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Gas TSO

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MINUTES

SHIPPER TASK FORCE ON THE DATA MODEL TO SUPPORT INCLUDING WITHIN DAY OBLIGATION IN THE CURRENT BALANCE MODEL

Date:
November 13, 2020

Author:
JFS/JFS

Time: 6th of November 2020

Place: Ballerup and online via Teams

Participants:

Norlys: Helene Heide Rasmussen and Betina Isbak Kristensen

Danske Commodities: Anette Sørensen

E.ON Sverige: Stefan Lagerborg

Shell: Christiane Sykes

EnergiFyn: Magnus Skafte Andersen

SEAS-NVE: Toni Pockenauer

Ørsted: Milo Javanovic Zinck

PGNiG: Piort Sieranski and Dariusz Zgorzelska

Axpo: Martin Todorov

Evida: Jess Damm-Aunsbjørn

Nordion Energi: Ylva Nordlund

Energinet: Julie Frost Szpilman, Christian Rutherford, Søren Balle Rasmussen, Signe Rasmussen and Esra Gencay

Energinet and Nordion presented the status on the current work on developing a data model to support the introduction of within day obligations (WDO) to the current balance model.

General comments

- A shipper asked if a system wide WDO can be combined with a Portfolio WDO. Energinet promised that they will follow up with an answer in the next update of Q&A on the website.

- A shipper asked about one of the figures in the presentation regarding errors using the current level of data (slide 20). The question was: what is the relative error if we use the amount of DMS data we get today? Energinet will consider including such an analysis for the next Shipper Task Force meeting.
- A shipper asked how RES entry was included in the model. Energinet answered that the biogas production was much easier to predict than the offtake in JEZ, as production is very stable from day-to-day, and does not vary much during the gas day.
- A shipper asked how big an issue the current nDMS data inaccuracy is relatively to the system size. Energinet will consider including such an analysis for the next Shipper Task Force meeting.
- A shipper asked if a helper will be rewarded if ASB is in yellow zone. Energinet answered that it has been considered, but Energinet and Nordion were afraid that there will come an overreaction and have therefore decided not to suggest that a helper a specific reward for being a helper. This is also equal the Belgian model, where helpers are not rewarded.
- A shipper commented that in Belgium the average of traded prices during the gas day is used to the cash-out end of the gas day. Energinet answered that it will have a further look of it and come back with an answer via the Q&A.
- A shipper asked what the impact for a shipper with smaller DMS customers would be given that the DMS-data is continuously gathered starting with the largest DMS customers. Energinet answered that even though data might not be collected for the first hour for those specific DMS customers, there would still be a benefit, as more volumes will mean less uncertainty for the rest of the DMS market.

Answers to questions on slide 25 in the presentation

QUESTIONS FOR YOU

1. What are pro and cons for you regarding:
 - The level of investment, we will have to take to ensure an appropriate level of precise data of DMS
 - To smooth or not to smooth data for nDMS
2. What experiences do you have with monitor your own DMS-costumers?
3. Can you see that you can use more data form some other kind of business?



All shippers participated in the Shipper Task Force were asked to answer following questions. Below is the list of answers.

Ørsted:

Question 1: Ørsted would prefer a more pragmatic approach. Since the quality of data will never be perfect, it is not necessary with too large investments. Ørsted would like no smoothing, and instead be provided with a larger green band. This would also provide more transparency to the model because the calculation for smoothing will blur the model.

Question 2: It is difficult to get track of within day balance for especially power plants. They are always the largest source of imbalance. Other industrial customers are easier to predict.

Question 3: no comments

SEAS-NVE:

Question 1: SEAS-NVE prefers that Energinet and Nordion should find the right balance between being sure that data is precise, and on the other hand don't use a large amount of money on it. SEAS-NVE don't want to be punished for imbalances, which they later can see were not real. Regarding smoothing: SEAS-NVE has a lot of nDMS customers, and therefore smoothing is preferred. A balance between shippers with a lot of nDMS and DMS. We have no data to react on nDMS.

Question 2: SEAS-NVE monitors only few larger end-users. SEAS-NVE makes forecasts based on data from Energinet.

Question 3: No ideas.

PGNiG:

Question 1: PGNiG is concerned that costs to ensure the data quality will be shared to all shippers; for instant PGNiG has no business in JEZ and has therefore no interest

in data quality. For PGNiG it is important to see how costs will be distributed. Regarding smoothing: PGNiG sees a risk of oversmoothing, when a shipper has better prediction than the TSO/BAM. However, PGNiG knows that telemetry is sometimes with error and smoothing could help in this situation. In general, PGNiG would like to see a balance model, where the cost of balancing is transferred to the causer.

Question 2: PGNiG doesn't have any comments for the Danish system. In Poland, PGNiG has direct connection to the larger end-users and know their demand. For all other end-users, PGNiG uses forecast.

Question 3: PGNiG can use the information to better invoice end-users for their imbalances.

Norlys

Question 1: Norlys thinks that there should be enough investment as needed to reach an acceptable level. Norlys thinks that the introduction of a WDO is more restrictive than the current model, and the Danish-Swedish consumers should not be punished by a decision they cannot affect. The investments to ensure data quality for shippers with JEZ end-users should be shared by all shippers and not only Danish-Swedish end-users. As all active shippers in the Danish-Swedish market get the benefits of lower tariffs, it is also important that all pay to ensure the data quality. Regarding smoothing, Norlys asked what the relation between smoothing and reduced green band is? Energinet promised to show this at the next Shipper Task Force meeting in December.

Question 2: Norlys makes forecasts based on data from Energinet. Large DMS-consumers nominate their own expected demand.

AXPO

Question 1: Axpo thinks it is important to invest to ensure an acceptable level of data quality and it also supports smoothing. Axpo finds that the current level is not acceptable, and investments are needed.

Question 2: The most difficult part to forecast is the demand from power plants.

Question 3: Axpo thinks it is difficult to see what else the data can be used for.

Shell

Shell needs more understanding on the costs and how these will be distributed to have an opinion.

Energi Fyn

Energi Fyn agrees with the opinion of SEAS-NVE and Norlys.

Danske Commodities

Danske Commodities agrees with Ørsted and Shell and expressed that investments should be distributed among all shippers, based on benefit.

E. ON Sverige

Question 1: It is difficult to know what the level of investments will be. It may be comprehensive to improve the data model by small steps. A suggestion is to use values from the day before and maybe revise values based by temperatures ect. It is always possible to use a lot of money and not get the quality. E.ON. Sverige doesn't want smoothing, accurate data is better.

Question 2: In the current balance model, it is possible for shippers to be "a little bit lazy" and therefore they first end up in balance end-of-day. An idea could be that in the suggested WDO model uncertainties in the beginning of the gas day should mean less "punishment" than later in the gas day.