
ENTSO-E's response to the public consultation on All TSOs' proposal for the implementation framework for a European platform for the exchange of balancing energy from frequency restoration reserves with manual activation accordance with Article 20 of Commission Regulation (EU) 2017/2195 establishing a guideline on electricity balancing

18 December 2018

DISCLAIMER

This document is submitted by all transmission system operators (TSOs) to all NRAs for information purposes only accompanying the all TSOs' proposal for the implementation framework for a European platform for the exchange of balancing energy from frequency restoration reserves with manual activation in accordance with Article 20 of Commission Regulation (EU) 2017/2195 establishing a guideline on electricity balancing.

1. Introduction

The Commission Regulation (EU) 2017/2195 of 23 November 2017, establishing a guideline on electricity balancing (hereafter referred to as the "EBGL"), mandates in its Article 20(1) all TSOs to develop a proposal for the implementation framework for a European platform for the exchange of balancing energy from frequency restoration reserves with manual activation (hereafter referred to as the "mFRRIF") by one year after entry into force of the EBGL, i.e.: by 18 December 2018. Besides, other references are made to the Commission Regulation (EU) 2017/1485 of 2 August 2017, establishing a guideline on electricity transmission system operation (hereafter referred to as the "SOGL").

In addition, the Article 10 of the EBGL mandates the TSOs responsible for submitting the mFRRIF (i.e.: all TSOs) to perform extensive consultation of the mFRRIF proposal, and so a formal web-based consultation was held between 15 May and 16 July 2018. During this public consultation, ENTSO-E received 316 comments from 41 respondents.

This document lists all TSOs' assessment of the comments provided to the public consultation of the mFRRIF. Rather than providing responses per individual comment received, an assessment of all input received is done on a clustered basis per topic, in order to give a coherent view on all TSOs' approach towards the mFRRIF proposal. In order to provide a clear oversight of comments and responses, the issues mentioned in this document have been summarised with respect to the original comments provided. For a full overview of all comments provided in the web-based consultation, in their original formulation, please refer to the site of the consultation¹.

This document is not legally binding. It only aims at clarifying the assessment of the comments received from stakeholders during the formal public consultation of the mFRRIF proposal. This document is not supplementing the mFRRIF document, nor can it be used as a substitute to it.

AllTSO' acknowledges and thanks stakeholders for the effort that they have invested in providing feedback for the consultation on the mFRRIF proposal; this feedback is a major contributor to bringing improvements and transparency to the process.

¹ https://consultations.entsoe.eu/markets/mfrr_implementation_framework/

Article	Comment/Proposal	Decision
1. Scope	Missing elements: The proposal does not address the distribution of congestion income, allocation of x-zonal capacity for exchange of mFRR, imbalance settlement between TSOs. As a consequence, it is difficult to provide thorough comments to mFRRIF. There is a preference for another consultation on complete package of the EBGL proposals.	<p>The TSOs recognize that it would be beneficial for the stakeholders to review all proposals in one package. The TSOs however need to concentrate on fulfilling the EBGL guidelines, thus follow the tasks accordingly.</p> <p>Congestion income distribution is treated in the pricing and settlement proposals, and not in the mFRRIF</p> <p>The TSOs are proposing a cross platform CZC process, which takes the remaining CZC left from the intraday market. Additional information is included in the mFRRIF (Article 4).</p>
1. Scope	Missing elements: Stakeholders suggest to Include guidelines on pricing and settlement in all Implementation Frameworks for a common approach and to preserve general coherence	The TSOs consider that it is not feasible to include guidelines on pricing and settlement in the mFRRIF as long as the relevant implementation proposals on the basis of Articles 30 and 50 of the EBGL have not been approved.
1. Scope	Restrictive scope: The stakeholders point out that the mFRR process is tackled in isolation from Implementation Frameworks for other balancing processes, which is problematic for Third Party Market Operator. Systems and processes need to be adopted to deal with all products. Urge to adopt an integrated approach across balancing processes.	<p>The TSOs aim for consistency of the process to exchange mFRR on the mFRR platform with the process envisaged for the exchange of replacement reserves on the RR and aFRR platform and imbalance netting, even if TSOs are following the approach proposed by the EBGL. Furthermore, it can be noted that the mFRR platform follows a TSO-TSO model and thus TSOs can locally define an integrated approach of processes and systems for their stakeholders if deemed necessary.</p> <p>After the go-live of the balancing Platforms more synergies will be investigated and optimization of the overall processes. Cross-project ENTSO-E team are also set to deal with those concerns.</p>
1. Scope	Link German Intraday market: The German ID market will suffer if MARI implementation project does not release bids. German bids should be modified in accordance with art 29(9) of the EBGL	The usage of exemptions according to Article 29 (9) EBGL is a local choice and not part of the implementation framework of the implementation projects. Nevertheless, an exemption according to Article 29 (10) of the EBGL was proposed by the German TSOs as part of the terms and conditions for BSP according to Article 18(5) EB GL.

2. Definitions and Interpretations	Types of bids/product: Stakeholder strongly recommend that the MARI is built only based on SA. Stakeholder suggests to delete this definition in case if only SA bids are taken into account in MARI platform. By their view Direct Activation (DA) bids are therefore unnecessary. Deletion of definition suggested.	The TSOs foresee to keep the two activation methods since it is a fundamental design aspect of the mFRR process. Direct activations are needed for TSO's to be able to restore the frequency within the required 15 minutes.
2. Definitions and Interpretations	Suggestion for improvement: Stakeholder ask to introduce a definition of tolerance bands for TSO mFRR demand.	The TSOs included definition and explanation of use of tolerance band in the mFRR Explanatory Document (ED). Additionally, numerical examples are provided. The comment has been fully accepted.
2. Definitions and Interpretations	Suggestion for improvement: Stakeholder asks that "Border" definition should be completed in order to clearly distinguish cases related to "adjacent LFC areas" from "bidding zones".	The TSOs took the comment into account. The definition and additional explanation regarding the use of term border has now been included in both the mFRRIF and its ED. We present the difference between LFC area and bidding zone border.
2. Definitions and Interpretations	Elastic Demand: Some stakeholders do not agree with the use of elastic demand. No suggestions regarding the definition or interpretation has been provided.	The European TSOs exercise different strategies when balancing the system and consider the elastic demand as a useful feature to balance the system in the most efficient way, however recognize that transparency is key to give the market confidence that the use of elastic demands. Details are included in the ED – Chapter 3.1.1.
2. Definitions and Interpretations	Social Welfare: Stakeholders do not agree with the definition of social welfare as it is viewed as inaccurate and suggest the use of mFRR platform surplus. Some stakeholders mention that social welfare should not only be calculated on results of the mFRR process, but also consider the impact on the market as a whole, including short-term markets, most notably the intraday market. It is also mentioned that the maximization of social welfare should be the outcome of the overall market functioning, of which the mFRR process is but a partial component. Similarly other stakeholders support the view by saying that it is incorrect to use social welfare in this context as the mFRR energy process is only one of the platforms that can be used to exchange energy, there	The TSOs agreed to use the term mFRR economic surplus instead of the term social welfare. The calculation of the economic surplus over a number of platforms is an interesting theoretical concept, however optimisation over a number of platforms is highly complex and often it is not possible to link all balancing processes to gain the maximum economic surplus since the processes run in different timeframes.

	<p>is also the local intraday market, aFRR or passive contribution by BRPs. Measuring welfare should include all of these. The EBGL does not refer to maximisation of social welfare through balancing, but does refer to cost efficiency (EBGL Article 3)</p> <p>Other stakeholders note that in Article 2 of the proposal, the concept of Social Welfare for the manual Frequency Restoration Reserves (mFRR) platform is defined as the total surplus for participating TSOs and BSPs resulting from the mFRR balancing energy transactions. In Article 10, it is further specified that the maximisation of this Social Welfare is the main objective function of the algorithm of the mFRR platform.</p> <p>The EBGL neither defines the Social Welfare for a single platform for the exchange of balancing energy nor requires to optimize it in the framework of a single platform. The objectives of the EBGL, as defined in the Recitals and in Article 3, aim at:</p> <ul style="list-style-type: none"> (i) fostering effective competition, non-discrimination and transparency in balancing markets (Article 3.1(a)), (ii) enhancing efficiency of balancing as well as efficiency of European and national balancing markets (Article 3.1(b)), (iii) integrating balancing markets (Article 3.1(c)), (iv) facilitating the efficient and consistent functioning of DA, ID and balancing markets (Article 3.1(d)), (v) improving cost-efficiency and reducing system imbalance and costs for society (Recitals 11 and 14), (vi) ensuring that all consumers can purchase energy at affordable prices (Recital 1). <p>Some stakeholder ask TSOs to refer to the above mentioned objectives and analyse their proposal with respect to the Social Welfare aim in a broader sense, not only referring to the mFRR Platform, but</p>	
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	<p>including also the other balancing platforms, the coexistence of local markets and, also, other market timeframes, in particular the intraday markets.</p> <p>In this context the objective is rather to find the right price to satisfy the balancing energy demand through the activation actions of the TSOs.</p>	
2. Definitions and Interpretations	<p>Elastic Demand: Some stakeholders do not agree with the use of inelastic demand. No suggestions regarding the definition or interpretation has been provided.</p>	<p>The TSOs do not foresee to change the current proposal on inelastic demand. Balancing the system is one of the fundamental roles of TSOs. Thus inelastic demand is necessary to fulfil this purpose.</p> <p>Elastic demand is different strategy used to balance the system and TSOs can freely decide what strategy to choose.</p> <p>The TSOs however acknowledge that transparency for elastic demand is key, and the usage of elastic demands is subject to monitoring according to the mFRRIF, Article 13(3)</p>
2. Definitions and Interpretations	<p>Type of bids/product: Some stakeholders do not agree with the use of scheduled activatable bid. No suggestions regarding the definition or interpretation has been provided.</p> <p>Stakeholder refers to "scheduled activatable bid" and "point of scheduled activation". There is a potential confusion between the prior notice of 7.5' and the FAT of 12.5': it must be clearly stated here that the order is received 12.5' minutes before expected full activation.</p> <p>Other stakeholder note that "Scheduled activatable bids" & "direct activatable bids" definition and references of them in the mFRRIF should include:</p> <ul style="list-style-type: none"> - The harmonised conditions under which a TSO can use each one, after the relevant NRA approval. If exceptions or particular conditions apply exceptionally in a particular national case, transparency on this matter is crucial. - The process followed to get the aforementioned regulatory approval, 	<p>Having scheduled only bids adds liquidity to the market as it enables the participation for some technologies.</p> <p>Both scheduled and direct bids have a FAT of 12.5 minutes according to mFRRIF Article 7 (1). The BSPs would be able to place scheduled only bids or direct bids. Furthermore, every direct activatable bid is also scheduled activatable bid as well, that is to say that can be activated in the scheduled auction.</p> <p>In the ED (2.5.2) it is also explained that BSPs can receive, in case their bids have been selected, the activation signal at T-7.5' for the scheduled activation and between T-7.5' and T+7.5' for the direct activation.</p> <p>The TSOs' use of a DA or SA bids in the scheduled auction depends only on the CMOL and thus on the prices of these bids: only the most cost-efficient bids will be activated. Remaining DA bids will be used also in the direct activation process by TSOs requiring for direct activations.</p> <p>TSOs' decision to place their mFRR demands in</p>

	<p>including public consultation.</p> <ul style="list-style-type: none"> - A mandate to TSOs to regularly report the detailed use of these bids. This report shall be publicly available. - A complete description of how each activation type is performed from the market participant perspective (for instance, constraints in delivery, way of communication...) - As coexistence of both activation types is foreseen in the mFRRIF proposal, it should be necessary to reflect in the mFRRIF the possibility to distinguish in the bids the activation type (SA/DA) in terms of price, in order to better reflect the technical limitations, the value of the delivery requested and hence to maximize matching opportunities. 	<p>the scheduled or direct process depends on their balancing philosophy and on the TSOs' real time balancing needs which are strongly dependent on system status:</p> <p>Direct activation (DA) is usually needed for the TSOs using mFRR to resolve large imbalances within the Time To Restore Frequency (see System Operation Guideline) to have the ability to activate mFRR bids at any point in time when a large imbalance occurs. Typically, this could be N-1 incidents.</p> <p>Scheduled activation (SA) is typically used to replace previously activated aFRR bids or alternatively to handle forecasted imbalances proactively depending on the TSO's balancing strategy.</p>
3. High Level Design	<p>Timing: The stakeholders note that EBGL Article 30 (pricing for balancing energy) and Article 50 (TSO-TSO settlement) are referenced in Article 3 (7) and that the EBGL mandated TSO proposals that the mFRR platform will implement will be developed outside the mFRRIF. If these subsequent proposals impact our local arrangements in any way, we would always endeavour to deliver in a timely manner, however previous complex implementations have proven challenging and so we would typically ask for 18 months' notice of any such change, so that we can follow our GB legally-mandated process of assessment, design, NRA approval and implementation.</p>	<p>The TSOs recognize that the creation of the balancing platforms requires substantial changes also at the BSPs side. The TSOs will endeavour to communicate to BSPs the expected changes as soon as possible so that the readiness of the BSPs can be ensured, however it is primarily the responsibility of each TSO.</p>
3. High Level Design	<p>Integration with other platforms: The stakeholders miss the description of integration with the aFRR (PICASSO) platform.</p>	<p>The TSOs understand that links between different platforms could be of benefit for the BSPs, however are bound by the requirements and deadlines for individual tasks given by the EBGL. Whether any links will be introduced in the future depends on the experience gained after the go-live of the platforms. For the time being the TSOs suggest addressing this topic locally, as some countries intend to introduce local processes to facilitate interactions between the mFRR and aFRR markets.</p>
3. High Level Design	<p>Elastic Demand: Elastic mFRR demand should not be allowed</p>	<p>The European TSOs exercise different strategies when balancing the system and consider the elastic demand as a useful feature to balance the</p>

		system in the most efficient way, however recognize that transparency is key to give the market confidence that the use of elastic demands. Details are included in the ED – Chapter 3.1.1.
3. High Level Design	HVDC: Some Stakeholders ask to clarify, which limitations are meant in point 6.e with respect to the process characteristics of HVDC interconnectors	The process of changing HVDC flows, including validation of updated programs, poses restrictions on the time between clearing the algorithm and a change of HVDC flow is initiated.
3. High Level Design	Transparency: Some stakeholders note that transparency on unavailable bids management must be assured.	The TSOs acknowledge, in case bids are marked unavailable, full transparency on those bids and methodology on the process shall be available to the stakeholders.
3. High Level Design	mFRR Process: Some stakeholders note that the mFRR process will be operated by the TSOs, relying on BSPs offers and activations. It would be useful to describe the complete process, by including as well: <ul style="list-style-type: none"> - Bids submission from BSPs; - Transmission of activation orders from TSOs to BSPs; - Nomination of cross-zonal schedules and updated cross-zonal capacity parameters to the verification platforms operated by ENTSO-E; - Publication of transparency data pursuant to Article 12 of the EBGL (see also comments on article 10, about publication of OAF inputs and outputs). 	<p>As described in the EBGL, the MARI platform will be a TSO-TSO platform. All interactions between BSPs and TSOs are to be detailed on national level (detailed process for bids submission, activations, etc.). However, some important design points are detailed in the mFRRIF, such as the timing of the BEGCT (latest time to submit bids) and point of activation (communication of activation signal) as they are necessary points to be harmonised before the go live.</p> <p>All details about communication to transparency or verification platform will be detailed during the implementation phase.</p> <p>CZC and parameters will be published. The details on nomination of CZ schedules will be detailed in the implementation phase.</p>
3. High Level Design	TSO Demand: Some stakeholders note that the methodology applied by TSOS for determining the mFRR demand should be more transparent	The balancing strategy thus details of setting the demand for each FRR process lies within the discretion of the each individual TSO.
3. High Level Design	Constraints: It should be clarified, what is meant with constrains of each standard mFRR product bid. The explanation is not provided in the implementation framework	The term "constraint" was referring to any information that the mFRR platform has to take into account when setting or running the optimisation for the activation of bids. However, the term constraint (more properly used when referring to specific algorithm elements) has been removed to avoid confusion since it was not appropriate in this part of the Implementation Framework.

3. High Level Design	Social Welfare: Some stakeholders see a danger in including an objective of improving so-called "social welfare" in the optimisation algorithm if the welfare analysis will only concern the mFRR process.	The TSOs agreed to use the term mFRR economic surplus instead of the term social welfare.
3. High Level Design	Other: Some stakeholders note that appropriate monitoring procedures must be established to avoid any potential free-riding behaviour/under-dimensioning as a result of access of TSOs to higher amounts of mFRR than submitted to the common merit order list.	The TSOs acknowledge the concern of the stakeholders in connection to full access to the CMOL. The TSOs will regularly monitor the behaviour of the individual TSOs and adjust the processes if needed.
3. High Level Design	mFRR activation process: It is unclear how BSPs will be informed about the results of the optimisation algorithm for the activation process.	The design of the activation process is through the local TSOs. It is possible that existing local solutions will be used further.
3. High Level Design	CZC: We regret that allocation of cross-zonal capacity for different market is not addressed.	The TSOs are proposing a first come first serve methodology. The starting point is the capacity left after intraday. The capacity that can be used by mFRR is the capacity after the RR process, and the capacity that can be used for aFRR is the capacity available after the mFRR process. This is now described in Article 4 in the mFRRIF cross platform CZC process, which takes the remaining CZC left from the intraday market
3. High Level Design	Counteractivation: We agree with the use of counter activation. We however think the TSOs in the designing shall take care regarding the impact on CB cables – some activations can lead to non-intuitive solutions that will distort the "market logic". Perhaps the TSO could reveal what the effect would have been without counter activation, so market understands its impact and do not conclude wrongly on the physics.	TSOs have analysed the effect of allowing counteractivations in the market and the algorithm, additionally TSOs have mandated an external algorithm company (N-Side) to assess, notably, the impact on the market by allowing the counter-activations or not. The full report of the study resulting from this work will be publicly available. Based on these analyses TSOs understand that allowing Counteractivation will result in the solutions that as close as possible to the "market logic", leading to an optimal use of the cross zonal capacity. This has been indicated also clearly by the external analysis. Additionally, allowing counteractivations considering is the best choice to ensure the implementation compared to the additional complexity foreseen to proceed otherwise. Finally, it is foreseen that a yearly monitoring of the function of the platform presented in the market functioning reports will be done at the

		Go-Live of the platform to assess in reality the impact of the design proposed by the TSOs.
3. High Level Design	Liquidity: The concept of TSOs accessing only mFRR volumes equivalent to own submission may severely limit the activation	Already considered in Article 3 (6) in the mFRRIF.
3. High Level Design	AOF & Counter Activations: - Objective function should be "cost minimisation and not social welfare maximisation". Furthermore, stakeholders state that counteractivations between BSPs are not clearly shown in mFRRIF and are not supposed to be part of balancing PF but in the ID market instead. If not, it is a loss in the ID market	It has been decided to keep the mFRR economic surplus maximisation as priority. Counter-activations are considered to be a "side effect" of the design chosen by the TSOs for the algorithm. This choice has been made since it is currently the best compromise between the level of optimisation for the balancing (including the use of CZC) as well as the level of complexity that can secure the implementation in due time. This choice has been endorsed by an external algorithm study (by N-Side) that will be made publicly available. Finally, another view on the impact of ID market would be to consider that balancing happens after ID and thus only considers the trades that market participants did not consider in the ID timeframe.
4. Roadmap	Other: Some stakeholders mention that "early regional cooperation" is unclear – does this encompass observer's status, or other forms of cooperation?	The term refers to already existing mFRR-cooperations before the deadline of Article 20(6) of the EBGL at which all TSOs shall use the mFRR-Platform. (e.g. GAMMA)
4. Roadmap	Harmonization: Some stakeholders mention that the TSOs must harmonise the terms and conditions related to balancing proposed at a minimum to the standards set in accordance with Article 18 of the EBGL." The reference to "national legislation" in article 4.2.should be removed as the EBGL supersede national legislation. Current wording does not reflect a clear commitment of convergence and harmonization.	Communication to stakeholders regarding national activities is generally a local TSO responsibility, common stakeholder meetings on EU level is however also expected. The platform will collect stakeholders input every 12 months according to the updated Article 16 of the mFRRIF
4. Roadmap	Harmonization: The development of new processes related to mFRR and amendment of existing should be done by closely involving stakeholders.	Communication to stakeholders regarding national activities is generally a local TSO responsibility, common stakeholder meetings on EU level is however also expected. The platform will collect stakeholders input every 12 months according to the updatedArticle 16 of the mFRRIF
4 . Roadmap	A stakeholder seeks clarification on the specifications referenced. Are these to align with the EBGL Article 30 (pricing for	The Article does not reference any specifications. The comment is unclear.

	balancing energy) and Article 50 (TSO-TSO settlement) that are referenced in Article 3 (7)?	
4. Roadmap	Other: Some stakeholders mention that BSPs must be granted sufficient time for implementation after NRAs approval. National implementation should explicitly foresee compliance of transparency requirements according to article 12(5) of EB GL and other transparency requirements established in the balancing Implementation Frameworks	The deadline for implementation of the platform after the approval of the mFRRIF is firmly set by the EBGL. The implementation will follow the EBGL concerning transparency requirements.
4. Roadmap	Timing: Proposed deadlines by the EBGL are considered as ambitious ones.	The TSOs recognize that the creation of the balancing platforms requires substantial changes, also at the BSPs side. The TSOs will endeavour to meet all deadlines of the EBGL and communicate to BSPs the expected changes as soon as possible so that the readiness of the BSPs can be ensured.
4. Roadmap	Timing/local platforms: Since there is a risk that the implementation of the mFRR Platform can be delayed, it should be clearly stated in the proposal that regional cooperation for exchange of mFRR can remain in operation until the mFRR-platform is operational.	The functioning and maintain of regional mFRR cooperation is a national/regional issue and therefore understood as being out of scope of the mFRR Platform.
4. Roadmap	Designation of entities: the Implementation Framework shall set out steps or criteria to designate the entity or entities that will operate the mFRR platform.	The designation of the entities is at full discretion of the TSOs. The TSOs will designate the entities according to the EBGL deadlines and requirements. The designation considers aspects of the IT implementation and is done in close coordination with the other balancing platforms.
4. Roadmap	Integration with other platforms: The relationship with the further development of the lead times in the cross border intraday market and the possibility for counter activations and should be included in the planning. Reasons for non-harmonisation should be clear and we would ask for annual reporting on the value of the inefficiency and the effect on the individual markets due to the lack of harmonisation.	The roadmap and timelines to be detailed in the mFRRIF are dealing with the implementation of the mFRR platform as stated in the EBGL Article 20.3.c. Any milestone linked to external impact are not considered. Harmonisation topic has been detailed in the answers of Article 16 and is indeed including a periodic review in the process. Finally, the reasons for the level of harmonisation proposed in the current version of the mFRRIF are explained in the ED – chapter 2.3.

5. Functions	Support: Some stakeholders support the overall functions of the mFRR platform as outlined in Article 5.	The TSOs appreciate the support for the suggested approach.
5. Functions	Support: Some stakeholders want to join its support to article 5.2 and hopes that the proposed solution by the TSOs will indeed deliver upon this, in specific the lowering of the amount and costs of activated balancing resources from mFRR, thus reducing the overall system costs to the benefit of consumers in Europe.	The TSOs appreciate the support for the suggested approach.
5. Functions	List of inputs: The words "at least" suggests that TSOs may submit other inputs to the optimisation in addition to the three mentioned in this article. However, it is unclear what such additional inputs could be. It is proposed to delete the words "at least".	The list of inputs has been improved, and is described in Article 3(5) of the mFRRIF.
5. Functions	Ramping: Faster ramping and a shorter deactivation period should be allowed – also between TSOs. It is not increasing the social welfare when making fast resources slower.	Ramping and deactivation period are both subject of the national terms and conditions. Details included in the mFRRExplanatory Document, section 2.3 of this document. However, TSO-TSO exchange need to be standardized, in order to allow exchange of balancing energy in between TSOs.
5. Functions	Other: Some stakeholders suggest 2 other points to be added in the Article 5: d) increasing the level of competition e) removing barriers to the participation of any technology such as variable renewable generation	The mFRRIF mentions that the mFRR market will be opened cross border, and thus increase the level of competition as a consequence. Furthermore the aim of the mFRR Platform is to create efficient, harmonized European balancing market. The platform should not lead to additional barriers for the entry to the market. However if there are barriers existant at the go live of the mFRR platform, they should be removed using the proposed process of harmonization of national terms and conditions.
5. Functions	Correction: Some stakeholders suggest to move the Article 5.2 to Article 3.	Wording of Articles 3,6 and 11 have been reviewed in order to avoid repetitions / potential inconsistencies.
5. Functions	CZC: Some stakeholders suggest to implement "price dependent cross-zonal capacity" (e.g. allowing shorter periods with line/cabel at particularly high price levels).	The pricing proposal according Article 30 of the EBGL includes the details on pricing the cross-zonal capacities.

6. Standard Product	Integration with other platforms: The mFRR-Platform should also be linked to the Intraday-Platform	The TSOs understand that links between different platforms could be of benefit for the BSPs, however are bound by the requirements and deadlines for individual tasks given by the EBGL. If any links will be introduced in the future depends on the experience gained after the go-live of the platforms.
6. Standard Product	Harmonization: Some stakeholders ask for boosting the harmonization of the local market from unit-based market to portfolio market; Some stakeholders express the opinion that portfolio bidding shall be allowed irrespective of the connecting TSO	Acceptance of portfolio-based bidding is a local issue, thus represents a potential harmonization topic to be dealt with in accordance with Article 16 of mFRRIF.
6. Standard Product	Correction: Define what we mean with "maximum duration of an activation" (Art.6.6) and the difference with "maximum duration of delivery period" (Art.6.4).	The terms are now covered by "maximum duration of delivery period".
6. Standard Product	Harmonization: Some stakeholder believe that: <ul style="list-style-type: none"> • Harmonization of product characteristics should be pushed as much as possible. In particular those characteristics listed in Art.25.4 in EB GL; • National rules should be minimized; • Harmonization of general rules, penalties and pre-qualification requirement so as to ensure a level-playing field; • TSOs should not be able to impose additional, local obligations/characteristics on top of harmonised standard product requirements as it might lead to discrimination and is not ensuring a level playing field for BSPs. 	Harmonization of the local terms and conditions is a complex process. It is important to go through a thorough process in order to be sure that the decision does not have adverse effects on other aspects of the functioning of the platform.
6. Standard Product	Harmonization: Some stakeholders suggest to include in mFRRIF, the harmonised conditions under which a TSO can use SA or DA product with approval from the NRA (consultation should also be made). If exceptions or particular conditions apply exceptionally in a particular national case, transparency on this matter is crucial.	The TSOs' use of a DA or SA product in the scheduled auction depends only on the CMOL and thus on the prices of these bids: only the most cost-efficient bids will be activated. Remaining DA products will be used also in the direct activation process by TSOs requiring for direct activations. TSOs' decision to place their mFRR demands in the scheduled or direct process depends on their balancing philosophy and on the TSOs' real time balancing needs which are strongly dependent on system status.

6. Standard Product	Full Activation Time (FAT): Some stakeholders believe that the only nationally defined requirement should be to reach a set point within the FAT.	The mFRR Explanatory Document was updated and provides details on the bid characteristics set nationally – see Chapter 2.3.
6. Standard Product	Delivery period: Minimum duration of delivery period = 15' (not 5') due to a disproportional burden of implementation.	The TSOs do not foresee to change the minimum duration of delivery period since this is a fundamental design aspect of a quarter-hourly product.
6. Standard Product	Delivery period: Minimum duration of delivery period = 10' (not 5') due to operational/technical constraints.	The TSOs do not foresee to change the minimum duration of delivery period since this is fundamental design aspect of a quarter-hourly product.
6. Standard Product	Bid granularity: Bid granularity should be 0.1 MW in order to increase the provision of bids.	The TSOs do not foresee to change the bid granularity of 1 MW since this is a good trade-off between implementation effort (for e.g. on the IT side) and liquidity for the Platform.
6. Standard Product	Support: Some stakeholders support the proposal to have a scheduled and a direct product in order to reduce use of specific products.	The TSOs appreciate support for the current approach.
6. Standard Product	Types of bid/product: Some stakeholders propose to have one activation method only reasoning: <ul style="list-style-type: none"> Using both activation methods, four CMOLs and different prices which de facto makes DA & SA different products, seriously hampers the effectiveness of the platform and the balancing system as a whole. For system balancing this is not necessary, not preferred two have two different types of activation. TSO should agree on one product with either direct or scheduled activation to avoid adding unnecessary complexity to the market that could lead to less liquidity in the market. 	The TSOs foresee to keep the two activation methods since it is a fundamental design aspect of the mFRR process.

	<ul style="list-style-type: none"> The interaction between the two products is too complex. Having one product will simplify the activation process. 	
6. Standard Product	Type of bids/product: Some stakeholders disagree with the introduction of scheduled activation.	The TSOs foresee to keep the two activation methods since it is a fundamental design aspect of the mFRR process.
6. Standard Product	<p>Type of bids/product: Some stakeholders suggest the following updates of the standard bid/product:</p> <ul style="list-style-type: none"> Delete the use of the mFRR direct product; Using only mFRR scheduled product in addition to aFRR should be sufficient to balance the system and have a smooth mFRR process; To facilitate a well-functioning system, and avoid costly complexity we strongly advice that the system is built around the Scheduled Activation (SA) method only, or (second best) the Direct Activation (DA) product; Strongly recommend that the system should be built around the Scheduled Activation (SA) product only. 	The TSOs foresee to keep the two activation methods since it is a fundamental design aspect of the mFRR process.
6. Standard Product	<p>SA/DA sequence: Some stakeholders:</p> <ul style="list-style-type: none"> Disagree with the proposed sequence SA before DA. SA before DA causes overlaps between QHs, since it can't be predicted if a bid proposed on QH 0 will be extended to QH+1 (DA) or not (SA). In particular, this makes impossible to offer in DA a shift of a startup planned in the schedule of the underlying asset. <p>This will result in a limitation of liquidity of DA bids. Therefore, in order to increase the volumes available for DA and which would not be offered otherwise, two solutions can be envisaged:</p> <ul style="list-style-type: none"> - Either to let the BSP define whether a DA bid has to be deactivated in QH0 or in QH+1 (for example by adding an additional bid parameter, or by using technical links). 	<p>The TSOs do not foresee to change the sequence since from an internal evaluation this seems to be the best option in order to:</p> <ol style="list-style-type: none"> 1. Increase liquidity of available bids; 2. Allow BEGCT closer to real time; 3. Allow BSPs to take into account TERRE clearing.

	- or to allow bids to be activated only for DA and not for SA (when the bid could not be "Scheduled Activated").	
6. Standard Product	Shape of the product: Some stakeholder s note that there is a lack of clarity in mFRRIF and Ex. Doc. with respect to the existence of a BSP-TSO incentivized shape and the BSP-TSO accepted shape. BSPs should be incentivized to follow the "incentivized shape" and a standard payment (not including penalties) should be foreseen is the profiles are coherent with the "accepted shape". Technologies like demand response (no ramping possible) should not be penalized in TSO-BSP settlement.	The ramping modalities are a national issue. The mFRR Explanatory Document was updated in order to clarify this topic - See Chapter 2.3.
6. Standard Product	Shape of the product: Some stakeholders request explanation to the standard product shape: in particular if there are any incentives to ramp faster and any penalty when deviating from TSO-TSO product shape. Other concerns: <ul style="list-style-type: none"> • difficult for some power plants to follow the standard product shape (e.g. hydro) in particular for preparation period waiting time; • faster ramping should not be penalised but should instead be rewarded; • there should be no obligation to follow the trapezoidal TSO-TSO exchange profile or to react faster. In particular, imposing a start within 2.5 minutes after order's receipt would be very detrimental to the amount of bids proposed by BSPs and subsequently to the liquidity of the mFRR platform. 	The ramping modalities are a national issue. The mFRR Explanatory Document was updated in order to clarify this topic – See Chapter 2.3.
6. Standard Product	Ramping: Some stakeholders note that ramps should be standardised: <ul style="list-style-type: none"> • incentivising steeper ramps to increase the stability of a variable market and to avoid putting up hurdles for new technologies. 	The ramping modalities are a national issue. The mFRR Explanatory Document was updated in order to clarify this topic – See Chapter 2.3.

6. Standard Product	Support: Support maximum bid quantity of 9,999 MW.	The TSOs acknowledge support for the suggested approach.
6. Standard Product	Shape of the product: Some stakeholders request clarification on whether the standard product is symmetric or not. They are in favour of asymmetric products to allow participation of variable renewable assets.	Upwards and downwards bids are not linked, in this way the product is assymetrical. But the product is summetric when it comes to up and down ramping, however different rules on ramping up and down on national level could lead to an asymmetric product.
6. Standard Product	Delivery period: Some stakeholders request clarification on maximum duration of delivery period if it's left to national implementation or is between 5' and 20': - it should be clearly stated in mFRRIF, not only in the mFRR Explanatory Document; - if the maximum duration of delivery period is thought to be 20 minutes, it should be clearly stated in the mFRRIF, and not only in the explanatory document.	Due to the specificities of the type of bidding and ramping in each country and the units participating, the maximum duration of the delivery could not be harmonized by the TSOs for the go-live.
6. Standard Product	Validity period: Some stakeholders mention that the validity periods for mFRR in article 6(3) are defined differently from aFRR. - Instead of calling it "Validity Period" it should be called "Time of activation"; - validity period should be 30 minutes; - The validity period should be similar to aFRR: period for which the BSP bid is valid for activation.	Due to use of direct activation process, the validity period cannot be defined as it is in case of the aFRR product.
6. Standard Product	Validity period: TSOs should consider changing the start of the validity period at 00:07:30 instead of 00:00:00 in order to avoid significant frequency deviation during the hour and qh shifts due to day ahead, intraday, other balancing markets.	Start of validity period will be in line with all the other Platforms. The TSOs do not foresee to change this design point.
6. Standard Product	Linking: Some stakeholders note that economical linking should be allowed especially linking backwards in time (i.e. conditional linking for start-up costs) and linking in volume.	The TSOs appreciate support for the current approach as described in the mFRR Explanatory Document.
6. Standard Product	Linking: Some stakeholders suggestion other options of linking in time (economical linking) should be considered (e.g. linking forward in time).	The TSOs are not considering an optimization over more ISPs but only within one ISP. Hence, we do not foresee implementing linking forward in time.

6. Standard Product	Linking: Some stakeholders suggest that the linking process could be made simpler if BSPs had sufficient time (e.g. 5 minutes) to update their bids between the receipt of the activation orders and subsequent BEGCT, i.e. by delaying the BEGCT.	The TSOs do not foresee to change BEGCTs due to process timings constraints. MARI TSOs have already moved BEGCT from T-30 (first design proposal) to T-25 in order to meet the Stakeholder requests, but an additional shift of the BEGCT closer to real time is not possible. Moreover, linking rules will still be needed for bids within the same ISP (for e.g. scheduled and direct bids in opposite directions).
6. Standard Product	BEGCT: Some stakeholders suggest that the BEGCT should be changed to 20 minutes (just after T-22.5) for handling challenges regarding maximum ramping gradient restrictions and allow BSP to update their bids (NOTE: this topic is closely linked with the rules for technical linking for upward/downward bids coming from the same asset)	BE GCT (T-25) will not be amended since TSOs need to have guaranteed a sufficient time period between the BE GCT and the TSO GCT in order to perform their internal processes (e.g. conversion of bids , N-1 security analysis, bid filtering, etc.)
6. Standard Product	FAT: Some stakeholders provide support for the FAT of 12.5' and the decision to have ramping & preparation period defined nationally. Some stakeholders suggest that FAT=12.5' should be a maximum value and we should try to shorten FAT in future in order to distinguish from RR reserves and a smooth FRP.	The TSOs appreciate support for the current approach.
6. Standard Product	FAT: Some stakeholders suggest that FAT of 12.5' is too short and express preference for a FAT of 15 minutes. FAT of 12.5' should be a floor and not lowered any further.	The TSOs do not foresee to change FAT since this is a fundamental design aspect unanimously agreed by all TSOs and accepted by NRAs. Moreover, 2.5 minutes are needed for Platform processing. Thus, in order to keep mFRR full processing time up to 15 minutes a maximum FAT of 12.5' is needed.
6. Standard Product	FAT : Some stakeholders note that a FAT of 12.5' is acceptable but a FAT of 7.5' would be better in order to place the mFRR product between the intraday and secondary reserve market.	The TSOs appreciate support for the current approach. Shortening the FAT is not being considered since most of the stakeholders advocate for longer FAT and shortening could significantly hamper the liquidity of the platform.
6. Standard Product	Linking: Some stakeholders express their recognition of the need of technical linking; however transparency on the rules should be ensured.	The examples and details of technical linking were already covered in the mFRR Explanatory Document. The TSOs will transparently publish the data requested by the EBGL and any other respective legislation.

6. Standard Product	FAT: Some stakeholders disagree with a 12.5 min FAT because thermal and nuclear sources are not able to ramp in in this time through the whole regulating range. This negatively affects offer to TSOs, and IT costs for market participants.	The TSOs do not foresee to change the current proposal on FAT (see also previous comment to FAT above).
6. Standard Product	Linking: Some stakeholders cannot see the reason for introducing parent-child linking.	Parent-child linking is a feature which we foresee will increase liquidity to the Platform since BSPs will have more opportunities to be selected (e.g. possibility to take into account start-up costs).
6. Standard Product	URBs: No details for Unforeseeably Rejected Divisible Bids in the mFRRIF but only in Ex. Doc. More explanation is needed in the Ex. Doc. as well.	The reasoning why the TSOs do not explicitly mention that unforeseeable rejected bids is because TSOs will investigate the implementation of it during the implementation phase of the projects. However currently the TSOs do not intent to e allow Unforeseeably Rejected Divisible Bids is explained in the mFRR Explanatory Document – Chapter 3.3.1.
6. Standard Product	Other: Regarding the national product characteristics, if the German TSOs are planning to introduce different standard mFRR product bid characteristics from those in Article 6 (3), the TSOs should have to consult the different standard mFRR product bid characteristics again. Otherwise, the market cannot evaluate the concrete standard mFRR product bid characteristics.	The usage of products not shared and activated by the platforms is not part of the implementations framework of the implementation projects. Nevertheless the German TSOs are not planning to use other than the standard balancing energy products shared and activated by the European platforms.
6. Standard Product	Indivisible bids: Appreciate the implementation of indivisible bids but a clear statement that indivisible bids will be allowed without limitation is needed	As the mFRRIF mentions the details on implementation of the indivisible bids including potential limitations are subject to a decision on national level
6. Standard Product	Shape of the product: Some stakeholders request more explanations on why MARI foresees to have a "trapezoidal shape" with ramping +/-5'. This feature derives from historical characteristic of the XB schedules in order to reduce frequency fluctuations. Since there is an Imbalance Netting process these fluctuations should be compensated so why the trapezoidal shape should be automatically applied in the definition of the balancing energy standard products characteristics and therefore imposed on BSPs?	MARI does not impose a "trapezoidal shape" according to the mFRRIF (only FAT is set at 12.5'). Furthermore ramping and preparation period are set a national level. Example of possible accepted shape as set by MARI are given in the Explanatory Document – Chapter 2.2. However, the shape exchanged between TSOs at the border with the Cross Border Schedules is a trapezoidal shape. Therefore TSOs may give incentives not to diverge too much from this Cross Border Schedule shape. Finally, the Imbalance Netting process will compensate only the fluctuations that are "symmetric" on each side of the border – which

		is unlikely to be perfectly the case for every clearing (since mix and type of bidding allowed (portfolio-unit based) are different from one country to another for instance).
6. Standard Product	Strong reservation against elastic demand: TSOs should leave the price formation to the market	The European TSOs exercise different strategies when balancing the system and see the elastic demand as considered as a useful feature to balance the system in the most efficient way, however recognize that transparency is key to give the market confidence that the use of elastic demands. In the mFRRIF it is detailed that elastic demands cannot be implemented in a way that would result in a permanent price cap. Details are included in the mFRR Explanatory Document – Chapter 3.1.1
6. Standard Product	Shape of the product: Some stakeholders that delivery of balancing services volumes in multiple Imbalance Settlement Periods (ISPs) (e.g. Qh 0 and Qh +1) could lead to a distortion of the imbalance price so that it no longer represents the real time value of energy (as would no longer reflect the physical actions taken in that ISP) and so could be seen to be in direct contradiction of the EBGL Article 44 1.(b).	Settlement volumes only apply to ISPs in which the activation of the standard mFRR product results in energy being delivered. In the case of direct activations this can occur across multiple ISPs. Energy is only delivered in response to a TSO balancing need and thus the imbalance price will reflect the true value of the energy.
6. Standard Product	Validity period: Some stakeholders mention that there are possible discrepancies between 15' validity period, and longer ISP in certain countries which received derogations pursuant to Art.53 EBGL	Implementation of 15 minute ISP is responsibility of each country, it is not responsibility of the platform. this is why the validity period is not said to be equal to the ISP.
6. Standard Product	Divisible bids: Some stakeholder prefer to allow only indivisible URBs, as this would incentivize the divisibility of offers. They further mention that divisible bids must have prevalence over indivisible in the clearing process.	It is foreseen not allowing unforeseeably rejected divisible bids, which is incentivizing the BSPs to bid indivisible in small amount in order to decrease the chance to be rejected.
7. BEGCT	BEGCT: Some stakeholders suggest that BEGCT should be closer to real time: T-20', T-15' or T-10'.	BE GCT (T-25) will not be amended since TSOs need to have guaranteed a sufficient time period between the BE GCT and the TSO GCT in order to perform their internal processes (eg. conversion of bids , N-1 security analysis, bid filtering, etc.)
7. BEGCT	BEGCT: Some stakeholders suggest that BSP GCT should be further from real time: T-60.	T-60 is considered as too far from the real time operations and would not ensure efficient use of balancing reserves. Therefore, the proposed comment is rejected.

7. BEGCT	BEGCT: Some stakeholders suggest that gate closure time should in any case not create any barrier to entry to any market player.	A single BEGCT is required to ensure equal conditions for all market parties in all countries. Constraints for fixing a certain BEGCT are explained in the replies given to above comments.
7. BEGCT	BEGCT: Some stakeholders suggest that sequence of GCT: RR, mFRR, aFRR should be ensured.	FRR processes for the mFRR and aFRR platforms have the same BSP at GCT T-25 while the RR platform has a BSP GCT at T-60 because the RR product has different characteristics and a different activation process.
7. BEGCT	BEGCT: Some stakeholders suggest that there should be a possibility to change BEGCT without changing mFRRIF.	According to Article 24(1) of the EBGL, the BSP GCT for mFRR process shall be defined at the EU level and has to be part of the mFRRIF.
7. BEGCT	BEGCT: Some stakeholders suggest that there should be the same GCT for different platforms.	FRR processes for the mFRR and aFRR platforms have the same BSP at GCT T-25 while the RR platform has a BSP GCT at T-60 because the RR product has different characteristics and a different activation process.
7. BEGCT	BEGCT: Some stakeholders suggest the delay between BEGCT and TSO GCT seems too long and unjustified by the relatively minor verification activities required.	BE GCT (T-25) will not be amended since TSOs need to have guaranteed a sufficient time period between the BE GCT and the TSO GCT in order to perform their internal processes (eg. conversion of bids , N-1 security analysis, bid filtering, etc.)
7. BEGCT	BEGOT: Some stakeholders request introduction of BSP GOT, for example at day ahead.	The TSOs will introduce a minimum GOT in the Implementation Framework by which the TSOs may start to receive bids, in line with the approach of the aFRR, ie. The balancing energy gate opening time shall be no later than 12:00 CET for all validity periods of the following day.
8. TSO-TSO GCT	TSO GCT: Some stakeholders require that a precise TSO GCT T-10 is set and that the TSO processing time is shortened.	TSOs proposed a TSO GCT (latest time for TSOs to forward the bids to the mFRR platform) at t-12 in order to have 2 minutes for fallback before the start of the AOF at t-10. As a result, TSO processing time equals 13 minutes which is already challenging for the processes to perform (conversion of bids, N-1 security analysis, bid filtering, etc.)

8. TSO-TSO GCT	Unavailability of bids: There should be a compensation for bids that were not activated due to set unavailability by TSO.	Payments for the balancing services are made based on the orders, while provision of balancing services must comply with system security requirements. Additional mechanisms may be applied on the national level and may be defined in the standard terms and conditions for BSPs.
8. TSO-TSO GCT	Transparency: Some stakeholders request transparency of bid filtering	Transparency should be ensured and information exchange to BSP may be implemented by each TSO.
9. CMOL	Shape of the product: Some stakeholders note that the paragraph (5),(7) and (9) make the reader think that standard mFRR products should be asymmetric in order: - not to foster classic generation assets that are controllable; - to allow participation of variable renewable generation assets.	Upwards and downwards bids are not linked, in this way the product is assymetrical. But the product is summetric when it comes to up and down ramping, however different rules on ramping up and down on national level could lead to an asymmetric product
9. CMOL	Pricing: Some stakeholders note that if finally, DA is allowed, it should be clarified which is the marginal price for SA bids and for DA bids. It is not clear enough in the documentation.	The pricing proposal clarifies the mFRR marginal price applicable for Scheduled bids and the mFRR marginal price for Direct activated bids.
9. CMOL	CMOL: Some stakeholders mention that the description of the CMOLs for Scheduled Activation bids and for Direct Activation bids (art. 9(6) and 9(8)) are not clear with regards to where TSOs can submit elastic imbalance needs. While the description of the CMOL for SA does not mention the inclusion of TSO balancing needs on the CMOL, the description of the CMOLs for DA does mention such TSO balancing needs. As elastic balancing needs are more appropriate for the SA activation cycle instead of DA activation cycle, this seems incorrect. This reasoning is supported by paragraph 3.1.1 of the explanatory document.	The mFRRIF has been updated in order to give more clarity and to provide a clear picture on how the CMOLs will be created.
9. CMOL	CMOL: Some stakeholders ask for clarification of number of merit order lists. Article 9 in point 5 sets that "The mFRR-Platform shall create two common merit order lists for each quarter hour that shall contain all the available standard mFRR product bids submitted by the participating TSOs.". At the same time, under point 7 and 9, it sets 4 CMOLs (1.	Chapter 3.1.2 of the mFRR Explanatory Document was updated in order to provide a clear picture on how the CMOLs will be created. Also the mFRRIF has been improved to make this clearer.

	<p>direct activation, positive direction; 2. DA, negative direction; 3. scheduled activation, positive direction; 4. SA, negative direction). Article 2 sets that "Every direct activatable bid is scheduled activatable bid as well, while not every scheduled activatable bid is direct activatable bid.", which would postulate that indeed only two merit order lists, in line with point 5 of Article 9 are suggested. We believe this matter needs to be clarified within the mFRRIF, as it is an essential part of the whole platform.</p> <p>For the sake of simplicity of the MARI platform, prefers two merit order lists (for positive and negative direction). This however must be accompanied by equal rules valid for both SA and DA products, i.e. national requirements cannot be stricter than those suggested by the mFRRIF (for instance on FAT, see response to Q12).</p>	
9. CMOL	<p>CMOL: Some stakeholders note that the proposal should be better clarified with respect to the number and sequence of the different common merit lists used by the algorithm. Considering the proposed implementation framework, the explanatory document and the slides presented at the workshop on balancing in June 2018, we notice some inconsistencies. In some cases it seems that there will be only 2 CMOLs (one for SA&DA, one for DA only), in other 4 CMOLs (2 for SA&DA, 2 for DA), in other more CMOLs (please refer to slides presented in the workshop, where it seems that for DA multiple algorithms will be run and hence multiple CMOLs will be built). Besides. We would like to have confirmation that implicit netting is performed only for SA CMOLs, as it seems described in the explanatory document but not in the implementation framework.</p>	<p>Chapter 3.1.2 of the mFRR Explanatory Document was updated in order to provide a clear picture on how the CMOLs will be created. Also the mFRRIF has been improved to make this clearer.</p>
9. CMOL	<p>CMOL: - Art. 9(5) to Art. 9(9): common merit order lists: Some stakeholders note that wording of the TSOs proposal is quite imprecise,</p>	<p>Chapter 3.1.2 of the mFRR Explanatory Document was updated in order to provide a clear picture on how the CMOLs will be</p>

	<p>and it is unclear how many CMOLs there will actually be in the end. Our understanding from discussions so far was that there should only be two merit order lists, which differentiate upward and downward bids and offers, and which will continue to run with DA bids once SA bids have cleared. We would welcome a confirmation by the TSOs of our understanding.</p> <p>If the TSOs of the MARI project still consider keeping both DA and SA for the standard mFRR product, they should make clear that the DA and SA versions of the mFRR product cannot be considered different products, and should be part of the same CMOL. Treating them as separate products would have significant implications on the activation and settlement price.</p> <p>EFET is confused about the description of the CMOLs for SA and for DA (art.9 (6) and 9 (8)). While the description of the CMOL for SA does not mention the inclusion of TSO balancing needs on the CMOL, the description of the CMOLs for DA does mention such TSO balancing needs. EFET understood that elastic balancing needs – which it strongly opposes – would be included in the SA activation cycle, while not in the DA activation cycle. However, the descriptions seem to imply exactly the opposite."</p>	<p>created. Also the mFRRIF has been improved to make this clearer.</p>
<p>9. CMOL</p>	<p>Unavailable bids: Some stakeholders note that it is vital that TSOs method for bid filtering is fully transparent, and kept as simple as possible. Additionally, the TSO should compensate the BSP if the TSO wrongly marked a bid as unavailable. This compensation should reflect the BSPs opportunity loss.</p>	<p>Transparency should be ensured and information exchange to BSP may be implemented by each TSO.</p>
<p>9. CMOL</p>	<p>CMOL: Some stakeholders do not understand why different CMOL for direct and scheduled activation are built first and merged afterwards. The merging of the 4 CMOL (+/- Direct and Scheduled activation) is not described here. E.g. what happens if the energy price of a direct and scheduled activated bid is equal. To us it is important</p>	<p>Chapter 3.1.2 of the mFRR Explanatory Document was updated in order to provide a clear picture on how the CMOLs will be created. Also the mFRRIF has been improved to make this clearer.</p>

	that the decision of the AOF in this cases is clear and transparent as well. Therefore we would suggest to describe the handling and decisions procedure of DA and SA more in detail.	
9. CMOL	CMOL: Some stakeholders support the proposed common merit order lists to be organised by the activation optimisation function. The understanding is that all bids, both scheduled and directly activated, are included in the scheduled activation CMOL. The subset of bids that can be directly activated will furthermore be placed on a separate CMOL for direct activation. The stakeholders strongly supports that all bids are included in the scheduled activation CMOL in order to ensure maximum market volume. The 'direct activation' feature of a bid should be treated as a simple 'tick box' add on. We urge TSOs to improve the clarity of this article in line with the above and the definition in Article 2.	Chapter 3.1.2 of the mFRR Explanatory Document was updated in order to provide a clear picture on how the CMOLs will be created. Also the mFRRIF has been improved to make this clearer.
9. CMOL	CMOL: A stakeholder mentions that it is important that the common merit order lists should be as simple as possible. Undue complexity will only limit the benefits that could be reaped from European market integration and should be avoided at any cost.	The TSOs agree and will endeavour to keep CMOLs as simple as possible, however it is important that features important for efficient balancing process are implemented.
9. CMOL	SA/DA bids: A stakeholder does not agree with separate merit order lists for DA and SA products. As mentioned before we prefer only one type of product, but even when both are kept they should be on the same CMOL and both cover just one ISP in order to harmonize the price as well.	Please refer to the updated wording in Article 10 of the mFRRIF, which clarifies that standard mFRR bids can be placed in two CMOLs. One for bids in positive direction, and one for bids in negative direction. After the Point of Scheduled Activation, the Direct Activatable Bids that are available for activation remain within the two CMOLs. The Pricing Proposal (Article 30 of the EBGL) links the pricing of DA to SA.
10. Algorithm	HVDC: Some stakeholders note that it is unclear how the algorithm shall take into account losses on HVDC lines and how those losses will be reflected in bid prices or TSO-TSO and TSO-BSP settlement. Any decision on allocation of losses should be based on a transparent assessment.	Chapter 3.3.3 of the mFRR Explanatory Document has been updated to clarify how the HVDC losses are to be taken into account.

10. Algorithm	Shape of the product: Concerning the paragraph (2), we think that having asymmetric products will help to maximise the social welfare.	Upwards and downwards bids are not directly linked, in this way the product is assymetrical. But the product is summetric when it comes to up and down ramping, however different rules on ramping up and down on national level could lead to an asymmetric product
10. Algorithm	Other comment: The mFRRIF should make sure the energy need is met with the lowest environmental impact possible. Given a well-functioning ETS the environmental impact will be reflected in the CMOL.	Given a well -functioning ETS, the submitted mFRR energy prices should reflect and include the costs for environmental impact, which then will be reflected in the CMOL. Therefore, the mFRR AoF will choose the most economically mFRR energy offers from the CMOLs.
10. Algorithm	AOFL: Some stakeholders request that the optimisation algorithm should be made public and open-source, including future developments.	The description of the functionality of the AOF will be published according to the EBGL requirements at least 1 month before Go-Live of the platform. However due to intellectual property rights the algorithm is confidential therefore it will not be made public and open-source.
10. Algorithm	HVDC: Some stakeholders provide the following comment to the Article 10-3-d (HVDC losses): for the avoidance of doubt, mFRRIF must indicate that the actual physical flow is taken into account, and not the marginal mFRR exchange. Indeed, losses are reduced when a balancing activation reduces the physical flow.	Chapter 3.3.3 of the mFRR Explanatory Document has been updated to clarify how the HVDC losses are to be taken into account.
10. Algorithm	Objective Function: We suggest that the objectives of optimization algorithm rather state (in descending order of importance): a) Maximizing satisfaction of the mFRR needs of individual LFC areas; b) Minimizing the total amount of activation of standard mFRR balancing energy product bids, avoiding counteracting mFRR activation through implicit netting; c) Minimizing procurement costs of the balancing energy through the selection of the lowest-price bids on the Common Merit Order List; d) Minimize the amount of automatic frequency restoration power exchange on each border between LFC areas.	The maximization of mFRR economic Surplus objective results into: <ul style="list-style-type: none"> • Maximization of satisfaction of TSO demand • Mimization of activation since implicit netting of it is selected only if it increases the economic surplus) <ul style="list-style-type: none"> o the most economically efficient combination of bids is selected (with lower price for upward activation and with higher price for downward activation)

<p>10. Algorithm</p>	<p>Objective Function: "Art. 10: - Art. 10(2)(a): objective functions of the optimisation algorithm: As mentioned in our comment to Art. 2, we see a danger in including an objective of improving so-called "social welfare" in the optimisation algorithm if the welfare analysis will only concern the mFRR process. The TSOs' proposed definition of social welfare in Art. 2(2)(l) is inaccurate in the sense that it defines social welfare taking into account exclusively the mFRR process. Both the definition of Art. 2(2)(l) and the provision of Art. 10(2)(a)(i) could give the impression that social welfare optimisation in the mFRR process alone would necessarily improve social welfare as a whole. This is not the case, as the definition focuses on "mFRR platform surplus" only. Would the definition of social welfare in Art. 2(2)(l) refer to all balancing processes and all market timeframe, then we would support the inclusion of this objective of maximising social welfare in the optimisation functions of the algorithm. However, and probably because the assessment of overall social welfare (not limited to the mFRR process) is too complex to include in the mFRR process, then the optimisation function of the algorithm should focus on the single criterion of minimising the amount of mFRR energy activated, as laid out in Art. 10(2)(a). This criterion is both precise and accurate (contrary to the definition of social welfare proposed by the TSOs), and simple (contrary to what the implementation of an accurate definition of social welfare would lead to).</p>	<p>The TSOs agreed to use the term mFRR economic surplus instead of the term social welfare in order to avoid confusion between the objective of the algorithm function and the general use of the term social welfare</p>
<p>10. Algorithm</p>	<p>Objective Function: We agree with the main objective to maximize the social welfare, but do not support Article 10 point 2 (b) about minimizing exchange of mFRR between bidding zones or LFC areas. The content and justification in this regard should be further explained. It is important that the process of developing a method for cross-zonal capacity allocation is done in a transparent manner.</p>	<p>The minimization of exchange of mFRR between bidding zones or LFC areas is the criteria used in case of multiple solutions, that have resulted in the same mFRR economic surplus</p>

<p>10. Algorithm</p>	<p>Counter-activations: Regarding counter-activations, impact on the intraday market (especially on liquidity) and other balancing platforms (e.g. regarding the use of cross-zonal capacity) should be duly considered.</p>	<p>TSOs are willing to lower the risk of implementation of the mFRR platform as much as possible. In addition TSOs consider counter-activations as a side effect resulting from the submitted standard mFRR bid prices, which may have some market effects (pricing signal, usage of cross zonal capacity etc.). The TSOs investigate these effect together with the possibility to avoid the couter-activations algorithmically, both themselves (as presented in the stakeholder workshop in 2018) as well as with a second independent external analysis (that will be made publicly available). The proposal after those investigations is to allow the counter-activations for the Go Live of the mFRR platform.</p> <p>TSOs will monitor the functioning of the algorithm and evaluate the impact of allowing counteractivations in the yearly reporting on the functioning of the mFRR market. The content of this reporting may be a trigger to take a new orientation, and possibly update the mFRRIF regarding the counter-activations.</p>
<p>10. Algorithm</p>	<p>Cross-zonal Capacities: A stakeholder is adamantly opposed against any reservation of cross-border transmission capacity for the balancing timeframe. For the stakeholder, cross-border capacity must to the largest possible extent always be given to the earliest timeframes possible, in order to allow for hedging and cross-border sourcing as soon as possible, as this will create a truly integrated European market. Any remaining capacity that becomes available over time due to the availability of better information as time progresses should always be offered to the earliest possible timeframe, with near real-time and real-time markets only receiving the remaining capacity after all previous timeframes. Furthermore, for IFIEC Europe it is important to also keep this algorithm as simple as possible, in order to increase market comprehension.</p>	<p>The TSOs are proposing a cross platform CZC process, which takes the remaining CZC left from the intraday market. Additional information is included in the mFRRIF. There is no reservation of the CZC foreseen for the European balancing platforms. Capacities reservation according to the EBGL Articles 38-42 is outside this proposal.</p>

10. Algorithm	<p>Cross-zonal Capacities: Regarding the CZC in 10(5) it is not clear whether the parallel calculation of the PICASSO and the MARI (direct activation) AOL could result in an uncoordinated solution using the same free CZC resulting in overloading the interconnector. We remind TSOs that the CZC should be allocated on a first come first served basis according to Article 37 of the EBGL. The explanatory documents for both aFRR and mFRR suggests that each of the algorithms should be run sequentially in order to avoid this situation, however there is no mentioning of the need for coordination between aFRR, mFRR and IN. We urge TSOs to clarify how this coordination between the platforms is envisaged.</p>	<p>There is a time difference between the MARI direct activation and the PICASSO platform, therefore there is no parallel calculation. TSOs are also investigating the best way of implementing the CZC handling in order to ensure its management. At the start of the platforms the TSOs foresee a first come first serve principle of allocating the CZC among the three platforms, namely if there is mFRR activation first, then aFRR and then Imbalance Netting.</p>
10. Algorithm	<p>Cross-zonal Capacities: TSOs should not be allowed to limit ATC to reserve capacity for balancing exchanges. Such action will distort competition in other market timescales and is not necessary to manage congestion. Any approach must be justified in advance and transparent to market participants.</p> <p>Pursuant to Article 2 of the mFRRIF, capacity allocation for purpose of mFRR exchange is out of scope of the mFRRIF and will be dealt by separately. In contrary to this, point 5 of Article 10 deals with calculation of cross-zonal capacity, letters d and e deal even with possibility of additional limitations to cross-zonal capacity. eurelectric believes the issue of cross-zonal capacity allocation should be done in a transparent manner and in one coherent document, and should thus not be included in the mFRRIF.</p>	<p>The TSOs are proposing a cross platform CZC process, which takes the remaining CZC left from the intraday market. Additional information is included in the mFRRIF. There is no reservation of the CZC foreseen for the European balancing platforms. Capacities reservation according to Articles 38 to 42 of the EBGL is outside this proposal.</p>
10. Algorithm	<p>Objective Function: Social welfare should not be the main objective of the optimisation algorithm. We consider the maximization of social welfare as an objective of the exchange of mFRR or the MARI platform too broad given the limited scope of the MARI platform itself. The maximization of social welfare should be the outcome of the overall market functioning, of which MARI is but a partial</p>	<p>The TSOs agreed to use the term mFRR economic surplus instead of the term social welfare in order to avoid confusion between the objective of the algorithm function and the general use of the term social welfare.</p>

	<p>component. If any consideration is to be given to the maximization of social welfare, and the contribution of the mFRR process to social welfare, this should be done in a holistic consideration including other balancing platforms and other market timeframes, in particular the Intraday timeframe.</p>	
10. Algorithm	<p>Inputs: Paragraph 4 also does not distinguish between two outputs for direct and scheduled activation. This should be specified as a part of mFRRIF.</p>	<p>The outputs of both direct and schedule activation are the same, namely activated bids, cross border flows, satisfaction of TSO needs. Therefore one does not need to distinguish between direct and schedule activation output.</p>
10. Algorithm	<p>Fallback Procedure: A description of fall-back procedures should be given in the mFRRIF document: stakeholders need to be informed and consulted on this important issue.</p>	<p>The TSOs acknowledge the comment and the importance of the fall-back procedure for the platform. However the fall-back procedure is not in the scope of the implementation framework, thus will be elaborated at a later stage.</p>
10. Algorithm	<p>Cross-zonal Capacities: Article 10.5(b) is unclear and needs further clarification. How can the available cross-zonal capacity be set to a technical IT limit? Reference is made to article 150(3) of the SOGL, however also the relation with that article is not clear.</p>	<p>The mFRRIF has been updated with a new art. 4 that describes how cross border capacity limits are being calculated</p>
10. Algorithm	<p>Correction: The paragraph 2 seems to be overlapping with paragraph 3 of article 3. It may be clearer to refer in article 3 to the stated objectives in article 10</p>	<p>TSOs proposed a re-organisation of the cited articles in order to avoid overlapping.</p>
10. Algorithm	<p>Objective Function: A stakeholder supports the proposed objective function of the algorithm, based on the maximisation of the social welfare of the mFRR common merit order list. This stakeholder also believes that counter-activations should be allowed as long as they result in a higher surplus and facilitate the integration of indivisible bids.</p>	<p>TSOs welcome the support to the proposed objective function. TSOs are willing to lower the risk of implementation of the mFRR platform as much as possible. In addition TSOs consider counter-activations as a side effect resulting from the submitted standard mFRR bid prices, which may have some market effects (pricing signal, usage of cross zonal capacity etc.). The TSOs investigate these effects together with the possibility to avoid the counter-activations algorithmically, both themselves (as presented in the stakeholder workshop in 2018) as well as with a second independent external analysis (that will be made publicly available). The proposal after those investigations is to allow</p>

		<p>the counter-activations for the Go Live of the mFRR platform.</p> <p>TSOs will monitor the functioning of the algorithm and evaluate the impact of allowing counteractivations in the yearly reporting on the functioning of the mFRR market. The content of this reporting may be a trigger to take a new orientation, and possibly update the mFRRIF regarding the counter-activations.</p>
10. Algorithm	<p>Inputs: Article 10-4: The inputs and results of the AOF must be published in order to ensure adequate transparency of the mFRR process:</p> <ul style="list-style-type: none"> - The activated upward and downward volumes for each bidding zone; - The clearing prices (when appropriate, for each bidding zone); - The need expressed by each TSO (including the elastic curve) and the level of satisfied/unsatisfied need; - The cross-zonal capacity available and used (for each border). 	<p>TSOs will respect the publication requirements coming from the relevant regulations, and aim to publish all the necessary information to ensure transparency and well-functioning of the mFRR balancing energy market</p>
10. Algorithm	<p>Cross-zonal Capacities: Additional constraints on the available cross-zonal capacity for operational security purposes in accordance to Article 150 of the SOGL have to be made fully transparent (methodology, values, revisions), including towards market participants.</p>	<p>TSOs will respect the publication requirements coming from the relevant regulations. TSOs are responsible to ensure the operational security according to SOGL. Further they commit to publish the additional limitations requested.</p>
10. Algorithm	<p>Objective Function: Fulfilling the needs of TSOs should be one of the main objectives of the optimisation algorithm. And it is difficult to have an optimised algorithm having scheduled and direct activated bids. The document should also reassess the definition of social welfare.</p>	<p>The proposed suggestion is included in the current objective.</p>
11. Entities	<p>Designation of entities: The article should define certain steps or criteria to designate the entity or entities that will operate the mFRR platform. The designation process is currently unknown to market participants and will lead to concerns that an unstructured process may increase the risks of delay in the platform implementation.</p>	<p>Similar comments received and answered under Article 5. – Roadmap. The designation of the entities is at the full discretion of the TSOs. The TSOs will designate the entities according to the EBGL process and deadlines.</p>

11. Entities	Designation of entities: Some stakeholders suggest to better define process to ensure swift implementation of platform.	The designation of the entities is at the full discretion of the TSOs. The TSOs will designate the entities according to the EBGL process and deadlines.
12. Governance; 13. Decision Making	Stakeholders involvement: Some stakeholders note that the way of sufficient stakeholder involvement should be specified in the document i.e. stated in the respective chapter of the mFRRIF.	The harmonization of local terms and conditions is a lengthy process, thus the frequency for harmonization of local terms and conditions must be set so that the harmonization is also practically feasible. The TSOs plan therefore to collect stakeholders' input on the functioning of the platform (not local terms and conditions) on a yearly basis.
12. Governance; 13. Decision Making	Stakeholders involvement: Stakeholders suggest that they should be involved to (at least) EG (or even SC).	The TSOs do not foresee involvement of the stakeholders in the expert group, since TSOs confidential information are being discussed. However, the TSOs plan to collect stakeholders input on the functioning of the platform on a yearly basis.
12. Governance; 13. Decision Making	Correction: Several stakeholders have a problem with the expression "unjustified economic advantages".	The term "unjustified economic advantages" mimics the wording of the EBGL 20 (3d): <i>the proposed rules concerning the governance and operation of the European platform, based on the principle of non-discrimination and ensuring equitable treatment of all member TSOs and that no TSO benefits from unjustified economic advantages through the participation in the functions of the European platform"</i>
12. Governance; 13. Decision Making	Stakeholders involvement: Some stakeholders note that substantial changes to the mFRRIF must be subject to consultation of BSPs/ stakeholders.	Any change to the mFRRIF is subject to consultation.
12. Governance; 13. Decision Making	Stakeholders' involvement: A stakeholder notes that there are no explicit provisions for Third Party Market Operators (TPMOs) to participate in the expert group (EG). A TPMO who delivers the electricity balancing settlement, imbalance settlement and related data publication services that are critical to the successful operation of the country concerned current electricity trading arrangements under the national Balancing and Settlement Code. It must be noted that the stakeholder do undertake operations that, in some other EU Member States, are	The division of responsibilities between TSO and various Third Party Market Operators (TPMO) is varied across the nations represented in MARI. As the legal obligations relating to the EBGL are the responsibility of TSOs the MARI project believes that the best approach is for TSOs to be represented at the TWG level but to have strong relationships and frequent communication with their relevant TPMS. In this way the expertise and viewpoints raised by TPMS can be shared with the project in the most efficient manner.

	<p>undertaken by TSOs (see Europex documentation on Third Party Market Operators) and so request that the definition be expanded to include TPMOs.</p> <p>We also note that should the definition not be expanded then a number of MARI TSO members will not have an expert Settlement representative on the EG and question if this proposed arrangement is appropriate.</p>	
14. Cost Sharing	<p>Cost sharing: Based on transparency principles some stakeholders require these costs to be covered from project management office budget.</p> <p>The costs should be shared since go-live (beginning of the operation) of the Platform.</p>	<p>Since the projects already have costs during design phase it is not possible to share it only from go-live. Costs are shared transparently according to the EBGL between TSOs.</p>
14. Cost Sharing	<p>Cost sharing: For some stakeholders the costs involved are to be considered as linked to a regulated activity of the concerned TSOs. Calculation and allocation of acceptable and efficient costs are to comply with European and national rules concerning tariffs and to be approved by the relevant NRAs. Some stakeholders support the principle that cost allocation should be transparent, non-discriminatory and cost-reflective, though notes that this is interpreted differently by each MS's NRA, which will potentially constrain the effectiveness of these measures.</p>	<p>The TSO costs are shared transparently according to the EBGL between TSOs.</p>
15. Harmonization	<p>Harmonization: Article 15 is unclear or too vague</p>	<p>Article on harmonisation was updated, more details on stakeholders' engagement were added.</p>
15. Harmonization	<p>Harmonization: Stakeholder requests annual reporting on the effects due to lack of harmonization.</p>	<p>Article on harmonisation was updated. TSOs will gather the feedback of the stakeholders on yearly basis.</p>
15. Harmonization	<p>Harmonization: Some stakeholders note that it should be possible to tackle urgent harmonization topics when they are detected and not rely only on a formal cycle for updates.</p>	<p>Harmonization of the local terms and conditions is a complex process. The TSOs are aware of potential urgency for some BSPs, however it is important to go through a thorough process in order to be sure that the decision do not have adverse effects on other aspects of the functioning of the platform.</p>
15. Harmonization	<p>Harmonization: Some stakeholders note that there should be no additional burdensome constraints at national level.</p>	<p>More explanations are introduced in section 2.3 of Explanatory Document.</p>

15. Harmonization	Harmonization: Stakeholder welcomes the formalised harmonisation framework as proposed in the mFRRIF.	The TSOs welcome support for the suggested approach.
15. Harmonization	Harmonization: Stakeholders request more frequent stakeholder involvement and more frequent harmonization proposals.	Article on harmonisation was updated. TSOs will gather the feedback of the stakeholders on yearly basis.
15. Harmonization	Harmonization: Some stakeholders suggest that the first stakeholder survey should be in the first operational year.	Article on harmonisation was updated. TSOs will gather the feedback of the stakeholders on a yearly basis. First harmonization proposal shall be provided in the first operational year.
15. Harmonization	Harmonization: Article 15 should clearly state that stakeholder surveys and harmonisation proposals will be published	Article on harmonisation was updated. TSOs will gather the feedback of the stakeholders on a yearly basis. The harmonization proposals shall be published
15. Harmonization	Harmonization: Some stakeholders point out that there should be a greater degree of harmonization (across a whole range of topics/characteristics)	Harmonization of the local terms and conditions is a complex process. The TSOs are aware of potential urgency for some BSPs, however it is important to go through a thorough process in order to be sure that the decision do not have adverse effects on other aspects of the functioning of the platform.
General	HVDC Losses: Losses in HVDC lines concern on possible double counting of losses	Chapter 3.3.3 of the mFRR Explanatory Document. has been updated to clarify how the HVDC losses are to be taken into account.
General	Integration with other platforms: Some stakeholders point out that mFRR and aFRR have close timeframes. A process to deal with asset offered in both platform should be proposed (e.g. unused mFRR bids are placed in aFRR automatically).	The TSOs understand that links between different platforms could be of benefit for the BSPs, however are bound by the requirements and deadlines for individual tasks given by the EBGL. If any links will be introduced in the future depends on the experience gained after the go-live of the platforms.
General	Transparency: Some stakeholders suggest that the algorithm should be made public and open source.	The description of the functionality of the AOF will be published according to the EBGL requirements at least 1 month before Go-Live of the platform. However due to intellectual property rights the algorithm is confidential, therefore it will not be made public and open-source.
General	Integration with other platforms: Some stakeholders suggest that it would be good to see the complete process of balancing, including aFRR in the documentation.	The TSOs understand that links between different platforms could be of benefit for the BSPs, however are bound by the requirements and deadlines for individual tasks given by the EBGL. If any links will be introduced in the future depends on the experience gained after the go-live of the platforms.

General	Integration with other platforms: Some stakeholders suggest that it was worthwhile to explore possibility of merging RR and mFRR platforms. Real-time processes are more challenging - same delivery periods, 2 activation types in MARI and slower FAT less fitted to SO needs in medium term.	The TSOs understand that links between different platforms could be of benefit for the BSPs, however are bound by the requirements and deadlines for individual tasks given by the EBGL. If any links will be introduced in the future depends on the experience gained after the go-live of the platforms.
General	Integration with other platforms: Some stakeholders note that the mFRR project should better consider impact on further improvement of ID markets. Implementation must not increase time gap between ID gate closure time and real-time. European auction times should not overlap with national auction times.	The TSOs understand that links between different platforms could be of benefit for the BSPs, however are bound by the requirements and deadlines for individual tasks given by the EBGL. If any links will be introduced in the future depends on the experience gained after the go-live of the platforms.
General	Consultation process: Some stakeholders note that the proposal on Settlement is needed to decide on mFRRIF --> problem of sequence between consultation on the mFRRIF and Settlement - Coordination is necessary between all implementation projects + IN and IGCC + Settlement.	The TSOs recognize that it would be beneficial for the stakeholders to review all proposals in one package. The TSOs however need to concentrate on fulfilling the EBGL guidelines, thus follow the tasks accordingly.
General	Consultation process: A stakeholder note that certain key information such as CZC allocation, pricing and income distribution are missing and make it difficult to answer the consultation.	The TSOs recognize that it would be beneficial for the stakeholders to review all proposals in one package. The TSOs however need to concentrate on fulfilling the EBGL guidelines, thus follow the tasks accordingly.
General	Linking: Some stakeholders note that in case of technical linking, there is a risk of double activation if no link between all QH of a day. Some stakeholders request details on the links between technical links and balancing capacity procurement and point out lack of technical / economic links statement in the mFRRIF	Chapter 2.7.2 of the mFRR Explanatory Document was updated in order to cover this type of technical linking. The mFRRIF was also updated to take linking into account.
General	Pricing and Settlement: link(s) with design options: The stakeholders note that some design options (e.g. DA/SA sequence or need elasticity) are linked to the settlement possibilities. Thus, all the links between settlement and design choices should be transparent, plus the mFRRIF should show a possibility for update if interaction between Settlement and design happens.	The TSOs recognize that it would be beneficial for the stakeholders to review all proposals in one package. The TSOs however need to concentrate on fulfilling the EBGL guidelines, thus follow the tasks accordingly.

General	Unavailable bids: Some stakeholders mention that filtering bids could be discriminatory since a loss of opportunity will occur for BSP not activated. A fair compensation should be set if bids are filtered. Finally, TSOs should be transparent when filtering.	Opportunities will be limited due to internal congestion and system constraints. Bids may be filtered in accordance with Article 29(14) of the EBGL due to reflect this in the CMOL. The TSOs acknowledge the need for transparency.
General	Harmonization: Stakeholders request that at least general rules, penalties and prequalification are harmonised and mention that TSOs should strive for further harmonisation to achieve (i) maximum possibilities for market parties to balance demand and supply, (ii) allow usage of flexible xb capacity over all market segments, (iii) establish level playing field	TSOs strive to achieve the better harmonisation on prequalification and penalties as possible and thus have proposed a framework for harmonisation. Furthermore TSOs described in the Explanatory Document why they believe the current harmonisation is the level which allows to perform for the Go Live of the mFRR platform according to the EBGL deadlines.
General	Harmonisation: Some stakeholder suggest that NRAs should be involved in the inconsistency between some national legislation and the objective of having an harmonised European balancing market. If not, gain in social welfare would probably not observed	The TSOs acknowledge the comment.
General	Other: Some stakeholdes raise concerns on pro-active way of balancing: how can TSO forecast an imbalance, why it is needed, how it is beneficial, risk that forecast was wrong. Pro-active balancing lead to socialisation of energy costs and distorts incentives for BRPs outside an LFC area Stakeholders mention that the biggest barrier for integration is continued use of different balancing philosophies. Urge TSOs to adopt a single approach, otherwise risk that costs of European platofrms will outweigh gains. Preference for reactive system as this is more market based.	The EBGL does not prescribe TSOs to adopt a particular balancing approach. Hence, TSOs are free to adopt the balancing philosophy that they deem to be best fit for balancing their LFC area.
General	Other: Some stakeholders mention that TSOs should balance the system re-actively and thus use mainly aFRR, and occasionnally mFRR. Plus a consultation on the complete balancing platforms interaction should be foreseen	The EBGL does not prescribe TSOs to adopt a particular balancing approach. Hence, TSOs are free to adopt the balancing philosophy that they deem to be best fit for balancing their LFC area. TSOs recognise that it would be beneficial for the stakeholders to review all proposals in one package. The TSOs however need to concentrate on fulfilling the EBGL guidelines, thus follow the tasks accordingly.

General	Fallback procedures: Some stakeholders mention lack of information concerning fall back procedure.	The TSOs acknowledge the comment and the importance of the fall-back procedure for the platform. However the fall-back procedure is not in the scope of the implementation framework, thus will be elaborated at a later stage.
General	Other: Some stakeholders mentioned that there are overlaps between Article 3,5 and 10 that raise uncertainties (inconsistency) : objective functions of optimization algorithm and its functioning, outputs of OAF, constraints, cross-zonal capacity allocation. It is requested better linking of these Articles whilst clearly setting principles, inputs and outputs of respective platform functions	The TSOs reviewed the mentioned articles and made improvements, where applicable.
General	Other: Some stakeholder mention that the level of complexity in general is quite high. TSOs should keep it low	TSOs endeavour to balance the requirements on the process and the platform and the level of complexity on the other hand. The mFRR is a very important process for many TSOs in the project and the level of different local constraints is high, but needs to be taken into account to prevent the need to implement parallel local processes, e.g. specific products instead of using the standard product and the common platform.
General	Other: Stakeholder raise following questions: <ul style="list-style-type: none"> • Which entities are allowed to bid on the platform? What are the requirements? • How is controlled the effective activation? How is managed the penalties in case of non-activation? • What are the LFC areas? What is the interaction with the DSOs? • Do the bids compatible with the feed-in-tariff? 	All entities are allowed to bid in the platform as long as they respect the "standard product" requirements detailed in the Implementation Framework, as well as the prequalification requirements detailed at national level. The control of the effective activation as well as the possible penalties are also set at national level. LFC area is the Load Frequency Control area, as defined in Article 3.12 of the SOGL Interaction with DSOs and compatibility with potential feed-in tariff will be detailed in the national Terms and Conditions
General	Liquidity: Stakeholders mention that the approach in articles negatively affects liquidity and increase activation costs.	The standard product, GCT and AOF are designed to be as wide as possible in order to secure as much liquidity in the platform as possible. Argumentation for the proposal is covered in the mFRR Explanatory Document.
General	Transparency: Stakeholders request that all data possible are published (incl. Interconnector capacities, inter TSOs transaction, inelastic demands, etc.)	The TSOs will follow the requirements of the EBSL and when applicable also other EU regulations concerning the transparency and reporting of the mFRR platform.

General	Transparency: Stakeholders mention that some data should be published right after the AOF run (price curves, activation volumes, demand, DA/SA volumes, XB capacities, Inter. Control, ...)	The TSOs will follow the requirements of the EBGL and when applicable also other EU regulations concerning the transparency and reporting of the mFRR platform.
NA	Pricing for SA/DA: Stakeholders mention that same pricing for both DA and SA activation should be implemented - ensure consistency implementation cross-border marginal pricing with the EBGL	Covered in the pricing proposal for balancing energy. Out of scope for mFRRIF.