

Nordic Balancing Model

Consultation letter – questions to stakeholders

May 29 2019

Dear Stakeholders of Nordic Balancing Model,

Implementing Nordic Balancing Model and the transition to 15 minutes time resolution, implies significant changes for all parties. A successful and robust implementation depends upon thorough preparations from all parties, and close cooperation and mutual involvement between the TSOs and affected stakeholders.

The current roadmap presents mainly TSOs' view on the timeline. It is based on today's knowledge and high-level design and aims to be both realistic and ambitious. The Nordic TSOs strongly value stakeholder contributions and feedback and the report presenting current roadmap is therefore subject to public consultation. The roadmap for 1st generation NBM will be finalized after the public consultation is completed, following a TSO review period.

Questions to the stakeholders

Stakeholders are invited to give feedback on both general and specific matters. Please leave your feedback on the ENTSO-E Consultation Hub. Some questions Nordic TSOs would like feedback on are listed below:

General questions

1. Have the Nordic TSOs described the most important issues from your perspective for changes towards the Nordic Balancing Model? What should possibly be kept/added/deleted?
 - a. Is the level of the details for the presented roadmap and milestones adequate?
 - b. Have the TSOs possibly in your view missed some explanations or milestones?
 - c. Are there any undefined dates in the current roadmap that in your opinion are crucial to be added as soon as possible? Please explain the reasoning.
2. Any views or comments on how the Nordic TSOs should approach uncertainty with respect to timing in the roadmap? What are of importance to you?
3. Any other views or comments related to the presented roadmap and milestones?

Nordic aFRR capacity market

4. The Nordic TSOs have submitted an aFRR capacity market proposal for NRA approval. These have already been subject to public consultation according to EBGL. The TSOs expect the go-live of the Nordic capacity market in Q1/2020. Any views or comments related to the expected go-live date of the Nordic aFRR capacity market?

Nordic mFRR capacity market

5. The Nordic TSOs plans to postpone the market design and IT implementation until the result of the regulatory process related to the aFRR capacity market is known and therefore the go-live is expected to be during Q3/2021. How high priority do you see the Nordic mFRR capacity market in the overall NBM roadmap?

Single price model

6. The switch to the single imbalance model and single imbalance pricing is expected to require only very small adjustments to the settlement data reporting from market participants to TSOs. Do you agree on this statement?
7. There are two high level alternatives for implementation. Either early implementation Q1/2021 or together with 15 min ISP Q4/2022
 - a. Do you agree on the advantages and disadvantages described for the alternative implementation plans?
 - b. What are of importance to you and how can this be met?
 - c. Which of the two alternatives do you prefer? Please explain the reasoning.
 - d. Do you see some other alternative implementation plans or gradual implementation alternatives? Please elaborate.
8. Any other views or comments related to common Nordic imbalance pricing?

15 minutes time resolution

9. Go-live of 15 minutes time resolution is planned to take place during Q4/2022. What is your opinion of the timeline proposal? Is the proposed timeline acceptable to make necessary changes to your business processes and IT solutions?
10. What are the crucial preconditions for the implementation of 15 minutes time resolution in the national and in the Nordic level? Please explain the reasoning.

mFRR balancing processes automation

11. In the first phase only scheduled mFRR activation will be part of a Nordic markets. When there is a need for direct mFRR activation it will be handled locally. This might also lead to a local calculation of the imbalance price in those situations. What is your opinion of this approach?
12. At the time for the introduction of 15 min time resolution, some features of the European mFRR standard product will be introduced. Before the Nordic TSOs join the MARI platform the remaining features of the standard product shall be implemented. Is the order of the implementation of the product features in your opinion feasible or is there some very important features that should be introduced earlier?
13. The go-live is expected at the same time as 15 min ISP (Q4/2022). What is your opinion of the timeline proposal?
14. The TSOs plan to continue current practice where mFRR energy bids can be also used for congestion management. Any views or comments related to congestion management?
15. The TSOs plan to implement bid filtering functionality on some bidding zones of Nordic market. Any views or comments related to bid filtering functionality?

Outlook for energy activation markets

16. Alignment of the balancing processes and products in order to be able to efficiently join the European platforms is one of the targets for the planned changes in the new Nordic Balancing Model. Do you have any views or comments related to the described outlook?

Stakeholder involvement

17. Any views or comments related to the presented stakeholder involvement?