

Nordic NRAs Checkpoint – Evaluation of the EPR Report

Nordic CCM Stakeholder Meeting, 3 May 2023, Oslo
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Background

CACM GL

- “For the day-ahead market time-frame and intraday market time-frame the approach used in the common capacity calculation methodologies shall be a flow-based approach, except where the requirement under paragraph 7 is met.” **[Article 20, paragraph 1]**
- “TSOs may jointly request the competent regulatory authorities to apply the coordinated net transmission capacity approach in regions and bidding zone borders other than those referred to in paragraphs 2 to 4, if the TSOs concerned are able to demonstrate that the application of the capacity calculation methodology using the flow-based approach would not yet be more efficient compared to the coordinated net transmission capacity approach and assuming the same level of operational security in the concerned region.” **[Article 20, paragraph 7]**

Background

Nordic DA/ID CCM

- Nordic CCR NRAs received the TSO's proposal for a DA/ID FB CCM in the Nordics which was approved by the NRAs in 2018.
- The DA/ID CCM was amended and approved in 2020 to be more in line with the LT CCM.

Checkpoint – Evaluation report

- The purpose of the checkpoint is to determine whether the approved methodology, including the operational implementation of it, is ready to start the final six months of parallel runs ahead of the actual go-live.
- NRAs want to ensure that stakeholders get a sufficient opportunity to understand and learn before actual Go-live of FB.

Evaluation Report - KPIs

Nordic CCR NRAs have defined and agreed to specific criteria, according to which the functionality and efficiency of the methodology will be assessed

Use of fallback measures

- Fallback measures should be used in less than 3 % of MTU covered in the report
- NRAs assess the reasons for using of fallback measures based on the analysis and explanations received from the TSOs.

Structural delays

- The delivery of FB parameters to the transparency platform shall be delayed for 2-10 minutes in less than 5 % of the MTUs
 - There should not be delays exceeding 10 minutes
- The publication of flow-based parameters to stakeholders shall be delayed for 2-10 minutes in less than 5 % of the MTUs There should not be delays exceeding 10 minutes

Evaluation Report - KPIs

Socioeconomic welfare

- The report shall compare the DA socioeconomic welfare of the current NTC methodology against the new flow-based methodology,
- Comparison cannot be performed with perfect precision, partly due to the differing levels of operational security
- NRAs will analyze possible deviations to the expected outcome of improved socioeconomic welfare

Evaluation Report - KPIs

Effect on intraday market

- The transition to the flow-based calculation methodology for the day-ahead timeframe will have impacts also on the intraday timeframe
- NRAs will assess the effect to ID markets based on the available data and TSOs' report

Stakeholder feedback

- The TSOs' report has to include stakeholder input and/or comments on the time period and data covered and analysed in the report
- The stakeholders' comments will be taken into account when the NRAs assess the report
- The NRAs urge all stakeholders to express their opinion

Next Steps

- The NRA evaluation, including stakeholder feedback and TSO comments, takes place 12 June – 12 July. The outcome of the evaluation will be communicated by the NRAs.
- If the report is deemed sufficient i.e. fulfills the KPIs:
 - The TSOs will continue with additional 6 months of EPR
- If not sufficient:
 - Parallel runs will be extended
 - Nordic TSOs are requested to improve the operational implementation of the methodology, and/or Nordic TSOs are requested to amend the methodology itself
 - A subsequent report will be delivered to the NRAs