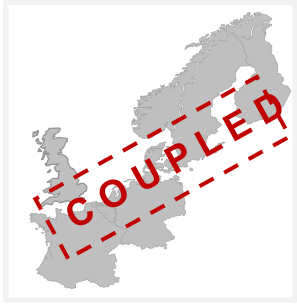


# Enduring Intraday Initiative TSOs of NWE Region

**Florence Forum  
13-14 December 2010**



## Content

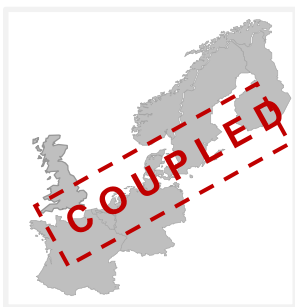
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Part 1: 2010-11 NWE XB ID developments

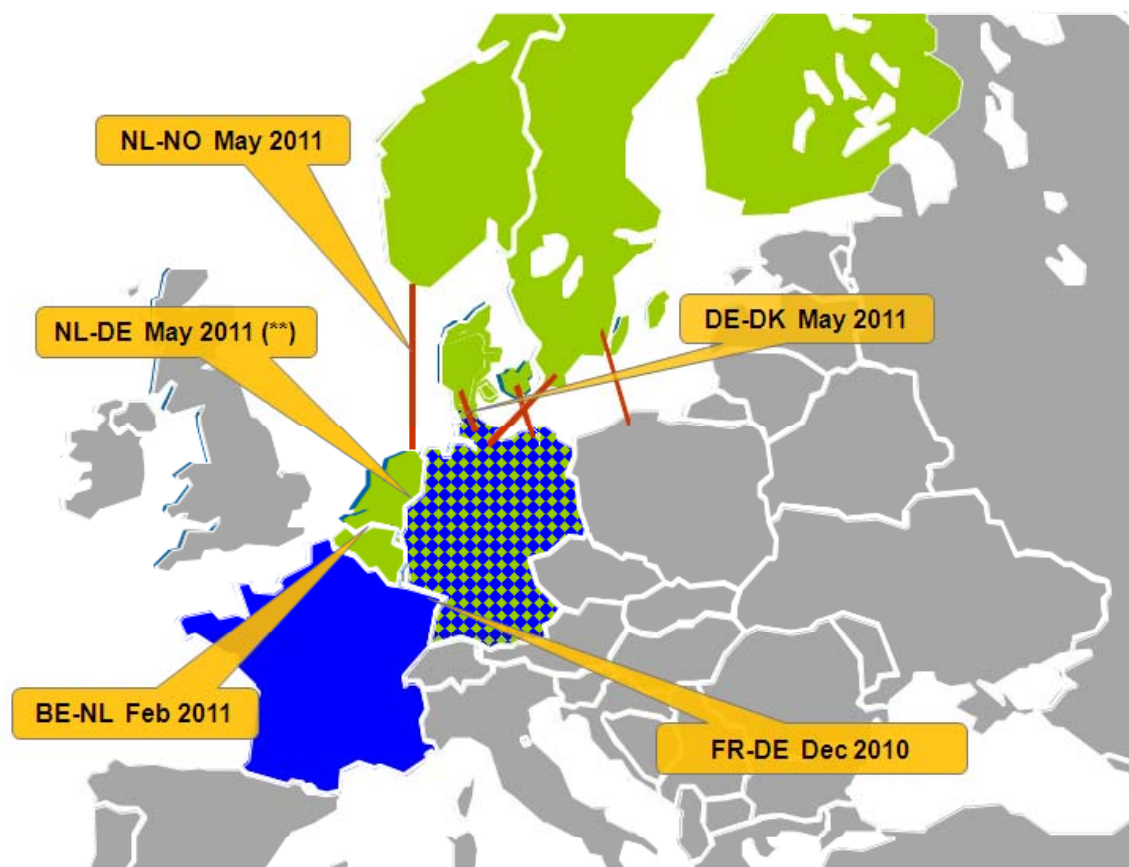
Part 2: Target Model

Part 3: Status NWE Intraday Project

Part 4: Conclusions



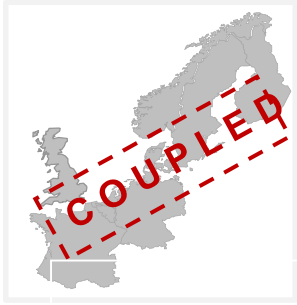
## 2010-2011 NWE expected XB Intraday developments (\*)



- NWE XB Intraday business landscape evolving in 2010-2011
- Continental part of NWE region to be covered mid-2011 by two different continuous Intraday platforms
- The two platforms coexisting in Germany
- First step for the implementation of the target model in NWE region

(\*) Implementation dates as communicated by project partners

(\*\*) Subject to confirmation



# NWE Enduring Coupling Initiatives

## *Day-Ahead and Intraday in parallel*

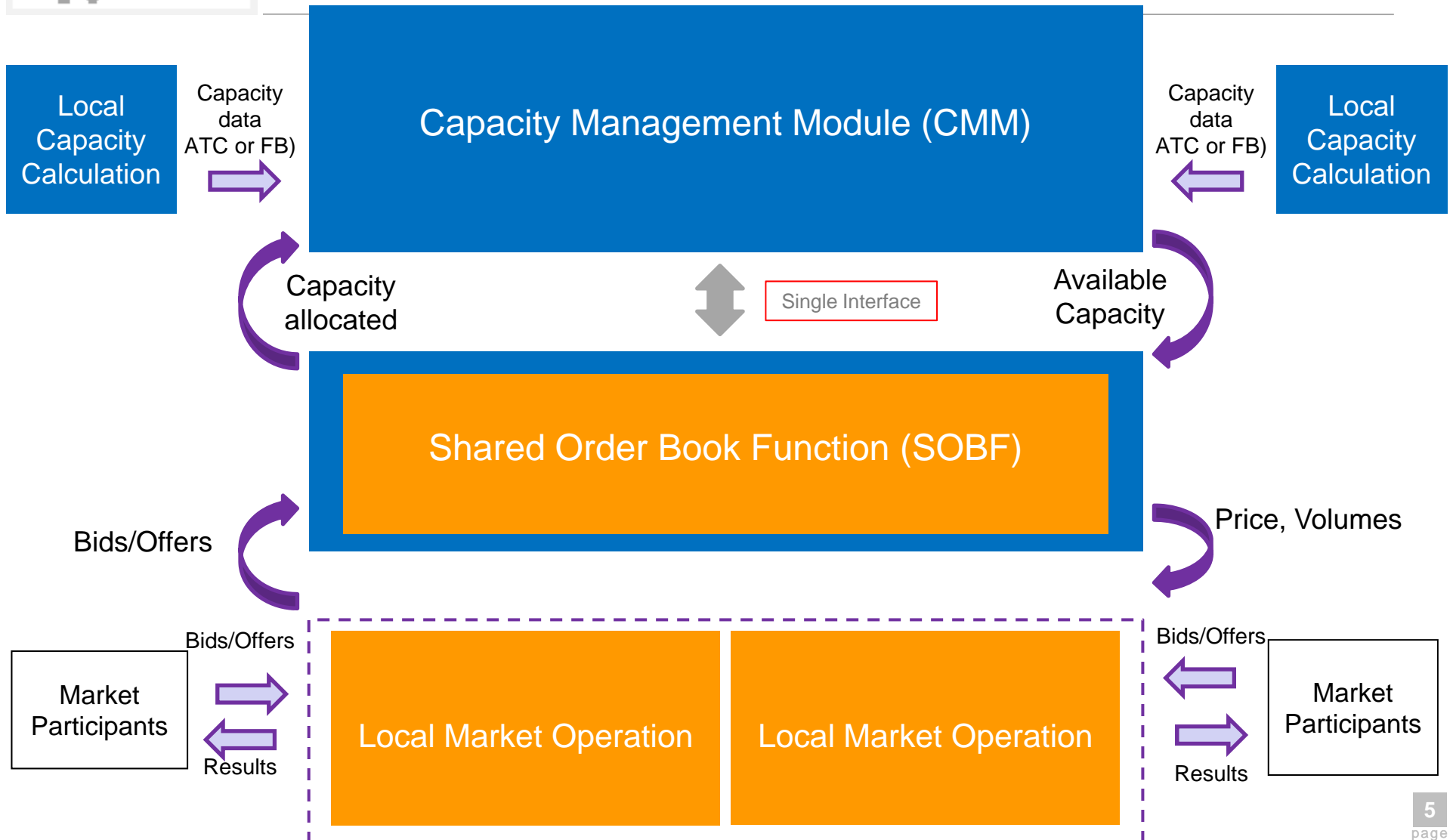
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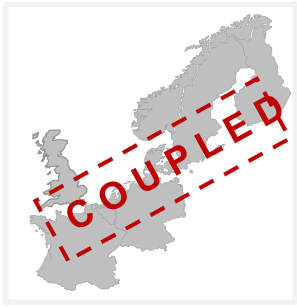
- ENTSO-E NWE launched 2 enduring project initiatives:
  - Day-Ahead (DA) project
  - Intraday (ID) project
- ENTSO-E NWE published position papers on DA and ID
- TSOs support parallel development of both initiatives due governance synergies and similarities
- NWE Intraday project aim at the implementation of the intraday trade target model for the NWE area (launched in May 2010 under the AHAG framework)
- On-going discussions with PXs on principles and framework to pave the way to concrete implementation projects



# 1. Target model Intraday solution

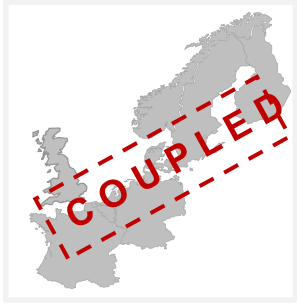
## *Key Functional blocks*





## 2. Status Intraday Project (i)

- **Concept:** Pooled liquidity for the whole of NWE, based on
  - continuous implicit allocation
  - 1-to-1 relationship between CMM and SOBF
- **Consultations between TSOs and PXs**
  - Consensus on target model (Shared Order Book Function)
  - NWE TSOs and PXs agree in principle to progress in line the target model
  - On-going discussion with PX as to how to implement the SOBF.
  - TSOs (in line with AHAG conclusions) advocate the need for a single interface between the SOBF and the CMM as this is the only way to guarantee full liquidity pooling, smooth geographical extension and capacity pricing.

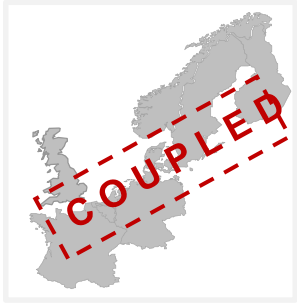


## Status Intraday Project (ii)

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### Main challenges

- Acceptance to start implementation of a single SOBF with one-to-one interface to the CMM
- NWE TSOs acknowledge at this stage the need for keeping direct OTC access capability, in the interim and where applicable
- Capacity pricing model



### 3. Conclusions on NWE ID

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- Although in agreement on target model (SOBF), to date not all PXs want to go for implementation.
- Some prefer competition of platforms instead of cooperation
- TSOs
  - ready to start building CMM
  - convinced of the merit of single one-to-one approach

➤ Lack of PX agreement on SOBF implementation is delaying the progress in NWE and Europe