An insight to practical delivery: Day-ahead Market Integration and Cross-border Balancing Cooperation initiatives

Elton B. Radheshi and Branislav Djukic

22nd Energy Community Electricity Forum

31st May – 01st June 2017
Implementing WB6 MoU

- WB6 MoU signed on the 27-th of April 2016 in Vienna by 16 regional stakeholders from 5 countries (Kosovo Stakeholders due to impossibility for any DAM or CB initiative didn’t signed anyhow it should be noted that are participating in the Programme SC)

- As of today different stakeholders from all neighbourhood EU MC of WB6 signed the MoU. Actually we have more than 30 signatory parties on the DA MI and more than 20 on the XBC.

- Technically very complex objectives in front of us like market coupling (Early CACM implementation, MRC, 4MMC) cross border balancing as well as SoS eventually.

- Different profile of the signatory parties (Ministries, NRAs, TSOs, PXs) — different interests and perspectives
WB6 XBC Initiative:

✓ Programme Steering Committee activities

✓ 26\textsuperscript{th} April 2017 – 1\textsuperscript{st} constitutive meeting held in Vienna, membership established/chairman (based on rotation at alphabetic order) elected/working approach presented

✓ Next steps:

ToR of the PSC to be approved,
Programme Manager to be elected,
Programme Governance documents to be approved,
Projects under Programme to be nominated.
Implementing WB6 MoU – practical delivery status

WB6 DA MI Initiative:

✓ Programme Steering Committee activities – 1

✓ As of today three PSC meetings held

✓ 21\textsuperscript{st} September 2016 - 1\textsuperscript{st} constitutive meeting held in Belgrade, membership established/chairman elected (based on rotation at alphabetic order)/working approach presented
WB6 DA MI Initiative:

✓ Programme Steering Committee activities – 2

✓ 17th November 2016 – 2nd meeting held in Tirana, Programme Manager elected/Programme governing documents approved/up to eight projects already nominated

✓ 26th April 2017 – 3rd meeting held in Vienna, EU stakeholders joined as observers/TA to Connectivity in the WB6 presented
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WB6 DA MI Initiative:

✓ Programme Management Team activities

✓ TF WB6 established under ENTSO-E acting as initial DA MI PMT

✓ Intensive communication on-going and several meetings held

✓ Next steps:

1st draft of Programme Roadmap to be presented to the next DA MI PSC and potentially approved, PMT to be enlarged with NRA’s and PX’s members.
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WB6 DA MI Initiative:

✓ Programme Roadmap content

✓ Programme governance and structure

✓ Programme timeline and milestones

✓ Programme risks and communication management

✓ Programme HR management
WB6 DA MI Initiative:

✓ Programme governance

- DA MI Program Sponsors
- DA MI Program Steering Committee
- DA MI Program Manager
- Outsourced Support 1
- Outsourced Support 2
- Outsourced Support n

DA MI Program Team

- Project Manager WB6.A1.R01
- Project Manager WB6.A1.R02
- Project Manager WB6.A1.R03
- Project Manager WB6.A1.N01
- Project Manager WB6.A1.N02
- Project Manager WB6.A1.N03
- Project Manager WB6.A1.C01
- Project Manager WB6.A1.C02
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WB6 DA MI Initiative:

✓ Programme structure

WB6.A1 Day-ahead Market Integration Program

Program Manager: Branislav Djukic

WB6.A1.R01 Early Implementation of CACM Regulation

Project Manager: TBD

WB6.A1.R02 Technical Assistance from ECS

Project Manager: Jasmina Trhulj

WB6.A1.R03 HR Management

Project Manager: TBD

WB6.A1.N01 APEX

Project Manager: Entela Cipa

WB6.A1.N02 Establishment of DAM (PX) in Montenegro

Project Manager: Danilo Barjaktarovic

WB6.A1.N03 Establishment of DAM (PX) in Macedonia

Project Manager: TBD

WB6.A1.C01 Coupling Project AL - XK

Project Manager: TBD


Project Manager: TBD
## WB6 DA MI Initiative:

### Programme timeline and milestones

<table>
<thead>
<tr>
<th>May</th>
<th>June</th>
<th>Month</th>
<th>Market Coupling</th>
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</thead>
<tbody>
<tr>
<td><strong>REGIONAL</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PXs/NEMOs Establishment</td>
<td>Early CACM Implementation</td>
<td>W6.A1.R01</td>
<td>Prepare MCO Plan</td>
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<tr>
<td>Preparatory Phase</td>
<td>Decision Phase</td>
<td></td>
<td>NRAs Approval</td>
</tr>
<tr>
<td>Program Initiation; Project Nomination; Project Plans’ Dev.; Program HR Competency</td>
<td></td>
<td></td>
<td>MCO Plan Implement.</td>
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<tr>
<td><strong>NATIONAL</strong></td>
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</tr>
<tr>
<td>PXs/NEMOs Establishment</td>
<td>Establishment of new WB6 PX</td>
<td>Go-live</td>
<td>MCO Go-live</td>
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<tr>
<td>PX Feasibility &amp; Costs; Functional &amp; Org. Aspects</td>
<td>Joining an existing PX</td>
<td>Go-live</td>
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<tr>
<td>Decision Phase</td>
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<tr>
<td><strong>COUPLING</strong></td>
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<tr>
<td>DA MI Program Definition</td>
<td>DA MI Program Benefits Delivery</td>
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<td>DA MI Program Closure</td>
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<td></td>
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<td>MCO Go-live</td>
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<td></td>
<td></td>
<td>Bilateral (Multilateral) Tasks</td>
<td></td>
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<td></td>
<td></td>
<td>Prepare adoption of DA Trading/Clearing Methodologies</td>
<td>Stakeholder Consultation; NRAs Approval</td>
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<td></td>
<td></td>
<td>DA MI Implement.</td>
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Implementing WB6 MoU – practical delivery status

**WB6 DA MI Initiative:**

- Programme risks management

<table>
<thead>
<tr>
<th>ID</th>
<th>Risk Description</th>
<th>Probability</th>
<th>Impact</th>
<th>Importance/Rank</th>
<th>Category</th>
<th>Trigger Event/Indicator</th>
<th>Risk Response and Description</th>
<th>Contingency Plan</th>
<th>Owner</th>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>0</td>
<td>What is this risk?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>What act or event initiates either the risk occurrence or precipitates the response strategy?</td>
<td>How will you respond to this risk and what actions will you take to match that response?</td>
<td>if the risk becomes a reality, what will you do in response, as a backup, or alternative/workaround?</td>
<td>Who monitors this risk?</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Slow adaptation of WB6 Parties’ Energy laws and legislation</td>
<td>2.5</td>
<td>4</td>
<td>10</td>
<td>Threat</td>
<td>Energy Market Licensing Rules, Grid and Market Codes Amendments are not adopted in due time...</td>
<td>Mitigation</td>
<td>Frequent and consistent communication with appropriate NRAs and Ministries.</td>
<td>PSC, WB6 Party’s Project Manager</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Lack of HR availability to carry out Program work</td>
<td>2.25</td>
<td>3</td>
<td>6.75</td>
<td>Threat</td>
<td>Program/Project(s) issues, inability to complete necessary work...</td>
<td>Mitigation</td>
<td>Outsource work.</td>
<td>Program Manager</td>
<td></td>
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</tbody>
</table>
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WB6 DA MI Initiative:

✓ Programme communication management

| Communication Type                  | Communication Participants         | Communication Content                                                                 | Communication Purpose          | Vehicle          | Communication Frequency                        | Responsibility for Comm.
<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Call for Meeting</td>
<td>Program Steering Committee (PSC), Program Manager, Program Team</td>
<td>Call for Meeting, Proposed Date and Time, Proposed Location, Proposed Agenda</td>
<td>To hold a meeting</td>
<td>Letter/e-mail</td>
<td>Depending on meeting level (PSC: 10 to 14 days prior to the meeting)</td>
<td>Program Steering Chair, PSC, Program Manager, Program Team</td>
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<tr>
<td>Minutes of Meetings</td>
<td>Program Steering Committee (PSC), Program Manager, Program Team</td>
<td>List of Attendees, List of Subjects, Decisions and Conclusions, Presentations</td>
<td>To document meetings’ results</td>
<td>Written form e-document distributed to all meeting attendees</td>
<td>One week after the meeting</td>
<td>Program Steering Committee PSC, Program Manager, Program Team. All attendees of the are responsible for meeting subject and content</td>
</tr>
<tr>
<td>Information about Program Activities Status</td>
<td>Program Steering Committee (PSC), Program Manager, Program Team</td>
<td>Information about Activities requests and Open Issues</td>
<td>To improve execution of Program activities</td>
<td>Official verbal and written (e-mail)</td>
<td>Bi-weekly and monthly, depending on Program needs</td>
<td>Program Manager, Program Manager, Program Manager, Program Manager, Program Team</td>
</tr>
<tr>
<td>Meeting about Program Status and Technical Documents/Deliverables</td>
<td>Program Steering Committee (PSC), Program Manager, Program Team</td>
<td>List of Program and Technical Documentations, Documents Access, Documents Status, List of Reviews, Reviewers and Document Reviews Status</td>
<td>To improve Program execution and documentation/deliverables quality</td>
<td>Phone conference call</td>
<td>Monthly or bi-monthly, depending on Program needs</td>
<td>Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager</td>
</tr>
<tr>
<td>Meetings about</td>
<td>Program Manager, Program Team</td>
<td>Necessary information for Program Activities Performance updates, Status, Reviews and Deliverables</td>
<td>To inform about Program performance, activities and deliverables</td>
<td>Phone conference call, or physical</td>
<td>Depending on Program needs</td>
<td>Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager, Program Manager</td>
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WB6 Energy Community

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Page 12
WB6 DA MI Initiative:

✓ Programme HR management

<table>
<thead>
<tr>
<th>Organization (Country)</th>
<th>Number of PgM Team Members</th>
<th>Required Skill</th>
<th>Skill Level Required</th>
<th>Actual Skill Level</th>
<th>Skill Gap Mitigation Plan</th>
<th>When Needed</th>
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</thead>
<tbody>
<tr>
<td>EMS (Serbia)</td>
<td>10</td>
<td>Market Coupling Operations &amp; Economics</td>
<td>1.7</td>
<td>3.1</td>
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<td></td>
<td></td>
<td>PX operations and rules</td>
<td>2.1</td>
<td>3.1</td>
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<td>ENTSO-E regulations/guidelines/NC &amp; areas of work (CACM, Integration with other TSO area of operation)</td>
<td>1.3</td>
<td>2.6</td>
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<td>OST (Albania)</td>
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<td>Market Coupling Operations &amp; Economics</td>
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<td>PX operations and rules</td>
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<td>KOSTT (Kosovo*)</td>
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<td>Market Coupling Operations &amp; Economics</td>
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<td>3.33</td>
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<td>PX operations and rules</td>
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<td>3.33</td>
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<tr>
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<td></td>
<td>ENTSO-E regulations/guidelines/NC &amp; areas of work (CACM, Integration with other TSO area of operation)</td>
<td>1.83</td>
<td>3.33</td>
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<td>CGES (Montenegro)</td>
<td>5</td>
<td>Market Coupling Operations &amp; Economics</td>
<td>2.2</td>
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<td>PX operations and rules</td>
<td>2.4</td>
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<td>ENTSO-E regulations/guidelines/NC &amp; areas of work (CACM, Integration with other TSO area of operation)</td>
<td>2.2</td>
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WB6 DA MI Initiative perspectives toward integration to EU DA markets:

✓ Possibilities for 4M MC – Serbia coupling project
  ✓ Analysis of the preconditions of the possibility of a 4M-RS coupling project

✓ Possibilities for AIMS market coupling project
  ✓ Launched initiative by AEEGSI to create AIMS (Albania, Italy, Montenegro and Serbia) TSOs/PXs working group
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