
~~**ENTSO-E Proposal for the Regional Coordination Centres’
task “Facilitating the regional procurement of balancing
capacity” in accordance with Article 37(1)(k) of the Regulation
(EU) 2019/943 of the European Parliament and of the Council
of 5 June 2019 on the internal market for electricity**~~

~~**17 March 2023**~~



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capacity: Annex I**~~

ENTSO-E Proposal for the Regional Coordination Centres' task "Facilitating the regional procurement of balancing capacity" in accordance with Article 37(1)(k) of the Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity

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Methodology for the regional procurement of balancing capacity

in accordance with Article 37(1)(k) of the Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity

19XX July 2023

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~~ENTSO-E, taking into account the following:~~

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Whereas

- (1) Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (hereafter referred to as "Electricity Regulation ~~(EU) 2019/943~~"), sets the basis for efficient achievement of the objectives of the Energy Union and in particular, the climate and energy framework for 2030 through establishing a modern design for the European Union's electricity market, adapted to the new realities of the market. The Electricity Regulation ~~(EU) 2019/943~~ was developed and adopted as part of the EU Clean Energy Package for All Europeans.
- (2) Article 35 of the Electricity Regulation ~~(EU) 2019/943~~ provides the basis for the establishment of Regional Coordination Centres (hereafter referred to as "RCCs") while Article 37(1) of the Electricity Regulation ~~(EU) 2019/943~~ lists the RCCs' tasks. According to Article 37(1)(k) of the Electricity Regulation ~~(EU) 2019/943~~, RCCs shall carry out the task 'facilitating the regional procurement of balancing capacity', while ~~point~~Point 8 of Annex I of the Electricity Regulation ~~(EU) 2019/943~~ provides further details.
- (3) This document sets out the ~~proposal~~methodology for the RCC task 'facilitation of the regional procurement of balancing capacity' (hereafter referred to as the "~~proposal~~methodology"), developed by the European Network of Transmission System Operators for Electricity ("ENTSO-E") in accordance with the Electricity Regulation ~~(EU) 2019/943~~ and in particular Article 37(1)(k) of the Electricity Regulation ~~(EU) 2019/943~~ and Article 37(5) of the Electricity Regulation ~~(EU) 2019/943~~ on the obligation of the RCCs to facilitate the regional procurement of balancing capacity. This ~~proposal~~methodology provides definitions and sets out the RCC process of facilitation of the regional procurement of balancing capacity.
- (4) This ~~proposal~~methodology acknowledges the provisions of Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (~~hereinafter~~hereafter referred to as "SO Regulation") as well as the provisions of Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (~~hereinafter~~hereafter referred to as "EB Regulation"). The obligations, roles, responsibilities and governance related to the process of balancing capacity procurement as well as the framework for the exchange of reserves are ruled by the EB Regulation. In case TSOs decide to engage in voluntary cooperation for exchange of balancing capacity, the EB Regulation clarifies the TSOs' responsibilities and the requirements that should apply; ~~as well as the freedom to contract between cooperating TSOs beyond legal requirements.~~
- (5) ~~Synchronous areas do not stop at the Union's borders and may include the territory of third countries. The Union, Member States and TSOs should aim for secure system operation inside all synchronous areas across the Union. They should support third countries in applying similar rules to those contained in Regulation (EU) 2019/943. ENTSO-E should facilitate cooperation between European Union TSOs and third country TSOs and the RCCs concerning secure system operation.~~
- (6) ~~In this respect, recital 70 of Regulation (EU) 2019/943 further stresses the need for close cooperation with Member States, the Energy Community Contracting Parties and other third countries which apply Regulation (EU) 2019/943 or are part of the synchronous area of Continental Europe. This cooperation should cover all matters concerning the development of an integrated electricity trading region and ensure that no measures are taken that endanger the further integration of electricity markets or the security of supply of Member States and Contracting Parties. This proposal provides that all TSOs of system operation regions (SORs) neighbouring third country TSOs should endeavour where necessary to enter~~

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~~into agreements setting the basis for their technical cooperation and compliance with the relevant EU legislation.~~

~~(7)(5)~~ Article 6(8) of the Electricity Regulation (EU) 2019/943 provides that "[t]he procurement of balancing capacity shall be performed by the transmission system operator and may be facilitated at a regional level". ENTSO-E considers that this *facilitation at a regional level* will be carried out by the RCC to the relevant TSOs of the respective SOR. ~~The proposed facilitation of the TSOs' procurement of balancing capacity at the regional level by the RCC in performing its task of 'facilitating the regional procurement of balancing capacity' as set out in this proposal~~ This methodology fulfils the requirements on this task provided by Point 8 of Annex I of the Electricity Regulation (EU) 2019/943. In particular,

- a. The subtask 'Assessment of available non-contracted platform bids' as included in this ~~proposal~~ methodology fulfils the requirements provided by Point 8.1 of Annex I of the Electricity Regulation (EU) 2019/943. The referred subtask supports the TSOs of the SOR in determining the amount of balancing capacity that needs to be procured as follows:
 - i. The task will be performed at day-ahead to deliver results which are considered in the ~~D-1 day-ahead~~ procurement of balancing capacity, thus fulfilling the requirement pursuant to point (a).
 - ii. ~~The task supports TSOs to minimise their costs related to the procurement of balancing capacity as~~ TSOs with expensive local balancing resources are able to substitute these with cheaper reserve capacity available cross-border via taking into account non-contracted platform bids, following RCC's recommendation, with the aim to minimise the costs of balancing capacity procurement by the optimal provision of reserve capacity following Article 32(1) of the EB Regulation. Hence, the methodology fulfils the requirements pursuant to point (b).
 - iii. The RCC, performing this task, assesses the volume of available non-contracted platform bids and thus takes into account the volumes of required reserve capacity that are expected to be provided by balancing energy bids, which are not submitted based on a contract for balancing capacity. Hence, the methodology fulfils the requirements pursuant to point (c).
- b. The subtask 'RCC involvement in the regional procurement of balancing capacity' as included in this ~~proposal~~ methodology fulfils the requirements provided by Point 8.2 of Annex I of the Electricity Regulation (EU) 2019/943 ~~to support~~ supporting the TSOs of the SOR in procuring the required amount of balancing capacity -as follows:
 - ~~i.~~ The task will be performed at day-ahead to deliver results which are considered in the D-1 day-ahead procurement of balancing capacity-
 - ~~i.~~ The task supports TSOs to minimise their costs related to, thus fulfilling the procurement of balancing capacity as requirement pursuant to point (a).
 - ii. TSOs with expensive local balancing resources are able to substitute these with cheaper reserve capacity, available cross-border via supporting RCCs' facilitation of the allocation of CZC cross-zonal capacity for the exchange of balancing capacity or sharing of reserves on regional level following Article 38(3) of the EB Regulation ~~for the TSO's optimal provision of reserve capacity when determining~~. Hence, the balancing capacity procurement volumes methodology fulfils the requirements pursuant to point (b).

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~~(8)~~(6) In addition, this ~~proposal fulfils~~methodology sets rules in line with the principles regarding the operation of electricity markets listed in Article 3 of ~~the Electricity Regulation (EU) 2019/943~~. In particular:

- a. the ~~proposed~~ facilitation of the regional procurement of balancing capacity ~~as referred according to under the requirements of~~ Point 8 of Annex I of ~~the Electricity Regulation (EU) 2019/943~~ supports the cooperation of TSOs by facilitating the balancing capacity procurement at the regional level, pursuant to point (h) of Article 3 of the Electricity Regulation; and
- b. it provides for and fosters regional cooperation between TSOs because the ~~proposed RCC task of~~ 'facilitation of the regional procurement of balancing ~~capacity~~capacity by the RCC supports effective and efficient cooperation of TSOs at the regional level, pursuant to point (i) of Article 3 of the Electricity Regulation.

~~The other principles regarding the operation of electricity markets listed in Article 3 of Regulation (EU) 2019/943 remain unaffected by this proposal.~~

SUBMITS THE FOLLOWING PROPOSAL TO ACER:

Article 1
Subject matter and scope

1. This is ~~a proposal~~the methodology for the RCC task 'facilitating the regional procurement of balancing capacity' according to Article 37(1)(k) of ~~the Electricity Regulation (EU) 2019/943~~. As ~~ENTSO for Electricity considers the referred this~~ RCC task ~~as is~~ not already covered by the relevant network codes or guidelines, this ~~proposal~~methodology is developed in accordance with Articles 37(1)(k), 37(5) and point 8 of Annex I of ~~the Electricity Regulation (EU) 2019/943~~.
2. The ~~proposed~~ RCC task 'facilitating the regional procurement of balancing capacity' is understood as the facilitation of procurement of balancing capacity at the regional level according to Article 6(8) of ~~the Electricity Regulation (EU) 2019/943~~ and is without prejudice to the procurement of balancing capacity performed by TSOs according to the same Article. The RCCs' facilitation of procurement of balancing capacity at the regional level' ~~shall be based on~~consists of the calculation of the availability of non-contracted balancing energy bids at the European platforms per type of reserve, direction, and validity period, in addition to roles and responsibilities given to the RCCs by the scope of the Methodology for Harmonized Allocation of cross-zonal capacity (~~CZC~~) according to Article 38(3) of ~~the~~ EB Regulation ("HCZCAM").
3. The RCC task 'facilitating the regional procurement of balancing capacity' considers only FRR (aFRR and mFRR) and RR.

Article 2
Definitions and interpretation

1. For the purposes of this ~~proposal~~methodology, the terms used shall have the meaning given to them in Article 2 of ~~the Electricity Regulation (EU) 2019/943~~, Article 2 of ~~the~~ EB Regulation, Article 2 of Commission Regulation (EU) 2015/1222 and Article 3 of ~~the~~ SO Regulation. The following additional definitions shall also apply:

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- a. 'non-contracted platform bids' are standard product balancing energy bids available at the European balancing platforms, ~~exceeding the volume (which are established pursuant to Articles 19, 20 and 21 of local reserve~~ the EB Regulation), which are not submitted based on a contract for balancing capacity needs per TSO, type, pursuant to Articles 16(4) and 16(5) of ~~reserve, direction and validity period. Local reserve capacity needs are to be understood as the required reserve capacity of the LFC block resulting from the dimensioning process reduced by the reserve capacity received via concluded sharing of reserves.~~ EB Regulation
2. In this ~~proposal~~ methodology, unless the context requires otherwise:
 - a. the singular also includes the plural and vice versa;
 - b. the table of contents and headings are inserted for convenience only and do not affect the interpretation of this ~~proposal~~ methodology;
 - ~~e.~~ d.c. any reference to legislation, regulation, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force; and
 - ~~e.d.~~ e.d. any reference to an Article without an indication of the document shall mean a reference to this ~~proposal~~ methodology.
3. For LFC blocks consisting of more than one TSO, an LFC block monitor may be nominated by the respective TSOs as the responsible TSO of the LFC block for ~~coordination~~ the purposes of ~~the LFC block~~ this methodology.

Article 3 General principles

- ~~1. The RCCs' facilitating role shall only apply to tasks related to TSO-TSO interactions affecting the regional procurement of balancing capacity.~~
- ~~2.1.~~ 2.1. The RCC task of 'facilitating the regional procurement of balancing capacity' ~~according to Article 37(1)(k) of Regulation (EU) 2019/943 is split into~~ consists of two subtasks according to point 8 of Annex I of ~~Regulation (EU) 2019/943, both related to the regional relations of the TSOs' task of 'procurement of balancing capacity' according to Article 6(8) of Regulation (EU) 2019/943~~ the Electricity Regulation:
 - a. Supporting TSOs in the determination of the volume of balancing capacity that needs to be procured; and
 - b. Supporting TSOs in the regional procurement of the required volume of balancing capacity.
- ~~3.2.~~ 3.2. The facilitation by ~~the each~~ each RCC under Paragraph ~~21~~ 21(a) of this ~~Article shall only be provided to TSOs of the relevant SOR that take into account non-contracted platform bids for the optimal provision of reserve capacity according to Article 32(1) of EB Regulation, requiring the participation~~ requires the participation of the concerned ~~TSO~~ TSOs/LFC ~~block~~ blocks in a European platform for the exchange of standard products for balancing energy according to the EB Regulation. ~~The~~ In accordance with Article 4(5), the facilitation by the RCC under Paragraph ~~21~~ 21(a) does not circumvent the right of TSOs to consider non-

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contracted balancing energy bids available within their control area for the optimal provision of required reserve capacity following Article 32(1) of ~~EB Regulation. If a TSO does so, this naturally reduces the amount of available non-contracted platform bids.~~ the EB Regulation.

- ~~4.3.~~ The facilitation by the RCC under Paragraph ~~21~~(b) of this Article shall only apply to TSO(s) allocating ~~CZC~~cross-zonal capacity for the exchange of balancing capacity or sharing of reserves on regional level following the HCZCAM.
- ~~5.4.~~ ~~The relevant~~Each TSO(s) ~~pursuant to that falls under~~ Paragraphs ~~3-2~~ or/and ~~43~~ shall provide to the respective RCC the data necessary for the RCC to perform the tasks defined within this ~~proposal to the RCC methodology~~ or indicate to the respective RCC where the relevant data is available, still being responsible for the provided data.
- ~~6.5.~~ Should TSOs consider non-contracted platform bids across SORs, the relevant RCCs shall coordinate to prevent situations when the same non-contracted platform bids are considered twice, which is inherent within a SOR due to the approach described in this ~~proposal~~methodology.
- ~~6.~~ In case a TSO is active in two SORs with two respective RCCs or in one SOR with multiple RCCs, these RCCs ~~may~~shall nominate one RCC for this TSO for coordination purposes under this methodology.
- ~~7.~~ To apply the methodology in the SOR, the relevant TSOs, supported by relevant RCC(s), shall determine in a coordinated manner the parameters referred to in this methodology. Following this coordination ENTSO-E shall develop and submit an amendment to this methodology in accordance with Article 27 of the Electricity Regulation, proposing the parameters' values included in an Annex. This amended proposal- shall include the levels X and Y referred to in Article 4.

Article 4

Assessment of available non-contracted platform bids

- ~~1. If a TSO of a SOR considers non-contracted platform bids for the optimal provision of reserve capacity according to Article 32(1)(c) of EB Regulation, the~~ Each RCC shall ~~support this TSO in determining their volume of balancing capacity that needs to be procured per LFC block. Therefore, the RCC shall daily calculate, as detailed in Paragraph 3 and following a probabilistic approach, on a daily basis the available non-contracted platform bids~~ to in the whole SOR, which may be considered by the relevant TSO when determining the volume of balancing capacity that ~~it needs~~they need to procure per LFC block at day-ahead and where relevant on the intraday basis.
- ~~2. To perform the task assigned to the RCC under Paragraph 1, TSO(s) shall submit their considered volume of non-contracted platform bids accounting for per product and direction and the respective validity period of the relevant balancing capacity market to the respective RCC(s).~~
- ~~3. To calculate the available volume of non-contracted platform bids to facilitate TSO(s) accounting for non-contracted platform bids when determining the volume of balancing capacity that needs to be procured per LFC block, the RCC shall:~~
 - ~~a. Determine the CZC available per border of each TSO accounting for non-contracted platform bids as the minimum of:~~
- ~~2. CZC~~ The relevant TSOs of the SOR with whom an RCC shall exchange information pursuant to

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paragraphs (4) and (5) and to whom an RCC shall issue recommendations pursuant to (8), shall be the ones who are allowed, in accordance with Article 18(5)(b) of the EB Regulation, to consider non-contracted platform bids for the optimal provision of reserve capacity according to Article 32(1)(c) of the EB Regulation.

3. Each RCC shall:

i.a. Determine the cross-zonal capacity statistically available per direction after cross-zonal intraday market timeframe and after consideration of such cross-zonal capacity available after cross-zonal intraday market timeframe for sharing of reserves at the reliability levels ~~99X~~ % to 100 % in ~~0.1Y~~ % steps for each of the balancing processes, which shall be derived from the monitoring activities described in Article 7(1)(a); and

ii. the latest CZC available per direction from the day-ahead capacity calculation process in accordance with Section 4 of the Commission Regulation (EU) 2015/1222 establishing a guideline on capacity allocation and congestion management[†] (hereinafter "DA-CC").

b. Determine per LFC block of the SOR the volume of non-contracted platform bids available per product and direction, and the respective validity period of the relevant balancing capacity market ~~of the TSO(s) under consideration~~ at the reliability levels ~~99X~~ % to 100% in ~~0.1Y~~ % steps. The non-contracted platform bids available at the specified reliability levels shall be derived from the related monitoring activities described in Article 7(1)(b).

4. CalculateEach RCC shall inform each relevant TSO of the SOR about the volume of non-contracted platform bids ~~the requesting TSO can rely on by taking pursuant to paragraph (3)(b), which are expected to be locally available within the minimum from a) and b) for each combination of assessed reliability levels. The results shall be summarised and communicated~~ relevant TSO's LFC block.

e.—Each relevant TSO shall reply to the requesting TSO(s).

4.—If the RCC determines that the volume of available RCC's message pursuant to paragraph (4) without undue delay by informing the RCC about its intended use of local non-contracted platform bids

5. resulting from the combination and whether its assessment of 99% reliability levels for locally available CZC and non-contracted platform bids is not sufficient to meet the overall considered deviates from the RCC's assessment results provided pursuant to paragraph (4).

6. Each RCC may adjust the determined volumes pursuant to paragraph (3)(b) considering the information provided by a TSO in accordance with paragraph (5).

7. Each RCC shall calculate for each LFC block and reliability level defined in accordance with paragraph (3) the maximum volume of non-contracted platform bids from other LFC blocks. For this calculation the RCC shall take into account:

a. the remaining volume of non-contracted platform bids resulting from Paragraph 2, RCC shall recommend a reduction of considered non-contracted platform bids to the requesting TSO(s)

[†]Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (hereinafter "CACM-GL"), available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R1222>

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- proportionally to the initially considered volume to coordinate the use of available per LFC block in accordance with paragraph (3)(b) after considering the local TSO's intended use in accordance with paragraph (5); and
- b. the available cross-zonal capacity in accordance with paragraph (3)(a).
8. Each RCC shall issue a recommendation to each relevant TSO of the SOR, with the possible availability of non-contracted platform bids. The proportionality with regard to one TSO results from the ratio of the initially considered from other LFC blocks of the SOR pursuant to paragraph (7), that this TSO may consider when determining the volume of balancing capacity.
9. Considering the recommendation pursuant to paragraph (8), each relevant TSO shall inform the RCC without undue delay about the volume of non-contracted platform bids by this TSO and the initially overall considered reliability level it would consider to use.
10. If more than one TSO share interest in accordance with paragraph (9) for using the same volume of non-contracted platform bids, the RCC shall consider the request pursuant to paragraph (9) proportionally.
11. The RCC shall inform all TSOs of the SOR about the volume of non-contracted platform bids pursuant to paragraphs (5), (9) and (10) which may be considered by all TSOs according to Paragraph 2. each relevant TSO of the SOR.
- ~~a.12.~~ If the nonavailability of CZC is underlying, the reduction shall just be carried out for the concerned TSO(s). a TSO decides to consider a different volume of non-contracted platform bids than the volume foreseen for it in accordance with paragraph (11), the TSO shall inform the RCC without undue delay about the intended deviation. Where such deviation amounts to the TSO considering to use a higher volume of non-contracted platform bids than the one foreseen in accordance with paragraph (11), the RCC shall inform all TSOs of the SOR about the risk of more non-contracted platform bids in the SOR being considered than assessed as available.
- b. resulting from the combination of 100% reliability levels for available CZC (Paragraph 3(a)(i)) and non-contracted platform bids (Paragraph 3(b)) exceeds the overall considered volume of non-contracted platform bids resulting from Paragraph 2, RCC shall notify TSOs of the SOR about the volume of non-contracted platform bids that may be considered in their analysis on optimal provision of reserve capacity following Article 32(1) of EB Regulation.
5. The RCC shall perform the calculation under Paragraph 3 once for each allocation timeframe included in the methodology for a harmonised allocation process per timeframe in accordance with Article 38(3) of EB Regulation, if applicable. The RCC shall provide results the values pursuant to paragraph (11) at the latest half an hour before the BSP TSO gate closure time of each harmonised allocation process determined in the methodology in accordance with Article 38(3) deadline for the submission of EB Regulation to the relevant TSO(s).
6. The relevant TSO(s) shall consider the recommendations received following Paragraph 4 and may include it in their determination of the volume of balancing capacity that needs to be procured per LFC block or even adapt the final the balancing capacity procurement volume.
- 7.13. If the respective TSO decides not to take into account the recommendations under Paragraph 4, it shall submit a justification for its decision to its RCC and to the other TSOs of the SOR without undue delay according to Article 42(3) of Regulation (EU) 2019/943. If a TSO decided not to consider as many

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~~non-contracted platform bids as indicated and available by the RCC, it shall inform the RCC about this without undue delay. The RCC shall reallocate the free volume of non-contracted platform bids to the TSOs affected by a possible reduction following Paragraph 4(a). Additionally, a TSO shall submit the final volume of balancing capacity that needs to be procured per type of reserves and per direction back to the RCC bids by the balancing service providers for the market-based allocation process in accordance with the HCZCAM.~~

~~8.14. A TSO may request a review of the recommendations from Paragraph 4 of this Article provided by the RCC recommendation pursuant to paragraph (8) according to Article 42(4) of the Electricity Regulation (EU) 2019/943. This request shall be reasoned and include reasoning and a proposal for modification of the recommendation. Following the review, the RCC shall confirm or modify the outcomes from Paragraph 3 of this Article paragraph (3).~~

~~9.15. As the balancing platforms are European platforms, the The coordination following Article 3(6) of this proposal(4) shall be carried out to ensure that only the volume of available non-contracted platform bids is distributed to all requesting TSOs across SORs. If there are TSOs from different SORs considering non-contracted platform bids and there is sufficient CZC cross-zonal capacity available between SORs (meaning that there are also exchanges via the balancing platforms) respective RCCs have to coordinate the distribution of the volume of available non-contracted platform bids. This may shall result either in (i) just one RCC operating the assessment of available non-contracted platform bids for all relevant SORs (also possible in a rotating manner), or (b) that RCCs exchange the information necessary to ensure that available non-contracted platform bids are only considered once across SORs.~~

Article 5

RCC involvement in the regional procurement of balancing capacity

1. Following Article 3(2)(b), the RCC shall support TSOs within a SOR who jointly allocate CZC cross-zonal capacity pursuant to the HCZCAM for the exchange of balancing capacity or the sharing of reserves. Therefore, the RCC shall:
 - a. perform the processes allocated to RCCs by the HCZCAM, and
 - b. ~~provide the relevant CZC data resulting collect – from the day-ahead relevant TSOs – and provide – to the relevant cross-zonal capacity calculation process as an input to the CZC-allocation processes following the HCZCAM as specified in process – information regarding limitations for the exchanges of balancing capacity or sharing of reserves in accordance with Article 6 of this proposal.~~

Article 6

Provision of ~~relevant CZC data~~ data regarding limits for exchanging balancing capacity or sharing reserves to the harmonised CZCA cross-zonal capacity allocation

1. For the TSOs applying a co-optimised allocation process pursuant to Article ~~40 of EB Regulation and the HCZCAM or an inverted market based allocation pursuant to Article 41 of~~ 38(1)(a) of the EB Regulation and the HCZCAM, the RCC shall:
 - a. Collect from TSOs CZC cross-zonal capacity limitations in accordance with ~~Articles 39(6), Article 40(1)(d) and 41(1)(d) of the~~ EB Regulation ~~for the co-optimised allocation process or inverted~~

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~~market-based allocation, for each bidding zone border for which the co-optimised allocation process or inverted market-based allocation is applied. For each application entirely or part of a CCR applying flow-based, the TSOs CZC limitations for all bidding zone borders of the CCR applying flow-based shall be taken into account.~~

~~b. Send the limitations under (a) to the entity operating the co-optimised allocation process or an inverted market-based allocation of the relevant allocation timeframe~~MCO function ~~by the gate-closure time (GCT) of the day ahead market. If sharing of reserves is applied, additional limitations to sharing of reserves, validated by TSOs, shall be included.~~

2. For the TSOs applying a market-based allocation of cross-zonal capacity pursuant to Article 38(1)(b) of the EB Regulation and the HCZCAM, the RCC shall:

a. Collect from TSOs limitations in accordance with Articles 41(1)(d) of the EB Regulation for the market-based allocation.

b. Send the limitations under Paragraph (a) to the relevant entity operating the market-based cross-zonal capacity allocation process. If sharing of reserves is applied, additional limitations to sharing of reserves, validated by TSOs, shall be included.

~~c. Collect from the entity operating a co-optimised allocation process or an inverted market-based allocation of the relevant allocation timeframe the following information:~~

~~i. the volume of CZC allocated to the exchange of balancing capacity or sharing of reserves, per bidding zone border and per product; and~~

~~ii. the market value of cross-zonal capacity allocated to the exchange of balancing capacity or sharing of reserves, per bidding zone border.~~

~~d. Send the data received under Paragraph (c) to the Transparency Platform, according to Article 12(3)(h) of EB Regulation.~~

~~e. Send the data received under Paragraph (c)(i) to the European platforms pursuant to Articles 19(5), 20(6), 21(6) and 22(5) of EB Regulation.~~

2. For the TSOs applying a market-based allocation of CZC pursuant to Article 41 of EB Regulation and the HCZCAM, the RCC shall:

~~a. Collect from TSOs and forecasting entity CZC limitations in accordance with Articles 39(6) and 41(1)(d) of EB Regulation for the market-based allocation, for each bidding zone border for which market-based allocation is applied. For each application entirely or part of a CCR applying flow-based, the TSOs CZC limitations for all bidding zone borders of the CCR applying flow-based shall be taken into account.~~

~~b. a. Send the limitations under Paragraph (a) to the respective cross-zonal capacity allocation optimisation function (CZCAOF) of market-based allocation. If sharing of reserves is applied, additional limitations to sharing of reserves, validated by TSOs, shall be included.~~

~~c. Collect from the respective CZCAOF of market-based allocation the following information:~~

~~i. the volume of CZC allocated to the exchange of balancing capacity or sharing of reserves, per bidding zone border, product and direction;~~

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- ~~ii. the market value of cross-zonal capacity allocated to the exchange of balancing capacity or sharing of reserves, per product, direction and bidding zone border.~~
- ~~d. Send the data received under Paragraph (c) to the Transparency Platform, according to Article 12(3)(h) of EB Regulation.~~
- ~~e. Send the data received under Paragraph (c)(i) to the European platforms pursuant to Articles 19(5), 20(6), 21(6) and 22(5) of EB Regulation.~~

Article 7 **Monitoring and reporting**

1. ~~As an input to the calculation of the available non-contracted platform bids to facilitate TSO(s) accounting for non-contracted platform bids as described in Article 4(3), the~~The RCC shall daily collect the relevant data to determine the available non-contracted platform bids as described in Article 4. Based on this dataset, the RCC shall as a measure of reliability determine the probability density function based on the values of the last 60 days, giving double weighing to the values from the last 10 days for the following data sets:
 - a. ~~the~~ EZC~~cross-zonal capacity~~ available per direction after the intraday timeframe which shall be either the ~~EZC~~ cross-zonal capacity remaining after the single intraday coupling or ~~EZC~~ cross-zonal capacity calculated in accordance with the methodologies pursuant to Article 37(3) of the EB Regulation; and
 - b. non-contracted platform bids per product and direction and the respective validity period of the relevant balancing capacity market of the TSO(s) under consideration available within the European balancing platforms.
2. For public holidays the RCC shall take into account the values from such holidays in previous years for the monitoring and calculations referred to in Paragraph 1. ~~The RCCs shall include the tasks following this proposal under their monitoring and reporting activities following Article 46 of the Regulation (EU) 2019/943.~~
3. ~~Each RCC shall include the tasks following this methodology under its monitoring and reporting activities following Article 46 of the Electricity Regulation including the reporting of the impact of deviations pursuant to Article 4(12).~~
4. ~~The RCC shall publish on a quarterly basis a report on the potential and the use of non-contracted platform bids resulting from the process pursuant to Article 4.~~

Article 8 **Implementation ~~of this proposal~~ timeline**

1. By 30 months after the ~~deadlines by which a TSO shall use the European platforms pursuant to Articles 20(6) and 21(6) of EB Regulation~~ RCCs approval of this methodology each RCC shall implement and make operational the process to facilitate TSOs in the regional procurement of balancing capacity by supporting those TSOs of the relevant SOR taking into account non-contracted platform bids for their optimal provision of reserve capacity in determining the volume of balancing capacity that needs to be procured as defined in Article 4 ~~of this proposal~~. Accordingly, ~~these~~ by the same deadline, all TSOs ~~must~~ of the SOR shall provide the necessary data and set up procedures required for ~~processing the RCCs~~

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~~recommendation~~ the RCC's assessment of available non-contracted platform bids in accordance with Article 4.

2. RCCs shall implement and make operational the process to facilitate those TSOs of the relevant SOR which are allocating cross-zonal capacity for the exchange of balancing capacity or sharing of reserves ~~at the regional level~~ following the HCZCAM as defined in Articles 5 and 6 ~~of this Proposal by earliest~~ by two years after the approval of the HCZCAM. If there are no applicant TSOs in the SOR, the implementation can be suspended by the relevant RCC based on the TSOs' request and following the approval of the relevant ~~NRA~~ regulatory authority. Accordingly, the ~~applicant~~ TSOs ~~following applying a cross-zonal capacity allocation process from the ones envisaged in the HCZCAM in accordance with Article 38(1) of the EB Regulation~~ shall provide the necessary data and set up procedures required for ~~processing~~ the RCCs' recommendation assessment of available non-contracted platform bids in accordance with Article 4.
3. Where a regional allocation process of ~~CZC~~ cross-zonal capacity for the exchange of balancing capacity or sharing of reserves per timeframe pursuant to Article 41(1) of ~~the~~ EB Regulation is applied before the application deadline of the HCZCAM, RCC involvement shall be subject to regional coordination of relevant TSOs and ~~NRA~~ regulatory authority.
- ~~4. No later than 18 months after the approval by ACER of this document, all TSOs of those SORs neighbouring third country TSOs not bound by Regulation (EU) 2019/943 shall endeavour to conclude with these third country TSOs agreements aiming at third country TSOs' cooperation and implementation of this methodology as appropriate.~~
- ~~5.4.~~ When implementing ~~the proposal~~ this methodology, RCCs shall duly take into account data and information already available from their other tasks performed, especially the coordinated capacity calculation in accordance with Article 37(1)(a) of ~~the Electricity Regulation (EU) 2019/943~~.

Article 9 Language

1. The reference language for this ~~proposal~~ methodology shall be English.
2. For the avoidance of doubt, where TSOs or RCCs need to translate this ~~proposal~~ methodology into their national language(s), in the event of inconsistencies between the English version published by ACER and any version in another language, the relevant TSOs or RCCs shall, in accordance with national legislation, provide the relevant national regulatory authorities with an updated translation of the ~~proposal~~ methodology.