

Network Code on Electricity Balancing

Key Issue III: Definition of Gate Closure Times and interaction with intraday timeframe

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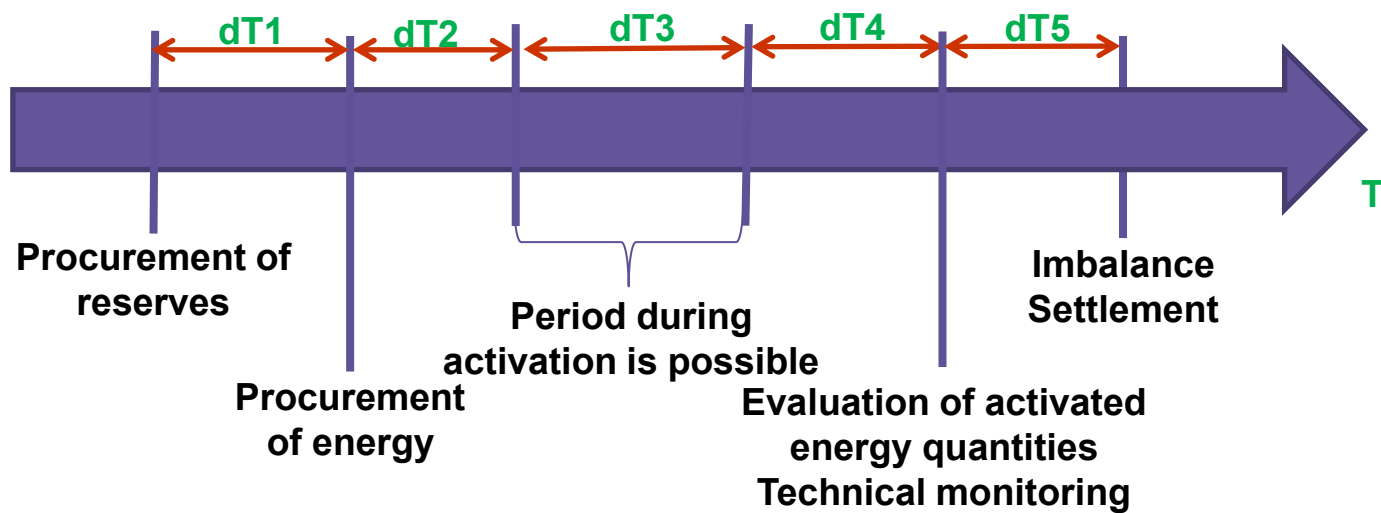
Agenda

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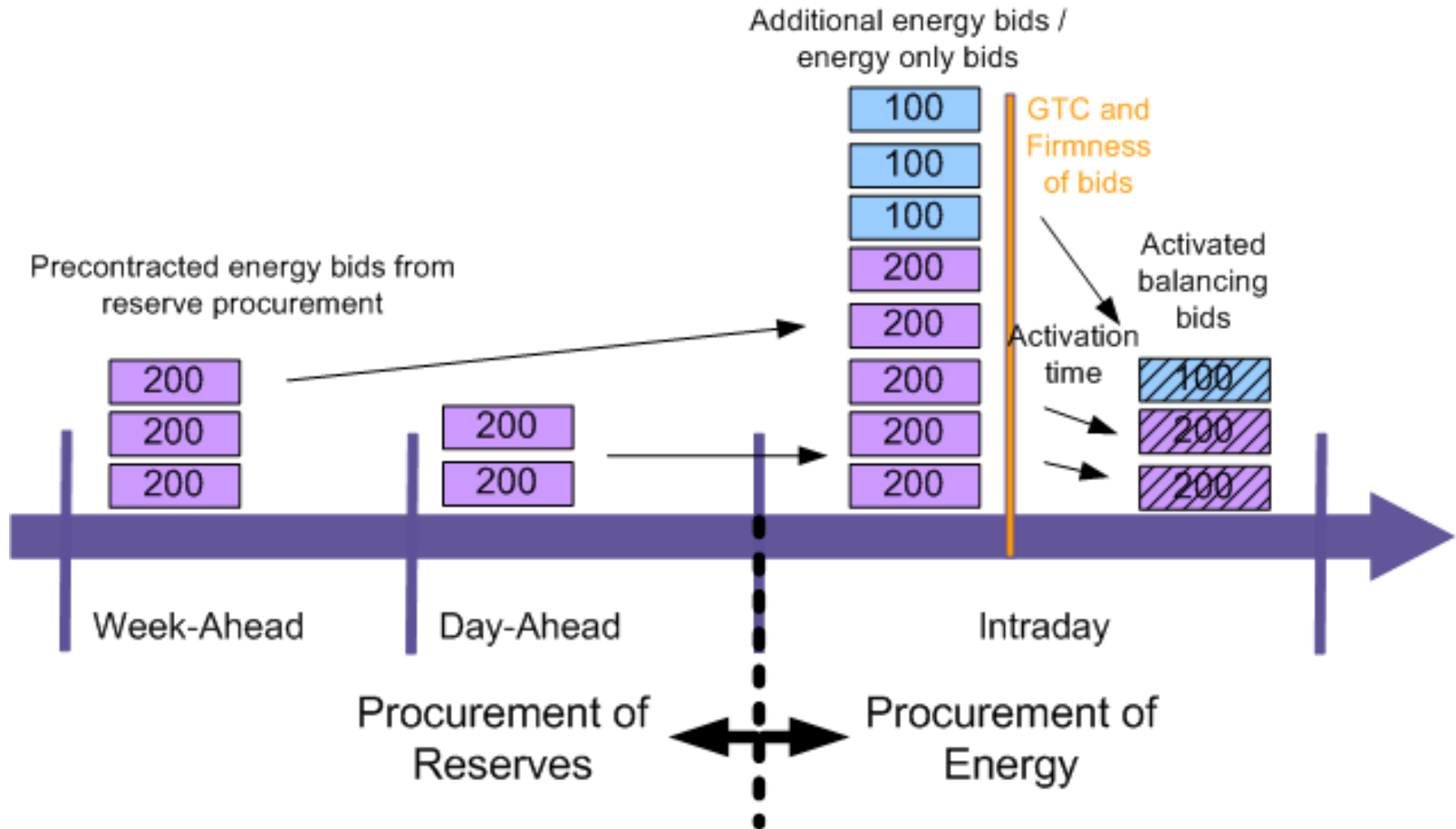
Introduction

- **Time restrictions with gate closures for intraday and balancing markets are mandatory**
- **Provision for the timing of standard balancing products in NC Balancing needed**
- **Balancing Markets need to respect Security of Supply (SoS)**
 - No follow up market as “backup”-market available
 - SoS ensured by TSOs; there is no shared responsibility
- **Ensure sufficient time for all cooperating Transmission System Operators to perform all processes linked to the Activation of Balancing Energy Bids (Bidder activation etc.)**
- **Standard Product design and activation timing to meet frequency quality targets defined in the NC LFC&R**

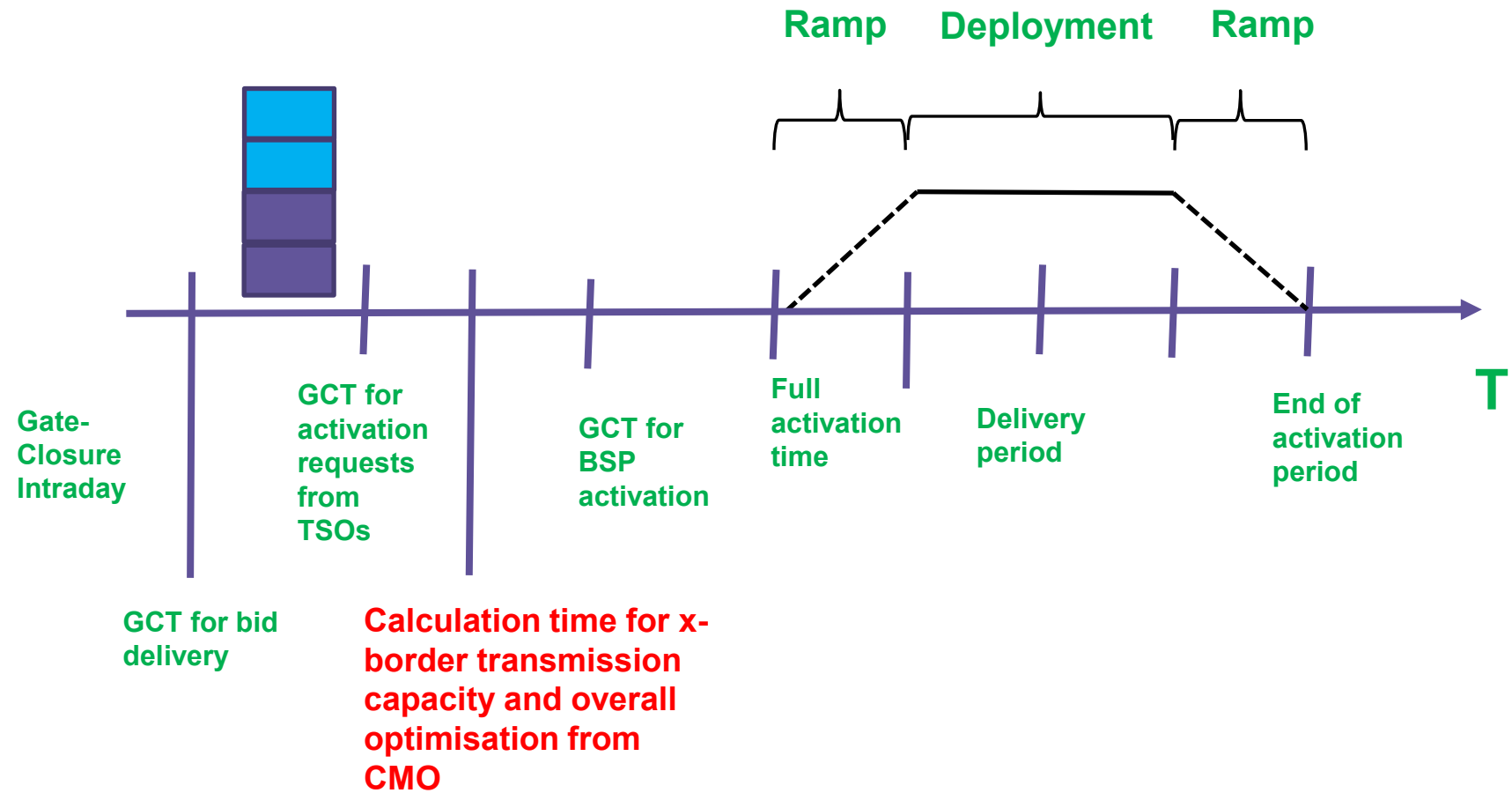
General Process Overview



General Process overview – an example

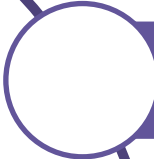
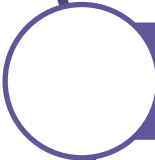
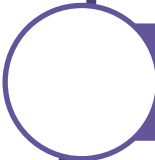



General Process Overview



Result of Public Consultation

37 comments were received on the article on Gate Closure Time and Firmness. The main concerns are:

-  **The definitions for Gate Closure Times are not clear and consistent**
-  **Gate Closure Times shall be as close as possible to real time**
-  **Gate Closure Times should be harmonized for all of Europe or at least on CoBA level**
-  **Consistency with the Intraday Cross Zonal Gate Closure Time should be ensured**

Preconditions for GCT



No overlap between Cross-Border Intraday & Balancing

- Sequence: first Cross-Border Intraday then Balancing
- Cross-Zonal transmission capacity allocation and handover needs to be ensured
- Arbitrage between intraday and balancing markets needs to be avoided
- Liquidity from balancing markets is crucial for the system security
- GCT should be as late as possible for the BSPs to hedge risks against actual market situation and have time to update Balancing bids after Intraday

Security of Supply

- Ensure sufficient time for all Transmission System Operators of a Coordinated Balancing Area to perform all processes linked to the Activation of Balancing Energy Bids
- Ensure sufficient time for common processing of Balancing Energy Bids

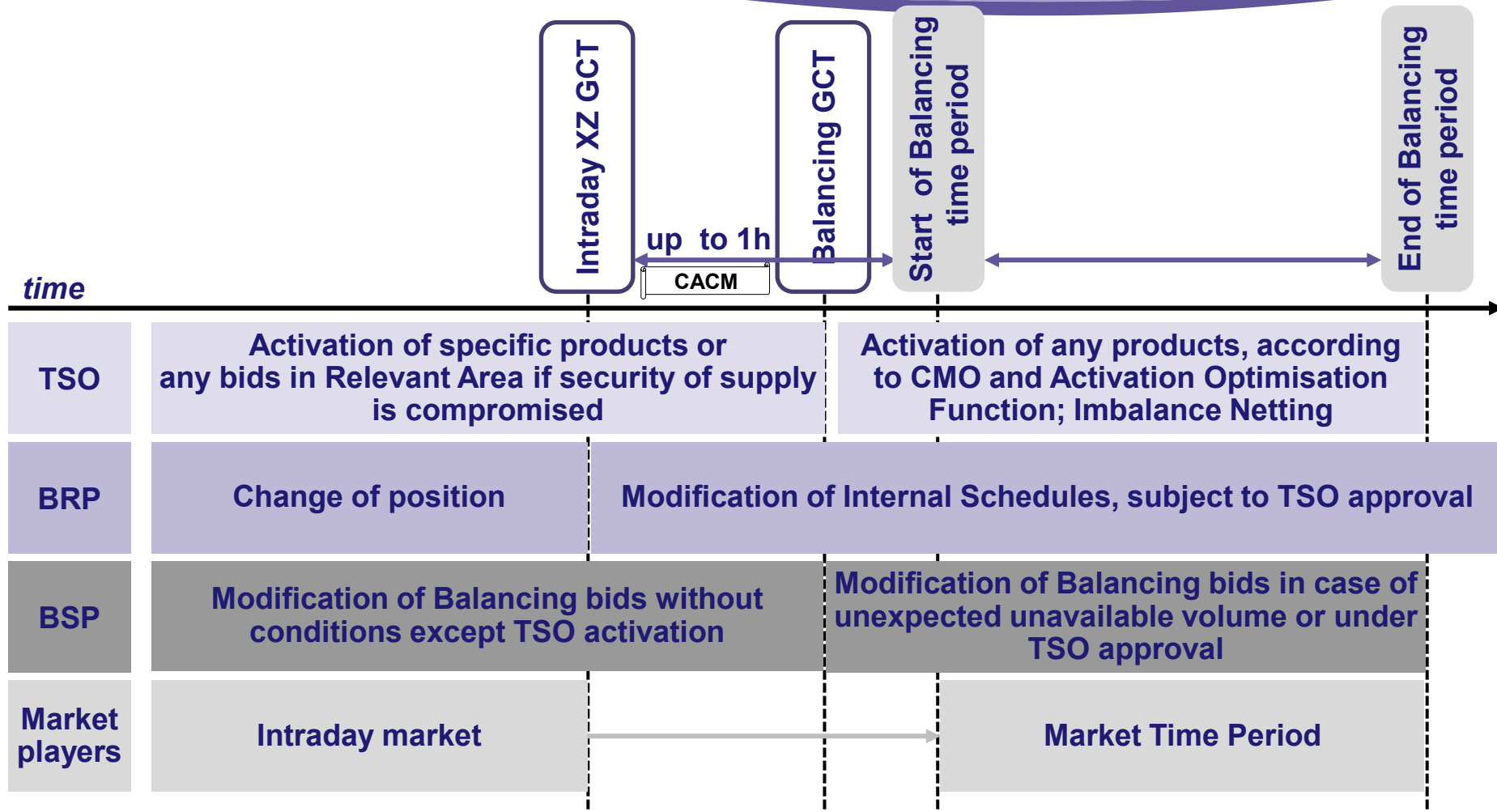
Rules for update of bids for CMO

- After Balancing GCT, volumes and prices are firm and used as input for Common Merit Order
- BSP report unexpected unavailability after GCT asap
- TSO mark bids invalid on CMO

Current Draft Summary for GCT

- **Balancing energy GCT is the point in time when submission or update of a Balancing Energy Bid for a Coordinated Balancing Area is no longer permitted. Volume and price of Balancing Energy Bids can only be changed with approval of all TSOs of the corresponding CoBA.**
- **GCT commonly defined by TSOs of a CoBA**
- **One balancing energy GCT for each Balancing Energy Standard Product per Coordinated Balancing Area**
- **Balancing GCT after the intraday cross zonal GCT to avoid cross zonal intraday market taking place at the same time**

Framework for involved Stakeholders



Key facts

- Time restrictions with gate closures for intraday and balancing markets are mandatory
- Cross-Zonal transmission capacity allocation and calculation in parallel between intraday and balancing is not possible.
 - separate capacity calculation modules for intraday and balancing
- Remaining Cross-Zonal transmission capacities after intraday market will be used for the balancing market
- Provision for the timing of standard balancing products in NC Balancing needed
- Arbitrage between intraday and balancing markets needs to be avoided
 - Liquid balancing markets are crucial for the system security
 - for the system security it is essential to avoid counteracting of intraday and balancing market
- National intraday markets for areas without congestions can run possibly closer to real time if approved by NRA

Many thanks for your attention!