

# **Changes and additional description for the “Harmonised principles for Baltic LFC reserve prequalification” document based on public consultation feedback**

## **1 Prequalification procedure**

Baltic TSOs would like to emphasize that they have no wish to prolong the prequalification process and will act as quickly as possible with review and feedback. The time periods described in the document reflect the maximum time periods defined in the SO GL.

Market participants raised concerns of what would happen if the prequalification test were unsuccessful. Baltic TSOs would clarify that in case of an unsuccessful prequalification test, Baltic TSOs can identify if submission of additional information could lead to a successful prequalification. If so, this information will be requested within 4 weeks and a new prequalification test can be performed. In case the problems concerning reasons for unsuccessful prequalification test cannot be solved in an obvious way, then the market participant will need to resolve the issues and apply for a new prequalification. Unsuccessful prequalification does not limit rights to submit Reserve Unit for repeated prequalification.

Baltic TSOs agree that the re-assessment of Reserve Units will follow the SO GL defined limit of 5 years but foresee that the re-assessment could be subject to simplified verification process as the communication and the verification of the Reserve Unit performance is possible from the LFC reserve activation process. All BSPs providing LFC services shall be listed on the TSO webpage.

## **2 Service and measurement accuracy**

Baltic TSOs welcome the feedback from market participants wishing to provide LFC services with different technologies and understand the possible concerns of the service and measurement accuracy levels. To ensure that all technologies and installations of different size can compete in the LFC markets Baltic TSOs have agreed to define the service accuracy requirements as 10 % of the LFC service activation volume or 0,1 MW, whichever is larger. Baltic TSOs reserve the right to enforce different requirements in the national terms and conditions or other legislation. The inaccuracy of measurements shall not exceed 2% achieved either by direct measurement using a meter of 1.0 class (B class) or indirect using a measurement transformer and meter of class 0.5 (C class) each.

## **3 TSO resource prequalification**

Baltic TSOs confirm that TSO resources shall follow the same requirements during prequalification testing as all other Reserve Units. From Baltic TSOs perspective it is critical to ensure that all Reserve Units follow the LFC prequalification requirements as this ensures system balance and security.

## **4 Real-time data and timestamped data**

Baltic TSOs want to express the difference between the real-time data and timestamped data definitions and regulations. The measurement data of the Reserve Unit activation and other signals is necessary to ensure the normal operation of the Reserve Unit as well as to monitor the quality of the service that is provided by the Reserve Unit. Low-quality service can cause issues in the system operation and would raise costs for all parties. Therefore, real-time and timestamped data monitoring is critical for the LFC process operation.

Baltic TSOs define real-time data connection as continuous data provision from BSP or Reserve Unit to the TSO SCADA/EMS system via agreed communication channel. Each TSO can have different requirements on the communications as each TSO can have different setup of SCADA/EMS system. Available communication options shall be described in the national implementation of the LFC reserve prequalification requirements.

Timestamped data is collected in parallel to the LFC operations by the BSP with a 10 second resolution as defined in SO GL and submitted automatically or manually to the TSO data exchange system with certain periodicity. The periodicity rate when BSP submits timestamped data to TSO will be agreed between each TSO and BSP. Baltic TSOs would like to highlight that according to SO GL timestamped data provision is only allowed for Reserve Units containing technical entities smaller than 1,5 MW that can be aggregated, all other Reserve Units need to provide real-time data to the TSO. Baltic TSOs have the right to receive timestamped data for each of the technical entities in the aggregated group. Each TSO shall cover rules for timestamped data collection for technical entities in the national implementation of the LFC reserve prequalification requirements.

## **5 Validity period and market-time unit**

Baltic TSOs wish to differentiate between the terminology of market time unit and validity period. Market time unit is the standard time unit for which LFC reserves are procured and priced in the reserve markets of FCR, mFRR and aFRR. For FCR and mFRR an MTU is equal to 15 minutes. For aFRR an MTU is equal to the length of a PICASSO AOF run (expected to be 4 seconds or less). Validity period is the period when the FCR/aFRR/mFRR bid offered by the balancing service provider can be activated, where all the characteristics of the product are respected. The validity period is defined by a start time and an end time. By the 4th quarter of 2023 the validity period of all LFC reserves in the Baltics shall be equal to 15 minutes. Until then, the validity period of reserves is equal to 1 hour. Baltic TSOs point out that it is important for the LFC reserve capacities and energies to fulfil the validity period requirement, as this ensures for the TSOs the possibility to balance the system.

## **6 Demand-side Response implementation on national level**

Market participants expressed their interest to provide LFC services with demand-side response units and Baltic TSOs would like to confirm that demand-side response units can provide LFC services by fulfilling the certain product prequalification requirements. Baltic TSOs see that in the Baltics and other European countries demand-side response management for LFC services is solved in different manners and therefore Baltic TSOs agreed that each TSO will set specific rules for demand-side response LFC Reserve Unit management in the national implementation of LFC reserve prequalification requirements.

## **7 Centralized frequency measurement for FCR RPGs**

Baltic TSOs have updated the requirement for FCR RPG where centralized frequency measurement would be used by adding additional specification that FCR RPGs that have FCR capacity less than 1,5 MW are allowed to have centralized frequency measurement. If a BSP decides to prequalify several FCR groups < 1.5 MW using centralized frequency measurement, a different frequency meter must be used for each concerned FCR group for redundancy reasons. For any other FCR group, Baltic TSOs require as per product definition local frequency measurement on each delivery point within that FCR group.

As FCR service provides significant support to system stability to contain the frequency deviations, the redundancy of FCR providers is of utmost importance.