

Webinar on imbalance settlement harmonisation

Date: 19 September 2018

Time: 15h00 – 17h30

Place: ENTSO-E Webinar

MINUTES

Participants:

Chairman	Frank Nobel
ENTSO-E	Alexander Dusolt
ENTSO-E	Kristine Marcina
Stakeholders	55 participants

Frank Nobel presents the imbalance settlement harmonisation proposal and highlights that its public consultation is open until Friday, 28th September and stakeholders are invited to provide their comments. The presentation is available on the ENTSO-E website, under ‘Events’ and in the EBSG website.

Stakeholders enquire if there is any intention for countries using dual pricing to move towards single pricing and vice versa. Frank Nobel explains that the main set of countries that apply some form of dual pricing for all ISPs are applying a dual position per BRP. This is common in the Nordics, with currently 1 hour ISP. For one position in their portfolio (generation position), there is permanent dual pricing. For the consumption portfolio, there is (permanent) single pricing. With the shortening of the ISP to 15 minutes, the permanent dual position will disappear. Depending on the preference of the Nordic TSOs, permanent dual pricing will disappear, but may become conditional. There are some countries which apply purely single pricing, no conditional dual pricing. There is no information on whether this will remain so. It was discussed that Ireland, Italy, Poland and Greece use central dispatching models, where generation and load schedules are important to balancing processes/imbalance calculation, whereas in a self-dispatch model, generation and load schedules do not form part of the imbalance calculation, which means that they are not accountable on behalf of the EBGL.

The TSOs financial neutrality was discussed. Usually, volumes differ (net imbalance differs from net activated balancing energy), also BSPs are settled per direction, while each BRP’s imbalance is settled only in one direction per BRP and ISP. This may also create a financial difference in a given ISP; therefore, an additional neutralisation mechanism is needed and required by the EBGL.

Stakeholders raise questions about balancing energy pricing and a need for more examples of how it is formed between different bidding zones, different synchronous areas and how different dispatch models influence the price. Moreover, it was questioned how the price is formed if the TSO is not requesting balancing energy. As it is not in scope of imbalance settlement

harmonisation proposal and for the calculation of imbalance prices, the balancing energy prices and value of avoided activation are taken as a fixed input, it was suggested to tackle these in the physical meeting with stakeholders on pricing on 16th October.

It was highlighted that, within the EBGL, a lot of processes are not harmonised (dispatch models, pricing) and are subject to each TSO's choice, therefore no 100% harmonisation can be accomplished by the imbalance settlement harmonisation proposal, however some steps forward can be achieved through the harmonisation processes required by the EBGL.

It was advised to send additional questions to the contacts provided in the event invitation.