

Nordic CCM Monthly EPR Results

SH Meeting – meeting minutes

July 4, 2024, 9.00-11.00 CET (Webinar)

Participants	
Total participation (including CCM project members):	29

The presentation has been uploaded on the Nordic RCC website: <https://nordic-rcc.net/flow-based/stakeholder-meeting-material/>

Text in non-italics are comments, statements, questions or claims from the stakeholder(s).

Text in italics are answers or comments provided by the Nordic CCM project.

EPR result elaboration: Day-ahead

SH question: A question on Congestion Revenues shown per Border/Bidding Zone in FB EPR results: Is that showing the distribution of CR based on the FB Methodology for CR distribution or the current NTC based model? It would be interesting to see the difference.
CCM project: *Within the Nordic CCR, the congestion income is distributed in accordance with the FB methodology of congestion income. In the Nordics CCR, however, the latest amendment of the FB methodology hasn't been implemented, which is the amendment to distribute between CCR regions. For example, with the Hansa border, the CR is shared 50-50 in the current implementation.*

SH question: Can you provide an example how the CR is computed and shared?

CCM project: *We will get back to you on this request.*

SH comment: Thanks for clarifying that CR within Nordics is based on FB Methodology for CR when presenting CR per BZ/Border based on Nordic FB EPR results! As said I hope it can be considered to present an example for X hour(s) of that FB CR distribution within Nordics compared to in NTC in a later session since distribution effects on incomes per country can be important.

SH comment: exactly, you use congestion income increases as one of the reasons why to introduce a very complex model, so one must be able to understand where and to whom that money goes, so it would be valuable to understand that income distribution.

SH question: But from which BZ(s) is then the extra flow to e.g. South Norway coming from when route NO4-SE1-SE2-SE3 is restricted in FB, regarding the 1st case 10/05 non-intuitive flow northbound from SE2?

CCM project: *price increase in SE2, SE3, SE4, and DK2. There are the source bidding zones that provide these extra flows.*

SH question: And you said that a critical network element in SE3 blocking flows for SE1, I'm just wondering why this FB model indicates another solution, rather than increasing flows in SE1, which seems a better solution.

CCM project: *the FB solution is dependent on the inputs to the market coupling algorithm. Indeed, the MC algorithm previously determined an optimal solution by increasing flows in SE1 and pushing the flow further down through Norway. However, such a solution was not found for this case by the MC algorithm.*

SH comment: But then half of the Swedish consumers need to pay the price of extra 16.5 euros to have this extra routing to Norway.

CCM project: *According to the definition of SDAC MC algorithm, in this case, the SEW of the SDAC is better off with this solution, i.e. producers gaining and consumers paying together contribute to the optimal SDAC SEW in this case.*

EPR result elaboration: Intraday

SH question: A bit straight and simplified, but why shall also "impossible" scenarios of changed supply/demand per BZ and flows in between be accounted for in ID ATCE when nothing fundamentally has changed? The 25 year history of Cross Border and BZ based ID has shown that those impossibles do not occur, or at least have either through among others ID trading reduced the congestions and helped power system balancing. The reduction of CZC in current ID ATCE proposal is for some of the by far biggest CZ ICs (such as SE1-SE2-SE3) vs. in current NTC/ATC model very extreme at times and at times even blocks any flow regardless of direction.

CCM project: *your comments are noted. On one hand, the TSOs are working on improving the current ATCE method and its implementation to consider the impact of 'impossible' scenarios, to be more 'realistic'. On the other hand, some 'impossible' scenarios that are being neglected in the current NTC world when computing ID ATC should be regarded as 'possible', because the FB methodology and the subsequent ATCE methodology are coordinated methodologies that capture the grid details of the whole Nordics. In other words, some scenarios that have been neglected in the current NTC world will be considered 'properly' in the current FB and ATCE methodologies. E.g. a NO CNEC may limit the SE ID ATC or vice versa.*

SH question: But those statistics only accumulate possibilities based on total averages, not assessing the day and hours when likely much more CZC was needed for SIDC (then what ID ATCE now gives) to have a chance to re-balance the power system via SIDC and have effective price merit order activation of production and consumption flexibility across Nordics.

CCM project: *we are in contact with SwedEnergy to work on the hub-to-hub analysis. A part of the analysis is elaborated in today's presentation. More will follow on the hourly level in the upcoming monthly stakeholder events.*

SH question: For week 20-2024 this means that SE2 to SE3 trades done in production via SIDC even on Hub-to-Hub basis (meaning all "transit" routes from SE2 to SE3) would not have been possible via ID ATCE proposal capacities 50% of the time? That seems fairly serious.

CCM project: *50% means that for 50% time of the week 20, the ID ATCs of the ATCE results is not possible to cover the realized ID ATC from the current NTC world. Again, we will dive into more details in the hub-to-hub analysis and inform the stakeholders in the future stakeholder events.*

The meeting closed around 11.00. All participants are thanked for their inputs!

