



## **Cross-border exchange and procurement of balancing capacity between Germany and Austria – Consultation (Request for participation)**

In the context of the Balancing Cooperation between Germany and Austria a stakeholder consultation, according to Guideline on Electricity Balancing (EBGL) Article 33 (1) in connection with article 10, regarding the processes for cross-border exchange and procurement of balancing capacity will be conducted by the respective TSOs.

Within this framework, furthermore an exemption of the allowance of cross-border transfer of the balancing provision between balancing service providers according to Article 34 (1) EBGL will be applied.

This transfer is supposed to take place within the respective LFC areas.

The consultation will start on 12<sup>th</sup> of March 2018 on the German (<https://www.regelleistung.net/ext/static/consultation-srl-cooperation-atde-2018-02>) and Austrian ([www.apg.at](http://www.apg.at)) website and will end on 15<sup>th</sup> of April 2018. The cooperating TSOs invite Market Participants to participate in the consultation, in order to take their feedback into account for the development of cross-border exchange and procurement of balancing capacity. Only a broad participation can guarantee that the foreseen market adjustment will give consideration to all parties' (TSOs, suppliers, BSP, other stakeholders) needs.

The cross-border procurement of balancing capacity is supposed to start synchronized with the introduction of the congestion management between Germany and Austria on 1<sup>st</sup> October 2018.

The introduction of the exchange and procurement of secondary balancing capacity ensures to procure aFRR (frequency restoration reserve with automatic activation) balancing capacity as efficient as possible, thus strengthening the existing balancing services cooperation between Germany and Austria.

An adequate cooperation for the cross-border exchange and procurement of secondary balancing capacity would be unique in Continental Europe and constitutes a pilot project with regards to EBGL, which recently entered into force.

The consulting TSOs are aware that the Stakeholder's feedback will be essential for establishing a well-functioning Market Design.

The long-term capacities of at least 4.9 GW, which have been announced in the press release of the National Regulatory Authorities Bundesnetzagentur and E-Control on 15<sup>th</sup> of May 2017, shall be available for allocation of long-term products.

Within this consultation, market parties have the opportunity to give their opinion on a possible reservation of up to 280 MW for the exchange of balancing services within the capacity of 4.9 GW and to comment on the proposed procedure for the possible reservation of long-term capacity for the exchange of balancing services.

The final allocation of cross-border capacity for balancing of up to 280 MW will be based on economic efficiency analysis in comparison with the day-ahead market.