

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

TITLE V

SETTLEMENT

CHAPTER 4

Imbalance settlement

Article 52

Imbalance settlement

1 Each TSO or, where relevant, third party shall settle within its scheduling area or scheduling areas when appropriate with each balance responsible party for each imbalance settlement period pursuant to Article 53 all calculated imbalances pursuant to Article 49 and Article 54 against the appropriate imbalance price calculated pursuant to Article 55.

2 By one year after entry into force of this Regulation, all TSOs shall develop a proposal to further specify and harmonise at least:

- a the calculation of an imbalance adjustment pursuant to Article 49 and the calculation of a position, an imbalance and an allocated volume following one of the approaches pursuant to Article 54(3);
- b the main components used for the calculation of the imbalance price for all imbalances pursuant to Article 55 including, where appropriate, the definition of the value of avoided activation of balancing energy from frequency restoration reserves or replacement reserves;
- c the use of single imbalance pricing for all imbalances pursuant to Article 55, which defines a single price for positive imbalances and negative imbalances for each imbalance price area within an imbalance settlement period; and
- d the definition of conditions and methodology for applying dual imbalance pricing for all imbalances pursuant to Article 55, which defines one price for positive imbalances and one price for negative imbalances for each imbalance price area within an imbalance settlement period, encompassing:
 - (i) conditions on when a TSO may propose to its relevant regulatory authority in accordance with Article 37 of Directive 2009/72/EC the application of dual pricing and which justification must be provided;
 - (ii) the methodology for applying dual pricing.

3 The proposal pursuant to paragraph 2 may distinguish between self-dispatching models and central dispatching models.

4 The proposal pursuant to paragraph 2 shall provide an implementation date no later than eighteen months after approval by all relevant regulatory authorities in accordance with Article 5(2).

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

Article 53

Imbalance settlement period

1 By three years after the entry into force of this Regulation, all TSOs shall apply the imbalance settlement period of 15 minutes in all scheduling areas while ensuring that all boundaries of market time unit shall coincide with boundaries of the imbalance settlement period.

2 The TSOs of a synchronous area may jointly request an exemption from the requirement laid down in paragraph 1.

3 Where the relevant regulatory authorities of a synchronous area grant an exemption from the requirement laid down in paragraph 1 upon a joint request of the TSOs in the concerned synchronous area or at their own initiative, they shall perform, in cooperation with the Agency and at least every three years, a cost-benefit analysis concerning the harmonisation of the imbalance settlement period within and between synchronous areas.

Article 54

Imbalance calculation

1 Each TSO shall calculate within its scheduling area or scheduling areas when appropriate the final position, the allocated volume, the imbalance adjustment and the imbalance:

- a for each balance responsible party;
- b for each imbalance settlement period;
- c in each imbalance area.

2 The imbalance area shall be equal to the scheduling area, except in case of a central dispatching model where imbalance area may constitute a part of scheduling area.

3 Until the implementation of the proposal pursuant to Article 52(2), each TSO shall calculate the final position of a balance responsible party using one of the following approaches:

- a balance responsible party has one single final position equal to the sum of its external commercial trade schedules and internal commercial trade schedules;
- b balance responsible party has two final positions: the first is equal to the sum of its external commercial trade schedules and internal commercial trade schedules from generation, and the second is equal to the sum of its external commercial trade schedules and internal commercial trade schedules from consumption;
- c in a central dispatching model, a balance responsible party can have several final positions per imbalance area equal to generation schedules of power generating facilities or consumption schedules of demand facilities.

4 Each TSO shall set up the rules for:

- a the calculation of the final position;
- b the determination of the allocated volume;
- c the determination of the imbalance adjustment pursuant to Article 49;
- d the calculation of the imbalance;
- e claiming the recalculation of the imbalance by a balance responsible party.

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5 Allocated volume shall not be calculated for a balance responsible party which does not cover injections or withdrawals.

6 An imbalance shall indicate the size and the direction of the settlement transaction between the balance responsible party and the TSO; an imbalance can have alternatively:

- a a negative sign, indicating a balance responsible party's shortage;
- b a positive sign, indicating a balance responsible party's surplus.

Article 55

Imbalance price

1 Each TSO shall set up rules to calculate the imbalance price, which can be positive, zero or negative, as defined in Table 2:

TABLE 2

Payment for imbalance

	Imbalance price positive	Imbalance price negative
Positive imbalance	Payment from TSO to BRP	Payment from BRP to TSO
Negative imbalance	Payment from BRP to TSO	Payment from TSO to BRP

2 The rules pursuant to paragraph 1 shall include a definition of the value of avoided activation of balancing energy from frequency restoration reserves or replacement reserves.

3 Each TSO shall determine the imbalance price for:

- a each imbalance settlement period;
- b its imbalance price areas;
- c each imbalance direction.

4 The imbalance price for negative imbalance shall not be less than, alternatively:

- a the weighted average price for positive activated balancing energy from frequency restoration reserves and replacement reserves;
- b in the event that no activation of balancing energy in either direction has occurred during the imbalance settlement period, the value of the avoided activation of balancing energy from frequency restoration reserves or replacement reserves.

5 The imbalance price for positive imbalance shall not be greater than, alternatively:

- a the weighted average price for negative activated balancing energy from frequency restoration reserves and replacement reserves;
- b in the event that no activation of balancing energy in either direction has occurred during the imbalance settlement period, the value of the avoided activation of balancing energy from frequency restoration reserves or replacement reserves.

6 In the event that both positive and negative balancing energy from frequency restoration reserves or replacement reserves have been activated during the same imbalance settlement period, the imbalance settlement price shall be determined for positive imbalance and negative imbalance based on at least one of the principles pursuant to paragraphs 4 and 5.

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)