APPROVAL BY THE CHANNEL REGULATORY AUTHORITIES
OF

CHANNEL TSO's PROPOSAL FOR THE CHANNEL REGIONAL OPERATIONAL SECURITY COORDINATION METHODOLOGY

06 July 2020

I. Introduction and legal context

This document establishes an agreement of the Regulatory Authorities of the Channel Capacity Calculation Region (CCR) to approve the proposal of the relevant Transmission System Operators (TSOs) of the Channel CCR (Elia, National Grid ESO, RTE and TenneT) for a regional operational security coordination (ROSC) Methodology, in accordance with Article 76 of Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (hereafter, 'Regulation 2017/1485').

The Channel ROSC Methodology considers the general principles and goals of Regulation 2017/1485 as well as Commission Regulation (EC) 2015/1222 establishing a guideline on capacity allocation and congestion management (Regulation 2015/1222).

This agreement of the Channel Regulatory Authorities shall provide evidence that a decision on the Channel ROSC Methodology does not need to be adopted, at this stage, by the Agency for the Cooperation of Energy Regulators (ACER) pursuant to Article 6(8) of Regulation 2017/1485.

This agreement is intended to constitute the basis on which the Channel Regulatory Authorities will each subsequently make national decisions pursuant to Article 6(3)(b) of Regulation 2017/1485 to approve the Channel ROSC Methodology proposal submitted by TSOs.

The legal provisions relevant to the submission and approval of the proposal, and this Channel Regulatory Authority agreement are found in Articles 4, 5, 6, 76 and 77 of Regulation 2017/1485. They are set out below for reference.

Article 4 of Regulation 2017/1485:

1. *This Regulation aims at:*

   (i) determining common operational security requirements and principles;
   (ii) determining common interconnected system operational planning principles;
   (iii) determining common load-frequency control processes and control structures;
   (iv) ensuring the conditions for maintaining operational security throughout the Union;
   (v) ensuring the conditions for maintaining a frequency quality level of all synchronous areas throughout the Union;
   (vi) promoting the coordination of system operation and operational planning;
   (vii) ensuring and enhancing the transparency and reliability of information on transmission system operation;
   (viii) contributing to the efficient operation and development of the electricity transmission system and electricity sector in the Union.

Article 5 of Regulation 2017/1485:

1. *TSOs shall develop the terms and conditions or methodologies required by this Regulation and submit them for approval to the competent regulatory authorities in accordance with Article 6(2) and (3) or for approval to the entity designated by the Member State in accordance with Article 6(4) within the respective deadlines set out in this Regulation.*
2. *Where a proposal for terms and conditions or methodologies pursuant to this Regulation needs to be developed and agreed by more than one TSO, the participating TSOs shall closely cooperate. TSOs, with the assistance of ENTSO for Electricity, shall regularly inform the regulatory authorities and the Agency about the progress of developing those terms and conditions or methodologies.*

Article 6 of Regulation 2017/1485:

1. *Each regulatory authority shall approve the terms and conditions or methodologies developed by TSOs under paragraphs 2 and 3. The entity designated by the Member State shall approve the terms and conditions or methodologies developed by TSOs under*

paragraph 4. The designated entity shall be the regulatory authority unless otherwise provided by the Member State.

2. (…)
3. *The proposals for the following terms and conditions or methodologies shall be subject to approval by all regulatory authorities of the concerned region, on which a Member State may provide an opinion to the concerned regulatory authority:*

   (a) (…)

   (b) common provisions for each capacity calculation region for regional operational security coordination in accordance with Article 76

   (c) (…)

4. *(…)*
5. *(…)*
6. *The proposal for terms and conditions or methodologies shall include a proposed timescale for their implementation and a description of their expected impact on the objectives of this Regulation. Proposals on terms and conditions or methodologies subject to the approval by several or all regulatory authorities shall be submitted to the Agency at the same time that they are submitted to regulatory authorities. Upon request by the competent regulatory authorities, the Agency shall issue an opinion within 3 months on the proposals for terms and conditions or methodologies.*
7. *Where the approval of the terms and conditions or methodologies requires a decision by more than one regulatory authority, the competent regulatory authorities shall consult and closely cooperate and coordinate with each other in order to reach an agreement. Where the Agency issues an opinion, the competent regulatory authorities shall take that opinion into account. Regulatory authorities shall take decisions concerning the submitted terms and conditions or methodologies in accordance with paragraphs (2) and (3), within 6 months following the receipt of the terms and conditions or methodologies by the regulatory authority or, where applicable, by the last regulatory authority concerned.*

Article 76 of Regulation 2017/1485:

1. *By 3 months after the approval of the methodology for coordinating operational security analysis in Article 75(1), all TSOs of each capacity calculation region shall jointly develop a proposal for common provisions for regional operational security coordination, to be applied by the regional security coordinators and the TSOs of the capacity calculation region. The proposal shall respect the methodologies for coordinating operational security analysis developed in accordance with Article 75(1) and complement where necessary the methodologies developed in accordance with Articles 35 and 74 of Regulation (EU) 2015/1222. The proposal shall determine:*

   (a) conditions and frequency of intraday coordination of operational security analysis and updates to the common grid model by the regional security coordinator;

   (b) the methodology for the preparation of remedial actions managed in a coordinated way, considering their cross- border relevance as determined in accordance with Article 35 of Regulation (EU) 2015/1222, taking into account the requirements in Articles 20 to 23 and determining at least:

      (i) the procedure for exchanging the information of the available remedial actions, between relevant TSOs and the regional security coordinator;
      (ii) the classification of constraints and the remedial actions in accordance with Article 22;
      (iii) the identification of the most effective and economically efficient remedial actions in case of operational security violations referred to in Article 22;
      (iv) the preparation and activation of remedial actions in accordance with Article 23(2);

(v) *the sharing of the costs of remedial actions referred to in Article 22, complementing where necessary the common methodology developed in accordance with Article 74 of Regulation (EU) 2015/1222. As a general principle, costs of non-cross-border relevant congestions shall be borne by the TSO responsible for the given control area and costs of relieving cross-border-relevant congestions shall be covered by TSOs responsible for the control areas in proportion to the aggravating impact of energy exchange between given control areas on the congested grid element.*

2. *In determining whether congestion have cross-border relevance, the TSOs shall take into account the congestion that would appear in the absence of energy exchanges between control areas.*

Article 77 of Regulation 2017/1485:

1. *The proposal of all TSOs of a capacity calculation region for common provisions for regional operational security coordination pursuant to Article 76(1) shall also include common provisions concerning the organisation of regional operational security coordination, including at least:*

   (a) *the appointment of the regional security coordinator(s) that will perform the tasks in paragraph 3 for that capacity calculation region;*

   (b) *rules concerning the governance and operation of regional security coordinator(s), ensuring equitable treatment of all member TSOs;*

   (c) *where the TSOs propose to appoint more than one regional security coordinator in accordance with subparagraph (a):*

      (i) *a proposal for a coherent allocation of the tasks between the regional security coordinators who will be active in that capacity calculation region. The proposal shall take full account of the need to coordinate the different tasks allocated to the regional security coordinators;*
      (ii) *an assessment demonstrating that the proposed setup of regional security coordinators and allocation of tasks is efficient, effective and consistent with the regional coordinated capacity calculation established pursuant to Articles 20 and 21 of Regulation (EU) 2015/1222;*
      (iii) *an effective coordination and decision making process to resolve conflicting positions between regional security coordinators within the capacity calculation region.*

2. *When developing the proposal for common provisions concerning the organisation of regional operational security coordination in paragraph 1, the following requirements shall be met:*

   (a) *each TSO shall be covered by at least one regional security coordinator;*

   (b) *all TSOs shall ensure that the total number of regional security coordinators across the Union is not higher than six.*

3. *The TSOs of each capacity calculation region shall propose the delegation of the following tasks in accordance with paragraph 1:*

   (a) *regional operational security coordination in accordance with Article 78 in order to support TSOs fulfil their obligations for the year-ahead, day-ahead and intraday time-frames in Article 34(3) and Articles 72 and 74;*

   (b) *building of common grid model in accordance with Article 79;*

   (c) *regional outage coordination in accordance with Article 80, in order to support TSOs fulfil their obligations in Articles 98 and 100;*

   (d) *regional adequacy assessment in accordance with Article 81 in order to support TSOs fulfil their obligations under Article 107.*

4. *In executing its tasks, a regional security coordinator shall take account of data covering at least all capacity calculation regions for which it has been allocated tasks, including the observability areas of all TSOs in those capacity calculation regions.*
5. *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.*

II. The Channel TSOs proposals

Background

Under Article 76 of Regulation 2017/1485, by 3 months after the approval of the methodology for coordinating operational security analysis (CSAM) developed pursuant to Article 75 of Regulation 2017/1485, TSOs, at a regional level, must develop at a proposal for common provisions for ROSC.

The Channel TSOs consulted on their proposal for the Channel ROSC Methodology from 4 October 2019 until 4 November 2019 in accordance with Article 11(1) of Regulation 2017/1485.

The final proposal of the Channel ROSC Methodology, dated 19 December 2019, was received by the final Channel Regulatory Authority on 24 January 2020. The proposal includes proposed timescales for its implementation and a description of its expected impact on the objectives of Regulation 2017/1485, in line with Article 6(6) of Regulation 2017/1485.

Article 6(7) of Regulation 2017/1485 requires Channel Regulatory Authorities to consult, closely cooperate, and coordinate with each other in order to reach agreement, and make decisions within six months following receipt of the submission by the last Regulatory Authority concerned. Each Regulatory Authority concerned is therefore required to make a decision by 24 July 2020.

Overview of Channel ROSC Methodology

The Channel ROSC Methodology addresses day-ahead and intraday regional security coordination within the Channel CCR and applies to all TSOs and Regional Security Coordinators (RSCs) operating in the Channel CCR. The Channel TSOs have appointed CORESO and TSCNET as the RSCs for the Channel CCR. This means that CORESO and TSCNET are responsible for fulfilling the assigned regional security coordination duties outlined as part of the Channel ROSC Methodology.

The Channel ROSC methodology requires that specific information pertaining to individual grid models, available remedial actions within the control area, additional system constraints relevant to the coordinated security analysis (CSA), recent relevant contingencies for use in the CSA, and a set of secured and scanned network elements are provided to the RSC by the Channel TSOs. The RSC then uses these inputs to determine a common grid model for the Channel CCR.

The RSC uses the common grid model to compile a study on the CSA for the region, which then feeds into the identification of any remedial actions necessary to address operational violations. These remedial actions are then submitted to the Channel TSOs for evaluation.

Article 40 of the Channel ROSC Methodology includes an implementation timeline following the approval of the Channel Regulatory Authorities. It proposes a stepwise implementation that is consistent in manner with the implementation of the CSAM, Channel RD and CT Methodology, Channel Cost Sharing Methodology. For example, step 5(a) needs to be implemented 12 months following the approval of both the Channel ROSC Methodology and the Channel RD and CT Methodologies.

Article 39 and article 40 of the Channel ROSC proposal state that Channel onshore TSOs shall submit:

- an amendment of Article 39 listing the monitoring and reporting obligations regarding this Channel ROSC Methodology, and
- an amendment of the Channel ROSC methodology to amend the implementation plan with the description of the stepwise approach resulting from the paragraph 8 and 9 of Article 40.

This amendment shall be submitted by 12 months after approval of the Channel ROSC methodology.

III. Channel Regulatory Authority position

The Channel Regulatory Authorities have reviewed the ROSC Methodology and are satisfied that its contents meet the requirements set out in Regulation 2017/1485. The Channel Regulatory Authorities are furthermore satisfied that, where necessary, it complements the CSAM in accordance with Article 75 of Regulation 2017/1485, the methodology for coordinated redispatching and countertrading in accordance with Article 35 of Regulation 2015/1222, and the common methodology for coordinated redispatching and countertrading cost sharing in accordance with Article 74 of Regulation 2015/1222.

The Channel Regulatory Authorities are comfortable that the appointment of both CORESO and TSCNET is in accordance with the requirements detailed in Article 77(1)(c) of Regulation 2017/1485. This is because title 7 of the Channel ROSC Methodology provides an outline of the tasks each RSC will perform and details how the allocation of tasks on a rotational basis will ensure the efficient undertaking of the tasks required by methodology.

The Channel Regulatory Authorities acknowledge that - given the complexity of the subject and the interdependence with other methodologies - some elements of the Channel ROSC proposal are defined in terms of high-level principles. We are of the opinion that the 12 months period between approval of the current proposal and the submission of the amended proposal could be used to further elaborate those elements.

The Channel Regulatory Authorities therefore ask Channel onshore TSOs to perform a review of the Channel ROSC methodology in parallel to the already foreseen amendments. We see the opportunity to further clarify and elaborate some elements, e.g. on the qualitative assessment of cross-border relevant remedial actions and on the setting of individual thresholds for scanned elements and questions raised by market parties during the public consultation. In addition, some provisions may need to be amended in response to the foreseen amendment of the CGM and CSA methodologies pursuant to articles 70 and 75 of the SOGL. Channel TSOs should also ensure that the ROSC proposal is consistent with the RCC definition proposal pursuant to article 35 of regulation (EU) 2019/943.

This review process is to be held in close collaboration with Channel Regulatory Authorities. The results of this review process shall be integrated in the foreseen amended version by 12 months after approval of the Channel ROSC Methodology. Moreover, Channel Regulatory Authorities ask TSOs to provide them with a periodic update every six months on the progress of the implementation of the ROSC, including the development of the remedial action optimiser.

As a result, The Channel Regulatory Authorities agree to approve the Channel ROSC Methodology and request Channel onshore TSOs to set up the review process in view of the foreseen amendment as outlined in the paragraphs above.

IV. Actions

The Channel Regulatory Authorities have assessed, consulted, closely cooperated, and coordinated to reach the agreement that the Channel ROSC Methodology meets the requirements of Regulation 1485/2017 and as such, can be approved by the Channel Regulatory Authorities.

The Channel Regulatory Authorities must therefore make their decisions on the basis of this agreement by 24 July 2020. The Channel ROSC Methodology proposal should therefore be adopted for the Channel CCR by 24 July 2020.

Following national decisions by each of the Channel Regulatory Authorities, the Channel TSOs are required to publish the Channel ROSC Methodology on the internet in line with Article 8 of Regulation 2017/1485 and to meet the implementation deadlines proposed in Article 40 of the Channel ROSC Methodology.