



RULES FOR COMMON BALANCING ZONE

Status and Major features of
Balancing & Network rules

RULES COMMON BALANCING ZONE

- Balancing agreement is requirement
 - Balance responsibility
 - VTP trade
- Network agreement
 - Transmission
- Both agreements with one of TSOs of the balancing zone
- Balancing service agreement – providing balancing services to TSOs
- New agreements must be concluded
- When?
 - Draft: yearly capacity bookings from 1st Nov 2019.



NEUTRALITY

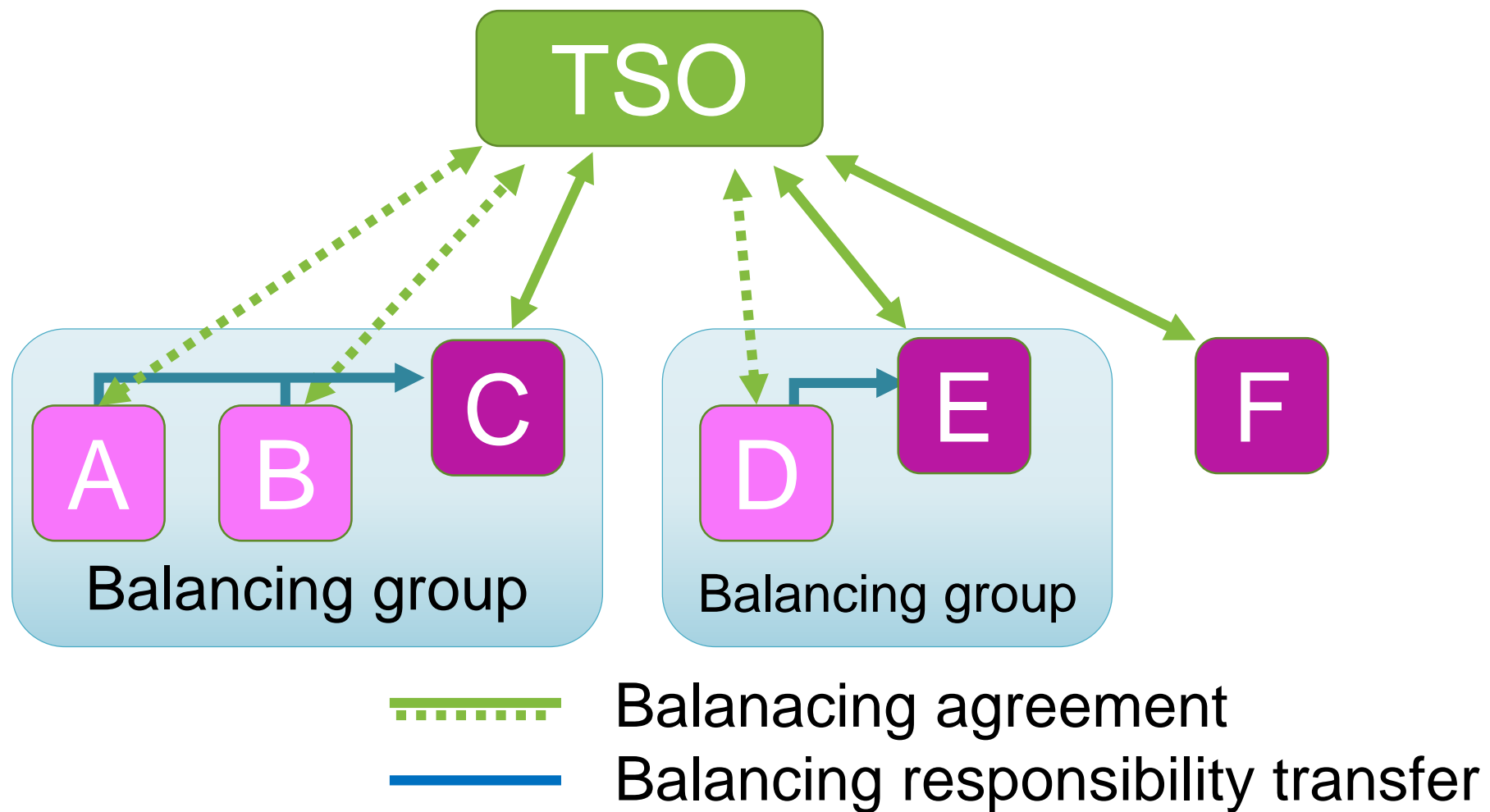
BALANCING RULES

The TSO shall not gain or lose by :

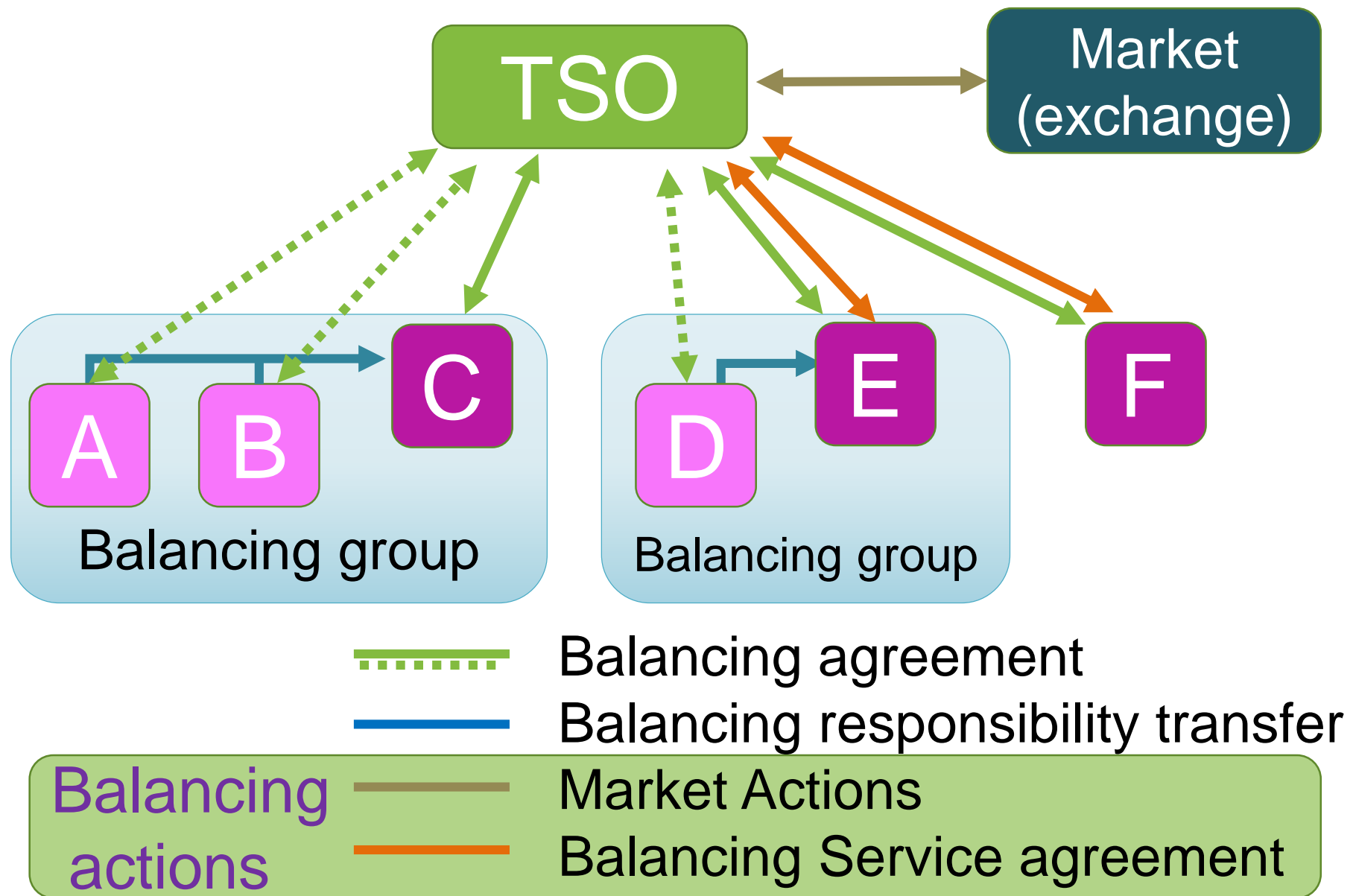
- payment and receipt of daily imbalance charges
- balancing actions charges
- other charges related to balancing activities



NEUTRALITY
DAILY
IMBALANCE
CHARGES



NEUTRALITY BALANCING ACTIONS CHARGES



NEUTRALITY BALANCING RULES

Neutrality charge:

- calculated after closing of month
- average for month (EUR/Mwh)
- Issued based on domestic consumption



IMBALANCE CHARGE

BALANCING RULES

Aligned with NC CAM

- Highest/lowest of:
 - TSO balancing action
 - Weighted average price \pm small adjustment
- average price - day ahead and within day transactions
- Incentive factor - 5% to 10%
- Can be changed by TSO with a 3 day notice
- No neutrality component



CREDIT RISK MANAGEMENT

BALANCING RULES

- Credit risk management for balancing agreement
- 2 highest differences of positive and negative balancing charges for month for last 12 months
- Minimum 25 000 EUR



GENERAL AMENDMENTS

NETWORK RULES

- Added additional infrastructure entry/exit points:
 - Entry from production (biomethane)
 - LNG
- Removed : directly connected consumers (integral part of domestic exit)
- Invoicing date «10th»



CAPACITY BOOKING

NETWORK RULES

- Yearly capacity – 3 months before to D-1
 - Quarterly capacity – 2 months before Year of Quarter to D-1
 - Monthly capacity – 20 days before quarter of Month to D-1
 - Day ahead – 14 days before Month of D to D-1
-
- Gas transitional year – Jan 20' – Sept 20, from 1st November 2019.
 - 2nd quarter Jan20'- Mar 20', from 1st December 2019.
 - Jan20' – 11th December 2019.

3RD COUNTRY POINTS

NETWORK RULES

- Flexible and Fixed delivery agreements
- Allocated as measured
- No OBA entry exit point
- All shippers as balancing
- Except shippers with proof of fixed delivery agreement



CONGESTION MANAGEMENT

NETWORK RULES

- Surrender capacity
- Long term use it or lose it
 - Year and longer
 - Systematically used less than 80%
- Oversubscription and buyback
- Not applied
 - Short term use it or lose it



ALLOCATION INCUKALNS UGS

NETWORK RULES

- Update of allocations from UGS operator
- Possibility to change allocations by storage users
- Flexibility tool for imbalance reduction





INCUKALNS UGS

Bundled unit tariff

Congestion

Transmission system
maintenance works

TARIFF

INCUKALNS UGS

- Bundled unit **forecast**
 - 1,13 EUR/MWh for storage cycle
- Can only decrease
 - Bundled unit bookings
 - Income from other products
- Tariff set after closing of injection season (15th Oct)
- Refund in November



CONGESTION

INCUKALNS UGS

- Congestion before D-1 15:00
- Decided by «free» and booked storage capacity
- Nominations with implicit capacity bookings (without previous booking) has no priority
- Confirmed values recalculated every cycle.



INCUKALNS UGS

- Injection season
 - 1st May – 14th October
- Withdrawal season
 - 14th October – 1st May
- Season transition period?
- Tariffs for 20/21 storage cycle
january 2020 (forcecast)



2019

MAINTENANCE WORKS

- Karksi (LV- EE, Viresi – Tallinn)
 - 17th Jul – 26th Jun 0 GWh/d
 - 27th Jul – 8th Sep 0,6 GWh/d
 - 9th Sep – 1st Oct 0 GWh/d
- Kiemenai (LV- EE, Riga- Panevezys)
 - 1st Aug. – 10th Oct. 45,6 GWh/d



THANK YOU!