

ERGEG 28 rue le Titien B-1000 Brussels

Mailto: electricity transparency@ergeg.org

Kontakt DW Unser Zeichen Ihr Zeichen Datum
Alexandra Neumann 211 AN/31/2010 28.10.2010

# Public Consultation on ERGEG Draft Comitology Guidelines on Fundamental Electricity Data Transparency, 8 September 2010 – Comments by Oesterreichs Energie

Dear Madam, Dear Sir,

Oesterreichs Energie, the Association of Austrian Electricity Companies, welcomes the opportunity to comment on the ERGEG Draft Comitology Guidelines on Fundamental Electricity Data Transparency, 8 September 2010. Oesterreichs Energie represents more than 140 energy companies active in generation, trading, transmission, distribution and sales which in total cover more than 90 per cent of the Austrian electricity generation and the entire distribution.

We support the aim of having in place clear, proportionate, legally binding transparency requirements which will ensure cost-effectiveness for market participants and that equal rules are applied across the EU. Hence, we would like to underline the following principles:

- Disproportionate burden and cost factors have to be avoided, any additional requirement
  has to be justified by a significant additional benefit for the efficient functioning of the
  wholesale electricity market.
- Collected data shall be used only for a specific, dedicated purpose.
- It is of utmost importance to distinguish between information for market participants, regulative purposes, load flow calculation (regulated/regulative activities versus competitive market).
- Business data protection has to be ensured.
- Competitive disadvantages especially for smaller market participants have to be avoided.
- Existing functioning structures as exchanges' transparency platforms have to be used to have quick wins and to avoid double-track solutions.



The indicated lower thresholds for generation (1MW, 10MW) would result in significantly higher and cost-intensive burden for market participants without real profit for the market. A threshold of 100MW would be appropriate in order to put an efficient transparency regime in place.

# **General issues**

1. Are there additional major problems or policy issues that should be addressed by the draft Comitology Guideline on Fundamental Electricity Data Transparency?

No.

2. What timescale is needed to implement the Comitology Guideline on Fundamental Electricity Data Transparency seen from your organisation's point of view?

Given that existing structures (exchanges' platforms) will be used, given that additional administrative, cost-intensive burden for market participants will be avoided and given that the overall threshold for generation will be 100MW, implementation seems to be realistic within 2 years.

3. Do you see a need for more firm specification of the role of each market participant in delivering transparency data to the TSO/information platform in the Comitology Guideline on Fundamental Electricity Data Transparency?

In order to limit burden of notifying companies the relevant threshold for generation has to remain 100MW and data formats have to be harmonised. Sensitive business data have to be kept in confidence as too detailed transparency information bears the danger of indirect price-signalling. Smaller market participants will have to struggle more to fulfil the envisaged requirements than bigger players, but these smaller companies will not be able to analyse the extended information gainfully.

It has to be ensured that the notifying companies cannot be held liable for data they provided on their best knowledge (best effort basis).

4. Do you see a need for more firm specification of the role of the TSO in collecting data in the Comitology Guideline on Fundamental Electricity Data Transparency?

Data collecting by TSOs results in advanced information for TSOs within competitive environment as TSOs act as competitors themselves (balancing, RES integration, purchase of grid losses). Therefore TSOs' data handling has in principle to be carefully determined and therefore we prefer to report to a neutral platform like a power exchange (e.g. EEX transparency platform).



5. Taking into account the interface between wider transparency requirements and the costs of data storage, do you consider storage of basic data for 3 years, to be made available for free, as sufficient?

Yes.

6. Are the suggested market time units for information reporting and publication requirements adequate and compatible with wider transparency in a European perspective?

We suggest 1 hour as "market time unit" for information reporting.

7. How do you see the costs and benefits of the proposed transparency framework for fundamental data in electricity? If possible, please provide qualitative and/or quantitative evidence on the costs and benefits or ideas about those.

Generally benefits are possible; particularly when existing structures (e.g. EEX transparency platform) will be used und therefore cost could be as low as possible. But in general beneficiaries will be bigger companies rather able to implement requirements and able to do /afford profound data analysis which will automatically result in competitive disadvantages especially for smaller companies.

# **Load issues**

8. Do you see a need for publication of load data linked to different timeframes or an update of load data linked to different timeframes than those suggested in the draft document?

In general we agree with the proposed timeframes for the load publication, although some of them would need further clarification.

The responsible party (TSO, DSO) for the estimation of load data and the load forecast methodology should be defined in order to come to consistent data. We would like to mention that the usage of vertical system loads is no satisfying solution.



9. The draft document suggests that the information on unavailabilities of consumption units is disclosed in an anonymous manner identifying the bidding area, time-frames and unavailable load. Do you consider these pieces of information sufficient for the transparency needs of the internal wholesale electricity market or should also the name of the consumption unit be published?

The bidding area is the relevant criterion for disclosure; neither single consumption units nor regions, least of all Member States would be appropriate.

## **Transmission and interconnectors**

10. Should the publication obligations regarding planned or actual outages of the transmission grid and interconnectors require the publication of the location and type of the asset (i.e. identify the part of transmission infrastructure that due to planned outage or a failure is facing a limitation in its transmission capacity) or should the information on transmission infrastructure equipment outage be non-identifiable? Please justify your position why either identified information would be necessary or why only anonymous information on the transmission infrastructure outages should be published.

In certain cases the outage of a specific grid element implies constraints to generators; therefore the affected grid elements should be clearly identified as it is important for market participants to understand the impact on markets.

11. The requirement to disclose outages in the transmission infrastructure is proposed to be placed on such events where the impact on capacity is equal to or greater than 100 MW during at least one market time unit. Do you consider this absolute, MW based threshold appropriate, or should the threshold be in relation to e.g. the total generation or load of the bidding area, or alternatively, should the absolute threshold be complemented with a relative threshold? The relative threshold would mean, for example, that the publishing requirement would apply if a planned or actual outage of transmission infrastructure would equal to or be greater than 5 per cent (or any specified percentage value). This question on relative threshold stems from the fact that for some bidding areas the proposed 100 MW threshold may be relatively high. However, raising the general European threshold might in the majority of the European bidding areas lead to too low a threshold and a vast amount of information being reported.

Oesterreichs Energie believes that a relative threshold implies additional complexity in the management of systems and compliance to obligations with limited effect in terms of benefit expected. To ensure symmetry among all relevant data (i.e. generation, consumption and



interconnection), we believe that a single threshold of 100MW for relevant units should be established.

12. With regard to publishing requirements on congestion (in paragraph 22 (d) and (e)), what kind of information do you consider important to receive and how frequently? Please justify your position.

Information on following questions would be of interest: Why does a specific congestion occur? What does the grid look like? Which actions, provisions were taken / are planned by the TSO to prevent congestions (countertrading, re-dispatch, kind and cost of investment in grid expansion)?

#### Generation

# Ad 4.3.1 "Generators"

The term "generators" should be replaced by "undertakings which operate generation assets" to correspond to Regulation 714/2009 of 13 July 2009.

# Ad 4.3.2.2 and 4.3.2.3 Installed and planned capacities

Information on "planned" capacities should only be provided for capacities which will be brought into service within the next 3 years.

13. Should unavailability of generation infrastructure relate to a given plant or a given unit? Please justify your position.

The given plant is the relevant criterion for unavailability, not the single unit which would only increase reporting burden without real benefit for forecasting market participants' bidding behaviour or TSOs' work on load flow and congestions. Again, notifying companies should not be held liable for data they provide on their best knowledge (best effort basis). The term "immediately" should be defined more precisely in 4.3.2.4 and 4.3.2.5.

## Ad 4.3.2.7 Filling Rate of the water reservoir and hydro storage plants

The proposal includes notification regardless of storages' size. We believe that information on hydro storage plants should only be provided for natural storages with volumes greater than 350GWh. A lower threshold would only increase costs without offering any additional benefit. In any case it is of utmost importance to stick to aggregated-only disclosure of this information in order to protect the indicator's identity and sensitive business data.



14. The draft document proposes that actual unit by unit output for units equal to or greater than 10 MW be updated real time as changes occur. Do you consider the 10 MW threshold for generation units appropriate?

No, in our view marginal costs to include all units greater than 10MW – instead of 100MW – would overrun the marginal expected benefits. Since impacts of smallest power plants on market outcomes are likely to be very limited, the effort required would not be appropriate. Additionally data processing would be widely affected; the amount of information will increase enormously with negligible benefits and most likely quality issues will arise, possibilities of comparison will be reduced. Thus we believe that the obligation to update the output on a unit by unit basis must be limited to units equal or greater than 100MW. Moreover, as for load units, generation output should be disclosed for each hour and not for each 15 minutes.

15. The requirement to disclose hourly information on actual aggregated generation output is now related to generation type. Should this threshold be linked to fuel requirements or generation technology?

No, we think that the obligation to disclose information "per generation type" is sufficient. In principle information on (pump) storage plants will allow deeper insights into this type of generation in comparison to competitors. Thus requirements should be carefully designed and indicator's identity must be kept in confidence.

## **Balancing and wholesale data**

16. The transparency requirements on balancing have been widened compared to the Transparency Reports prepared within the framework of the Electricity Regional Initiatives. Is the proposed list of data items sufficient - also taking into account the evolution towards cross-border balancing markets?

The proposed list is sufficient.

17. The transparency requirements on wholesale market data have been deliberately left outside the draft Guidelines as they will most likely be addressed by other legal measures that are currently under preparation. Should some basic wholesale data, i.e. information on aggregate supply and demand curves, prices and volumes for each standard traded product and for each market timeframe (forward, day-ahead, intraday) as well as prices and volumes of the OTC market still be part of the Comitology Guideline on Fundamental Electricity Data Transparency?

First best solution would be a one-stop shop for the energy sector.



Thank you for taking our comments into consideration. If you have any further questions, please do not hesitate to contact us.

Yours sincerely,

DI Wolfgang Anzengruber President

Dr. Barbara Schmidt Secretary General