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MESC

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Eurelectric welcomes the ongoing NC drafting process performed by ACER and the EC for a future regulatory framework on Demand Side Flexibility

- Eurelectric thinks that a European regulatory framework for demand side flexibility shall **at least** provide **a set of common overarching principles** ensuring a coordinated access to resources and allowing their optimal utilisation.
- **Eurelectric believes that a dedicated new Network Code on Demand Side Flexibility will be the most appropriate regulatory framework for congestion management.**
- Those rules should be set while ensuring an **overall coherence** with existing relevant regulations (including existing NCs and GLs e.g. SO GL/NC DC/RfG/CACM/EBGL)



OVERARCHING PRINCIPLES

FOR A EUROPEAN REGULATORY FRAMEWORK ON DEMAND SIDE FLEXIBILITY

TRANSPARENCY

- For market parties on the overall process and the outcome of SO assessment and decision making
- On the definition of SO needs and the tendering processes

DATA VISIBILITY

- Market participation shall be promoted by transparent information of network needs to avoid unwanted market behavior
- Data must be visible, machine readable, free and easily accessible

COORDINATION

- Real-time communication of needs between neighbouring System Operators (TSO-DSO or DSO-DSO)
- Between market processes (e.g. congestion management/balancing)

VALUE STACKING

- Any Flexibility Service Provider should be able to use its asset(s) to provide services to multiple markets and access multiple revenue streams while respecting the need to comply with REMIT

TECHNOLOGY NEUTRAL APPROACH

- Applicable to product definition and the design of market platforms.
- Requires an agnostic framework - including for aggregated resources

INCENTIVES

- Adequate remuneration schemes (set by NRAs) are needed for the efficient provision of flexibility services
- They should be improved to encourage use of the most cost-efficient solutions, including the procurement of flexibility

What should be addressed in a European regulatory framework for Demand Side Flexibility

Products, services and markets that should be included in a European framework

- Congestion management
- Voltage control (active power)
- Adequacy, wholesale markets, balancing to set access to distributed flexibility (coordination purposes on data management, prequalification processes, TSO-DSO coordination etc.)

Areas & Topics that should be addressed (at least):

- Principles on Cooperation of TSO-DSO
- Common terminology
- Data exchange for all relevant markets
- Value stacking and interaction between markets
- Prequalification process
- Baseline methodology, measurement, validation
- Aggregation

