



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ENERGY

Directorate B - Internal Energy Market
Acting Director

Brussels,
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Mr Konstantin Staschus
ENTSO-E
Avenue de Cortenbergh,100
Brussels
Delivered by e-mail

Subject: Invitation to draft a Network Code on Electricity Balancing.

Dear Mr Staschus,

On 18 September 2012, ACER published the Framework Guidelines on Electricity Balancing. The Commission has examined the Framework Guidelines in accordance with the criteria laid out in Article 6(4) of Regulation (EC) No. 714/2009 and has found that the Framework Guidelines satisfy those criteria.

With the aim of delivering real progress to the European electricity market without undue delay, the Commission invites ENTSO-E in accordance with Article 6(6) of Regulation (EC) No. 714/2009 to submit a Network Code which is in line with the Framework Guidelines by **1st January 2014**.

The Network Code should establish market-based, objective, fair, transparent and non-discriminatory rules for balancing. The rules should maximise the benefits from cross-border integration of power systems and promote the further integration of balancing markets. They also should be cost-reflective and create appropriate incentives for network users and transmission system operators for more efficient balancing. The Network Code shall also take into account the regional specificities of different electricity market designs, in particular the parallel existence of central dispatch and self-dispatch arrangements of European electricity markets. The Network Code on Electricity Balancing should be fully consistent with the rules provided for in other related network codes. The Commission points at the importance of a broad involvement of stakeholders in the process of developing the Network Code on Electricity Balancing and encourages ENTSO-E to continue an inclusive consultation process.

The Commission services are at your disposal to discuss any questions which may arise.

Yours sincerely,


p. s. Jean-Arnold Vinois

c.c.: Alberto Pototschnig (ACER)