State of intraday markets in Contracting Parties

TF1 Electricity, Deliverable 7, WP 2018

Vienna, 27 February 2018
Task Force 1: Wholesale Market Opening

Scope:

- Effective wholesale market opening is central for establishing a competitive regional electricity market and its integration with the European market.

- With a view to support wholesale market opening, the activities of TF1/ECRB EWG focuses on:
  - regulatory support to forward market, day-ahead and **intraday** market integration in SEE
  - providing coordinated regulatory input to the SEE day-ahead market coupling projects established under the WB6 initiative
  - providing an assessment of trading activities in forward markets in CPs,
    - including cross-border trading (forward transmission rights) with other CPs and EU MS, the level of liquidity, the main trading products and trading horizon
Introduction to the topic

- Every segment and timeframe of the market is important to allow market participants to more efficiently manage their portfolio.

- Intraday market is not an exception to this general theory:
  - In practical terms, with penetration of intermittent generation, the intraday markets are becoming of key importance:
    - From operational & portfolio management point of view (e.g. it becomes more and more challenging for market participants to be in balance after the closing of the day-ahead market, etc.), and
    - Also from regulatory and investment aspect (e.g. reducing the need of reserves and associated costs, regulatory certainty, bankability of the projects, etc.)

- Although intraday trading might be allowed in most of the Contracting Parties, there is no clear:
  - To what extent the gate closure deadlines by the TSOs are harmonized amongst them and with potential cross-borders intraday capacity allocation
  - How market trades, use of platforms, liquidity, timing, etc.
Objective of this specific task

- Specific objective is to:
  - Understand the operation of intraday national markets and intraday cross-border allocation
  - Assess if certain platforms are used, level of liquidity and if there are national or regional plans by the TSOs

- The overall objective is to:
  - Prepare a report and present it to ECRB for approval

The report should provide information on details of operation, such as gate closures for national nomination, cross-border nomination, liquidity, platform used, etc. It is important for ECRB to assess the level of harmonization of intraday markets and prepare the terrain for activities related to CACM in future.
Work required by the TF1 & EWG

• TF1 in consultation with EWG to prepare a questionnaire which will then be distributed to TSOs through NRAs
  • The questionnaire will be detailed requiring ‘tick’ answers. Textual description only where necessary
• The collected information will be consolidated in a report that will be presented to the EWG for comments
• After consideration of views the final report will be presented to the EWG
• Finally, EWG via ECRB Section will submit the report to ECRB for approval
A flavor of how the questionnaire should look like … but much longer!

1. Is there an intraday market, i.e. are market participants on regular basis allowed to schedule flows on intraday (tick):
   - Yes / No
2. If Q1 ids No, are market participants allowed to schedule or re-schedule flows on special circumstances (tick):
   - Yes / No … If Yes, please give a short description of those circumstances
3. If Q1 is No, are there any plans to allow intraday nominations and if yes and by when?
   - [example: Yes, by 2019…] …
4. If Q1 is Yes, is the nomination/schedule allowed for:
   - each specific hour / block of hours only / both
5. What is the gate closure before the delivery hour or block of hours:
   - [example, 1 hour before the start of delivery of certain hour/block (H-1)]
6. Is any platform provided by TSO for centralized or bilateral intraday trading:
   - Yes / No
7. do you implement intraday cross-border allocation in at least one border?
   - Yes / No
### Timeline

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<th>Specific tasks 2018/19</th>
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- **ECRB EWG Meetings**
- **Submissions by this date**
Thank you!

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