

Commission Regulation (EU) 2017/2195 of 23 November 2017
establishing a guideline on electricity balancing (Text with EEA relevance)

TITLE V

SETTLEMENT

CHAPTER 3

Settlement of the exchanges of energy between TSOs

Article 50

Intended exchanges of energy

- 1 By one year after the entry into force of this Regulation, all TSOs shall develop a proposal for common settlement rules applicable to all intended exchanges of energy as a result of one or more of the following processes pursuant to Articles 146, 147 and 148 of Regulation (EU) 2017/1485, for each of the following:
 - a the reserve replacement process;
 - b the frequency restoration process with manual activation;
 - c the frequency restoration process with automatic activation;
 - d the imbalance netting process.
- 2 Each TSO-TSO settlement function shall perform the settlement in accordance with the settlement rules pursuant to paragraph 1.
- 3 By eighteen months after the entry into force of this Regulation, all TSOs intentionally exchanging energy within a synchronous area shall develop a proposal for common settlement rules applicable to intended exchanges of energy, as a result of one or both:
 - a the frequency containment process pursuant to Article 142 of Regulation (EU) 2017/1485;
 - b the ramping period pursuant to Article 136 of Regulation (EU) 2017/1485.
- 4 By eighteen months after the entry into force of this Regulation, all asynchronously connected TSOs intentionally exchanging energy between synchronous areas shall develop a proposal for common settlement rules applicable to intended exchanges of energy, as a result of one or both:
 - a frequency containment process for active power output on synchronous area level pursuant to Articles 172 and 173 of Regulation (EU) 2017/1485;
 - b ramping restrictions for active power output on synchronous area level pursuant to Article 137 of Regulation (EU) 2017/1485.
- 5 The common settlement rules in accordance with paragraph 1 shall at least contain the provisions that the intended exchange of energy is calculated on the basis of the following criteria:
 - a over periods agreed among relevant TSOs;
 - b per direction;

Changes to legislation: There are outstanding changes not yet made to Commission Regulation (EU) 2017/2195. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

c as the integral of the calculated power interchange over the periods pursuant to paragraph 5 (a).

6 The common settlement rules of intended exchanges of energy in accordance with paragraphs 1(a), 1(b) and 1(c) shall take into account:

- a all balancing energy prices established pursuant Article 30(1);
- b the methodology for pricing of cross-zonal capacity used for the exchange of balancing energy pursuant Article 30(3).

7 The common settlement rules of intended exchanges of energy in accordance with paragraph 1(d) shall take into account the methodology for pricing of cross-zonal capacity used for operating the imbalance netting process pursuant Article 30(3).

8 All TSOs shall establish a coordinated mechanism for adjustments to settlements between all TSOs.

Article 51

Unintended exchanges of energy

1 By eighteen months after the entry into force of this Regulation, all TSOs of a synchronous area shall develop a proposal for common settlement rules applicable to all unintended exchanges of energy. The proposal shall include the following requirements:

- a the price for unintended exchanges of energy withdrawn from the synchronous area shall reflect the prices for activated upward balancing energy for frequency restoration process or reserve replacement process for this synchronous area;
- b the price for unintended exchanges of energy injected into the synchronous area shall reflect the prices for activated downward balancing energy for frequency restoration process or reserve replacement process for this synchronous area.

2 By eighteen months after the entry into force of this Regulation, all asynchronously connected TSOs shall develop a proposal for common settlement rules applicable to all unintended exchanges of energy between asynchronously connected TSOs.

3 The proposals of common settlement rules of unintended exchanges of energy between TSOs shall ensure a fair and equal distribution of costs and benefits between them.

4 All TSOs shall establish a coordinated mechanism for adjustments to settlements between them.

Changes to legislation:

There are outstanding changes not yet made to Commission Regulation (EU) 2017/2195. Any changes that have already been made to the legislation appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to :

- Regulation revoked by [S.I. 2019/532 reg. 5\(2\)](#) (This amendment not applied to [legislation.gov.uk](#). Reg. 5(2) omitted (15.9.2020) by virtue of [S.I. 2020/1016](#), regs. 1(2), 5(3))

Changes and effects yet to be applied to the whole legislation item and associated provisions

- Title 2 Ch. 2 heading substituted by [S.I. 2019/532 Sch. 2 para. 19](#)
- Title 3 Ch. 1 omitted by [S.I. 2019/532 Sch. 2 para. 22](#)
- Title 3 Ch. 3 omitted by [S.I. 2019/532 Sch. 2 para. 26](#)
- Title 4 omitted by [S.I. 2019/532 Sch. 2 para. 27](#)
- Title 5 Ch. 3 omitted by [S.I. 2019/532 Sch. 2 para. 31](#)
- Title 6 omitted by [S.I. 2019/532 Sch. 2 para. 36](#)
- Title 10 heading words omitted by [S.I. 2019/532 Sch. 2 para. 42](#)
- Signature words omitted by [S.I. 2019/532 Sch. 2 para. 44](#)
- Art. 2(18)-(21) omitted by [S.I. 2019/532 Sch. 2 para. 3\(3\)\(a\)](#)
- Art. 2(23)-(25) omitted by [S.I. 2019/532 Sch. 2 para. 3\(3\)\(a\)](#)
- Art. 2(27) words omitted by [S.I. 2019/532 Sch. 2 para. 3\(3\)\(b\)](#)
- Art. 2(28)-(32) omitted by [S.I. 2019/532 Sch. 2 para. 3\(3\)\(c\)](#)
- Art. 2(34)-(45) omitted by [S.I. 2019/532 Sch. 2 para. 3\(3\)\(c\)](#)
- Art. 2(46)-(49) inserted by [S.I. 2019/532 Sch. 2 para. 3\(3\)\(d\)](#)
- Art. 2(46)-(48) words substituted in earlier amending provision [S.I. 2019/532](#), Sch. 2 para. 3(3)(d) by [S.I. 2020/1016 reg. 5\(5\)\(b\)](#)
- Art. 2(49) omitted in earlier amending provision [S.I. 2019/532](#), Sch. 2 para. 3(3)(d) by [S.I. 2020/1006 reg. 2\(2\)](#)
- Art. 3(1)(b) words omitted by [S.I. 2019/532 Sch. 2 para. 4\(2\)\(a\)](#)
- Art. 3(1)(d) words omitted by [S.I. 2019/532 Sch. 2 para. 4\(2\)\(b\)](#)
- Art. 3(1)(e) words substituted by [S.I. 2019/532 Sch. 2 para. 4\(2\)\(c\)](#)
- Art. 3(1)(g) words substituted by [S.I. 2019/532 Sch. 2 para. 4\(2\)\(d\)](#)
- Art. 3(2)(f) words substituted by [S.I. 2019/532 Sch. 2 para. 4\(3\)\(b\)](#)
- Art. 3(2)(h) word omitted by [S.I. 2019/532 Sch. 2 para. 4\(3\)\(c\)](#)
- Art. 5(4)(d)(e) omitted by [S.I. 2019/532 Sch. 2 para. 6\(4\)\(b\)](#)
- Art. 5(4)(j)(k) inserted by [S.I. 2019/532 Sch. 2 para. 6\(4\)\(c\)](#)
- Art. 12(3)(c)(d) omitted by [S.I. 2019/532 Sch. 2 para. 13\(2\)\(a\)](#)
- Art. 12(3)(e)(iii) words omitted by [S.I. 2019/532 Sch. 2 para. 13\(2\)\(b\)\(i\)](#)
- Art. 12(3)(e)(iv) omitted by [S.I. 2019/532 Sch. 2 para. 13\(2\)\(b\)\(ii\)](#)
- Art. 12(3)(g) words substituted by [S.I. 2019/532 Sch. 2 para. 13\(2\)\(c\)](#)
- Art. 12(3)(h)-(l) omitted by [S.I. 2019/532 Sch. 2 para. 13\(2\)\(d\)](#)
- Art. 18(3)(b) omitted by [S.I. 2019/532 Sch. 2 para. 18\(3\)](#)
- Art. 18(5)(b) word omitted by [S.I. 2019/532 Sch. 2 para. 18\(4\)\(a\)](#)
- Art. 18(5)(g) word substituted by [S.I. 2019/532 Sch. 2 para. 18\(4\)\(b\)](#)
- Art. 18(6)(e) words substituted by [S.I. 2019/532 Sch. 2 para. 18\(5\)](#)
- Art. 18(7)(a) omitted by [S.I. 2019/532 Sch. 2 para. 18\(6\)\(a\)](#)
- Art. 18(7)(b) words omitted by [S.I. 2019/532 Sch. 2 para. 18\(6\)\(b\)\(i\)](#)
- Art. 18(7)(b) words omitted by [S.I. 2019/532 Sch. 2 para. 18\(6\)\(b\)\(ii\)](#)
- Art. 18(7)(c) omitted by [S.I. 2019/532 Sch. 2 para. 18\(6\)\(c\)](#)
- Art. 18(7)(f) words omitted by [S.I. 2019/532 Sch. 2 para. 18\(6\)\(d\)](#)
- Art. 18(7)(g) words substituted by [S.I. 2019/532 Sch. 2 para. 18\(6\)\(e\)](#)
- Art. 32(1)(a) words omitted by [S.I. 2019/532 Sch. 2 para. 23\(2\)\(a\)](#)

- Art. 32(1)(c) word omitted by S.I. 2019/532 Sch. 2 para. 23(2)(b)(i)
- Art. 32(1)(c) words omitted by S.I. 2019/532 Sch. 2 para. 23(2)(b)(ii)
- Art. 32(3)(c) words substituted by S.I. 2019/532 Sch. 2 para. 23(3)(b)
- Art. 34(3)(c) words substituted by S.I. 2019/532 Sch. 2 para. 25(2)
- Art. 44(1)(d) omitted by S.I. 2019/532 Sch. 2 para. 28(2)
- Art. 52(2)(d)(i) word substituted by S.I. 2019/532 Sch. 2 para. 32(2)(b)(i)
- Art. 52(2)(d)(i) words omitted by S.I. 2019/532 Sch. 2 para. 32(2)(b)(ii)
- Art. 54(3)(c) omitted by S.I. 2019/532 Sch. 2 para. 34(3)
- Art. 60(2)(a) omitted by S.I. 2019/532 Sch. 2 para. 38(2)
- Art. 60(2)(d) omitted by S.I. 2019/532 Sch. 2 para. 38(2)
- Art. 60(2)(e) omitted by S.I. 2019/532 Sch. 2 para. 38(2)
- Art. 60(2)(f) omitted by S.I. 2019/532 Sch. 2 para. 38(2)
- Art. 60(2)(g) omitted by S.I. 2019/532 Sch. 2 para. 38(2)
- Art. 61(2)(e) words omitted by S.I. 2019/532 Sch. 2 para. 39(3)(a)
- Art. 61(2)(f) word omitted by S.I. 2019/532 Sch. 2 para. 39(3)(b)
- Art. 62(2)(a)-(c) omitted by S.I. 2019/532 Sch. 2 para. 40(3)(a)
- Art. 62(2)(d) word substituted by S.I. 2019/532 Sch. 2 para. 40(3)(b)
- Art. 62(2)(e) words omitted by S.I. 2019/532 Sch. 2 para. 40(3)(c)
- Art. 62(5)(d)(e) omitted by S.I. 2019/532 Sch. 2 para. 40(5)
- Art. 62(8)(d) word omitted by S.I. 2019/532 Sch. 2 para. 40(6)(a)
- Art. 62(8)(f) omitted by S.I. 2019/532 Sch. 2 para. 40(6)(b)