

ACER Decision on the optimisation of Inter-TSO RDCT Settlements
Methodology: [Annex I](#)

**Methodology for the Optimisation of Inter-TSO
Settlements related to Redispatching and
Countertrading**

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

FULL AMENDED VERSION
(without track changes)

27 September 2022

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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 “Regulation (EU) 2019/943”)¹ has been developed and adopted as part of the European Union’s Clean Energy Package for All Europeans.
2. Article 35 of the Regulation (EU) 2019/943 provides for the establishment of regional coordination centres (hereafter referred to as “RCCs”) whose tasks and roles are set out in Article 37 and further detailed in Annex I of this Regulation. Article 37(1)(l) of the Regulation (EU) 2019/943 mandates the RCCs to support transmission system operators (hereafter referred to as “TSOs”) at their request in the optimisation of inter-TSO settlements.

Paragraph 11.1 of Annex I of Regulation (EU) 2019/943 states:

“The transmission system operators in the system operation region may jointly decide to receive support from the regional coordination centre in administering the financial flows related to settlements between transmission system operators involving more than two transmission system operators, such as redispatching costs, congestion income, unintentional deviations or reserve procurement costs.”

Article 37 (5) of the Regulation (EU) 2019/943 establishes that for the tasks set out in Article 37 and not already covered by the relevant network codes and guidelines, ENTSO-E shall develop a proposal in accordance with the approval procedure under Article 27. Accordingly, before submitting a proposal, ENTSO-E shall carry out a consultation involving all relevant stakeholders, including regulatory authorities and other national authorities.

3. This document sets out a methodology for the optimisation of inter-transmission system operators settlements (hereafter referred to as “methodology”) in accordance with the Regulation (EU) 2019/943, in particular Article 37(1)(l) and (5).
4. Non-European Union countries (third countries), their TSOs and RCCs are not legally obliged to implement the processes under this methodology. It is open to them to implement the processes under this methodology voluntarily.

¹ OJ L 158, 14.6.2019, p. 54–124

Title 1 General provisions

Article 1: Subject matter and scope

1. This methodology establishes the process for the optimisation of inter-TSO settlements related to redispatching and countertrading in accordance with Article 37(1)(l) and (5) of the Regulation (EU) 2019/943.
2. This methodology governs the settlement of redispatching and countertrading costs which have been shared according to Article 74 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (hereafter referred to as “CACM Regulation”).
3. This methodology shall only apply in case the relevant TSOs within one capacity calculation region (“CCR”) jointly request support from RCC(s)² on the optimisation of inter-TSO settlements.

Article 2: Definitions and interpretation

1. For the purpose of this methodology, the terms used in this document shall have the meaning of the definitions included in Article 2 of the CACM Regulation and Article 2 of the Regulation (EU) 2019/943.
2. In addition, the following definitions and abbreviations apply:
 - a. ‘Calculation of costs’, as the technical part of cost sharing, means the process of calculating all costs and revenues of redispatching and countertrading actions per bidding zone/TSO which are eligible for the regional cost sharing process under the cost sharing methodologies per each CCR, as referred to in Article 1(2). This process comprises the collection of input data, the calculation of the cost sharing key and the aggregation of the monthly total costs per bidding zone and/or TSO. At the request of TSOs, the calculation of costs and revenues resulting from redispatching and countertrading actions can be delegated to one or several RCCs;
 - b. ‘Aggregation’ means the act of aggregating monthly costs and/or revenues from remedial action provision and cost distribution per TSO. After the calculation of cost sharing keys by RCC(s), when various costs and revenues (TSOs’ expenses on the activation of remedial actions) are to be aggregated;
 - c. ‘Financial Settlement’ means the act of creating the invoicing documents per bidding zone and/or TSO on redispatching and countertrading costs and revenues. Financial Settlement ends with the completion of invoicing;
 - d. ‘Settlement Attachment’ means the aggregated output data from the calculation of costs defined in Article 2(2)(a). Settlement Attachment shall be sent to:
 - the TSOs as basis for the validation of the cost sharing calculation results; and
 - once validated by TSOs as basis for the financial settlement.
 - e. ‘clearing’ means the payment execution between the TSOs, or TSOs and other involved parties;

² The acronym “RCC(s)” covers the cases of having one RCC or multiple RCCs in a CCR.

- f. ‘Inter-CCR cost sharing’ means financial settlement of costs and revenues resulting from overlapping costly XRAs. An overlapping XRA which is eligible for cost sharing must first undergo a cross-regional cost sharing process to assign its costs to the impacted CCRs. Once the regional cost sharing keys are determined, the corresponding costs and revenues are shared at CCR level with a positive sharing key according to each CCR’s cost sharing methodologies. Inter-CCR cost sharing is not subject to the present methodology;
 - g. ‘Inter-TSO Settlement’ means the financial settlement of the costs and revenues of TSOs of the same CCR resulting from non-overlapping XRA according to Article 74 of the CACM Regulation. If eligible for cost-sharing, a non-overlapping XRA must follow the cost sharing process as defined in the regional methodology of its CCR. Inter-TSO cost sharing is subject to the present methodology;
 - h. ‘provider costs’ means costs and revenues resulting from costly remedial actions eligible for cost sharing;
 - i. ‘cross-border relevant network elements (XNE)’ means a network element identified as cross-border relevant and on which operational security violations need to be managed in a coordinated way;
 - j. ‘calculation results’ means costs and revenues assigned to the TSOs by the regional cost sharing processes under the regional cost sharing methodologies;
 - k. ‘cross-border relevant remedial action (XRA)’ means a remedial action identified as cross-border relevant and need to be applied in a coordinated way;
 - l. ‘eligible XRA’ means an XRA eligible for cost sharing, according to costs sharing methodologies for each CCR, pursuant to Article 74 of the CACM Regulation;
 - m. ‘overlapping XNE’ means an XNE on which the physical flows are significantly impacted by electricity exchanges in two or more CCRs or by XRAs from two or more CCRs, pursuant to the Methodology for coordinating operational security analysis (‘CSAM’);
 - n. ‘overlapping XRA’ means an XRA that is able to address operational security violations on overlapping XNE, pursuant to the CSAM.
3. In this methodology, unless the context requires otherwise:
- a. the singular indicates the plural and vice versa;
 - b. the table of contents and headings are inserted for convenience only and do not affect the interpretation of the methodology; and
 - c. any reference to European legislation shall include any modification, extension or re-enactment thereof then in force.

Title 2 Calculation of costs

Article 3: Input data

1. In case the cost sharing calculation process in a CCR is performed on a regional platform, TSOs shall provide all relevant input data, including but not limited to, congested XNEs, eligible XRAs and provider costs.

2. In case RCC(s) support TSOs in the input data gathering for the cost sharing calculation process in a CCR, RCC(s) may provide input data on behalf of the TSOs.
3. At the request of TSOs, RCC(s) shall supervise the input data gathering for the cost sharing calculation process in a CCR.

Article 4: Cost sharing calculation

1. At the request of TSOs, RCC(s) shall execute the calculation of costs, as defined in Article 2(2)(a).
2. At the request of TSOs, RCC(s) shall provide the calculation results as defined in 2(2)(j) to the TSOs in a Settlement Attachment as defined in Article 2(2)(d).

Article 5: TSOs' validation of calculation results

1. TSOs are responsible for the validation of the calculation results as defined in 2(2)(j). If the calculation results are provided in a Settlement Attachment as mentioned in Article 4(2), each TSO shall validate the Settlement Attachment.
2. The validation period shall be limited. The deadline applied shall be determined by each CCR during the application of the methodology pursuant to Article 8. This deadline shall correspond to the complexity of the cost sharing calculation process. After reaching the deadline, deemed acceptance shall apply if no other agreement is in place between the TSOs of the CCR.
3. At the request of TSOs, RCC(s) shall support TSOs during the validation.
4. Where TSOs decide to reject the calculation results provided by the RCCs according to Article 42(3) of the Regulation (EU) 2019/943, they shall submit a justification for their decision to RCCs and to the other TSOs of the CCR without undue delay.
5. If the calculation results are rejected by at least one TSO of the CCR, at the request of TSOs, RCC(s) shall support the solving of the underlying problem:
 - a. RCC(s) shall investigate the justification of rejection submitted by the rejecting TSO. If the rejection cannot be confirmed, the process shall continue;
 - b. If the rejection is confirmed, the validation period shall be interrupted. RCC(s) shall inform all affected TSOs and involved parties about the interruption of the validation period and coordinate the solving of the problem;
 - c. If a calculation error leading to false results is detected, RCC(s) shall repeat all relevant calculation sub-steps and inform all affected TSOs and involved parties;
 - d. If the problem is solved, RCC(s) shall inform all affected TSOs and involved parties;
 - e. After the problem is solved, the validation period shall be re-started. The validation period can be shortened, if all affected TSOs agree.

Article 6: Data Communication

1. At the request of TSOs, RCC(s) shall provide the Settlement Attachment as defined in Article 2(2)(d):
 - a. The Settlement Attachment as defined in Article 2(2)(d) shall be the basis for the financial settlement and clearing;

- b. The amounts included in the Settlement Attachment as defined in Article 2(2)(d) shall be aggregated per TSO;
- c. In accordance with Article 5, TSOs shall validate the Settlement Attachment as defined in Article 2(2)(d) before it is considered as final;
- d. The data format for the Settlement Attachment as defined in Article 2(2)(d) shall be harmonised between the different CCRs.

Title 3 Monitoring and Implementation

Article 7: Monitoring

1. At the request of TSOs, RCC(s) shall monitor the information for each redispatching eligible XRA (internal or cross-border) in accordance with the provisions of Commission Regulation (EU) No 543/2013 of 14 June 2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No 714/2009 of the European Parliament and of the Council (hereafter referred to “Transparency Regulation”). The monitoring shall include at least the following information:
 - a. The type of the redispatching XRA taken (i.e. generation or load, increase or decrease);
 - b. The quantity of the XRA (in MW);
 - c. The duration of the XRA;
 - d. The location of involved generation and load sources of an XRA;
 - e. The cause of the measure taken.
2. At the request of TSOs, RCCs shall monitor the information for each countertrading eligible XRA in accordance with the Transparency Regulation. The monitoring shall include at least the following information:
 - a. The direction of the countertrading XRA taken (i.e. cross-zonal increase/decrease);
 - b. The bidding zones concerned;
 - c. The quantity of the XRA (in MW);
 - d. The duration of the XRA;
 - e. The cause of the measure taken;
 - f. The resulting changes in cross-zonal exchange schedule (in MW).

Article 8: Implementation of the methodology

1. Subject to the application of Article 1(3) of this methodology, relevant TSOs of a CCR shall implement this methodology at latest 12 months after the cost sharing process in the CCR pursuant to the Article 74 of the CACM Regulation has entered into operation.

Title 4 Miscellaneous

Article 9: Language

1. The reference language for this methodology shall be English. For the avoidance of doubt, where TSOs need to translate this 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 shall, in accordance with national legislation, provide the relevant national regulatory authorities with an updated translation of the methodology.