

**POSITION PAPER OF THE SWE SYSTEM OPERATION  
REGION'S REGULATORY AUTHORITIES**

**ON**

**THE ESTABLISHMENT PROVISIONS OF THE  
REGIONAL COORDINATION CENTRES FOR THE SWE  
SYSTEM OPERATION REGION IN ACCORDANCE WITH  
ARTICLE 35 OF REGULATION (EU) 2019/943  
OF THE EUROPEAN PARLIAMENT AND  
OF THE COUNCIL OF 5 JUNE 2019 ON THE INTERNAL  
MARKET FOR ELECTRICITY**

**27 June 2022**

## I. Introduction and legal context

This document constitutes the agreement of the Regulatory Authorities of the SWE System Operation Region (hereinafter referred to as “SWE NRAs”), as voted on 27 June 2022, on the establishment provisions of the regional coordination centre for the SWE System Operation Region (hereinafter referred to as “SWE RCC establishment provisions”) developed by the Transmission System Operators of the SWE System Operation Region (hereinafter referred to as “SWE TSOs”), in accordance with Article 35 of the Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (hereinafter referred to as “Electricity Regulation”).

This agreement of the SWE NRAs SWE constitutes the basis on which SWE NRAs will each subsequently issue a national decision to approve the SWE RCC establishment provisions pursuant to Article 35 of the Electricity Regulation. It provides evidence that a decision on the SWE RCC establishment provisions does not, at this stage, need to be adopted by ACER pursuant to Article 6(10) of the Recast ACER Regulation.

The legal provisions that lie at the basis of the SWE RCC establishment provisions, and this SWE NRAs agreement on the above mentioned proposal, can be found in Articles 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46 and 47 of the Electricity Regulation and in Article 6 of the recast ACER Regulation.

In particular, Article 35 of the Electricity Regulation states that:

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*1. By 5 July 2020, all transmission system operators of a system operation region shall submit a proposal for the establishment of regional coordination centres to the regulatory authorities concerned in accordance with the criteria set out in this Chapter.*

*The regulatory authorities of the system operation region shall review and approve the proposal.*

*The proposal shall at least include the following elements:*

*(a) the Member State of the prospective seat of the regional coordination centres and the participating transmission system operators;*

*(b) the organisational, financial and operational arrangements necessary to ensure the efficient, secure and reliable operation of the interconnected transmission system;*

*(c) an implementation plan for the entry into operation of the regional coordination centres;*

*(d) the statutes and rules of procedure of the regional coordination centres;*

*(e) a description of cooperative processes in accordance with Article 38;*

*(f) a description of the arrangements concerning the liability of the regional coordination centres in accordance with Article 47;*

*(g) where two regional coordination centres are maintained on a rotational basis in accordance with Article 36(2), a description of the arrangements to provide clear responsibilities to those regional coordination centres and procedures on the execution of their tasks.*

*2. Following approval by regulatory authorities of the proposal in paragraph 1, the regional coordination centres shall replace the regional security coordinators established pursuant to the system operation guideline adopted on the basis of Article 18(5) of Regulation (EC) No 714/2009 and shall enter into operation by 1 July 2022.*

*3. Regional coordination centres shall have a legal form referred to in Annex II to Directive (EU) 2017/1132 of the European Parliament and of the Council (23).*

*4. In performing their tasks under Union law, regional coordination centres shall act independently of individual national interests and independently of the interests of transmission system operators.*

*5. Regional coordination centres shall complement the role of transmission system operators by performing the tasks of regional relevance assigned to them in accordance with Article 37. Transmission system operators shall be responsible for managing electricity flows and ensuring a secure, reliable and efficient electricity system in accordance with point (d) of Article 40(1) of Directive (EU) 2019/944.*

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## **II. The history of the SWE TSOs proposal**

In April 2022, ACER issued Decision no 05/2022 of the European Union Agency for the cooperation of Energy Regulators on the definition of system operation regions (hereinafter “SOR Decision”) including the SWE CCR (and consequently the French, Spanish and Portuguese TSOs) in the newly built SWE SOR.

The SWE RCC establishment provisions were received by the last SWE NRA on 12 May 2022. An agreement by the SWE NRAs would be therefore required by 12 November 2022, according to Article 6(10) of the Recast ACER Regulation. Nonetheless, the SWE NRAs agreed to speed up the approval process in order to have the agreement on the new establishment provisions reached by 30 June 2022 (i.e. a day before the prospected entry in operation of the RCCs according to Article 35 of the Electricity Regulation).

## **III. The SWE TSOs proposal**

The SWE SOR TSOs proposed to establish the existing Regional Security Coordinator (RSC) Coreso as SWE SOR RCC.

The seat of Coreso is located in Brussels (Belgium) and its legal form is a “naamloze vennootschap/société anonyme” under Belgian law.

The SWE SOR TSOs proposed to define the organisational arrangements for the RCC in accordance with the already established working frameworks of the existing RSC. Coreso can hire personnel directly or receive personnel from TSOs on the basis of a contractual secondment.

The Statutes and Rules of procedure of Coreso, as defined by its shareholders, are attached to the establishment provisions. In particular, a specific voting procedure has been defined for any decision

of the board of directors relating to the tasks of the RCC as defined in the electricity regulation in order to prevent a non-EU TSO (i.e. National Grid in the UK), despite its representation on the board of directors, to have any influence on the missions of the RCC.

Regarding the financial arrangements, the proposal defines two types of fees to be paid by TSOs:

- a service fee per service received by a given TSO from Coreso; and
- an annual fee paid by the shareholders for the proper functioning of Coreso, if agreed by the shareholders.

Coreso should perform its tasks:

- in accordance with the already established and future methodologies for the tasks already covered by the relevant network codes or guidelines or by the Electricity Regulation; or
- in accordance with future methodologies according to Article 37(5) of the Electricity Regulation when developed by the ENTSO for Electricity and approved by ACER.

Coreso performs all the tasks that must be performed at the scale of the SWE CCR or the SWE SOR. Some pan-European tasks are carried out by the RCCs of different SORs on a rotational basis: one RCC is responsible for the task over a given period (which may be different for each task) and the second RCC supports the first over the defined period as a backup.

The tasks to be carried out on a rotational basis at pan European level are the following:

- creation of the common grid model;
- coordination of outage planning; and
- short term adequacy.

According to the SWE SOR RCC establishment proposal submitted, each TSO receiving services from Coreso shall conclude a service level agreement with Coreso. This service level agreement shall provide details on the RCC's liability towards TSOs.

## **IV. The SWE NRAs' position**

### **NRAs' position**

The SWE NRAs are in favour of establishing the existing RSC Coreso as RCC of the SWE SOR and generally agree with the principles defined in the SWE RCC establishment provisions, which will ensure an efficient execution of the tasks assigned to the RCC and improve the coordinated processes between TSOs.

### **NRAs' amendments**

Despite a general positive opinion on the establishment provisions, the SWE NRAs decided to review the proposal before approving it pursuant to Article 35 of the Electricity Regulation in order to incorporate in the SWE RCC establishment provisions a number of further changes to improve the overall quality and understandability of the document.

The main changes incorporated by the SWE NRAs are the:

- inclusion of some statements in the whereas section to describe the process leading to the SWE RCC establishment provisions with a link to the different decisions adopted by ACER on the SOR definition;
- inclusion of a statement in the whereas section about the need for the SWE TSOs to ensure that, in case a SWE RCC is established as RCC in another SOR, the provisions in the SWE RCC establishment provisions are consistent with the provisions to establish the RCC of the other concerned SOR(s); and

- correction of some wrong references in particular related to the methodologies governing the RCC tasks already approved by ACER pursuant to Article 37 of the Electricity Regulation.

Moreover, some editorial changes have been made to improve the clarity of the document.

The amendments were scrutinised by the SWE TSOs that suggested some clarifications, regarding the coordination with the RCCs and TSOs of Central SOR, which were taken into account by the SWE NRAs.

## V. Conclusions

The SWE NRAs have consulted and closely cooperated and coordinated with each other and with the relevant TSOs and ENTSO-E in order to ensure that the SWE RCC establishment provisions are in line with the purpose of the Electricity Regulation and contribute to market integration, non-discrimination, effective competition and the proper functioning of the market.

The SWE NRAs have hereby reached the agreement among themselves that they adopt the SWE RCC establishment provisions as annexed to this position paper in both clean and track change versions.

The SWE NRAs have to issue their national decisions to approve the SWE RCC establishment provisions, on the basis of this agreement. The SWE NRAs commit to issue the national decision as soon as possible.

Following the national decisions by the concerned Regulatory Authorities, the regional coordination centre CORESO shall replace the regional security coordinator established pursuant to the System Operation Guideline adopted on the basis of Article 18(5) of Regulation (EC) No 714/2009.