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## Exchange of information on Polish energy market: introduction of CSIRE

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### **Introduction**

On 18 June 2021 an amendment to the Act of 10 April 1997 (Energy Law) was published in the *Journal of Laws*. One of the main features of the amendment was the introduction of the Central Information System for the Energy Market (CSIRE).<sup>(1)</sup> The amendment distinguishes between the measurement system, for which individual distribution system operators (DSOs) and the transmission system operator (TSO) are responsible in Poland, and the information exchange system, creating a new entity – the Energy Market Information Operator.

The CSIRE will start operating from January 2024 and it is worth becoming familiar with the principles of this complex system, including obligations for other energy market participants as well as the rights of the newly created entity.

### **CSIRE features**

In accordance with article 3(72) of the Energy Law,<sup>(2)</sup> the Energy Market Information Operator is responsible for the management and administration of the CSIRE and the processing of information collected therein for the purposes of implementing energy market processes. According to article 11y(3) of the Energy Law, the Energy Market Information Operator's tasks are performed by the TSO. The Energy

Market Information Operator, like DSOs and the TSO, is required to apply objective and transparent rules to ensure the equal treatment of system users.

The main argument in favour of entrusting the TSO with the function of the Energy Market Information Operator was that the entity responsible for managing the CSIRE should have a legal form independent of other energy market participants, particularly electricity suppliers and DSOs. This solution guarantees effective supervision and efficient management and maintenance of the CSIRE. While justifying the amendment to the Energy Law, it was stated that in many European countries, the model of the measurement data repository has not been settled. In the countries that have done so, there is a clear tendency to entrust these tasks to the TSO or possibly to a subsidiary of this operator (as in Finland and Norway).

The numerous obligations of the Energy Market Information Operator include:

- developing standards for the exchange of information of the CSIRE and placing them on the website;
- defining the detailed rules for the operation of the CSIRE and the rules of cooperation between the TSO, acting as the Energy Market Information Operator, and electricity system users and other entities obliged or authorised to use the CSIRE in the Transmission System Operation and Maintenance Manual; and
- fulfilling the obligations specified in article 11ze of the Energy Law regarding the protection of personal data according to the EU General Data Protection Regulation (*Official Journal of the European Union*, L 119, as amended).

The legal concepts that are important for the flow of information within the CSIRE are:

- measurement data, which is further divided into:
  - unit measurement data; and
  - aggregated measurement data;
- energy market information; and
- energy market processes.

According to article 3(61) of the Energy Law, "measurement data" is data acquired or determined for a measurement point. Further, article 3(73) of the Energy Law defines "unit measurement data" as measurement data concerning measurements for a single measurement point, for which a single measurement point can be assigned to a given user of the electricity system. Article 3(74) of the Energy Law defines "aggregated measurement data" as measurement data for a set of measurement points for which measurement points cannot be assigned to a given user of the electricity system. These definitions are understandable and introduce two simple criteria:

- a number of measurement points; and
- the possibility of assigning or identifying a given user of the electricity system.

The concept of "energy market information" is defined in article 3(62) of the Energy Law, which states as follows:

*energy market information – information on a measuring point, measurement data, information about events recorded by a remote reading meter, commands received by a remote reading meter and other information necessary to supply electricity.*

This is a broad definition that includes the aforementioned term "measurement data". This definition is open ended as the main criteria for deciding whether a piece of information will be considered as energy market information is the need for the information to ensure an electricity supply. The openness of the definition may raise doubts – how can the information needed to supply electricity be determined? Whose perspective should be considered – is it that of the energy supplier for whom the information necessary to supply electricity is included in the electricity sales contract concluded with the customer?

The definition of "energy market processes" is expressed in article 3(7a) of the Energy Law as follows:

*energy market process – a sequence of activities carried out by at least two entities that are the user of the electricity system or the operator of energy market information, on the basis of which electricity is sold, introduced to the grid or consumption or the provision of services related to electricity.*

The energy market processes are directly indicated in the executive act to the Energy Law issued, according to the authorisation contained in article 11zh of the Energy Law. Moreover, the Energy Law explicitly indicates that the concept of an "energy market process" does not include activities carried out within the framework of the central balancing mechanism or organised markets such as the commodity exchange.

Therefore, the general principle of the CSIRE's operation is that energy market information will be acquired, processed and made available for other entities only for the purpose of implementing energy market processes.

One of the more important regulations regarding the CSIRE is article 11z(1) of the Energy Law:

*The user of the electricity system, in particular the electricity suppliers, operator of the electricity distribution system, operator of the electricity transmission system and the operator of a public charging station, performs the process of energy market information exchange regarding the sales agreement, comprehensive agreement, agreement for the provision of distribution services and information about the measurement point and entity responsible for commercial balancing, as well as other energy market processes, referred to in the regulations issued on the basis of Article 11zh, through the central energy market information system.*

This obliges the entities mentioned therein to implement energy market processes through the CSIRE. This means that, in the future, the CSIRE may carry out processes such as changing the energy supplier or connecting to the power grid.

Further, similar rules will apply to electricity billing, transmission, distribution or system services in accordance with article 4k of the Energy Law, which will enter into force on 1 July 2024. Electricity system users, including the DSO, the TSO and the energy supplier, will settle bills for electricity, transmission, distribution or system services based solely on energy market information registered in the CSIRE.

## **Comment**

The CSIRE's introduction means a significant change for the energy market participants and, at the same time, strengthens the role of the TSO, which will act as the Energy Market Information Operator. The aim of the amendment is to ensure that one coherent source of data is used by the various entities on the energy market, ensuring a standard form of this data and easy access by authorised energy market users.

In its current form, the Energy Law defines the basic framework for the CSIRE's functionality; in the future, the scope of supported energy market processes, billing and aggregated information may gradually expand. It is also possible to establish a separate entity other than the TSO to manage the CSIRE. In this context, the provision of the Energy Law which states that the Energy Market Information Operator tasks are performed by the TSO is significant.

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## **Endnotes**

(1) Act of 20 May 2021 amending the Act – Energy Law and Certain Other Acts (*Journal of Laws*, 2021, item 1093).

(2) Act of 10 April 1997 – Energy Law (*Journal of Laws*, 2021, item 716, as amended).