

# Implementing the Memoranda of Understanding on market coupling and balancing – progress made | outlook

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## 21st Energy Community Electricity Forum

1st/2nd June 2016

# Memorandum of understanding

## of Western Balkan 6 on regional electricity market development and establishing a framework for other future collaboration

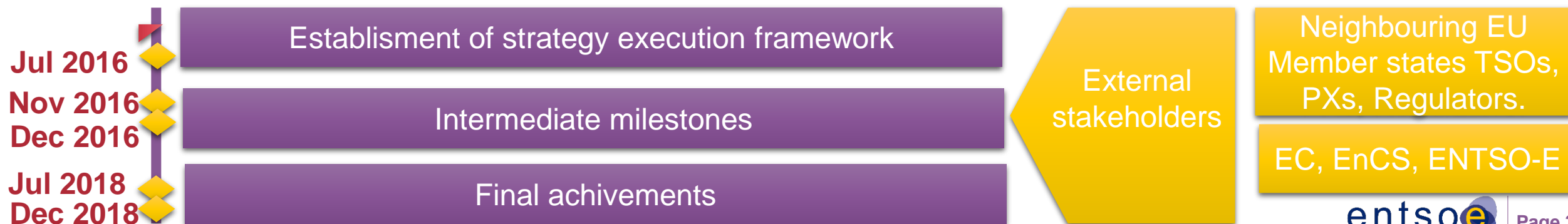
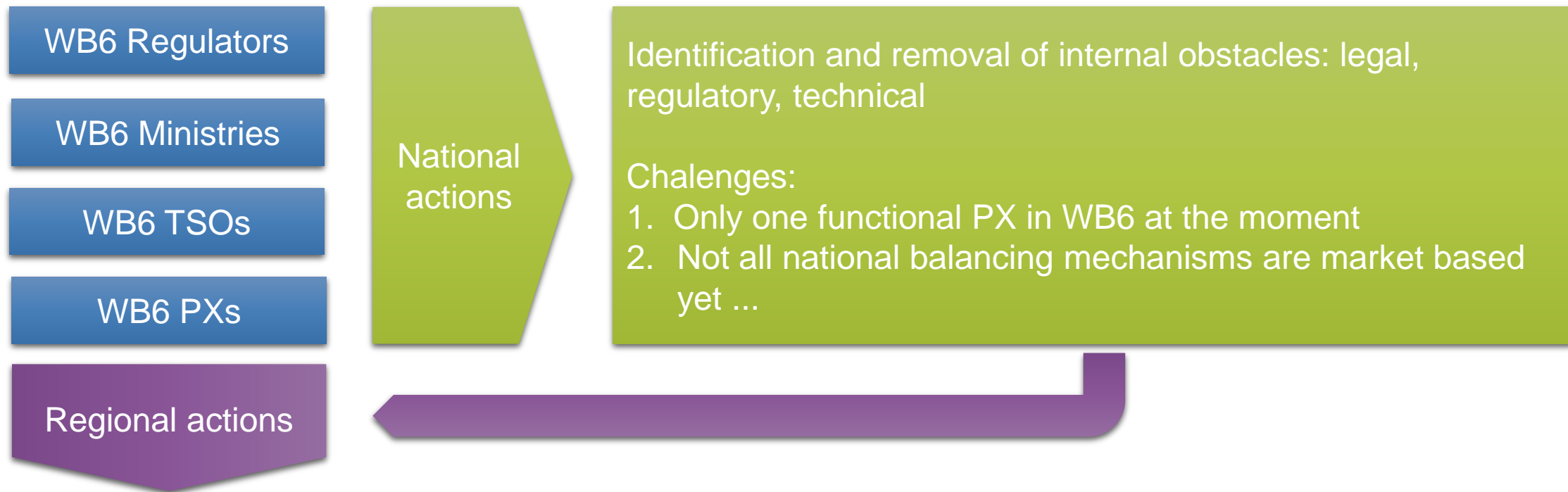
### ✓ **Annex1: Day-ahead Market Integration**

- ✓ to lead to the coupling of national organised day-ahead markets with at least one neighbouring WB6 or EU country by **July 2018** and the finalisation of the project implementation agreements between the TSOs, NRAs and PXs until **November 2016**.

### ✓ **Annex2: Cross-border Balancing Cooperation**

- ✓ design and implementation of a cross-border balancing cooperation between six countries of the so called WB6 with **31 December 2018** as a target date

# Implementing WB6 MoU – Cooperation Environment



# Implementing WB6 MoU – Programme/Project Management

**Characteristics of WB6 MoU initiatives:** regional cooperation, complex objectives, wide stakeholder community, voluntary approach

**>> Programme management is the only approach**

## **Programme Management:**

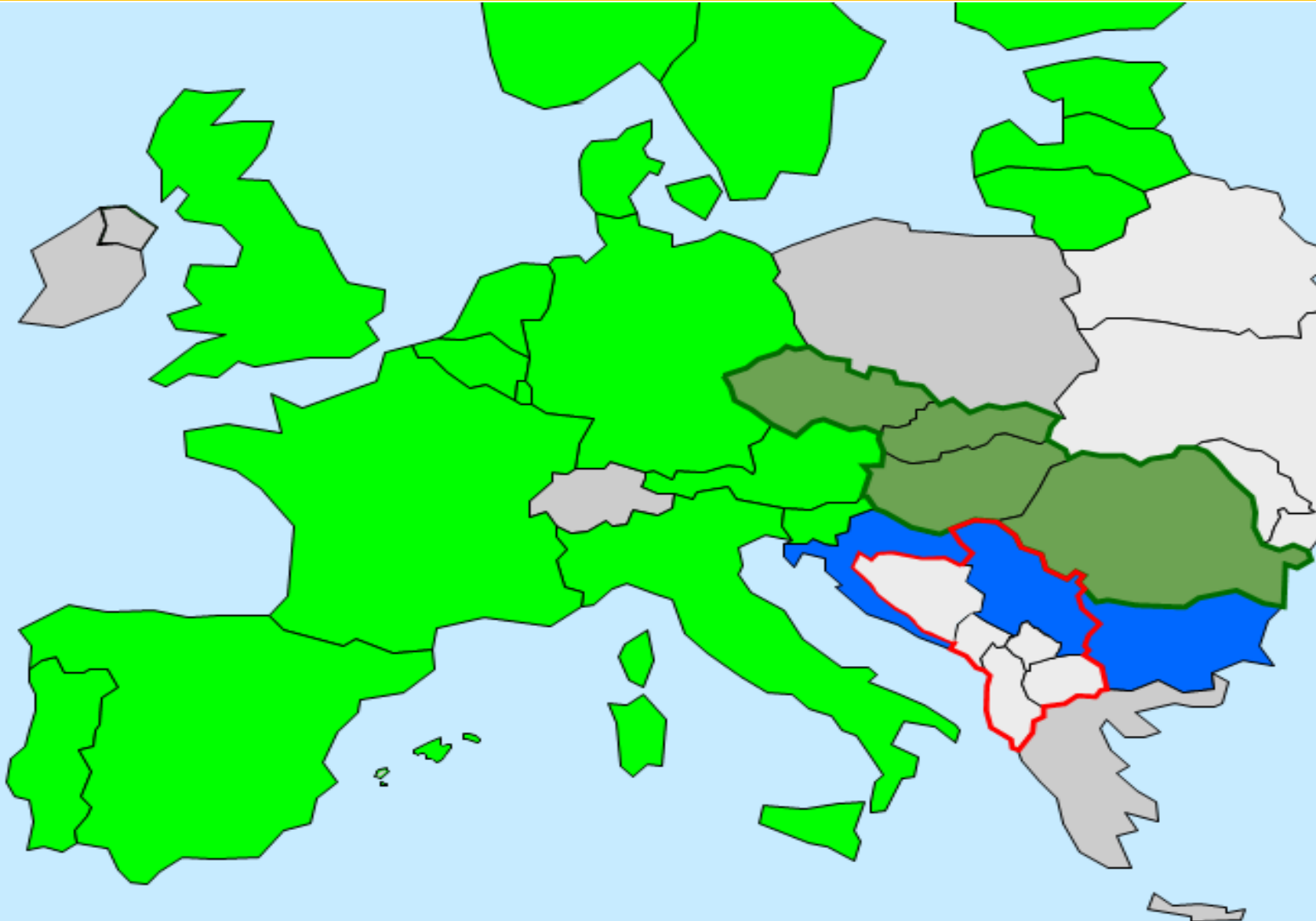
- ✓ process of managing several related projects
- ✓ management of large (complex and interdependent) set of projects, where the integration aspect of project management is more important than managing single project
- ✓ Programs deliver benefits and projects deliver results
- ✓ “Program management is doing the right projects, whereas project management is doing the projects right”

# Implementing WB6 MoU – Programme/Project Management

## WB6 MoU Programme/Project Management:

- ✓ Programme ↔ WB6 MoU Annex ↔ Initiative
- ✓ top – down Programme objectives
- ✓ voluntary bottom – up Project execution
- ✓ at least two or more companies initiate Project under the Programme

# Implementing WB6 MoU – Day-ahead Market Integration, Current state



-  New power exchanges
-  4MMC
-  MRC (PCR )
-  Non coupled
-  WB6

# Implementing WB6 MoU – Day-ahead Market Integration, Programme Road Map



# Implementing WB6 MoU – Day-ahead Market Integration, PXs/NEMOs Establishment Work packages

## Technical solution

- System design
- Specification
- Development, Config.
- Testing

## Clearing

- CCP - Central Counterparty role
- Currency
- Clearing Members

## Legal & Regulatory

- Market Rules
- Contracts
- License

## Market Participant Readiness

- On-boarding
- Testing

## Organizational aspects

- New PX establishment
- Existing PX reorganization

## European Transparency and REMIT\*

## NEMO Designation\*

## Business Modelling and Pricing

- Liquidity, products
- List of prices



# Implementing WB6 MoU – Day-ahead Market Integration, Programme Road Map



# Implementing WB6 MoU – Day-ahead Market Integration, Market Coupling Work packages

## Technical solution

- System design, specs
- Development, config
- Testing

## Clearing

- Shipping
- Dual Currency
- Clearing Members

## Market Participant Readiness

- On-boarding
- Testing

## Coupling

- European
- Regional

## Legal & Regulation

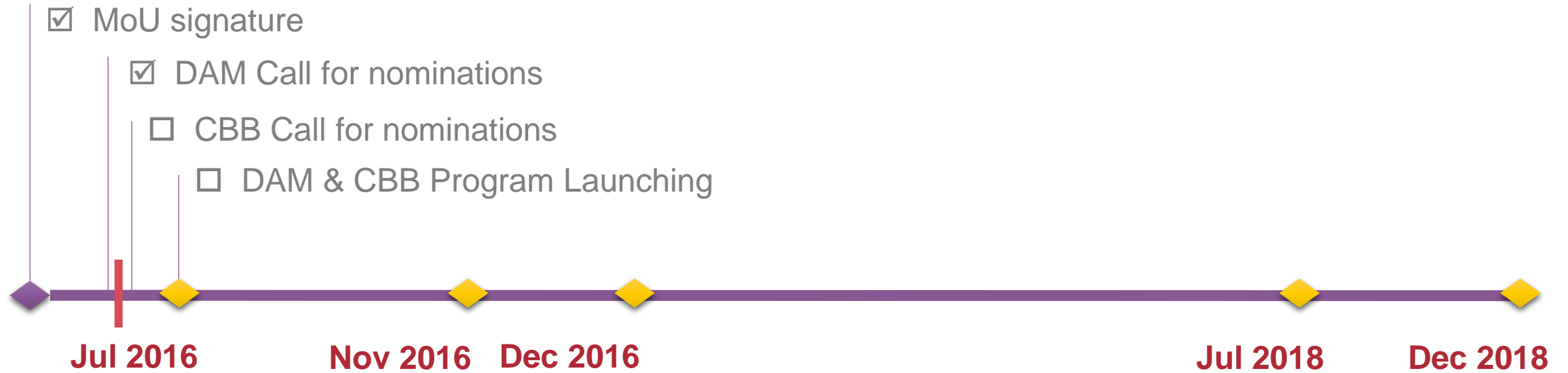
- Market Rules
- Contracts
- License

## CACM Implementation\*

- MCO Plan
- CACM Obligations

European  
Transparency and  
REMIT\*

# Implementing WB6 MoU – Status



Establishment of strategy execution framework

Intermediate milestones

Final achievements

entsooe

Reliable Sustainable Connected