

DA/RE

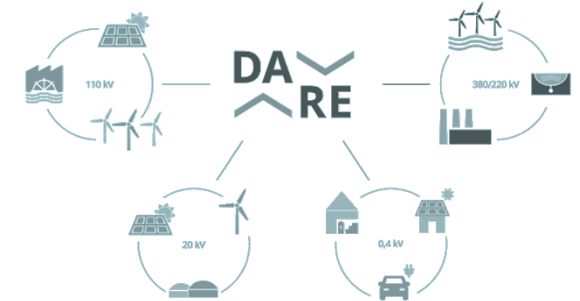
# FLEXIBILITY MARKETS OF THE FUTURE AND TSO-DSO COOPERATION

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# AGENDA

**01 Session 1: What are the products in your market?**

# PROCURED FLEXIBILITY IN DA/RE



/ **How does DA/RE define the flexibility it procures? (e.g. a set of product requirements, or a set of key parameters, or asset-specific products)?**

/ DA/RE procures flexibility as redispatch potential:

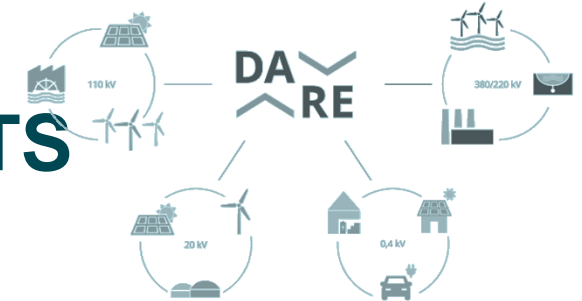
/ The recent German legal and regulatory framework allows German TSOs to incorporate significant grid users into redispatching (>10 MW). Planning data and redispatch potential are continuously submitted and updated from approximately D-1 14.00 until real time.

/ As of October 2021, generation and storage units of all energy sources greater than 100 kW can be used for redispatching, incorporating the DSOs to the redispatching process (legal changes in the German Energy Industry Act due to the Network Expansion Acceleration Act - NABEG).

/ The DA/RE Platform coordinates redispatch across different voltage levels. **NetzeBW (DSO)** and **TransnetBW (TSO)** design and implement the platform together.

→ If, for example, several network operators at different voltage levels require additional redispatch measures at the same time, the network operators do not act independently, but rather in a co-ordinated manner within DA/RE.

# USABILITY OF DA/RE SERVICES AND PRODUCTS



/ Are the defined services/products used in DA/RE adapted to the specific characteristics of your network or can they be universally used?

/ DA/RE Services / Products:

/ Data exchange between market suppliers  $\leftrightarrow$  Network operators required for redispatching (e.g. schedules,, redispatch potential, prices).

→ The data exchange is defined based on to the formats and requirements established in the SOGL\* and can therefore basically be used by Parties complying with the Network Codes.

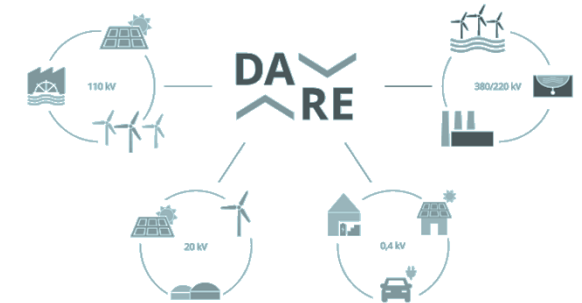
/ Redispatch coordination and optimization across different voltage levels and cost-based selection of the power generation facilities, which will adjust their production or their electricity procurement for the purpose of eliminating bottlenecks.

→ The redispatch coordination must be adapted to integrate all network operators and participating parties. New data exchanges e.g. for technical restrictions are being introduced– consistency to the SOGL is ensured.

/ Balancing of redispatch measures (within a region or in the Intraday-Market)

→ see above

# CONTRACTS AND PAYMENTS IN DA/RE



## / Does DA/RE use a contract for consumers/assets/appliances to participate in the flexibility market?

/ During the pilot-phase, contracts were signed with the power generation operators, e.g. regulating the required costs for redispatch potential.

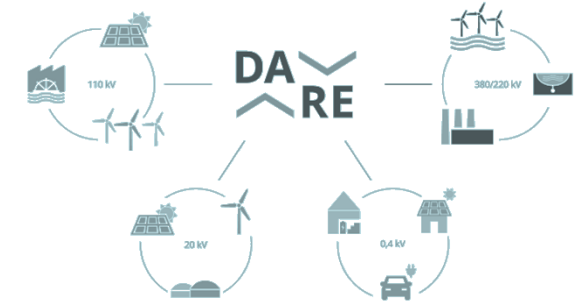
/ From October 2021 on, the Network Expansion Acceleration Act (NABEG) applies. Power generation and storage facilities > 100 kW must participate in redispatch

## / Does DA/RE pay for the capacity and/or the actual use of the flexibility?

/ In Germany redispatching is remunerated on a cost-based approach. As there is an obligation by law, only the use of the flexibility, not the capacity, is remunerated.

/ Where redispatching occurs, power generation facilities must adjust their production or their electricity procurement for the purpose of eliminating the bottleneck and in return receive **a legally regulated amount of compensation**, which leaves them in an economically neutral position.

# PREQUALIFICATION



## / Is product prequalification organized?

/ From October 2021 on, the Network Expansion Acceleration Act (NABEG) applies.

/ Power generation and storage facilities > 100 kW must participate in redispatch → No prequalification required

/ Power generation and storage facilities < 100 kW → Not regulated at the moment, how they could participate in redispatch; still open to discussion.

## / Does DA/RE combine several products/services in one common flexibility market (joint procurement)? If so, which services/products can be combined and what are the benefits and potential pitfalls?

/ Currently only redispatch as product. DA/RE focuses on providing the TSO-DSO coordination process which is necessary for proper usage and activation of flexibility.

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