



Summary of the Dialogue meeting held during the public consultation on the methodology for procurement of countertrade energy

(This was summary was sent as an e-mail to all workshop 2 participants on 24-08-2021)

Dear participant at the Dialogue meeting on 17 August 2021

Energinet would like to thank you for the good and constructive feedback we received on the Methodology for procurement of countertrade energy currently in public consultation.

Energinet noted several important issues and concerns related to the suggested model.

Especially the trading strategy was discussed thoroughly. A concern was raised that Energinet's simple and very transparent trading strategy (publishing volumes, prices, and trading timings prior to trading) was likely to increase speculative behaviour and as such influence the intraday price more than if an active trading strategy was chosen. Other market participants thought that countertrading at a certain point in time, with an attractive and transparent price would increase liquidity in the trading windows and drive the price down towards marginal earnings. Also, the market would be impacted by countertrade in the windows, but it would have less of an effect during the rest of the trading day.

A concrete suggestion to the trading timing was for Energinet to trade shortly after capacity is provided on all borders – instead of entering bids/offers at a fixed time as it is currently proposed in the methodology.

The current volumes traded on the DK1-DE border are very large, and both Energinet and market participants agree that when Energinet begins to procure countertrade energy in the intraday market, it will have a price impact – however, the trading strategy can make a difference.

Also, the adjustment of capacities for the intraday market on the border where countertrade is requested was discussed. In general, Energinet should limit capacities as little as possible when adjusting net transfer capacity and already allocated capacity to account for countertrade, making available transfer capacity on the border in accordance with the physical flow. Energinet highlighted that the actual physical flow is the same with the current model and the intraday countertrade model.

Energinet was asked whether assistance is always given to adjacent TSOs when they request countertrade, no matter the volumes and the cause, and Energinet replied that TSOs generally assist and get assistance from adjacent TSOs when needed. When TSOs apply remedial actions, the most cost-effective measure must be used to solve grid issues.

The presentation used at the meeting can be found [here](#)

The Methodology on procurement of countertrade energy can be found [here](#).

Please send public consultation responses by e-mail to Astrid Buhr Broge (ABG@energinet.dk), cc. myndighed@energinet.dk, by Monday 30 August 2021 at 12:00 am.

All information published in relation to Energinet's countertrade work is available here: [Modhandel | Energinet](#)

Best regards

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