

**POSITION PAPER OF THE CENTRAL EUROPE SYSTEM
OPERATION REGION'S REGULATORY AUTHORITIES**

ON

**THE ESTABLISHMENT PROVISIONS OF THE
REGIONAL COORDINATION CENTRES FOR THE
CENTRAL EUROPE SYSTEM OPERATION REGION IN
ACCORDANCE WITH
ARTICLE 35 OF REGULATION (EU) 2019/943
OF THE EUROPEAN PARLIAMENT AND
OF THE COUNCIL OF 5 JUNE 2019 ON THE INTERNAL
MARKET FOR ELECTRICITY**

12 June 2024

I. Introduction and legal context

This document constitutes the agreement of the Regulatory Authorities of the Central Europe System Operation Region (hereinafter referred to as “Central NRAs”), as voted on 12 June 2024, on the amended establishment provisions of the regional coordination centres for the Central Europe System Operation Region (hereinafter referred to as “third Central RCC establishment provisions”) developed by the Transmission System Operators of the Central Europe System Operation Region (hereinafter referred to as “Central TSOs”), in accordance with Article 35 of the Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (hereinafter referred to as “Electricity Regulation”).

This agreement of the Central NRAs constitutes the basis on which Central NRAs will each subsequently issue a national decision to approve the third Central RCC establishment provisions pursuant to Article 35 of the Electricity Regulation. It provides evidence that a decision on the third Central RCC establishment provisions does not, at this stage, need to be adopted by ACER pursuant to Article 6(10) of the 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 (recast) (hereinafter referred to as “recast ACER Regulation”).

The legal provisions that lie at the basis of the third Central RCC establishment provisions, and this Central NRAs’ agreement on the above mentioned proposal, can be found in Articles 35, 36 37, 38, 39, 40, 41, 42, 43, 44, 45, 46 and 47 of the Electricity Regulation and in Article 6 of the recast ACER Regulation.

In particular, Article 35 of the Electricity Regulation states that:

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1. By 5 July 2020, all transmission system operators of a system operation region shall submit a proposal for the establishment of regional coordination centres to the regulatory authorities concerned in accordance with the criteria set out in this Chapter.

The regulatory authorities of the system operation region shall review and approve the proposal.

The proposal shall at least include the following elements:

(a) the Member State of the prospective seat of the regional coordination centres and the participating transmission system operators;

(b) the organisational, financial and operational arrangements necessary to ensure the efficient, secure and reliable operation of the interconnected transmission system;

(c) an implementation plan for the entry into operation of the regional coordination centres;

(d) the statutes and rules of procedure of the regional coordination centres;

(e) a description of cooperative processes in accordance with Article 38;

(f) a description of the arrangements concerning the liability of the regional coordination centres in accordance with Article 47;

(g) where two regional coordination centres are maintained on a rotational basis in accordance with Article 36(2), a description of the arrangements to provide clear responsibilities to those regional coordination centres and procedures on the execution of their tasks.

2. Following approval by regulatory authorities of the proposal in paragraph 1, the regional coordination centres shall replace the regional security coordinators established pursuant to the system operation guideline adopted on the basis of Article 18(5) of Regulation (EC) No 714/2009 and shall enter into operation by 1 July 2022.

3. *Regional coordination centres shall have a legal form referred to in Annex II to Directive (EU) 2017/1132 of the European Parliament and of the Council (23).*

4. *In performing their tasks under Union law, regional coordination centres shall act independently of individual national interests and independently of the interests of transmission system operators.*

5. *Regional coordination centres shall complement the role of transmission system operators by performing the tasks of regional relevance assigned to them in accordance with Article 37. Transmission system operators shall be responsible for managing electricity flows and ensuring a secure, reliable and efficient electricity system in accordance with point (d) of Article 40(1) of Directive (EU) 2019/944.*

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II. The history of the Central TSOs’ proposal

The initial Central RCC Establishment provisions were developed and submitted in 2020 based on the definition of the Central System Operation Region (hereinafter referred to as “Central SOR”) given by the ACER’s Decision on the Definition of System Operation Regions (ACER Decision No 10/2020) encompassing Core, Italy North and SWE Capacity Calculation Regions. This initial version, proposing the establishment of the existing RSCs Coreso and TSCNET as competent RCCs for the Central SOR (hereinafter referred to as “Central RCCs”), was approved by the competent regulatory authorities on the basis of an agreement reached on 19 January 2021. It included a number of amendments by Central NRAs mainly related to the clarification of the definition of participating TSOs as TSOs listed in ACER’s SOR Decision (hence excluding all the TSOs of other SORs and non-EU TSOs, but including Creos and Vuen) and to the amendment of the RCC Statutes (Coreso in the light of the Brexit outcome and TSCNET to align with the provisions about the Management Board pursuant to Article 43 of the Electricity Regulation). In particular, the Central TSOs were requested to submit a new version of the Central RCC establishment provisions both by one year from the approval in order to incorporate Creos and Vuen as participating TSOs in one of the Central RCCs and whenever the Statutes of Coreso and TSCNET are amended.

With a subsequent letter sent on 23 April 2021, the Central NRAs invited the Central TSOs to review the Statutes of both Coreso and TSCNET in order to clarify the role of non-EU TSOs.

The ACER Decision No 10/2020 on the SOR definition was challenged by ENTSO-E. The Board of Appeal of ACER accepted the appeal and ACER was mandated to adopt a new Decision. This was accomplished with ACER Decision No 08/2021, that, taking into account the Brexit outcome, incorporated Soni and Eirgrid (TSOs of Northern Ireland and Ireland, respectively) into the Central SOR, while deleting the IU SOR. This decision was challenged as well. ACER decided to withdraw it in October 2021 (see ACER Decision No 13/2021) and consequently reopened the process for adopting a new decision.

In April 2022, ACER issued the Decision No 05/2022 with the new SOR definition: Eirgrid and Soni were confirmed in the Central SOR, while the SWE CCR (and consequently the Spanish and Portuguese TSOs) was included in the newly built SWE SOR. Moreover, ACER confirmed that SONI’s and Eirgrid’s *obligations pertaining to the RCCs’ tasks shall become effective only upon the start of operation of the Celtic Interconnector.*

Based on the ACER Decision No 05/2022, the Central TSOs updated the Central RCC establishment provisions, deleting any reference to the Spanish and Portuguese TSOs (no longer participant in the Central SOR, since included in the newly constituted SWE SOR) and adding Eirgrid and Soni as

participating TSOs in Coreso. The new proposal included also the new release of the Statutes of Coreso and TSCNET, clarifying that non-EU TSOs have no influence in the RCC matter, while keeping their voting right when non-RCC matters are decided upon.

The Central NRAs reached a decision to approve the second RCC establishment provisions on 27 June 2022, including some further clarifications about the consistency with the ACER decision on the SOR configuration, the role of Coreso in case it is established as RCC also in another SOR, and the cooperation agreement signed with Swissgrid and fixing some wrong references to the methodologies governing the execution of the RCC tasks.

The second RCC establishment provisions also include the mandate to the Central TSOs to submit a new version of the RCC establishment provisions within four months after the approval by ACER of the proposal about RCC tasks j) (Regional sizing of reserve capacity) and k) (facilitation of procurement of balancing capacity) to be developed by ENTSOe, in order to define how these tasks will be delegated to the two RCCs.

ACER approved the proposals about RCC tasks j) and k) as developed by ENTSOe on 21 July 2023. The Central TSOs thus finalised the third version of the RCC establishment provisions and submitted it to the Central NRAs for approval. The last concerned Central NRA received the proposal on 24 May 2024, hence the Central NRAs shall reach a decision on this proposal by 24 November 2024 according to Article 6(10) of the Recast ACER Regulation.

These third Central RCC establishment provisions establish that tasks j) and k) are executed by Coreso and TSCNET based on the same rotational principle already in place for other tasks related to the Core and Italy North CCRs.

III. The Central NRAs' position

The Central NRAs are in favour of adopting the same rotational principle already in place for other tasks. They are thus supporting these third Central RCC establishment provisions.

For the future updates of the Central RCC establishment provisions, the Central NRAs recommend the Central TSOs to collect and bundle all the needed amendments to these provisions to the extent possible and sensible in order to collectively submit them to the Central NRAs. This would avoid unnecessary administrative burden for both the Central TSOs and the Central NRAs related to the submission and approval process(es).

IV. Conclusions

The Central NRAs have consulted and closely cooperated and coordinated with each other and agreed that the third Central RCC establishment provisions as submitted by the Central TSOs are in line with the purpose of the Electricity Regulation and contribute to market integration, non-discrimination, effective competition and the proper functioning of the market.

The Central NRAs have hereby reached the agreement among themselves that they adopt the third Central RCC establishment provisions in the version as submitted by the Central TSOs and annexed to this document.

The Central NRAs will issue their national decisions to approve the third Central RCC establishment provisions on the basis of this agreement. The Central NRAs commit to issue the national decision as soon as possible.