



METHODOLOGY

Terms and Conditions for Balancing Service Providers

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1. Acronyms

RES	Renewable Energy Sources
aFRR	Automatic Frequency Restoration Reserve (aFRR)
AGC	Automatic Generation Control
FRR	Frequency Restoration Reserve
FCR	Frequency Containment Reserve
HETSO <u>Operator</u>	Hellenic Electricity Transmission System Operator
BMR	Balancing Market Rulebook
RAEWW	Regulatory Authority for Energy, Waste and Water
mFRR	Manual Frequency Restoration Reserve
Aggregator	Aggregator
EBGL	Commission Regulation (EU) 2017/2195 establishing a guideline on electricity balancing
SoGL	Commission Regulation (EU) 2017/1485 establishing guidelines for electricity transmission system operation
RfG	Commission Regulation (EU) 2016/631 establishing a network code regarding requirements for grid connection of generators

Article 1

Content of Terms and Conditions for Balancing Service Providers

1. These Terms and Conditions for Balancing Service Providers are issued in accordance with Article 1.2(6), Article 4.2(5), Chapter 5 and Annex II of the Balancing Market Rulebook (BMR), as well as Article 18 of the Electricity Balancing Guideline and applies to Balancing Service Providers within the area under the jurisdiction of the HETS Operator.
2. These Terms and Conditions for Balancing Service Providers shall be approved by decision of the RAEWW, following a proposal by the HETS Operator in accordance with Article 18(4) of Law 4425/2016 and the BMR. The proposal by the HETS Operator shall be submitted by the Operator for public consultation, which shall last at least one month. The HETS Operator shall duly take into account the views of stakeholders resulting from the consultation before submitting its proposal to the RAEWW. In all cases, a sound justification for including or not including the views resulting from the consultation shall be provided to the RAEWW together with the submission of the proposal and shall be published in a timely manner before, or simultaneously with the publication of the proposal.
3. These Terms and Conditions for Balancing Service Providers shall be published on the HETS Operator's website at least one month before their implementation and any amendment thereto shall be immediately published upon approval by the RAEWW.
4. These Terms and Conditions for Balancing Service Providers shall form an integral part of the BMR and shall be interpreted and shall apply in conjunction with its contents.
5. The definitions under Article 1.3 of the BMR shall also apply to these Terms and Conditions for Balancing Service Providers, unless otherwise expressly provided.

Article 2

Requirements for becoming a Balancing Service Provider

1. To become a Balancing Service Provider, the interested party must cumulatively:
 - a) observe the rules under these Terms and Conditions for Balancing Service Providers and
 - b) have successfully completed the pre-qualification process set out in Article 3 of these Terms and Conditions for the Balancing Service Entity or Entities it represents, in accordance with Chapter 5 of the BMR..
2. If the conditions of paragraph 1 of this article are fulfilled, the interested party shall be registered with the Balancing Service Providers Registry by following the procedure set out in Chapter 4 of the BMR and the Technical Decision 'Procedures for registration with the HETS Operator Registry'.
3. By virtue of registration in the Balancing Service Providers Registry, the Balancing Service Provider shall enter into a Balancing Service Provider Contract with the HETS Operator, the content of which coincides with the BMR. The Balancing Service Contract shall be deemed to

have been entered into by the parties upon registration with the Balancing Service Providers Registry and shall not be subject to any further formalities.

Article 3

Registration and Pre-qualification process for Balancing Service Entities

1. Each Balancing Service Provider shall represent a Balancing Service Entity or Entities in accordance with Article 5.1 of the BMR. To obtain the status of Balancing Service Entity, the interested party must first pre-register the Balancing Service Entity with the HETS Operator Registry, having followed the procedure provided for in Chapter 4 of the BMR and the Technical Decision 'Procedures for registration in the HETS Operator Registry' and then successfully complete the pre-qualification process referenced in paragraph 2 of this article.
2. The pre-qualification process is set out in the SoGL, the RfG, the HETS Grid Code and the relevant decisions of the RAEWW and includes control tests to certify that the minimum technical requirements for the supply of FCR and FRR are fulfilled. Details of pre-qualification tests are provided in the Technical Decision 'Procedure and Pre-qualification Tests for Balancing Service Providers'.
3. Pursuant to Articles 155, 159 and 162 of the SoGL, pre-qualification of Balancing Service Entities shall be reviewed by the HETS Operator in the following cases:
 - a) at least once every five (5) years,
 - b) if the technical requirements or availability requirements or the equipment have changed, or
 - c) in case of upgrades to the equipment for FCR activation and
 - d) in accordance with the criteria laid down in the Technical Decision 'Procedure and Pre-qualification Tests for Balancing Service Providers'.
4. Provided that the requirements of paragraph 1 of this article are fulfilled, the Balancing Service Entity may register with the Balancing Market Generating Units Registry or the Dispatchable RES Units Portfolio Registry or the Dispatchable Load Portfolio Registry, following the procedure set out in Articles 4.5 and 5.2 to 5.4 of the BMR, as well as the Technical Decision "Procedures for registration in the HETS Operator Registry".
5. Each Balancing Service Provider representing Dispatchable Generating Units or Dispatchable Storage Entities or Dispatchable Portfolios of Controllable Generation or Dispatchable Portfolios of Non-Controllable Generation or Dispatchable Loads is obliged to immediately inform the HETS Operator of any change concerning data kept in the Registry, in accordance with the provisions of Chapter 5 of the BMR and the Technical Decision "Procedures for registration with the HETS Operator Registry".
- 4.6. The HETS Operator shall assess whether any change in the technical characteristics of the Balancing Service Entity requires reconducting prequalification tests, especially if it concerns a Portfolio either in its entirety or in part thereof, in accordance with the provisions of the Technical Decisions "Procedure and Prequalification Tests for Balancing Service Providers". For the conduct of the new prequalification tests, the Balancing Service Provider repays 50% of the registration fee, as applicable to Balancing Service Entities.

Article 4

Rules and conditions for Demand Response Aggregators and RES Aggregators

1. ~~RES Aggregators and Demand Response~~ Aggregators can acquire the status of Balancing Service Providers (BSPs).
2. An ~~RES~~ Aggregator that ~~becomes~~holds the status of a Balancing Service Provider ~~shall~~ can represent ~~a one or more Dispatchable RES Unit Portfolio Balancing Service Entities provided that it holds the corresponding license.~~

~~A Demand Response Aggregator becomes a Balancing Service Provider shall represent a Dispatchable Load Portfolio.~~

3. ~~RES Aggregators and Demand Response~~ Aggregators must be licensed to perform the respective activity in accordance with the provisions of Article 13 of Law 4001/2011 and currently applicable legislation.
4. ~~RES Aggregators and Demand Response Aggregators are required to immediately notify the HETS Operator of any changes in the data held in the Dispatchable RES Units Portfolios and Dispatchable Load Portfolios Registries respectively, in accordance with the provisions of Articles 5.3 and 5.4 of the Balancing Market Rulebook and the Technical Decision "Procedures for registration in the HETS Operator Registry".~~

~~The HETS Operator shall determine whether any change in the technical characteristics of the respective Portfolio requires the repeat performance of pre-qualification tests for the Portfolio in question, either in whole or in part, as indicated in the Technical Decision "Procedure and Pre-qualification Tests for Balancing Service Providers".~~

Article 5

Rules, requirements and timeframes for the provision of balancing services

1. The rules and requirements governing the provision of Balancing Services are set out in Sections IV and V of the BMR, as well as in Article 32 of the EBGL.
2. The HETS Operator determines the HETS upward and downward balancing capacity requirements daily for FCR, aFRR and mFRR, per bidding zone, based on the quantity determination rules referred to in the SoGL and in accordance with the provisions of the methodology 'Determination of Zone/System Balancing Capacity Needs'.
3. When the HETS Operator reserves balancing capacity, the Integrated Scheduling Process (ISP) is executed in such a way as to minimise the total cost of providing balancing energy and capacity, in accordance with Chapter 13 of the BMR.
4. Balancing Service Providers submit Balancing Capacity Offers to the Integrated Scheduling Process for each dispatch day between 14:00 and 16:45 Eastern European Time (EET) on the day before the Dispatch Day, in accordance with Article 8.2 of the BMR. Balancing Service Providers submit upward and downward Balancing Capacity Offers in accordance with Chapter 11 of the BMR for the following products:
 - i. Upward and downward FCR,
 - ii. Upward and downward aFRR, and
 - iii. Upward and downward mFRR.
5. Balancing Service Providers submit Balancing Energy Offers to the Integrated Scheduling Process for each Dispatch Day between 14:00 and 16:45 Eastern European Time (EET) on the

day before the Dispatch Day, in accordance with Article 8.2 of the BMR. Balancing Service Providers submit upward and downward balancing energy offers in accordance with Chapter 12 of the BMR, without distinction between mFRR and aFRR.

6. To procure mFRR balancing energy, the HETS Operator operates the Balancing Energy Market, which incorporates the mFRR procedure. The mFRR procedure is executed by the HETS Operator for each mFRR time unit and aims to minimise the cost of covering zonal imbalances for each bidding zone, using upward and downward mFRR balancing energy offers submitted by Balancing Service Entities, in accordance with Chapter 16 of the BMR. Pursuant to Article 14.2 of the Balancing Market Rulebook, the execution cycle of the mFRR procedure is defined as the mFRR time unit, corresponding to a fifteen (15)-minute interval commencing at 01:00 EET on the Dispatch Day. The mFRR time units are sequential and do not overlap.
7. Balancing Service Providers submit upward and downward mFRR Balancing Energy Offers up to the expiry of the deadline for the submission of offers to the Balancing Energy Market. Expiry of the balancing energy market offer deadline is determined in accordance with Article 15.1 of the BMR.
8. To procure aFRR balancing energy, the HETS Operator operates the Balancing Energy Market, which incorporates the aFRR procedure. The HETS Operator participates in the European Automatic Frequency Restoration Reserve (aFRR) Platform for the exchange of balancing energy from Standard aFRR products. The aFRR procedure is executed using the HETS Operator's Automatic Generation Control (AGC) function for each aFRR time unit, in accordance with Chapter 17 of the BMR.
9. Balancing Service Providers submit upward and downward aFRR Balancing Energy Offers up to expiry of the deadline for submission of offers to the Balancing Energy Market. Expiry of the Balancing Energy Market Offer deadline is determined in accordance with Article 15.1 of the BMR. The abovementioned aFRR Balancing Energy Offers are converted into aFRR standard products by the HETS Operator. Details of the conversion of aFRR Balancing Energy Offers into standard products are described in Article 15.2 of the BMR and the Technical Decision 'Rules for Conversion of Balancing Energy Offers into Standard Products'.

Article 6

Requirements regarding data and information to be delivered to the HETS Operator

1. The data and information requirements that must be submitted to the HETS Operator during the pre-qualification process are as indicated in the Technical Decision "Procedure and Pre-qualification Tests of Balancing Service Providers".
2. The requirements on data and information to be delivered to the HETS Operator during the operation of the Balancing Market by the Balancing Service Providers are set out in Chapters 7 and 10 of the BMR. Real-time telecommunication requirements between the HETS Operator and the individual Balancing Service Entities are specified in the Technical Decision "Procedure and Prequalification Tests of Balancing Service Providers".
3. The requirements regarding data and information to be submitted to the HETS Operator for evaluation of Balancing Services are set out in the HETS Grid Code and the Technical Decision "Procedure and Pre-qualification Tests for Balancing Service Providers".
4. The Balancing Service Providers supplying FCR to the HETS Operator shall comply with the properties or characteristics defined in the HETS Grid Code and shall provide the HETS Operator with at least the information specified in the HETS Grid Code and the Technical Decision "Procedure and Pre-qualification Tests for Balancing Service Providers".

The Balancing Service Providers supplying FRR to the HETS Operator shall comply with the minimum technical requirements specified in the HETS Grid Code and the Technical Decision “Procedure and Pre-qualification Tests for Balancing Service Providers”. Each Balancing Service Provider shall ensure that the Balancing Service Entities it represents fulfil the above minimum requirements for FRR supply and shall notify, as soon as possible, the HETS Operator of any reduction in the actual availability of the Balancing Service Entity in accordance with the HETS Grid Code and the Balancing Market Rulebook.

5. The information required for the evaluation of Balancing Services, and which is transmitted to the HETS Operator by the European aFRR Platform, the European Energy Exchange and the Distribution Network Operators, is referenced in Articles 8.3, 18.4 and 18.6 of the BMR.

Article 7 Correspondence of Balancing Energy Offers to Contracting Parties with Balancing Responsibility

Balancing Energy Offers are matched with one or more Balancing Responsible Parties through the calculation of assigned energy and the imbalance adjustment, in accordance with Article 19.1 of the BMR and the Activated Balancing Energy Calculation Methodology.

Article 8 Delivery point for each product

The delivery point for each Balancing Service product is determined per category of Balancing Service Entity as follows:

- a) For Dispatchable Generating Units, Pumps, Dispatchable Large-scale Storage Systems and Dispatchable RES with large-scale storage, delivery point means the point of connection to the HETS;
- b) For Dispatchable ~~RES UnitStorage~~ Portfolios, Dispatchable Portfolios of Controllable Generation, Dispatchable Portfolios of Non-Controllable Generation and Dispatchable Load Portfolios, with regard to the mFRR and aFRR delivery point is considered to be the bidding zone to which they belong, while for FCR the delivery point is considered to be the HETS;

~~For Dispatchable Load Portfolios, the mFRR and aFRR delivery point means the Offer Zone to which they belong, and as far as the FCR delivery point is concerned, this means the HETS.~~

Article 9 Determination of the Balancing Energy and Capacity volume

1. The method of determining the volume of Balancing Energy for mFRR and aFRR, as well as of the volume of energy for purposes other than balancing for each Imbalance Settlement Period

and for each Balancing Service Entity is set out in article 19.1 of the BMR and the methodology governing the “Calculation of Activated Energy”.

2. The method of determining the supplied volume of Balancing Energy for FCR, manual FRR and automatic FRR for each Imbalance Settlement Period and for each Balancing Service Entity is set out in article 90 of the BMR.

Article 10

Calculation of debits and credits to Balancing Service Providers

1. The mFRR clearing price is calculated separately for upward and downward direction in each Imbalance Settlement Period. Details of Balancing Energy Price calculations for mFRR in each Imbalance Settlement Period is set out in Chapter 19 of the BMR and the Balancing Market Clearing Price Calculation Methodology.
2. The aFRR clearing price is calculated separately for upward and downward direction and separately per Balancing Services Entity, for each minute of the Imbalance Settlement Period. Details of how to calculate the clearing prices of aFRR for each Imbalance Settlement Period are provided in Chapter 19 of the BMR and the Balancing Market Price Calculation Methodology.
3. The method of calculating debits and credits to Balancing Service Providers for each Balancing Service Entity they represent, per Imbalance Settlement Period, with respect to Balancing Energy and energy used for purposes other than balancing, is set out in Chapter 19 of the BMR.

Article 11

Time schedule for finalisation of balancing energy settlement

1. Balancing energy and balancing capacity are also settled per imbalance settlement period. The imbalance settlement period is fixed at a period of fifteen (15) minutes.
2. The Balancing Market Settlement Procedure is carried out weekly. The settlement procedure includes initial, corrective and final settlement. The settlement process may take place up to thirty-six (36) months after the initial settlement.
3. Details regarding the Balancing Market Settlement Procedure are provided for in Chapter 23 of the BMR and in the Technical Decision ‘Balancing Market Settlement’.

Article 12

Suspension and restoration of market activities and rules for settlement in case of market suspension

The rules that shall apply, in the event that operation of the Balancing Market is rendered impossible, are set out in the methodology of the “Rules for Suspension and Restoration of Market Activities”, which is issued in accordance with Article 3.9 of the BMR and in the methodology of the “Rules for Settlement in case of Suspension of Market Operation”, duly issued in accordance with Articles 19.2, 19.6 and 20.2 of the BMR.

Article 13. Force Majeure

Force majeure events, as provided for in Article 3.1 of the BMR, affect the performance of the obligations arising from these Terms and Conditions.

Article 14

Consequences in case of dispute or non-compliance with the Terms and Conditions for Balancing Service Providers

1. In the event of a dispute between the HETS Operator and the Balancing Service Providers regarding these Terms and Conditions for Balancing Service Providers, the provisions of Article 4.3 of the BMR shall apply. This article shall apply even after the termination of the Balancing Service Contract. Recourse to any of the provisions of Article 4.3 of the BMR on dispute resolution procedures shall not exempt the parties involved from performing their obligations in accordance with the BMR, the Balancing Service Contract and these Terms and Conditions for Balancing Service Providers.
2. In the event of non-compliance of the Balancing Service Provider with these Terms and Conditions for Balancing Service Providers, the HETS Operator shall terminate the Balancing Service Contract in accordance with article 4.4 of the BMR.
3. In the event of default by Balancing Service Providers on their financial obligations, the provisions of Chapter 24 of the BMR and those of the Clearing Rulebook for Balancing Market Positions shall apply. When no Clearing House is operating in the Balancing Market for any reason whatsoever, and in the event that any Balancing Service Provider should default on their financial obligations within the framework of the Balancing Market, then the HETS Operator shall apply the provisions of Chapter 25 of the BMR.