ENERGINET
Gas TSO

Energinet
Tonne Kjærsvej 65
DK-7000 Fredericia

+45 70 10 22 44
info@energinet.dk
VAT no. 39 31 50 84

Minutes

SHIPPER TASK FORCE ON THE DATA MODEL TO SUPPORT INTRODUCTION OF WITHIN DAY OBLIGATION IN THE CURRENT BALANCE MODEL, #2

Date:
December 17, 2020

Author:
JFS/JFS

TIME: **10TH OF DECEMBER 2020**

PLACE: **BALLERUP AND ONLINE VIA TEAMS**

PARTICIPANTS:

NORLYS: HELENE HEIDE RASMUSSEN AND BETINA ISBAK KRISTENSEN

E.ON SVERIGE: STEFAN LAGERBORG

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 AND MARTIN FALVIK

ENERGINET: JULIE FROST SZPILMAN, CHRISTIAN RUTHERFORD, SØREN BALLE 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) for the current balance model.

General comments

- A shipper asked on slide 16, if Energinet and Nordion has a percentage of the performance of Collecting of DMS Method – a mean average percentage? Energinet will show such a percentage to the User Group in February 2021.

- A shipper asked about the compensation model, as it seems to be an important part of the model. The shipper would like to be consulted on this issue and to know what will happen if shippers are not getting the data they need for balancing. It is costly for shippers if data is missing. Energinet answered that the model will be present to the User Group in February 2021. Moreover, Energinet stated that even after the application to the regulator, shippers can still comment on the model. It will be our suggestion, but you can always give comments.

- A shipper asked how the neutral gas price will be calculated. Energinet answered it will be the same as today.

- A shipper asked how to allocate between shippers if the absolute model is chosen for smoothing. Energinet answered it would be allocated with the market share of each shipper

Answers to questions on slide 22

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

Ørsted:
It is difficult to give a clear answer to this question in this short time. The answer will depend on the portfolio for each shipper. What kind of answer do you want? With your arguments the Collection of DMS method is the best one.
Energinet answers that to understand the Collection of DMS method better than the HMC model, it is necessary to present both. However, both Nordion Energi and Energinet suggest the Collection of DMS method.

SEAS-NVE:
It is obviously that Collection of DMS Method is the preferable. It is cheaper and more accurate. Moreover, more intraday values are a benefit for the shippers

PGNIG:

It is obvious to choose Collecting DMS Method and we understand the reasons.

Norlys:

It seems like a no brainer. Even though Collection of DMS Method is better, it says nothing on how good it is. We look forward seeing the data for accuracy. In practical terms – how will data come in? Will we at 07.45 get the first data for 6-7 o' clock? Energinet answered: ASB (Accumulated System Balance) will always be for last hour, while IASB (Individual Accumulated Shipper Balance) will be with as much real-time data as possible.

Axpo:

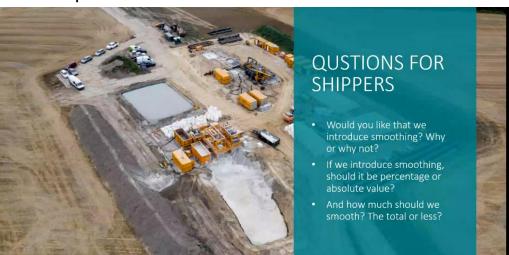Collecting of DMS Method seems to be a very good model. Moreover, it is a good presentation.

EnergiFyn:

Hard to disagree – yes to Collecting of DMS Method.

E.ON Sverige:

It is an obvious choice. Collecting of DMS method is better. As the gas day progressed, data will be almost real data. The costs also show the same thing.

Answers to questions on slide 28

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

E.ON Sverige:

Against smoothing as there will always be wrong data and therefore not a true picture of the situation. Use real data when you have it.

Energi Fyn:

Some smoothing would be nice on the nDMS customers. Not sure to what extent, but if 100 per cent smoothing gives a reduction on 10-15 per cent on the green band sounds, full smoothing sounds reasonable. No opinion on the method.

Axpo:

We prefer smoothing. It would make our lives easier. If 100 per cent smoothing gives a reduction on 15 per cent on green band, full smoothing will be ok.

Norlys:

We would like smoothing. The ones that need flexibility should be offered. With absolute values, it is easier to see the reduction in the green band. However, the method is not so important. Prefer as much smoothing as possible.

PGNiG:

We agree with E.ON Sverige. There are two arguments against smoothing.
- Approximation and errors would be hidden. How would you cope with instant drops?
- We prefer to have profiles of clients.

To the latest comment, Energinet told that every hour estimates on nDMS market in the exit market in Denmark and Sweden are calculated. However, the estimates on nDMS-market can be wrong, and Energinet needs to have a philosophy for this issue. This will be the same if smoothing or no smoothing is chosen, and if smoothing is chosen, it will also be an issue for both models.

SEAS-NVE:

In line with Norlys. SEAS-NVE thinks, it seems that we have flexibility in the pipelines that should be used. If this is not the case, we would use smoothing ourselves. As much smoothing as possible.

Ørsted:

Smoothing is good if you expect swings in the exit zone. But it is a way of twisting reality. It does not come for free. The reduction of the green band is not insignificant. But maximum smoothing is our choice. We have exit users.