

# Update on regulators' decisions related to the Nordic balancing market

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# MARI and PICASSO go-live in Nordic countries

- Each Nordic TSO asked for extension of the deadline to connect to MARI and PICASSO
- Each Nordic NRA approved the extension in autumn 2022.
- New deadline for connection to MARI and PICASSO is 24 July 2024



# MARI and PICASSO go-live in Nordic countries

- The Nordic TSOs have been requested by NordREG to deliver quarterly status reports on MARI and PICASSO go-live in Nordic countries
- The Nordic TSOs have delivered the first report in October 2022
- Several risks are identified and will be followed closely by regulators
- However 24 July 2024 is the very last possible legal deadline for connection



# Nordic aFRR capacity market regulatory decisions

- The Nordic TSOs are going live with the aFRR capacity market in December 2022
- The aFRR capacity market is following the methodologies approved by ACER 5th of August 2020:
  - Methodology on the application of the Nordic CCR market-based allocation process of cross-zonal capacity for the exchange of balancing capacity for the Nordic LFC Block (EBGL article 38)
  - Exemption to the obligation to allow transfer of aFRR balancing capacity for the Nordic LFC Block (EBGL article 34)
  - Methodology on the common and harmonised rules and processes for the exchange and procurement of aFRR balancing capacity for the Nordic LFC Block (EBGL article 33)
  - Methodology for the market-based allocation process of cross-zonal capacity for the exchange of balancing capacity for the Nordic CCR (EBGL article 41)



# Nordic mFRR capacity market regulatory decisions

- The Nordic TSOs have proposed the following methodologies for regulatory decision by March 2023:
  - Amendment to the methodology on the application of the Nordic CCR market-based allocation process of cross-zonal capacity for the exchange of balancing capacity for the Nordic LFC Block and the LFC area of Western Denmark (EBGL article 38)
  - Exemption to the obligation to allow transfer of mFRR balancing capacity for the Nordic LFC Block and the LFC area of Western Denmark (EBGL article 34)
  - Methodology on the common and harmonised rules and processes for the exchange and procurement of mFRR balancing capacity for the Nordic LFC Block and the LFC area of Western Denmark (EBGL article 33)
- And the following methodology for regulatory decision by late December 2023:
  - Amendment to the methodology for the market-based allocation process of cross-zonal capacity for the exchange of balancing capacity for the Nordic CCR (EBGL article 41)



# Nordic mFRR capacity market regulatory decisions

- The methodologies have been in public consultation at the NordREG website with deadline 28th November 2022.
- Only one consultation answer has been sent by stakeholders.
- If anyone has important input, please feel free to email them to [slrs@forsyningstilsynet.dk](mailto:slrs@forsyningstilsynet.dk)
- For the methodology on the market-based allocation process (EBGL article 41), the Nordic regulators are considering applying ACER for a possible extension of the deadline.



# Nordic mFRR capacity market regulatory decisions

- EBGL article 33
  - Exchange and procurement of mFRR balancing capacity
  - Mimics the decision by ACER on the aFRR balancing capacity.
- EBGL article 38 (amendment)
  - The amendment adds mFRR balancing capacity to the scope of the methodology and Western Denmark (DK1) to the geographical scope of the methodology by including the whole Nordic CCR
  - The amendment gives aFRR balancing capacity priority over mFRR balancing capacity
- EBGL article 34
  - Exemption asked by the TSOs in order to not allow transfer of the obligations to provide mFRR balancing capacity.
  - The requirement from EBGL is that balancing capacity is procured strictly less than 1 week before delivery.
- EBGL article 41 (amendment)
  - Forecasts the value of cross-zonal capacity for the day-ahead market and decides whether capacity can be reserved for the procurement of balancing capacity.
  - Amendment changes the starting mark-up to the forecast from 1 to 5 EUR/MWh and the maximum markup from 5 to 10.

