

17th Market European Stakeholder Committee (MESC)

Tuesday, 02 July 2019 from 10:30-16:00
ENTSO-E, Avenue Cortenbergh 100, 1000 Brussels

Draft Minutes

Participants		
Christophe	Gence-Creux	ACER/Chair
Elaine	O'Connell	EC
Markela	Stamati	EC
Lisa-Marie	Mohr	BNetzA
Sven	Kaiser	E-control
Adeline	Gerard	CRE
Paul	Giesbertz	EFET
Jerome	Le Page	EFET
Johannes	Schulz	EFET
Rickard	Nilsson	NEMO Committee
Steve	Wilkin	Europex
Cosimo	Campidoglio	NEMO Committee
Rafael	Gomez-Elvira	NEMO Committee
Edmund	Beavor	Europex
Arnold	Weiss	EPEX SPOT
Michael	Van Bossuyt	IFIEC
Paul	De Wit	CEDEC
Trygve	Døble	GEODE
Henning	Eklund	GEODE
Hélène	Robaye	Eurelectric
Pierre	Castagne	Eurelectric
Ioannis	Retsoulis	Eurelectric
Charlotte	Renaud	Eurelectric
Juan	Marco	EDSO
Tim	Schittekatte	EUI-FSR
Christops	Kolokathis	RAP
Vasiliki	Klonari	WindEuropea
Konrad	Purchala	ENTSO-E/PSE
Benjamin	Genet	ENTSO-E/CWE
Jean	Verseille	ENTSO-E
Zoltan	Gyulay	ENTSO-E
Marta	Mendoza	ENTSO-E
Alexander	Dusolt	ENTSO-E

1. Opening

1.1 Welcoming address, Approval of minutes, and Draft Agenda (Christophe Gence-Creux; ACER)

The chair opens the meeting and welcomes all the participants. The update from NEMOs on the decoupling is moved before the lunch break and the agenda is approved.

The meeting minutes of the previous meeting and the draft agenda are approved with the following changes:

- Add that 'relevant TSOs' shall develop the model for the Bidding zone review
- Page 7: change "ENTSO-E" to "TSOs of CCRs"

- Change high level telco on 12 March to high level physical meeting on 5 March.
ENTSO-E and ACER commit to circulate draft minutes two weeks after the meeting and to upload on ENTSOE's website the final approved minutes at the latest two weeks after their approval.

1.2 Update on recent developments (Christophe Gence-Creux; ACER)

ENTSO-E reminds their commitment to circulate draft minutes two weeks after the MESC meeting and informs about the updated consultation planning on the website. All parties agree to go to conclusion type of minutes, if certain elements should be specifically cited in the minutes, participants can ask for it in the meeting.

The Chair informs that the CEP has tight deadlines for ENTSO-E and ACER. ACER will deliver but may not be able to guarantee the quality on all deliverables from the very beginning.

ACER issued the decisions on coordinating operational security analysis and for assessing the relevance of assets for outage coordination methodologies (SOGL), a decision on redispatch and countertrading in the SEE region is still pending, one on long term capacity calculation in the Nordics is ongoing and three referrals on the EBGL are expected. Furthermore, there are ongoing appeals on the CORE CCM decision in the ACER Board of Appeal and European Court of Justice.

EFET requests to discuss market suspension regularly in the MESC meeting in order to get information on criteria for market suspension, how they will be restarted, how they are suspended in extreme cases, which processes are followed and how cooperation with PXs and market participants is foreseen. Also, in the view of EFET principles for market suspension should be agreed on at European level and ENTSO-E should take leadership on it. In ENTSO-E's view there is no added value in harmonisation for the sake of harmonisation, and the regulations is clear on their request Europex finds that market interruptions linked to market codes for day ahead and intraday coupling should be discussed. Eurelectric and IFIEC voice that proactively discussing and agreeing in MESC on pan-European key principles has certainly added value as it ensures to the extent feasible the necessary coherence at pan-European level, facilitating the national or regional implementation, and MESC is the right forum for this. They thus support and add that more information is needed on how suspension and restarting is coordinated across member states. IFIEC elaborates that their members' contracts refer to market prices and solutions need to be found for covering periods where markets are suspended. ENTSO-E clarifies that the E&R network code mandated TSOs to come up with national proposals for the approval of national NRAs, and the role of ENTSO-E is to collect national proposals and give an overview by the end of 2020. While in ENTSO-E's view and on the basis of their legal assessment, no harmonisation at EU level is requested by the E&R code, the 2020 report must assess the level of harmonisation and identify areas that require harmonisation. As soon as the national rules are established and translated, ENTSO-E will start this work. It is thus in ENTSO-E's view premature to have any content discussion in September. EFET retorts that a discussion at MESC would be necessary, as market suspensions in one bidding zone have repercussions in other Member States. EFET presented a set of basic principles on the subject at previous MESC meetings that they would like to see transposed into guidance for consistent national implementation. The EC, although it recognises the approach Eurelectric, EFET and IFIEC advocate for is not one of the highest priorities of ENTSO-E, effectively sees benefit in their proposed proactive approach, with the MESC being a relevant forum to this end. It is agreed that ENTSO-E will present the process on how to deliver the required 2020 report in the next MESC meeting. Europex notes that a stakeholder workshop on market suspension and restoration has been promised for autumn 2019 and that this should be confirmed. ACER also stands ready to present its assessment of the situation towards the end of the year.

2. Balancing

2.1 Update on the main issues at stake and on the implementation status of the Balancing methodologies (Alexander Dusolt; ENTSO-E)

ENTSO-E informs about the discussions and outcomes of the Electricity Balancing Stakeholder Group meeting from 1 July 2019. Updates on the methodologies from NRAs, feedback from stakeholders on the consulted proposals on cross zonal capacity allocation and balancing capacity standard products and an update from the balancing implementation projects were given.

Both Europex and Nemo Committee warn that they were not yet involved in the cross zonal capacity allocation proposals related to EB GL and will reply to the consultation. Europex raises the concern that the target model did not foresee a split of capacity between day ahead and balancing. The NEMO Committee warns about the potential relevant impact that the proposed methodology could have by nature on the SDAC algorithm, which was not anticipated by TSOs to NEMOs and hence is neither addressed in the ongoing consultation of the Algorithm Methodology jointly launched by NEMOs and TSOs, nor is addressed in the multi-year plan on R&D on the SDAC algorithm. IFIEC finds that capacity should be given to market participants via long term transmission rights as early as possible, however now there seems to be a trend to do it as late as possible, as also illustrated in discussions on the implementation of long-term splitting rules (art. 16 FCA Regulation). Unused capacity should be avoided. EFET reminds the Committee of its general opposition to any capacity reservation by the TSOs for balancing purposes and proposes to use one common merit order list both for balancing and day ahead market in the context of the co-optimisation proposal but recognises that it may be complex to implement. This could also be done via linked bids between balancing and day ahead.

ENTSO-E invites stakeholders to review the material presented and the minutes from the EBSG meeting.

3. Progress/status report on the CGM (Laurent Schmidt; ENTSO-E)

ENTSO-E updates on the development of the CGM and explains that they currently intend to proceed step by step for the different processes with different requirements. At the moment practical and pragmatic solutions are to be chosen as already fulfilling the SOGL deliverables has proven challenging for them. ENTSO-E says that once the quality is achieved wide usage of the files will be proposed to TSOs and CCRs. In ENTSO-E's view, it is important not to step into complex CCR alignment discussions too early. ENTSO-E explains that the CGM is not only a framework for the data but also models and processes for the merge of models. Those tasks are carried out by CORESO and TSC on behalf of ENTSO-E. ENTSO-E also voices that the CGM task is very challenging and complex which is a reason for the delays witnessed in full go-live. They also mention that not having the CCMs for the different CCRs finalised or deferred timing does not help the implementation of the CGM processes either.

Eurelectric thanks for the presentation and underlines the CGM development is also relevant for CACM and FCA, thus there are well-grounded reasons to discuss it in the MESC, where CACM and FCA related items are addressed. They remind that the business requirements for the market need to be well reflected/incorporated in the model at an early point in time, as the more you progress with the corresponding IT development/implementation, the more difficult (if not unfeasible), expensive, and time-consuming it becomes to incorporate necessary business requirements in a retrospective manner. Consequently, such a retrospective approach that ENTSO-E voiced it plans to adopt will result in even further delays, increasing further the impact to markets and stakeholders at pan-European level. More concretely, Eurelectric stresses out that the CGM will be used by the RCCs, which will build on it to develop/tailor their respective regionally applicable models for the purpose, inter-alia, of capacity calculations at regional level. As this will alleviate the situation of insufficient tradable cross-border capacities, it becomes evidently apparent how critical the timely and appropriate delivery of the CGM, by ENTSO-E, is. This also implies that the more and more such a delivery is delayed or not done appropriately without the necessary market business incorporated, the higher the risk of, inter-alia, having regions developing their own models in a non-coordinated and non-coherent manner leading to suboptimal solutions at pan-European level. These endanger the desired and acknowledged benefits of European market integration as a whole.

Eurelectric also effectively points out to the fact that, had the CGM been delivered as initially planned by 2018, it could have been used also as the pan-European model for the purpose of the upcoming BZR exercise. ENTSO-E responds that it is true that in the future CGMs may be used also for future timeframes but given the current planning of full go-live delivery, these further usages cannot be foreseen in less than 3 years time.

The EC states that the tool is critical and usage by TSOs is obligatory. ENTSO-E has to deliver and TSOs need to implement/tailor locally according to Guidelines and methodologies. Delays in overall implementation need to be monitored closely and justified. They clearly voice that this item should be a re-current item. ACER voices that the CGM item will be brought up also in the high-level Network Code Implementation and Monitoring Group.

Eurelectric fully supports having the CGM item as a recurrent item in MESC, as this will raise awareness and transparency towards stakeholders which is necessary given its aforementioned explained critical nature. This will consequently inter-alia give the opportunity to market orientated as well stakeholders to venture suggestions, and provide advice/guidance on how to best incorporate the relevant business requirements, in an appropriate and timely manner without further delays.

4. Forward

4.1 Update on switching to FTRs (Konrad Purchala; ENTSO-E)

ENTSO-E updates on the implementation of FTRs, based on information from the regions. They inform that the decision to change to FTR is a regional decision. The CORE region is willing to move towards FTR.

EFET is in principle neutral to switching from PTRs to FTR options, especially as many PTRs are already used as FTRs. However, a number of conditions should be met to ensure the full financial firmness of FTRs and the protection of market participants in case of absence of DA clearing (unserved energy). Indeed, they think it should not be possible to curtail FTRs for operational security reasons, as no operational security is related to FTRs. They asked regulators to review the FCA GL and to limit curtailment of FTRs to Force Majeur. ENTSO-E responded that the risks related to FTRs are the same as for PTRs due to LTA inclusion. In the view of EFET, these risks are purely financial. IFIEC responded that financial risks on TSOs affect the grid tariffs paid by final consumers. ENTSO-E did not provide assurances with regard to the risk of unserved energy.

Eurelectric supports EFET's position and requests that FTR offer the same level of protection than PTR in case market coupling is not operational. Regarding the timing they request not to change from PTR to FTR after transmission rights were allocated, as currently foreseen for AT-CZ and AT-HU borders for 2020. Referring to the current LT CCM for the Core region currently under consultation, they raise concerns on how to address uncertainty in the long-term capacity calculation and on the Core TSO proposal for splitting rules. Also, they deem an overall market design discussion for all aspects of forward capacity allocation missing. ENTSO-E explains that FTRs do have an operational impact as in CWE they are still connected to the capacity due to LTA inclusion. Compensation schemes are in place. EFET reminds that compensations are capped thus there is a risk that market participants don't get a full financial hedge. They question the need for keeping LTA inclusion. ENTSO-E explains that they need to be included due to overall financial adequacy, ensuring more capacity for market coupling, however the need for LTA inclusion may become less recurrent with the 70% provision in the CEP would be implemented. Transparency on LTA inclusion will be provided in the upcoming transparency release of CWE. The chair suggests giving an update in the next MESC meeting.

The CORE NRAs inform that the voting procedure for the CORE LTTR design ends on 3 July and the decision is likely to be referred to ACER.

NRAs explain that switching from PTR to FTR makes only sense when day ahead market coupling is implemented. If a switch is planned, it should be properly announced before auctioning transmission rights. The EC adds that the basis for the change needs to be included in allocation rules, transparency is needed, processes and the settlement need to be clear. EFET deems this insufficient as e.g. the market coupling go-live date may change. They suggest staying with PTRs for an interim period (until the end of the validity period of already allocated rights) or offer only monthly transmission rights. As an alternative, already allocated yearly transmission rights could be bought back by the TSOs.

4.2 Splitting rules: market fundamentals and differentiating auction timing and product granularity

EFET presents their and the market parties platforms' view on splitting rules requesting that the full capacity calculated should be sold to the market year ahead. Further capacities could then be released with recalculations on shorter notice. All capacity as calculated year ahead should be offered to market participants. They propose that market participants could be able to buy yearly and monthly rights in a single auction, considering Y products as blocks of M products.

ENTSO-E informs they worked on a 50/50 and 100/0 splitting rule for yearly and monthly capacity after the yearly capacity calculation. They received clear guidance from all CORE NRAs that 100/0 was non-compliant. They say that EFET's proposal seems to go beyond capacity splitting.

Eurelectric wonders why 50/50 should be compliant and highlights that in the current proposal a 50/50 split does not guarantee that finally the second 50% will be allocated in monthly auctions. The EFET/MPP proposal should alleviate NRAs concerns on a 100/0 split as monthly products would also be offered year-ahead.

NRAs add that a fixed split might be seen as arbitrary and a more elaborated splitting methodology could be more appropriate. ACER informs that the next step is that TSOs will submit a proposal to NRAs.

5. Transparency

5.1 CWE NRAs' update on the repeated non-compliance of TSOs with regulatory decisions (CWE NRAs; Adeline Gerard)

CWE NRAs update about the ongoing progress. They do see positive progress, even if slow, and recognise market participants' key role in transparency improvements since 2015. They call for having the announced transparency improvements released as soon as possible. They insist on the need for completeness and quality of the published data. Looking forward, they mention that the CORE CCM will be the relevant framework to evaluate further transparency requests.

Eurelectric appreciates that NRAs are taking a role, they look forward to continuing the discussion on the topic in the appropriate forum in CWE (CCG), but also at the MESC if deemed necessary when discussions are stalling at the CCG/CORE CG. They call for having the transparency improvements released quickly after the summer.

CWE TSOs confirm that they are committed to provide transparency and regret delays which are caused through multiple IT projects e.g. with the inclusion of new interconnectors and the MNA implementation. The new release date will be communicated shortly. They ask to use the Q&A forum to provide continuous feedback. The right level of transparency needs to be identified within the CORE framework.

6 Capacity Allocation and Congestion Management Guideline

6.1 Update on the 70% (ACER; Francois Beaudé)

ACER is presenting on implementing and monitoring Art. 16.8 of the recast Electricity Regulation. The EC hints at the update on third countries given in the last Florence Forum. Norway, as part of the EEA, will also apply the recast Electricity Regulation in the future. Uncertainty remains with the political agreements with Switzerland and Great Britain. They recognise that flows from these countries influence the European system anyway. They are looking for solutions in order to answer to ACER.

EFET asks how to consider the 70% requirement in case ramping or external constraints are applied and if there is more clarity which Member States will apply action plans. ACER explains that it does not consider allocation constraints as part of the 30% that can be discounted from capacity calculation. Any exceptions leading to lower values through allocation constraints will have to be duly justified. So far it is not known which countries intend to implement an action plan. More clarity is expected in the electricity cross border committee meeting in September. EFET would be interested in ACER's and EC's view on the debate whether 70% refers to offered or allocated capacity. The EC clarifies that 70% needs to be offered to the market in 2025 with a linear trajectory. Allocated is used in CEP for the computation of the initial starting point of the linear trajectory, which will lead to slightly lower values for the first year where an action plan is in place. Nevertheless, the measure currently in place such as minRAM 20% in CWE will ensure that the capacities are not lower than currently. They add that ACER and EC have a monitoring role.

Eurelectric asks if results from a new study or figures from a study from 2016 - 2018 will be used as starting point. ACER explains that the study shall give an overview of where Member States stand. However, the study can't be seen as constituting the starting point.

CWE TSOs informs that whether the current 20% min RAM in CWE will be kept is an open question. NRAs have not been able to reach a common position so far on this question. The EC thinks it should not be less than 20% but needs to understand the diverging views from NRAs. NRAs inform that most CWE NRAs want to keep 20%.

6.2 Update on the BZR process (ENTSO-E; Marta Mendoza)

ENTSO-E updates on the bidding zone review process and clarifies that 'relevant TSOs', in the context of the CEP bidding zones methodologies, had been interpreted by ENTSO-E and the TSOs as all European TSOs as defined in the CACM. The regional approach is chosen as there is no model yet available covering whole Europe, which all relevant TSOs are responsible to deliver. Regarding the configuration, ENTSO-E explains that in most cases, political borders will be kept, except in cases where model based will be applied to all regions, and in case of mergers. They explain a nodal configuration may be assessed but not as a benchmark or as an alternative configuration but may have added value for example to assess optimal dispatch. They explain that the Nordics already have ideas for the expert-based configurations whereas discussions have yet to be started for CE. ENTSO-E explains that the bidding zone review methodology will include some guidance on how to choose alternative configurations, but it will be up to the regions to propose alternative configurations. There is no governance between the regions established.

Regarding the scenarios, ENTSO-E explains that TSOs intend to propose one obligatory scenario and provide flexibility to the regions to propose additional scenarios or sensitivities. ENTSO-E highlights that is important for the TSOs to focus the review on 2025 scenario, as it is on development for the TYNDP. ENTSO-E acknowledges the CEP requirement to focus on 2023 scenario, but insists on the need to be pragmatic as also action plans will be finalised by 2025, implementation of next BZ will most probably not be done before 2025 and the robustness of the 2025 scenario can be ensured, while any additional scenario, will not be an 'official' ENTSO-E scenario, so robustness will be lower and time and resources needed to create a new scenario be very high.

ENTSO-E also voices that process/timeline wise, there might be a stakeholder workshop organised after the 17 September MESC, within the 3-month period they have to develop the modelling methodology. This is not definitive yet.

ACER insists on the need to focus on 2023 scenario, as well as the EC.

Regarding the final recommendation on amending or not the BZ, ENTSO-E explains that work is ongoing on the indicators, but it is difficult to monetarize all elements from the 19 criteria foreseen in CACM. In ENTSO-E's view, it is not up to TSOs to prioritize the indicators. ACER's proposal as presented in the slides will be further studied by TSOs, but the tight deadline to submit the methodology does not bring much time for discussions.

Europex highlighted the importance of including data and flows from the other regions in a regional modelling approach, as there would be some interaction between regions.

Eurelectric thanks ENTSO-E for the presentation given, adding that the BZR, as an exercise is certainly not straightforward, but rather challenging. They subsequently ask ENTSO-E if the CEP and the relevant provisions indicate that the TSOs should take a regional approach for the modelling methodology. ENTSO-E replies that this is the proposal by the TSOs. Eurelectric further adds that such a regional approach can easily lead to the situation where market participants will need to address the different regions (not necessarily the same to the currently established CCRs), without any central governance in place. This implies, potentially, a lack of sufficient coordination and coherence between the different regions which can lead to sub-optimal solutions at pan-European level, and non conclusive enough results. Eurelectric further complements that given the emphasis on considering a model-based approach that stakeholders put during the previous BZR exercise, but also the recently held modelling symposium by ENTSO-E, they would have expected more emphasis on this aspect given in their presentation, on the basis of the slides presented. This implies they do not exclude the two approaches co-existing in synergy. They wonder though why this is not the case. ENTSO-E replies that their feedback from the modelling symposium they organised and from the NRAs is in a different direction.

Eurelectric, at last, repeats that the 3 months period ENTSO-E has at its disposal for the development of the modelling methodology is challenging, and that on the basis of the minutes of the previous MESC, market participants support them in this respective.

EFET would like to have a good BZ review, but then that stability is provided for the BZ configuration for the next 10-15 years. In this sense, looking only at 2023 may be too short-sighted and 2025 could be a compromise.

The EC adds that bidding zones need to be efficient and the right balance with cross zonal trading needs to be found. They highlight that the governance changed, and that the final decision will be made by member states, which should help to have less political consideration in the technical review. The review is a technical assessment, with monetary effects and explanations. They insist on the 2023 scenario.

6.3 Update on the RDCT-related methodologies (ACER; Christophe Gence-Creux)

ACER updates on the RDCT related methodologies and shares their view regarding the overlap of CACM and SOGL regarding coordination of RAs with focus on SOGL Art. 76.

ENTSO-E suggests checking ACER proposals/options as proposed in the slides from the legal point of view and the need to develop and implement the approved methodologies before further changes are made. They add that especially the methods from Art. 76 and Art. 74 SOGL are extremely controversial. Adding another layer of uncertainty by opening discussions on the scope may not help the current process but could be a final target once everything is implemented.

NRAs inform that the two options as presented by ACER in the slides are not supported by all NRAs as some believe CACM and SOGL follow different philosophies. Further discussions shall take place.

EFET states that a fully coordinated approach would be perfect but seems complex.

Eurelectric would be interested to understand the different positions from NRAs.

6.4 Update on NEMO's activities (including on the decoupling) (NEMOs; Rafael Gomez-Elvira and Cosimo Campidoglio)

NEMOs (Rafael Gomez-Elvira) update on the decoupling from 7th June 2019. They underline it was the first time that such event happens within five years of operation. SDAC plans to have a final report ready by end July and will circulate it to the MESC. They inform there was a local issue with order books and that the processes at SDAC level were applied successfully. The local issue is further explained by EPEX. EPEX confirms that the issue that happened on that day has been fixed on the same day. They aim at looking into the processes to find more time for solving problems and they suggest organising joint training with market parties for the fall-back processes.

Eurelectric requests the organisation of joint training, which should be a full test with NEMOs, TSOs and JAO. Given this event, they suggest discussing backup options also for Intraday. NEMOs respond that there is less impact in intraday as it is a continuous process. ENTSO-E adds that if the central XBID platform fails, trading will continue on local platforms. Backup process may be considered for the intraday auctions to be implemented in the future. It is also mentioned the chance to improve the overall pre-post and coupling process by potentially reviewing some aspects of the process, for example related to the need for second auctions.

NRAs ask what would have been different if Multi NEMO arrangements (MNAs) would have been in place. NEMOs explain that some NEMOs may have remained coupled but the price formation would not necessarily have been robust. It would have split liquidity while avoiding decoupling of some regions.

EFET raises the question what can be learned from this for Brexit which, in the no-deal scenario, would lead to decoupling of the GB market itself and thus not having a single reference price. What would happen to transmission rights between CE and GB? What happens if CACM is not applicable in GB any longer?

Europex adds that Europe was lucky that this event didn't occur in a tight situation or came on top of other problems. They agree on reviewing the timeline for solving problems.

IFIEC is concerned about the trust in the market and about price formation with partial order books. In the different auctions lower and upper price limits were reached. They suggest addressing the problems in the NEMOs' report. The NEMOs clarify that negative impacts on the markets (wrong price publications, delay in the nominations process) were registered only in the decoupling areas, managed outside the coupling process and under the responsibility of the local NEMOs and TSOs.

ENTSO-E agrees that the relatively quiet day kept processes manageable even though nominations came very late. Low participation in explicit auctions were registered. Trainings could be helpful. TSOs had a challenge in identifying the intraday capacities. They expect that the MNA, which entered into force on 2nd July in CWE, might have improved the situation marginally, however a fully-fledged MNA over all parties would have probably led to more significant improvements. They inform that high amounts have to be compensated to long term transmission rights holders as the market spread is to be paid. They expect 10-20MEUR, which finally will have to be paid by tariff payers (as general case). It should be discussed if the market spread should be compensated in case of fallback solutions are applied since it leads to massive welfare transfers between different parties. Moreover, the compensation is using prices which are not the results of market-based process, while such process exists (i.e. the explicit capacity auctions) and market-based price are available. By using these prices, they would be the right incentive for LT right holders to participate to the explicit capacity auctions, which is to the benefit of the overall welfare. They remind long term rights are connected to capacity physical reality and underlying processes, and that LT rights should not be considered as pure insurance products. They call for further discussion on this topic with all parties.

EFET deems low participation in explicit auctions not related to a lack of incentives to do so and refers to available trainings offered by the NEMOs and limited experience of market participants with fallback auctions. ACER concludes that the decoupling event will be re-discussed during next MESC.

, with special focus on the R&D plan and activities established by NEMOs and TSOs to proactively prepare the SDAC algorithm to support the growing demand of performances which is expected to originate from the wide flow based implementation in the CORE and Nordic Regions, plus the implementation of short-term MTUs (15-30 mins) NEMOs (Cosimo Campidoglio) update on ongoing activities.

6.5 Update on XBID (ENTSO-E, Jean Verseille)

ENTSO-E updates on the XBID project. They highlighted the good performance of and growing liquidity on the platform. The project parties are working on improvements (15-minute products, losses on HDVC cables, deeper order book visibility), some of which should be available for the next release. They clarify that Slovakia is not included due to political issues. They inform that the EC is putting pressure on TSOs and NEMOs. The political issues with Slovakia should not delay the second wave, however the go-live is indeed endangered due to the transit shipping issue. They ask the EC to be careful when giving individual guidance to one party, as it is not necessarily helping to find compromise solutions.

EC asks to not drop one country. If there are issues the EC should be informed.

7. AOB - ENTSO-E's report "CONTINENTAL EUROPE SIGNIFICANT FREQUENCY DEVIATIONS – JANUARY 2019" (Eurelectric; Helene Robaye)

Eurelectric presents their view on ENTSO-E's report. In a nutshell, they consider that the report focuses on DfDs, while the root cause of the issue is frozen measurement on some tie lines. They are concerned that the actual root cause is not treated well enough and that therefore new/additional constraints could unnecessarily be put on generators.

Additionally, Eurelectric reminds that addressing DfDs can certainly be done by having granularity of the product in line with the target ISP. They refer to this end to the relevant common Eurelectric ENTSO-E paper of 2011¹.

ENTSO-E emphasizes that the issue consisted of deterministic frequency deviations and faulty measurement coming on top of each other. FCR may then not be available for contingencies. They explain that a consultation is foreseen in September/November and a proposal shall be made by the end of the year. The topic is thus agreed to be added, timing-wise, to the MESC agenda for December.

8. Next meetings

The next meeting will take place on 17 September in ENTSO-E's premises.

¹ https://docstore.entsoe.eu/fileadmin/user_upload/_library/publications/entsoe/120222_Deterministic_Frequency_Deviations_joint_ENTSOE_Eurelectric_Report_Final_.pdf