



Press release

German/Austrian partnership for automatic frequency restoration reserve: pilot project is first of its kind EU-wide

15 July 2016 – Bayreuth, Berlin, Dortmund and Stuttgart, Germany. Since yesterday the German transmission system operators (TSOs) 50Hertz, Amprion, TenneT and TransnetBW and the Austrian TSO APG have come together to form Europe's first international partnership for automatic frequency restoration reserve (aFRR). This alliance spearheads the implementation of the European *Guideline on Electricity Balancing*, which is currently underway. The guideline's purpose is to encourage Europe's TSOs to join forces to create an internal market for control reserve. The German-Austrian aFRR partnership anticipates future requirements and lays the foundations for a harmonised European control reserve market.

German and Austrian TSOs are members of the International Grid Control Cooperation (IGCC). Member countries avoid the need to activate aFRR by netting their requirements in advance. Now, the five TSOs are intensifying their relationship by managing the deployment of aFRR using a common merit order list, a list of balance power bids sorted in order of their bid prices. This ensures that the most economically viable bids in both countries are executed, driving down control reserve costs. In case the cooperation is intermitted, e.g. because of operational grid restrictions, the TSOs of both countries will use the aFRR on a national level as it is done to date. In a second step the TSOs are exploring the possibility of jointly procuring aFRR in Germany and Austria. They will also work together to further develop aFRR-related market rules and products.

Demand for aFRR arises whenever the sum of current generation differs from total current consumption. These differences are due either to fluctuating feed and consumption patterns among consumers, or to disruptions on the supply side (such as power plant outages). An output shortfall (or excess consumption) gives rise to a drop in frequency, while excess output (or a consumption shortfall) causes a rise in frequency across Europe's power supply grid.

Contacts:

50Hertz Transmission GmbH

Volker Kamm, phone: +49 30 5150 3417, volker.kamm@50hertz.com

Amprion GmbH

Dr. Andreas Preuss, phone: +49 231 5849 13785, mobile: +49 172 240 7116, andreas.preuss@amprion.net

TenneT TSO GmbH

Ulrike Hörchens, phone: +49 921 50740 4045, mobile: +49 151 17131120, ulrike.hoerchens@tennet.eu

TransnetBW GmbH

Regina König, phone: +49 711 21858 3155, mobile: +49 173 650 7067, r.koenig@transnetbw.de