

NON-PAPER OF ALL SEE REGULATORY AUTHORITIES

ON

**The SEE CCR TSOs proposal for common provisions
methodology for regional operational security
coordination in accordance with Article 76 and 77 of
Commission Regulation (EU) 2017/1485 of 2 August 2017
establishing a guideline on electricity transmission system
operation**

“SEE ROSC Methodology”

2 October 2020

1. INTRODUCTION AND LEGAL CONTEXT

This document describes views of SEE Regulatory Authorities (hereafter SEE NRAs) on the SEE Transmission System Operators' (hereafter SEE TSOs) proposal for regional operational security coordination and organization for regional operational security coordination (hereafter **ROSC proposal**) pursuant to Article 76(1) of Regulation (EU) 2017/1485 of 2 August 2017 (hereafter SO GL).

The SO GL foresees the definition of a methodology for the regional operational security coordination that shall, where necessary, complement the methodologies developed in accordance with Articles 35 and 74 (hereafter RDCT methodologies) of Regulation (EU) 2015/1222 of 24 July 2015 (hereafter CACM Regulation). The Regulation (EU) 2019/943 of 5 June 2019 on the internal market for electricity strengthens the obligation for a regional operational security analysis by requesting the use of remedial actions to ensure minimum capacities. The related provisions are comforted by Article 16(4) that states: *"A coordinated and non-discriminatory process for cross-border remedial actions shall be applied to enable such [capacity] maximization"*.

The legal provisions that lay at the basis of this proposal for regional operational security coordination are Articles 4, 6, 21, 23, 75, 76, 77 and 78 of SO GL as well as Article 35 and 74 of CACM Regulation. Articles 4, 76 and 77 of SO GL directly deal with the requirements of the proposal whereas the remaining Articles shall be considered along with the implementation of the ROSC proposal.

This non-paper shall provide important remarks of SEE NRAs for an adoption of the ROSC proposal by ACER pursuant to Article 6(8) of the SO GL. This paper is intended to provide SEE NRAs' information and opinions as support for the decision of ACER.

2. THE PROPOSAL FOR ROSC METHODOLOGY

Article 76(1) of SO GL requires that by three months after approval of the methodology for coordinated operational security analysis (hereafter CSAM) pursuant to Article 75(1) of SO GL the ROSC proposal will be developed. ACER issued its decision on CSAM on 21 June 2019. Following a request from all Core TSOs, the European Commission took note of the proposed delay and granted a submission of the ROSC methodology by six months after ACER's decision on CSAM. Consequently, the legal deadline for submitting the proposal on ROSC was 21 December 2019.

In line with Article 6(6) of the SO GL, the proposal must include a proposed timeline for its implementation and a description of the expected impact on the objectives of the SO GL.

The SEE ROSC proposal was subject to public consultation between **12 November and 13 December 2019**.

The date the last SEE Regulatory Authority received the ROSC proposal was 19 December 2020. Consequently, a SEE NRA decision was required by 19 June 2020. During the consultation process on 2 October 2020, SEE NRAs took a decision for an active referral of the ROSC proposal to ACER.

SEE NRAs agree that the ROSC proposal and the RDCT methodologies are interlinked and describe complementary processes. For instance, the methodology following Article 35 of the CACM Regulation and the ROSC methodology both describe the coordination of redispatching and countertrading. Network elements which are eligible for cost sharing according to Article 74 of the CACM Regulation must also be defined within the ROSC methodology. SEE NRAs acknowledge the utmost importance of harmonization and consistency between these methodologies. Moreover, a harmonization with CORE and SEE RDCT methodologies is necessary. It was therefore agreed, that such consistency would be best addressed in case the methodologies were dealt with together. Apart from that, SEE NRAs largely appreciate the quality of the TSO proposal on ROSC. They still have comments which are included in the following section of this paper.

The ACER decisions on the pending CORE RDCT methodologies and SEE RDCT methodology are foreseen by October 2020 and a resubmission of CSAM is expected by 18 December 2020 in order to complete the identification and definition of overlapping zones, network elements and remedial actions.

An amended version of the SEE RDCT methodology in accordance with Article 35 of Regulation 2015/1222 is also foreseen to be submitted by the SEE TSOs.

3. SEE NRAS' POSITION

SEE NRAs expect the ROSC proposal to be detailed, consistent and fully compliant with the SO GL, in that sense also fulfilling all requirements and objectives of the relevant regulations.. This non-paper tries to highlight the aspects of the methodology that are overall well done but not meeting all requirements. SEE NRAs main difficulty deals with the topic of cross-border relevance but additional points for potential improvement are also identified in the following section. Anyhow, this non-paper does not claim completeness.

A decision by ACER shall increase the overall quality of the methodology and ensure consistency with the overall European legislation. To support ACER, SEE NRAs provide firstly common recommendations which all SEE NRAs jointly accepted, and secondly diverging opinions where unanimity could not be reached.

A) SEE NRAs jointly agree

First, SEE NRAs would like to highlight that the ROSC methodology constitutes a good proposal of generally good quality. Therefore, SEE NRAs agree with the principles of the methodology, which should rather be complemented than questioned.

A1) GENERAL TOPICS

SEE NRAs agrees followings:

- 1) has to be nominated the Regional Security Center (it is missing from the proposal),
- 2) the term RSCs from the proposal has to be replaced by the term RSC when it is about RSCs designated for SEE RCC;
- 3) to be analysed if the term voltage could be replaced by nominal voltage (in the whole document);
- 4) the proposal has to be completed with all acronyms which are used in the methodology like ANORA ;
- 5) the term CGMM is missing in art. 2 but is used in the proposal, to be specified;
- 6) the acronym SO to be replaced with SOGL;
- 7) SEE ROSC methodology should adapt the definitions, terms and concepts to be in line with those within ACER Decision no 09/2019 on the SEE methodology for coordinated RDCT and eliminate concepts from an older TSOs proposal of the mentioned methodology, as ACI;
- 8) In the art 17(1) has to complete reference to art. 2 with reference to pgf (2) – *each SEE CCR TSO shall have the right to make available to SEE CCR RSC System Constraints in accordance with article 2 pgf (2)*;
- 9) art. 24 *Time coupled optimization* to be modified with *Time coupled optimization of RA*;
- 10) art 31 (2) has to be modified *During each CROSA, RA Connecting TSOs and RA affected TSOs (...)* and (...), *in accordance with article 78(4) of the SO Regulation and art. 17 **pgf (7)** of CSAM*;
- 11) art. 34 is mentioned the term *interim process*. TSOs have to clarify what represents *interim process* (it represent fast activation process or something else?);
- 12) art. 35 NRAs detect bad numeration, from paragraph 1 it is passed direct to paragraph 4. To be corrected;
- 13) art. 38 NRAs require to be clarified the term *optimized area* as no information is provided and within art. 4 could not be found;

- 14) art 40 (2) the term all relevant SEE CCR TSOs to be replaced with the term all TSO from SEE CCR;

A2) Participation of third countries

Participation of the non-EU TSOs in the coordinated security analysis has to be specified into a separate agreement and not into the proposal; to be aligned with the guidance from the European Commission;

A3) Classification secured and scanned elements

The foreseen alignment and harmonization of different regional methodologies immensely simplifies the required inter-CCR coordination.

In general, SEE NRAs support the presented concept of secured and scanned elements and welcome the harmonized definitions used across CCRs as proposed by ENTSO-E. Article 5 of the SEE ROSC proposal defines the criteria for secured elements. On these elements, operational security limit violations will be managed in a coordinated way and at least on a subset, cost sharing will apply. Secured elements are elements with a voltage level higher than or equal to 150 kV, threshold defined in accordance with article 15(1) of CSAM. The mandatory set of secured elements shall at least include all SEE critical network elements (CNEs) in accordance with day-ahead and intraday capacity calculation methodology of SEE CCR and XBRNEs in accordance with SEE CCR RDCT methodology. More clarity on these elements can only be obtained by harmonization with decision on Article 35 CACM Regulation for Core RCC and the subsequent submission of the secured elements for SEE as proposed in this SEE ROSC proposal. The scanned elements, as defined in Article 6 of the SEE ROSC proposal, represent a set of elements on which CROSA shall not create new operational security limits violations or worsen any existing violation, that are monitored in order to prevent new or worsened operational security limit violations. SEE NRAs understand that secured elements help to reduce the complexity of the optimization by restraining the domain for the congestion management and, at the same time, ensure the feasibility of the computed optimization.

SEE NRAs would welcome aligned procedures for setting constraints on scanned elements, e.g. concerning acceptable overloads, to ensure a feasible and sufficient optimization result. The process for defining constraints as well as the exclusion and inclusion of scanned elements should be described in the SEE ROSC proposal.

SEE NRAs are not able to foresee and predict the final set of secured and scanned elements and it seems to be difficult to achieve a transparent and coherent process for the inclusion and exclusion of such elements, since only the connected TSOs have all required information on the subordinate voltage levels.

A4) Disputes between RSCs and RSC and SEE TSOs

SEE NRAs agree that the following paragraph: *“In case of any dispute between the RSCs and/or between RSCs and SEE TSOs arising out of or in connection with this methodology shall be settled amicably between the Parties. In case the dispute cannot be settled amicably between the Parties within 60 calendar days after having been notified hereof, the dispute shall be finally settled by an arbitration process”*, could be introduced into the SEE ROSC.

A5) Classification of remedial actions

ANRE underlines that SEE ROSC proposal should highlight the categories of remedial action to be clearly mentioned in the methodology as according to art. 22 SOGL could exist remedial actions as capacity curtailment and manually load shedding which are considered as last resort measures.

B) SEE NRAs do not jointly agree

B1) Cross-border relevance

ANRE considers the requirement to determine the cross-border relevance of congestions pursuant to Article 76(2) SO GL as being not fulfilled. The ROSC proposal does not define cross-border relevant network elements that are considered to be at least a subset of the secured elements which fall under the cost sharing. Since this definition has neither been defined and approved according to Article 35 CACM Regulation nor been complemented in the ROSC proposal, ANRE does not feel able to approve the current proposal. Besides, Article 15(2) of CSAM requests the definition of rules and/or criteria to establish cross-border relevant network elements within the regional ROSC proposals.

RAE recognizes that SEE TSOs should clarify these aspects in coordination with the RDCT Cost sharing Methodology that is still under development, and is going to be finalized in the next days.

B2) Implementation of article 35 from R943/2019 and its impact on SEE ROSC methodology

ANRE underlines the aspect that Transelectrica will be part of CE SOR and no longer within SEE SOR starting with 2022 was not included into the ROSC proposal.

RAE is of the opinion that since ANRE decided to be part of the CE SOR, Transelectrica can not be a shareholder in the SEE SOR and therefore, Transelectrica can't have the rights of a shareholder.

B3) Operation and cooperation between RSCs and between RSC and RSC TSOs

In principle, it is acknowledged that there are difficulties to provide further and more explicit details on the operation and cooperation between RSCs and between RSC and RSC TSOs. ANRE would like to point out that a harmonized description of an effective coordination and decision making process to resolve conflicting positions among RSCs and between RSC and RSC TSOs is missing.

RAE understands only the need for a harmonization of the co-operation of RSCs among different CCRs, pursuant to art. 77.(5) of SOGL which in any case lies outside the scope of ROSC Proposal.

B5) Inter –CCR Coordination

ANRE mentioned that content of Art. 32 Inter-CCR coordination doesn't take into coordination coordination between CORE CCR RSCs and SEE CCR RSC. It is stated coordination only between SEE CCR TSOs and SEE CCR RSC. It could be understood that only SEE CCR TSOs and SEE CCR RSC are involved in this process of coordination. According to the art.77 (5) from SOGL. *All regional security coordinators shall coordinate the execution of their tasks in order to facilitate the fulfilment of the objectives of this Regulation. All regional security coordinators shall ensure the harmonization of processes and, where duplication is not justified by reasons of efficiency or by the need to ensure continuity of service, the creation of joint tools to ensure efficient cooperation and coordination between the regional security coordinators.* ANRE highlighted that art. 77(5) is not implemented into SEE ROSC proposal.

RAE understands only the need for a harmonization of the co-operation of RSCs among different CCRs , pursuant to art. 77.(5) of SOGL which in any case lies outside the scope of ROSC Proposal.

B6)Overlapping zones

ANRE consider Art. 27 (from CSAM) practically states that, for overlapping zones, **has to be developed** a methodology for identifications and definitions of overlapping XRAs, XNEs. ANRE highlighted that temporary rules should be adopted prior to the modification of art. 27(3) of CSAM.

RAE notes that these issues will be settled in accordance with the amendment of CSAM, according to Art. 27 of CSAM. Until Art 27 of CSAM is modified, the statements from Art 27 will apply for the definition and management of the relative processes.

B7)Rules for exceptional situations

ANRE would like to point out, that the requirements pursuant to Article 23(4) and 23(6) of CSAM have not been fulfilled. According to these requirements, the ROSC proposal needs to define rules for exceptional situations in the intraday and day-ahead regional operational security analysis. These particular rules and processes to be applied in the intraday and day-ahead CROSA have not been defined in this ROSC proposal and it wasn't specified, at least, that these exceptional situations never appear into SEE CCR.

RAE highlights that these issues are only optional based on articles 23(4) and 23(6) of CSAM.

B8) Principles for optimization

Article 22 of SO GL also defines the curtailment of already allocated cross-zonal capacity as a category of remedial actions but the costs for curtailment are not yet described in this proposal and the only costs mentioned are those according to Article 74 CACM where SEE TSOs refer to. As these measures could imply further agreements and are rather used in last resort cases, SEE NRAs would like to know in which conditions and how the curtailment of already allocated capacity as well as load shedding will be implemented in the optimization process.