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**CWE – technical meeting**  
*27 September 2012 from 10:30 – 16:00*  
CREG premises, Rue de l'Industrie 26-38, 1040 Brussels

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**MINUTES**

Participants		
Benoît	Grehaigne	CRE
Adrien	Thirion	CRE
Elozona	Ochu	NMA
Sebastian	Pielken	BNetzA
Alain	Marien	CREG
Patrick	Luickx	CREG
Pieter	Schavemaker	E-Bridge Consulting
Thomas	Donders	TenneT NL
Aurore	Lantrain	EPEXSpot
Philippe	Noury	RTE
Raphaël	Bourgeois	Elia
Joël	Hoeksema	APX-ENDEX
Dietmar	Beck	Amprion

## **1 Minutes of the last telco meeting (30 August 2012)**

Final amendments can be sent next week.

The minutes of this and previous meetings will be published on the ACER website

## **2 Project / time planning**

CWE SC approved only one planning to keep the focus on a realistic best case and realistic Go-live as soon as possible taking demands of all stakeholders into account.

The FB capacity calculation is getting stabilized. The operational and tuning challenges are still ongoing and determine the proposed planning. The translation from theory to practice took more time than expected.

The most important milestone will be the start of the parallel run in mid-december. Part 1 of the parallel run runs until June and part 2 from then on until end of October.

Mid-January the documents for public consultation will be sent to the NRAs. NRAs will have one month time to give feedback. Public consultation starts in February.

Parts of the approval documents that are not crucial for public consultation can be sent beforehand to NRAs.

Q&A forum will be an internet forum where market parties can address general questions to the project members. This is separated from the consultation.

Whether the Q&A is public or not is still to be determined

Whether the consultation is totally transparent is still to be determined.

The idea is to have market parties benefit from all the questions asked and be fully transparent on this.

CWE NRAs ask why the daily publication phase cannot start earlier than June 2013. CWE FB project representatives link this to technical considerations.

The proposed planning balances between operational constraints, having 1 year of // run (as requested by market parties) and starting during the go-live window (Nov-Dec 2013). In this way regarding LT auction timeframes the impact of CWE's change of day-ahead capacity calculation method will only impact 2 months end of 2013 at the most.

CWE FB project representatives believe the proposed planning addresses/ balances issues and demands of all stakeholders adequately.

### **3 Recent results concerning methods used for GSK, FRM and CB selection**

#### **3.1 GSK**

##### **3.1.1 GSK harmonization**

The FBMC is a model where the modeling of the generating units (especially the locations for the generating shift) impact the capacity-domain which is offered to the market. CWE NRAs therefore recommend to have a harmonized approach for GSK for CWE FBMC.

To decide that one unit who is participating in the power shift is excluded from the GSKs is not acceptable for CREG.

CREG asks for an efficient, non discriminatory harmonized approach for the GSK. NMA and BNetzA indicate that harmonization is not an objective as such, one should get as close to a harmonized approach as possible: the objective is the avoidance of market distortions.

The FRM analysis will help defining whether proposals of (local) adaptations to the harmonized method are efficient or more representative.

A solution needs to be found that is acceptable and fair.

A 100% harmonization might not result in the best solution. However, CWE NRAs want to avoid market distortions. NRAs can understand that small differences can exist due to local specificities, but not basically different approaches

CWE NRAs ask TSOs to prove the solution to be market efficient, representative and non-discriminatory.

### **3.1.2 TTB / Elia new approach on GSK**

The TTB / Elia solution for GSKs is presented. In the D2CF the forecast of the generation units can be replaced by the result from the presented method. This gives better results in terms of constraints on CBs.

Max import: all units at min level. Max export: all units fully producing. These are based on historical generation patterns.

The green and red dots represent unit outputs. The GSKs will be replaced by the interpolated position (between max import and max export) of the dots, representing a better reference position of the generation units. This way unrealistic limitations of the market are avoided: only real/ actual production outputs of units are taken into account; physical limitations of the units cannot be crossed.

A combined assessment study analysing this method will start soon for CWE. Based on local studies, the method seems to be an improvement. The method will most probably be included in the external // run. RTE does not have the problem of unrealistic flows due to GSK positioning.

CWE NRAs ask whether implementing the method for RTE would result in a welfare gain.

## **3.2 CBCO**

A threshold of 5% impact has been agreed upon by CWE TSOs as the value for determining a CBCO. The approach seems generally reasonable for the NRAs.

The simulated results (internal // run) so far did and do not use the 5% rule yet. The external // run will use this 5% rule.

TSOs have to give argued explanations to keep a branch as CBCO when it does not follow the general rule.

A reason could be that the TSO has no other means than through CWE FBMC to deal with problems on that branch.

Argumentation will not happen for every hour. Circumstantial argumentation can be envisaged, getting exceptions for CBCO under certain circumstances.

## **3.3 FRM**

The flows using the PTDF values from the FBMC model are compared to actual flows observed. The difficulty relies in the fact that all N-1 cases need to be simulated.

CWE NRAs ask whether FRMs are determined for each possible branch or only on specific branches that are most likely to become CBCO. The FRM values will be calculated on the presolved CBCOs (or maybe on the active CBCO). CWE NRAs would prefer such an analysis for the presolved cases.

FRMs will be fixed for a year based on yearly analyses.

If the context changes (e.g. new lines), a sample large enough needs to be obtained before calculating its FRM. What FRM to choose initially is not clear at this stage. Context changes as nuclear phase-out might induce a need for reassessment. The FRMs will need to be validated again.

CWE NRAs are to receive a report on the FRM method by the end of October.

## **4 Public consultation/ Approval document**

CWE NRAs ask to include the simple example (cf. priority 2 of “Priorities in the FBMC workflow”) in the chapter on capacity domain determination.

CWE FB project representatives ask whether all comments can remain transparent or whether companies can retain the possibility to give comments confidentially. Confidentiality can be asked to be justified. CWE NRAs and the project team need full disclosure of the consultation. Keeping some confidentiality can lead to more information being shared since there is no restraint on sharing experiences with competitors.

Some automated approach / electronic consultation can help the process of dealing with all the responses. The possibility of sending letters (confidentially) in parallel to the public consultation could be an option for dealing with confidential items.

[CWE FB project representatives ask CWE NRAs for input concerning the consultation. CWE NRAs will come back on this subject via email.](#)

CWE NRAs ask to take the Q&A important issues into consideration in the public consultation. CWE TSO FB project representatives believe it is up to the market parties to make important comments in the public consultation as well. The Project will address to the market parties, that only formal input via the public consultation guarantees formal consideration.

The consultation for the CACM NC will be taken as the reference for technical planning (IT/ Web-support).

## **5 Publication of critical branches**

CWE FB project representatives state that the legal basis on transparency and specifically on the CB information has become increasingly difficult with the entire package of regulations and laws.

A TSO position will be presented on next specialist meeting (4/10/2012).

CWE FB project representatives ask for a possible anonymized CBCO publication, means only the name of the CB will be anonym. The PTDFmatrix of the branches will be published every day and will be fully transparent.

The PTDF matrix will be given in the utility tool .  
The utility tool prototype is demonstrated by the CWE FB project representatives.

The utility tool will be an excel-download that will link automatically on a daily basis to update data coming from the TSO at 10h30.

The utility tool has the goal to give useful (processed) information to the market.

CWE NRAs reiterate their request to combine this tool with a bi-monthly report (still to be discussed whether this would include non-anonymized CBs).

From position of the Project the NRAs will get all details (names) of the CBs in this report for monitoring purposes however not for publication.

## **6 Reporting to the public / to the CWE NRAs during the ext./run**

*Transparency ext para run\_capacity\_issues\_TOP6\_.docx* is presented. The report will provides an overview of the FB capacity calculation indicators realized for market parties.

*Transparency\_ext para run\_economic\_issues\_TOP6\_.docx* is presented. The different elements of the report are briefly discussed. The report will present data on economic welfare, clearing volumes, price convergence, prices.

The additional table on CB and congested CBs will be supplied only to NRAs for monitoring purposes.

The discussion on the package of data from cycle 16 (foreseen for 4/10/2012) can help in defining the starting point in terms of what needs to be delivered to the CWE NRAs to perform their monitoring task.

CWE NRAs and CWE FB project representatives agree that the monitoring is conditioned by a learning process and that the demand for monitoring data could evolve over time.

## **7 Intuitiveness report**

Intuitiveness will be included in the public consultation mainly by a reference to this report. The aggregate figures concerning intuitiveness will be given to the market parties via the (bi-) monthly reporting: # of occurrence, % of hours concerned.

In the weekly or daily results reporting, both solutions under plain FBMC and intuitive FBMC will be published (with relevant prices and flows).

CWE FB project representatives will include most of the remarks from NRAs directly in the report as an updated report. The publication of the (updated) report is then foreseen in (beginning of) November 2012.

## **8 Priorities list from NRAs and status overview**

The project planning has been updated in the meantime.

The “how does it work example” will be available in the consultation document at the latest (to be sent to the NRAs in January 2013).

CWE NRAs strongly advice to have this ready to be presented at the market forum in December 2012.

The information on CB, FRM and GSK follows the logical sequence of defining the method and then providing the quantitative results.

CWE FB project representatives will keep CWE NRAs updated on progress.

Evaluating the need for plain or intuitive FBMC will be done using the external // run results.

Advances have been made in the CR sharing key principle. They will be shown on the 4/10/2012 meeting. The choice of CR sharing key will come using the results of the // run.

CWE FB project representatives state that transparency and monitoring needs will need to be defined at the end. Defining all needs ex ante could be a difficult exercise.

Monitoring does not necessarily need to be linked to the approval of the FBMC method.

## **9 Next meeting**

Next technical meeting will be planned on Monday 26/11/2012