

# Lessons learnt on the bidding zone review

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# Learning points of the First BZ review process

## Timeline

- 15 Month CACM timeline is very tight, considering objective complexity of task and formal interactions on methodologies, assumptions and final recommendation
- **Future BZ Reviews to be initiated once preparation work is completed**

## BZ and scenario selection

- Transparency of the scenario selection process
- Careful scenario selection to ensure robust results (managing expectations)
- **Future studies to define BZ and scenarios ahead of formal launch**

## Models, methodologies and data

- Highly complex due to the R&D nature of the task
- Synergies with other ENTSO-E products might be identified (i.e. data and models)
- **Future BZ Reviews require models and methodologies ahead of formal launch**

## Calculations

- Calculations are quite complex requiring sufficient time to be allocated
- Calculations could be distributed across suppliers, including possible internalization
- Allocate sufficient time for back-testing of calculation tools
- **Future BZ Reviews to scope calculation complexity ahead of formal launch**

## Political dimension

- Physics of the grid and political realities are deeply entwined
- Stakeholders have valuable insights that need to be considered
- Multi-criteria always allow for different interpretations
- **Governance to be agreed ahead of launching future BZ Reviews**