

UPDATE ON ELECTRICITY BALANCING

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MESC meeting

8 June 2017



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Implementation
Organisation

2

Update on European
Platforms

Timelines

Obligations	2017				2018				2019				2020				2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
RR TERRE			★		Impl Framework EIF+6m						RR EU Platform EIF+2yrs								TSO Join Derogation +2yrs									
Imb. Netting IGCC		★			Impl Framework EIF+6m						IN EU Platform EIF+2yrs								TSO Join Derogation +2yrs									
mFRR mFRR project		4.9. ★					Impl Framework EIF+1yr												FRR EU Platform EIF+4yrs									TSO Join Derogation +2yrs
aFRR aFRR project							Impl Framework EIF+1yr												FRR EU Platform EIF+4yrs									TSO Join Derogation +2yrs
Imbalance Settlement							Harmonised Proposal EIF+1yrs								ISP & Proposal Impl EIF+3yrs								ISP Derogation +2yrs-4yrs					
TSO Proposals							Pricing EIF+1yr				CZC Alloc EIF+2yrs												CZC Harm EIF+5yrs					
General Compliance							EIF+1yr				Pub Info EIF+2yr																	

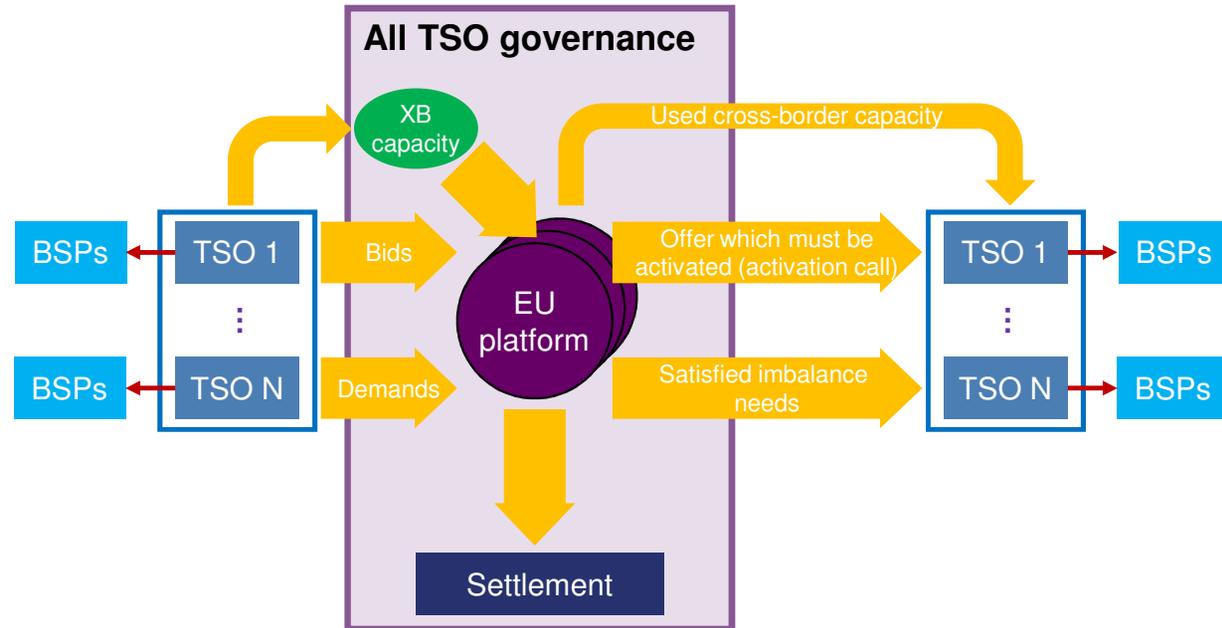
★ Consultation ★ IG Meeting ★ Stakeholder Meeting

Key	Proposal	Deadline	Derogation
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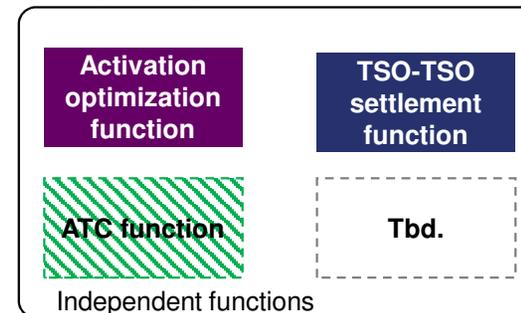
European Platforms

- European platform coordinates balancing energy activation requests of TSOs.
- As a TSO-TSO model is applied, activation requests and communication with national BSPs remains local.
- European platform comprises independent functions closely interacting with different (local) IT systems.

» Platform describes business processes on European level supported by different functions potentially performed by different IT systems.



European processes



ENTSO-E Project Teams and TSOs implementation projects

All TSOs via ENTSO-E Project Teams

- Implementation Frameworks for
 - Imbalance Netting
 - aFRR
 - mFRR
 - RR
- Settlement TSO TSO, TSO BSP, TSO BRP
- Cross Border Capacity Allocation
- Reporting
- Activation purposes
- CBA

TSOs implementation projects

- Implementation Projects for
- Imbalance Netting - IGCC
 - aFRR - ?
 - mFRR - ?
 - RR - TERRE

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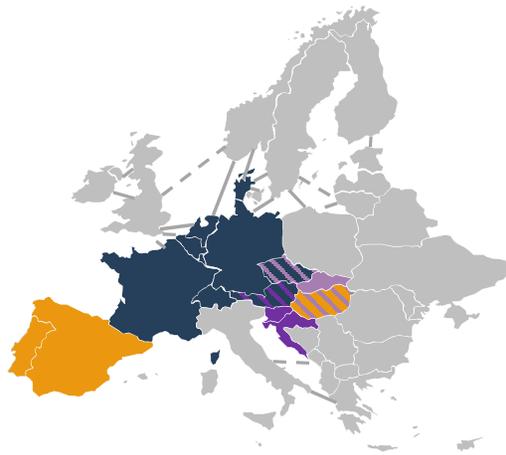
Update on European
Platforms

Imbalance Netting

IGCC formally identified as starting point and is the implementation project

- IGCC
- INC
- not bound by legislation, but willing to implement
- E-GCC
- Accession process to IGCC started

Status Quo



All TSO Platform



Implementation Framework

Implementation Framework approval

Appointment of entity

EIF EIF+6m EIF+Xm Apr.+6m Apr.+12m

Imbalance Netting

1. Implementation Framework is **agreed** by **all TSOs**
2. Implementation Framework is **approved** by all **NRAs**
3. **IGCC** is **adapted** accordingly if necessary to fulfil the Implementation Framework
 - **IGCC MLA**, algorithm and settlement is **adapted by** the current and expected member **TSOs of IGCC**
4. **IGCC fulfils all requirements** of the GL EB to the European platform for imbalance netting
5. **IGCC is the European platform for imbalance netting**
6. **All TSOs performing aFRR**, at least from Continental Europe, **become** Member of the European platform for imbalance netting having **signed** the **IGCC MLA**
7. TSOs are encouraged to join IGCC at an earlier stage, even before any amendments due to Implementation Framework have been implemented

aFRR: Project Plan

- ENTSOE has started the project on the aFRR implementation framework
- It is expected that a first **draft** can be presented to BSG in December 2017
- The ENTSOE project will be accompanied by a reference project as it is the case for mFRR (MARIE), RR (TERRE) and Imbalance Netting (IGCC)

Workpackage	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	
Submission of the proposal																				
TSO Approval of final version																				
Legal review of final version																				
Review of the public consultation																				
Public consultation																				
Informal sharing with ACER																				
Legal review of pre-consultation draft																				
TSO Approval of pre-consultation draft																				
Presentation to BSG / NRAS																				
Drafting the legal document																				
Drafting the explanatory document																				

Presentation of a first draft

mFRR: MARI - Involved Parties

Members – 19 TSOs from 16 countries

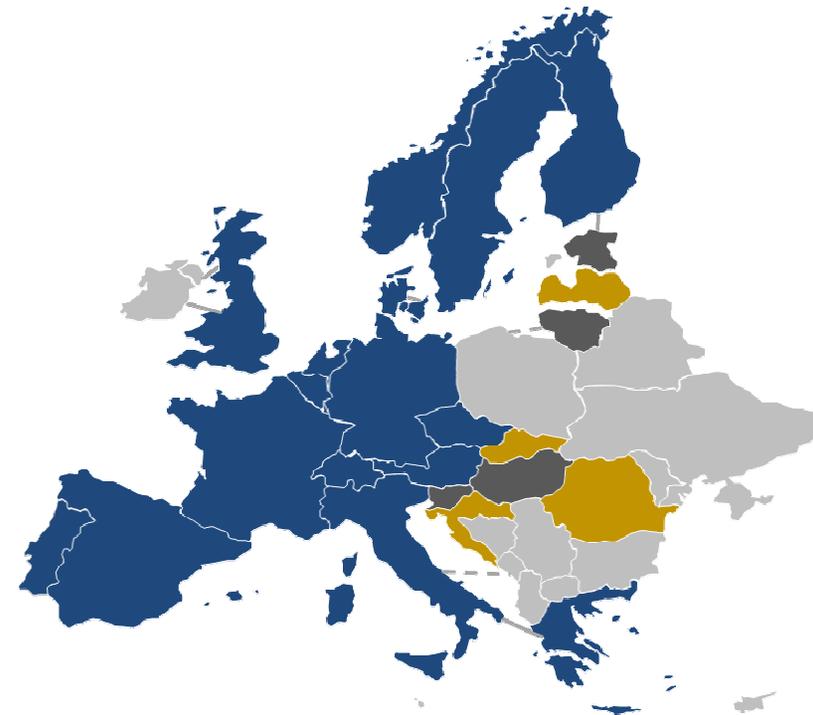
FINLAND	FINGRID
SWEDEN	SVENSKA KRAFTNÄT
NORWAY	Statnett
DENMARK	ENERGINET
GERMANY	50hertz amprion tennet TRÄNSNET BW
GREAT BRITAIN	nationalgrid
NETHERLANDS	tennet
BELGIUM	elias
FRANCE	Rte
CZECH REPUBLIC	ČEPi.o.s.
SWITZERLAND	swissgrid
AUSTRIA	APG
PORTUGAL	REN
SPAIN	RED ELECTRICA DE ESPAÑA
ITALY	Terna Rete Italia
GREECE	AAMHE

Observers – 4 countries (4 TSOs)

LITHUANIA	Litgrid
HUNGARY	MAVIR
SLOVENIA	ELES
ESTONIA	elering

4 countries (4 TSOs) in the process of becoming observers

LATVIA	AST
ROMANIA	TRASE
CROATIA	HOPS
SLOVAKIA	SEPT



RR: TERRE - project Mission and Participants

Develop a XB platform for RR products

- TERRE project will involve the design, development, implementation and operation on a cross-border platform for the balancing products (RR)
- The first phase of the design finalized with a consultation proposal, and has been validated by the NRAs and the market participants (stakeholder)

Toward efficient cooperation in balancing in Europe

- The proposed RR product together with the project governance should be aligned with Guidelines on Electricity Balancing.
- The established platform should support the future European balancing vision to assure the security of the energy supply
- The RR is not the only balancing product which is in development and should therefore be aligned with the ongoing projects (mFRR balancing regions), mainly to assure liquidity of balancing
- The TERRE platform is a suitable candidate for other balancing products such as mFRR.

Potential participants to TERRE project

Following TSOs were included in the cooperation

Full Participants:

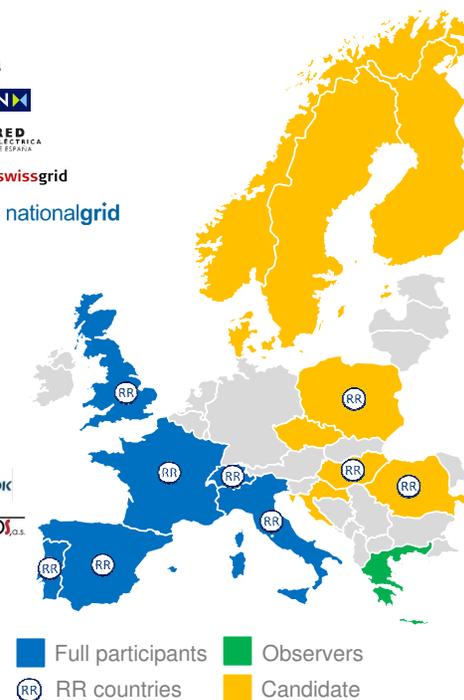
- France (Rte) 
- Italy (Terna) 
- Portugal (REN) 
- Espagne (RED) 
- Suisse (Swissgrid) 
- GB (National Grid) 

Observers:

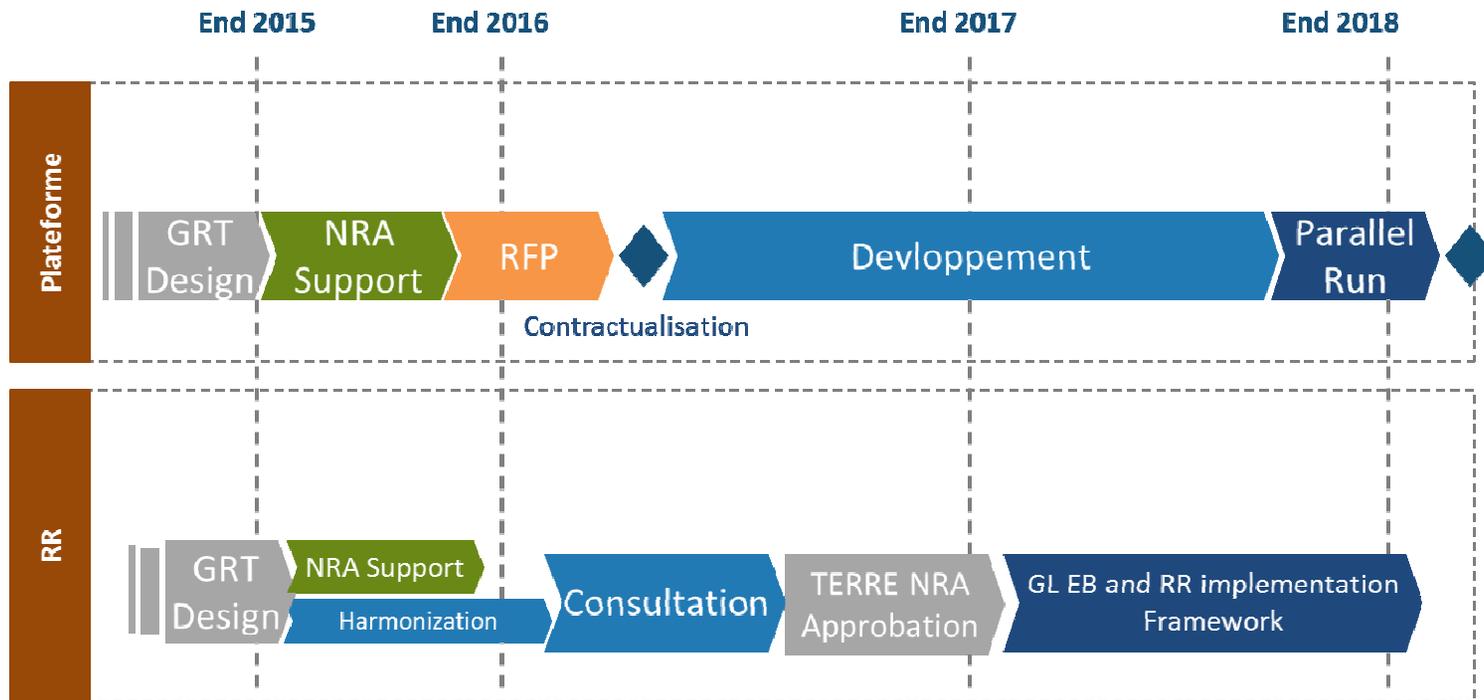
- Greece 

Candidates :

- Norway 
- Sweden 
- Finland 
- Denmark 
- Czech Republic 
- Romania 
- Poland 
- Hungary 
- Croatia 

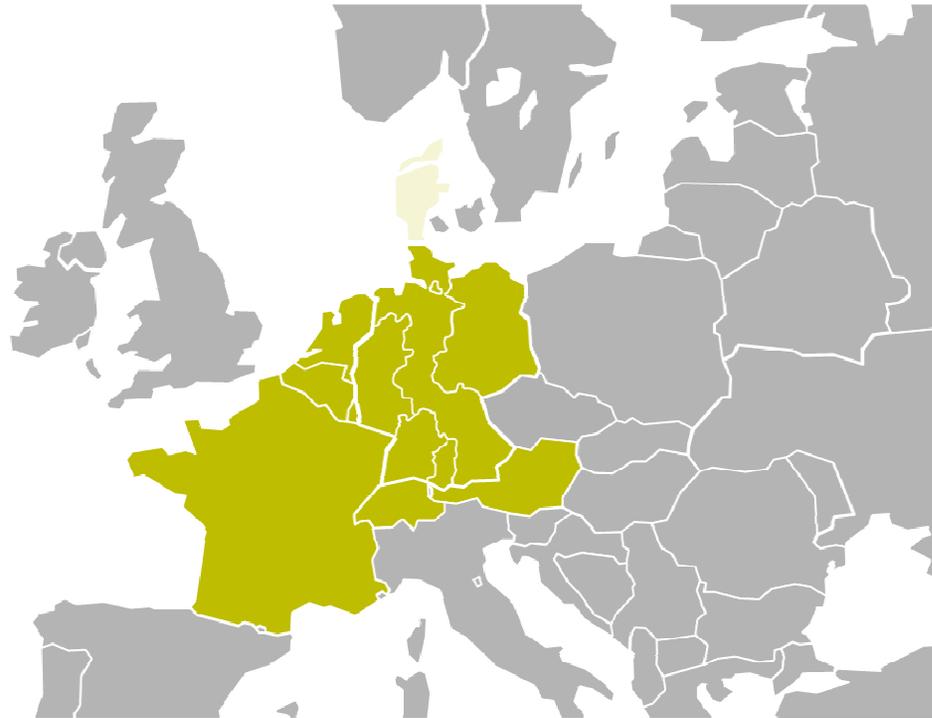


RR: TERRE macro planning



FCR: Overview of the FCR Cooperation

- 10 TSOs from 7 countries current member of the cooperation
- Common demand of 1.4 GW for 2017 in common auction (almost half of the ENTSOE wide demand)
- Further coupling of Denmark planned



FCR: Potential for future market development

FCR cooperation indicates following benefits:

- socio economic benefit for the participating countries
- increased robustness of supply
- positive influence on security of supply

TSOs and NRAs of the countries involved have identified a set of priorities regarding cooperation evolutions

An improved market design could

- Ease the access for smaller market players
- Improve the investment signals
- Strengthen the international market integration
- Increase socioeconomic benefits

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