



Elering AS
AS “Augstsprieguma tīkls”
LITGRID AB

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Copy:
The Public Utilities Commission
National Energy Regulatory Council

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Regarding reporting on the Baltic Balancing Capacity Market

Dear representatives of the Baltic Transmission System Operators,

The Baltic National Regulatory Authorities¹ (NRAs) have received a letter from the Baltic Transmission System Operators² (TSOs) dated 1 August 2025 regarding reporting on the Baltic Balancing Capacity Market.

Pursuant to Article 12(8) of the methodology for the market-based allocation process of cross-zonal capacity for the exchange of balancing capacity for the Baltic CCR in accordance with Article 41(1) of the Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing (EBGL) (MBCZCA methodology), the TSOs are required to submit, by six months after the go-live of the market-based allocation process, a report, to the relevant regulatory authorities.

Pursuant to Article 14(2) of the Baltic balancing capacity market (BBCM) design principles, in accordance with Article 33(1) and Article 38(1) of the EBGL, the Baltic TSOs, by six months after the go-live of the Baltic balancing capacity market and subsequently at least once a year, shall publish and submit information to the relevant regulatory authorities about the volumes and usage of demand reduction resources and back-up resources.

In the respective letter, the TSOs emphasize that they have encountered significant hurdles and have found it impossible to provide the reports referred to above to the Baltic CCR NRAs in a timely manner. The Baltic TSOs indicate that they deeply regret not being able to provide the reports referred to above to the Baltic CCR NRAs in a timely manner, and they further indicate that they will be able to submit these reports by 31 October 2025 at the latest.

The letter from the Baltic TSOs informs the Baltic NRAs that, although the deadline for the submission of the above-mentioned reports was August 2025, the Baltic TSOs wish to request an exemption from the Baltic NRAs to extend the deadline for submitting the respective reports until 31 October 2025 at the latest.

¹ Estonian Competition Authority, The Public Utilities Commission, National Energy Regulatory Council

² Elering AS, AS “Augstsprieguma tīkls”, LITGRID AB

Although the Baltic NRAs understand the reasons put forward by the Baltic TSOs for not being able to submit the reports on time, we would like to draw attention to the fact that the MBCZCA methodology is a CCR-wide methodology approved by all NRAs of the Baltic CCR. Furthermore, since the derogation request related to the MBCZCA methodology contained in the Baltic TSOs' letter is addressed only to the Baltic NRAs, it follows that the Baltic NRAs alone cannot grant such a derogation request concerning the MBCZCA methodology. Therefore, the Baltic NRAs consider that, if the TSOs wish to initiate processes related to CCR-wide methodologies, such as the MBCZCA methodology, any such requests must be addressed to all NRAs of the Baltic CCR.

With regard to the report pursuant to Article 14(2) of the BBCM design principles, in accordance with Articles 33(1) and 38(1) of the EBGL, and the exceptional extension of the submission deadline to 31 October 2025, the Baltic NRAs acknowledge the significant hurdles and justifications outlined in the Baltic TSOs' letter. The Baltic NRAs therefore consider that, as a one-off exception, it is justified to extend the deadline for submitting the aforementioned report until 31 October 2025.

However, the Baltic NRAs wish to emphasize that this exceptional extension of the deadline for this report does not affect the deadlines for future reports. If the first report is exceptionally submitted by 31 October 2025, the deadline for the second report shall follow the methodology and must be submitted no later than one year after the original deadline of the first report. Accordingly, the deadline for the second report shall be August 2026 at the latest.

Sincerely,

On behalf of the Baltic NRAs
Estonian Competition Authority
The Public Utilities Commission
National Energy Regulatory Council

(digitally signed by)
Evelin Pärn-Lee
Director General