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Re: Enhancing the transparency of transmission systems

Dear Mr. Staschus,

The European Federation of Energy Traders (EFET)¹ strongly supports the efforts of ENTSO-E and ERGEG to enhance transmission transparency. We also welcome ERGEG's Consultation on the Transparency Guidelines. We are confident that in the long-run such Guidelines will improve significantly the transparency standards throughout the EU.

The persisting lack of transparency, however, continues to hinder proper market forecasts, which impairs severely trading activities. Therefore, in parallel to the ongoing transparency consultation, we would also like to address the following pressing issues:

- We urge TSOs and ENTSO-E to publish, in a consistent and coherent manner, both
 the *vertical load* and the *actual load*, as they are relevant for price formation. For
 dispersed generation it would be necessary to have TSOs' best estimate, whereby a
 distinction should be made between the different sources, in order to avoid double
 counting (like for dispersed wind and solar generation);
- We urge TSOs and ENTSO-E to ensure data consistency between TSOs' websites and ENTSO-E's platform. In this relation, it is also necessary to improve the geographical completeness of the datasets, including unlimited access to historical data (which is currently limited to 2 years);
- We urge TSOs and ENTSO-E to provide detailed information on how they measure/ calculate data from wind and solar generation;
- We see an urgent need to implement the requirements laid out in the ERI Transparency Reports, in order to ensure that the conditions across the EU are harmonised.

The abovementioned points are supported by the following examples:

1. Different definitions and publication of diverging vertical load data on the websites of TSOs and ENTSO-E

For the moment, TSOs and ENTSO-E do not have a common definition regarding vertical load data, which creates vast differences in the values. See below (see also the attached slides):

¹ The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent and liquid wholesale markets, unhindered by national borders or other undue obstacles. EFET currently represents more than 90 energy trading companies, active in over 27 European countries. For more information: www.efet.org.



Date: 03.01.09	ENTSOE ²	Transpower	50Hertz	Amprion	EnBW	Sum	Difference
14:00	41'549.00	8'057.75	2'906.50	15'470.25	4'902.00	31'336.50	10'212.50
15:00	42'303.00	8'141.75	2'760.75	15'618.75	5'048.00	31'569.25	10'733.75
16:00	45'610.00	8'869.00	2'924.50	15'879.00	5'249.75	32'922.25	12'687.75
17:00	48'354.00	10'154.75	3'361.00	17'081.75	5'873.25	36'470.75	11'883.25
18:00	48'436.00	10'110.75	3'426.50	17'199.25	5'974.25	36'710.75	11'725.25
19:00	46'166.00	9'568.00	3'083.00	16'843.00	5'945.50	35'439.50	10'726.50
20:00	44'174.00	8'749.50	2'440.25	16'108.25	5'643.50	32'941.50	11'232.50

Table 1: Comparison between data (MW) published on ENTSOE.Net website and on TSOs' website

2. Inconsistency between the data published on the websites of TSOs and the data available on the ENTSOE.net platform

In the last few months, we have noticed many inconsistencies. For example:

- Cross-Border Commercial Schedules of the CEPS borders published on ENTSOE.net differ from the Schedules published on the CEPS webpage. As an example, we have extracted data from the CZ-DE border on 5th, 6th, and 7th July (see attachment), but discrepancies occur with regard to all CZ borders;
- We urge TSOs not to wait for intraday schedules before publishing Cross-Border Commercial Schedules. Day-ahead Cross-Border Commercial Schedules should be published on day-ahead basis and updated with intra-day schedules;
- The results of the daily auctions published by the APG auction office differ from those available on ENTSO-E.net in .xml formats for the AT-CH, AT-IT borders, etc. Also, results from several TSOs/ for several borders are not published at all.

3. Regional Markets missed target to introduce transparency

Many of the discussed issues were already addressed in the Electricity Regional Markets Initiatives (ERIs) more than two years ago. However, since then no real improvements have been made.

For instance, in the latest CEE Report on transparency³ it is clearly stated that by January 2009 all data on load-forecast, transmission and interconnectors, generation, and consumption need to be made available on a centralised webpage. In the transitional period from March 2008 to January 2009 the data was supposed to be available on the webpage of each individual TSO. However, the TSOs in Slovakia and Hungary, for instance, did not publish all required data. Such incidents decrease significantly the reliability/ predictability of network operation, which has negative effects on trading.

Beyond this, the Report states that a harmonised definition of load is required. The issue was supposed to be dealt with on the basis of implementation reports due within three months after the expiration of the first implementation deadline. Even if we take the later deadline -1st January 2009, the decisions listed in the Report have not been implemented.

² The ENTSO values are the aggregation of Transpower, Amprion, 50Hertz, EnBW-TNG, VKW and TIWAG. The comparison is therefore not completely correct, since we are missing VKW and TIWAG as individual values. These two are very small though, in comparison to the others: VKW around 2-300 MW and TIWAG around 5-800 MW.

³ http://www.energy-regulators.eu/portal/page/portal/EER HOME/EER INITIATIVES/ERI/Central-East/Public consultations/Transparency/CD/TransparencyReportCentralEasternEurope.pd



Against this background, we expect ERGEG to complete the implementation of already agreed transparency measures as part of the ERI process. In particular, as already stated in the ERI Report, data inconsistencies and varying definitions of vertical load data need to be clarified, because they have severe implications for the EU electricity sector and the proper use of electricity networks.

In the meantime, we would welcome any improvements on the side of ENTSO-E and the respective TSOs.

4. No consistent measurement and calculation

EFET members have also experienced significant problems when it comes to the publication of wind and solar generation data. It is not clear what the basis for calculating / measuring the feed-ins is, or whether the provided data is based on a model. TSOs have not provided common calculation methods/ standards when it comes to the publication of wind and solar feed-ins. This has resulted in significant differences and unpredictable market situations, which should be avoided, especially from a security of supply point of view.

5. Conclusion and way forward

We would kindly request ENTSO-E and ERGEG to pay immediate attention to the missing data and the lack of harmonisation. This should be done *voluntarily* and/or *through the ERIs* to ensure completeness. Thus, we hope that improvements will transpire well in advance of the actual implementation of the Guidelines. In addition, by the end of October we will also provide our response to the ERGEG Consultation on the Transparency Guidelines.

Yours sincerely.

Jan van Aken

Secretary General

Cc:

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