

ENTSO-E ITC Transit Losses Data report 2023

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European Network of
Transmission System Operators
for Electricity



ENTSO-E Mission Statement

Who we are

ENTSO-E, the European Network of Transmission System Operators for Electricity, is the **association for the cooperation of the European transmission system operators (TSOs)**. The 39 member TSOs, representing 35 countries, are responsible for the **secure and coordinated operation** of Europe's electricity system, the largest interconnected electrical grid in the world. In addition to its core, historical role in technical cooperation, ENTSO-E is also the common voice of TSOs.

ENTSO-E **brings together the unique expertise of TSOs for the benefit of European citizens** by keeping the lights on, enabling the energy transition, and promoting the completion and optimal functioning of the internal electricity market, including via the fulfilment of the mandates given to ENTSO-E based on EU legislation.

Our mission

ENTSO-E and its members, as the European TSO community, fulfil a common mission: Ensuring the **security of the interconnected power system in all time frames at pan-European level** and the **optimal functioning and development of the European interconnected electricity markets**, while enabling the integration of electricity generated from renewable energy sources and of emerging technologies.

Our vision

ENTSO-E plays a central role in enabling Europe to become the **first climate-neutral continent by 2050** by creating a system that is secure, sustainable and affordable, and that integrates the expected amount of renewable energy, thereby offering an essential contribution to the European Green Deal. This endeavour requires **sector integration** and close cooperation among all actors.

Europe is moving towards a sustainable, digitalised, integrated and electrified energy system with a combination of centralised and distributed resources.

ENTSO-E acts to ensure that this energy system **keeps consumers at its centre** and is operated and developed with **climate objectives** and **social welfare** in mind.

ENTSO-E is committed to use its unique expertise and system-wide view – supported by a responsibility to maintain the system's security – to deliver a comprehensive roadmap of how a climate-neutral Europe looks.

Our values

ENTSO-E acts in **solidarity** as a community of TSOs united by a shared **responsibility**.

As the professional association of independent and neutral regulated entities acting under a clear legal mandate, ENTSO-E serves the interests of society by **optimising social welfare** in its dimensions of safety, economy, environment, and performance.

ENTSO-E is committed to working with the highest technical rigour as well as developing sustainable and **innovative responses to prepare for the future** and overcoming the challenges of keeping the power system secure in a climate-neutral Europe. In all its activities, ENTSO-E acts with **transparency** and in a trustworthy dialogue with legislative and regulatory decision makers and stakeholders.

Our contributions

ENTSO-E supports the cooperation among its members at European and regional levels. Over the past decades, TSOs have undertaken initiatives to increase their cooperation in network planning, operation and market integration, thereby successfully contributing to meeting EU climate and energy targets.

To carry out its legally mandated tasks, ENTSO-E's key responsibilities include the following:

- › Development and implementation of standards, network codes, platforms and tools to ensure secure system and market operation as well as integration of renewable energy;
- › Assessment of the adequacy of the system in different timeframes;
- › Coordination of the planning and development of infrastructures at the European level (Ten-Year Network Development Plans, TYNDPs);
- › Coordination of research, development and innovation activities of TSOs;
- › Development of platforms to enable the transparent sharing of data with market participants.

ENTSO-E supports its members in the **implementation and monitoring** of the agreed common rules.

ENTSO-E is the common voice of European TSOs and provides expert contributions and a constructive view to energy debates to support policymakers in making informed decisions.

Background and purpose of this document

The Inter Transmission System Operator Compensation (ITC) Agreement is a multiparty agreement concluded between ENTSO-E and ENTSO-E member countries. It offers a single frame to compensate parties for costs associated with losses resulting with hosting transits flows on networks and for the costs of hosting those flows. All parties removed previously applied transit charges. This report offers a transparent overview of the method to compute losses resulting from transits flows and the amount incurred by all parties.

The ITC Compensation mechanism is governed by Article 49 of Regulation (EU) 2019/943. The ITC mechanism is further specified by Commission Regulation (EU) No 838/2010 of 23 September 2010 on laying down guidelines relating to the inter-transmission system operator compensation mechanism and a common regulatory approach to transmission

charging. According to Articles 4.2 and 4.3 of the Annex, Part A, of Commission Regulation (EU) No 838/2010, ENTSO-E is mandated to determine the amount of losses incurred on national transmission systems by calculating the difference between:

- (1) the amount of losses actually incurred on the transmission system during the relevant period; and
- (2) the estimated amount of losses on the transmission system which would have been incurred on the system during the relevant period if no transits of electricity had occurred. ENTSO-E is also responsible for publishing this calculation and its method in an appropriate format. This document contains these publications.

Method

The losses caused by transits in each transmission system are determined by:

- recording the load flow situation for each party to the ITC mechanism (ITC Party) for 6 monthly snapshots τ (3rd Wednesdays of a month and preceding Sundays at 03:30h, 11:30h and 19:30 CET/CEST):
 - › with transit represented on the interconnected system;
 - › with transit represented on the disconnected system;

- the losses caused by transit for the particular hour $\Delta P_{\text{loss } k}(T)$ is then determined as the difference of the losses observed in the two situations;
- based on a mapping that attributes every hour of the month to one of the six snapshot timestamps τ , each snapshot timestamp is given a weight w_{τ} ;
- the overall monthly amount of transit losses for each ITC party is derived by aggregating the weighted transits for the particular hours.

Annex 1 contains further illustrations of this method.

Calculation

Annex 2 contains the calculation results for the year 2023.

Annex 1: Illustration of the methodology

WWT = “With and Without Transit”. To assess the losses caused by transits, TSOs compute what would have been the losses without transit and compare the outcome with the metered values (with transits).

Monthly WWT Calculation: Introduction

- The losses caused by transit $\Delta P_{loss}(\tau, k)$ are determined for each ITC Party k for 6 monthly snapshots τ (3rd Wednesday of a month and preceding Sunday at 03:30 h, 11:30 h and 19:30 h CET/CEST).
- Based on a mapping that attributes every hour of the month to one of the six snapshots timestamps τ , each snapshot timestamp is given a weight w_τ .
- The monthly WWT compensation is yielded by ITC Party k 's losses cost $C_{losses}(k)$ multiplied by the losses energy caused by transit.

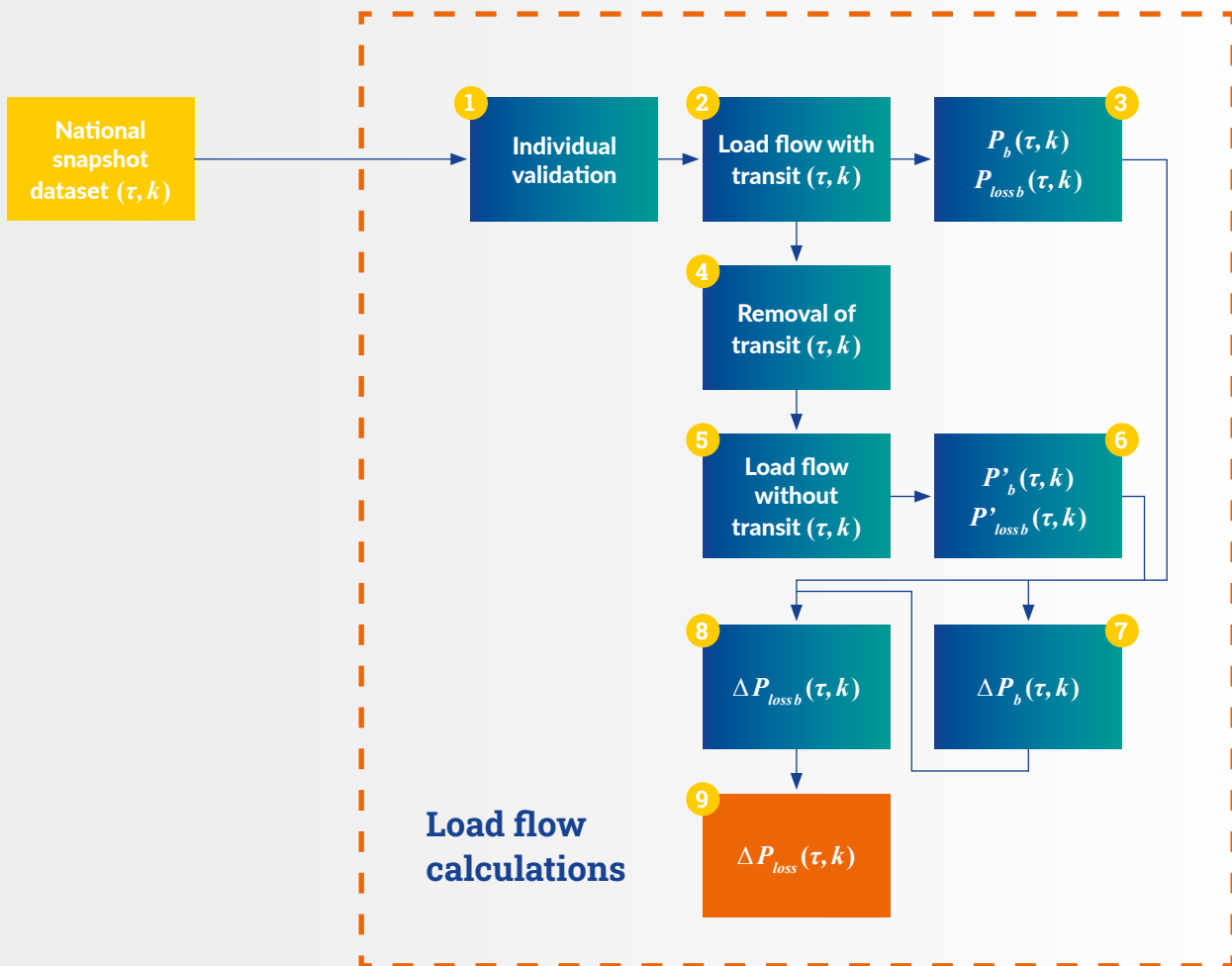
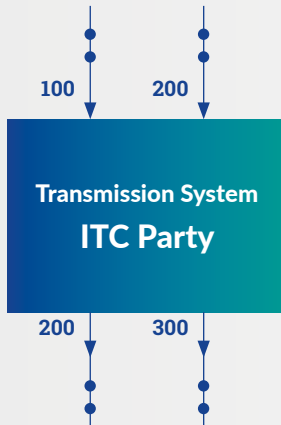


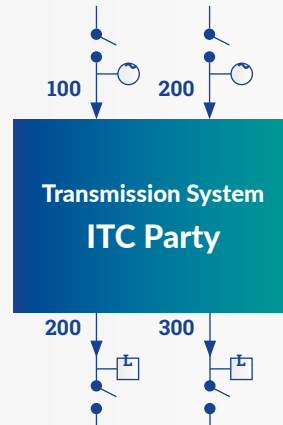
Figure 1: Monthly WWT Calculation

$\Delta P_{loss}(\tau, k)$ – Load flow calculation (Module 2 – 3)

Recorded Situation **with transit** represented on **interconnected** system (snapshots) (measured load flow, result from State Estimation)



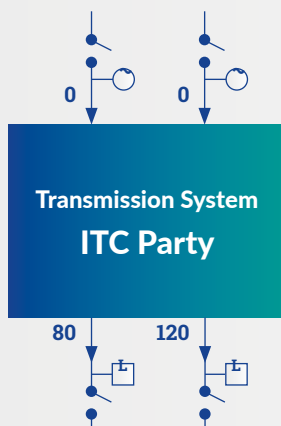
Recorded Situation **with transit** represented on **disconnected** system (measured load flow, result from State Estimation)



Transit = Minimum $\{ \sum Export_i, \sum Import_j \}$
 Example: $\sum Export = 500 \text{ MW}, \sum Import = 300 \text{ MW}$
 Transit = Minimum $\{ 500 \text{ MW}, 300 \text{ MW} \} = 300 \text{ MW}$

$\Delta P_{loss}(\tau, k)$ – Load flow without transits (Module 4, 5, 6, 7)

Simulated Situation **without transit** represented on **disconnected** system (measured load flow, result from State Estimation)



Removal of transit by modifying the flows on tie-lines

$$\text{If } \left(\sum_i P_{ex_i} \geq \sum_j P_{im_j} \right) \text{ then } \begin{aligned} P_{ex'_k} &= P_{ex_k} \times \left(1 - \frac{\sum_i P_{im_i}}{\sum_j P_{ex_j}} \right) \\ P_{im'_m} &= 0 \end{aligned}$$

$$\text{If } \left(\sum_i P_{ex_i} < \sum_j P_{im_j} \right) \text{ then } \begin{aligned} P_{im'_k} &= P_{im_k} \times \left(1 - \frac{\sum_j P_{ex_j}}{\sum_i P_{im_i}} \right) \\ P_{ex'_m} &= 0 \end{aligned}$$

Distribution of the overall modification in losses observed on the slack node to all generate nodes

$$P'_i = P_i \times \left(1 + \frac{\Delta P_{loss}}{\sum_n P_n} \right)$$

$\Delta P_{loss}(\tau, k)$ – for each branch (Module 8)

In case the relative share of losses caused by transits exceeds the relative share of power flow caused by transits, it shall be delimited to this proportion.

(Interpretation of ERGEG Guideline)

$$\Delta P_{loss\ b}(\tau, k) = P_{loss\ b}(\tau, k) - P'_{loss\ b}(\tau, k)$$

$$\Delta p_{loss\ b}(\tau, k) = \Delta P_{loss\ b}(\tau, k) / P_{loss\ b}(\tau, k)$$

$$\Delta p_b(\tau, k) = \Delta P_b(\tau, k) / P_b(\tau, k)$$

If $\{ \text{sign}(\Delta p_{loss\ b}(\tau, k)) = \text{sign}(\Delta p_b(\tau, k)) \text{ and } |\Delta p_{loss\ b}(\tau, k)| > |\Delta p_b(\tau, k)| \}$

then

$$\Delta P_{loss\ b}(\tau, k) = \Delta p_b(\tau, k) \times P_{loss\ b}(\tau, k)$$

else

$$\Delta P_{loss\ b}(\tau, k) = P_{loss\ b}(\tau, k) - P'_{loss\ b}(\tau, k)$$

k = country
 b = branch
 τ = snapshot timestamp
 ΔP_{loss} = relative increase in losses
 ΔP = relative increase in flows

$\Delta P_{loss}(\tau, k)$ – sum for ITC Party k (Module 9)

Sum of all branches within a country

$$\Delta P_{loss}(\tau, k) = \sum_b \Delta P_{loss\ b}(\tau, k)$$



The losses energy caused by transit is the scalar product of the $\Delta P_{loss}(\tau, k)$ vector times the w_τ vector that attributes each hour of the month to a snapshot

$$Compensation_WWT(k, m) = C_{losses}(k) \sum_{t=1-6}^b \left[\Delta P_{loss}(\tau, k) \ w_\tau \right]$$

Annex 2: Calculation Results 2023

2023												
WWT												
weighted												
MWh												
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Albania / AL	98.467	320.068	1,272.839	1,645.212	3,820.537	317.858	347.557	957.371	1,146.912	413.19	1,437.334	2,123.259
Austria / AT	21,583.759	15,501.436	22,999.473	21,165.914	1,356.221	8,993.36	16,138.508	11,505.668	14,787.828	22,553.244	15,401.628	28,673.372
Bosnia / BA	5,404.955	2,139.38	1,951.746	2,871.086	3,041.276	3,618.77	4,880.132	2,270.728	2,443.497	3,842.665	852.964	1,348.498
Belgium / BE	26,631.996	21,910.816	11,774.192	6,505.672	17,160.129	17,918.892	7,611.455	12,468.52	14,314.641	19,294.855	16,683.322	17,271.583
Bulgaria / BG	3,463.67	4,564.128	1,219.064	4,835.312	1,781.789	-522.19	292.323	2,863.334	1,396.755	1,927.928	3,631.032	3,219.263
Switzerland / CH	26,544.923	34,659.2	23,414.541	35,634.954	21,996.481	20,914.506	25,828.277	10,739.751	17,224.244	30,845.814	24,713.326	80,219.347
Czech Rep. / CZ	20,301.492	26,370.532	10,536.049	24,071.036	9,047.726	4,216.768	12,437.436	2,044.743	17,790.485	31,667.488	7,683.362	45,540.468
Germany / DE	144,715.382	261,438.16	134,587.163	80,587.124	12,215.185	50,407.908	65,650.214	34,806.946	82,994.695	51,830.923	26,676.128	84,931.698
Denmark / DK	31,871.124	37,845.288	10,333.351	33,412.852	23,850.028	39,212.204	65,971.19	72,957.889	31,258.181	25,901.056	11,973.686	21,079.758
Estonia / EE	4,550.161	9,077.208	10,420.395	1,727.21	11,683.164	9,779.298	5,860.028	4,487.44	2,757.416	3,784.599	3,891.672	5,300.905
Spain / ES	40,292.525	20,451.94	2,604.344	6,098.104	-466.011	5,043.032	6,283.357	23,292.826	8,106.952	47,143.057	21,660.26	18,497.571
Finland / FI	23,535.712	42,018.248	29,868.904	9,715.07	25,778.781	31,066.992	29,757.592	7,471.42	23,028.144	33,711.447	18,690	15,668.804
France / FR	70,544.529	71,745.632	89,341.208	51,480.424	71,940.42	48,528.95	74,982.565	30,382.596	32,188.796	42,926.637	47,555.564	164,052.084
Great Britain / GB	43,846.211	1,053.116	15,366.24	3,558.252	13,612.412	6,848.704	14,624.321	44,995.132	7,980.856	589.115	3,354.198	12,274.878
Greece / GR	782.154	4,356.38	1,263.784	5,928.47	1,084.128	144.918	3,388.976	4,827.957	7,248.043	3,819.924	370.352	654.19
Croatia / HR	19,034.395	7,191.852	15,724.157	4,649.116	-445.139	14,011.982	2,193.028	6,080.574	3,577.025	6370.43	5234.35	4,709.862
Hungary / HU	7,369.441	7,610.02	6,621.057	7,672.808	1,166.937	7,997.338	10,135.259	402.239	6,199.634	19,958.981	7,994.598	10,107.434
Ireland / IE	-4.097	135.828	-5.31	0.036	0.111	0.716	-0.012	-0.237	0.966	26.03	1.164	899.343
Italy / IT	823.254	1,252.168	-4,896.108	33.28	13,188.673	-921.88	10,152.429	2,360.057	5,780.624	6,248.606	654.13	-249.048
Kosovo* / KS*	2,043.247	927.908	659.673	1,101.358	2,216.829	1,320.752	835.16	1,654.873	1,215.039	773.657	781.876	1,046.49
Lithuania / LT	9,424.445	8,981.472	11,130.545	115,69.904	6,610.074	6,188.862	10,658.94	6,744.41	1,216.823	7,253.455	911.106	5,168.121
Luxembourg / LU	6.5	0	0	0	0	0	62.947	0	152.292	23.968	194.428	180.341
Latvia / LV	1,187.261	2,231.676	2,033.803	557.578	2,707.364	2,896.19	1,367.395	3,099.256	2,675.18	2,813.576	2,899.994	3,526.463
Montenegro / ME	2,444.01	2,329.6	506.699	3,409.288	4,763.502	1,720.566	1,265.072	1,610.583	1,224.57	2,571.862	2,105.702	1,891.509
FYROM / MK	595.611	856.228	700.649	1,432.39	887.099	618.582	577.224	658.7	708.535	451.591	744.184	646.506
Northern Ireland / NI	2,256.254	1,087.124	724.132	1,646.806	1,582.894	1,070.572	999.171	1,741.952	1,945.303	2,500.718	1,537.686	1,254.379
Netherlands / NL	14,365.737	18,431.456	21,113.254	11,542.918	21,846.114	4,198.16	19,369.903	9,025.582	22,937.762	34,330.82	15,514.392	47,478.35
Norway / NO	1,965.067	1,859.416	8,718.663	-1,917.294	28,643.464	-844.036	6,538.672	7,262.382	14,094.142	13,025.675	2,631.822	3,275.333
Poland / PL	24,927.239	23,366.404	26,571.928	32,761.082	21,161.543	8,080.658	18,936.574	-1,664.97	32,414.552	38,314.124	9,457.632	72,738.148
Portugal / PT	1,121.223	1,917.092	534.397	3,353.56	228.528	0	0	31.831	-1,199.614	265.622	3,596.086	350.652
Romania / RO	4,178.752	-6,797.26	2,734.565	-1,527.428	-880.016	16,081.932	-2,807.852	2,373.685	-2,071.464	-438.914	-1,328.414	-3,582.089
Serbia / RS	15,694.21	5,586.872	8,484.483	12,891.444	7,470.215	10,660.702	4,106.165	5,542.977	4,286.641	3,903.295	1,353.16	3,162.084
Sweden / SE	42,283.419	47,712.632	9,468.746	37,885.33	6,979.787	56,251.32	28,143.639	40,002.746	11,171.924	22,282.779	35,893.52	37,841.831
Slovenia / SI	8,623.113	10,767.62	9,266.511	8,351.138	5,862.954	4,008.412	8,743.068	2,592.38	8,138.674	14,454.718	10,148.95	11,645.031
Slovakia / SK	4,901.377	8,870.3	5,767.864	4,846.618	2,868.398	1,263.442	10,552.749	1,939.757	9,187.494	17,622.936	5,245.228	21,730.514
TOTAL	627,407.518	697,769.94	492,813.001	429,496.624	344,761.597	381,094.24	465,883.462	357,531.098	388,323.547	513,005.871	310,146.422	724,676.931

Any question? Contact us:

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