



# CONGESTION MANAGEMENT

**more than ever a key issue...**

EU Electricity Regulatory Forum,  
Rome, July 2003  
**CONGESTION MANAGEMENT**



## Comments on the EC's discussion document

- Market based mechanisms are to provide short term economic locational signals
- They must be clearly defined by the EC
- ... and market power issues must be addressed



# Market Power

- Congestion management mechanisms can be a key factor to increase or decrease market power of significant actors inside their relevant markets
- This is a complex issue, combining engineering, power systems economics and trade theory - no complete view has yet emerged in Europe
- ETSO has started to analyse this issue, and is organising a Conference in October focused on Congestion Management and Market Power



## Pilot Project for Co-ordinated Congestion Management

A common project task started by TenneT (leader),  
RWE-Net, EON-Netz, ELIA and RTE  
in November' 02

Main goals:

- to analyse the feasibility of a co-ordinated CM scheme in the area around the Benelux, following the "ETSO vision on Congestion Management"
- to propose a project schedule for its practical application



## Pilot Project for Co-ordinated Congestion Management

- Good technical progress
- A number of legal and regulatory issues to be addressed



## Pilot Project for Co-ordinated Congestion Management

Schedule proposed by the pilot project:

- Co-ordinated capacity assessment between the 5 TSOs, using common models and fully taking into account the meshed networks - January 2004
- Complete co-ordinated congestion management mechanism (including capacity allocation): technical proposal assessed by the 5 TSOs - 2005

(2 countries at least require a formal agreement 6 months ahead of the start of the mechanism)



# Transparency

The ETSO website includes now a portal with links to information from all ETSO members on the CEER guidelines items:

- Interconnection data (capacities, allocation mechanisms and results, schedules, use of the network)
- Grid availability (planned and unplanned outages)
- Load data (historic and real time)
- Generation data



# Market data

## Show links of member companies

Select TSO:

- Select category:
- 1.a Interconnection capacities
  - 1.a Interconnection capacities
  - 1.b Allocation mechanisms
  - 1.c Allocation results
  - 1.d Scheduled exchanges
  - 1.e Some measure of the real use o
  - 2. DATA ON GRID AVAILABILITY
  - 2.a Planned outages on the network
  - 2.b Information on outages and syst
  - 3. LOAD DATA
  - 3.a Forecasts
  - 3.b Real-time data

## 1.a Interconnection capacities



### A - TIRAG

not available

### A - Verbund - APG

<http://www.verbund.at/at/apg/netzinfo/netzdaten/index.htm> (-)

<http://www.ets-net.org/media/download/transfer%20capacity%20...> (-)

### A - VKW-UNG

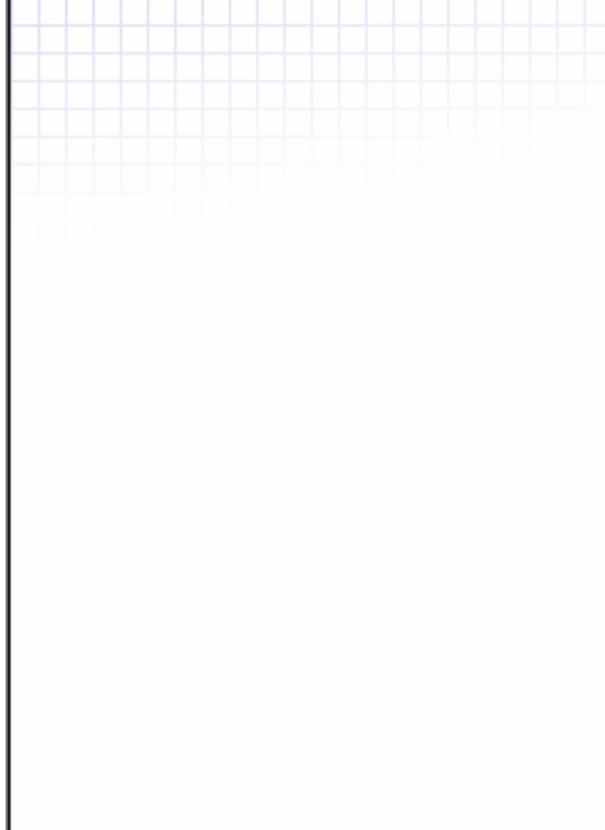
not available

### B - ELIA

<http://www.elia.be/2index.asp?l=EN&page=Nav4&top=Nav4D&Sub=3...> (-)



# NTC-Info





# Counter-measures for Congestion Management

- Counter-measures (redispatch, topology actions, ...) are used by TSOs to solve congestion arising from variations of the scenario that was used to calculate NTCs
- Redispatch may be a good complement to capacity allocation methods
- It has limitations, and ETSO is clearly against its use to obtain "virtual capacities" far above the physical capacities
- As with capacity allocation, Co-ordinated redispatch brings superior results



# Joint Cross-Border Redispatch

ETSO has published 2 new reports :

- a paper proposing clear and unambiguous definitions, that can be shared by all concerned parties for effective discussions on a complex topic
- operational guidelines for all aspects of joint cross-border redispatch

both available at the ETSO website

**[www.ets-net.org](http://www.ets-net.org)**



# Conclusions (1)

- Through **ETSO**, TSOs continue to work out and propose solutions to improve the functioning of the **Internal Electricity Market**, that are technically sound and compatible with the secure and reliable operation of the Power System
- Always in a spirit of **co-operation** with all authorities and market actors
- To elaborate concrete proposals on **co-ordinated implicit auctions ("market coupling")**, ETSO has formally proposed EUROPEX to work together in a joint effort



# Conclusions (2)

- Congestion Management is more than ever the main factor to increase the efficiency of the Internal Electricity Market
- A strong co-ordination between all parties (TSOs, Governments, Regulators) is still needed as the new Regulation will give this power to the EC and the Comitology
- **ETSO, as the only body independent from all market actors and with a deep understanding of technical and economical issues, shall continue to be a key party in this process**

