European Commission

The new transparency rules

ENTSO-E Transparency Stakeholder Public Workshop

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Energy

Why transparency in electricity

Reduces uncertainty

- **Reduced risk → lower prices**

Reduces information asymmetry

- **Encourages market entry and participation**
- **Increases competition**
- **Supports liquidity → lower transaction costs**

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Efficient market operation

Current transparency rules

EU level transparency rules:

- **Regulation 714/2009 – Art 15**
- **Annex I (CMG) – Section 5**

Coverage:

- **Transmission infrastructure**
  Usage, availability, allocated capacities, nominations, forecasts, etc.
- **Generation**
  Availability, usage, outages
- **Load**
  Availability, usage, forecasts
- **Balancing power**

Why updating the rules?

Rules not detailed and precise enough

- **Different interpretations by TSO**
- **Info often not comparable across market**

Procedures for data handling and publication unclear

- **Who gives data, when and how to TSOs?**

No integrated presentation of information

- **Pan-European assessment of fundamentals difficult**

No precise rules on timing of data publication

- **Potential inconsistency with REMIT**

What do the new rules cover?

More detailed and precise definitions

- **No ambiguity, better comparability across markets**

Clear rules for procedures

- **More effective flow of data to TSOs**

Centralised data publication

- **Better assessment of supply/demand picture**

Clear and tight rules on timing of data publication

- **Compatibility with REMIT disclosure rules**

Example I – transmission assets

Current provision

"TSOs shall publish at least annually information on the long-term evolution of the transmission infrastructure and its impact on cross-border transmission capacity"

Point 5.5(a) of Annex I of Reg. 714/2009

New provision

"TSOs shall establish and provide information on future changes to network elements and interconnector projects including expansion or dismantling in their transmission grids within the next three years, to the ENTSO for Electricity. This information shall only be given for measures expected to have an impact of at least 100 MW on cross zonal capacity between bidding zones or on profiles at least during one market time unit. The information shall include:

(a) the identification of the assets concerned;

(b) the location;

(c) type of asset;

(d) the impact on interconnection capacity per direction between the bidding zones;

(e) the estimated date of completion.

The information shall be published one week before the yearly capacity allocation but no later than the 15th calendar day of the month before the year to which the allocation relates. The information shall be updated with relevant changes before the end of March, the end of June and the end of September of the year to which the allocation relates."

Article 9 of the new transparency regulation

Example II – generation outages

Current provision

"Transmission system operators shall publish relevant data…on availability….of generation…assets...

For availability…..of small generation….units aggregated estimate data may be used"

"TSOs shall publish…ex-ante information on planned and unplanned outages and ex-post information for the previous day on planned and unplanned outages of generation units larger than 100 MW"

Art. 15 of Reg. 714/2009

Point 5.5(i) of Annex I of Reg. 714/2009

New provision

"1. For their control areas, TSOs shall provide the following information to the ENTSO for Electricity:

(a) the planned unavailability of 100 MW or more of a generation unit including changes of 100 MW or more in the planned unavailability of that generation unit, expected to last for at least one market time unit up to three years ahead, specifying:

- *the name of the production unit,*
- *the name of the generation unit,*
- *location,*
- *bidding zone,*
- *installed generation capacity (MW),*
- *the production type,*
- *available capacity during the event,*
- *reason for the unavailability,*
- *start date and estimated end date (day, hour) of the change in availability;*

(b) changes of 100 MW or more in actual availability of a generation unit, expected to last for at least one market time unit, specifying:

- *the name of the production unit,*
- *the name of the generation unit,*
- *location,*
- *bidding zone,*
- *installed generation capacity (MW),*
- *the production type,*
- *available capacity during the event,*
- *reason for the unavailability and*
- *start date and estimated end date (day, hour) of the change in availability;"*

Article 15 of the new transparency regulation

Example II – generation outages (cont.)

Current provision

"Transmission system operators shall publish relevant data…on availability….of generation…assets...

For availability…..of small generation….units aggregated estimate data may be used"

"TSOs shall publish…ex-ante information on planned and unplanned outages and ex-post information for the previous day on planned and unplanned outages of generation units larger than 100 MW"

Art. 15 of Reg. 714/2009

Point 5.5(i) of Annex I of Reg. 714/2009

New provision

"(c) the planned unavailability of a production unit of 200 MW or more including changes of 100 MW or more in the planned unavailability of that production unit, but not published in accordance with subparagraph (a), expected to last for at least one market time unit up to three years ahead, specifying:

- *the name of the production unit,*
- *location,*
- *bidding zone,*
- *installed generation capacity (MW),*
- *the production type,*
- *available capacity during the event,*
- *reason for the unavailability,*
- *start date and estimated end date (day, hour) of the change in availability;*

(d) changes of 100 MW or more in actual availability of a production unit with an installed generation capacity of 200 MW or more, but not published in accordance with subparagraph (b), expected to last for at least one market time unit, specifying:

- *the name of the production unit,*
- *location,*
- *bidding zone,*
- *installed generation capacity (MW),*
- *the production type,*
- *available capacity during the event,*
- *reason for the unavailability and*
- *start date and estimated end date (day, hour) of the change in availability;*

2. The information laid down in points (a) and (c) of paragraph 1 shall be published as soon as possible, but no later than one hour after the decision regarding the planned unavailability is made.

The information laid down in points (b) and (d) of paragraph 1 shall be published as soon as possible but no later than one hour after the change in actual availability.

3. Generation units located in a TSO's control area shall provide that TSO with the data laid down in paragraph 1.

Generation units shall be considered as primary owners of the data they provide.

"

Article 15 of the new transparency regulation

New transparency items

TSOs need to become more transparent

- **Publish congestion management actions**
- **1 hour after real time**
- **Cost of and reasons for the actions**

Generators to provide more data

- **Actual generation per unit**
- **Off-shore transmission line outages (wind)**
- **Filling rate of reservoirs (hydro)**

European Commission

Compatible rules with REMIT

- *REMIT requires effective, timely, complete and simultaneous disclosure of inside information*
- *REMIT defines the Reg. 714 transparency framework as a complete, effective and simultaneous disclosure regime*

The new rules provide for a timely disclosure framework compatible with REMIT

Timeline

Member States' expert committee voting

- **17 December 2012 – positive vote**

European Parliament scrutiny

- **3 month ~ end of April 2013**

Entry into force

- **end of Q2 2013**

Transparency platform operational

- **18 month after entry into force → end of 2014**