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Alberto Pototschnig
Director
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Network Code on Electricity Balancing (NC EB) Resubmission

Dear Mr Pototschnig,

We write with regards to ACER's reasoned opinion on the Network Code on Electricity Balancing (NC EB).

Further to our letter of 8 April 2014 informing you of our intention to update the NC EB following bi-lateral discussions with ACER, ENTSO-E is pleased to submit the amended code to the Agency for your consideration. It is accompanied by the updated Supporting Document. We would like to thank our colleagues from ACER and National Regulatory Authorities for the constructive cooperation during this phase of the development of the NC EB.

ENTSO-E is confident that the resubmitted code satisfactorily addresses most of the points raised by ACER in its opinion submitted on 21 March 2014, and thus will enable ACER to issue a recommendation to the European Commission in order to proceed to the adoption of the code. We underline our conviction that the NC EB is an ambitious code given the current level of national harmonisation, and that with few exceptions such as the implementation deadline for the European integration model, it is also in line with the Framework Guidelines on Electricity Balancing.

As emphasized before, ENTSO-E believes that the adoption of the NC EB as soon as possible would provide a stable framework not only for the balancing pilot projects and early implementation work which are ongoing, but also to the step-wise pan-European achievement of cross-border balancing. The objective of the early work is to further promote competition and efficiency in the market, increase overall social welfare and reduce costs to the consumer. Also, this work clarifies and thus speeds up the next steps the NC EB describes towards the regional and pan-European balancing market. The experience gained by the pilots and early implementation, and that of the first steps once NC EB is in force, is more important for the speedy development of cross-border balancing than long debates. We trust ACER will take this, as well as recent experience with comitology preparations, into account in its recommendation.

Yours sincerely,



Konstantin Staschus, Ph.D.
Secretary-General
ENTSO-E