

Minutes of meeting

NBM Stakeholder Reference Group 1/2021

Date: 11 February 2021

Time: 9.00 – 12.00 CET

Place: Teams meeting

Next steps

Nb.	Topic	Next step
1	Dimensioning	Stakeholders ask for more information about the FRR dimensioning method. TSOs will provide more information when available.
2	mFRR EAM	Stakeholders ask for more information about the Nordic AOF, in particular on local/national attributes. TSO:s will provide more information when available.
3	15 min ISP	Stakeholders ask for more information about turning 60 min data to 15 min data. TSOs will provide more information when available.

Notes from current meeting

1. Opening the meeting, approval of the agenda

Maria Joki-Pesola opened the meeting. Agenda was approved.

2. Composition of the reference group and a brief introduction of the members

Presentation by Maria Joki-Pesola.

Maria Joki-Pesola presented the group and the principles for composing the group. All members presented themselves and their companies.

3. Working in cooperation to develop and implement the new balancing regime

Presentation by Asta Sihvonen-Punkka.

Asta Sihvonen-Punkka is a member of the NBM Steering Committee. Asta spoke about the background of the NBM program and the importance of the changes we are aiming for. Asta's message was that the necessary changes and the program can be implemented through an open, involving and forward-looking dialogue with the stakeholders.

4. Status of the NBM Roadmap

Presentation by Lars Olav Fosse.

Stakeholders asked about the transfer to the aFRR CM-platform. Will market changes go live already on the national markets and is the Nordic market dependent on all TSOs transferring to the platform? **TSOs** answered that market changes will be implemented already on the national markets, as soon a TSO transfer to the platform. The Nordic market will go live when all TSOs have connected and Flow Based is implemented. **TSOs** emphasized that also the stakeholders IT-systems have to be ready when we go live.

Stakeholder: As I understand it, there is a decision on volume and distribution of aFRR CM procurement, but what goes for mFRR CM?

TSOs: The Nordic TSOs are developing a new dimensioning methodology based on European legislation. This methodology is not only based on N-1 but also incorporates historical imbalances. It will be a more dynamic method.

Stakeholder: How and how often will this be communicated? Per month or day?

TSOs: The method will be published, and we are happy to present ongoing development at the next stakeholder meeting.

One **stakeholder** asked if it will be possible to procure capacity monthly in the future as the revised regulation says D-1?

TSO: All procurement for FRR will be D-1 in line with European legislation. Dimensioning could have a different time resolution though.

Stakeholder: What is the timeline for ACE?

TSO: CM is not dependent on transition to ACE. However, mFRR activation will be based on ACE when we move to 15 minutes ISP, while aFRR activation will be based on ACE once we connect to PICASSO.

Stakeholder: Any changes to the 15 min ISP timeline?

TSOs: No.

TSOs also informed that the aFRR EAM timeline will be presented in this group as soon as we start the derogation process. Derogation will probably be on the agenda for the next meeting, and hence we will address the aFRR EAM as well.

5. aFRR Capacity market – status of implementation

Presentations by Pål Haug (status of IT implementation) and Ritva Hirvonen (decision on gate closure time and mark-up value for forecasted market value of cross-zonal capacity)

Stakeholder: When joining the aFRR platform, will there be marginal pricing on national level even before the common Nordic market?

TSOs: When the common Nordic IT system for aFRR CM will be used in a national context, it will apply the common Nordic market rule (Marginal pricing etc) but without the cross-border part.

TSOs informed that all question and answered from the Nordic aFRR CM webinar will be published on the NBM web.

TSOs also informed that there will be a webinar later this spring about the new mark-up value for forecasted market value of cross-zonal capacity.

6. Single pricing status update

Presentation by Erica Arberg.

One **stakeholder** commented on the document consolidating all the consultation answers regarding the common market design. It is an extensive document, but you do not answer the important questions. Our feeling is that you haven't listened to our answers and that you want to hold on to your proposal no matter what.

TSOs: The answers have not been unambiguous but have varied quite a lot. We have done our best to answer all the questions. Our conclusion is that the proposal we put forward is the most viable, also given the various comments we have received. We also don't want to do too big changes for the interim phase.

Stakeholder: Did you make any changes to the original proposal?

TSOs: No, given the variety of answers we concluded it was fit for purpose.

Stakeholder: Are you confident that November is still go live?

TSOs: November 1 is a firm date (of course still dependent on an NRA approval of the methodology in each country). Given an NRA approval, nothing indicates that this will be changed.

Stakeholder: Will there be a consultation on the harmonization of BRP imbalance fee?

TSOs: We will give you more information when we have a decision on how to proceed. Right now, we lack a conclusion if a harmonization of the BRP imbalance fee level is possible or not.

TSOs offered a presentation to this group from eSett on the details, which eSett will make with regards to the imbalance settlement towards the BRPs.

7. Update on mFRR energy activation market

Presentations by Erika Zvingilaite.

Stakeholder: Is there any published detailed information specific on the Nordic AOF?

TSOs: We haven't published anything about the Nordic AOF. It is basically the same AOF as for MARI. But if you are interested, we are happy to present this at an upcoming meeting.

Stakeholder: Can you show a transcription for the AOF? Is the documentation related to how different national attributes impact activation available yet? We have asked for this information several times.

TSOs: The national attributes do not affect the activation of bids by the AOF. National attributes are not sent to the AOF, but treated locally by TSOs.

Stakeholder: If national attributes exist, we need information about them in order to act on the markets. No difference from intraday. You have to be specific on how bid attributed will affect the markets, also in the implementation guide.

TSO: Bid matching is very important. AOF algorithm has to be published one month before go-live at the latest. National attributes is a national discussion, describes if and how any bids will be sent to the AOF. But this is a local decision.

Stakeholder: We have to know the local attributes. How do you avoid creating something that isn't national markets with the attributes?

TSO: Promised to get back to this issue.

Stakeholder: I see differences in implementation plans for TSOs. Fingrid and Energinet have more detailed plans than Statnett and SvK. Will they connect at a different point in time and is there a possibility other TSOs are ready for 15 min ISP and others are not?

TSO: There are differences in how TSOs will and have to implement the mFRR EAM. For example, differences in piloting and testing. **TSOs** have to go at the same time to 15 min ISP. But preparation in TSOs could differ.

Information from **TSOs:** As the Nordic AOF is based on the same principles and solutions as the MARI AOF, you will find much of this information in the MARI stakeholder workshop presentation:

https://eepublicdownloads.azureedge.net/webinars/201218-EB_MARI_stakeholder_workshop_Slides.pdf

8. Status update on 15 ISP min

Presentation by Janne Heikka

Stakeholder: Will any country only have 15 min values in time to the derogation date? Will there be a need for converting hourly values in all countries? Will there be any analysis regarding the method for this conversion?

TSOs: If you mean metering, the answer is no. This differs between TSOs. For settlement, the way 60 minutes values will be split and profiled also differs from country to country. The basic principle is that eSett shall only receive 15 minutes values. However, in a transition phase some 60 minutes values might have to be split into 15 minutes values by eSett. As an example, the Finnish datahub is able to receive 15 and 60 data. The final decision on how eSett can do conversion, is still open.

Stakeholder: I don't mean how the 15min values travels to the settlement, I wonder about the method for converting from 60 to 15 minutes. I have seen a simple illustrative example that using a linear approach some parties might end up with the short end of the stick.

TSOs: Splitting of 60 minutes values is being considered in Sweden. Regarding the details, that is too early to say anything about now. We take note of the interest of these questions and come back to the NBM reference group when we have something concrete to show.

Additional comment from a Finnish **stakeholder:** We had quite extensive discussion on the profiling in the national reference group a couple of years ago, and I think the conclusion was something such that with a plain split to four the DSO faces increased losses and with more finer profiling the BRP faces increased balancing risks.

TSOs also did a poll regarding the following questions:

What is expected from Nordic communication compared to national communication?

- It's a good combination of both Nordic and national focus currently. Which is the expectation - knowledge of both
- National communication is preferred as it can be done in native language. Nordic communication should be aligned with national comm. +1
- An overall picture providing the national processes and their differences. +1
- Status reports. Local problems and delays. +2
- Project status in each member country and if there are gaps in progress. +3
- It is important to communicate the Nordic issues, what is necessary on harmonization/work on Nordic level to achieve the goals in the projects.
- It should be aligned and harmonized. +2
- Communicate the differences between the Nordic countries +1

What do you expect from the implementation guide?

- Milestones! What and when should be in place. +3
 - There have been cancelled out parallel run and too few data examples.
 - Communicate deadlines on different part of project and be clear what participants in the market must be ready for.
 - What to do and when. Examples. +1
 - Detailed information or reference to where information can be found for harmonized implementation with the TSOs +1
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- Dependencies and implementation guide e.g. ID.-markets, messaging +1
 - Transparency. We should all know how the system works. +2
 - Time to prepare. When is the implementation and testing period for stakeholders. Note the specs must be released beforehand. +2
 - Testing possibilities and manual for this. +1

What level of information do you expect?

- Detailed functionality, specifications, testing information etc. that is common Nordic. +5
- Information should be accessible also for new market actors. +1

9. AOB

TSOs will collect feedback from the stakeholders via survey which will be sent to the reference group during March. TSOs are grateful for all feedback and it is the basis for the improvement of the NBM communication and stakeholder collaboration. The feedback results will be reported to the Steering Committee and also to the CEOs.
