All interested parties,
Stakeholders in Ireland and beyond,
and other regulatory bodies

Date: 10/01/2020

To whom it may concern

Approval of the all asynchronously connected TSOs' proposal for common settlement rules for all unintended exchanges of energy between synchronous areas.

Article 51(2) of Commission Regulation (EU) 2017/2195, establishing a guideline on electricity balancing (EBGL) requires that all asynchronously connected TSOs shall develop a proposal for common settlement rules applicable to all unintended exchanges of energy between asynchronously connected TSOs. On 17 June 2019, the Commission for Regulation of Utilities (CRU) received this proposal from Eirgrid. Simultaneously other relevant TSOs submitted the proposal to their relevant RA.

This letter sets out the CRU's decision to approve the proposal pursuant to Article 5(6) of Regulation 2017/2195 and outlines the necessary steps that must be taken.

Background

The proposal covers the rules for the common settlement of unintended exchanges of energy between synchronous areas, with this also including a methodology for calculating volumes and prices, as well as the high-level process for the common settlement between TSOs. The proposal envisions general provisions that apply to all interconnectors, including the calculation of volumes of unintended exchanges, as well as several annexes that specify the pricing rules for each interconnector.

The methodology does not preclude the possibility of settling unintended exchanges in accordance with Chapter 4 of Title V of the EBGL.

Decision

The CRU has reviewed the proposal in line with the requirements of the EBGL and the CRU's statutory duties and obligations. As required by Article 5(6) of Regulation 2017/2195, the CRU has closely cooperated with other concerned Regulatory Authorities to reach an agreement on the proposal.
The concerned Regulatory Authorities' agreement, reached on 4 December 2019 and attached as an annex to this letter, constitutes the reason for the CRU's decision. In line with this agreement, the CRU hereby approves the all asynchronously connected TSOs' proposal for common settlement rules for all unintended exchanges of energy between synchronous areas.

Next Steps

In accordance with this decision, concerned TSOs will be required to publish this proposal on the internet as per Article 7 of Regulation 2017/2195.

If you have any queries regarding the information contained within this letter, please contact Thomas Quinn at tquinn@cru.ie.

Yours sincerely

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