European Balancing Code from 2014
EU Target Model

No integration | Full integration
No harmonisation | Full harmonisation

No EU Action
Cross-border only
Harmonised & integrated balancing markets
Mid-term model

TARGET MODEL
Single Balancing Market
Single Balancing Entity
Objectives

- Roles & responsibilities of “electricity balancing” stakeholders
- Minimum standards for competitive balancing market
- Integrated and coordinated balancing regimes

Covers all GB balancing activities

For cross border and market integration issues
European Electricity Balancing Code

- Procurement of reserve and energy products
- Capacity reservation on ICs
- Imbalance
European Electricity Balancing Code

- Procurement of reserve and energy products
- Procurement harmonisation
- Standardisation of energy balancing products
- Reserve procurement and activation of balancing energy
- Collateralisation of reserves
European Electricity Balancing Code

Capacity Reservation on Interconnectors

Reservation for operating reserves

Principle of co-optimisation

Explicit & implicit
European Electricity Balancing Code

Imbalance Settlement Pricing = marginal*

Settlement Period Duration

Automatic imbalance netting cross-border

Imbalance Volume Calculation

*Pay as cleared
What will it mean for GB Balancing Market?

- GB Codes subservient
- New concepts, products, contracts
- Standard balancing products
- Share balancing mechanism
- Common merit order
- Imbalance netting cross borders
Stakeholder Impact

Roles and responsibilities

- Interconnector TSOs
- Balancing Responsible Parties (BSC Parties)
- Balancing Service Parties (BSPs)

All GB Stakeholders

NGET committed to engaging stakeholders
Opportunities for Engagement

GB
- Elexon JESG - 19 March 2013
- Via Operational Forum going forward
- Contact National Grid

Europe
- Through ENTSO-e stakeholder groups
- ENTSO-e Public Launch late March 2013 – Brussels
- Directly via the ENTSO-e consultation June – July 2013
Timescales

First Public Code Released Early Mar 13

Full Stakeholder Workshop Late Mar 13

Public Consultation June to Aug 13

Final Code to ACER Dec 2013

European Law Apr 2014

Implementation 2014 to 2020
Any Questions

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