

DECISION No 07/2024
OF THE EUROPEAN UNION AGENCY
FOR THE COOPERATION OF ENERGY REGULATORS

of 13 May 2024

**on the Amendment of the Methodology for Coordinating Operational
Security Analysis**

THE EUROPEAN UNION AGENCY FOR THE COOPERATION OF ENERGY
REGULATORS,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2019/942 of the European Parliament and of the Council of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators¹, and, in particular, Article 5(2) thereof,

Having regard to Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation², and, in particular, Article 6(2)(c), Article 7(4), and Article 75 thereof,

Having regard to the outcome of the consultation with all national regulatory authorities and transmission system operators,

Having regard to the outcome of the consultation with ACER's Electricity Working Group ('AEWG'),

Having regard to the favourable opinion of the Board of Regulators of 24 April 2024, delivered pursuant to Article 22(5)(a) of Regulation (EU) 2019/942,

Whereas:

¹ OJ L158, 14.6.2019, p. 22.

² OJ L 220, 25.8.2017, p. 1.

1. INTRODUCTION

- (1) Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (the ‘SO Regulation’) laid down a range of requirements for operational security analysis coordination, including requirements for the development of a methodology for coordinating operational security analysis (‘CSAM’) in accordance with Article 75 of the SO Regulation.
- (2) The CSAM was developed by the Transmission System Operators (‘TSOs’) and approved by ACER on 19 June 2019 (ACER Decision No 07/2019)³. In accordance with this decision, no later than 18 months after the adoption of the CSAM, all TSOs had to jointly develop a proposal for amendments to Articles 21 and 27 of the CSAM in accordance with Article 7(4) of the SO Regulation. Thus, following an all TSOs’ proposal, the CSAM was amended on 14 June 2021 (ACER Decision No 7/2021)⁴. By Corrigendum of 27 January 2023, Annex I of Decision No 07/2019 was rectified⁵.
- (3) On 17 November 2023, ENTSO-E, on behalf of all TSOs, submitted to ACER a proposal for amendment to the CSAM. This Decision revises and approves the proposal for amendment. Annex I to this Decision sets out the amended CSAM, pursuant to Article 75 of the SO Regulation.

2. PROCEDURE

2.1. Proceedings before ACER

- (4) On 31 May 2023, ENTSO-E on behalf of all TSOs, launched a public consultation on their proposed amendments⁶ in accordance with Articles 7(4) and 11 of the SO Regulation. The proposed amendments were focused on Articles 6 and 7 of the CSAM to align with the Recommendations R-6 and R-8 of the report of the Incident Classification Scale investigation expert panel of 15 July 2021.⁷ The proposed amendments also incorporate the amendments according to ACER Decision No 07/2021 and the rectifications by ACER Corrigendum of 27 January 2023 (see section 4). The public consultation lasted from 31 May 2023 until 30 June 2023.
- (5) On 17 November 2023, ENTSO-E submitted, on behalf of all TSOs, to ACER an ‘All TSOs’ proposal for amendment of the methodology for coordinating operational security

³ ACER Decision No 07/2019

https://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/Individual%20decisions/ACER%20Decision%2007-2019%20on%20all%20TSOs%27%20proposal%20for%20CSAM.pdf and

https://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/ANNEXESTODECISIONOFTHEAGENCYNo072019/Annex%20I%20-%20ACER%20Decision%20on%20CSAM.pdf

⁴ ACER Decision No 07/2021

⁵ ACER Corrigendum of 27 January 2023

⁶ <https://consultations.entsoe.eu/entso-e-general/amendments-proposals-to-the-methodology-for-coordi/>

⁷ Final report of the Incident Classification Scale investigation expert panel

analysis in accordance with Article 75 of the SO Regulation, herein referred to as the **‘Proposal’**.

- (6) In revising the Proposal, ACER closely cooperated with all regulatory authorities (NRAs), all TSOs and ENTSO-E and consulted them on its suggested revisions to the Proposal during virtual meetings and exchange of documents via emails.
- (7) In particular, the following procedural steps were taken:
- 4 December 2023: virtual meeting with all NRAs, TSOs and ENTSO-E.
 - 10 January 2024: communication of electronic documents for consideration to NRAs.
 - 11 January 2024: communication of electronic documents for consideration to TSOs and ENTSO-E.
 - 18 January 2024: virtual meeting with ENTSO-E on behalf of the TSOs.
 - 18 January 2024: communication of electronic documents for consideration to NRAs.
 - 1 February 2024: virtual meeting with ENTSO-E on behalf of the TSOs.
 - 9 February 2024: written communication from ENTSO-E on behalf of the TSOs.
 - 15 February 2024: initiation of the hearing phase (ACER’s preliminary position).
 - 4 March 2024: closure of hearing phase.
 - 7 March 2024: written communication to the NRAs, TSOs and ENTSO-E.
- (8) The AEWG was consulted between 20 March and 5 April and provided its advice on 8 April 2024 (see section 5.3).
- (9) On 24 April 2024, ACER’s Board of Regulators provided a favourable opinion.

3. THE AGENCY’S COMPETENCE TO DECIDE ON THE PROPOSAL FOR AMENDMENT

- (10) According to Article 5(2)(b) of Regulation (EU) 2019/942, proposals for terms and conditions or methodologies, based on network codes and guidelines adopted before 4 July 2019, which require the approval of all regulatory authorities, shall be submitted to ACER for revision and approval.
- (11) According to Article 6(2)(c) of the SO Regulation, as initially adopted, namely as a guideline before 4 July 2019, the proposal for the methodology for coordinating operational security analysis in accordance with Article 75 of the SO Regulation, was subject to approval by all regulatory authorities. Following the amendment of this provision by Commission Implementing Regulation (EU) 2021/2808, the proposal for

the methodology for coordinating operational security analysis in accordance with Article 75 of the SO Regulation has been explicitly subjected to approval by ACER.

- (12) According to Article 7(4) of the SO Regulation, TSOs responsible for developing a proposal for terms and conditions or methodologies may propose amendments of these terms and conditions or methodologies, and those proposals for amendments shall be approved in accordance with the procedure set out in Articles 5 and 6 of the same Regulation.
- (13) According to Article 5(6) of Regulation (EU) 2019/942 and Article 6(1) of the SO Regulation, ACER, before approving the terms and conditions or methodologies, shall revise the submitted proposals where necessary, after consulting the respective TSOs and ENTSO-E, in order to ensure that they are in line with the purpose of the SO Regulation and contribute to market integration, non-discrimination, effective competition and the proper functioning of the market.
- (14) On 17 November 2023, ENTSO-E, on behalf of all TSOs, submitted the Proposal to ACER for approval.
- (15) Therefore, on the basis of Article 5(2)(b) of Regulation (EU) 2019/942 as well as Articles 6(2)(c) and 7(4) of the SO Regulation, ACER is competent to decide on the Proposal as submitted on 17 November 2023.

4. SUMMARY OF THE PROPOSAL

- (16) The Proposal includes the following new elements:
 - a. Amendment of Article 6(6) aiming at aligning the reassessment period of the Observability Area (OA)-set to 3 years-with the reassessment period of the external contingency list-set to 5 years, according to recommendation R-6 of the Incident Classification Scale investigation expert panel final report.
 - b. Amendment of Article 7(1)(a) and (c) to align with recommendation R-8 of the Incident Classification Scale investigation expert panel final report according to which it should be mandatory to include outages of any transmission elements, including busbar couplers in the contingency lists. This amendment allows the busbar couplers specified in R-8 to be included as contingencies in the OA.
 - c. Amendment of Article 42(1) regarding the deadline according to which all relevant TSOs and RCCs shall define data quality management provisions for the data exchange in the process defined in Article 40 of the CSAM.
- (17) The Proposal further merges:
 - a. the amendments as approved by ACER Decision No 07/2021.
 - b. the rectifications according to ACER Corrigendum of 27 January 2023.

- (18) Thus, the Proposal consists of the following new amendments (a-e) and the amendments of the CSAM (f-g) previously approved by ACER:
- a. Amendment of Article 6(6) setting the re-assessment period to 3 years instead of 5 years;
 - b. Addition of subparagraph (viii) in Article 7(1)(a) referring to the ordinary contingencies, including the loss of a single busbar coupler in case it has a cross border relevance and is protected by an over current protection device;
 - c. Addition of subparagraph (ix) in Article 7(1)(a) referring to the ordinary contingencies, including the loss of a single busbar coupler in case it has a cross border relevance and is protected by an over-/under-voltage protection device;
 - d. Addition of subparagraph (viii) in Article 7(1)(c) referring to contingencies as out-of-range including loss of two or more independent busbar couplers;
 - e. Amendment of Article 42(1) regarding the deadline according to which all relevant TSOs and RCCs shall define data quality management provisions for the data exchange in the process defined in Article 40 of the CSAM;
 - f. Incorporation of all the amendments as approved by ACER Decision No 07/2021 (addition of a paragraph to the Recitals referring to the establishment of regional coordination centres; addition of a paragraph in Article 2 with a new definition on ‘Setpoint’, ‘native CCR’ and ‘non-native CCR’; addition of several paragraphs in Article 21 on inclusion of remedial actions in individual grid models; addition of several paragraphs in Article 27 on overlapping zones, cross-border relevant network elements (‘XNEs’) and cross-border relevant remedial actions (‘XRAs’); addition of an Annex II providing the rules for the remaining available margin on an overlapping XNE with the conservative approach);
 - g. Incorporation of ACER ‘Corrigendum of 27 January 2023 to Annex I of Decision No 07/2019, Article 42(1) of the CSAM.

5. SUMMARY OF OBSERVATIONS RECEIVED BY ACER

5.1. Consultation of regulatory authorities and TSOs

- (19) ACER, in close cooperation and consultation with all NRAs, ENTSO-E and the TSOs as detailed in paragraph 7 above, and beyond the above-mentioned issues:
- a. discussed ACER’s suggestion to replace RSC with RCC throughout the text in accordance with Article 35(2) of Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) (the ‘Electricity Regulation’);
 - b. discussed the update of legislation in Recital (2) and Article 2;

- c. discussed the title of Article 2 to reflect the inclusion of abbreviations in its paragraph 2;
- d. discussed the omission of the words *‘in case it has cross border relevance’* from the Proposal as regards the newly introduced points (viii) and (ix) in Article 7(1)(a);
- e. discussed the time scale for the implementation of the revised Article 7(1)(a) for the TSOs to apply the newly introduced requirements of Article 7(1)(a)(viii) and (ix) within one year following the approval of the CSAM; discussed in this framework the amendment of Article 46 with the addition of the new paragraph 3 and the resulting renumbering of the paragraphs;
- f. discussed editorial changes to Articles 1(1)(2), 2(1)(3), 5(5), 6(2), 27(1)(3)(6)(13), 37(3)(4), 38(1)(a) and 46(1)(2)(4)(9)(12)(15).

5.2. Consultation on ACER’s preliminary position

- (20) With regard to its preliminary position on the Proposal that was shared with TSOs, ENTSO-E and the NRAs, ACER received one joint TSOs’ written submission that was covering the topic of the timescale for the implementation of the new requirements of Article 7 of the methodology as reflected in Article 46(3) in ACER’s preliminary position. The TSOs agreed to the implementation period of one year. Further, they proposed point (a) to Article 7 to be added in Article 46(3) for reference clarification.

5.3. Consultation of the AEWG

- (21) The AEWG provided its advice on 8 April 2024, endorsing ACER’s draft decision.

6. ASSESSMENT OF THE PROPOSAL FOR AMENDMENT

6.1. Legal framework

- (22) Articles 5(1), 5(2), 6(2)(c) and 7(4) of the SO Regulation require all TSOs to develop and submit a proposal for an amendment of methodology for coordinating operational security analysis in accordance with Article 75(1) of the SO Regulation for regulatory approval. According to Article 11(1) of the SO Regulation, the draft proposal of such amendment must be consulted with stakeholders.
- (23) Article 4 of the SO Regulation lists the objectives and regulatory aspects which are relevant for the Proposal.
- (24) Article 33 of the SO Regulation provides that each TSO shall establish a contingency list, including the internal and external contingencies of its observability area, by assessing whether any of those contingencies endangers the operational security of the TSO’s control area. The contingency list shall include both ordinary contingencies and exceptional contingencies identified by application of the methodology developed pursuant to Article 75 of the SO Regulation. To establish a contingency list, each TSO

shall classify each contingency on the basis of whether it is ordinary, exceptional or out-of-range, taking into account the probability of occurrence.

- (25) Article 75 of the SO Regulation provides that the methodology shall aim at the standardisation of operational security analysis at least per synchronous area and shall include among other, at least: principles for common risk assessment, covering at least, for the contingencies referred to in Article 33 of the SO Regulation.
- (26) Article 6 of the CSAM under the title ‘Identification of external contingencies’ provides that each TSO shall define its external contingencies list in accordance with Articles 3 and 4 of the CSAM and paragraphs 2 to 7 of the same Article 6; according to Article 6(6) of the CSAM, each TSO shall reassess its external contingency list in accordance with paragraphs 2 to 4 at least once every 5 years.
- (27) Article 7 of the CSAM, under the title ‘Classification of contingencies’, provides in paragraph 1(a) the ordinary contingencies, whereas, in paragraph 1(c) the out-of-range contingencies.
- (28) As a general requirement, Article 6(6) of the SO Regulation requires that the proposal for terms and conditions or methodologies includes a proposed timescale for their implementation and a description of their impact on the objectives of the same Regulation.

6.2. Assessment of the legal requirements

6.2.1. Assessment of the requirements for the development and for the content of the Proposal

6.2.1.1. Development of the Proposal

- (29) The Proposal fulfils the requirements of Articles 5(1), 5(2), 6(2)(c) and 7(4) of the SO Regulation, as all TSOs jointly, through ENTSO-E, developed and submitted the agreed proposal for amendment to ACER for approval.
- (30) The Proposal was subject to consultation as described in section 2.1 above thereby fulfilling the requirement of Article 11(1) of the SO Regulation.

6.2.1.2. Required content of the proposal for amendment - general background

- (31) Following the system split event of 8th January 2021, the Incident Classification Scale investigation expert panel final report as referred to in paragraph (4) above, has issued, inter alia, recommendation R-6 concerning the implementation of the Observability Area (OA) and recommendation R-8 concerning the inclusion of the busbar couplers in the contingencies of OA.
- (32) The Proposal incorporates such recommendations into the CSAM.

6.2.1.3. Required content of the proposal for amendment of Article 6

(33) The Proposal fulfils the requirements of Article 6(6) of the CSAM approved by ACER in June 2021, as the Proposal aligns the reassessment period for the OA-set to 3 years with the assessment period of the external contingency list -set to 5 years.

6.2.1.4. Required content of the proposal for amendment of Article 7

(34) The Proposal fulfils the requirements of Article 7(1) (a) and (c) of the CSAM approved by ACER in June 2021, as it proposes that the CSAM be amended so as that:

- a. the ordinary contingencies also include the loss of a single busbar coupler (protected by an overcurrent protection device and by an over-/under-voltage protection device).
- b. the out-of-range contingencies also include the loss of two or more independent busbar couplers.

6.2.1.5. Required content of the proposal for amendment of Article 42(1)

(35) The Proposal fulfils the requirements of Article 42(1) of the CSAM approved by ACER in June 2021, and rectified by Corrigendum of 27 January 2023, as it proposes that CSAM be amended so as that the TSOs and RCCs have sufficient time, namely by 1st of July 2024, to define data quality management provisions for the data exchanged for the functions and tools and relevant information identified in accordance with Article 40 of the CSAM.

(36) The Proposal also merges the amendment of the CSAM as approved by ACER Decision No 07/2021.

(37) Further, the Proposal considers ACER Corrigendum of 27 January 2023 to Annex I of Decision No 07/2019.

6.2.1.6. Proposed timescale for implementation

(38) The Proposal does not contain specific timelines for the implementation of the new requirements of Article 7 of the CSAM. Therefore, in the absence of any specific timescale for implementation in the Proposal, ACER considers it appropriate that a timeline be provided. More specifically, in cooperation with TSOs and ENTSO-E, it has been agreed that the newly introduced requirements included in Article 7(1)(a) are to be implemented within one year after the approval of the present amendment to the CSAM.

6.2.1.7. Expected impact of the methodology

(39) The Proposal provides an explanation of the proposed changes to Articles 6 and 7 in its explanatory note; no further recitals were included by TSOs. ACER considers that all the relevant objectives of the SO Regulation have already been addressed in the recitals of the CSAM approved by ACER in June 2021, and since the proposal for amendments

does not alter or impact the fulfilment of these objectives, ACER considers that no further additions to the existing recitals of the CSAM approved by ACER in June 2021 would be necessary.

6.3. ACER revisions of the Proposal

- (40) Further to assessing the required content of the Proposal, as detailed above, ACER assessed the Proposal's contents for consistency and completeness. As a result, the following amendments, welcomed by TSOs and ENTSO-E as well, have been introduced:
- (a) ACER updated the references to EU legislation in Recital 2 and in Article 2(1).
 - (b) ACER replaced RSCs with RCCs throughout the CSAM in accordance with Article 35(2) of the Electricity Regulation.
 - (c) ACER amended the title of Article 2 to include the word 'abbreviations' and included all abbreviations of the CSAM in paragraph 2 of same Article.
 - (d) ACER deleted the words '*in case it has cross border relevance*' from the Proposal as regards the newly introduced points (viii) and (ix) in Article 7(1)(a) as the criterion of the 'cross border relevance' is not examined at the stage of building contingencies. Further, the identification of the cross-border relevance is the subject of Article 15 of the CSAM.
 - (e) ACER introduced a new paragraph 3 in Article 46 (Timescale for Implementation) according to which each TSO shall apply the newly introduced requirements of Article 7(1)(a)(viii) and (ix) within one year after approval of the CSAM. ACER renumbered the paragraphs of this article accordingly.
 - (f) Finally, ACER made editorial changes to Recital 8 and Articles 1(1)(2), 2(1)(3), 5(5), 6(2), 27(1)(3)(6)(13), 37(3)(4), 38(1)(a) and 46(1)(2)(4)(9)(12)(15) to improve wording, to fix legal references and punctuation, as well as added omitted words in order to improve clarity and readability.

7. CONCLUSION

- (41) For all the above reasons, ACER considers that the Proposal is in line with the requirements of the SO Regulation, provided that the revisions described in this Decision are integrated in the Proposal, as presented in Annex I. The revisions, which have been consulted also with the TSOs and ENTSO-E, are necessary to ensure that the Proposal is in line with the purpose of the SO Regulation and contributes to market integration, non-discrimination, effective competition and the proper functioning of the market. In addition, they implement editorial adjustments.
- (42) Therefore, ACER approves the Proposal subject to the necessary revisions. To provide clarity, Annex I to this Decision sets out the Proposal as revised and approved by ACER,

HAS ADOPTED THIS DECISION:

Article 1

The amendment to the methodology for coordinating operational security analysis according to Article 75 of Commission Regulation (EU) 2017/1485 is approved as set out in Annex I to this Decision.

Article 2

This Decision is addressed to the following TSOs:

APG - Austrian Power Grid AG
VUEN - Vorarlberger Übertragungsnetz GmbH
Elia - Elia Transmission Belgium SA/NV
ESO - Electroenergien Systemen Operator EAD
HOPS - Croatian Transmission System Operator Ltd
ČEPS - ČEPS a.s.
Energinet – Energinet
Elering – Elering AS
Fingrid – Fingrid Oyj
Kraftnät Åland - Kraftnät Åland Ab
RTE - Réseau de Transport d'Electricité, S.A
Amprion - Amprion GmbH
TransnetBW - TransnetBW GmbH
TenneT GER - TenneT TSO GmbH
50Hertz - 50Hertz Transmission GmbH
Independent Power Transmission Operator S.A. ("IPTO" or "ADMIE")
MAVIR Magyar Villamosenergia-ipari Átviteli Rendszerirányító Zártkörűen Működő Részvénytársaság
EirGrid - EirGrid plc
Terna - Terna Rete Elettrica Nazionale S.p.A.
Augstsprieguma tikls - AS Augstsprieguma tikls
LITGRID - Litgrid AB
Creos Luxembourg S.A.
TenneT TSO - TenneT TSO B.V.
PSE - Polskie Sieci Elektroenergetyczne S.A.
REN - Rede Eléctrica Nacional, S.A.
Transelectrica - National Power Grid Company Transelectrica S.A.
SEPS - Slovenská elektrizačná prenosová sústava, a.s.
ELES - ELES, d.o.o. Sistemski operater prenosnega elektroenergetskega omrežja
REE - Red Eléctrica de España S.A.
Svenska Kraftnät - Affärsverket svenska kraftnät
SONI - System Operator for Northern Ireland Ltd.

Done at Ljubljana, on 13 May 2024.

- SIGNED -

*For the Agency
The Director*

C. ZINGLERSEN

Annexes:

Annex I – Methodology for coordinating operational security analysis.

Annex Ia (for information only) – Amendment of the methodology for coordinating operational security analysis with track-changes.

In accordance with Article 28 of Regulation (EU) 2019/942, the addressees may appeal against this Decision by filing an appeal, together with the statement of grounds, in writing at the Board of Appeal of the Agency within two months of the day of notification of this Decision.

In accordance with Article 29 of Regulation (EU) 2019/942, the addressees may bring an action for the annulment before the Court of Justice only after the exhaustion of the appeal procedure referred to in Article 28 of that Regulation.