

**RECOMMENDATION No 01/2025  
OF THE EUROPEAN UNION AGENCY  
FOR THE COOPERATION OF ENERGY REGULATORS**

**of 7 March 2025**

**on reasoned proposal for the establishment of the Network Code on  
Demand Response according to Article 59(1)(e) 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 EUROPEAN UNION AGENCY FOR THE COOPERATION OF ENERGY  
REGULATORS,

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 Regulators<sup>1</sup>, and, in particular, Article 3(1) and Article 5(1)(c) thereof,

Having regard to Regulation (EU) 2019/943 on the internal market for electricity<sup>2</sup>, and, in particular, Articles 59(1)(a), 59(1)(c), 59(1)(e), 59(2)(a), 59(11), 60, and 61(6) thereof,

Having regard to the outcome of the public consultation and the outcome of the consultation with the relevant stakeholders,

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

Having regard to the favourable opinion of the Board of Regulators of 5 March 2025, delivered pursuant to Article 22(5)(a) of Regulation (EU) 2019/942,

Whereas:

**I. INTRODUCTION**

- (1) By Implementing Decision (EU) 2020/1479<sup>3</sup>, the Commission established a priority list for the development of network codes and guidelines for electricity for the period from 2020 to 2023 in accordance with Article 59(3) of Regulation (EU) 2019/943

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<sup>1</sup> OJ L158, 14.6.2019, p. 22.

<sup>2</sup> OJ L 158, 14.6.2019, p. 54–124

<sup>3</sup> OJ L 338, 15.10.2020

(hereinafter: the Electricity Regulation). This list provided for the development of harmonised rules regarding demand side flexibility, including rules on aggregation, energy storage and demand curtailment rules.

- (2) In October 2021, the Commission invited ACER<sup>4</sup> to launch a scoping exercise for the development of a network code based on Article 59(1)(e) of the Electricity Regulation. ACER's results<sup>5</sup> of the scoping exercise were sent to the European Commission on 1 February 2022.
- (3) In June 2022, the Commission invited ACER<sup>6</sup> to submit a non-binding framework guideline (hereinafter: the Framework Guideline) setting out clear and objective principles for the development of a network code on demand response, including rules on aggregation, energy storage and demand curtailment (hereinafter: the DR NC).
- (4) In December 2022, ACER, after consulting with the European network of transmission system operators for Electricity (ENTSO-E) and the entity of distribution system operators in the Union (EU DSO entity), submitted the Framework Guideline<sup>7</sup> to the Commission. In the latter, ACER provided clear and objective principles regarding demand response including rules on aggregation, energy storage and demand curtailment pursuant to Article 59(1)(e) of the Electricity Regulation and contributing to the market integration, non-discrimination, effective competition and the efficient functioning of the market. The Framework Guideline also reflected ACER's considerations on possible amendments to Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (hereinafter: the EB Regulation), to Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (hereinafter: the SO Regulation), to Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection (hereinafter: the DC Regulation).
- (5) In March 2023, in accordance with Article 59(9) of the Electricity Regulation, the Commission asked ENTSO-E and the EU DSO Entity to draft the proposal for the demand response network code, in line with the Framework Guideline. In accordance with Article 59(10) of the Electricity Regulation, the EU DSO entity in cooperation with the ENTSO-E, convened a drafting committee to support the network code development process. The drafting committee consisted of representatives of ACER, ENTSO-E, the EU DSO entity, and a limited number of the main affected stakeholders.

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<sup>4</sup> [https://acer.europa.eu/en/The\\_agency/Organisation/Expert\\_Groups/Electricity/2021%2010%2019%20scoping%20letter\\_final.docx%20vv.pdf](https://acer.europa.eu/en/The_agency/Organisation/Expert_Groups/Electricity/2021%2010%2019%20scoping%20letter_final.docx%20vv.pdf)

<sup>5</sup> [https://acer.europa.eu/en/The\\_agency/Organisation/Expert\\_Groups/Electricity/Letter%20to%20EC%20on%20DSF%20scoping%20results\\_220201%20-%20Copy.pdf](https://acer.europa.eu/en/The_agency/Organisation/Expert_Groups/Electricity/Letter%20to%20EC%20on%20DSF%20scoping%20results_220201%20-%20Copy.pdf)

<sup>6</sup> [https://www.acer.europa.eu/sites/default/files/documents/Media/News/Documents/2022%2006%2001%20FG%20Request%20to%20ACER\\_final.pdf](https://www.acer.europa.eu/sites/default/files/documents/Media/News/Documents/2022%2006%2001%20FG%20Request%20to%20ACER_final.pdf)

<sup>7</sup> [https://acer.europa.eu/sites/default/files/documents/Official\\_documents/Acts\\_of\\_the\\_Agency/Framework\\_Guidelines/Framework%20Guidelines/FG\\_DemandResponse.pdf](https://acer.europa.eu/sites/default/files/documents/Official_documents/Acts_of_the_Agency/Framework_Guidelines/Framework%20Guidelines/FG_DemandResponse.pdf)

- (6) In May 2024, ENTSO-E and the EU DSO entity submitted their proposal of a DR NC, including amendments to the three related electricity network codes, i.e. the EB Regulation, the SO Regulation, and the DC Regulation (hereinafter: the proposal).

## **II. PROCEDURE**

- (7) ACER revised ENTSO-E's and the EU DSO entity's proposal and conducted a public consultation<sup>8</sup> from 5 September until 31 October 2024, to collect stakeholders' views on the revised proposal, in accordance with Article 60(3) of Electricity Regulation and Article 14 of Regulation (EU) 2019/942. The evaluation of responses to the public consultation is detailed in Annex 9 to this Recommendation.
- (8) In addition to the public consultation, ACER held a webinar<sup>9</sup> on 1 October 2024, with the purpose to introduce the revisions on the proposal, and to assist stakeholders in providing feedback to the public consultation.
- (9) After the public consultation, ACER proceeded with further revising the proposal, in line with the comments received, and, in accordance with Article 59(11) of the Electricity Regulation, consulted the relevant stakeholders. ACER held a workshop with the relevant stakeholders from 20 to 22 November 2024, with the purpose to introduce the proposed revisions, and ensure that they had sufficient opportunity to express their views and concerns on them.
- (10) ACER's Electricity Working Group (hereafter: AEWG) was consulted between 31 January and 12 February 2025, and provided its advice on 14 February 2025.
- (11) On 5 March 2025, ACER's Board of Regulators issued a favourable opinion, pursuant to Article 22(5)(a) of Regulation (EU) 2019/942, on the proposed DR NC, and the proposed amendments to the EB Regulation, the SO Regulation, and the DC Regulation.

## **III. LEGAL GROUNDS FOR THE PRESENT RECOMMENDATION**

- (12) The proposal submitted by ENTSO-E and the EU DSO entity concerns the establishment of a new network code, namely the DR NC, as well as amendments to three existing set of rules adopted in the areas of network codes under Article 59(1) and Article 59(2) of the Electricity Regulation, i.e. the EB Regulation, the SO Regulation, and the DC Regulation.

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<sup>8</sup> <https://www.acer.europa.eu/documents/public-consultations/pc2024e07-public-consultation-draft-network-code-demand-response>

<sup>9</sup> <https://www.acer.europa.eu/public-events/acer-webinar-draft-network-code-demand-response>

- (13) Following the submission of the proposal by ENTSO-E and EU DSO entity to ACER, ACER initiated the process to prepare a reasoned proposal for the DR NC and the amendments to the EB Regulation, the SO Regulation, and the DC Regulation.
- (14) As regards the content of the rules proposed by ENTSO-E and the EU DSO entity, it is first to note that Article 59(1)(e) of the Electricity Regulation provides for the establishment of network code rules implementing Article 57 of the same Regulation and Articles 17, 31, 32, 36, 40 and 54 of Directive (EU) 2019/944 in relation to demand response, including rules on aggregation, energy storage, and demand curtailment rules. The referenced articles include provisions on the cooperation between distribution system operators (DSOs) and transmission system operators (TSOs), on demand response through aggregation, on the tasks of DSOs, on the use of flexibility services in distribution networks, on the ownership of energy storage facilities by DSOs, on the tasks of TSOs, and on the ownership of energy storage facilities by TSOs. They establish requirements related to the participation of the resources in all electricity markets, the provision of services to the system operators both at transmission and distribution level, and the coordination between system operators for planning and operating their networks.
- (15) While those specifications belong to areas related to ‘demand response’, this does not mean that they can or must be covered only in a single set of rules. In fact, they can be addressed through separate legal acts, especially since the abovementioned articles do also relate to provisions in existing regulations. Specifically, provisions related to the provision of balancing services and the imbalance settlement harmonisation are included in the EB Regulation, which was adopted in the network code area of Article 59(1)(c) of the Electricity Regulation. Additionally, provisions related to the data exchange are included in the SO Regulation, which was adopted in the network code area of Article 59(1)(a) and (c) of the Electricity Regulation. Moreover, provisions related to the provision of demand response services are included in the DC Regulation, which was adopted in the network code area of Article 59(2)(a) of the Electricity Regulation. Consequently, rules related to demand response are suitable for being set out also in other legal acts than the DR NC.
- (16) In fact, ACER considers provisions in areas resulting from the proposal of ENTSO-E and the EU DSO entity are better addressed in the EB Regulation and the SO Regulation, while additional amendments in these regulations are also necessary to ensure consistency with the DR NC provisions; the relevant areas are listed below:
- in the EB Regulation: provisions related to (a) the imbalance settlement and aggregation models, (b) the qualification of balancing service providers, and (c) the minimum balancing energy bid quantity, given that the EB Regulation lays down a detailed guideline on electricity balancing including the establishment of common principles for the procurement and the settlement of frequency containment reserves, frequency restoration reserves and replacement reserves and a common

- methodology for the activation of frequency restoration reserves and replacement reserves (see Article 1(1) of the EB regulation);
- in the SO Regulation: provisions related to (a) grid prequalification and temporary limits, (b) data exchange between system operators, and between system operators and system users, and (c) prequalification processes, given that the SO Regulation lays down detailed guidelines on: (a) requirements and principles concerning operational security; (b) rules and responsibilities for the coordination and data exchange between TSOs, between TSOs and DSOs, and between TSOs or DSOs and significant grid user (SGUs), in operational planning and in close to real-time operation; (c) rules for training and certification of system operator employees; (d) requirements on outage coordination; (e) requirements for scheduling between the TSOs' control areas; and (f) rules aiming at the establishment of a Union framework for load-frequency control and reserves (see Article 1 of the SO Regulation).
- (17) Regarding demand units providing demand response services, ACER also considered that the provisions currently included in the DC Regulation are better addressed in the SO Regulation instead of the DC Regulation and DR NC, in line with the Framework Guideline.
- (18) In terms of process and ACER's role, it is to note that the first sentence of Article 59(11) of the Electricity Regulation tasks ACER to revise the proposal for a network code developed by ENTSO-E and EU DSO entity according to Article 59(10) of the Electricity Regulation and make reasoned proposal to the Commission to ensure that the network code to be adopted complies with the relevant framework guideline and contributes to market integration, non-discrimination, effective competition, and the efficient functioning of the market.
- (19) In view of its legal context, this task under the first sentence of Article 59(11) of the Electricity Regulation relates to the establishment of a new network code, rather than to the amendment of existing network code rules. Accordingly, it is relevant for the establishment of the DR NC and requires ACER to revise the rules proposed for the DR NC and to make a reasoned proposal to the Commission.
- (20) For the amendment of existing network code rules, the Electricity Regulation provides for a different process. This process differs again depending on whether those rules have been enacted explicitly under the title of a network code or as a guideline. In the former case, Article 60 of the Electricity Regulation sets out a procedure to follow, while the amendment of a guideline adopted in one of the network code areas is addressed by Article 61(6) of the same Regulation. This distinction is in so far relevant in the present case, as the EB Regulation and the SO Regulation and their network code rules, relating to Article 59(1)(a) and Article 59(1)(c) of the Electricity Regulation, have been adopted as guidelines under Article 61 of the Electricity Regulation, while the DC Regulation has been adopted as a network code, relating to Article 59(2)(a) of the Electricity Regulation, within the meaning of Article 60 of the same Regulation.

- (21) Thus, for the present amendment of the DC Regulation, Article 60 of the Electricity Regulation entrusts ACER explicitly with making reasoned proposals to the Commission for amendments, explaining how such proposals are consistent with the objectives of the network codes set out in Article 59(3) of this Regulation, and when doing so on its own initiative, after consulting all stakeholders in accordance with Article 14 of Regulation (EU) 2019/942.
- (22) By contrast, as regards the present amendment of the EB Regulation and of the SO Regulation, it is to note that Article 61(6) of the Electricity Regulation only prescribes that the Commission is to consult ACER when the Commission intends an amendment. In ACER's view, it seems not clear whether this provision was meant to derogate the specific process for amending network code rules under Article 60 in case those rules were adopted only as a guideline. Moreover, in the case at stake, the circumstances are equivalent and in any case comparable with the consultation on an amendment under Article 61(6) of the Electricity Regulation in that the Commission, when requesting ENTSO-E and the EU DSO entity to draft a proposal for a DR NC that is in line with the Framework Guideline, indicated an intention to consider amending the EB Regulation and the SO Regulation, given that this Framework Guideline had envisaged also amendments to the EB Regulation and the SO Regulation. In this context, ACER considers being entitled to propose also amendments to the EB Regulation and the SO Regulation and as appropriate to provide consistency in its procedural approach to those amendments by aligning it with the one for the amendment to the DC Regulation in accordance with Article 60 of the Electricity Regulation.
- (23) Finally, according to Article 3(1) of Regulation (EU) 2019/942, ACER may, upon a request of the European Parliament, the Council or the Commission, or on its own initiative, provide an opinion or a recommendation to the European Parliament, the Council and the Commission on any of the issues relating to the purpose for which ACER has been established.
- (24) As indicated by Article 59(11), Article 60 and 61(6) of the Electricity Regulation, ACER's contribution to the adoption and amendment of network codes and guidelines concerns issues relating to a purpose for which ACER has been established.
- (25) For all these reasons, ACER is competent to revise the proposal submitted by ENTSO-E and the EU DSO entity, make reasoned proposals to Commission concerning the establishment of a DR NC as well as amendments to the EB Regulation, the SO regulation and the DC Regulation and issue a recommendation on them.

#### **IV. MAIN FINDINGS**

- (26) ACER found that the establishment of the DR NC would be required in the areas set out in paragraphs (33) to (43) and amendments to existing regulations in paragraphs (44) to (53). In line with the Commission's request to ENTSO-E and the EU DSO entity, and taking into account the outcome of extensive consultation with the relevant



stakeholders, ACER has proposed the DR NC and those amendments in Annexes 1, 2, 3 and 4 to this Recommendation for the reasons detailed in Annexes 5 to 8 to this Recommendation explaining how such proposals are consistent with the objectives in Article 59(4) of the Electricity Regulation.

(27) As regards the DR NC, in some of its areas, specific rules with the necessary detail could not be developed, as further assessment and consideration is required. Such scenario was already indicated in the Framework Guideline and, in the course of the development of the DR NC, has been confirmed as in fact unavoidable. To address this need of additional specification, but also guarantee regulatory control over those specifications, ACER proposes these specifications to be developed and adopted as terms and conditions or methodologies subject to regulatory approval, similar to the approaches in e.g. the EB Regulation or the SO Regulation. ACER acknowledges that this approach may make it more appropriate to adopt the proposed DR NC in the form of a guideline.

(28) The amendments proposed by ACER take into consideration the advice received from the AEWG and the outcome of the BoR process (see above in paragraphs (10)-(11)).

**a. Consultation with stakeholders**

(29) The results of the consultation of stakeholders and their evaluation are included in Annex 9.

**b. Consultation of the AEWG**

(30) In its advice, the AEWG mainly supports the draft ACER Recommendation on reasoned proposal for the DR NC and the amendments of the EB Regulation, the SO Regulation, and the DC Regulation, while noting remaining severe concerns expressed by some NRAs on a few issues. Concerns on the following topics were shared by some NRAs:

- a on the national and EU implementation timelines and the related harmonisation, and on the need to identify the most efficient approach, on the basis of balancing the knowledge gained from the national implementation and the need for EU-wide harmonisation of rules (for further details see also section 1 of Annex 5);
- b on the minimum bid quantity for standard products for balancing energy and balancing capacity, with NRAs views ranging between 0.1 MW and 1 MW, raising also the question on the detail level that should be established directly in the regulation, and the details that should be determined in subsequent terms and conditions or methodologies (for further details see also section 4 of Annex 6);
- c on the scope of the DR NC package, especially with respect to the provisions on the procurement of voltage control services, the principles for regulating the ownership, development, management or operation of an energy storage facility by system operators, and the provisions for distribution network development plans, which

should be excluded from the DR NC (for further details see also sections 4, 6, and 7 respectively of Annex 5);

- d on the market-based procurement of local services and the related derogation process, especially from NRAs of Member States with large numbers of DSOs, with respect to the practicability of the procedures described in the DR NC, and the possibility to simplify them, as well as the granting of the derogation by the Member State (for further details see also section 5 of Annex 5); and
  - e on the financial transfer and whether it should be settled between balancing responsible parties only or more general between market participants (for further details see also section 2, paragraph (9) of Annex 6).
- (31) In addition, NRAs raised individual concerns on some of the areas already listed in the previous recital, and additionally on the following topics:
- a the DR NC is too extensive and bureaucratic, with obligations that result in considerable burden for both system operators and NRAs;
  - b regarding Title I of the DR NC, on the need for specifying a designation deadline for the national rules of procedure, on the potential conflict of the provisions related to the assignment of tasks with national rules on system operators responsibilities, on extending several deadlines related for example to the approval of national terms and conditions or methodologies;
  - c regarding Title II of the DR NC, on developing joint requirements for both balancing and local services only where strictly necessary, on concerns for having a baseline, on the complementary use of smart meters and dedicated metering devices;
  - d regarding Title IV of the DR NC, on the definition of the period for calculating an imbalance adjustment for activation of a flexible connection agreement ;
  - e regarding Title VII of the DR NC, on clearly defining the responsibilities for system operators for ensuring consistent trade positions and on the rules on counter activation and closing trade positions after activating local services and flexible connection agreements.
- (32) In conclusion, the AEWG highlighted the following topics for ACER to reflect on:
- a EU-wide harmonisation starting with principles and refining further in a stepwise approach (for further details see also section 1 of Annex 5);
  - b variable parameters not being fixed in the DR NC package, as the amendment procedure is lengthy, but using terms and conditions or methodologies for these details;



- c deliberating whether an assessment/study on the optimal minimum bid size for standard balancing products would be beneficial and who could perform this within which time period (for further details see also section 4 of Annex 6);
- d potentially differentiating the derogation procedure for different product categories, for example flexibility services and voltage control (for further details see also section 5 of Annex 5);
- e reducing administrative burdens for NRAs, especially with regard to derogations from market-based procurement (for further details see also section 5 of Annex 5);
- f checking the scope of the DR NC package, removing all provisions that are in conflict with existing EU legislation.

**c. Establishment of the DR NC**

- (33) ACER found that new rules should be established in the areas related to (a) the general provisions, (b) the general requirements for market access, (c) the qualification requirements and processes, (d) the market-based procurement of local services, (e) storage facilities, (f) distribution network development plans, (g) the coordination between DSOs and between DSOs and TSOs, (h) the data exchange requirements from service providers and system users, (i) derogations, (j) reporting and monitoring, and (k) the transitional and final provisions, as set out in recitals (34) to (43). ACER proposes revisions to the proposal in these areas, as detailed in Annex 5 of this Recommendation.
- (34) For the general provisions, ACER proposes provisions on the scope, the introduction of definitions, the objectives and regulatory aspects, national rules of procedure to develop common national terms and condition, the development, approval, amendments, publication and public consultation of terms and conditions or methodologies, stakeholders' involvement, delegation and assignment of tasks, recovery of costs, confidentiality obligations (see Articles 1-10).
- (35) For the general requirements, ACER proposes the establishment of general requirements for market access including the provisions for national terms and conditions for service providers, the methods for calculating injections and withdrawals, the framework for the validation and quality of data from dedicated measurement devices, the national terms and conditions for baselining methods, the validation of the baselines (see Articles 11-15).
- (36) For the qualification requirements and processes related to the provision of balancing and local services, ACER proposes the establishment of requirements for service providers qualification, product verification and prequalification, as well as requirements for flexibility data management for the qualification process including product verification and prequalification (see Articles 16-28).

- (37) For the market-based procurement of local services, ACER proposes the establishment of principles and requirements for the procurement of local services, provisions on derogation from the market-based procurement of local services, provisions on flexible connection agreements, provisions related to the rules for market-based procurement of local services, requirements for procuring system operators, coordination and interoperability between the market-based procurement of local services and the day-ahead, the intraday, and the balancing markets, rules for procurement, pricing and settlement for market-based procurement of local services, requirements for data exchange related to the settlement of local services, provisions for the publication of information, requirements for the list of product attributes and for the definition of products for local services (see Articles 29-39).
- (38) For storage facilities, ACER proposes requirements and conditions for the ownership, development, management and operation of these facilities by system operators, by third parties, and by both (see Articles 40-42).
- (39) For distribution network development plans, ACER proposes provisions on their content, requirements for the relevant methodologies and processes, and provisions on the inclusion of local services in the distribution network development plans (see Articles 43-44).
- (40) For the coordination between DSOs and between DSOs and TSOs, ACER proposes provisions for the DSO observability area, requirements for forecasting, detecting and solving physical congestion and voltage issues, provisions for grid prequalification and short-term procedures for temporary limits, requirements for ensuring consistency of trade positions, and requirements for data exchange between DSOs and between DSOs and TSOs (see Articles 45-52).
- (41) For data exchange requirements from service providers and system users, ACER proposes provisions for the organisation, the roles, the responsibilities, and the quality of data exchange, and requirements for data to be provided by service providers (see Articles 53-54).
- (42) For reporting and monitoring, ACER proposes provisions for a report on demand response by ENTSO-E and the EU DSO entity, and requirements for ACER on monitoring the implementation of the DR NC (see Articles 56-57).
- (43) For the transitional and final provisions, ACER proposes provisions for the development and use of the flexibility information system, and for the use of existing solutions and tools for the market-based procurement of local services (see Articles 58-59).

#### **d. Amendments to the EB Regulation**

- (44) ACER found that amendments to the EB Regulation would be required in the areas related to (a) the imbalance settlement and aggregation models, (b) the qualification of

balancing service providers, and (c) the minimum balancing energy bid quantity, as set out in recitals (45) to (47). ACER proposes revisions to the proposal in these areas, as detailed in Annex 6 of this Recommendation.

- (45) For the provisions related to aggregation models, ACER proposes amendments to the definitions, to the requirements related to the cooperation with DSOs, to the terms and conditions related to balancing responsible parties, to the provisions for the settlement of balancing energy, to the imbalance settlement provisions (see Articles 1, 2, 15, 18, 45, 49, 52, 54 of the EB Regulation).
- (46) For the provisions related to balancing service providers qualification, including product verification and prequalification, ACER proposes amendments to the requirements related to the role of balancing service providers, to the terms and conditions related to balancing service providers, to the requirements for the European platforms for the exchange of balancing energy, and to the provisions related to the standard balancing products (see Articles 16, 18, 19, 20, 21, 25 of the EB Regulation).
- (47) For the provisions related to the minimum bid quantity, ACER proposes amendments to the provisions related to the standard balancing products, to the exchange of balancing capacity and to the derogations (see Article 25 of the EB Regulation).

**e. Amendments to the SO Regulation**

- (48) ACER found that amendments to the SO Regulation would be required in the areas related to (a) grid prequalification and temporary limits, (b) data exchange between system operators, and between system operators and system users, (c) demand units providing demand response services, and (d) prequalification processes, set out in recitals (49) to (51). ACER proposes revisions to the proposal in these areas, as detailed in Annex 7 of this Recommendation.
- (49) For the data exchange, ACER proposes amendments to provisions related to the data exchange between TSOs and DSOs, and to the data exchange from system users (see Articles 40, 51, 53 of the SO Regulation).
- (50) For the grid prequalification and temporary limits, ACER proposes amendments to the provisions related to cooperation with DSOs on reserve providing groups or units connected to the DSO grid (see Article 182 of the SO Regulation).
- (51) For requirements regarding demand units providing demand response, ACER proposes amendments to the provisions related to the scope, to the data exchange, to roles and responsibilities, and to operational analysis (see Articles 2, 28, 52, 53, 54, 56, 57, 81, 105, 107, 127, 154, 156, 158, 161 of the SO Regulation).

**f. Amendments to the DC Regulation**

- (52) ACER found that amendments to the DC Regulation would be required in the areas set out in recital (53). ACER proposes revisions to the proposal in these areas, as detailed in Annex 8 of this Recommendation.
- (53) For the demand units providing demand response, ACER proposes amendments to the provisions related to the subject matter, to the definitions, to the scope, to the significant modernisation, to compliance and other general provisions affected by the main proposed amendment, related to the removal of the Title on the connection of demand units used by a demand facility or a closed distribution system to provide demand response services to system operators (see Articles 27 to 33, 34, 35, 36, 41, 42, 45 of the DC Regulation),

**HAS ADOPTED THIS RECOMMENDATION:**

1. ACER recommends establishing a network code, or if appropriate a guideline, on Demand Response, in accordance with Annex 1, for the reasons explained in Annex 5.
2. ACER recommends amending Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing, as amended by Commission Implementing Regulation (EU) 2021/280 of 22 February 2021, in accordance with Annex 2, for the reasons explained in Annex 6.
3. ACER recommends amending Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation, as amended by Commission Implementing Regulation (EU) 2021/280 of 22 February 2021, in accordance with Annex 3, for the reasons explained in Annex 7.
4. ACER recommends amending Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection, in accordance with Annex 4, for the reasons explained in Annex 8.

This Recommendation is addressed to the European Commission.

Done at Ljubljana, on 7 March 2025.

**- SIGNED -**

*For the Agency  
The Director*

C. ZINGLERSEN

Annexes:

Annex 1 – Amended Demand Response Network Code

Annex 1a – Amended Demand Response Network Code TC compared to ENTSO-E’s and EU DSO Entity’s proposal

Annex 2 – Amended EB Regulation

Annex 2a – Amended EB Regulation TC compared to the current Regulation

Annex 3 – Amended SO Regulation

Annex 3a – Amended SO Regulation TC compared to the amended SO Regulation submitted by ACER to the EC as Annex 2 of its Recommendation 02/2021

Annex 4 – Amended DC Network Code

Annex 4a – Amended DC Network Code TC compared to the amended DC Network Code submitted by ACER to the EC as Annex 2 of its Recommendation 03/2023

Annex 5 – Reasoning to proposed Demand Response Network Code

Annex 6 – Reasoning to proposed amendments to the EB Regulation

Annex 7 – Reasoning to proposed amendments to the SO Regulation

Annex 8 – Reasoning to proposed amendments to the DC Regulation

Annex 9 – Evaluation of responses to the public consultation (based on Power BI report)