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**The consequence of delaying the go-live of the common Nordic aFRR CM in relation to the derogation of the change to the 15 in ISP.**

The Nordic TSO's are in general expecting to increase the use of aFRR, both in time and volume. Today we use aFRR for a selected number of hours per day, and the volume is limited to 300-400 MW. When the Nordic synchronous system is converted to ACE based operation it's important that all bidding zones has access to a certain amount of aFRR in all hours. The total Nordic need at that point in time could be in the range of 600-1000 MW, where a certain amount of that could come from voluntary aFRR bids in the aFRR Energy activation Market.

In the journey towards this situation we foresee especially two periods, where the Nordic system could be temporarily stressed, and thus have a need for more aFRR than the 300 MW used today. When the parallel operation for mFRR energy activation market (EAM) with quarterly bid activations is to start in Q2-2022, we can expect more fluctuations in the system as both market participants and operators in the control center will have to get familiar with the new way of balancing the system. Hence, there could be a higher need for aFRR to ensure frequency quality within set limits. The same could happen around the change from 60 to 15 min ISP, where 15 minutes intraday trades temporary changes the dynamic of the system. Currently we cannot know how much aFRR that will be needed in order to ensure the frequency quality, but we need to be ready to increase the aFRR volume on short notice.

The common Nordic aFRR CM is a socioeconomical efficient tool for ensuring aFRR capacity, and this will also ensure that transmissions capacities are used in a much more transparent and economical optimal way, than done today. In the case that we do not have this common aFRR market tool available in due time, TSO's will have to ensure access to aFRR by other less efficient means, which also would include an non-transparent process for ensuring sufficient transfer capacity .

**Thus, a severe delay in the aFRR CM go-live will not change the date for go-live of 15 min ISP, but it could be prohibitive expensive for some areas to ensure access to the needed amount of aFRR.**