	firmness of allocated cross-zonal capacity,
		and intraday coupling,	congestion income distribution, cross-
		firmness of allocated cross-	zonal transmission risk hedging,
		zonal capacity, congestion	nomination procedures, and capacity
		income distribution, cross-	allocation and congestion management
		zonal transmission risk	cost recovery
		hedging, nomination	
		procedures, and capacity	
		allocation and congestion	
		management cost recovery ;	
738.	(h) rules for trading related	(h) rules for trading related to	Council compromise proposal (GA):
	to technical and operational	technical and operational	
	provision of network access	provision of network access	(h) rules for trading related to technical
	services and system balancing;	services and system balancing	and operational provision of network access
		including functions and	services and system balancing including
		responsibilities, platforms for	functions and responsibilities, platforms
		the exchange of balancing	for the exchange of balancing energy, gate
		energy, gate closure times,	closure times, requirements for standard
		requirements for standard and	and specific products, procurement of
		specific products, procurement	balancing services, allocation of cross-
		of balancing services,	zonal capacity for the exchange of
		allocation of cross-zonal	balancing services or sharing of reserves,
		capacity for the exchange of	settlement of balancing energy, settlement
		balancing services or sharing	of exchanges of energy between system
		of reserves, settlement of	operators, imbalance settlement and
		balancing energy, settlement	settlement of balancing capacity;

739.	(i) transparency rules;		of exchanges of energy between system operators, imbalance settlement and settlement of balancing capacity;(i)transparency rules;	<i>No change:</i> (i) transparency rules;
740.	(j) balancing rules including network-related reserve power rules;		(j) balancing rules including network-related reserve power 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;	 Council compromise proposal (GA): (j) balancing rules including network- related reserve power 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 harmonised transmission and distribution tariff structures and connection charges including locational signals and inter- transmission system operator compensation rules; 	AM 179 deleted	 (k) rules regarding harmonised transmission [] tariff structures [as referred to in Article 16] [] including locational signals and inter- transmission system operator compensation rules; energy efficiency regarding electricity networks; 	 Provisionally agreed in TM (GA): (k) rules regarding harmonised transmission [] tariff structures [as referred to in Article 16] [] including locational signals and inter-transmission system operator compensation rules; energy efficiency regarding electricity networks;

742.	(l) energy efficiency regarding electricity networks;		[]	Provisionally agreed in TM (deletion):
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;	 Provisionally agreed in TM (GA): (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;		[]	 Provisionally agreed in TM: (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;	 Council compromise proposal (GA): (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	AM 181	2. The Commission shall,	Council compromise proposal: (GA)
	consulting the Agency, the	2. The Commission shall, after	after consulting the Agency, the	
	ENTSO for Electricity and the	consulting the Agency, the ENTSO	ENTSO for Electricity, the EU	2. The Commission shall, after
	other relevant stakeholders,	for Electricity, the EU DSO entity	DSO Entity and the other	consulting the Agency, the ENTSO for
	establish a priority list every	for electricity and the other	relevant stakeholders, establish a	Electricity, the EU DSO Entity and the
	three years, identifying the	relevant stakeholders, establish a	priority list every three years,	other relevant stakeholders, establish a
	areas set out in paragraph 1 to	priority list every three years,	identifying the areas set out	priority list every three years, identifying the
	be included in the development	identifying the areas set out in	in paragraph 1 to be included in	areas set out in paragraph 1 to be included in
	of network codes. If the	paragraph 1 to be included in the	the development of network	the development of network codes. If the
	subject-matter of the network	development of network codes. If	codes. If the subject-matter of	subject-matter of the network code is directly
	code is directly related to the	the subject-matter of the network	the network code is directly	related to the operation of the distribution
	operation of the distribution	code is directly related to the	related to the operation of the	system and [] not primarily relevant for
	system and less relevant for the	operation of the distribution system	distribution system and [] not	the transmission, the Commission may
	transmission system, the	and less relevant for the	primarily relevant for the	require the EU DSO entity in cooperation
	Commission may require the	transmission system, the	transmission, the Commission	with [] the ENTSO for Electricity to
	EU DSO entity for electricity	Commission may require the EU	may require the EU DSO entity	convene a drafting committee and submit a
	instead of the ENTSO for	DSO entity for electricity instead	in cooperation with [] the	proposal for a network code to the agency.
	Electricity to convene a drafting	of the ENTSO for Electricity to	ENTSO for Electricity to	
	committee and submit a	convene a drafting committee and	convene a drafting committee	
	proposal for a network code to	submit a proposal for a network	and submit a proposal for a	
	the agency.	code to the agency.	network code to the agency.	

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

750.	5. The Agency shall submit a non-binding framework guideline to the Commission where requested to do so under paragraph 3. The Agency shall review the non-binding framework guideline and re- submit it to the Commission where requested to do so under paragraph 6.	5. The Agency shall submit a non-binding framework guideline to the Commission where requested to do so under paragraph 3. The Agency shall review the non-binding framework guideline and re- submit it to the Commission where requested to do so under paragraph 6.	 No change: 5. The Agency shall submit a non- binding framework guideline to the Commission where requested to do so under paragraph 3. The Agency shall review the non-binding framework guideline and re- submit it to the Commission where requested to do so under paragraph 6.
751.	 6. If the Commission considers that the framework guideline does not contribute to market integration, non- discrimination, effective competition and the efficient functioning of the market, it may request the Agency to review the framework guideline within a reasonable period of time and re-submit it to the Commission. 	6. If the Commission considers that the framework guideline does not contribute to market integration, non- discrimination, effective competition and the efficient functioning of the market, it may request the Agency to review the framework guideline within a reasonable period of time and re- submit it to the Commission.	 No change: 6. If the Commission considers that the framework guideline does not contribute to market integration, non-discrimination, effective competition and the efficient functioning of the market, it may request the Agency to review the framework guideline within a reasonable period of time and resubmit it to the Commission.
752.	7. If the Agency fails to submit or re-submit a framework guideline within the period set by the Commission under paragraphs 3 or 6, the Commission shall elaborate the framework guideline in question.	7. If the Agency fails to submit or re-submit a framework guideline within the period set by the Commission under paragraphs 3 or 6, the Commission shall elaborate the framework guideline in question.	 No change: 7. If the Agency fails to submit or resubmit a framework guideline within the period set by the Commission under paragraphs 3 or 6, the Commission shall elaborate the framework guideline in question.

753.	8. The Commission shall request the ENTSO for Electricity or, where so decided in the priority list pursuant to paragraph 2, the EU DSO entity for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline, to the Agency within a reasonable period of time not exceeding 12 months.	 8. The Commission shall request the ENTSO for Electricity or, where so decided in the priority list pursuant to paragraph 2, the EU DSO entity [] in co-operation with the ENTSO for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline, to the Agency within a reasonable period of time not exceeding 12 months. 	<i>Council compromise proposal: (GA)</i> 8. The Commission shall request the ENTSO for Electricity or, where so decided in the priority list pursuant to paragraph 2, the EU DSO entity [] in co-operation with the ENTSO for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline, to the Agency within a reasonable period of time not exceeding 12 months.
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 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	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, where appropriate of the EU DSO entity, where appropriate of nominated 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, in co-operation with the ENTSO for Electricity shall elaborate proposals for network codes in	 Council compromise proposal: (GA) 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, where appropriate of the EU DSO entity, where appropriate of nominated 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, in cooperation with the ENTSO for Electricity in coperation with the areas referred to in paragraph 1 upon a request addressed to it by the Commission in accordance with paragraph 8.

	addressed to it by the	the areas referred to in paragraph	
	Commission in accordance with	1 upon a request addressed to it	
	paragraph 8.	by the Commission in	
	paragraph 8.	2	
755		 accordance with paragraph 8.	NT 1
755.	10. The Agency shall revise	10. The Agency shall revise	No change:
	the network code and ensure	the network code and ensure that	10. The Agency shall revise the network
	that the network code is in line	the network code is in line with	code and ensure that the network code is in
	with the relevant framework	the relevant framework	line with the relevant framework guideline
	guideline and contributes to	guideline and contributes to	and contributes to market integration, non-
	market integration, non-	market integration, non-	discrimination, effective competition, and
	discrimination, effective	discrimination, effective	the efficient functioning of the market and
	competition, and the efficient	competition, and the efficient	submit the revised network code to the
	functioning of the market and,	functioning of the market and	Commission within six months of the day of
	submit the revised network	submit the revised network code	the receipt of the proposal. In the proposal
	code to the Commission within	to the Commission within six	submitted to the Commission, the Agency
	six months of the day of the	months of the day of the receipt	shall take into account the views provided by
	receipt of the proposal. In the	of the proposal . In the proposal	all involved parties during the drafting of the
	proposal submitted to the	submitted to the Commission,	proposal led by the ENTSO for Electricity or
	Commission, the Agency shall	the Agency shall take into	the EU DSO entity and shall formally
	take into account the views	account the views provided by	consult the relevant stakeholders on the
	provided by all involved parties	all involved parties during the	version to be submitted to the Commission
	during the drafting of the	drafting of the proposal led by	
	proposal led by the ENTSO for	the ENTSO for Electricity or the	
	Electricity or the EU DSO	EU DSO entity and shall	
	entity and shall formally	formally consult the relevant	
	consult the relevant	stakeholders on the version to be	
	stakeholders on the version to	submitted to the Commission.	
	be submitted to the		
	Commission.		

756.	11. Where the ENTSO for	11. Where the ENTSO for	No change:
730.	Electricity or the EU DSO	Electricity or the EU DSO entity	11. Where the ENTSO for Electricity or
	entity have failed to develop a	have failed to develop a network	the EU DSO entity have failed to develop a
	network code within the period	code within the period of time	network code within the period of time set
	of time set by the Commission	set by the Commission under	by the Commission under paragraph 8, the
	under paragraph 8, the	paragraph 8, the Commission	Commission may request the Agency to
	Commission may request the	may request the Agency to	prepare a draft network code on the basis of
	Agency to prepare a draft	prepare a draft network code on	the relevant framework guideline. The
	network code on the basis of	the basis of the relevant	Agency may launch a further consultation in
	the relevant framework	framework guideline. The	the course of preparing a draft network code
	guideline. The Agency may	Agency may launch a further	under this paragraph. The Agency shall
	launch a further consultation in	consultation in the course of	submit a draft network code prepared under
	the course of preparing a draft	preparing a draft network code	this paragraph to the Commission and may
	network code under this	under this paragraph. The	recommend that it be adopted.
	paragraph. The Agency shall	Agency shall submit a draft	
	submit a draft network code	network code prepared under	
	prepared under this paragraph	this paragraph to the	
	to the Commission and may	Commission and may	
	recommend that it be adopted.	recommend that it be adopted.	
757.	12. The Commission may	12. The Commission may	No change:
	adopt, on its own initiative,	adopt, on its own initiative,	12. The Commission may adopt, on its
	where the ENTSO for	where the ENTSO for Electricity	own initiative, where the ENTSO for
	Electricity or the EU DSO	or the EU DSO entity have	Electricity or the EU DSO entity have failed
	entity have failed to develop a	failed to develop a network	to develop a network code, or the Agency
	network code, or the Agency	code, or the Agency has failed to	has failed to develop a draft network code as
	has failed to develop a draft	develop a draft network code as	referred to in paragraph 11 of this Article, or
	network code as referred to in	referred to in paragraph 11 of	upon recommendation of the Agency under
	paragraph 11 of this Article, or	this Article, or upon	paragraph 10 of this Article, one or more
	upon recommendation of the	recommendation of the Agency	network codes in the areas listed in
	Agency under paragraph 10 of	under paragraph 10 of this	paragraph 1.
	this Article, one or more	Article, one or more network	
	network codes in the areas	codes in the areas listed in	
	listed in paragraph 1.	paragraph 1.	

758.	13. Where the Commission proposes to adopt a network code on its own initiative, the Commission shall consult the Agency, the ENTSO for Electricity and all relevant	13. Where the Commission proposes to adopt a network code on its own initiative, the Commission shall consult the Agency, the ENTSO for Electricity and all relevant	<i>No change:</i> 13. Where the Commission proposes to adopt a network code on its own initiative, the Commission shall consult the Agency, the ENTSO for Electricity and all relevant stakeholders in regard to the draft network		
	stakeholders in regard to the	stakeholders in regard to the	code during a period of no less than two		
	draft network code during a period of no less than two months.	draft network code during a period of no less than two months.	months.		
759.	14. This Article shall be without prejudice to the Commission's right to adopt and amend the guidelines as laid down in Article 57. It shall be without prejudice to the possibility for the ENTSO for Electricity to develop non- binding guidance in the areas set out in paragraph 1 where this does not relate to areas covered by a request addressed to it by the Commission. This guidance shall be submitted to the Agency for an opinion. This opinion shall be taken duly into	14. This Article shall be without prejudice to the Commission's right to adopt and amend the guidelines as laid down in Article 57. It shall be without prejudice to the possibility for the ENTSO for Electricity to develop non- binding guidance in the areas set out in paragraph 1 where this does not relate to areas covered by a request addressed to it by the Commission. This guidance shall be submitted to the Agency for an opinion. This opinion shall be taken duly into	No change: 14. This Article shall be without prejudice to the Commission's right to adopt and amend the guidelines as laid down in Article 57. It shall be without prejudice to the possibility for the ENTSO for Electricity to develop non-binding guidance in the areas set out in paragraph 1 where this does not relate to areas covered by a request addressed to it by the Commission. This guidance shall be submitted to the Agency for an opinion. This opinion shall be taken duly into account by the ENTSO for Electricity.		
	account by the ENTSO for Electricity.	account by the ENTSO for Electricity.			
760.		Article 56 Amendments of network codes			
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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. []	Council compromise proposal (GA): 1. Until 31 December 20285 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.	 Council compromise proposal (GA): 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 Commission, explaining how such proposals are consistent with the objectives of the network codes set out in Article 55(2). Where it deems an amendment proposal admissible and on amendments on its own initiative, the Agency shall consult all stakeholders in accordance with Article 15 [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863/2].	3. The Agency may make reasoned proposals for amendments to the Commission explaining how such proposals are consistent with the objectives of the network codes set out in Article 55(2). Where it deems an amendment proposal admissible and on amendments on its own initiative, the Agency shall consult all stakeholders in accordance with Article 15 [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863/2].	 No change: 3. The Agency may make reasoned proposals for amendments to the Commission explaining how such proposals are consistent with the objectives of the network codes set out in Article 55(2). Where it deems an amendment proposal admissible and on amendments on its own initiative, the Agency shall consult all stakeholders in accordance with Article 15 [recast of Regulation (EC) No 713/2009 as proposed by COM(2016) 863/2].
764.	4. The Commission is empowered to adopt, taking account of the Agency's proposals, amendments to any network code adopted under Article 55 6 as delegated acts in accordance with Article 63.	4. Until 31 December 2025 the Commission is empowered to adopt, taking account of the Agency's proposals, amendments to any network code adopted under Article 55 as [] implementing acts in accordance with Article [] 62(2).	Council compromise proposal: 4. Until 31 December 202 <u>85</u> the Commission is empowered to adopt, taking account of the Agency's proposals, amendments to any network code adopted under Article 55 as [] 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.		[]	Council compromise proposal: []
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.		Covered by line 788.

767.		Article 57
/0/.		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
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).Council compromise proposal: 2.Until 31 December 20258 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 toCouncil compromise proposal: 2.2.Until 31 December 20258 the
770.	3. Guidelines may be adopted relating to the inter- transmission 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 inter- transmission system operator compensation mechanism. They shall specify, in accordance with the principles set out in ArticlesNo change: 3.No change: adopted relating to the inter-transmission system operator compensation mechanism. They specify, in accordance with the principles set out in Articles

771.	(a) details of the procedure	(a) details of the procedure	No change:
//1.	for determining which	for determining which	(a) details of the procedure for
	transmission system operators	transmission system operators	determining which transmission system
	are liable to pay compensation	are liable to pay compensation	operators are liable to pay compensation for
		for cross-border flows including	
	for cross-border flows including		cross-border flows including as regards the
	as regards the split between the	as regards the split between the	split between the operators of national
	operators of national	operators of national	transmission systems from which cross-
	transmission systems from	transmission systems from	border flows originate and the systems where
	which cross-border flows	which cross-border flows	those flows end, in accordance with Article
	originate and the systems where	originate and the systems where	46(2);
	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	No change:
	procedure to be followed,	procedure to be followed,	(b) details of the payment procedure to be
	including the determination of	including the determination of	followed, including the determination of the
	the first period for which	the first period for which	first period for which compensation is to be
	compensation is to be paid, in	compensation is to be paid, in	paid, in accordance with the second
	accordance with the second	accordance with the second	subparagraph of Article 46(3);
	subparagraph of Article 46(3);	subparagraph of Article 46(3);	
773.	(c) details of methodologies	(c) details of methodologies	No change:
	for determining the cross-	for determining the cross-border	(c) details of methodologies for
	border flows hosted for which	flows hosted for which	determining the cross-border flows hosted
	compensation is to be paid	compensation is to be paid under	for which compensation is to be paid under
	under Article 46, in terms of	Article 46, in terms of both	Article 46, in terms of both quantity and type
	both quantity and type of flows,	quantity and type of flows, and	of flows, and the designation of the
	and the designation of the	the designation of the	magnitudes of such flows as originating
	magnitudes of such flows as	magnitudes of such flows as	and/or ending in transmission systems of
	originating and/or ending in	originating and/or ending in	individual Member States, in accordance
	transmission systems of	transmission systems of	with Article 46(5);
	individual Member States, in	individual Member States, in	
	accordance with Article 46(5);	accordance with Article 46(5);	

774.	(d) details of the	(d) details of the	No change:
	methodology for determining	methodology for determining	the (d) details of the methodology for
	the costs and benefits incurred	costs and benefits incurred as	a determining the costs and benefits incurred
	as a result of hosting cross-	result of hosting cross-border	as a result of hosting cross-border flows, in
	border flows, in accordance	flows, in accordance with	accordance with Article 46(6);
	with Article 46(6);	Article 46(6);	
775.	(e) details of the treatment in	(e) details of the treatment	in No change:
	the context of the inter-	the context of the inter-	(e) details of the treatment in the context
	transmission system operator	transmission system operator	of the inter-transmission system operator
	compensation mechanism of	compensation mechanism of	compensation mechanism of electricity flows
	electricity flows originating or	electricity flows originating of	or originating or ending in countries outside the
	ending in countries outside the	ending in countries outside th	e European Economic Area; and
	European Economic Area; and	European Economic Area; an	d
776.	(f) the participation of	(f) the participation of	No change:
	national systems which are	national systems which are	(f) the participation of national systems
	interconnected through direct	interconnected through direct	
	current lines, in accordance	current lines, in accordance w	vith current lines, in accordance with Article 46.
	with Article 46.	Article 46.	

		Council compromise proposal (GA):
		4. Guidelines may also determine
		appropriate rules relating to charges applied
	customers (load) under national	to producers, energy storage and customers
distribution and transmission	[] transmission tariff systems [(load) under national [] transmission tariff
tariff systems and connection], including the reflection of the	systems [], including the reflection of the
regimes, including the	inter-transmission system	inter-transmission system operator
reflection of the inter-	operator compensation	compensation mechanism in national
transmission system operator	mechanism in national network	network charges and the provision of
		appropriate and efficient locational signals,
		in accordance with the principles set out in
		Article 16.
set out in Article 16.		
The guidelines may make	The guidelines may make	No change:
provision for appropriate and	provision for appropriate and	The guidelines may make provision for
efficient harmonised locational	efficient harmonised locational	appropriate and efficient harmonised
signals at Union level.	signals at Union level.	locational signals at Union level.
Any such harmonisation shall	Any such harmonisation shall	No change:
not prevent Member States	not prevent Member States from	Any such harmonisation shall not prevent
from applying mechanisms to	applying mechanisms to ensure	Member States from applying mechanisms to
ensure that network access		ensure that network access charges borne by
charges borne by customers	e	customers (load) are comparable throughout
		their territory.
	· ·	
	regimes, including the reflection of the inter- transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16. The guidelines may make provision for appropriate and efficient harmonised locational signals at Union level. Any such harmonisation shall not prevent Member States from applying mechanisms to	determine appropriate rules relating to charges applied to producers, energy storage and customers (load) under national distribution and transmission tariff systems and connection regimes, including the reflection of the inter- transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16.determine appropriate make provision for appropriate and efficient harmonised locational signals at Union level.determine appropriate make provision for appropriate and efficient harmonisation shall not prevent Member States from applying mechanisms to ensure that network access charges borne by customers (load) are comparabledetermine appropriate rules relating to charges applied to producers, energy storage and customers (load) under national [] transmission tariff systems [] [] transmission tariff systems [] [] transmission tariff systems [] [] transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16.The guidelines may make provision for appropriate and efficient harmonised locational signals at Union level.The guidelines may make provision for appropriate and efficient harmonisation shall not prevent Member States from applying mechanisms to

780.	 5. Where appropriate, guidelines providing the minimum degree of harmonisation required to achieve the aim of this Regulation may also specify: (a) details of rules for the 	5. Where appropriate, guidelines providing the minimum degree of harmonisation required to achieve the aim of this Regulation may also specify: (a) details of rules for the	 No change: 5. Where appropriate, guidelines providing the minimum degree of harmonisation required to achieve the aim of this Regulation may also specify: No change:
	trading of electricity;	trading of electricity;	(a) details of rules for the trading of electricity;
782.	(b) details of investment incentive rules for interconnector capacity including locational signals;	(b) details of investment incentive rules for interconnector capacity including locational signals;	No change:
783.	6. The Commission may adopt guidelines on the implementation of operational coordination between transmission system operators at Union level. Those guidelines shall be consistent with and build upon the network codes referred to in Article 55 of this Regulation and build upon the adopted specifications referred to in Article 27(1)(g) of this Regulation. When adopting those guidelines, the Commission shall take into account differing regional and national operational requirements.	6. The Commission may adopt guidelines on the implementation of operational coordination between transmission system operators at Union level. Those guidelines shall be consistent with and build upon the network codes referred to in Article 55 of this Regulation and build upon the adopted specifications referred to in Article 27(1)(g) of this Regulation. When adopting those guidelines, the Commission shall take into account differing regional and national operational requirements.	No change

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784.	Those guidelines shall be		[Those guidelines shall be	No change
	adopted in accordance with the		adopted in accordance with the	
	examination procedure referred		examination procedure referred	
	to in Article $62(2)$.		to in Article $62(2)$.	
785.	7. When adopting or	AM 184	7. When adopting or	Council compromise proposal (GA/EP):
	amending guidelines, the	7. When adopting or amending	amending guidelines, the	7. When adopting or amending
	Commission shall consult the	guidelines, the Commission shall	Commission shall consult the	guidelines, the Commission shall consult the
	Agency, the ENTSO for	consult the Agency, the ENTSO for	Agency, the ENTSO for	Agency, the ENTSO for Electricity, the EU
	Electricity and other	Electricity, <i>the EU DSO entity</i> and	Electricity, the EU DSO Entity	DSO Entity and other stakeholders where
	stakeholders where relevant.	other stakeholders where relevant.	and other stakeholders where	relevant.
	stakenoiders where relevant.	other stakenolders where relevant.	relevant.	leievant.
70/				
786.			Article 58	
		Right of Member States to	provide for more detailed measure	S
787.	This Regulation shall be		This Regulation shall be without	Council compromise proposal:
				Councii compromise proposui.
	without prejudice to the rights		prejudice to the rights of	Council compromise proposal.
				This Regulation shall be without prejudice to
	without prejudice to the rights		prejudice to the rights of	
	without prejudice to the rights of Member States to maintain		prejudice to the rights of Member States to maintain or introduce measures that contain	This Regulation shall be without prejudice to
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation,	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55,	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures <u>are</u>
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55,		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures do not	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures <u>are</u> <u>compatible with do not [] contradict of</u>
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures do not		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures do not [] contradict of Union	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures <u>are</u>
	without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55,		prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures do not	This Regulation shall be without prejudice to the rights of Member States to maintain or introduce measures that contain more detailed provisions than those set out in this Regulation, in the guidelines referred to in Article 57 or in the network codes referred to in Article 55, provided those measures <u>are</u> <u>compatible with do not [] contradict of</u>

788.	Article 58a	Council compromise proposal:
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	By <u>1 July 2025</u> 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 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.	Council. <u>Based on that report the Commission</u> <u>shall, where appropriate, submit</u> <u>legislative proposals following up on its</u> <u>assessment until 31 December 2026.</u>

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 <u>Directive 2009/72/EC as</u> <u>proposed by COM(2016)</u> <u>864/2</u>] 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:No change: 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:No change: 1.
792.	(a) the investment must enhance competition in electricity supply;	(a) the investment must enhance competition in electricity supply;No change: (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; No change: (b) the level of risk attached to the investment would not take place unless an exemption is granted; (b) the level of risk attached to 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;No change: (c)No change: (c)No change: (c)(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
795.	(d) charges are levied on users of that interconnector;	(d)charges are levied on users of that interconnector;No change: (d)(d)charges are levied on users of that interconnector;

70((a) since the nomical montrest	(a) airea the nortial ment-	No ol moo
796.	(e) since the partial market	(e) since the partial market	No change:
	opening referred to in Article	opening referred to in Article 19	(e) since the partial market opening
	19 of Directive 96/92/EC of the	of Directive 96/92/EC of the	referred to in Article 19 of Directive
	European Parliament and of the	European Parliament and of the	96/92/EC of the European Parliament and of
	Council ³³ , no part of the capital	Council ³⁴ , no part of the capital	the Council ³⁵ , no part of the capital or
	or operating costs of the	or operating costs of the	operating costs of the interconnector has
	interconnector has been	interconnector has been	been recovered from any component of
	recovered from any component	recovered from any component	charges made for the use of transmission or
	of charges made for the use of	of charges made for the use of	distribution systems linked by the
	transmission or distribution	transmission or distribution	interconnector; and
	systems linked by the	systems linked by the	
	interconnector; and	interconnector; and	
797.	(f) the exemption must not	(f) the exemption must not be	No change:
	be to the detriment of	to the detriment of competition	(f) the exemption must not be to the
	competition or the effective	or the effective functioning of	detriment of competition or the effective
	functioning of the internal	the internal market in electricity,	functioning of the internal market in
	market in electricity, or the	or the efficient functioning of	electricity, or the efficient functioning of the
	efficient functioning of the	the regulated system to which	regulated system to which the interconnector
	regulated system to which the	the interconnector is linked.	is linked.
	interconnector is linked.		

³³ 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).

³⁴ 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).

³⁵ 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	No change:
190.	apply, in exceptional cases, to		ly, in exceptional cases, to	2. Paragraph 1 shall also apply, in
	alternating current		ernating current	exceptional cases, to alternating current
	interconnectors provided that		erconnectors provided that the	interconnectors provided that the costs and
	the costs and risks of the		ts and risks of the investment	risks of the investment in question are
	investment in question are		juestion are particularly high	particularly high when compared with the
	particularly high when		en compared with the costs	costs and risks normally incurred when
	compared with the costs and		risks normally incurred	connecting two neighbouring national
	risks normally incurred when		en connecting two	transmission systems by an alternating
	connecting two neighbouring		ghbouring national	current interconnector.
	national transmission systems		ismission systems by an	
	by an alternating current		ernating current	
	interconnector.		erconnector.	
799.	3. Paragraph 1 shall also	3.	Paragraph 1 shall also	No change:
	apply to significant increases of		bly to significant increases of	. Paragraph 1 shall also apply to
	capacity in existing		acity in existing	significant increases of capacity in existing
	interconnectors.		erconnectors.	interconnectors.
800.	4. The decision on the	4.	The decision on the	No change:
0001	exemption under paragraphs 1,		mption under paragraphs 1, 2	4. The decision on the exemption under
	2 and 3 shall be taken on a		3 shall be taken on a case-	paragraphs 1, 2 and 3 shall be taken on a
	case-by-case basis by the		case basis by the regulatory	case-by-case basis by the regulatory
	regulatory authorities of the		horities of the Member States	authorities of the Member States concerned.
	Member States concerned. An	con	cerned. An exemption may	An exemption may cover all or part of the
	exemption may cover all or part		er all or part of the capacity	capacity of the new interconnector, or of the
	of the capacity of the new		he new interconnector, or of	existing interconnector with significantly
	interconnector, or of the		existing interconnector with	increased capacity
	existing interconnector with		nificantly increased capacity.	1 5
	significantly increased capacity.		, <u>,</u>	

001			NT 1
801.	Within two months from the	Within two months from the	No change:
	date on which the request for	date on which the request for	Within two months from the date on which
	exemption was received by the	exemption was received by the	the request for exemption was received by
	last of the regulatory authorities	last of the regulatory authorities	the last of the regulatory authorities
	concerned, the Agency may	concerned, the Agency may	concerned, the Agency may submit an
	submit an advisory opinion to	submit an advisory opinion to	advisory opinion to those regulatory
	those regulatory authorities	those regulatory authorities	authorities which could provide a basis for
	which could provide a basis for	which could provide a basis for	their decision.
	their decision.	their decision.	
802.	In deciding to grant an	In deciding to grant an	No change:
	exemption, consideration shall	exemption, consideration shall	In deciding to grant an exemption,
	be given, on a case-by-case	be given, on a case-by-case	consideration shall be given, on a case-by-
	basis, to the need to impose	basis, to the need to impose	case basis, to the need to impose conditions
	conditions regarding the	conditions regarding the	regarding the duration of the exemption and
	duration of the exemption and	duration of the exemption and	non-discriminatory access to the
	non-discriminatory access to	non-discriminatory access to the	interconnector. When deciding those
	the interconnector. When	interconnector. When deciding	conditions, account shall, in particular, be
	deciding those conditions,	those conditions, account shall,	taken of additional capacity to be built or the
	account shall, in particular, be	in particular, be taken of	modification of existing capacity, the time-
	taken of additional capacity to	additional capacity to be built or	frame of the project and national
	be built or the modification of	the modification of existing	circumstances.
	existing capacity, the time-	capacity, the time-frame of the	
	frame of the project and	project and national	
	national circumstances.	 circumstances.	

803.	Before granting an exemption,		Before granting an exemption,	No change:
	the regulatory authorities of the		the regulatory authorities of the	Before granting an exemption, the regulatory
	Member States concerned shall		Member States concerned shall	authorities of the Member States concerned
	decide upon the rules and		decide upon the rules and	shall decide upon the rules and mechanisms
	mechanisms for management	1	mechanisms for management	for management and allocation of capacity.
	and allocation of capacity.		and allocation of capacity.	Congestion-management rules shall include
	Congestion-management rules		Congestion-management rules	the obligation to offer unused capacity on the
	shall include the obligation to		shall include the obligation to	market and users of the facility shall be
	offer unused capacity on the		offer unused capacity on the	entitled to trade their contracted capacities
	market and users of the facility		market and users of the facility	on the secondary market. In the assessment
	shall be entitled to trade their		shall be entitled to trade their	of the criteria referred to in points (a), (b)
	contracted capacities on the		contracted capacities on the	and (f) of paragraph 1, the results of the
	secondary market. In the		secondary market. In the	capacity-allocation procedure shall be taken
	assessment of the criteria		assessment of the criteria	into account.
	referred to in points (a), (b) and	1	referred to in points (a), (b) and	
	(f) of paragraph 1, the results of		(f) of paragraph 1, the results of	
	the capacity-allocation	1	the capacity-allocation	
	procedure shall be taken into]	procedure shall be taken into	
	account.		account.	
804.	Where all the regulatory		Where all the regulatory	No change:
	authorities concerned have		authorities concerned have	Where all the regulatory authorities
	reached agreement on the	1	reached agreement on the	concerned have reached agreement on the
	exemption decision within six		exemption decision within six	exemption decision within six months, they
	months, they shall inform the		months, they shall inform the	shall inform the Agency of that decision.
	Agency of that decision.		Agency of that decision.	
805.	The exemption decision,		The exemption decision,	No change:
	including any conditions		including any conditions	The exemption decision, including any
	referred to in the second		referred to in the second	conditions referred to in the second
	subparagraph of this paragraph,		subparagraph of this paragraph,	subparagraph of this paragraph, shall be duly
	shall be duly reasoned and		shall be duly reasoned and	reasoned and published.
	published.		published.	

806.	5. The decision referred to	5. The decision referred to in	No change:
	in paragraph 4 shall be taken by	paragraph 4 shall be taken by the	8
	the Agency:	Agency:	shall be taken by the Agency:
807.	(a) where all the regulatory	(a) where all the regulatory	No change:
	authorities concerned have not	authorities concerned have not	(a) where all the regulatory authorities
	been able to reach an agreement	been able to reach an agreement	concerned have not been able to reach an
	within six months from the date	within six months from the date	agreement within six months from the date
	the exemption was requested	the exemption was requested	the exemption was requested before the last
	before the last of those	before the last of those	of those regulatory authorities; or
	regulatory authorities; or	regulatory authorities; or	
808.	(b) upon a joint request from	(b) upon a joint request from	No change:
	the regulatory authorities	the regulatory authorities	(b) upon a joint request from the
	concerned.	concerned.	regulatory authorities concerned.
	Before taking such a decision,	Before taking such a decision,	Before taking such a decision, the Agency
	the Agency shall consult the	the Agency shall consult the	shall consult the regulatory authorities
	regulatory authorities	regulatory authorities concerned	concerned and the applicants.
	concerned and the applicants.	and the applicants.	
809.	6. Notwithstanding	6. Notwithstanding	No change:
	paragraphs 4 and 5, Member	paragraphs 4 and 5, Member	6. Notwithstanding paragraphs 4 and 5,
	States may provide for the	States may provide for the	Member States may provide for the
	regulatory authority or the	regulatory authority or the	regulatory authority or the Agency, as the
	Agency, as the case may be, to	Agency, as the case may be, to	case may be, to submit, for formal decision,
	submit, for formal decision, to	submit, for formal decision, to	to the relevant body in the Member State, its
	the relevant body in the	the relevant body in the Member	
	Member State, its opinion on	State, its opinion on the request	That opinion shall be published together with
	the request for an exemption.	for an exemption. That opinion	the decision.
	That opinion shall be published	shall be published together with	
	together with the decision.	the decision.	

810.	7 A convert request	7 A come of even request	No change
810.	7. A copy of every request	7. A copy of every request	No change:
	for exemption shall be	for exemption shall be	7. A copy of every request for exemption
	transmitted for information	transmitted for information	shall be transmitted for information without
	without delay by the regulatory	without delay by the regulatory	delay by the regulatory authorities to the
	authorities to the Agency and to	authorities to the Agency and to	Agency and to the Commission on receipt.
	the Commission on receipt. The	the Commission on receipt. The	The decision shall be notified, without delay,
	decision shall be notified,	decision shall be notified,	by the regulatory authorities concerned or by
	without delay, by the regulatory	without delay, by the regulatory	the Agency (notifying bodies), to the
	authorities concerned or by the	authorities concerned or by the	Commission, together with all the relevant
	Agency (notifying bodies), to	Agency (notifying bodies), to	information with respect to the decision.
	the Commission, together with	the Commission, together with	That information may be submitted to the
	all the relevant information	all the relevant information with	Commission in aggregate form, enabling the
	with respect to the decision.	respect to the decision. That	Commission to reach a well-founded
	That information may be	information may be submitted to	decision. In particular, the information shall
	submitted to the Commission in	the Commission in aggregate	contain:
	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 <i>No change</i> :
011.	the basis of which the	basis of which the exemption (a) the detailed reasons on the basis of
		1 ()
	exemption was granted or	was granted or refused, which the exemption was granted or refused,
	refused, including the financial	including the financial including the financial information justifying
	information justifying the need	information justifying the need the need for the exemption;
	for the exemption;	for the exemption;
812.	(b) the analysis undertaken	(b) the analysis undertaken of <i>No change:</i>
	of the effect on competition and	the effect on competition and the (b) the analysis undertaken of the effect
	the effective functioning of the	effective functioning of the on competition and the effective functioning
	internal market in electricity	internal market in electricity of the internal market in electricity resulting
	resulting from the grant of the	resulting from the grant of the from the grant of the exemption;
	exemption;	exemption;
813.	(c) the reasons for the time	(c) the reasons for the time <i>No change:</i>
	period and the share of the total	period and the share of the total (c) the reasons for the time period and the
	capacity of the interconnector	capacity of the interconnector in share of the total capacity of the
	in question for which the	question for which the interconnector in question for which the
	exemption is granted; and	exemption is granted; and exemption is granted; and
814.	(d) the result of the	(d) the result of the <i>No change:</i>
	consultation of the regulatory	consultation of the regulatory (d) the result of the consultation of the
	authorities concerned.	authorities concerned. regulatory 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.	8. Within a period of 50 working days from the day following receipt of notification under paragraph 7, the Commission may take a decisio 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 conser of both the Commission and the notifying bodies.	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
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816.	When the requested information	When the requested information	No change:
010	is not provided within the	is not provided within the period	When the requested information is not
	period set out in the request, the	set out in the request, the	provided within the period set out in the
	notification shall be deemed to	notification shall be deemed to	request, the notification shall be deemed to
	be withdrawn unless, before the	be withdrawn unless, before the	be withdrawn unless, before the expiry of
	expiry of that period, either the	expiry of that period, either the	that period, either the period is extended by
	period is extended by consent	period is extended by consent of	consent of both the Commission and the
	of both the Commission and the	both the Commission and the	notifying bodies, or the notifying bodies, in a
	notifying bodies, or the	notifying bodies, or the notifying	duly reasoned statement, inform the
	notifying bodies, in a duly	bodies, in a duly reasoned	Commission that they consider the
	reasoned statement, inform the	statement, inform the	notification to be complete.
	Commission that they consider	Commission that they consider	notification to be complete.
	the notification to be complete.	the notification to be complete.	
817.	The notifying bodies shall	The notifying bodies shall	No change:
017.	comply with a Commission	comply with a Commission	The notifying bodies shall comply with a
	decision to amend or withdraw	decision to amend or withdraw	Commission decision to amend or withdraw
	the exemption decision within	the exemption decision within	the exemption decision within one month
	one month and shall inform the	one month and shall inform the	and shall inform the Commission
	Commission accordingly.	Commission accordingly.	accordingly
818.	The Commission shall preserve	The Commission shall preserve	No change:
010.	the confidentiality of	the confidentiality of	The Commission shall preserve the
	commercially sensitive	commercially sensitive	confidentiality of commercially sensitive
	information.	information.	information.
819.	The Commission's approval of	The Commission's approval of	No change:
017.	an exemption decision shall	an exemption decision shall	The Commission's approval of an exemption
	expire two years after the date	expire two years after the date of	decision shall expire two years after the date
	of its adoption in the event that	its adoption in the event that	of its adoption in the event that construction
	construction of the	construction of the	of the interconnector has not yet started by
	interconnector has not yet	interconnector has not yet	that date, and five years after the date of its
	started by that date, and five	started by that date, and five	adoption if the interconnector has not
	years after the date of its	years after the date of its	become operational by that date, unless the
	adoption if the interconnector	adoption if the interconnector	Commission decides, on the basis of a
	has not become operational by	has not become operational by	reasoned request by the notifying bodies, that
	that date, unless the	that date, unless the Commission	any delay is due to major obstacles beyond
	Commission decides, on the	decides, on the basis of a	the control of the person to whom the
	commission decides, on the		the control of the person to whom the

1 . 0	1 (1	1 (1)	
	asoned request by	reasoned request by the	exemption has been granted.
	g bodies, that any	notifying bodies, that any delay	
	e to major obstacles	is due to major obstacles beyond	
5	control of the	the control of the person to	
person to w	hom the exemption	whom the exemption has been	
has been gra	anted.	granted.	
820. 9. When	e the regulatory	Where the regulatory authorities	No change:
authorities of	of the Member	of the Member States concerned	Where the regulatory authorities of the
States conce	erned decide to	decide to modify a decision	Member States concerned decide to modify a
modify a de	cision under	under paragraph 1, they shall	decision under paragraph 1, they shall notify
	, they shall notify	notify this decision without	this decision without delay to the
	n without delay to	delay to the Commission,	Commission, together with all the relevant
	ssion, together with	together with all the relevant	information with respect to the decision.
	ant information	information with respect to the	Paragraphs 1 to 8 shall apply to this notified
	t to the decision.	decision. Paragraphs 1 to 8 shall	decision, taking into account the
	1 to 8 shall apply to	apply to this notified decision,	particularities of the existing exemption.
	l decision, taking	taking into account the	particularities of the existing exemption.
	t the particularities	particularities of the existing	
	ng exemption.	exemption.	
	Commission may.	The Commission may, upon	No change
			No change:
	st or on its own	request or on its own initiative,	The Commission may, upon request or on its
initiative, re		reopen the proceedings:	own initiative, reopen the proceedings:
proceedings			
	e, taking due	(a) where, taking due	No change:
	on of legitimate	consideration of legitimate	(a) where, taking due consideration of
	s by the parties and	expectations by the parties and	legitimate expectations by the parties and of
	omic balance	of the economic balance	the economic balance achieved in the
achieved in	0	achieved in the original	original exemption decision, there has been a
	decision, there has	exemption decision, there has	material change in any of the facts on which
been a mate	erial change in any	been a material change in any of	the decision was based;
of the facts	on which the	the facts on which the decision	
decision wa	s based;	was based;	

823.	(b) where the undertakings	(b) where the undertakings	No change:
	concerned act contrary to their	concerned act contrary to their	(b) where the undertakings concerned act
	commitments; or	commitments; or	contrary to their commitments; or
824.	(c) where the decision was	(c) where the decision was	No change:
	based on incomplete, incorrect	based on incomplete, incorrect	(c) where the decision was based on
	or misleading information	or misleading information	incomplete, incorrect or misleading
	provided by the parties.	provided by the parties.	information provided by the parties.
825.	11. The Commission is	11. The Commission is	No change:
	empowered to adopt delegated	empowered to adopt delegated	11. The Commission is empowered to adopt
	acts in accordance with Article	acts in accordance with Article	delegated acts in accordance with Article
	63 concerning the adoption of	63 concerning the adoption of	63 concerning the adoption of guidelines for
	guidelines for the application of	guidelines for the application of	the application of the conditions laid down in
	the conditions laid down in	the conditions laid down in	paragraph 1 of this Article and to set out the
	paragraph 1 of this Article and	paragraph 1 of this Article and	procedure to be followed for the application
	to set out the procedure to be	to set out the procedure to be	of paragraphs 4, 7, 8, 9 and 10 of this
	followed for the application of	followed for the application of	Article.
	paragraphs 4, 7 8, 9 and 10 of	paragraphs 4, 7, 8, 9 and 10 of	
	this Article.	this Article.	
826.		Article 59a	(Article to be discussed)
		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:	

0.00	
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
032.	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.
	benefits to market functioning.

835.	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. 3. The provisions of the Regulation shall not affect the application of the derogations pursuant to the [Electricity Directive].	
835a.		 Council compromise proposal: 4. In relation to the attainment of the 2030 interconnection target, as stipulated under the [Governance Regulation], the electricity link between Malta and Italy shall be duly taken into account.

836.		Article 60
830.		Provision of information and confidentiality
837.	1. Member States and the regulatory authorities shall, on request, provide to the Commission all information necessary for the purposes of enforcing the provisions of this Regulation.	1.Member States and the regulatory authorities shall, on request, provide to the Commission all information necessary for the purposes of enforcing the provisions of this Regulation.No change: 1.No change: authorities shall, on request, provide to the Commission all information the purposes of enforcing the provisions of this Regulation.
838.	The Commission shall fix a reasonable time limit within which the information is to be provided, taking into account the complexity of the information required and the urgency with which the information is needed.	IntegrationThe Commission shall fix a reasonable time limit within which the information is to be provided, taking into account the complexity of the information required and the urgency with which the information is needed.No change: The Commission shall fix a reasonable time limit within which the information is to be provided, taking into account the complexity of the information required and the urgency with which the information is needed.
839.	2. If the Member State or the regulatory authority concerned does not provide the information referred to in paragraph 1 within the given time-limit pursuant to paragraph 1, the Commission may request all information necessary for the purpose of enforcing the provisions of this Regulation directly from the undertakings concerned.	 2. If the Member State or the regulatory authority concerned does not provide the information referred to in paragraph 1 within the given time-limit pursuant to paragraph 1, the Commission may request all information necessary for the purpose of enforcing the provisions of this Regulation directly from the undertakings concerned. No change: If the Member State or the regulatory authority concerned does not provide the information referred to in paragraph 1 within the given time-limit pursuant to paragraph 1, the Commission may request all information necessary for the purpose of enforcing the provisions of this Regulation directly from the undertakings concerned.
840.	When sending a request for information to an undertaking, the Commission shall at the same time forward a copy of the request to the regulatory authorities of the Member State in whose territory the seat of the undertaking is situated.	When sending a request for information to an undertaking, the Commission shall at the same time forward a copy of the request to the regulatory authorities of the Member State in whose territory the seat of the undertaking is situated.No change: No change: When sending a request for information to an undertaking, the Commission shall at the same time forward a copy of the regulatory authorities of the Member State

841.	3. In its request for	3. In its request for	No change:
	information under paragraph 1,	information under paragraph 1,	3. In its request for information under
	the Commission shall state the	the Commission shall state the	paragraph 1, the Commission shall state the
	legal basis of the request, the	legal basis of the request, the	legal basis of the request, the time-limit
	time-limit within which the	time-limit within which the	within which the information is to be
	information is to be provided,	information is to be provided,	provided, the purpose of the request, and the
	the purpose of the request, and	the purpose of the request, and	penalties provided for in Article 61(2) for
	the penalties provided for in	the penalties provided for in	supplying incorrect, incomplete or
	Article 61(2) for supplying	Article 61(2) for supplying	misleading information. The Commission
	incorrect, incomplete or	incorrect, incomplete or	shall fix a reasonable time-limit taking into
	misleading information. The	misleading information. The	account the complexity of the information
	Commission shall fix a	Commission shall fix a	required and the urgency with which the
	reasonable time-limit taking	reasonable time-limit taking into	information is needed.
	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	No change:
	undertakings or their	undertakings or their	4. The owners of the undertakings or
	representatives and, in the case	representatives and, in the case	their representatives and, in the case of legal
	of legal persons, the persons	of legal persons, the persons	persons, the persons authorised to represent
	authorised to represent them by	authorised to represent them by	them by law or by their instrument of
	law or by their instrument of	law or by their instrument of	incorporation, shall supply the information
	incorporation, shall supply the	incorporation, shall supply the	requested. Where lawyers duly authorised so
	information requested. Where	information requested. Where	to act supply the information on behalf of
	lawyers duly authorised so to	lawyers duly authorised so to act	
	act supply the information on	supply the information on behalf	A
	behalf of their clients, the client	of their clients, the client shall	supplied is incomplete, incorrect or
	shall remain fully responsible in	remain fully responsible in the	misleading.
	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 does not provide the information requested within the time-limit fixed by the Commission or supplies incomplete information, the Commission may by decision require the information to be provided. That decision shall specify what information is required and fix an appropriate time-limit within which it is to be supplied. It shall indicate the penalties provided for in Article 61(2). It shall also indicate the right to have the decision	 5. Where an undertaking does not provide the information requested within the time-limit fixed by the Commission or supplies incomplete information, the Commission may by decision require the information to be provided. That decision shall specify what information is required and fix an appropriate time-limit within which it is to be supplied. It shall indicate the penalties provided for in Article 61(2). It shall also indicate the right to have the decision reviewed by the Court of Justice No change: Where an undertaking does not provide the information requested within the time-limit fixed by the Commission or supplies incomplete information, the Commission may by decision require the information is required and fix an appropriate time-limit within which it is to be supplied. It shall indicate the penalties provided for in Article 61(2). It shall also indicate the right to have the decision reviewed by the Court of Justice
	right to have the decision reviewed by the Court of Justice of the European Union .	reviewed by the Court of Justice of the European Union.
844.	The Commission shall, at the same time, send a copy of its decision to the regulatory authorities of the Member State within the territory of which the person is resident or the seat of the undertaking is situated.	The Commission shall, at the same time, send a copy of its decision to the regulatory authorities of the Member State within the territory of which the person is resident or the seat of the undertaking is situated.No change: The Commission shall, at the same time, send a copy of its decision to the regulatory authorities of the Member State territory of which the territory of which the territory of which the territory of the seat of the seat of the undertaking is situated.

845.	 6. The information referred to in paragraphs 1 and 2 shall be used only for the purposes of enforcing the provisions of this Regulation. The Commission shall not disclose information of the kind covered by the obligation of professional secrecy which is acquired pursuant to this 	 6. The information referred to in paragraphs 1 and 2 shall be used only for the purposes of enforcing the provisions of this Regulation. The Commission shall not disclose information of the kind covered by the obligation of professional secrecy which is acquired pursuant to this 	 No change: 6. The information referred to in paragraphs 1 and 2 shall be used only for the purposes of enforcing the provisions of this Regulation. No change: The Commission shall not disclose information of the kind covered by the obligation of professional secrecy which is acquired pursuant to this Regulation.
	Regulation.	Regulation.	acquired pursuant to this Regulation.
847.		Article 61 Penalties	
848.	1. Without prejudice to paragraph 2, the Member States shall lay down rules on penalties applicable to infringements of the provisions of this Regulation, the network codes adopted pursuant to Article 55, and the guidelines adopted pursuant to Article 57 and shall take all measures necessary to ensure that those provisions are implemented. The penalties provided for must be effective, proportionate and dissuasive.	1. Without prejudice to paragraph 2, the Member States shall lay down rules on penalties applicable to infringements of the provisions of this Regulation, the network codes adopted pursuant to Article 55, and the guidelines adopted pursuant to Article 57 and shall take all measures necessary to ensure that those provisions are implemented. The penalties provided for must be effective, proportionate and dissuasive.	 No change: 1. Without prejudice to paragraph 2, the Member States shall lay down rules on penalties applicable to infringements of the provisions of this Regulation, the network codes adopted pursuant to Article 55, and the guidelines adopted pursuant to Article 57 and shall take all measures necessary to ensure that those provisions are implemented. The penalties provided for must be effective, proportionate and dissuasive.
849.	2. The Commission may, by decision, impose on undertakings fines not exceeding 1 % of the total turnover in the preceding business year where, intentionally or negligently,	2. The Commission may, by decision, impose on undertakings fines not exceeding 1 % of the total turnover in the preceding business year where, intentionally or negligently, they supply incorrect, incomplete or	 No change: 2. The Commission may, by decision, impose on undertakings fines not exceeding 1 % of the total turnover in the preceding business year where, intentionally or negligently, they supply incorrect, incomplete or misleading information in

950	 incomplete or misleading information in response to a request made pursuant to Article 60(3) or fail to supply information within the time- limit fixed by a decision adopted pursuant to the first subparagraph of Article 60(5). In setting the amount of a fine, the Commission shall have regard to the gravity of the failure to comply with the requirements of the first subparagraph. 3. Penalties provided for 	 response to a request made pursuant to Article 60(3) or fail to supply information within the time-limit fixed by a decision adopted pursuant to the first subparagraph of Article 60(5). In setting the amount of a fine, the Commission shall have regard to the gravity of the failure to comply with the requirements of the first subparagraph. Penalties provided for
850.	3. Penalties provided for pursuant to paragraph 1 and decisions taken pursuant to paragraph 2 shall not be of a criminal law nature.	3.Penalties provided for pursuant to paragraph 1 and decisions taken pursuant to paragraph 2 shall not be of a criminal law nature.No change: 3.No change: 3.3.Penalties provided for pursuant to paragraph 1 and decisions taken pursuant to paragraph 2 shall not be of a criminal law nature.3.Penalties provided for pursuant to paragraph 1 and decisions taken pursuant to paragraph 2 shall not be of a criminal law nature.
851.		Article 62 Committee procedure
852.	1. The Commission shall be assisted by the committee set up by Article 68 of [recast of Directive 2009/72/EC as	1.The Commission shall be assisted by the committee set up by Article 68 of [recast of Directive 2009/72/EC asNo change: 1.No change: 1.1.The Commission shall be assisted by the committee set up by Article 68 of [recast of Directive 2009/72/EC as1.The Commission shall be assisted by the committee set up by Article 68 of [recast

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 ³⁶ shall apply.	F ti	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council ³⁷ shall apply.	 No change: 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 of the European Parliament and of the Council³⁸ shall apply.
854.			rticle 63 of the delegation	
855.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	t. c	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	No change:1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
856.	2. The power to adopt delegated acts referred to in Article 31(3), Article 46(4), Article 55(1), Article 56(1) and (4), and Article 59(11) shall be conferred on the Commission for an undetermined period of time from the [OP: please insert the date of entry into force].	A A c u u f	2. The power to adopt delegated acts referred to in Article [] 46(4), [] and Article 59(11) shall be conferred on the Commission for an undetermined period of time from the [OP: <i>please insert the</i> <i>date of entry into force</i>].	To be discussed

³⁶ 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).

³⁷ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

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

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

859.	5. As soon as it adopts a	5. As soon as it adopts a	No change:
057.	delegated act, the Commission	delegated act, the Commission	5. As soon as it adopts a delegated act,
	shall notify it simultaneously to	shall notify it simultaneously to	the Commission shall notify it
		5	
	the European Parliament and to	the European Parliament and to	simultaneously to the European Parliament
	the Council.	the Council.	and to the Council.
860.	6. A delegated act adopted	6. A delegated act adopted	To be discussed
	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.		

861.			Article 64 Repeal	
862.	Regulation (EC) No 714/2009 is repealed. References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.		 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. 	 No change: 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.	To be discussed
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.		To be discussed

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

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 system operators of the relevant system operation region.		 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.	1.4. Coordinated capacity calculation shall ensure efficient congestion management in accordance with the principles of congestion management defined in this Regulation.		1.4 Coordinated capacity calculation shall ensure an efficient congestion management in accordance with the principles of congestion management defined in this Regulation.	 Provisionally agreed: 1.4 Coordinated capacity calculation shall ensure an efficient congestion management in accordance with the principles of congestion management defined in this Regulation.
877.	2. Coordinated security analysis		2. Coordinated security analysis	<i>Provisionally agreed:</i>2. Coordinated security analysis
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 [].
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	3.1. Regional <i>coordination</i>	3.1 Regional [] security	Provisionally agreed:
	centres shall set up efficient	centres shall set up efficient	coordinators shall set up	3.1 Regional Coordination Centres shall
	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-
			planning timeframe between the	ahead and intraday timeframes.
			year-ahead and intraday	
			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	<i>horizontally</i>)
			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 [] the
			transmission system operation	capacity allocation and congestion
			and pursuant to Article 28 of	management guideline adopted on the
			Commission Regulation	basis of Article 18 of Regulation
			2015/1222 establishing a	714/2009.]
			guideline on capacity	
			allocation and congestion	
			management.	

888.	3.3. Common system models shall include relevant data for efficient operational planning and capacity calculation in all operational planning timeframes.		3.3 Common [] grid models shall include relevant data for efficient operational planning and capacity calculation in all operational planning timeframes between the year- ahead and intraday timeframes.	 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.		110 Degional geographics	Duaniai ang aller aguarde
091.		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 [] the network
		xxxx/xxxx establishing a	code on electricity emergency and
		network code on electricity	restoration adopted in accordance with
		emergency and restoration].	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;	<i>No change</i> (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 assess and 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. <i>(8 in GA)</i> 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 <i>coordination</i> 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 <i>coordination</i> centres if their system is in a blackout or restoration state.	5.2 (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) 2 (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 [] the network code on emergency and restoration [] 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.
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0.0.1				
901.			8.3 in GA (ex last sentence of	Provisionally agreed:
			5.2) Transmission system	8.3 in GA (ex last sentence of 5.2)
			operators [] may [] request	Transmission system operators [] may []
			assistance from regional []	request assistance from Regional
			security coordinators if their	Coordination Centres 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		[]	<i>Provisionally agreed:</i>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 [] 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;			<i>Provisionally agreed:</i>(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;			 <i>Provisionally agreed:</i> (c) [] 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;			 Provisionally agreed: (d) define minimum reserve capacity requirements for each type of reserve capacity; Dremining the provide
912.	(e) take into account possible substitutions between different types of reserve capacity with the aim to minimise the costs of procurement;			 <i>Provisionally agreed:</i> (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.			<i>Provisionally agreed:</i>(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;			 <i>Provisionally agreed:</i> (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 shallsupport the transmission system operators ofthe system operation region in procuring therequired amount of balancing capacitydetermined in accordance with point 8.1. Theprocurement 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	 Provisionally agreed: 9. (5 in GA) Week-ahead to [day-ahead/intraday] regional system adequacy [] assessments and preparation of risk
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.	actions 9.1 (5.1 in GA)Regional [] security coordinators shall perform week ahead to [] day- ahead regional adequacy assessments in accordance with the procedures set out in Article 81 of Commission Regulation 2017/1485 establishing a guideline on electricity system operation and on the basis of the methodology developed pursuant Article 8 of [Risk preparedness Regulation].	reducing actionsProvisionally agreed:Possibly to add 'intraday'. To be checked forwith risk preparedness regulation in order toensure consistency.9.1 (5.1 in GA)Regional [] CoordinationCentres shall perform week ahead to [][day-ahead/intraday] regional adequacyassessments in accordance with theprocedures set out in Article 81 ofCommission Regulation 2017/1485establishing a guideline on electricitysystem operation and on the basis of themethodology developed pursuant Article 8
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 cross- zonal 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.	of [Risk preparedness Regulation]. 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 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.		(b) detect possible cross- regional lack of adequacy situations.	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 [] [the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009] in order to monitor the availability

	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	1 4 • • 4 4 • • • • • •	
	maximizing the capacity of the	maximizing the capacity of the	electricity transmission system	status of the relevant assets and coordinate
	interconnectors and/or the	interconnectors and/or the	operation in order to monitor	their availability plans to ensure the
	transmission systems affecting	transmission systems affecting	the availability status of the	operational security of the transmission
	cross-zonal flows.	cross-zonal flows.	relevant assets and coordinate	system, while maximizing the capacity of the
			their availability plans to ensure	interconnectors and/or the transmission
			the operational security of the	systems affecting cross-zonal flows.
			transmission system, while	
			maximizing the capacity of the	
			interconnectors and/or the	
			transmission systems affecting	
			cross-zonal flows.	
932.	10.2. Each regional operational	10.2. Each regional <i>coordination</i>	10.2 (6.2 in GA) Each regional	Provisionally agreed:
	centre shall maintain a single	centre shall maintain a single list of	[] security coordinator shall	10.2 (6.2 in GA) Each Regional
	list of relevant grid elements,	relevant grid elements, power	maintain a single list of relevant	Coordination Centre shall maintain a single
	power generating modules and	generating modules and demand	grid elements, power generating	list of relevant grid elements, power
	demand facilities of the system	facilities of the system operation	modules and demand facilities	generating modules and demand facilities of
	operation region and make it	region and make it available on the	of the system operation region	the system operation region and make it
	available on the ENTSO for	ENTSO for Electricity operational	and make it available on the	available on the ENTSO for Electricity
	Electricity operational planning	planning data environment.	ENTSO for Electricity	operational planning data environment.
	data environment.		operational planning data	
			environment.	
933.	10.3. Each regional operational	10.3. Each regional <i>coordination</i>	10.3 (6.3 in GA) Each regional	Provisionally agreed:
	centre shall carry out the	centre shall carry out the following	[] security coordinator shall	10.3 (6.3 in GA) Each Regional
	following activities related to	activities related to outage	carry out the following activities	Coordination Centre shall carry out the
	outage coordination in the	coordination in the system	related to outage coordination in	following activities related to outage
	system operation region:	operation region:	the system operation region:	coordination in the system operation region:
934.	(a) assess outage planning	· · · · · · · · · · · · · · · · · · ·	(a) assess outage planning	No change:
	compatibility using all		compatibility using all	(a) assess outage planning compatibility
	transmission system operators'		transmission system operators'	using all transmission system operators'
	year-ahead availability plans;		year-ahead availability plans;	year-ahead availability plans;
935.	(b) provide the transmission		(b) provide the transmission	No change:
	system operators of the system		system operators of the system	(b) provide the transmission system
	operation region with a list of		operation region with a list of	operators of the system operation region with
	detected planning		detected planning	a list of detected planning incompatibilities
	incompatibilities and the		incompatibilities and the	and the solutions it proposes to solve the
	solutions it proposes to solve		solutions it proposes to solve the	incompatibilities.
	the incompatibilities.		incompatibilities.	

936.	11. Optimization of inter- transmission system operators compensation mechanisms		11. (12 in GA) Optimization of inter-transmission system operators compensation mechanisms	Provisionally agreed: 11. Optimisation of inter-transmission system operators'
937.	11.1. Regional operational 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. 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.

940.	12.2. The training programs shall cover all the relevant components of system operation, including scenarios of regional crisis.		12.2 (7.2 in GA) The training programs shall cover all the relevant components of system operation, where the regional security coordinator performs tasks including scenarios of regional crisis.	 Provisionally agreed: 12.2 (7.2 in GA) The training programs shall cover all the relevant components of system operation, where the Regional Coordination Centre performs tasks including scenarios of regional crisis.
941.	13. Identification of regional crisis situations and preparation of risk mitigation scenarios reviewing the risk preparedness plans as established in Member States		13. Identification of regional crisis situations and preparation of risk mitigation scenarios reviewing the risk preparedness plans as established in Member States	No change: 13. Identification of regional crisis situations and preparation of risk mitigation scenarios reviewing the risk preparedness plans as established in Member States
942.	13.1. If ENTSO for Electricity delegates this function, regional operational centres shall identify regional crisis scenarios in accordance with the criteria set out in Article 6(1) of [Risk Preparedness Regulation as proposed by COM(2016) 862]	13.1. If ENTSO for Electricity delegates this function, regional <i>coordination</i> centres shall identify regional crisis scenarios in accordance with the criteria set out in Article 6(1) of [Risk Preparedness Regulation as proposed by COM(2016) 862]	13.1 If the ENTSO for Electricity delegates this function, regional [] security coordinators shall identify regional crisis scenarios in accordance with the criteria set out in Article 6(1) of [Risk Preparedness Regulation as proposed by COM(2016) 862].	 Provisionally agreed: Lines 942 - 944 need to be checked for consistency with Risk Preparedness Regulation. 13.1 If the ENTSO for Electricity delegates this function, Regional Coordination Centres shall identify regional crisis scenarios in accordance with the criteria set out in Article 6(1) of [Risk Preparedness Regulation as proposed by COM(2016) 862].
943.			The identification of regional crisis scenarios shall be performed in accordance with the methodology set out in Article 5 of the [Risk Preparedness Regulation].	Provisionally agreed: The identification of regional crisis scenarios shall be performed in accordance with the methodology set out in Article 5 of the [Risk Preparedness Regulation].
944.	13.2. Regional operational centres shall prepare and carry out yearly crisis simulation in cooperation with competent authorities according to Article	13.2. Regional <i>coordination</i> centres shall prepare and carry out yearly crisis simulation in cooperation with competent authorities according to Article	13.2 Regional [] security coordinators shall support the competent authorities of each system operation region in the preparation and carrying out of [Provisionally agreed: 13.2 Regional Coordination Centres shall support the competent authorities of each system operation region in the preparation 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 To be discussed – check for consistency with
740.	
	of the maximum entry <u>section on capacity mechanisms</u>
	capacity available for the
	participation of foreign
	capacity in capacity
0.40	mechanisms.
949.	14.1 (10.1 in GA) Regional To be discussed – <u>check for consistency with</u>
	security coordinators shall <u>section on capacity mechanisms</u>
	support TSO in calculating the
	maximum entry capacity
	available for the participation
	of foreign capacity in capacity
	mechanisms taking into
	account the expected
	availability of interconnection
	and the likely concurrence of
	system stress between the
	system where the mechanism
	is applied and the system in
	which the foreign capacity is
	located.
950.	14.2 (10.2 in GA) The To be discussed $-$ <u>check for consistency with</u>
	calculation shall be performed <u>section on capacity mechanisms</u>
	in accordance with the
	methodology set out in Article
	21(10)(a) of this Regulation.
951.	14.3 (10.3 in GA) Regional To be discussed – <u>check for consistency with</u>
	security coordinators shall <u>section on capacity mechanisms</u>
	provide a calculation for each
	bidding zone border covered
	by the system operation
	region.

952.	15. (11 in GA) Preparation Provisionally agreed:
	of seasonal outlooks 15. (11 in GA) Preparation of seasonal
	outlooks
953.	15.1 (11.1 in GA) If the Provisionally agreed:
	ENTSO for Electricity 15.1 (11.1 in GA) If the ENTSO for
	delegates this function Electricity delegates this function
	pursuant to Article 9 of [Risk pursuant to Article 9 of [Risk
	preparedness Regulation], preparedness Regulation], Regional
	regional security coordinators Coordination Centres shall carry out
	shall carry out regional regional seasonal adequacy outlooks.
	seasonal adequacy outlooks.
954.	15.2 (11.2 in GA) The Provisionally agreed:
	preparation of seasonal 15.2 (11.2 in GA) The preparation of
	outlooks shall be carried out seasonal outlooks shall be carried out on
	on the basis of the the basis of the methodology developed
	methodology developed pursuant to Article 8 of [Risk
	pursuant to Article 8 of [Risk preparedness 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 as a temporary exemption 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, [] 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 [] in network infrastructure.

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.

- 4. By [3 months after the entry into force of this Regulation] all relevant transmission system operators shall submit a proposal [] 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, within three months, [] 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 [] three years, taking due account of tangible progress on infrastructure development projects, that are expected to be realised within the next [] three 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 [] approval of the methodology pursuant to paragraph 4. 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 [] respective national regulatory authority or authorities [] the [] respective Member State 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. [] As a measure of last resort, the Commission after consultation with the Agency [] shall adopt a decision whether to amend or maintain the bidding zone configuration in and between those Member States [] 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 [] 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), the respective Member State or States shall develop action plans in cooperation with their national regulatory authority. 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 the decision pursuant to Article 13(6) []]*
- 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. [] 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 [].
- 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 relevant transmission system operators [] 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.]

- 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. [] 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. []
- 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 crossborder 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, <u>decision-making process in paragraph 5</u> applies.

Article 18 a (new) (line 352 and following) General principles for capacity mechanisms

- 1. To address residual concerns that [] may not be eliminated by the measures pursuant to Article 18(3), Member States may, [] while implementing those measures and subject to this Article and to Union State aid rules, introduce capacity mechanisms.
- 2. Before introducing capacity mechanisms under paragraph, as referred to in paragraph 1, Member States shall conduct a comprehensive study of their possible effects on the neighbouring Member States by consulting, at least, its electrically connected neighbouring Member States and the stakeholders of those Member States.
- 2a. Member States shall not introduce capacity mechanisms where both the European and the national adequacy assessments, or in the absence of a national adequacy assessment, the European adequacy assessment have not identified a resource adequacy concern.
- 3. <u>Member States shall not introduce capacity mechanisms before the Agency has published its</u> opinion as referred to in Article 18(3b).
- [4. temporary, moved to Article 18b below]
- 5. Where a Member State applies a capacity mechanism, it shall review that mechanism and shall provide that no new contracts are concluded under that mechanism where both the European and the national adequacy assessment, or in the absence of a national adequacy assessment, the European adequacy assessment have not identified a resource adequacy concern.
- 6. When designing capacity mechanisms Member States shall include a provision allowing for an efficient administrative phase-out of the capacity mechanism in case no new contracts are concluded under paragraph 5 during [3] consecutive years.

<u>Article 18 b (new)</u> (line 432 and following) Design principles for capacity mechanisms

- 1. Any capacity mechanism shall:
 - (a1) <u>be temporary.</u>
 - (a) not create undue market distortions and not limit cross-zonal trade;
 - (b) not go beyond what is necessary to address the adequacy concern;
 - (c) select capacity providers by means of a transparent, non-discriminatory and competitive process;
 - (e) provide incentives for capacity providers to be available in times of expected system stress;
 - (f) ensure that the remuneration is determined through the competitive process;
 - (g) set out the required technical conditions for the participation of capacity providers in advance of the selection process;
 - (h) be open to participation of all resources, including storage and demand side management that are capable of providing the required technical performance;
 - (i) apply appropriate penalties to capacity providers when not available in the event of system stress;
- 2. Design principles for strategic reserves
 - (a) (ex 2a.) When a capacity mechanism is designed as a strategic reserve, resources in the strategic reserve shall only be dispatched in case transmission system operators are likely to exhaust their balancing resources to establish an equilibrium between demand and supply.

This requirement is without prejudice to activating resources ahead of actual dispatch in order to respect their ramping constraints and operating requirements. Energy from resources in reserve that is released during activation but before resources are being dispatched shall be re-dispatched 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.

- (b) During imbalance settlement periods where resources in the strategic reserve were dispatched imbalances in the market shall be settled at <u>least at</u> the value of lost load /at a value higher than the <u>intraday technical price limit</u> maximum clearing price as referred in Article 9(1) of this Regulation, whichever higher. 54 of Regulation (EU) 2015/1222 [CACM]].
- (c) The output of the strategic reserve following dispatch shall be attributed to balance responsible parties through the imbalance settlement mechanism.
- (d) The resources taking part in the strategic reserve shall not get remunerated through wholesale electricity markets or balancing markets.
- (e) The [] resources taking part in the strategic reserve shall be held outside of the market <u>at</u> <u>least</u> for the duration of the contractual period.

3. Design principles for other capacity mechanisms than strategic reserves

- 3.1 *In addition to the requirements laid down in paragraph 1, capacity* mechanisms *other than strategic reserves* shall:
 - (a) be constructed so as to ensure that the price paid for availability automatically tends to zero when the level of capacity supplied which would be profitable on the energy market without a capacity mechanism is expected to be adequate to meet the level of capacity demanded;
 - (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;
 - (c) ensure that capacity obligations are transferable between eligible capacity providers.

Consolidated version of merged article 38+39 (590) Adoption and revision of coordinated actions and recommendations

- 1. (591) [] The transmission system operators of a system operation region shall develop a procedure for the adoption and revision of coordinated actions and recommendations put forward by Regional Coordination Centres in accordance with the criteria set out in paragraphs 2 to 4.
- 2. (592) Regional Coordination Centres shall [] issue [] coordinated actions addressed to the transmission system operators in respect of the [] tasks referred to in points (a), (b) [] of Article 34(1). Transmission system operators shall implement the binding coordinated actions [] except [] where the implementation of the coordinated actions would result in a violation of the operational security limits defined by each transmission system operator [in accordance with [] the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009].

(ex para 2a of article 38) (593) Where [] a transmission system operator decides not to implement a coordinated action for the reasons set out in this paragraph [2], it shall transparently report the detailed reasons to the Regional Coordination Centre and the transmission system operators of the system operation region without undue delay. In such cases, the Regional Coordination Centre shall assess the impact on the other transmission system operators of the system operation region and may propose a different set of coordinated actions subject to $\frac{1}{4}$ the procedure in this paragraph. in paragraph 2.

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

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

4. (596) The revision of coordinated actions or a recommendation shall be triggered at the request of one or more of the transmission system operators of the system operation region. Following the revision of the coordinated action or recommendation, regional coordination centres shall confirm or modify the measure.

- 5. (602) Where the measure subject to revision is a coordinated action in accordance with [Article 38(2)], the request for revision shall not suspend the coordinated action except in cases [] where the implementation of the coordinated action would result in a violation of the operational security limits defined by each transmission system operator in accordance with the System Operation Guideline adopted on the basis of Article 18 of Regulation 714/2009.
- 6. (ex para 4 of article 38) (598) (Council compromise proposal) Upon proposal of <u>a</u> regulatory authority or the Commission, following consultation with the <u>Electricity Cross-Border</u> <u>Committee</u>, transmission system operators and Regional Coordination Centre of the system operation region, the [] Member States of a system operation region may jointly decide to grant the competence for coordinated actions or binding decision-making powers to their [] Regional Coordination Centre for one or more of the [] tasks provided for in [] Article 34(1).