

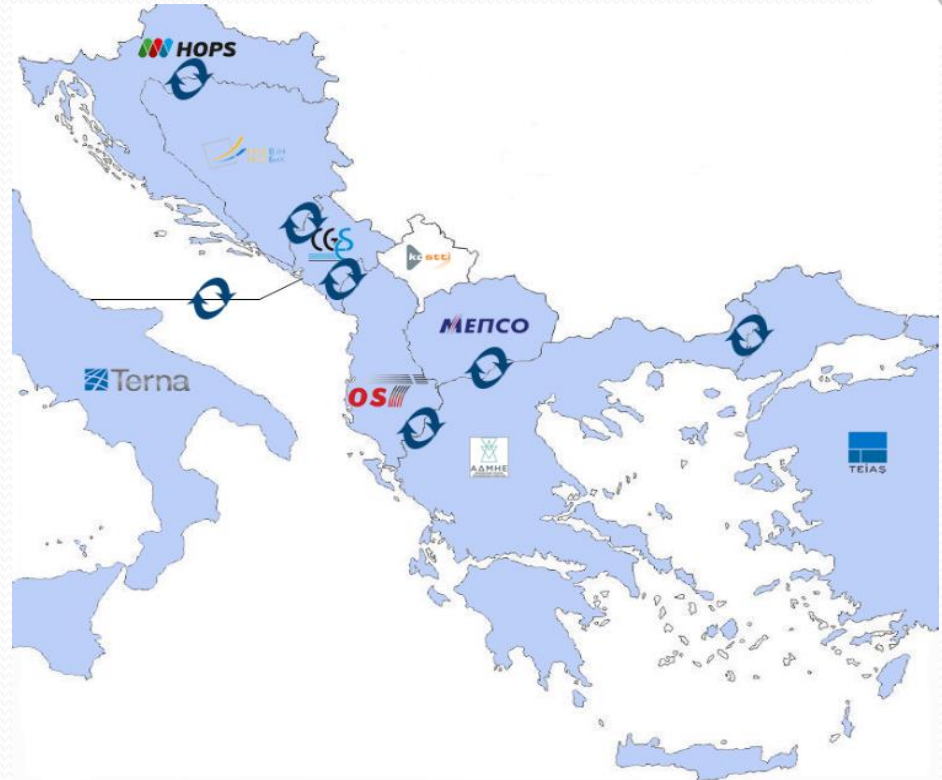
Electricity transmission rights

Webinar Training

18 June 2020

SEE CAO - Introduction

- Auctions for CBC allocation:
 - PTR
 - NTC approach
 - Explicit auctions:
 - Long term (Y,M)
 - Daily



Allocation of transmission rights



- Forward markets
- PTR/FTR
- Explicit allocation
- HAR

- DA & ID
- Implicit allocation

- Real-time
- Balancing energy market
- Balancing capacity market

FCA in SEE

EU Member States

- FCA binding from Oct 2016
- FCA early implementation EU
 - Jan 2016 with EU HAR

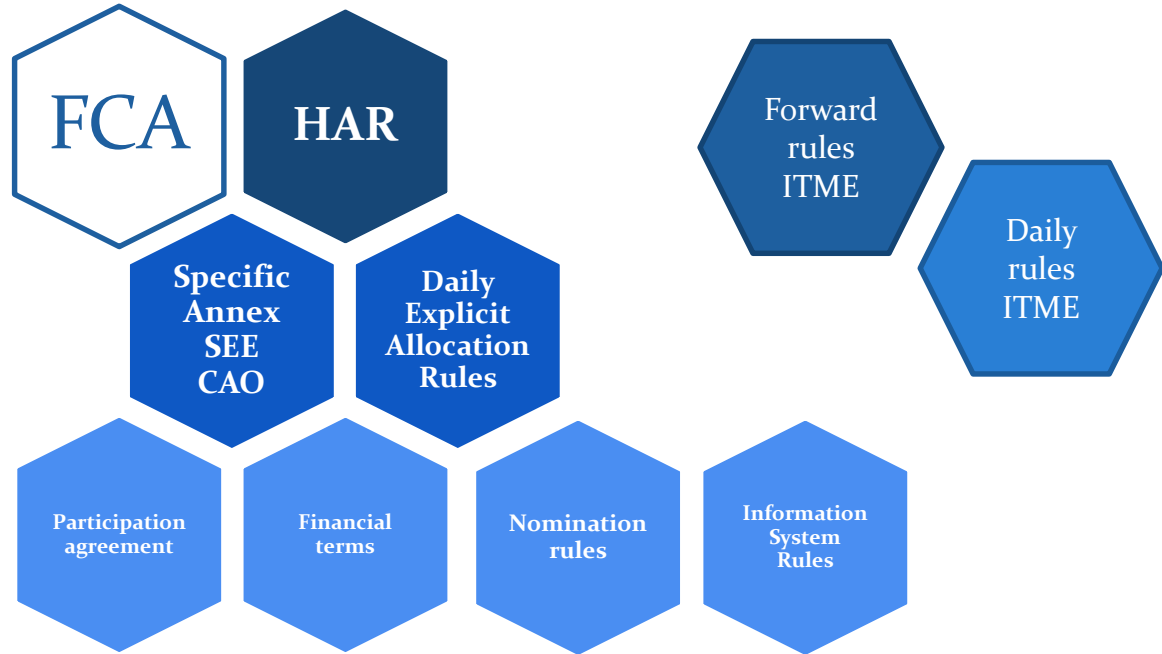
Non-EU countries:

- FCA still not binding
- FCA early implementation SEE
 - Jan 2018 with SEE CAO HAR set of rules

Harmonised Allocation Rules

- Key derivative of FCA GL
 - ONLY forward markets -
 - yearly and monthly auctions
 - Secondary market:
 - transfer, return - optional
 - UIOSI - automated
 - Compensation regimes (curtailments)

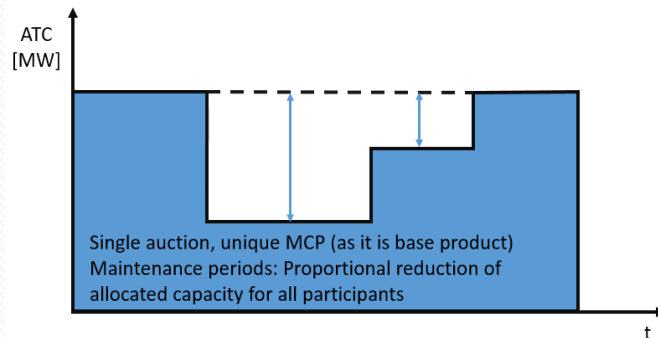
SEE CAO HAR set of rules



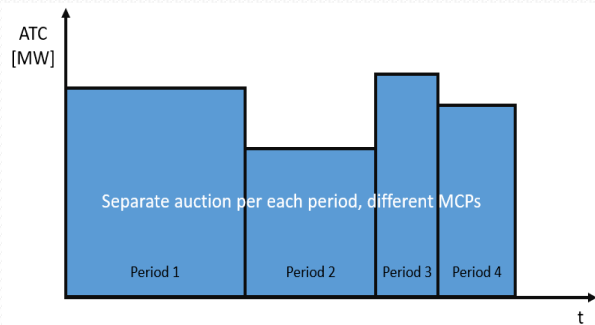
LT products



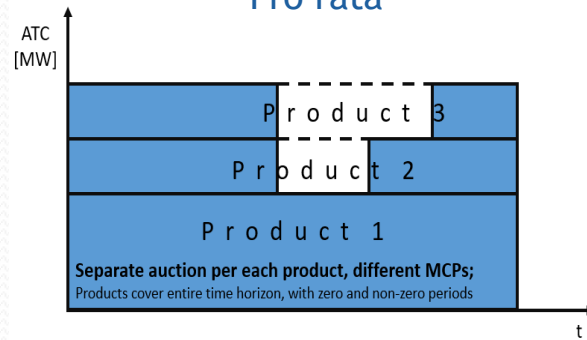
Base product



Pro rata



Allocation periods



Multiple products

Daily allocation in SEE CAO



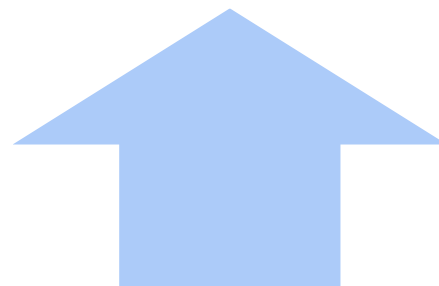
Until CACM implementation:

- Explicit daily auctions
- Performed by SEE CAO

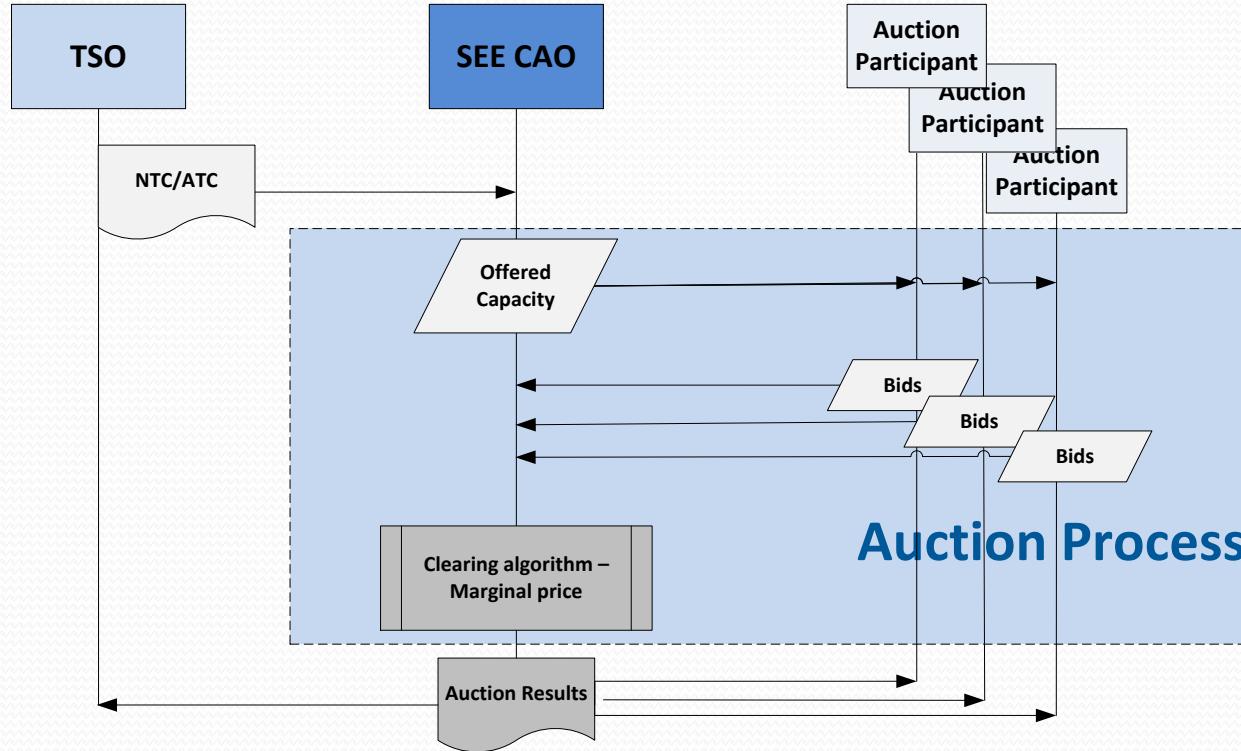
CACM implementation in SEE

Upon CACM implementation:

- Implicit daily auctions (PX/MC)
- 'Shadow' explicit D auctions
- CID



Auction process



Calculation of offered capacities

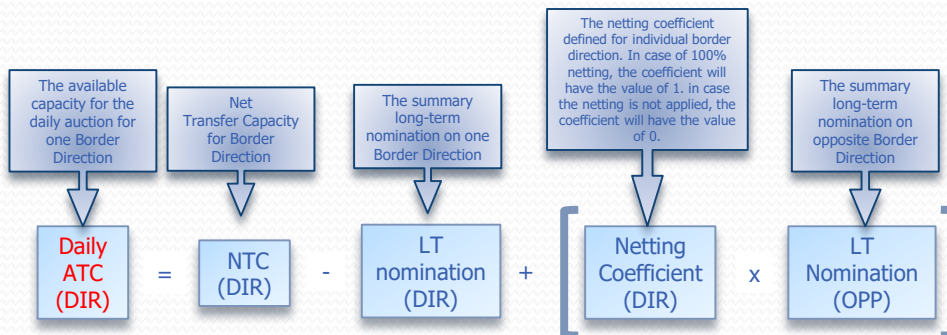
Yearly

$$\text{Final Offered Capacity} = \text{NTCy}$$

Monthly

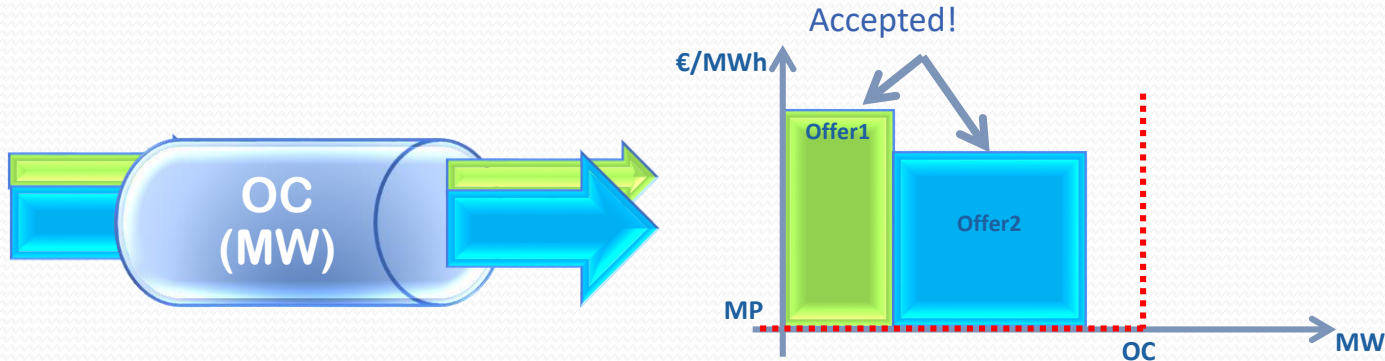
$$\text{Final Offered Capacity} = \text{NTCm} - \text{AAC} + \text{Forced return} + \text{Resale}$$

Daily



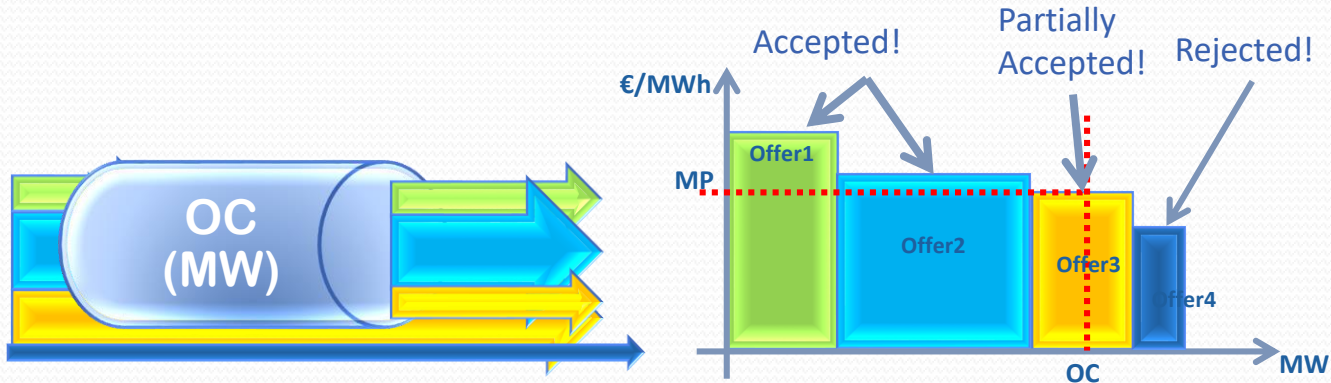
Auction process

- Offered capacity (OC): MW
 - Bids:
 - Requested capacity (RC): MW
 - Bid price: €/MWh
- ✓ $RC < OC$
 - ✓ Marginal Price = 0
 - ✓ No congestion
 - ✓ No incomes for TSOs

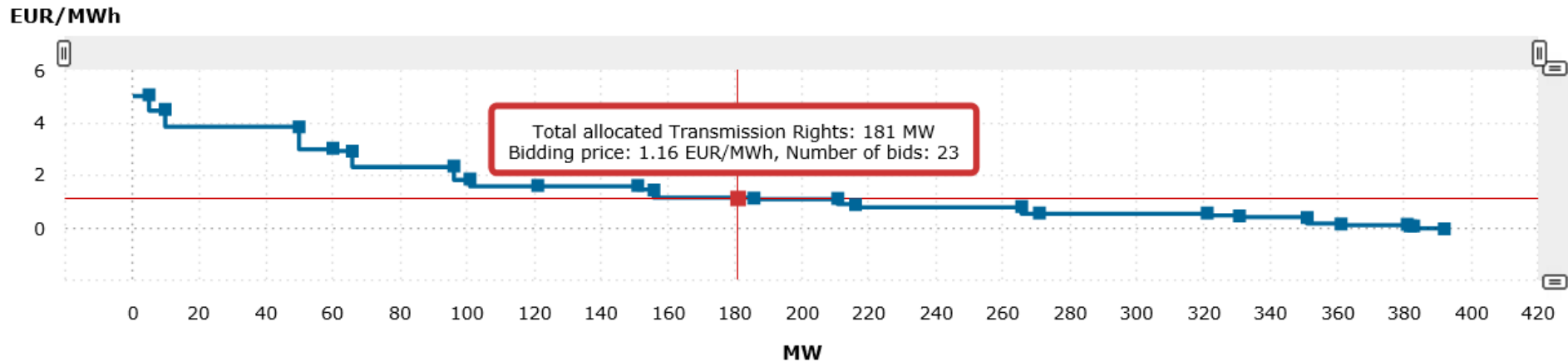


Auction process

- Offered capacity (OC): MW
- Bids:
 - Requested capacity (RC): MW
 - Bid price: €/MWh
- Congestion → Marginal Price

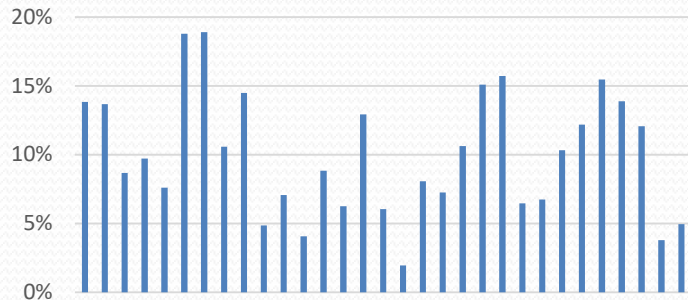


Example – Price curve

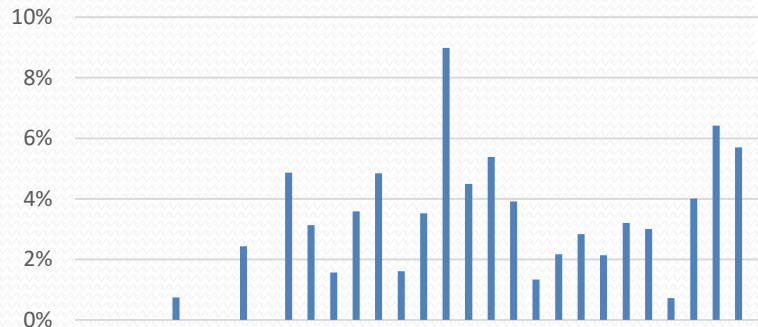


Effective usage of LT TR

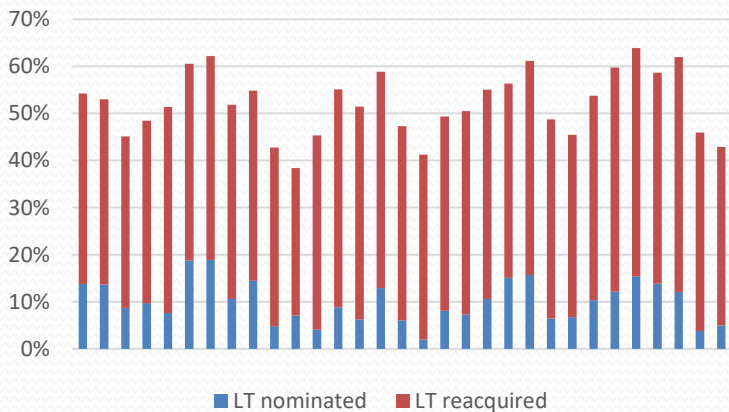
LT nominated (A->B)



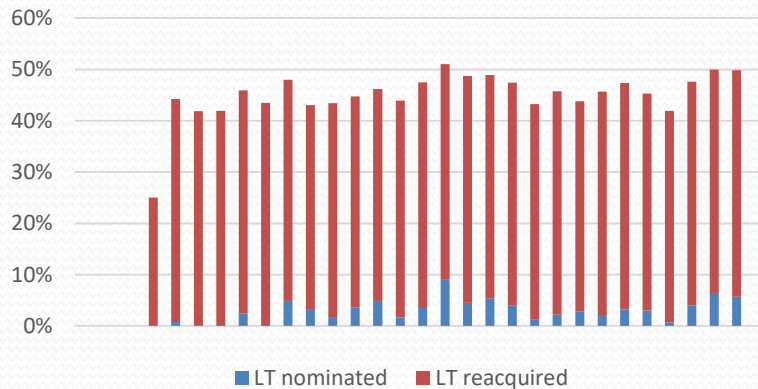
LT nominated (B->A)



LT nominated + reacquired

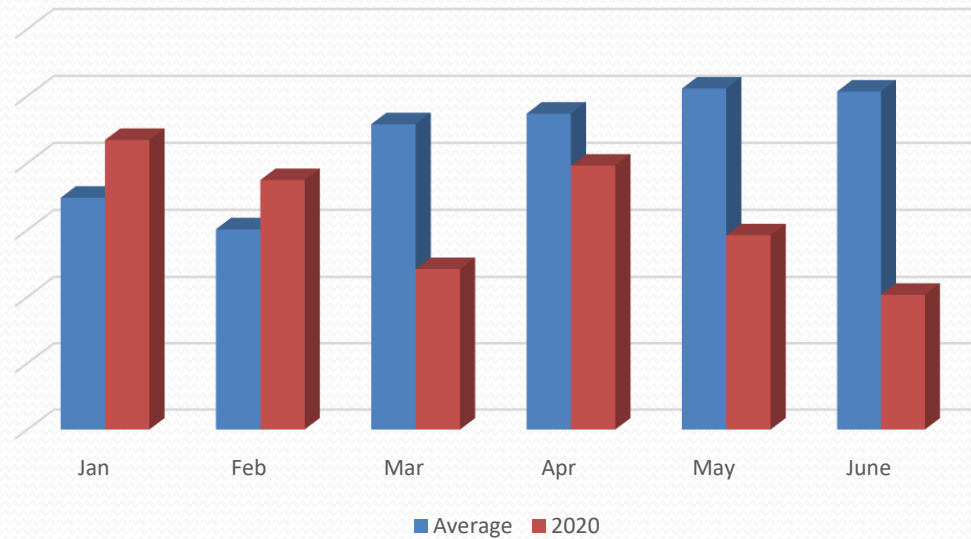


LT nominated + reacquired

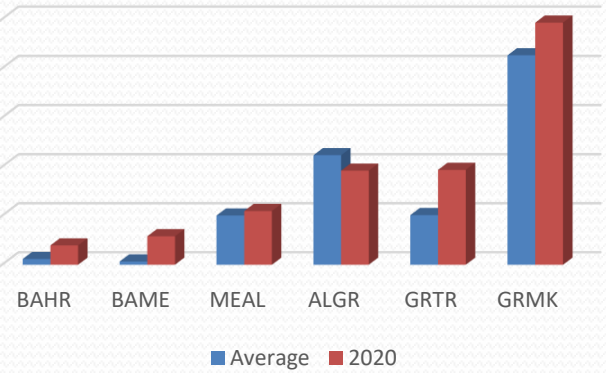


Covid impact on congestion incomes

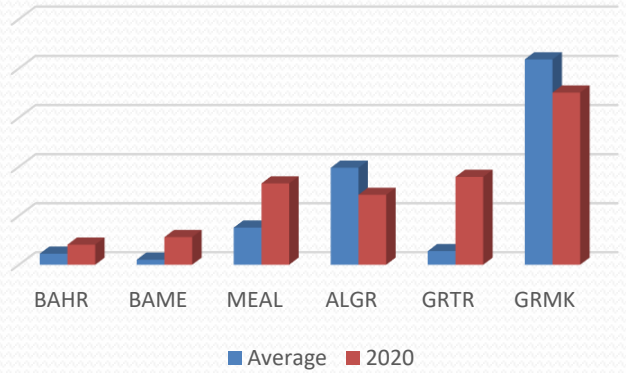
Monthly auctions revenues
Average vs 2020



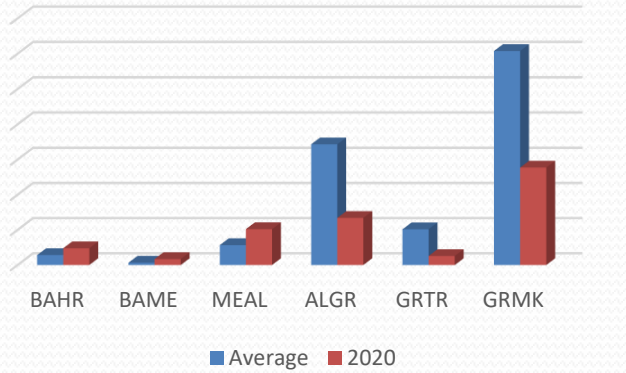
MA January
Average vs 2020



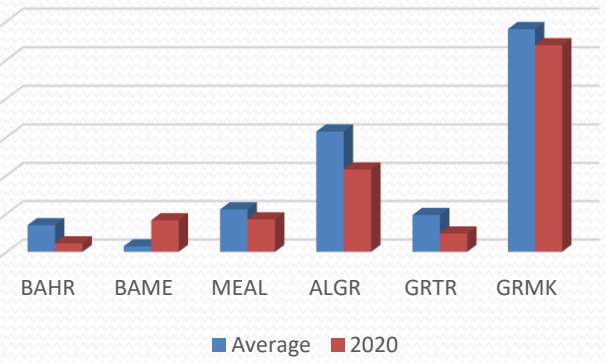
MA February
Average vs 2020



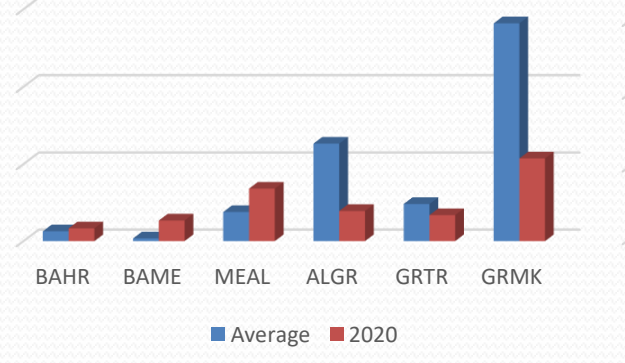
MA March
Average vs 2020



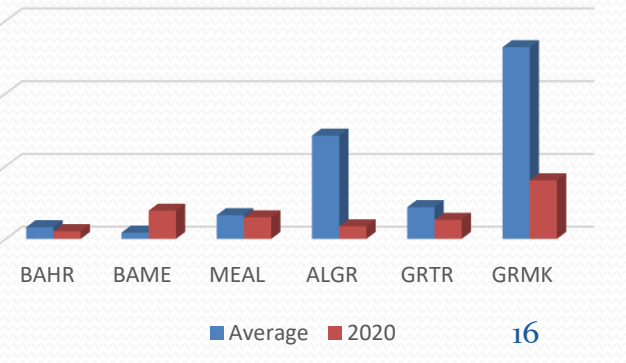
MA April
Average vs 2020



MA May
Average vs 2020



MA June
Average vs 2020





Thank you for your attention!