

# Response ID ANON-78DT-5GUA-S

Submitted to **Mid-term Adequacy Forecast 2018**

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## Introduction

### 1 What is your name?

**Name:**

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### 3 What is your organisation?

**Organisation:**

Fortum Power and Heat Oy

## Consultation questions

### 4 What is your opinion on the MAF2018 outcomes and, especially, on the low-carbon sensitivity analysis?

**Opinion on the MAF2018 :**

The MAF analysis has been clearly improved. However, in some countries additional gas-condensing power capacity seems to have been added from year 2020 to 2025 without firm investment decisions. This might distort the results and make alternative, possibly cheaper grid interconnection investments to look less attractive.

The low-carbon sensitivity analysis is a good addition, showing e.g. where more interconnection capacity would enable faster decarbonisation.

### 5 From your perspective, which would be the most relevant and useful additional methodological improvements or insights for the future MAFs? Please explain in line with the specific needs of your field of activity.

**Additional Improvements:**

The demand response (DSR) volume used in the study (19 GW for 2025, instead of the mentioned theoretical 60 GW potential) should be justified, and also included as national / zonal values in the Dataset table.

In chapter 2.3. of Appendix 1, the simultaneous scarcity situations are discussed, with also some result graphs for EENS shown. In order to better understand how the EENS and LOLE are allocated between countries during simultaneous scarcity situations, it would be good to open up and clarify the methodology used in this respect.

### 6 Would you find it beneficial to define a common reliability target – or range - (e.g. LOLE 3 or 5 or h/y) to be used in MAF as a reference? Which reliability target should be used in MAF as a reference?

**Reliability Standard:**

No, a common reliability target is not needed. The national circumstances (e.g. VOLL, market size, weather dependency, capacity options, demand response characteristics) differ and thus a common target would not be optimal.

### 7 Please tell us below if you have additional suggestions or comment?

**Other suggestions:**

In chapter 2.5 (Flexibility requirements) of the Executive Report, the wind and solar forecasts are mentioned to be updated hours ahead of real time. However, the balance responsible companies can update their forecasts still more closer to the real time, and thus commercially trade themselves closer to balance still in the intraday market even up to the imbalance settlement period (1 hour, 30 or 15 minutes) and often with 15-minute products as well. Thus the need to use balancing reserves for wind and solar forecast uncertainty is clearly smaller than indicated by the chapter.

In chapter 2.3 of the Appendix 1, it is rightly mentioned that adequacy problems between neighbouring countries are partly uncorrelated e.g. due to time shifts of demand peak. In addition to this, it could be mentioned that power plant failures are uncorrelated as well, and thus interconnectors are valuable in providing support to avoid load shedding during power plant failures in peak situations.

In the MAF 2018 Dataset, it is not clear for the reader in which category CHP plants and biomass / multi-fuel plants are included. More clarification and e.g. additional national explanations would be helpful.