

7th Balancing Stakeholder Group (BSG) meeting

Date: 07 March 2017

Time: 10h00 – 16h30

Place: ENTSO-E, Brussels

Participants:

De Wit	Paul	CEDEC	N
Schmidt	Peter	CEDEC	Y
Le Page	Jerome	EFET	Y
Janson	Stephan	EFET	Y
Perret	Claude	EURELECTRIC DSO	N
Grote	Matthias	EURELECTRIC	Y
Castagné	Pierre	EURELECTRIC	Y
Robaye	Hélène	EURELECTRIC	Y
Fraile	Daniel	EWEA	Y
Pineda	Ivan	EWEA	N
Šavli	Andraž	EUROPEX	Y
Lantrain	Aurore	EUROPEX	Y
Doble	Trygve	GEODE	Y
Theil	Anders	GEODE	N
Van der Velde	Fritz	IFIEC	N
Kuokkanen	Pasi	IFIEC	N
Flamm	Andreas	SEDC	N
Schell	Peter	SEDC	N
Claes	Gaetan	EUGINE	Y
Florian	Gonzalez	EDSO	N
Supponen	Matti	EC	N
Kuen	Nicolas	EC	Y
Montigny	Marie	ACER	Y
Fransen	Mathieu	ACER	Y

Fijalkowski	Jakub	ACER	Y
Povh	Martin	ACER	N
Lanfranconi	Cristian	ACER	Y
Henriksen	Stian	ACER	Y
Barmsnes	Kjell	ENTSO-E	N
Fox	Christopher	ENTSO-E	Y
Andrzej	Midera	ENTSO-E	Y
Dusolt	Alexander	ENTSO-E	Y

MINUTES

Agenda and approval of minutes from 6th Balancing Stakeholder Group meeting

Agenda and Minutes from 6th BSG meeting were approved.

EBGL update

EC gave an update on the EBGL process. They expect entry into force Q3/Q4 2017.

Stakeholders gave their comments on the current EBGL version:

CEDEC

- Art 3. Is lacking details as it is unclear how it can be monitored whether there is a distortion between balancing and intraday. Reference to monitoring articles could be beneficial.
- Pricing: Keep pay as bid as an option as they see risk of high prices.
- Art. 44.3: No need seen for separate mechanism for imbalance settlement as allocating costs to BRPs could be harmful for the market.

EFET

- Checks and balances in EBGL should allow for proper identification of potential problems (Art. 3) but propose to include reference to forward markets. Should also be included in topics like capacity allocation.
- Former Art. 16.6 on firmness of free bids or the idea behind should be reintroduced. EC, ACER and ENTSO-E highlight that it should be up to traders to make potential arbitrage between those markets and to decide where to place their bids.
- Propose to reinsert Art. 14.1 (January version) which said that TSOs shall not provide balancing services. ENTSO-E explains that the main issue is for DC cables providing balancing services but

also other assets owned by TSOs. EC states that such a provision may be included in Clean Energy Package.

- The wording technical limits replacing caps and floors is unclear. ENTSO-E explains technical limits rather refer to limits within an IT system and that TSOs need to guarantee functioning of markets as that is finally relevant for imbalance pricing.
- It should be clarified that XB capacity reservation aims at the primary market and not for secondary market.
- Dual pricing should not be allowed.
- ISP of 15mins is supported.
- Switzerland should not be excluded. Especially in balancing, CH is an essential participant for the European system.

Eurelectric

- Smooth running in parallel of ID and balancing markets is needed. At least EBGL should create possibility for parallel run of both. ACER and ENTSO-E underlined the importance of firm bids but see possibility to compromise.
- Concern on combination of Art. 32.1c and 18.1b, c as they allow to rely on free bids and allow to oblige BSPs to submit free capacity.
- Forward markets should not to be left out (Art. 3.2e).
- Appreciate removal of allowing non merit order activation (Art. 21.3).
- Welcome link on XB ID and XB Bal GCT (Art. 24)
- Transfer of obligation (Art 34.1) should not be limited to one week. ACER clarifies that shorter term transfers require more complex systems in which TSOs need to be able to approve transfers.
- ISP should be aligned with wording of electricity regulation (1 Jan 2025)
- Imbalance price should not include other items than balancing energy price (Art. 54.3).

Europex

- 13.4: For the assignment of tasks it is difficult to say which tasks don't affect operational security. E.g. in Slovenia the PX has many tasks. The article could clarify that the execution of tasks could be assigned to third parties, however setting the rules could be assigned to the TSOs.
 - Cross Border Capacity Reservation: not in favor of reserving capacity for balancing. The 5% limit is welcomed.
- All are welcomed to share further material in the group.

EBGL implementation planning

ENTSO-E presents an updated high level implementation plan.

- Upload updated version

Eurelectric questioned how consultation on standard products will be done as they are part of the implementation framework. ENTSO-E clarifies that this should not be a significant difference, only that it will be a combined proposal.

Stakeholders appreciated the clear overview of all processes which could be used for following up on the implementation. Consultation periods should be included directly in the plan

Activation Purposes

ENTSO-E presented the slides with the answers to questions from stakeholders. ENTSO-E clarified that the acceptance of pool bidding depends on national rules (see also EBGL 18.5c).

Eurelectric expresses their view that a BSPs should not be punished for having a bid in a congested control zone. They underline that equal access to the market needs to be guaranteed. ENTSO-E remarks that the prequalification takes grid constraints into account.

EFET requests clarity on why a bid is activated. Activation for congestion management is difficult to foresee for a BSP.

The detailed discussion of these questions will take place when drafting the proposal on pricing.

Products

ENTSO-E presents the planned survey for stakeholders to be opened soon for a period of around four weeks. The results of the survey will feed into the implementation framework.

The link to the survey should be sent to all stakeholders, thus members of the associations. The associations can coordinate on certain questions but not answer detailed questions.

→ Link to survey should be published on ENTSO-E website if possible

Regarding question 6 it is clarified that now it is about one standard product per synchronous area and potentially later one for EU. → Clarify question in survey.

If possible, add free fields for general statements.

Stakeholders highlight that the results should be treated cautious as not all stakeholders will reply and thus the survey may not be completely representative. Potentially allow for field to specify size of portfolio, type of market party, geographical area etc. of respondents.

AoB

Chris Fox gave an update on the TERRE project and informed about planned stakeholder meetings. The planned consultation in Q3 will probably be similar to the consultation of the implementation framework which has to take place shortly after entry into force of the EBGL.

ENTSO-E confirmed that the implementation projects are independent, however learnings from the earlier projects may be taken into account for the later ones.

Associations try to involve their members but ask also TSOs to incentivize participation from all countries, also those who don't apply RR. Outcomes of the consultation should be checked by all countries.

→ Upload slides

Next meetings

7th June – ENTSO-E, Brussels

7th September - CEER, Brussels

7th December – ENTSO-E, Brussels