

Capacity Allocation and Congestion Management (CACM) Code Overview



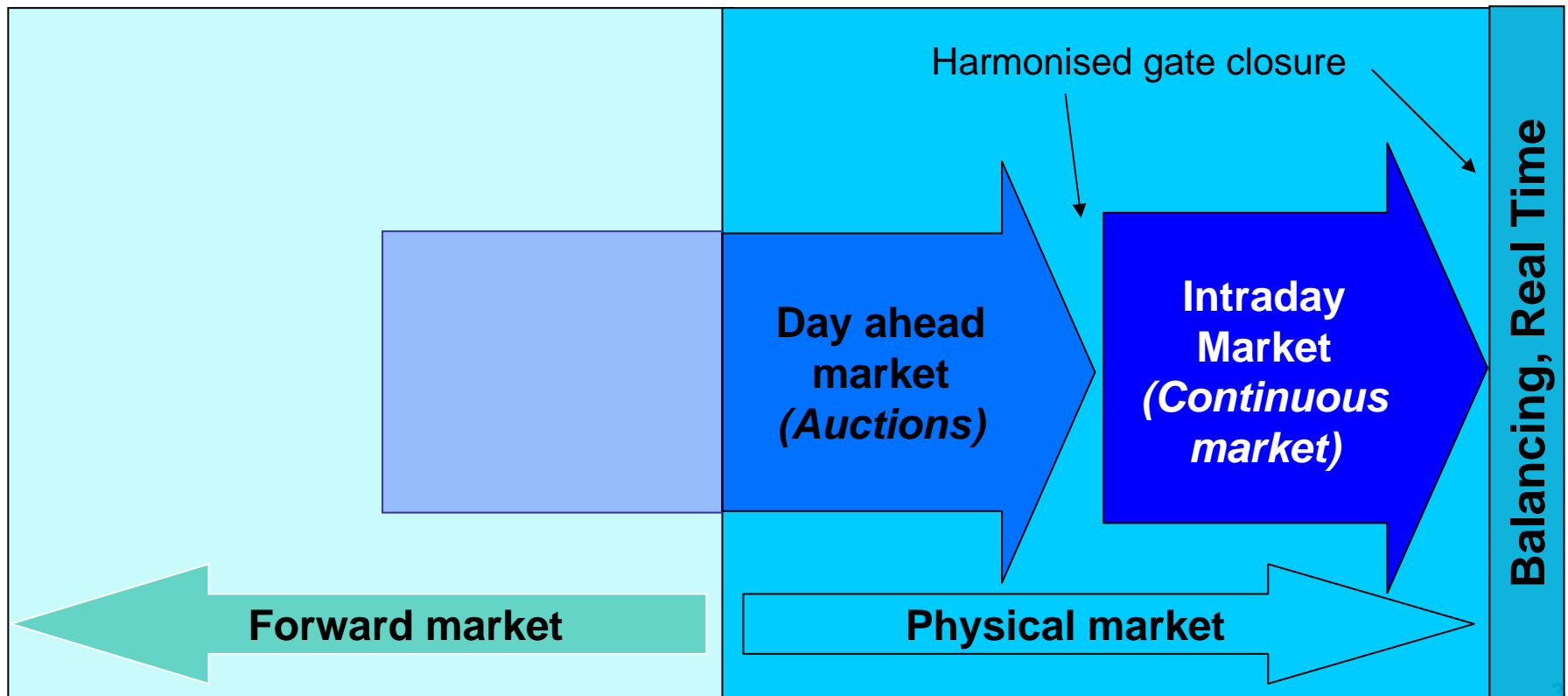
TCMF – 31st January 2012
CACM Code Update
William Kirk-Wilson

Introduction

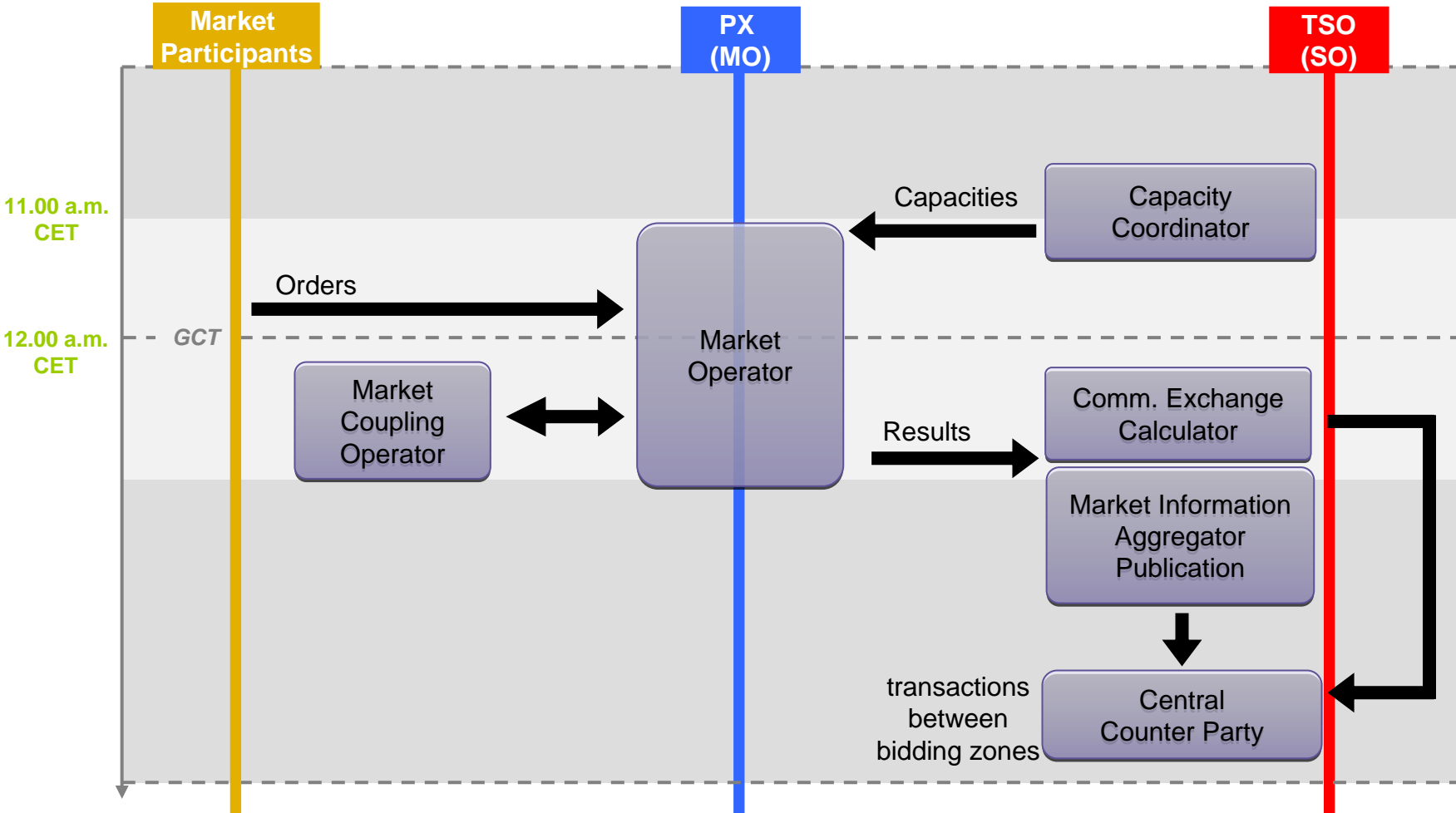
- Background
- Market structure:
 - Day ahead
 - Capacity calculation
 - Intraday
- Impact on GB
- Current topics of discussion
- How to get involved
- NOTE – currently writing the code, therefore can still change...

Background

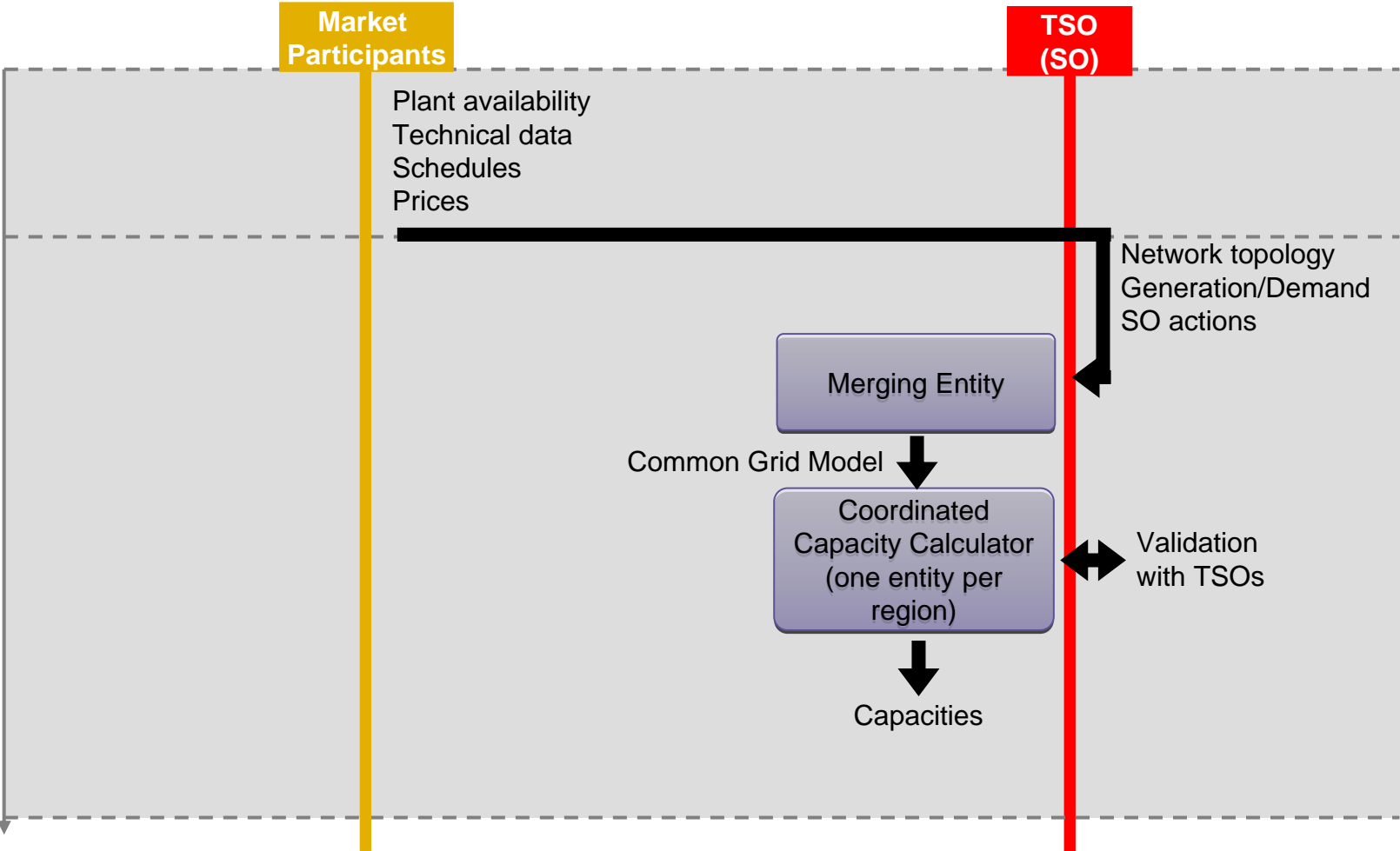
- Create Pan-European electricity market by removing barriers for cross border trading subject to network constraints
- Minimal disturbance to current market rules



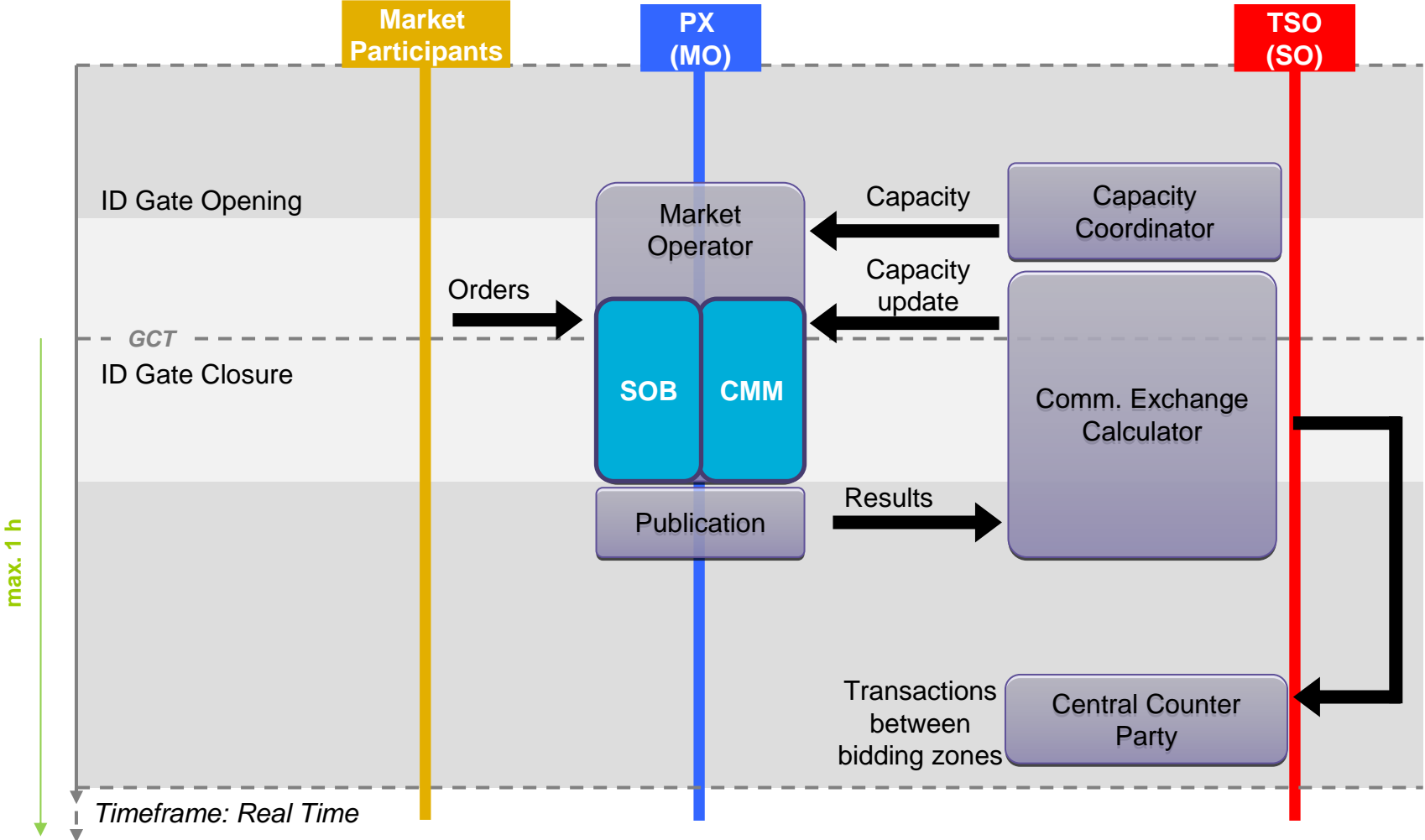
Day ahead structure



Capacity calculation structure



Intraday coupling structure



Impact on GB

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- Potential for market splitting
 - Market pan European
 - No day ahead or intraday explicit auctions on interconnectors
 - Implementation of flow based methodology may reduce our interconnector capacities to Europe
 - Minimal impact to market structure and processes

Update on previous discussion topics

- Should losses be included in market design?
 - *Yes, at TSO discretion*
- Who is responsible for publishing market results TSO or PX?
 - *Split, Day ahead = TSO, Intraday = PX*
- Should the source code of the market coupling algorithm be publically available?
 - *Yes*
- Who should bear the set up costs/operational costs of running the market?
 - *Everyone (!)*
- How should the code be written? (functional or TSO/PX)
 - *Functional*

Current topics of discussion

- Should there be a harmonised Intraday gate opening?
- Should the code prescribe a timetable for algorithm development?
- Should there be a fall back for intraday?
- How should capacity pricing be specified within the code?

How to get involved...

- Get in touch with me
- Industry meetings
 - 2nd Feb – ENTSO-E/Stakeholders meeting (Brussels)
Ruud Otter rotter@energiened.nl
Anne-Malorie Geron AMGERON@eurelectric.org
 - Joint European Standing Group (JESG)
- Industry consultations
 - Network code consultation (Spring)
 - We will run CACM briefing meetings during consultation phase.

Any questions?



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