

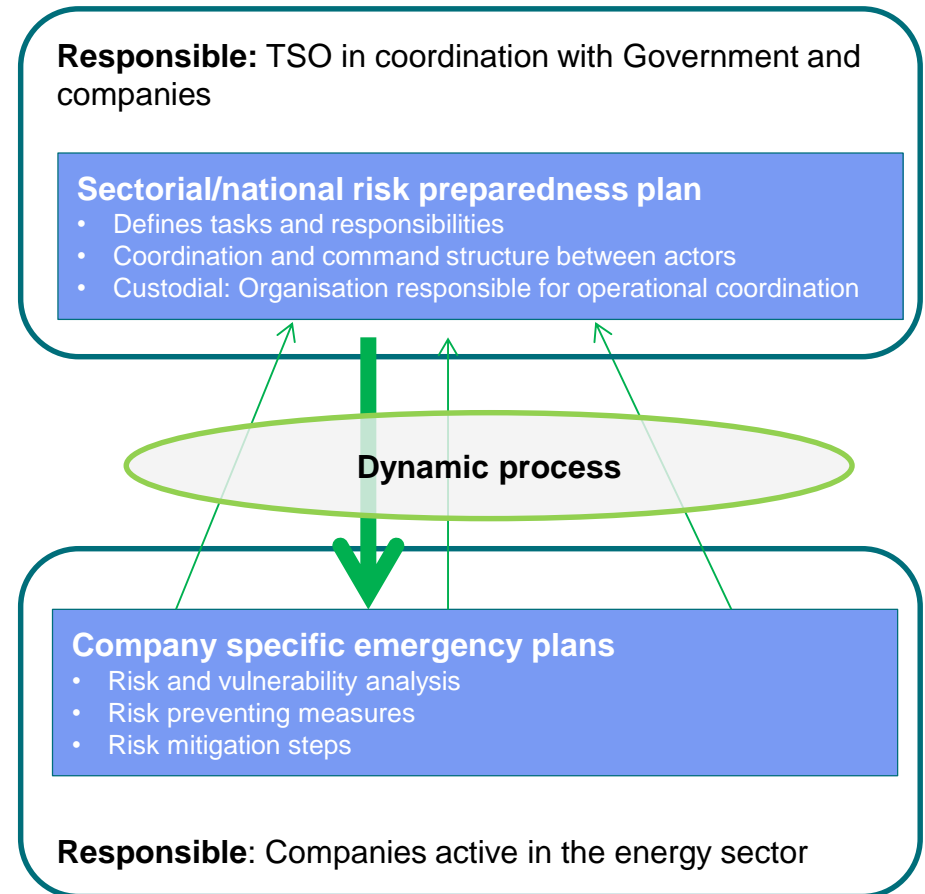
# Risk preparedness

Coordination of national policies to prevent and mitigate crisis situations in the electricity sector

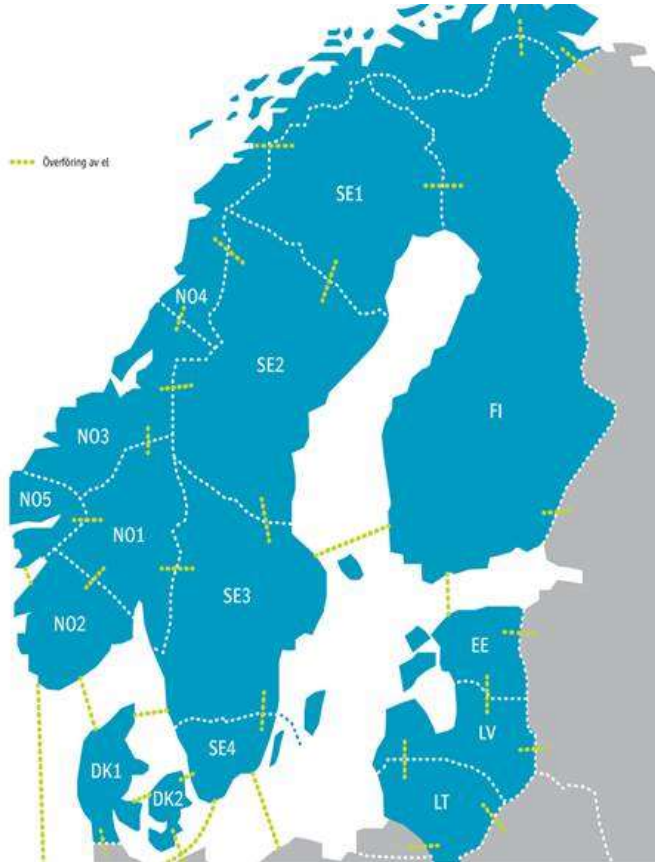
# Risk preparedness in Denmark

## Coordination crates value

- Risk preparedness plans are developed in close coordination between the Government, the TSO, DSO's and other relevant companies
- Focus on mitigation and preventing emergencies
  - Local: flowchart, contact list, or action-scheme
  - Aggregated: Decision-support tool, including statistics and risk-assessment
- All agents active in the energy sector is central in carrying out the overall plan
  - Plans are prepared by those who will use it
  - Availability (confidential)
  - Ownership and knowledge
  - Frequent emergency exercises
  - User is custodian → decentralised adjustments and alterations



# Cooperation between the Nordic countries



## The Nordic countries is closely connected

- Markets and power systems are getting more connected
- All countries/TSOs considers plans
- Value from cooperation
  - Sharing of reserves, emergency measures
- **NordBER:** Nordic Contingency Planning and crisis Management Forum

### Aim:

Cooperation regarding regular exchanges of information and experiences between the parties concerning issues of relevance to the power sector's contingency planning and about specific tasks and themes in joint working groups, forums and thematic meetings.

Contingency planning must also be carried out for the overall Nordic power sector as a supplement to the national emergency work and as an extension of the previous and present operations and planning cooperation between the TSO companies.

# The role of the European Union

## Underpin market as the preferred option to signal scarcity and avoid crisis

- Risk preparedness should focus on situation where the market cannot handle the event (ran out of options)
- Purpose: Prepare measures to avoid severe consequences for the society
- Introduce common rules of market suspension to prevent a conflict of national interests
  - Suspension of market function and load shedding mechanism has to be justified in order to stabilise the system
  - Suspension should be announced in a harmonised format and timeframe (similarities from gas sector: *whole sale market integrity and transparency*)
  - International market shouldn't be suspended if still two or more countries have functional markets
  - Cross border trade is valuable in shortage situation and price mechanism shouldn't be suspended

## Coordination of risk preparedness plans

- Content (not template)
  - Same information
- Coordination between neighbors
  - Countermeasures can influence across borders
  - RSCI could be a good forum
- Respect national specifics (national/regional markets)
  - Difficult with a template
- No need for assessment or peer reviews
  - Coordination of content (topics covered) and regional cooperation ensure good quality
- Transparency has to accept risk of misuse

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**THANK YOU**