

IMBALANCE NETTING

BSG meeting

Brussels, 2016/12/07

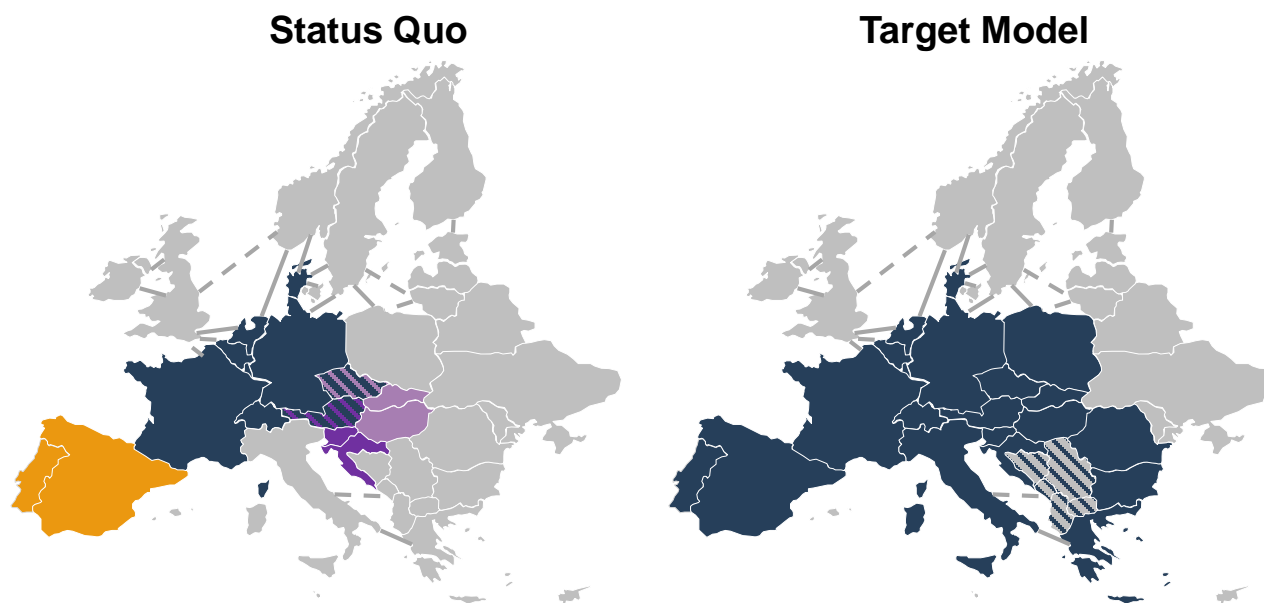
Content

- **Deadlines and Requirements**
- **Implementation Period**
- **Transition Period**
- **Possible Options for EU Target Model**

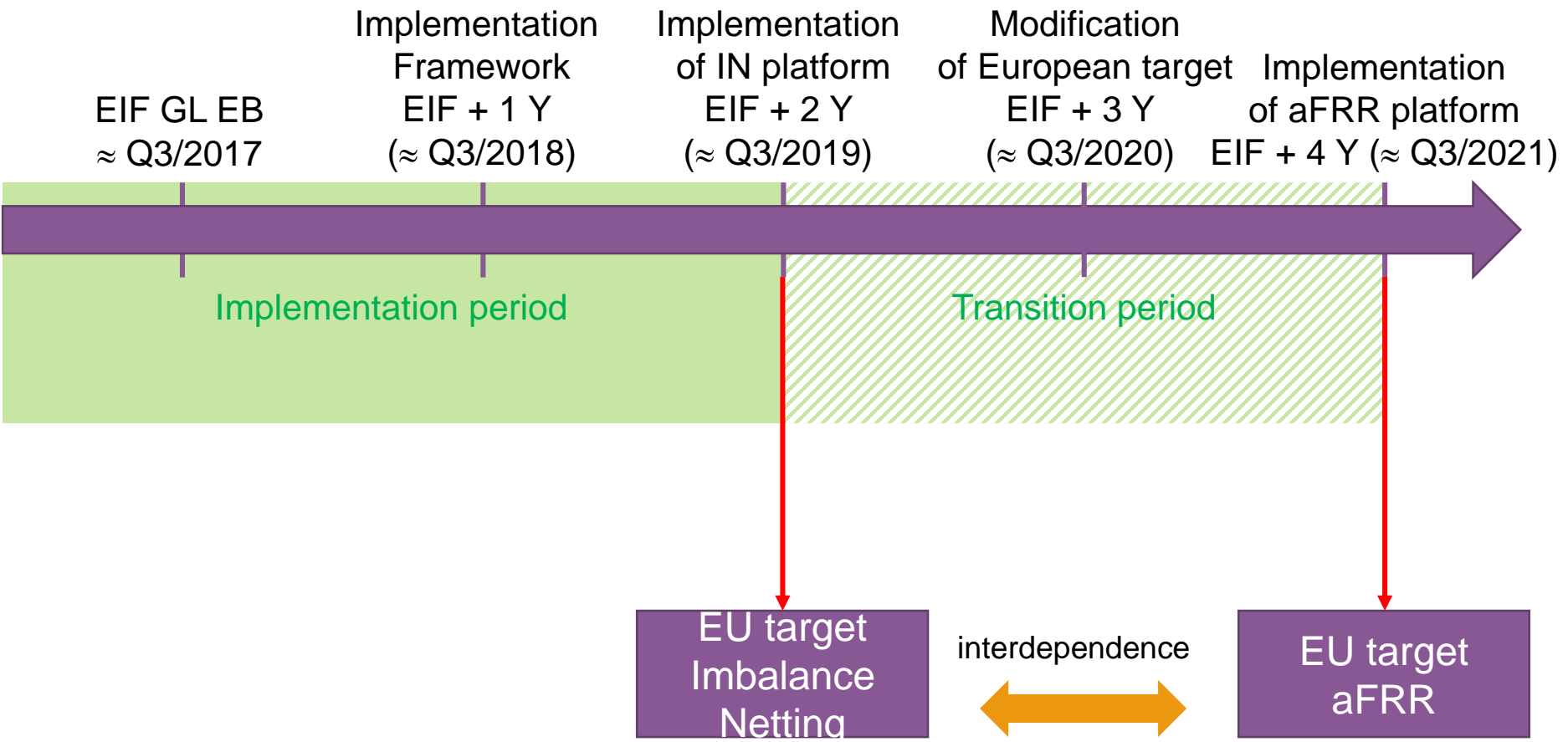
Imbalance Netting

IGCC formally identified as starting point

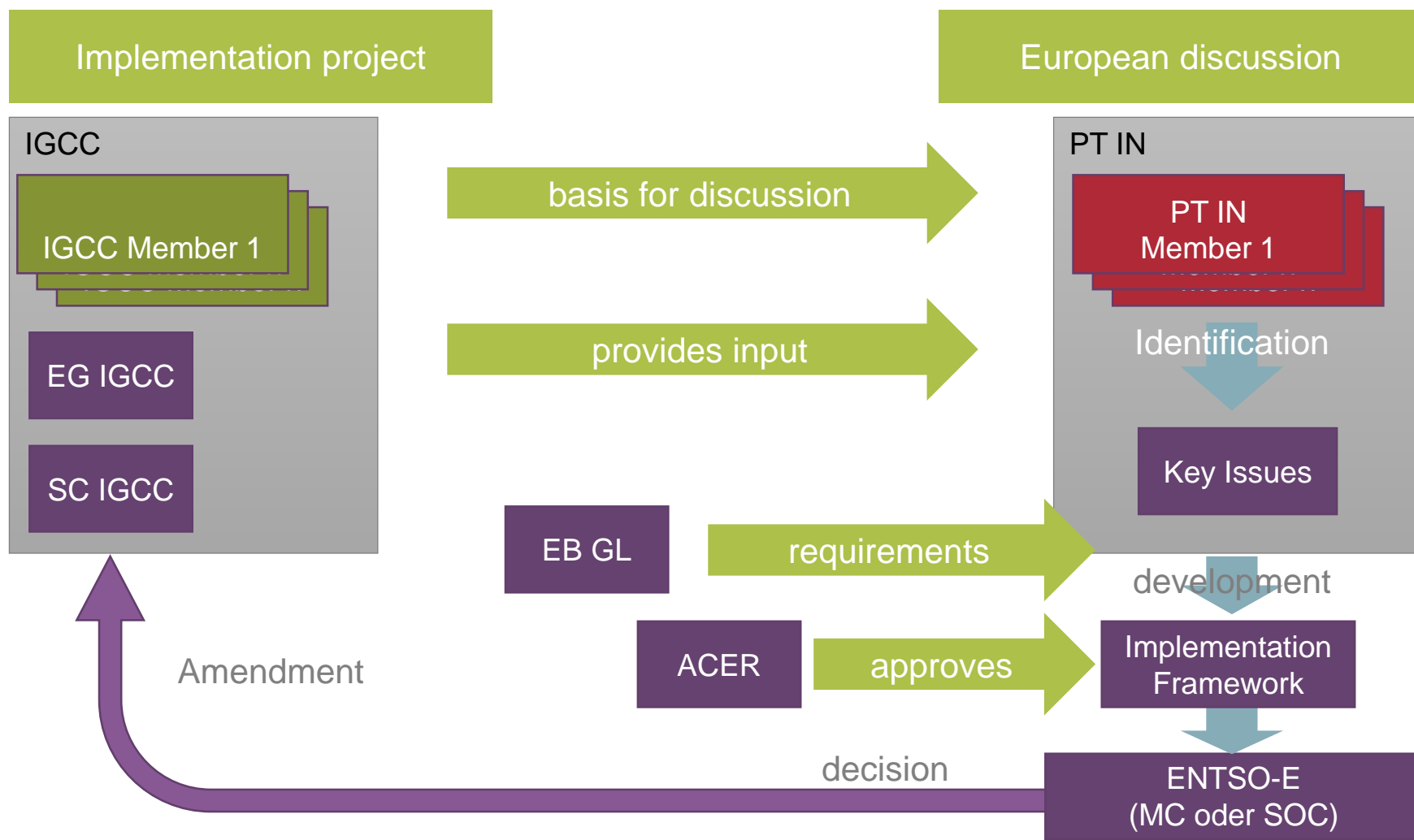
- IGCC
- INC
- E-GCC
- Accession process to IGCC started
- not bound by legislation, but willing to implement



Deadlines for European Target Model



Way of working



Content

- **Deadlines and Requirements**
- **Implementation Period**
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Implementation Period

Implementation framework

- Identification of key issues based on IGCC stakeholder document and IGCC MLA
- Definition of functions
- Governance
- Definition of algorithm
- BSG discussion & Public consultation

Implementation

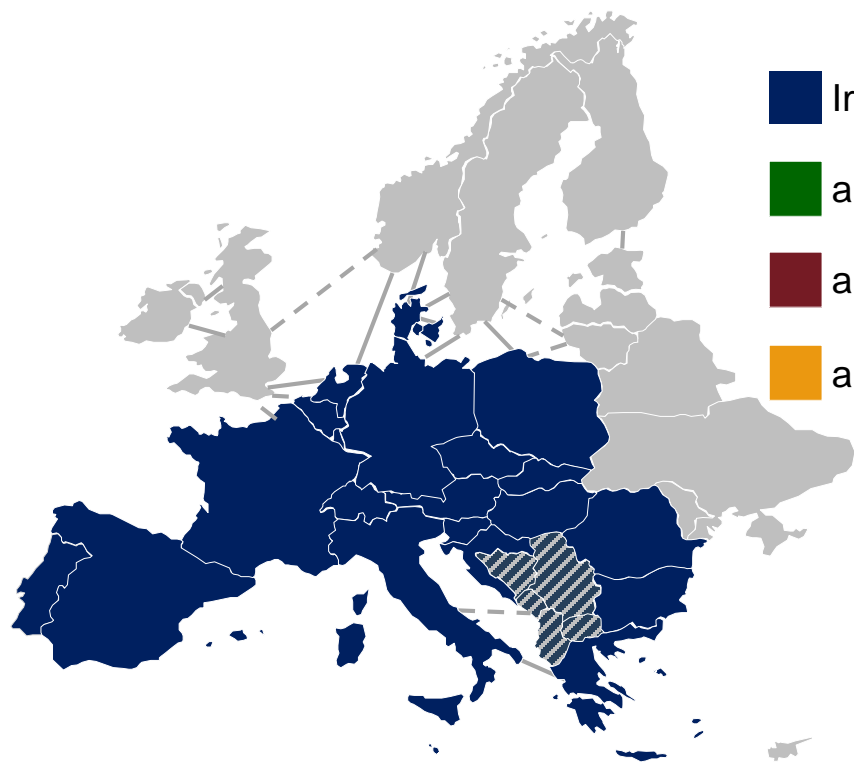
- Appointment of entities
- Implementation of platform
- Accession of Members

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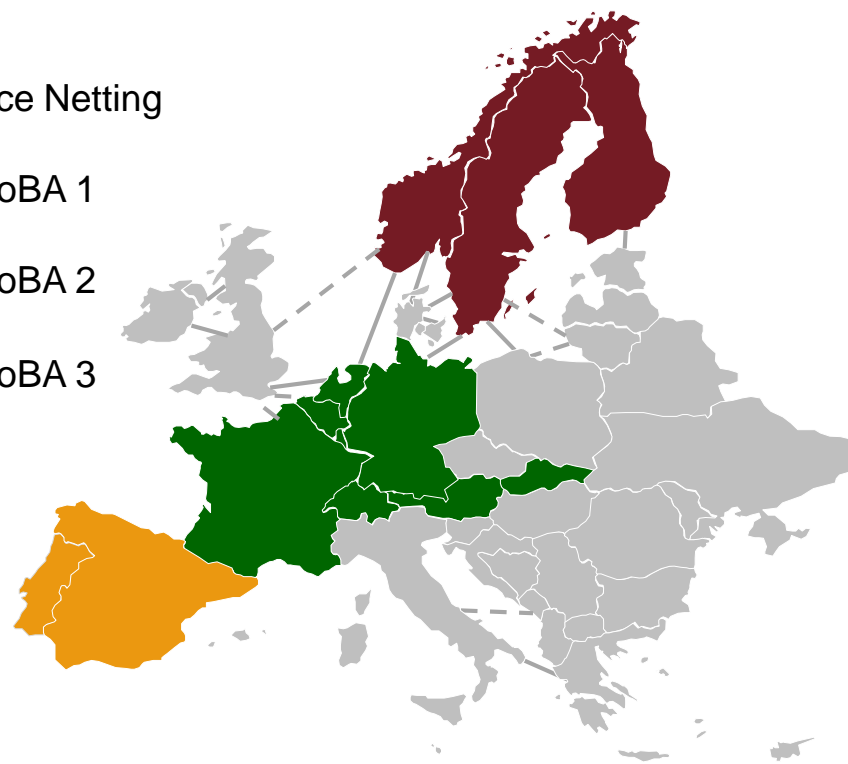
Transition Period - Example

European Target for Imbalance Netting



Road to European Target for aFRR

- Imbalance Netting
- aFRR CoBA 1
- aFRR CoBA 2
- aFRR CoBA 3



Status within Transition Period

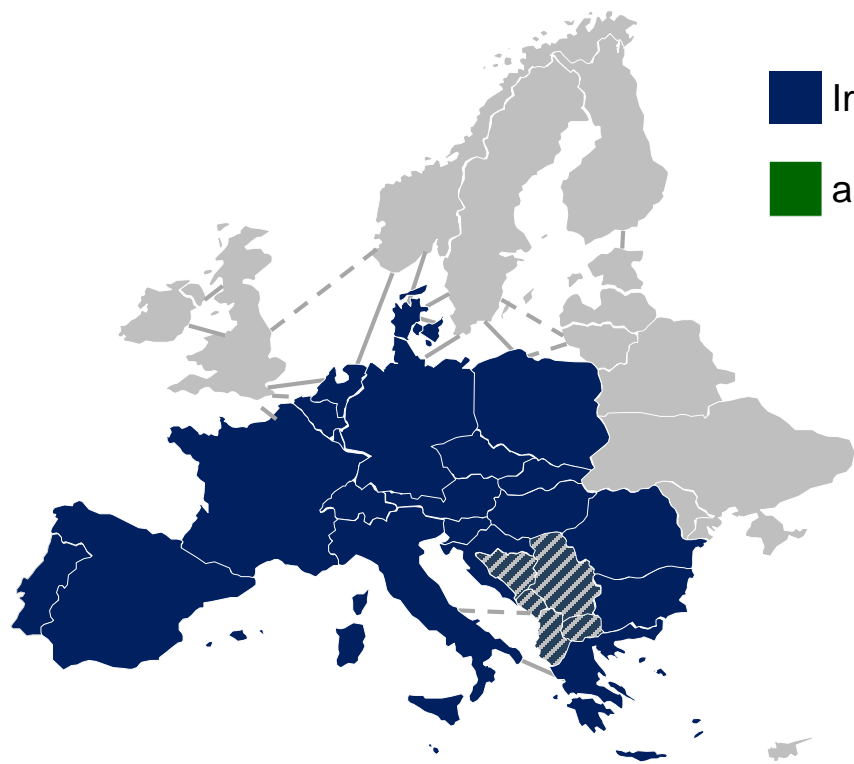
- One or several aFRR cooperations in place
 - Imbalance netting region bigger than aFRR cooperation regions
 - **Partially harmonized** aFRR markets
 - Still **heterogenous aFRR prices** (regulated / market based) possible
- » Netting based on prices only partially possible
- » Priority of transmission capacity usage to be discussed

Content

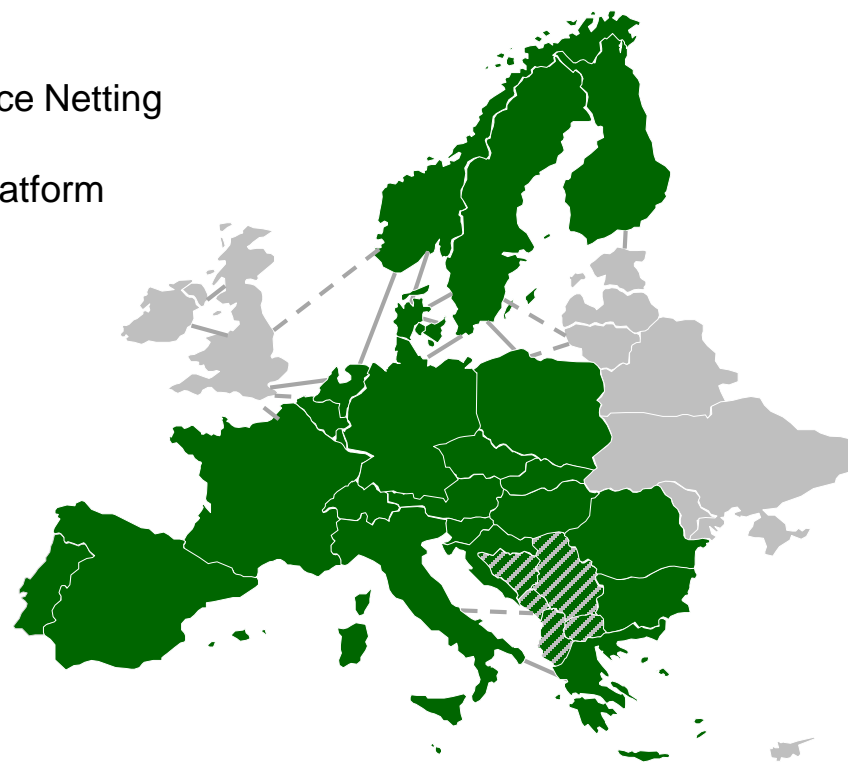
- **Deadlines and Requirements**
- **Implementation Period**
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- **Possible Options for EU Target Model**

Target Model – Option IN < aFRR (EB GL)

European Target for Imbalance Netting



European Target for aFRR



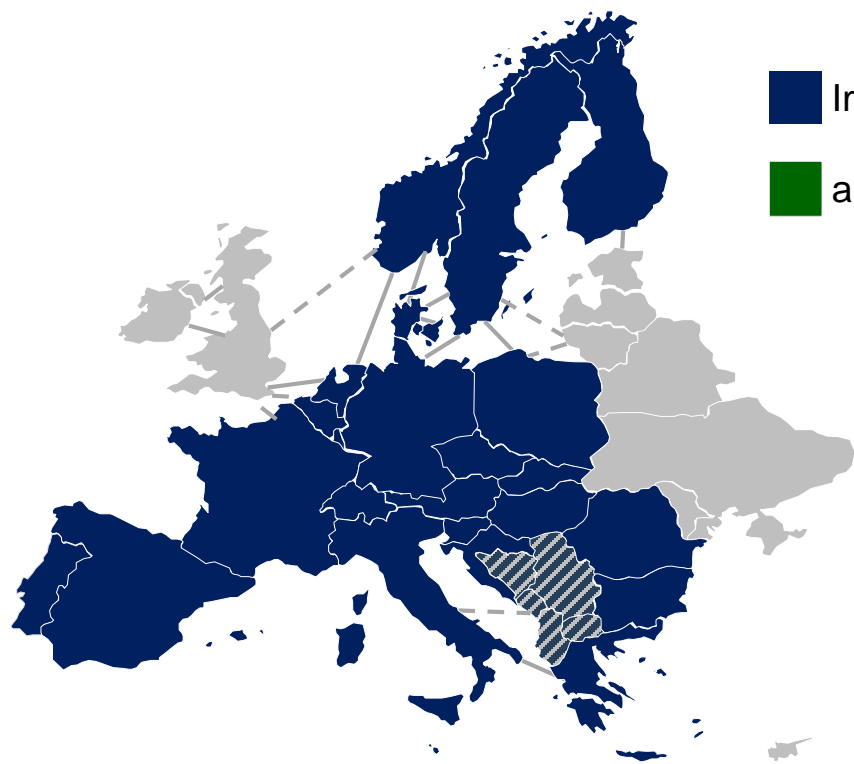
■ Imbalance Netting

■ aFRR platform

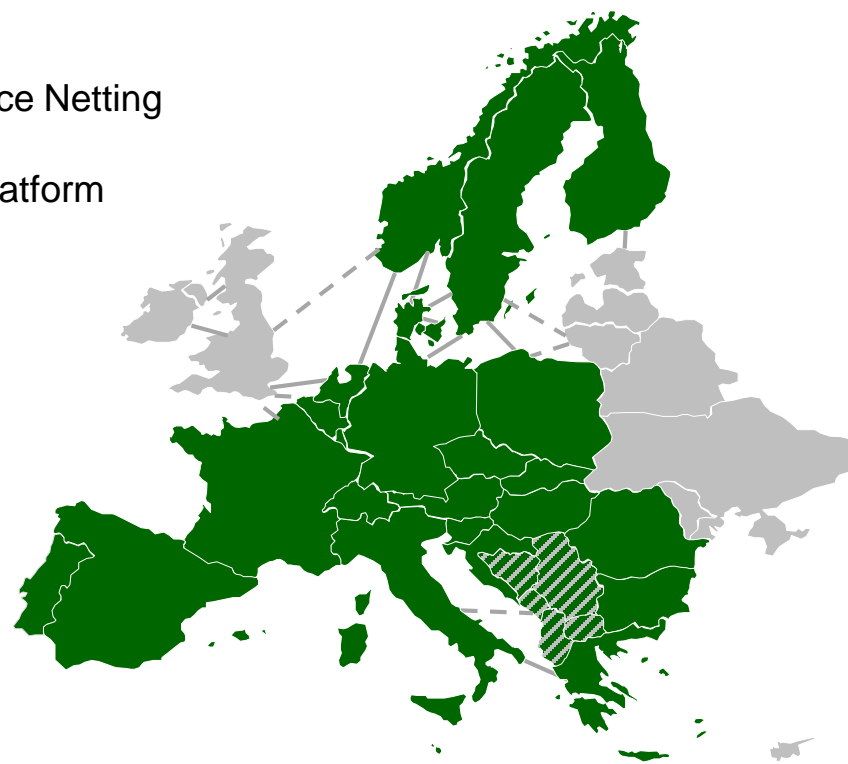
*Option not very likely

Target Model – Option IN = aFRR – one aFRR

European Target for Imbalance Netting



European Target for aFRR

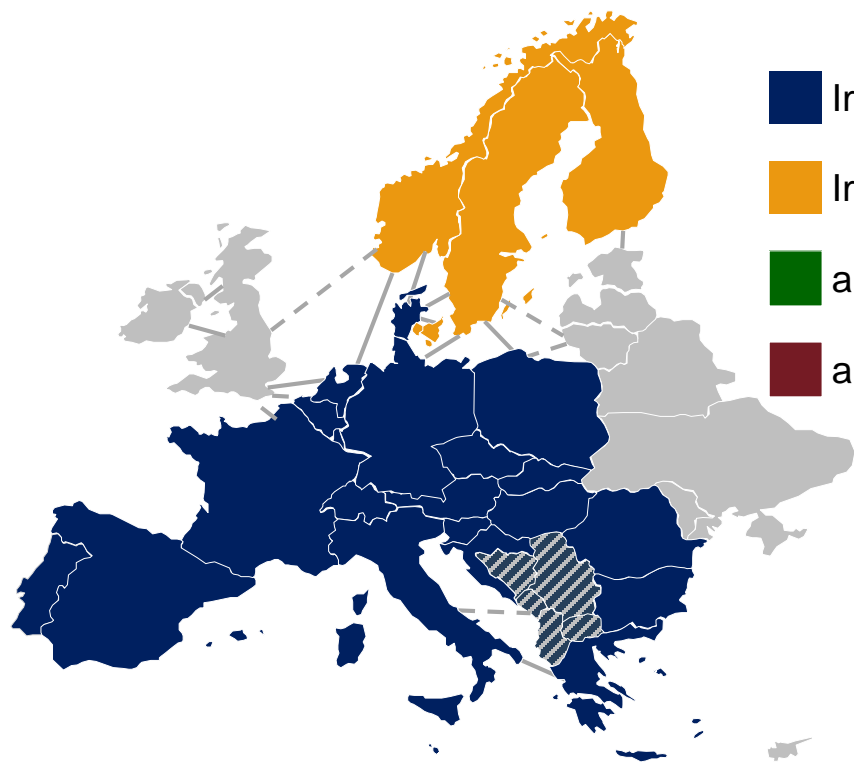


■ Imbalance Netting

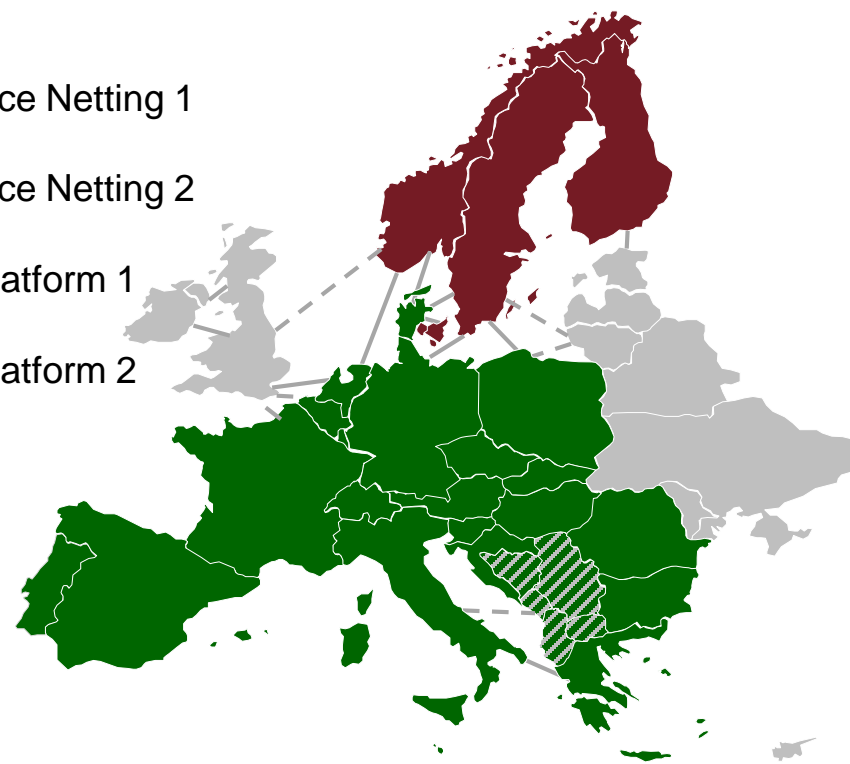
■ aFRR platform

Target Model – Option IN = aFRR – >2 aFRR

European Target for Imbalance Netting



European Target for aFRR

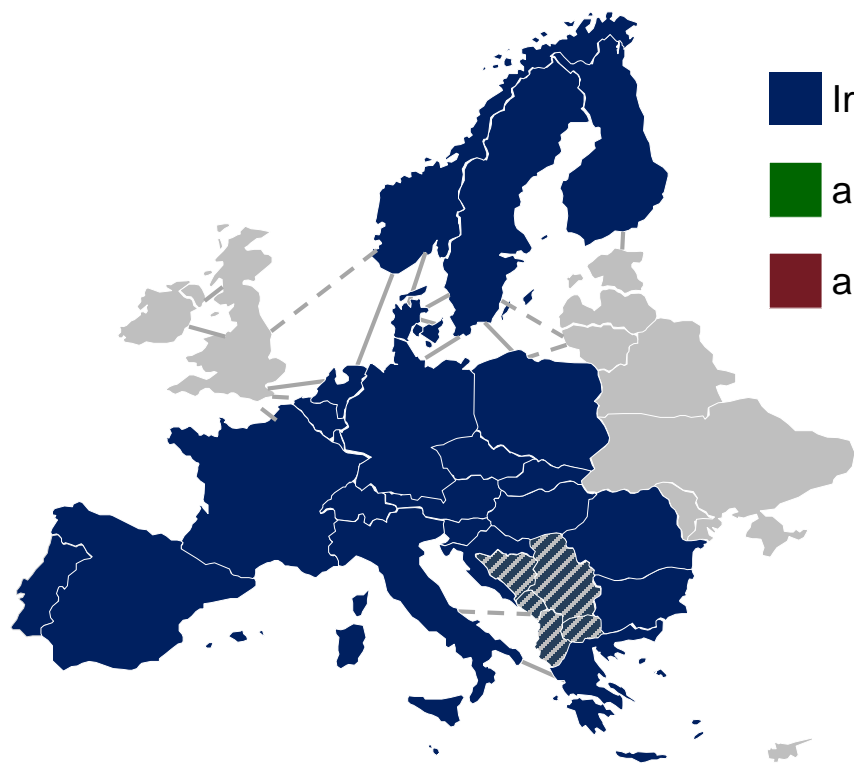


- Imbalance Netting 1
- Imbalance Netting 2
- aFRR platform 1
- aFRR platform 2

*Option currently not covered by EB GL requirement

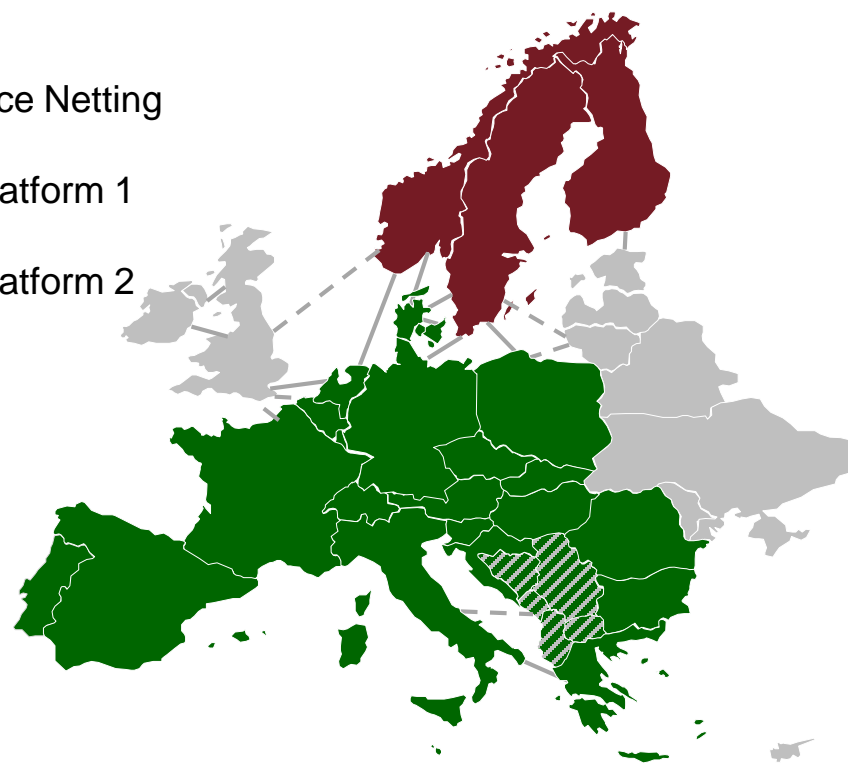
Target Model – Option IN = aFRR – >1 aFRR

European Target for Imbalance Netting



European Target for aFRR

- Imbalance Netting
- aFRR platform 1
- aFRR platform 2

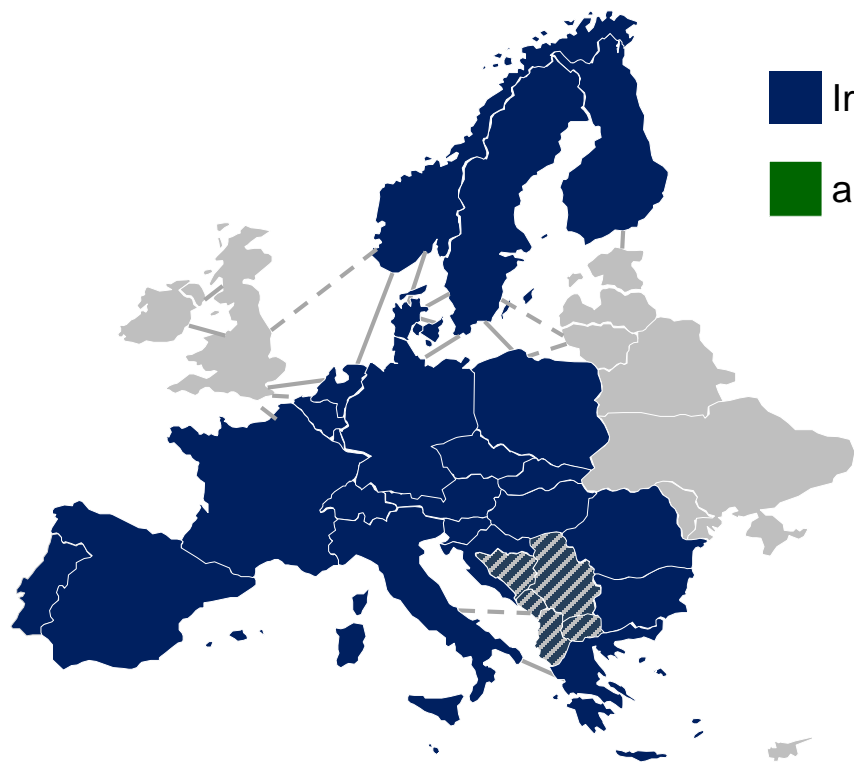


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Target Model – Option IN > aFRR

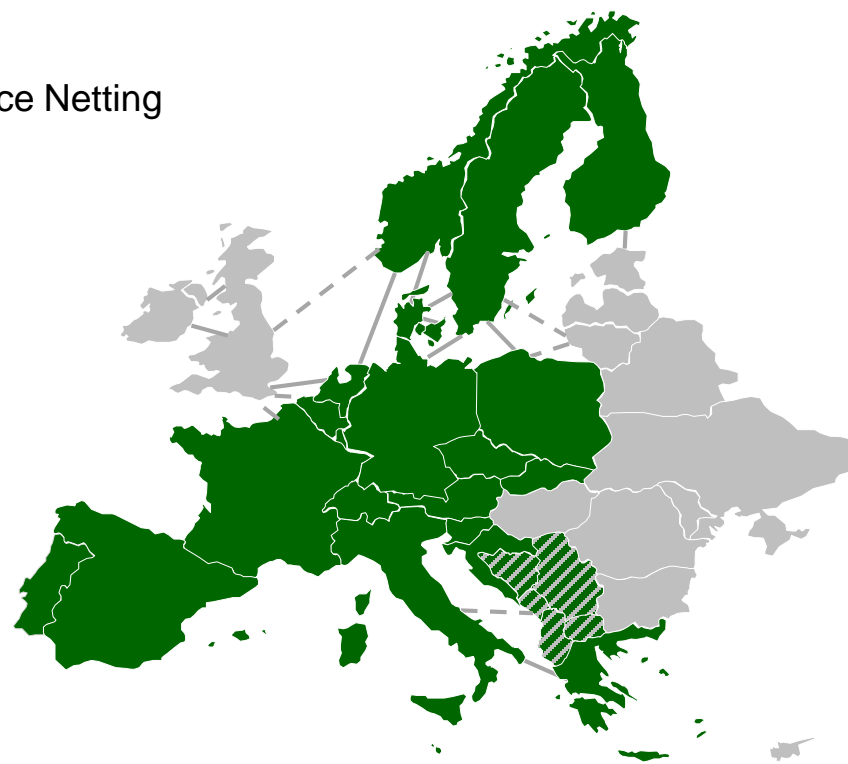
Some countries do not fulfill the EB GL requirements on aFRR*

European Target for Imbalance Netting



- Imbalance Netting
- aFRR

European Target for aFRR



*Option not covered by EB GL, but possible

Summary

Current status:

- Identification of key issues started, stakeholder document distributed as starting point for the discussions
- Options for governance and functions identified
- Discussion on interdependence with aFRR platform started

Further steps:

- Finalization of key issue identification
- Discussion and decision on key issues
- Definition of governance
- Definition of functions
- Roadmap for implementation

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