



Project Report (Part I) CWE Market Coupling

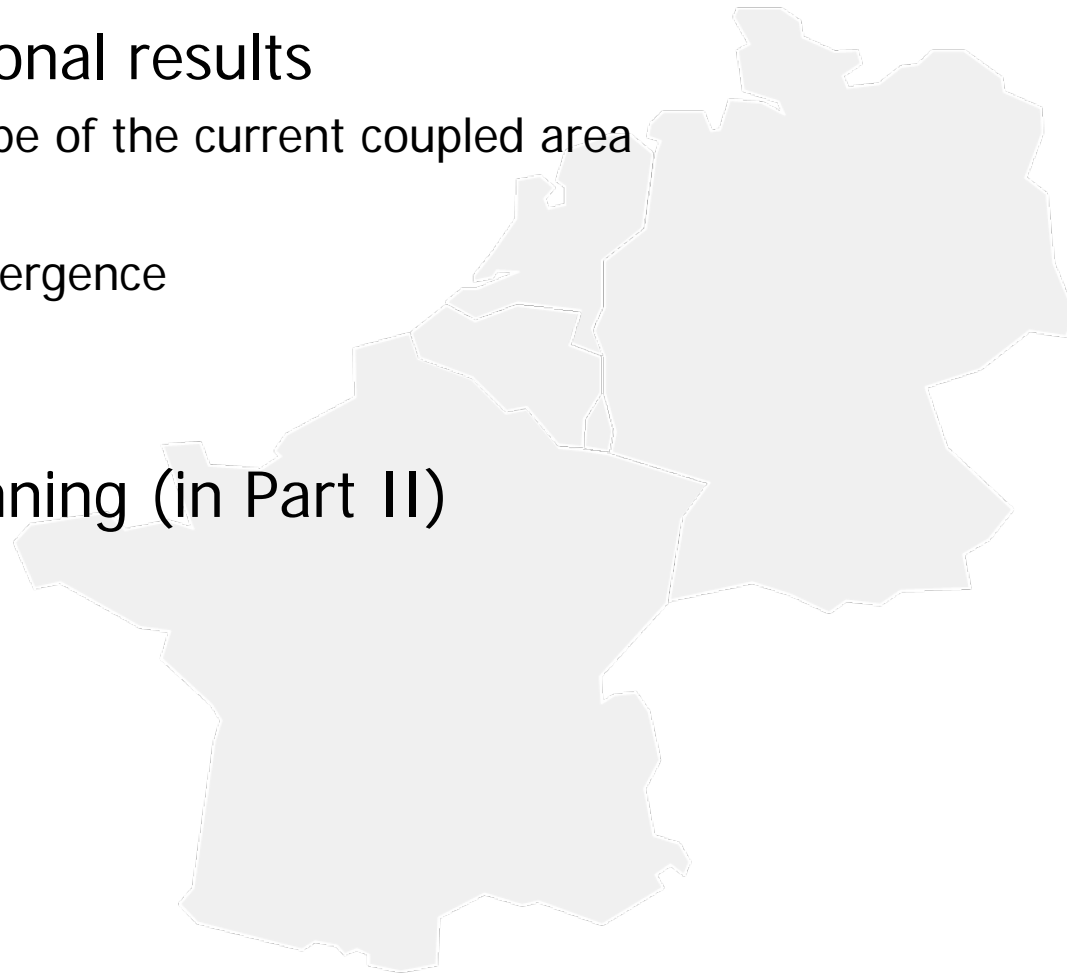
PLEF SG1, March 22nd 2011, Brussels
Dietmar Beck

Agenda

1. ATC MC operational results

- ▶ ITVC Step 2 / Scope of the current coupled area
- ▶ Capacities
- ▶ Prices / price convergence
- ▶ Transparency
- ▶ Conclusion

2. Flow based planning (in Part II)

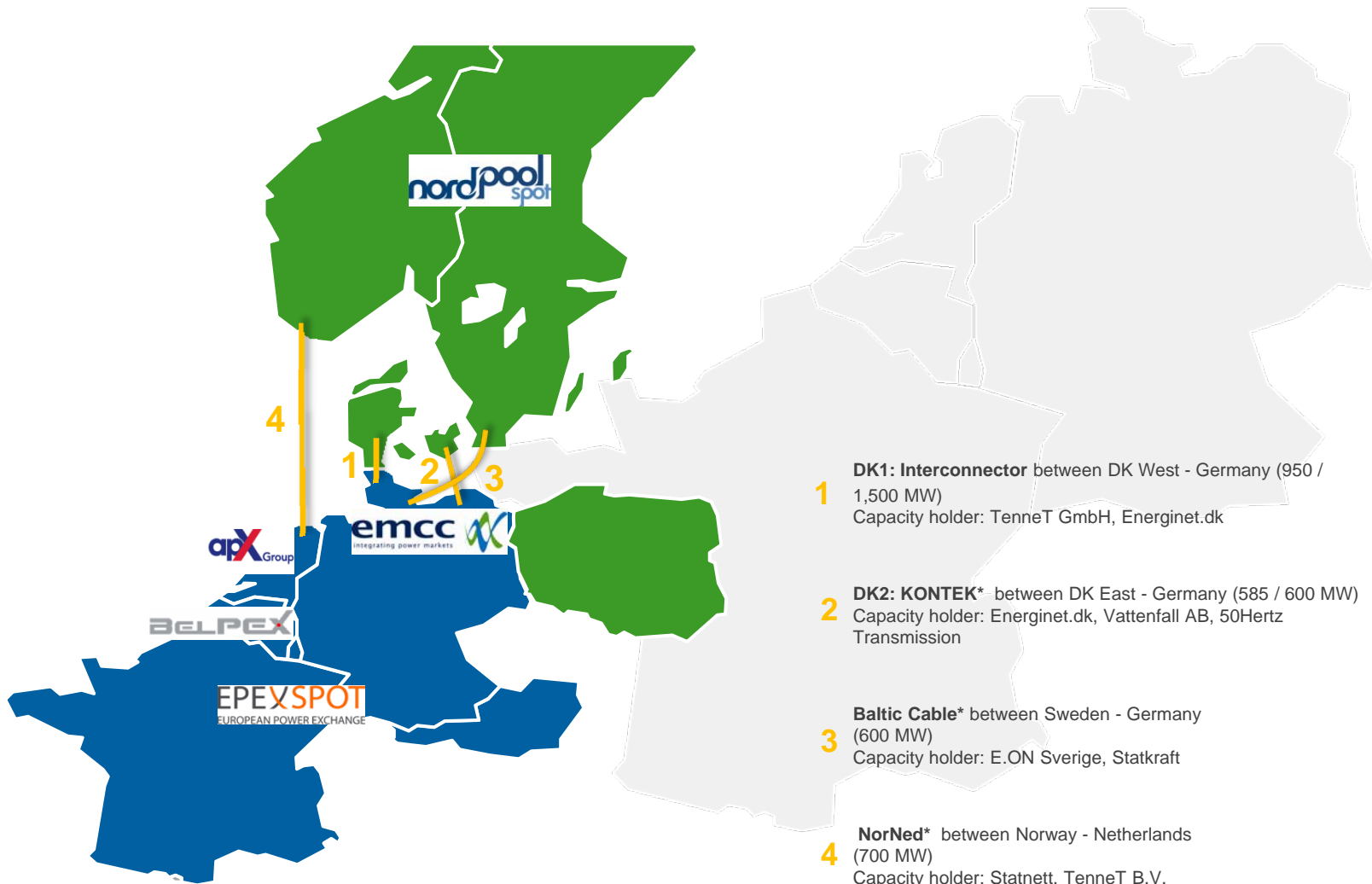


ITVC step 2

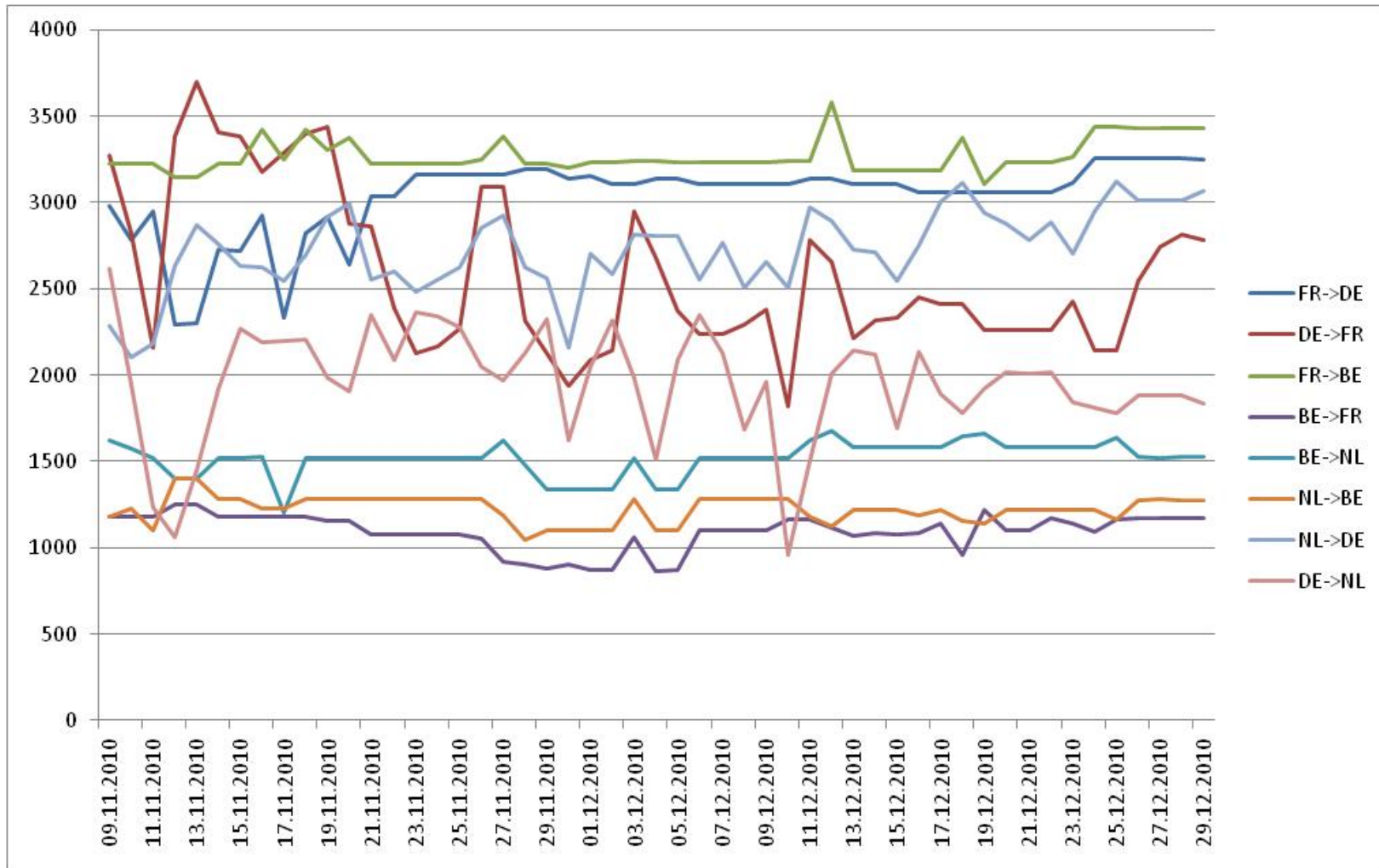
- ▶ The integration of the NorNed cable since January 12th has been successfully achieved.
- ▶ Interregional market coupling between France, Belgium, the Netherlands, Luxemburg and Germany (Central-West region) on one side, and Norway, Sweden, Finland, Estonia and Denmark on the other.
- ▶ The inclusion of the NorNed with the undersea DC-link between Norway and the Netherlands is the final milestone of the Interim Tight Volume Coupling (ITVC) between the two regional markets.



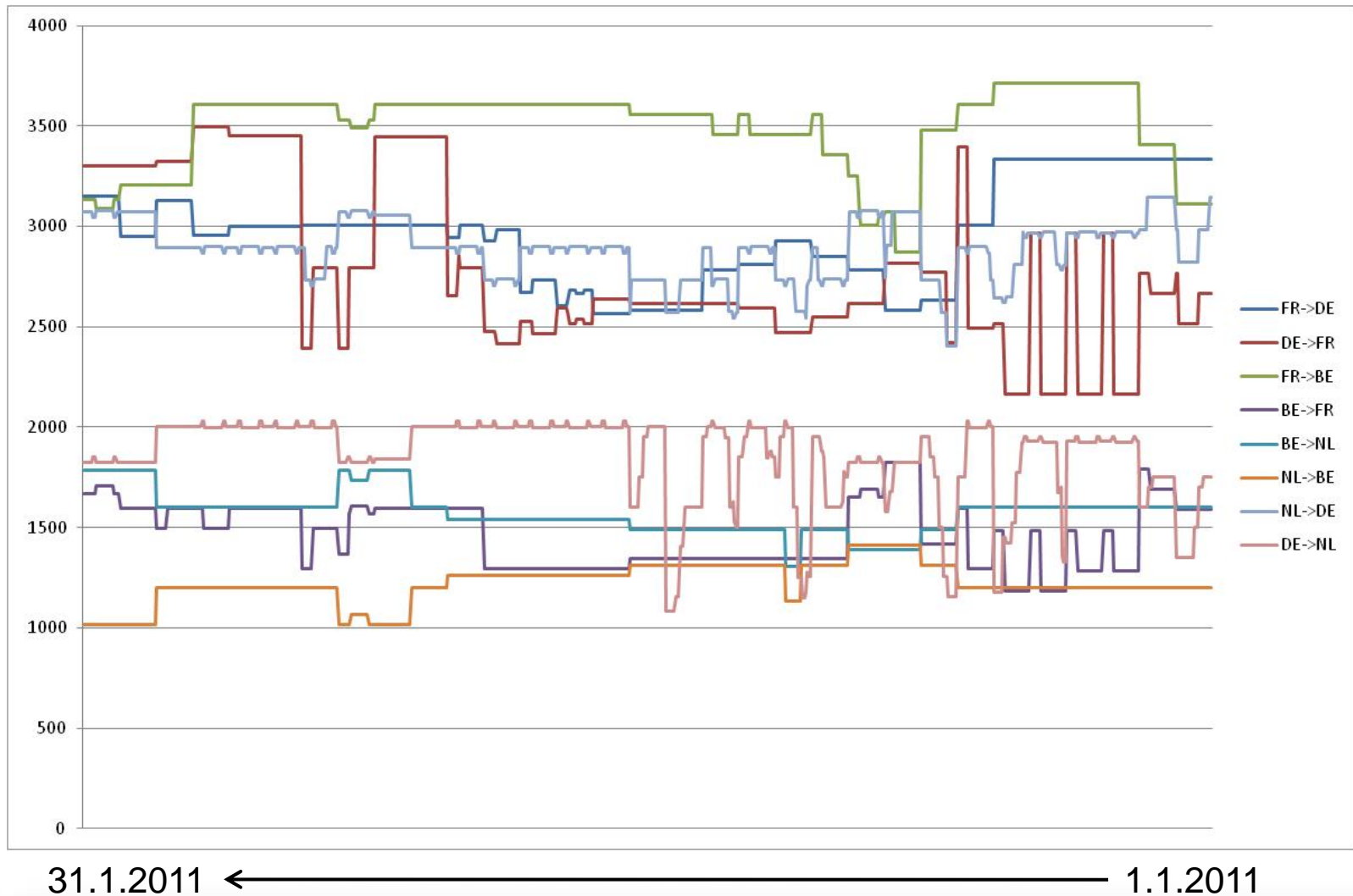
Scope of the current coupled area



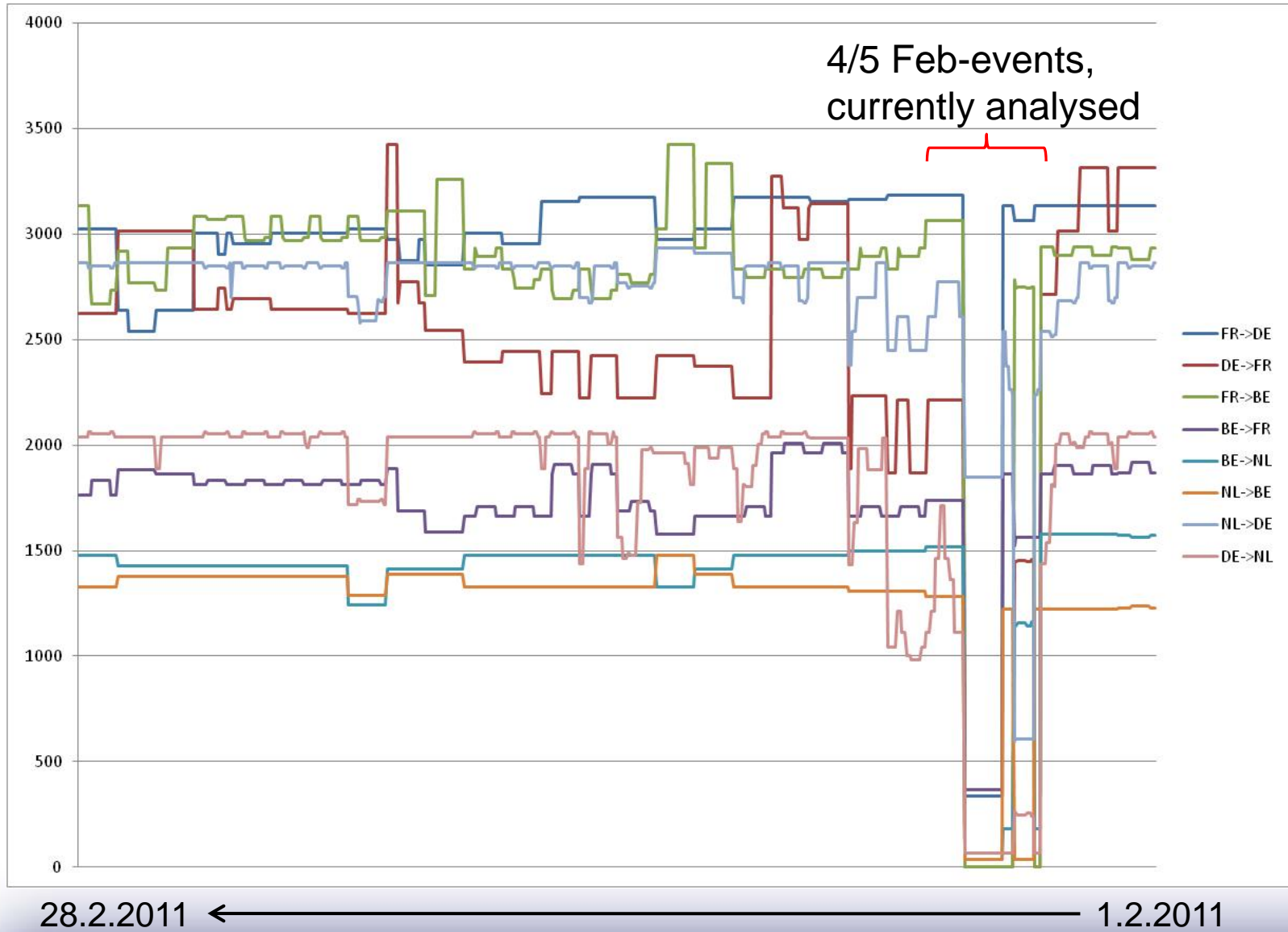
Capacities- CWE MC ATCs (Nov/Dec 2010)



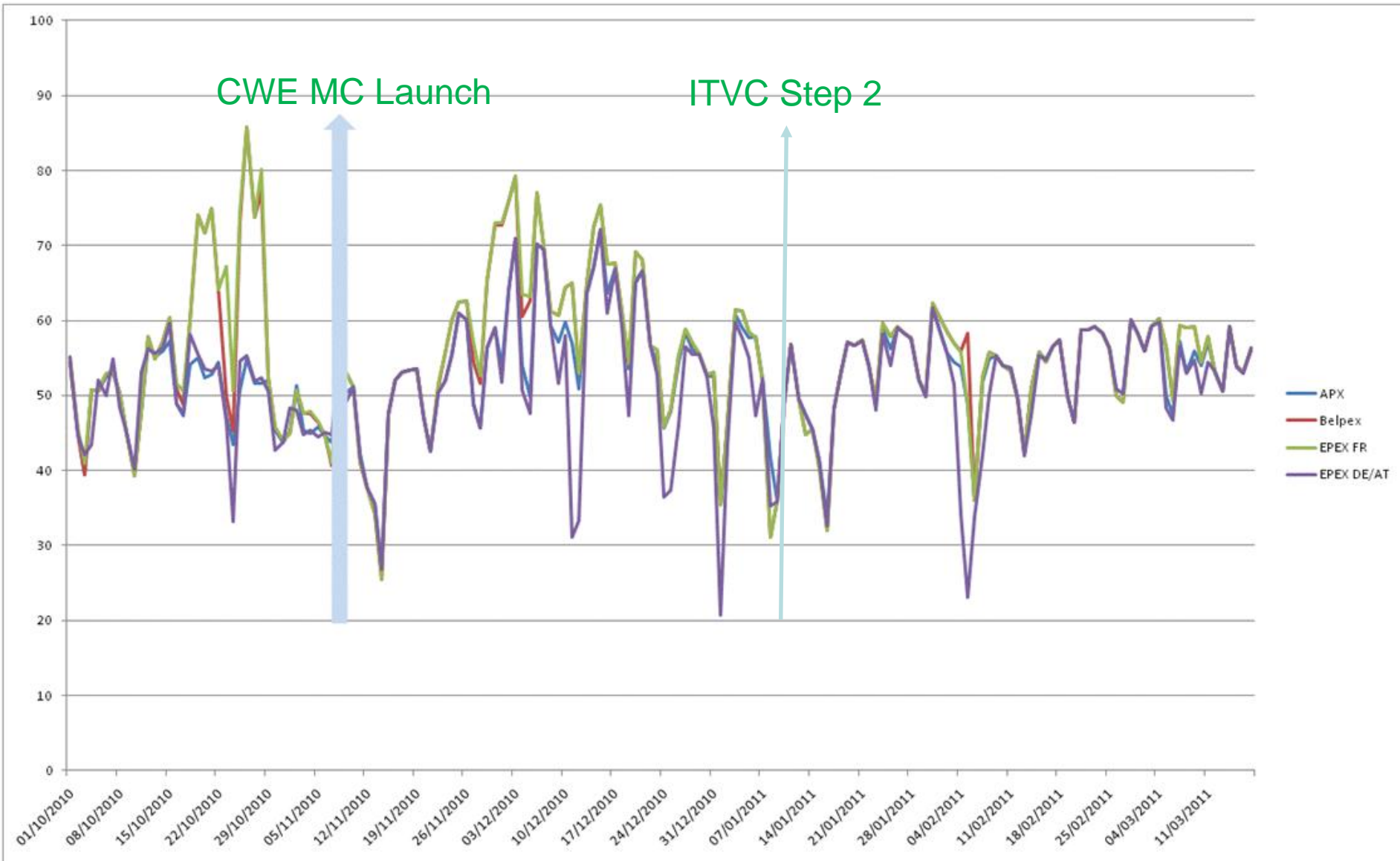
Capacities- CWE MC ATCs (Jan 2011)



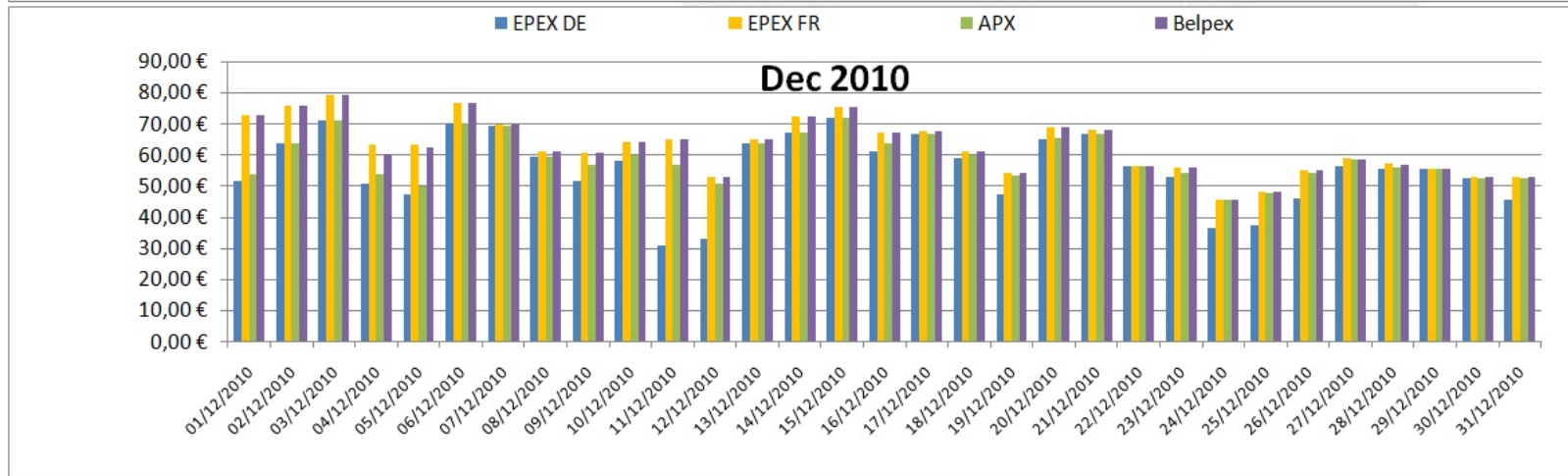
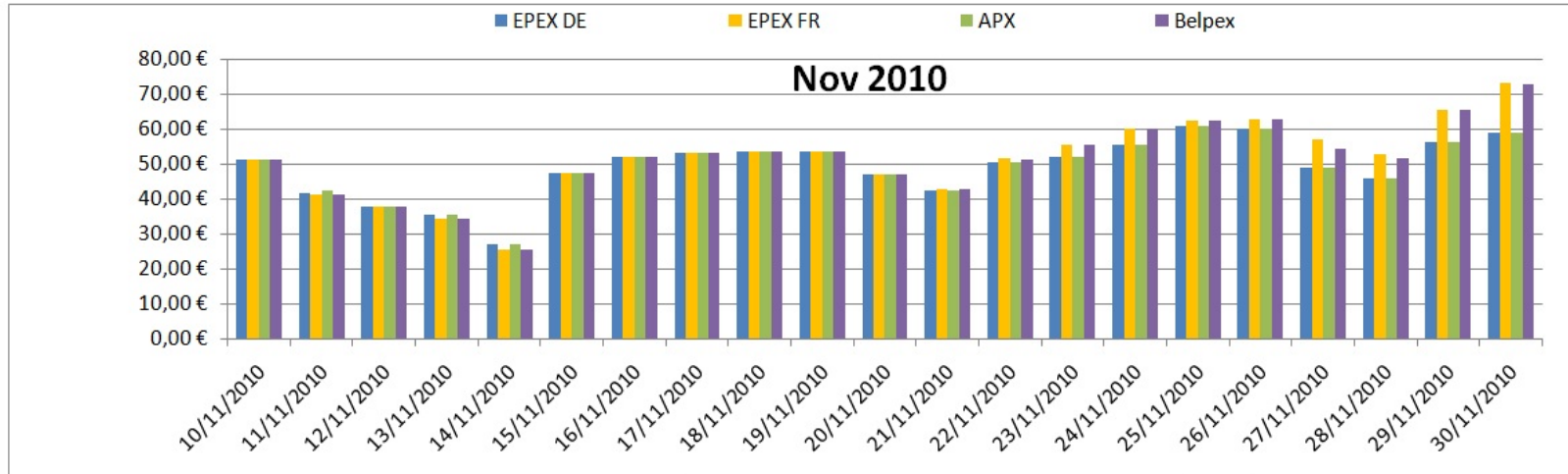
Capacities- CWE MC ATCs (Feb 2011)



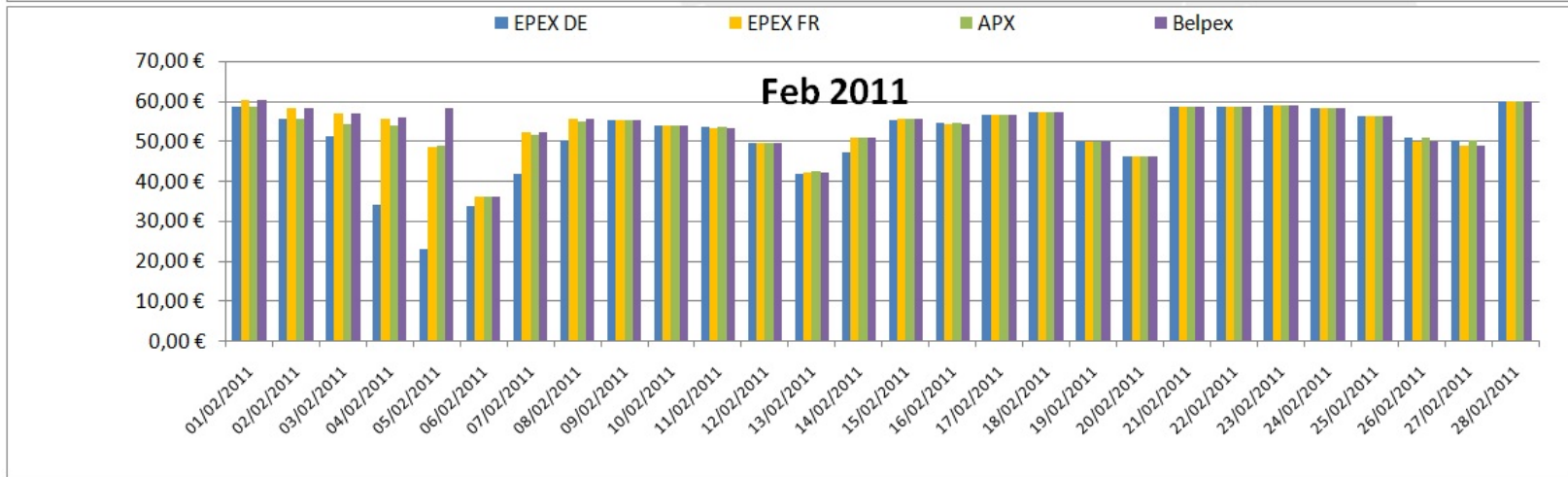
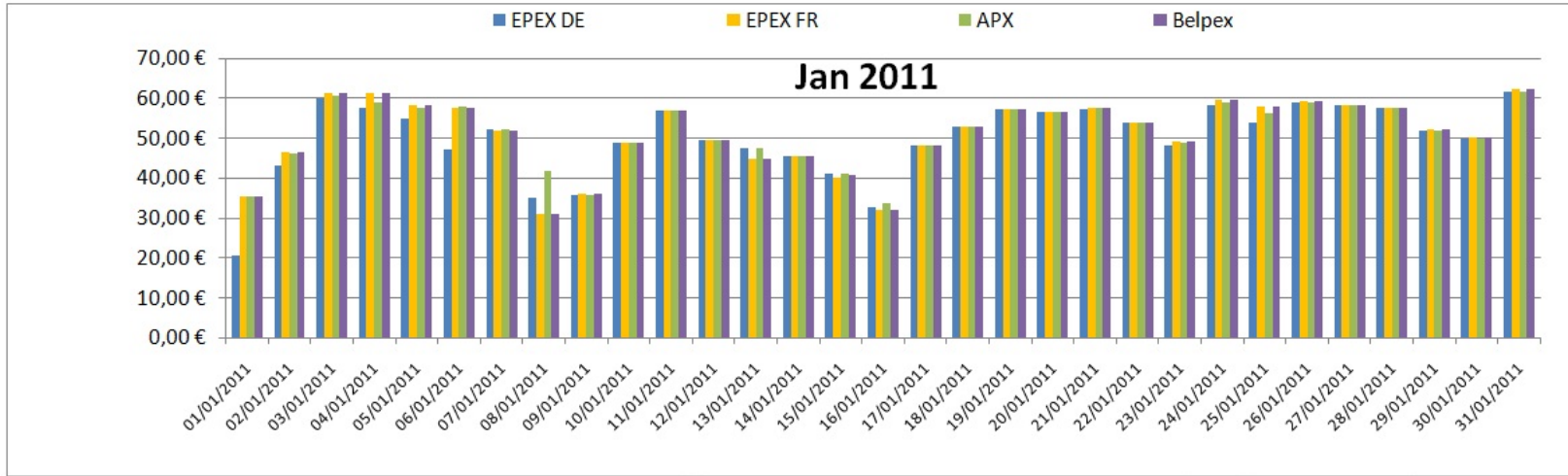
Prices (daily baseload €/MWh)



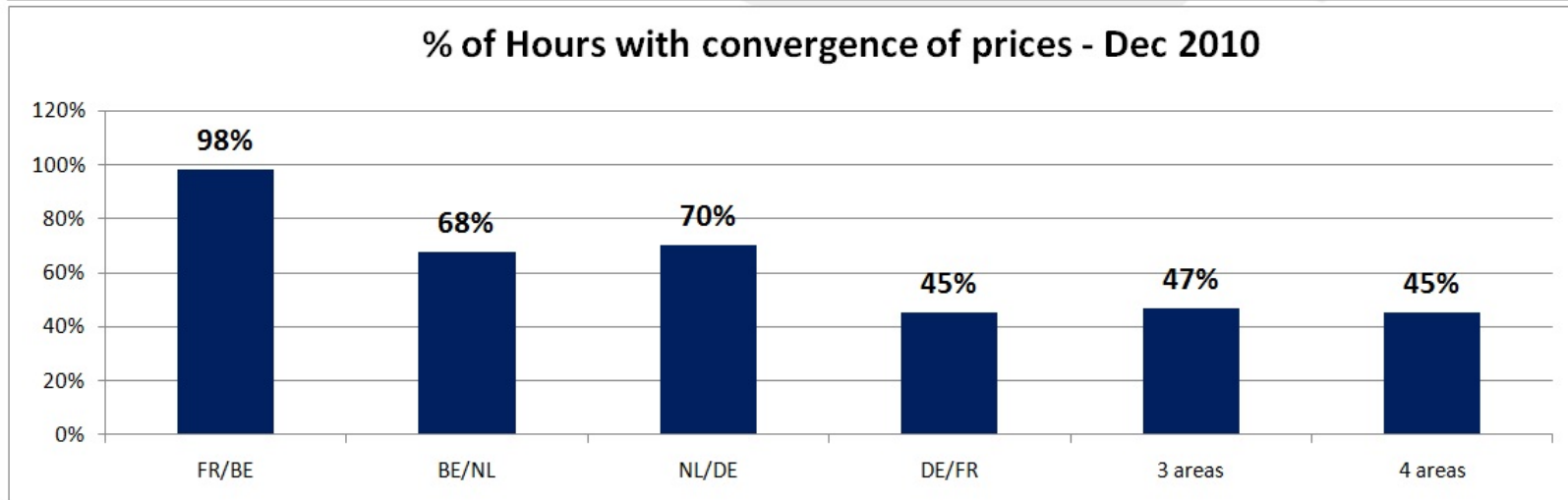
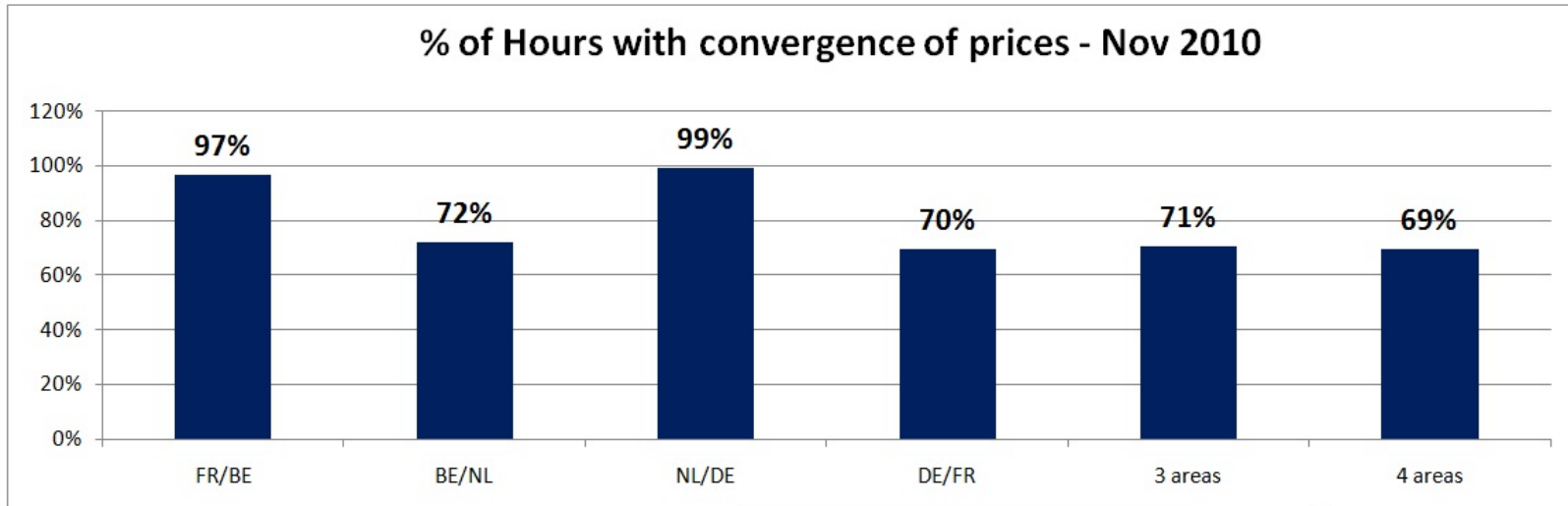
Prices (Nov/Dec 2010)



Prices (Jan/Feb 2011)

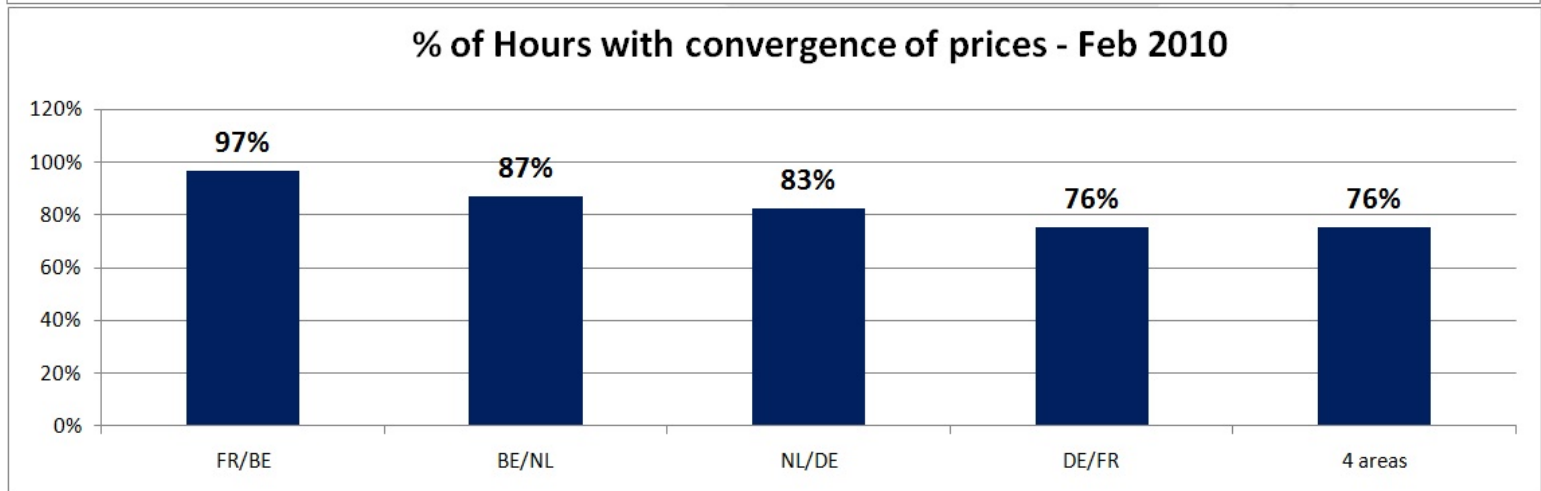
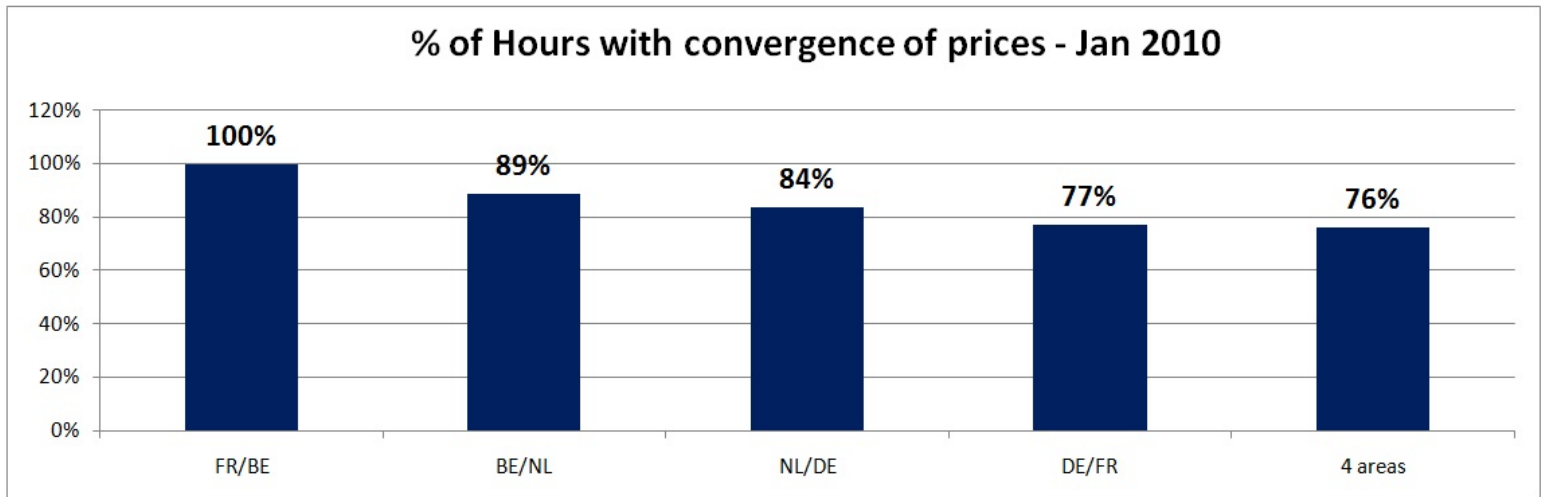


Price convergence (Nov/Dec 2010)



2010 (before CWE MC-launch:
 FR/BE BE/NL DE/NL DE/FR 4 areas
 85% 73% 0,2% 0,2% 0,2%

Price convergence (Jan/Feb 2011)



2010 (before CWE MC-launch:
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Transparency

- ▶ Extensive compliance with transparency demands for CWE ATC MC reached
- ▶ Remaining discussions with the Regulators about the form and structure of the “Welfare-Gain report”
 - ▶ **“The Social Welfare analysis thus gives an artificial image when CWE MC is compared to an isolated situation.”**
- ▶ Specific transparency-demands for FB MC have to be re-discussed and fixed with increasing experience of FB



Conclusions

- ▶ Post-launch ATC-MC-results prove that CWE MC is an important step towards European Market integration
- ▶ CWE-MC-(FB)-team is now positive and ready to make the next important steps towards Flow-Based MC.
- ▶ Notwithstanding in the meantime there will be further development of CWE ATC MC
 - ▶ Continuous improvement
 - ▶ BritNed as “embedded solution” foreseen

