



ЈАВНО ПРЕДУЗЕЋЕ  
ЕЛЕКТРОМРЕЖА СРБИЈЕ

# Amendments to the Market Code

Market Division

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## Reason for Amendments

- Amendments to the Transmission Grid Code
- 2 years experience of balance responsibility and balancing market in EMS regulation area
- Introduction of common balancing reserves within SMM block (cross-border balancing mechanism)

# Nomination Schedule

## ➤ Before Amendments to the Grid Code

- Daily schedule has to be in balance after Gate Closure of Day-ahead process (in D-1)
- In the case of unbalanced Daily schedule TSO was obliged to forcibly balance BRP's Daily Schedule (in D-1)

- Need to introduce incentive for BRP – BRP should nominate balanced schedule in order to avoid usage of reserve in planing phase

## ➤ After Amendments to the Grid Code

- Daily schedule has to be in balance after every Gate Closure of **Intraday** process (during the day D)
- Daily schedule of BRP could stay unbalanced

# Amendments to Market Code

# Balance Responsibility

- **Expanded definition of Balancing Responsibility (Article 3.1.1):**
  - The balance responsibility of the participants in the electricity market, for each settlement interval is an obligation:
    - to provide a balance of production, consumption, and blocks of internal and cross-border electricity exchanges,
    - **to undertake financial responsibility towards transmission system operator for all deviations caused by unbalanced daily schedule after closing of intraday nomination process;**
    - to undertake financial responsibility towards the transmission system operator for all deviations from the accepted plan for production, consumption, and blocks of cross-border and internal electricity

## Incentives for delivering balanced daily schedule

- **Article 5.3.2.1. – new definition added; Deviation on bases of unbalanced schedule**
  - Deviation on bases of unbalanced schedule of balancing group for which BRP is responsible after the intraday nomination process (OBOSPoi) is determined for every accounting period as a sum of nominated production and blocks of internal and external exchange in direction of receipt decreased for nominated consumption and blocks of internal and external exchange in direction of releasing from BG.
  
- **Articles 5.4.1.1 , 5.4.1.2, and 5.4.1.4. and 5.4.3.2. – Obligation for BRP to pay fee to TSO when there is Deviation on bases of unbalanced schedule is introduced**

## Incentives for delivering balanced daily schedule

➤ **Article 5.4.2.1. – Fee is equal to absolute value of OBOSPoi multiplied by coefficient E and price C:**

- In case when  $OBOSP_{oi} > 0$ ; surplus of electricity from balancing group of BRP remains in regulation area of JP EMS

$$E=2 \text{ for } OBOSP_{oi} > 0$$

- In case when  $OBOSP_{oi} < 0$ ; deficit of electricity in balancing group of BRP is taken over from regulation area of JP EMS

$$E=4 \text{ for } OBOSP_{oi} < 0$$

- C - estimated price for deviations for a calendar year Y (C = mean value of peak energy in day-ahead market on EPEXSPOT in the period from October 1, Y-2 to September 30, Y-1 in EUR/MWh)

## Acceptable Imbalance of Balancing Group (POB)

### ➤ Article 5.4.1.8. – change of calculation for Acceptable imbalance

#### ➤ In accordance of composition of Balancing group:

##### ➤ For consumption only:

Increased from 2,5% to 3%

##### ➤ For production only:

Decreased from 2% to 1,5%

##### ➤ For pure traders:

Remains 0 MW

##### ➤ For balancing group with production and consumption:

Summarized value of first two points:  $POB = 3\% + 1,5\% = 4,5\%$



# Acceptable Imbalance of Balancing Group (POB)

## Article 5.4.1.8

- Value of acceptable imbalance of the balancing group (POB) is determined for each day and is equal to:
  - a) higher value between 1 MWh and **3%** of maximal scheduled hourly consumption from the balancing group's daily schedule in case that the balancing group is associated with minimum one withdrawal/injection point, that BRP has the role of Consumption Responsible Party **and has no role of Production Responsible Party;**
  - b) higher value between 1 MWh and **1.5%** maximal scheduled hourly production from the balancing group's daily schedule in case that the balancing group is associated with minimum one withdrawal/injection point and that BRP has role of Production Responsible Party and has not role of the Consumption Responsible Party;
  - c) **Higher value between 1 MWh and summarized value of 3% of maximal scheduled hourly consumption and 1.5% maximal scheduled hourly production from the balancing group's daily schedule in case that BRP has role of Consumption Responsible Party and role of Production Responsible Party;**
  - d) 0 MWh in the case that the BRP has role of Trade Responsible Party.

# Determination of Fee for Imbalance of Balancing Group

## ➤ Article 5.4.2.1. - change of coefficient **K1** and **K2**

➤ In case of **positive** imbalance of balancing group:

Coefficient **K1** remains value (**K1 = 0.5**)

➤ In case of **negative** imbalance of balancing group:

Coefficient **K2** decreased from 1.5 to 1.3 (**K2 = 1.3**)

## Other Amendments of Market Code

- Market Code was adopted for possibility to implement cross-border balancing mechanism within Regulation Block
- Articles regarding redispatching (engagement of balancing energy for threat to the security of transmission system) was expanded (articles were more precisely defined)



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