

MARKET COUPLING OF ELECTRICITY MARKETS

POLISH POSITION TOWARDS CZ-SK-HU MC

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Coordination of congestion-management methods

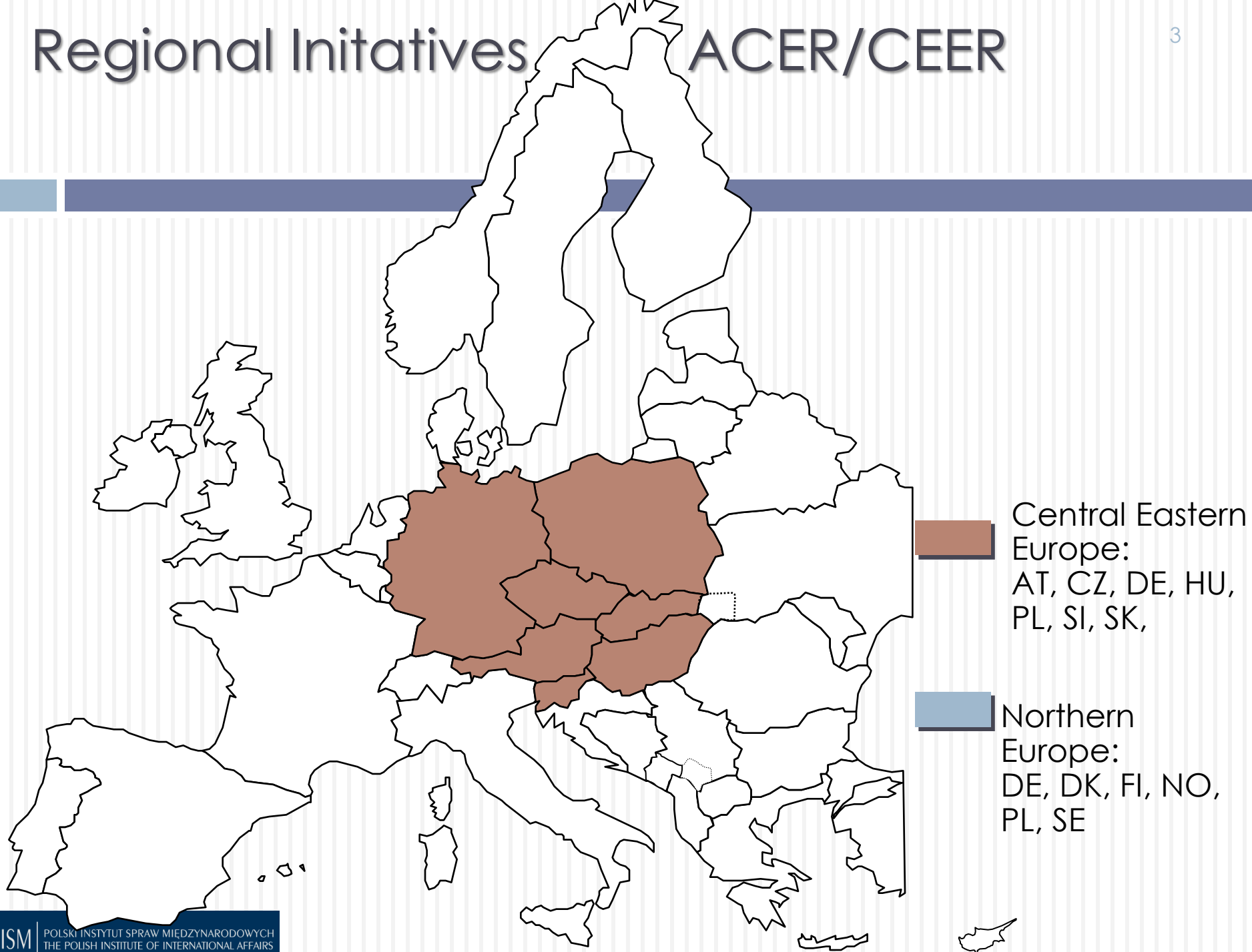
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Regulation 714/2009 p.3.2. of guidelines:

- A common coordinated congestion-management method and procedure for the allocation of capacity to the market at least annually, monthly and day-ahead shall be applied by 1 January 2007 between countries in the following regions:
- (a) **Northern Europe** (i.e. Denmark, Sweden, Finland, Germany and **Poland**),
- (b) North-West Europe (i.e. Benelux, Germany and France),
- (c) Italy (i.e. Italy, France, Germany, Austria, Slovenia and Greece),
- (d) **Central Eastern Europe** (i.e. Germany, **Poland**, Czech Republic, Slovakia, Hungary, Austria and Slovenia),
- (e) South-West Europe (i.e. Spain, Portugal and France),
- (f) UK, Ireland and France,
- (g) Baltic states (i.e. Estonia, Latvia and Lithuania).

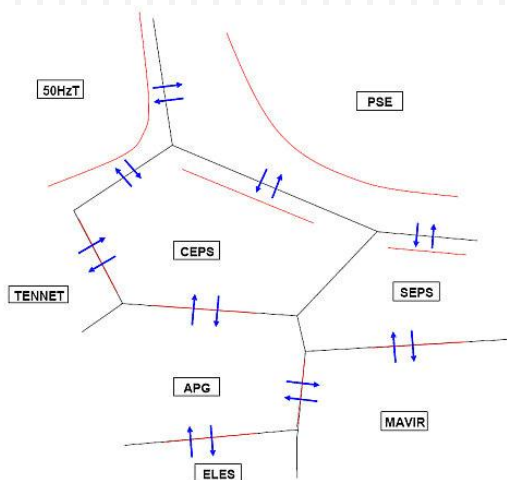
Regional Initiatives ACER/CEER

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Congestion management at the Polish borders

4



Explicit coordinated auctions in the CEE
Poland ↔ DE, CZ, SK



Implicit auctions (market coupling) on SwePol Link
Poland ↔ Sweden



Unilateral monthly auction
Poland ↔ Ukraine

How to reach the target model – way forward for Poland

NTC explicit (current status)

*With the whole CEE
region*

*Via extended CZ-
SK-HU MC*

*NTC Market Coupling –
all borders*

*Explicit (DE) and implicit
(CZ+SK) auctions*

Flow-based Market Coupling

CZ-SK-HU MC –benefits for Poland

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increase of liquidity, less volatile prices and mitigation of market power

supported by European market participants (EFET)

contribution to implementation of the key element of the Target Model, i.e. market coupling

more efficient use of each interconnector – energy flows always from low to high price area (adverse flows in explicit auctions)



Energy
Regulatory Office

Poland in favour and against

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11 Sept
2012

- CZ-SK-HU Market Coupling launch

30 Jan
2013

- Poland expresses the interest to join

July 2013

- Survey on market coupling gate closure time

Aug 2013

- „coupling of the Polish market area will be implemented later in the context of the CEE FBMC initiative„




Gate closure time

8

On SwePol Link 12h00 CET/CEST D-1



Network Code on Capacity Allocation and Congestion Management –Article 54: *The Day Ahead Market Gate Closure Time in each Bidding Zone shall be noon D-1 Market Time.*

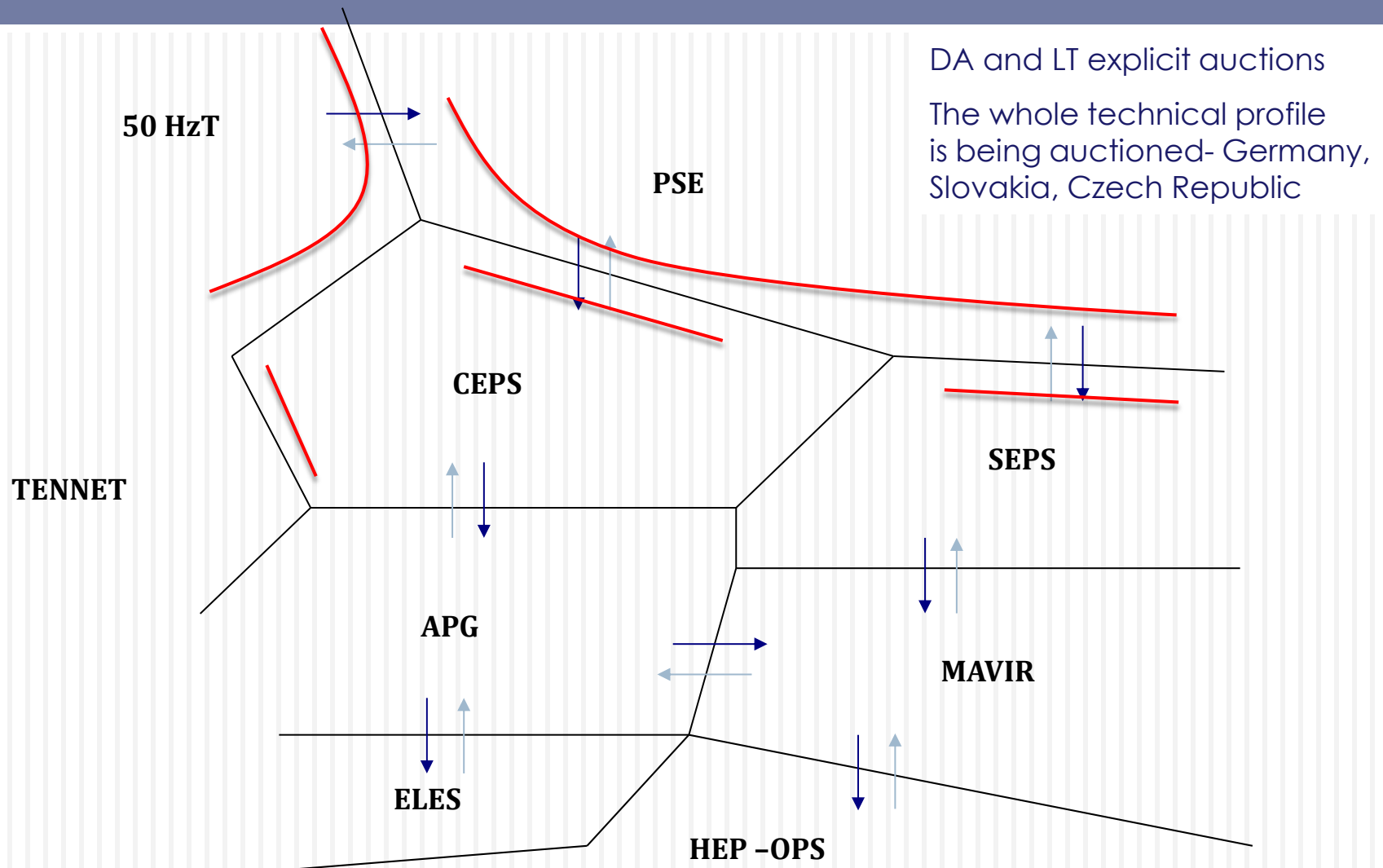


In Poland:

Not preferred by market participants

Not endorsed by regulator and ACER –
division of liquidity

Explicit auctions at synchronous profile



Thank you!

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