**Augstsprieguma tīkls, Elering and Litgrid proposal for Baltic balancing capacity market pursuant with Article 33(1) and Article 38(1) of the Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing**

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AS Augstsprieguma tīkls, Elering AS and Litgrid AB Transmission System Operators taking into account the following:

Whereas

1. This document is a common proposal developed by the Transmission System Operators AS Augstsprieguma tīkls, Elering AS and Litgrid AB (hereinafter referred to as “Baltic TSOs”) regarding a proposal for the common and harmonised rules and processes for the sharing of reserves, exchange and procurement of FCR, mFRR and aFRR balancing capacity in the Baltic states in accordance with Article 33(1) of Commission Regulation (EU) 2017/2195 of 23 November establishing a guideline on electricity balancing (hereafter referred to as the “EB Regulation”) and regarding a proposal for the application of a market-based allocation process in accordance with Article 38(1). This proposal is hereinafter referred to as the “Proposal”.
2. The Proposal takes into account the general principles and goals set out in the EB Regulation as well as the Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation (hereafter referred to as the “SO Regulation”), Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (hereafter referred to as the “CACM Regulation), and Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (hereafter referred to as the “IME Regulation”).
3. The goal of the EB Regulation is to establish an EU-wide set of technical, operational and market rules to govern the functioning of electricity balancing markets. It sets out rules for the procurement of balancing capacity, the activation of balancing energy and the financial settlement of balance responsible parties. It also requires the development of harmonised methodologies for the allocation of cross-zonal transmission capacity (hereafter referred to as “CZC") for balancing purposes. Such rules will increase the liquidity of short-term markets by allowing for more cross-border trade and for the more efficient use of the existing grid for the purposes of balancing energy.
4. The TSOs are mutually willing to exchange FCR capacities and exchange and share aFRR, mFRR capacities within the 3 Baltic bidding zones and have developed common and harmonised rules and processes for the exchange, sharing, and procurement of aFRR, mFRR and FCR capacity, which are determined based on dimensioning rules in accordance with Articles 153 and 157 of the SO Regulation.
5. Pursuant to Article 33(1) and 32(2) of EB Regulation the exchange of balancing capacity shall be performed based on a TSO-TSO model.
6. Article 33(2) of EB Regulation provides that TSOs should take into account the available cross zonal capacity. Pursuant to Article 38(4) of EB Regulation FCR shall not use cross zonal capacity allocation.
7. The TSOs will set the capacity procurement process and aFRR, mFRR and FCR capacity bids will be submitted to the system implementing the capacity procurement optimisation function consistent with Article 58(3) of the EB Regulation and the EB Regulation aims as stated its Article 3, this optimisation function shall maximize sum of welfare of the balancing capacity market and the forecast welfare of the day-ahead market. The procurement of upward and downward aFRR mFRR and FCR capacities are carried out separately. To secure the exchange of aFRR, mFRR capacities, the TSOs will allocate CZC using a market-based allocation process.
8. The TSOs will ensure both the availability of CZC and that the operational security requirements set out in the SO Regulation are met. This is ensured by market-based allocation of CZC for the exchange and sharing of aFRR, mFRR capacities and described in a separate proposal developed in accordance with Article 41(1) of the EB Regulation. In addition, the TSOs are not allowed to increase the reliability margin due to the exchange of aFRR, mFRR and FCR capacities.

**SUBMIT THE FOLLOWING PROPOSAL TO RELEVANT REGULATORY AUTHORITIES:**

1. Subject matter and scope
2. This Proposal shall be considered as the common proposal of Baltic TSOs for the establishment of a regional FCR, mFRR and aFRR capacity markets with common rules and processes for the procurement, sharing and exchange of balancing capacities in accordance with Article 33(1) of EB Regulation.
3. This Proposal defines the proposal for the application of market-based allocation process pursuant to Article 38(1) of EB Regulation.
4. Definitions
5. For the purposes of the Proposal, terms used in this document shall have the meaning of the definitions included in Article 2 of EB GL, Article 2 and 3 of SO GL and of Regulation (EC) 714/2009, Directive 2009/72/EC, Commission Regulation (EU) 543/2013.
6. The following definitions shall also apply:
	1. “Methodology for market-based capacity allocation” – “Baltic CCR TSOs’ methodology for a market-based allocation process of cross-zonal capacity for the exchange of balancing capacity in accordance with Article 41(1) of the Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing".
	2. Primary resources – resources provided by the BSPs and Baltic TSOs for the balancing capacity market auctions.
	3. Back-up resources - additional resources provided for balancing market auctions in case of unsatisfactory balancing capacity market optimization results.
	4. Optimisation function - capacity procurement optimisation function meant for operating the algorithm applied for the optimisation of the procurement of balancing capacity.
	5. Reserve providing unit (RPU) - a single power generating module, demand unit or an aggregation of technical entities connected to a common connection point fulfilling the requirements to provide FCR or FRR.
	6. Reserve providing group (RPG) - an aggregation of technical entities and/or reserve providing units connected to more than one connection point fulfilling the requirements to provide FCR or FRR.
	7. Mandatory energy bids – FRR energy bids corresponding to the procured balancing capacity amounts.
7. In the Proposal, unless the context requires otherwise:
	1. the singular indicates the plural and vice versa;
	2. the table of contents and headings are inserted for convenience only and do not affect the interpretation of the Proposal;
	3. any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force.
8. High level design of the Baltic balancing capacity market
9. The market area equals to bidding zones of Estonia, Latvia and Lithuania.
10. The procurement is organised with a TSO-TSO-model, as defined in Article 2 (21) EBGL, in which balancing capacity is procured through a common auction based on a common merit order list where Baltic TSOs pool the offers they have received from the Balancing Service Providers (BSPs) connected to their respective grids. Every BSP needs to establish a contract with its Connecting TSO in accordance with EB Regulation.
11. The Baltic balancing capacity market includes the following balancing capacity auctions:
	1. FCR auction with optimization function for symmetrical balancing capacity.
	2. FRR auctions with single optimization function with allocation of cross zonal capacities for exchange and sharing of FRR within the 3 Baltic bidding zones:
		1. aFRR auction for upward balancing capacity;
		2. aFRR auction for downward balancing capacity;
		3. mFRR auction for upward balancing capacity;
		4. mFRR auction for downward balancing capacity.
12. The auctions will be organized for day-ahead timeframe pursuant to Article 6 point 9 of IME Regulation.
13. Baltic balancing capacity market for all auctions shall apply the market time unit (hereinafter- MTU) resolution equal to 15 minutes.
14. Procurement of balancing capacities and allocation of cross-zonal capacities for exchange and sharing of FRR shall be performed for the day-ahead timeframe for the day (from hour 0 to hour 24) according to Central European Time zone.
15. Baltic TSOs apply the Capacity procurement optimisation function for each balancing capacity auction as described in Article 8.
16. Capacity procurement optimisation function of each balancing capacity auction determines the results which are used by Connecting TSOs to contract the balancing capacity services from BSPs connected to their respective grids in the form of standard balancing capacity products.
17. For each contracted standard mFRR balancing capacity product bid, each BSP shall provide corresponding capacity in the form of standard mFRR balancing energy product bid(s), defined in standard terms and conditions for BSP. Such bids shall be direct activatable bids.
18. For each contracted standard aFRR balancing capacity product bid, each BSP shall provide corresponding capacity in the form of standard aFRR balancing energy product bid(s), defined in standard terms and conditions for BSP.
19. Market-based Cross-Zonal Capacity Allocation methodology is applied to ensure the exchange and sharing of aFRR and mFRR capacities in accordance with exchange and sharing limits agreed among the Baltic TSOs.
20. Prequalification
21. Each Connecting TSO is responsible for the prequalification for the provision of the standard balancing capacity product of the reserve providing units and/or reserve providing groups of the BSPs connected to their respective grids, in accordance with Article 159(5) of the SO Regulation and Harmonised principles for Baltic LFC reserve prequalification.
22. Each BSP intending to provide standard balancing capacity product bids shall have successfully passed a prequalification process defined by the Connecting TSO pursuant to standard terms and conditions for BSP. BSPs shall be eligible to submit balancing capacity bids of prequalified reserve providing units and/or reserve providing groups to the Baltic balancing capacity market.
23. Each BSP shall provide capacity bids in amounts not higher than resources eligible to participate in the Baltic balancing market.
24. Product and bid characteristics
25. The following FCR product shall be used in FCR auction:

|  |  |
| --- | --- |
|  | FCR product  |
| Direction | Symmetric product |
| Minimum bid quantity | 1 MW |
| Bid granularity | 1 MW |
| Bid divisibility | Divisible bids only |
| Maximum bid quantity | As defined in prequalification of BSP units or groups. |
| Location | Bidding zone.Optional - additional identification of the reserve provider, reserve providing unit or reserve providing group |
| Price resolution | 0,01 EUR/MW |
| Price | In EUR/MWPositive or zero, maximum price cap is equal to the maximum possible bid price in the day-ahead market EUR/MW |
| Validity | Single MTU |
| Linking | Block bids: Bids with the same volume and prices of consecutive MTUs can be linked, meaning that all these bids must either be rejected or accepted  |
| Availability | FCR capacity bids shall be fully available for FCR energy activation during the delivery period  |

1. Following mFRR and aFRR products shall be used in FRR auction:

|  |  |  |
| --- | --- | --- |
|  | mFRR product  | aFRR product |
| Direction | Upward or downward |
| Minimum bid quantity | 1 MW |
| Bid granularity | 1 MW |
| Bid divisibility | BSPs are allowed to submit indivisible or partly indivisible bids based on BSP prequalification. The maximum size of indivisible bids shall not be higher than the largest technical minimum production or consumption of the pre-qualified reserve providing unit or reserve providing group.  | Divisible bids only |
| Maximum bid quantity | As defined in prequalification of BSP reserve providing units or reserve providing groups. |
| Price resolution | 0,01 EUR/MW |
| Price | In EUR/MWPositive or zero, maximum price cap is equal to the maximum possible bid price in the day-ahead market EUR/MW |
|  Validity | Single MTU |
|  Links between bids  | Block bids: Bids with same volume, direction and prices of consecutive MTUs can be linked, meaning that all these bids must either be rejected or accepted.Joint linked up-and-down bids: An upward bid can be linked with a downward bid of the same MTU. Both linked bids must be either accepted or rejected. Exclusive bids: It will be possible to present a single bid as a bid curve, where only one bid of the group of bids constituting the bid curve can be selected within the same MTU. The exclusive bid cannot be part of block bids group nor joint linked up-and-down bids. Exclusive bid linking between aFRR and mFRR bids is allowed. |
| Location | Bidding zone.Optional - additional identification of the reserve providing unit or reserve providing group. |
| Availability | Accepted FRR capacity bids shall be fully available for FRR energy activation during the delivery period. The linking of FRR energy bids must ensure that the amount of the procured FRR capacity would always be available regardless of the activations in previous MTUs. As an exception, technically linked mFRR bids which were activated in the previous MTU are considered as activated also in the current MTU, meaning they do not need to be available for activation during that MTU. |

1. Bid submission, capacity order and Mandatory FRR energy bid submission and process timing
2. Balancing capacity bids are provided by BSPs (primary resources) to Connecting TSOs.
3. TSOs may use their own resources as primary or/and back-up resources.
4. The balancing capacity bid opening time for the submission of balancing capacity bids by BSPs to the Connecting TSO shall be no later than 00:00 (EET) 14 calendar days prior to the delivery day.
5. The balancing capacity bid closure time for the submission of FCR capacity bids by BSPs to the Connecting TSO shall be no later than 7:30 (EET) calendar day prior to the delivery day.
6. BSP shall provide the following information in FCR capacity bid:
7. Maximum capacity bid quantity in MW
8. Price in EUR/MW
9. The MTU for which the bid is valid
10. Bidding zone for which the bid is provided
11. Reserve provider
12. BSP can optionally provide information on reserve providing unit or reserve providing group in FCR capacity bid in accordance with prequalification protocol.
13. Each TSO shall publish the FCR procurement results and submit to respective BSPs the FCR capacity order no later than 8:00 (EET).
14. Connecting TSO shall provide following information in FCR capacity order:
	1. Quantity in MW,
	2. Price in EUR/MW,
	3. The MTU for which the order is valid,
	4. Bidding zone for which the order is provided,
	5. Reserve provider,
	6. Reserve providing unit or reserve providing group in accordance with prequalification.
15. The balancing capacity bid closure time for the submission of mFRR and aFRR capacity bids by BSPs to the Connecting TSO shall be no later than 9:00 (EET) calendar day prior to the delivery day.
16. BSP shall provide following information in aFRR or mFRR capacity bid:
17. Maximum capacity bid quantity in MW
18. Price in EUR/MW
19. The MTU for which the bid is valid
20. Bidding zone for which the bid is provided
21. Bid linking information
22. BSP can optionally in FRR capacity bid provide information on reserve providing unit or reserve providing group in accordance with prequalification protocol and minimum capacity bid quantity in MW in accordance with prequalification
23. Each TSO shall publish the FRR procurement results and submit to respective BSPs the aFRR and mFRR capacity order no later than 10:00 (EET).
24. Connecting TSO shall provide the following information in FRR capacity order:
	1. Quantity in MW
	2. Price in EUR/MW
	3. The MTU for which the order is valid
	4. Bidding zone for which the order is provided
	5. Reserve provider
	6. Reserve providing unit or reserve providing group in accordance with prequalification– in case it is provided in the bid
	7. Minimum capacity bid quantity in MW in accordance with prequalification– in case it is provided in the bid
25. In case information about reserve providing unit or reserve providing group in accordance with prequalification is not provided by BSP in the bid, BSP shall provide it in form of FCR or FRR capacity order update before gate closure time for transfer of obligation of each MTU.
26. BSP is allowed one time to update FCR and FRR capacity order information before gate closure time for transfer of obligation of each MTU. Order can be split in several orders, but total volume of initial order shall be respected. Information which can be updated:
	1. Quantity in MW;
	2. Minimum capacity quantity in MW in accordance with prequalification protocol (only for FRR capacity order)
	3. Reserve provider
	4. Reserve providing unit or reserve providing group in accordance with the prequalification
27. BSP submits the preliminary Mandatory energy bids to the FRR energy market for the next day no later than 16:30 EET in accordance with FRR energy market rules.
28. BSP submits final Mandatory energy bid to the FRR energy market until the energy bid submission gate closure time in accordance with FRR energy market rules.
29. Allocation of cross-zonal capacity for balancing capacity market
30. The TSOs shall ensure both the availability of cross-zonal capacity and that the operational requirements set out in the SO Regulation are met by applying market-based allocation process for allocating cross-zonal capacity to the balancing timeframe. The TSOs shall allocate the cross-zonal capacity to the Baltic FRR capacity market in accordance with methodology for market-based capacity allocation.
31. The TSOs shall respect the default and increased percentage limits of maximum volume of cross-zonal capacity allocated for the exchange of balancing capacity defined in Article 5(1) of the methodology for market-based capacity allocation.
32. The TSOs shall allocate cross-zonal capacity for the exchange and sharing of balancing capacity that is calculated in accordance with the capacity calculation methodology developed pursuant to the CACM Regulation.
33. The allocated cross-zonal capacity for exchange and sharing of FRR capacity shall be taken into account in day-ahead and intraday capacity calculation timeframe as previously allocated cross-zonal capacity in accordance with methodology pursuant to Article 20(2) of the CACM Regulation.
34. For covering of the required accessible volume of FRR capacities TSOs only use the capacity procured within the particular bidding zone together with exchanged and shared capacities outside the bidding zone for which the cross-zonal capacity was allocated for. Balancing capacity outside the bidding zone for which no cross-zonal capacity was allocated for, cannot be taken into account for ensuring the accessible volume for FRR capacities.

1. Procurement optimization function
2. Pursuant to Articles 33 and 58(3) of EBGL, the algorithm for the FCR balancing capacity procurement optimization function shall be based on the following principles:
	1. The input to the optimization algorithm is:
		1. All FCR balancing capacity bids received from primary and back-up resources submitted by each Connecting TSO;
		2. Reserve requirement of FCR balancing capacity for each bidding zone submitted by each Connecting TSO.
	2. Optimization algorithm can have up to two rounds:
		1. **First round** of the optimization is performed with all capacity bids provided by primary resources. If all TSOs reserve requirements are satisfied the results of this run are considered as final results of optimization algorithm;
		2. In case in result of the first round of the optimization reserve requirement of one or more Connecting TSO is not satisfied, **second round** of the optimization is performed with all capacity bids provided by primary and back-up resources. Bids provided by primary resources do not have priority over bids provided by back-up resources. Results of this run are considered as final results of optimization algorithm.
	3. The objective function of the optimisation algorithm for FCR run during both runs is to minimize the overall procurement costs of procured balancing capacity.
	4. The constraints of the optimisation algorithm are to:
		1. Apply the import and export limit for a country pursuant to Article 33 (2) EBGL providing that TSOs take into account in their proposal the “operational limits defined in Chapters 1 and 2 Part IV Title VIII of Commission Regulation (EU) 2017/1485";
		2. Respect linking of the bids;
		3. If there is a set of equally optimal solutions to cover the reserve requirement of an area, the following criteria will be used in the respective order to choose the successful bids:
			1. local bids have a priority over non-local bids to cover the Connecting TSO reserve requirement in order to avoid excessive cross-border exchange;
			2. Bids with equal prices in the same bidding zone shall be accepted by a pro-rata basis;
		4. After considering all these conditions and preferences, if there are still more than one optimal solution (e.g., two bids with the same volume, cost, and timestamp), what first comes out as a result of the algorithm will be accepted;
	5. The outputs for each MTU from the optimisation algorithm are:
		1. Procured volume of each selected bids,
		2. Marginal price for FCR balancing capacity.
3. Pursuant to Articles 33 and 58(3) and Title IV of EBGL, the algorithm for the FRR balancing capacity procurement optimization function shall be based on the following principles:
	1. The inputs to the optimization algorithm are:
		1. All FRR balancing capacity bids received from primary and back-up resources submitted by each Connecting TSO;
		2. Total reserve requirement of FRR balancing capacity for each bidding zone submitted by each Connecting TSO;
		3. Minimum reserve requirement on aFRR balancing capacity for each bidding zone submitted by each Connecting TSO;
		4. Minimum reserve requirement on aFRR balancing capacity for the 3 Baltic bidding zones;
		5. Total reserve requirement on FRR balancing capacity for the 3 Baltic bidding zones
		6. Cross-zonal capacities available for allocation for FRR exchange and sharing in accordance with default and increased percentage limits defined in Article 5(1) of the Methodology for market-based capacity allocation;
		7. The total CZC capacity available for each bidding zone borders to FRR exchange and sharing and the exchange of energy;
		8. The forecasted market value of cross-zonal capacity for each bidding zone border in the day-ahead market timeframe defined in accordance with Methodology for market-based capacity allocation;
	2. Optimization algorithm can have up to three rounds:
		1. **First round** of the optimization is performed with all capacity bids provided by primary resources. If all TSOs reserve requirements are satisfied the results of this run are considered as final;
		2. In case in result of the first round of the optimization reserve requirement of one or more Connecting TSO is not satisfied, **second round** of the optimization is performed with all capacity bids provided by primary resources and with increased cross border capacity limits up to second level pursuant to the Methodology for market-based capacity allocation. If all TSOs reserve requirements are satisfied the results of this run are considered as final;
		3. In case in result of the second round of the optimization reserve requirement of one or more Connecting TSO is not satisfied, **third round** of the optimization is performed with all capacity bids provided by primary and back-up resources and with increased cross border capacity limits up to second level pursuant to the Methodology for market-based capacity allocation. Bids provided by primary resources do not have priority over bids provided by back-up resources. Results of this run are considered as final results of optimization algorithm.
	3. The objective function of the optimisation algorithm is:

the maximisation of the sum of forecast economic surplus for SDAC and the economic surplus from the exchange of balancing capacity or sharing of balancing capacity per trading day, as illustrated:

$$\sum\_{i, c}^{}\left(bidcost\_{i}×bidvolume\_{i}×selected\_{i}+ V\_{da,c}\left(MCP\_{c}+α\_{c}×V\_{da,c}\right)×\frac{1}{2}\right)$$

Where:

$bidcost$ is the cost of bid;

$bidvolume$ is the volume of bid i;

$selected$ is a boolean determining whether bid i is accepted or not;

$V$ is the deviation of the forecast net position of bidding zone c;

$MCP$ is the forecasted day-ahead market price in bidding zone c;

$α$ is the price/volume sensitivity of day-ahead bidding zone c.

* 1. The constraints of the optimisation algorithm are to:
		1. Apply the import and export limit for a country pursuant to Article 33 (2) EBGL providing that TSOs take into account in their proposal the “operational limits defined in Chapters 1 and 2 Part IV Title VIII of Commission Regulation (EU) 2017/1485";
		2. Apply the estimated value of CZC in day-ahead market and restrictions on CZC allocation pursuant to the Methodology for market-based capacity allocation;
		3. Ensure that for the second and third optimization run value of CZC is increased to the point the Connecting TSOs reserve requirements are satisfied or maximum limit of CZC is reached.
		4. Ensure that the total amount of procured balancing capacity must be equal or greater than the total amount of FRR reserve requirement (overprocurement in terms of volume is possible if it minimizes the total procurement costs pursuant to Article 58 (3) and (4) EBGL);
		5. Respects indivisibility of bids for mFRR;
		6. Respect linking of the bids;
		7. If there is a set of equally optimal solutions to cover the reserve requirement of an area, the following criteria will be used in the respective order to choose the successful bids:
			1. Bids shall be selected in a manner which minimizes the CZC allocation for the exchange of balancing capacity and sharing of reserves;
			2. Bids with equal prices in the same bidding zone shall be accepted by a pro-rata basis;
		8. After considering all these conditions and preferences, if there are still more than one optimal solution (e.g., two bids with the same volume, cost, and timestamp), what first comes out as a result of the algorithm will be accepted.
	2. The outputs for each MTU from the optimisation algorithm are:
		1. Procured volume of each selected bids;
		2. allocated CZC (MW) for exchange and sharing of FRR capacity per bidding zone border and the maximum allocated CZC (MW) for the day ahead electricity market;
		3. the marginal price of each balancing capacity product in each of the bidding zones.
1. TSO-BSP Settlement
2. Baltic balancing capacity price shall be based on marginal pricing principle.
3. The TSO-BSP volume shall be set by the volume of the procured BSP bids.
4. The amounts for TSO-BSP settlement shall be calculated by multiplication the Balti balancing capacity prices and the procured amounts.
5. TSO-TSO Settlement
6. TSOs shall share the costs of procured balancing capacity according to the predetermined cost sharing keys which have been calculated according to:
	1. the reference incident dimensioning in each country,
	2. the accessible volume of each product to each bidding zone as a result of the optimization algorithm,
	3. share of different FRR products contribution to the allocated CZCs.
7. The TSOs arrange a monthly settlement process where the difference between expected costs and actual invoiced costs to BSPs are settled between the TSOs.
8. Transfer of obligations
9. Each BSP shall be allowed to transfer their obligations to provide balancing capacities only within the same bidding zone pursuant to the following conditions:
	1. the receiving BSP has passed the qualification process for the balancing capacity for which the transfer is performed and total capacity provided by receiving BSP is not higher than resources eligible to participate in the Baltic balancing market;
	2. BSP that transfers the obligation and BSP that receives the obligation provides the information to Connecting TSO before gate closure time for transfer of obligation of each MTU;
10. Gate closure time for transfer of obligation is set to 60 minutes before each MTU.
11. BSP shall not be allowed to transfer their obligations to provide balancing capacities to BSPs operating in other bidding zones pursuant to Baltic TSO proposal in accordance to Article 34 of EB Regulation.
12. In the event that a BSP transfers its Balancing capacity obligation, the receiving BSP obtains the obligation to be fully available for FRR energy activation or FCR capacity provision during the delivery period.
13. Information about transfer of obligations shall be submitted by BSPs in form of capacity order update described in paragraph 15 in Article 6. For any errors or discrepancies in the updated orders, BSP which have received initial order is responsible.
14. Monitoring of quality (energy and capacity service)
15. TSOs shall monitor compliance of BSPs to the rules of the Baltic balancing capacity market proposal.
16. TSOs shall apply consequences in case BSP do not comply with provisions of the Baltic balancing market proposal, which can include, but not limited to:
	1. Warning;
	2. penalty fee up to the amount of TSOs costs to remediate the noncompliance of the BSP to the rules of the Baltic balancing capacity market proposal;
	3. suspension of qualification.
17. TSOs shall monitor at least:
	1. Total amount of capacity provided in bids by single BSP in accordance to the amount eligible for participation in the capacity market;
	2. Total amount of capacity provided in orders by single BSP in accordance to the amount eligible for participation in the capacity market;
	3. Availability of resources identified for provision of the capacity for the periods resources are utilized for;
	4. Provision of energy bids in the energy market in accordance to the capacity orders;
18. Publication of information
19. Baltic TSOs ensure that all information regarding balancing capacity market operations is complete and publicly available as required by the EBGL, national legislations and other legislations related to the transparency of the data.

1. Publication and implementation of the proposal
2. The TSOs shall publish the Proposal without undue delay after concerned regulatory authorities have approved this methodology or a decision has been made by the European Union Agency for the Cooperation of Energy Regulators.
3. Language

The reference language for this Proposal shall be English. For the avoidance of doubt, where TSOs need to translate this Proposal into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 7 of the EB Regulation and any version in another language, the relevant TSO shall be obliged to dispel any inconsistencies by providing a revised translation of this Proposal to their relevant national regulatory authority.