

Where will move the cross-border cooperation among transmission system operators in the area of balancing reserves and balancing energy?

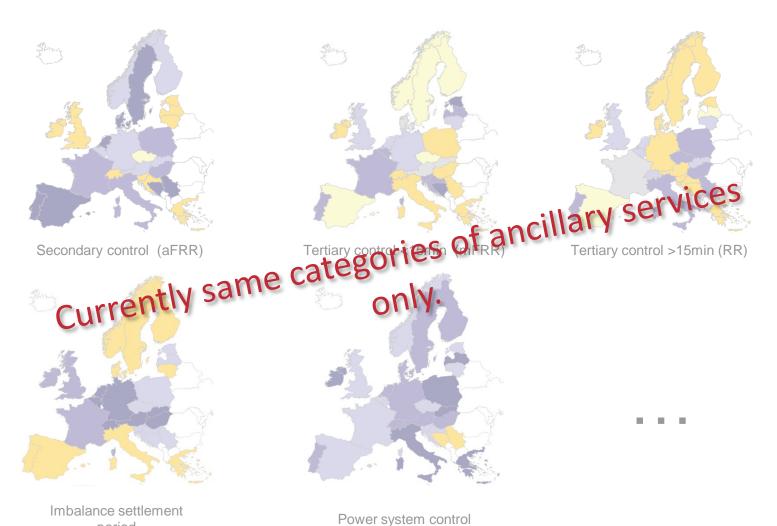
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### Status quo?

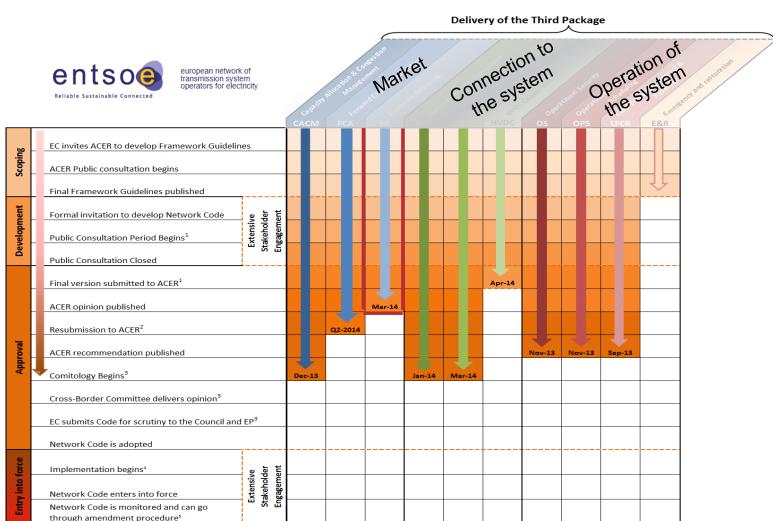
period







#### **Network codes**







### Integration of electricity markets

Electricity market			Balancing reserves market	Balancing energy market
Long term	D-A	Intraday	Balancing power reservation	Close to real-time (H-1)

NC on Forward Capacity Allocation NC on Capacity Allocation and Congestion

Management

**NC** on Electricity Balancing

NC on Load Frequency Control and Reserves

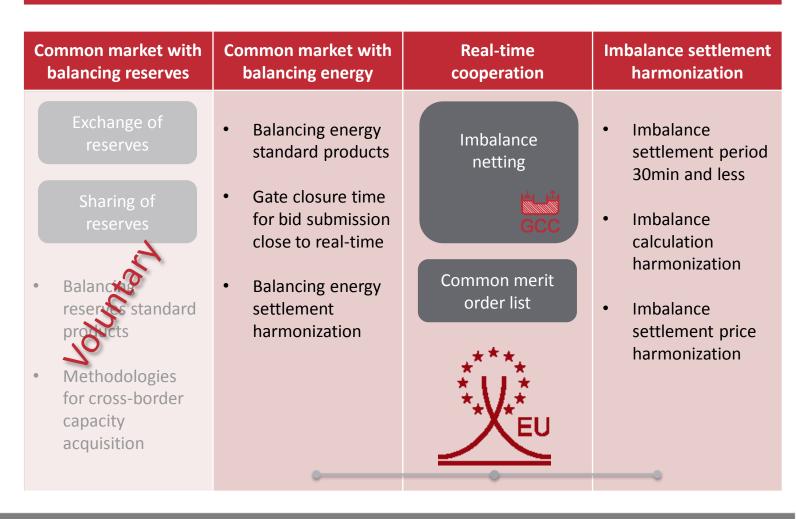
NC on Operational Security

NC on Capacity Allocation and Congestion Management



### "Balancing market" pillars

#### **Cooperation between TSO while using standard products**









Coordinated Balancing Area (CoBA):
geographical area with harmonized
rules for national balancing reserve and
energy market and with rules for
market participants

- Common framework for "Terms and conditions related to Balancing" (= Grid code + ordinance on electricity market rules)
- Each TSO must be in a CoBA with at least one other TSO from a different member state
- Exchange of a standard product and imbalance netting
- Central operation of the "Balancing market"





## From present, through regions towards EU solution

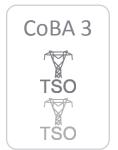


Present

. . .







Regional cooperation





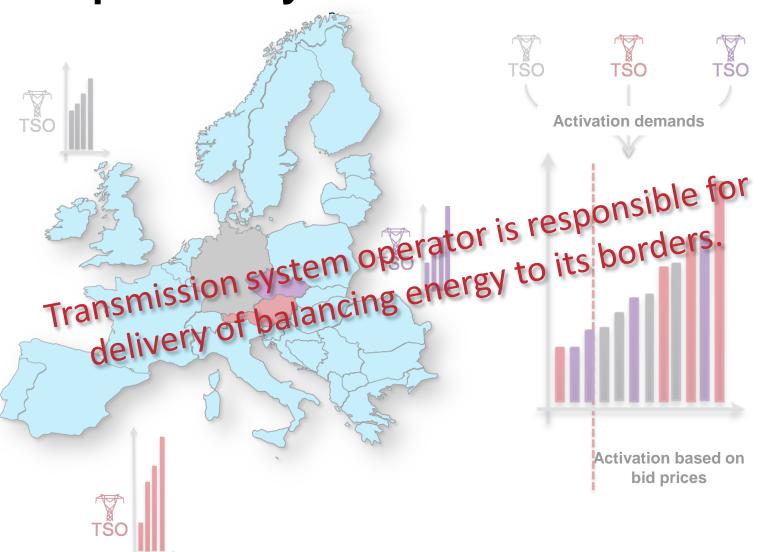








# Common merit order list under TSO responsibility







### "Balancing market" - when?

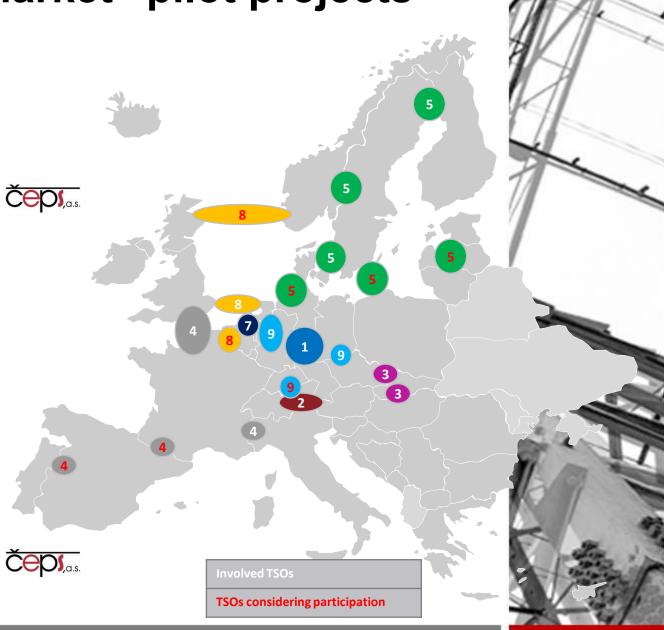
**Entry into** +2 years +2,5 year +3 years +4 years + 5 years force REGIONAL **EUROPEAN** REGIONAL **REGIONAL REGIONAL** aFRR mFRR: TSOs can mFRR, and TSOs can **EUROPEAN** What is not included in network code draft: Description of models and standard products.

"EU **Balancing** market"

- Final targets for the EU solution.
- Targets and milestones for balancing reserve market.

"Balancing market" pilot projects

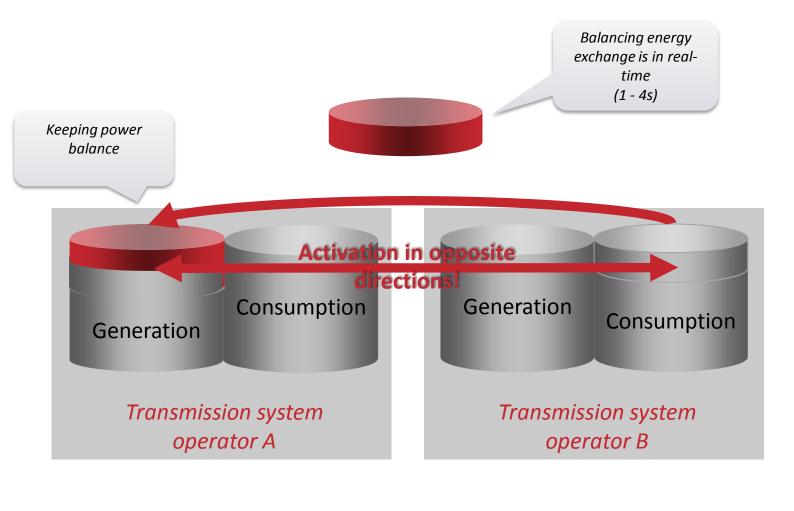
- CMOs for mFRR and aFRR with real Time Flow Based congestion management
- Cross-border market for FCR based on TSO-TSO model
- e-GCC
- TERRE: Trans-European Replacement Reserves Exchange
- 5 Development of the Nordic RPM
  - Design and evaluation of a harmonised reactive balancing market with XB optimisation of Frequency Restoration while keeping control areas, bid zones, and Regulatory oversight
- BritNed / TenneT / National Grid Balancing Services
- IGCC Imbalance Netting, aFRR-Assistance and Flow-Based Congestion Management.



Imabalance netting and ČEPS

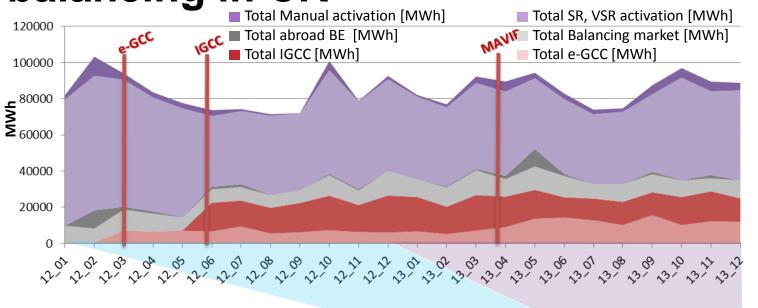


### How imbalance netting works?





Imbalance netting share on balancing in ČR

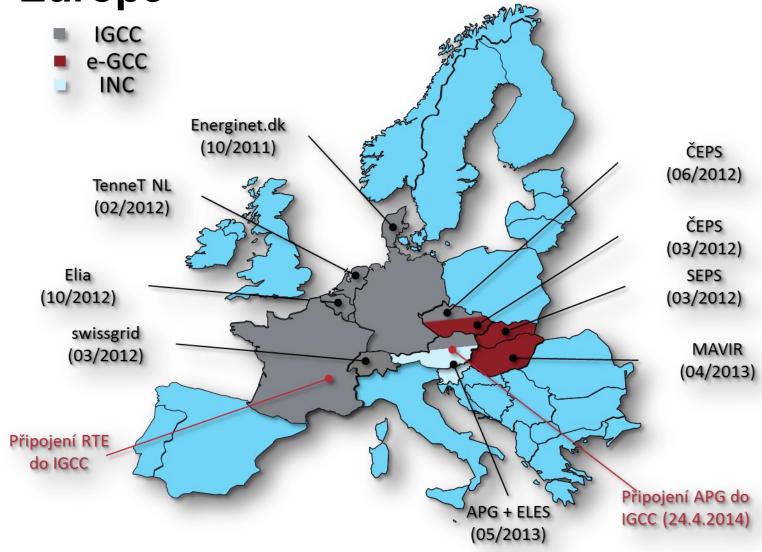


90% - e-GCC IGCC	2012	2013
Share of non-guaranteed BE on total BE	31%	44%
GCC (IGCC + e-GCC) share on total BE	18%	30%
BE exchange total [GWh]	185	315
- of which IGCC [GWh, %]	<b>115</b> (62%)	<b>186</b> (59%)
- of which e-GCC [GWh, %]	<b>70</b> (38%)	<b>129</b> (41%)
Positive / negative BE <sub>GCC</sub> [%]	57% / 43%	59% / 41%
Average BE <sub>GCC</sub> in one hour [MWh]	21	36





Imbalance netting developement in Europe







### "EU wide Balancing market"

- Almost zero experience
- Regional cooperation will be crucial for further developement
- Will be other "core" business for transmission system operators





### Well unbundled connectivity

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