

Nordic aFRR CM Webinar

10.10.2022

Agenda webinar

- Background/introduction
- Legal provisions
- Criteria for the assessment
- Evaluation report – content
- Stakeholder feedback – process

Some key points

The Nordic TSO will prepare and submit two evaluation reports to the Nordic NRAs.

- One Evaluation report will be drafted for the purpose of the Go Live of the Nordic aFRR CM and will focus specifically on the fulfillment of the requirement in Article 38(5) in EB GL.
- Another Evaluation report will be drafted for the purpose of the Go Live for the flow based and will cover all criteria which have been set up by the Nordic NRAs. This evaluation report will be published at a later stage.

Today's webinar will only focus on the Evaluation report for the Go Live of the Nordic aFRR CM.

The Nordic aFRR CM will Go Live with NTC values, not with flow based.

Nordic aFRR CM

- Nordic aFRR Capacity Market is planned Go Live Dec 7th (Gate Closure) 2022
 - Three of Nordic countries are already live with their national aFRR markets using the same IT platform
 - Statnett, Norway, December 2021
 - Fingrid, Finland, January 2022
 - Svenska Kraftnät, Sweden, May 2022
 - Energinet, Denmark will not have a national market before Nordic Go Live
- August 2020: ACER approval of Nordic methodologies (decision 19-22/2020)
 - Exact implementation date is dependent on final positive opinion from the Nordic NRAs related to verification of fulfilment of EB GL article 38(5)

Legal provisions

- EB GL article 38(5)
 - *"TSOs may allocate cross-zonal capacity for the exchange of balancing capacity or sharing of reserves only if cross-zonal capacity is calculated in accordance with the capacity calculation methodologies developed pursuant to Regulation (EU) 2015/1222 and (EU) 2016/1719"*
- ACER decision 21/2020, Article 5(2)
 - *"The TSOs shall implement this methodology no later than 12 months after a decision has been made by the European Union Agency for the Cooperation of Energy Regulators in accordance with Article 6(2) of the EB Regulation but only when the cross zonal capacity on all bidding zone borders of the Nordic CCR is calculated in accordance with the capacity calculation methodologies developed pursuant to the CACM Regulation."*

Criteria for the assessment

The criteria that will be assessed, *related to the aFRR CM Go Live*, based on NRA requirements are:

- *Criteria 1 – Use of fallback measures (fulfilment of article 38(5))*

Assessment of additional criteria:

- *Criteria 2 – Structural delays*
- ***Criteria 5 – Stakeholder feedback***
- *Criteria 3 – Socioeconomic welfare*
- *Criteria 4 – Effects on intraday market*

Nordic NRAs have requested public hearing on this specific subject.

Nordic TSOs will present the results for the KPI as basis for the hearing.

A full report covering all the criteria on the flow based, *for the flow based Go Live*, will be published at later stage, when the simulation facilities are available.

Evaluation report

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Stakeholder feedback – process

- Stakeholder feedback scope:
 - Fulfilment of EB GL article 38 (5)
- Planning for a public hearing with a proposed timeline:
 - October 3rd 2022: TSOs will share "*Evaluation report for Go Live of Nordic aFRR Capacity Market*"
 - October 3rd 2022: TSOs share Questionnaire
 - October 10th 2022: Webinar for Stakeholders
 - October 14th 2022: Deadline for providing feedback on questionnaire
 - October 20th 2022: Plan to provide the evaluation report, including stakeholder feedback, to the NRAs