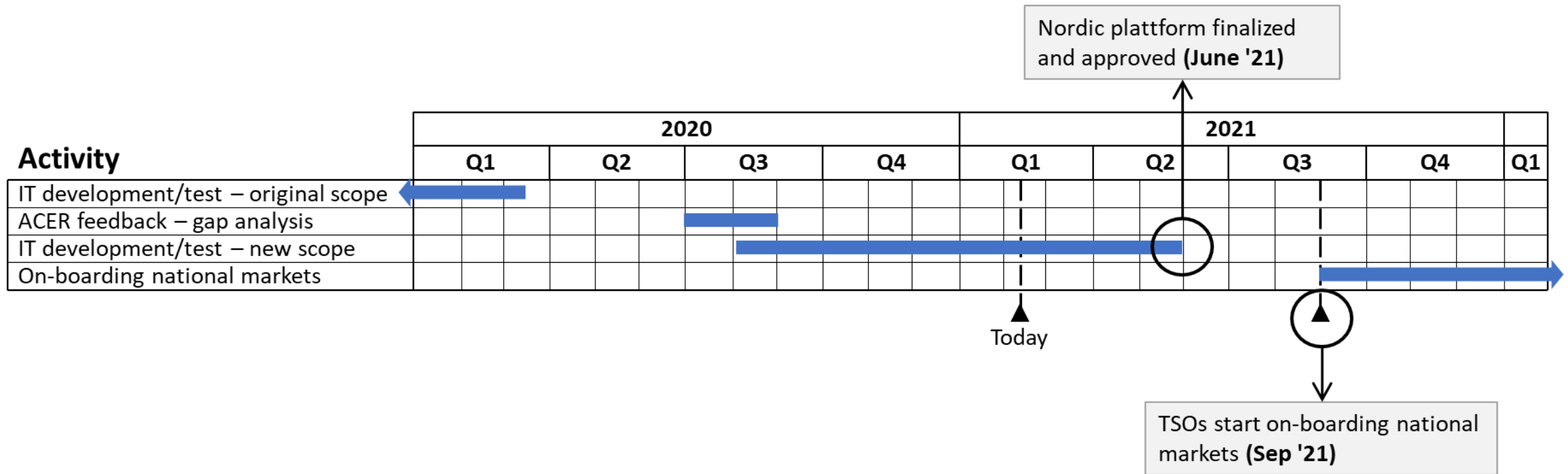


aFRR capacity market – status of implementation

NBM stakeholder reference group meeting 11.02.21

Status Nordic aFRR IT implementation

Status Nordic aFRR capacity market implementation

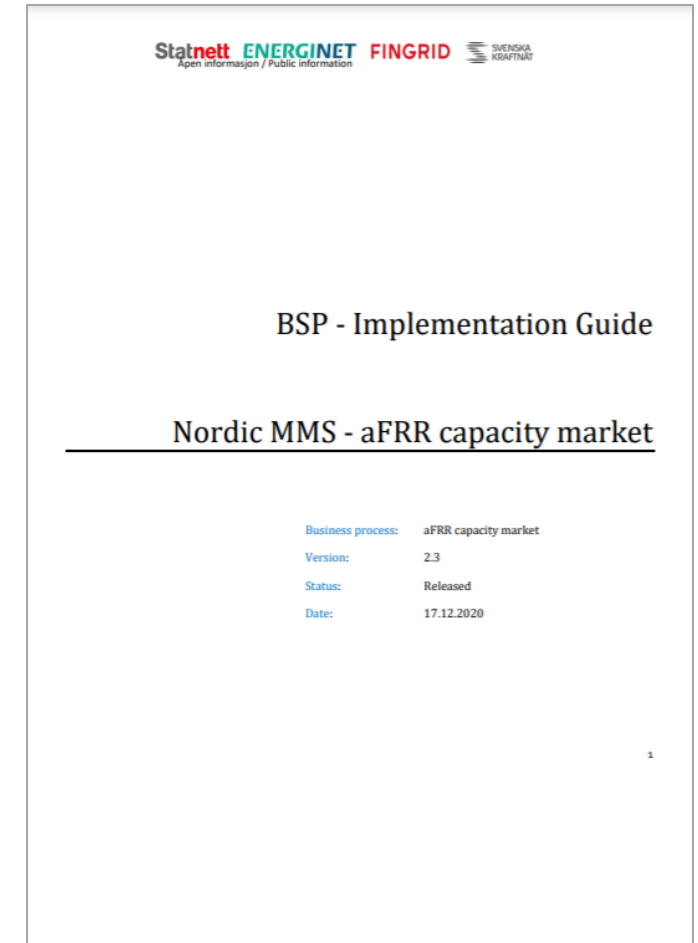


Utilize Nordic platform for national markets

- TSOs need to wait for results from flow based external parallel run before moving forward with Nordic go-live
- Flexible IT platform; supports national, Nordic, aFRR and mFRR capacity markets
- Statnett as market operator
- Stepwise on-boarding
- What are the benefits of starting national markets before a Nordic market?

Involving BSPs – implementation and testing

- Implementation guide – step by step "recipe" for how to connect to Nordic IT solution for aFRR CM
- Testing
 - Integrate with the Nordic solution
 - End to end test



Involving BSPs – webinar 5.Feb '21

- *70+ participants from over 40 BSPs <Pål to update after webinar 5.Feb '21>*
- Updated implementation guide
- Demo of IT solution
- How to technically integrate with Nordic IT solution
- Q&A (next slide)

- Presentations and video recording from the webinar can be found [here](#)

Webinar – questions from BSPs

- *<Pål Haug to fill in after the webinar is finished, 5.Feb '21>*

Gate closure time – TSOs' decision

Stakeholder consultation for aFRR gate closure time

- TSOs shall publicly consult stakeholders before setting the exact time of the balancing capacity gate closure time in accordance with ACER decision No 19/2020
 - TSOs consulted for 1,5 months (18.11– 31.12.2020)
- Proposal: aFRR balancing gate closure time at 7:30 CET (D-1)
 - 13 responses were received during the public consultation
 - TSOs' proposal of gate closure time is acceptable for five respondents
 - Most of the remaining respondents proposed to have balancing gate closure at 8:00 CET (D-1) or later

TSOs' decision of gate closure time

- TSOs have to announce the gate closure time at the latest four weeks before aFRR go-live (ACER decision)
- TSOs have decided to have gate closure time at 7:30 CET (D-1) at the aFRR go-live
 - Reassessment when more experience of the aFRR CM clearing is achieved after go-live and alignment also with FB calculation process timings
- TSOs have published the announcement together with consultation results and justification



Amendment to ACER decision by 08/2021

Calculation of dynamic mark-up value for forecasted market value of cross-zonal capacity

Determination of the forecasted market value of cross-zonal capacity

Initial forecasted market value



Mark-up

- equal to the positive market spread for each day-ahead market time unit of the reference day for the direction of the positive market spread
- equal to zero otherwise

- mark-up will be 1 EUR/MWh for a positive market spread
- mark-up will be 0.1 EUR/MWh for a negative or zero market spread
- Mark-up is dynamic between 1 – 5 EUR/MWh

Amendment by August 2021 and shall at least include a calculation of a dynamic mark-up value

Content of dynamic mark-up assessment

- accuracy of the forecasted market value when applying ***different ranges of historical time series*** as input data for determining the mark-ups
- accuracy of the forecasted market value when applying ***different time intervals*** for defining and updating the mark-ups
- accuracy of the forecasted market value when applying ***different reference days***;
- accuracy of the forecasted market value when applying ***additional relevant factors*** influencing demand and generation patterns in the different bidding zones;
- estimated welfare effect for a range of confidence levels of the positive forecast errors

Planned amendment timeline

- Finalisation of assessment (February 2021)
- Drafting consultation documentation (February 2021 – March 2021)
- Stakeholder consultation (April 2021)
- Finalisation amendment proposal (May 2021)
- Submission of amendment proposal to NRAs (June 2021)



Thanks !

Visit nordicbalancingmodel.net