



REPUBLIKA E SHQIPËRISË

ENERGY REGULATORY AUTHORITY

BOARD

DECISION

No. 155, Dated 30.06.2021

ON REVIEWING THE REQUEST OF TSO COMPANY TO EXTEND THE TERM PROVIDED IN POINT 3 OF ERE BOARD DECISION NO.89, DATED 31.03.2021

Based on Article 16 and 20, of Law no. 43/2015 "On Power Sector", as amended; as well as Article 15, of the "Rules on ERE Organization, Operation and Procedures" approved with ERE Board Decision no. 96 dated 17.06.2016, ERE Board on their meeting dated 30.06.2021, after reviewing the report Protocol no. 96/5 dated 28.06.2021 prepared by the Technical Directorates, on "Reviewing the request of TSO company to extend the term provided in point 3 of ERE Board Decision no.89, dated 31.03.2021",

Observed that:

- ERE Board with decision no. 89, dated 31.03.2021 reviewed the proposal of the Transmission System Operator (TSO) company "On the Albanian Electricity Balancing Market Rules from 1 April 2021" and decided:

1. TSO company shall continue with the registration process of the participants in the balancing market with the unchanged forms as applied during the DRY RUN period. The Sections which can not be completed shall remain empty arguing the reasons why these sections cannot be completed.
2. The mechanism of financial guarantees that TSO company shall apply for the balancing market participants shall be the one defined in the Transitional rules for the electricity balancing mechanism approved with ERE board decision no. 193 dated 24.11.2017.
3. Until 30 June 2021, the time period of the processes, including the nominations and the respective calculations of the imbalances, shall be performed with a time interval of 1 hour.
4. TSO company shall report and document on a monthly basis the progress of the implementation of the Albanian Electricity Balancing Market Rules.

- Also, ERE Board with decision no.108, dated 22.04.2021, approved the the Common settlement rules for exchanges of energy in accordance with the articles 50(3) and 51(1), of Commission Regulation (EU) 2017/2195".

- TSO company through official letter Protocol no. 3712 dated 10.06.2021 with subject, «Regarding the implementation of Decision no. 89, dated 31.03.2021, " On the proposal of TSO company to apply the Albanian Electricity Balancing Market Rules from 1 April 2021", informed that:

- Pursuant to Decision No. 89, dated 31.03.2021, " On the proposal of TSO company to apply the Albanian Electricity Balancing Market Rules from 1 April 2021", point 3, TSO company from 1 April 2021 onwards, as for the duration of processes including nominations, respective calculations of the imbalances and balancing market processes applied the time interval of 1 hour.

- Furthermore, the balancing markets in the region have an hourly resolution and according to the rules into force, TSO company may exchange or share cross-border balancing services with the transmission system operators of neighboring countries. Changing the resolution in 15 minutes would create difficulties in harmonizing the respective processes and calculations.

- Also, ERE is currently operating in accordance with the FSKAR agreement (as member of ENTSO-E), according to which the compensation of unintentional cross-border deviations between the parties (TSOs) is no longer in nature, but financial. Calculations and price in our country are both reported with hourly resolution (imbalance price) because according to the regulation for the implementation of this agreement the power exchange price shall be used and in the unavailability of this price the imbalance price is used instead.

- For all the above, TSO company requests the extension of the term, provided in point 3, of Decision No. 89, dated 31.03.2021, for the processes where they are included such as nominations, the respective calculations of the imbalances, as well as the balancing market processes to be performed with an interval of 1 hour, until 1 January 2022.

- TSO company via an e-mail dated 26.04.2021, following the communication with the official letter mentioned above, requested the extension of the term provided in point 3, of decision no. 89/2021 in order to harmonize balancing market processes also with the countries of the region which operate with a resolution of 1 hour, this would be necessary for the maturation of the balancing market also within the exchange of balancing services in interconnection. TSO company also informs that it is working with the contractor of DAMAS platform to implement all processes with a resolution of 15 minutes, being in harmony with the realization of internal market processes with that of the interconnection. In discussions with the DAMAS contractor the time that is required to complete the full implementation is estimated to be by the end of December 2021.

- The new mechanism, which from June 1 2021 is being applied in all ENTSO-E member countries, including TSO company, provides for the settlement of imbalances / deviations at the level of paid interconnection.

- Electricity balancing market operation in our country, from January 1, 2018 to April 1, 2021, is realized through the application of the "Transitional rules for the electricity balancing mechanism" approved with ERE Board decision no. 193, dated 24.11.2017. These rules have carried out the nomination process and the respective calculations of the imbalances with a time interval of 1 hour.

- During the application of the Provisional Rules of the Electricity Balancing Mechanism as well as during the application of the Albanian electricity balancing market rules, approved with ERE board decision no. 106, dated 02.07.2020, no issue was reported / ascertained that is related to the time interval of 1 hour with which the nomination process and the respective calculations of the imbalances were realized.

- As provided in point 3, of ERE Board decision no. 89, dated 31.03.2021, until 30 June 2021, the nominations and the respective calculations of the imbalances shall be performed with a time interval of 1 hour.
- Regarding the 15 minute resolution, TSO company informs that the platform is currently being upgraded for the realization of nominations and the respective calculations with a resolution of 15 minutes and that according to the planning by the company providing this service, the platform shall be able to perform the processes with this resolution no earlier than August 2021. Therefore, regarding the period after April 1, 2021, TSO company proposes that until the completion of the the platform upgrade for the processes of the balancing market, it shall continue to use the 1 hour resolution.

For all of the above mentioned, ERE Board

Decided :

1. To approve the request of TSO company on the extension of the term provided in point 3, of the ERE Board decision no. 89, dated 31.03.2021.
2. Until December 31, 2021, the term for the processes, including the nominations and the respective calculations of the imbalances, shall be performed with a time interval of 1 hour.
3. TSO company shall report at ERE every 2 (two) months regarding the progress of the proces for the adaption the IT platform, as well as nominations and calculations of the imbalances with a time interval of 1 hour.
4. Legal Directory shall inform TSO company about ERE Board decision.

This decision enters immediately into force

This decision shall be published on the Official Gazette.

For this decision may be complained the review within 7 calendar days and shall also complain on Tirana Administrative Court, within 30 calendar days from the publication in the Official Gazette.

ERE CHAIRMAN

Petrit AHMETI