

**Response of OTE to ERGEG Draft Comitology Guidelines on
Fundamental Electricity Data
Transparency (18.10.2010)**

Introduction of company OTE, a.s. (OTE) – <http://www.ote-cr.cz>

OTE (Electricity and Gas Market Operator) is a Joint Stock Company founded by the state according to Energy Law. OTE is providing services in the field of electricity and gas market and emission trading. OTE is also publishing reports on electricity and gas market in given terms respecting its obligation set by the Energy Act and ERO Market Rules.

Activities of OTE include:

- Organising short term electricity market and short-term gas market and in cooperation with transmission system operator organising short-term balancing market with regulating energy.
- **Imbalances calculation, settlement and clearing** between settlement subjects based on electricity and gas delivery contracts of subjects of settlement or registered market participants and really metered electricity and gas deliveries and consumption of registered market participants
- Monthly and yearly reports on electricity and gas market in Czech Republic
- Reports on the projected long-term balance of supply and demand for electricity and gas and anticipated evolution of electricity and gas market
- Processing of load profiles
- Clearing and settlement of balancing power
- Administration of publicly available emission allowances trading register

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In general, according to ERGEG Transparency the TSO is the subject obliged to provide certain data to the market. It is necessary to mention, that the imbalance calculation and the settlement of imbalances (deadlines, responsibilities) vary from country to country and it is recommended to adapt this differences to the text. For example, there is not TSO responsible for imbalance settlement calculation in the Czech Republic, which can cause some different procedures (deadlines, published values) in the publication procedure. In the Czech Republic, OTE – the Czech market operator – is in charge of the imbalance settlement according to the Energy law (see <http://www.ote-cr.cz/statistics/imbalances-electricity>).

Generally, at this moment OTE has shared aggregated data requested by the document regarding the settlement of imbalance with the TSO, therefore TSO (ČEPS) is able to publish this data at the ENTSO-E platform according to the Transparency document. But it is necessary to comment some features (e.g. *deadlines*) regarding the settlement of imbalances and take them into account in the document.

Therefore we have following comments to the *ERGEG Draft Comitology Guidelines on Fundamental Electricity Data Transparency* primarily for the *chapter 4.4: Balancing*.

Summary of comments indicated in the report:

A) 4.4.1.8 imbalance prices per market time unit and price setting methodology, at least 2 hours before the following procurement procedure

Comment:

- It is not clear what “the procurement procedure” means. It would be helpful to specify this term better.

- Imbalance prices are calculated only in working days by OTE on the base of received measured values of consumed and generated electricity. These prices are calculated in three steps:
 - Preliminary calculation on working days after the delivery day on the base of received data of continuous interval metering with daily reading;
 - Monthly calculation on 8th working day in month after operational month on the base of received data of continuous interval metering with monthly reading;
 - Final monthly calculation on 4th working day in the third month after operational month on the base of received data of non-interval metering.
- Therefore, imbalance prices could be published only after the imbalance calculation is executed on days mentioned .
- Price setting methodology is mentioned in the point 4.4.1.1. From OTE point of view methodology mentioned in the point 4.4.1.1 covers this issue and it is useless to mention it here again. Otherwise it is better to explain directly what it is mean.
- **OTE has shared the imbalances prices with TSO (ČEPS) after the deadlines mentioned above.**

B) 4.4.1.9 *volumes of the imbalances per market time unit and actually used volumes of manually and automatically activated reserves inside control areas, after the operating hour by market time unit;*

Comment:

- Neither TSO nor OTE has real information regarding the volumes of the imbalance per market unit immediately after the operating hour in the Czech Republic. Therefore we would like to propose to change the wording of this point in following way:

*4.4.1.9. ~~volumes of the imbalances~~ **volume of predicted system imbalance** per market time unit and actually used volumes of manually and automatically activated reserves inside control areas, after the operating hour by market time unit;*

- This could be updated at the moment when the system imbalance is calculated according to received measured values.
- **OTE has shared this calculated volume of the system imbalance with TSO.**

C) 4.4.1.10 *financial balance of the control area on a monthly basis. This publication shall include the expenses for balancing energy and power at the balancing market, payments resulting from imbalance pricing and difference between expenses and income. **The publication shall be done at latest at the last calendar day, three months after the operational month. If settlement is preliminary, the figures shall be updated after the final settlement;***

Comment:

- The procedures of settlement of imbalances calculation on the predefined dates are described above.
- **OTE has shared the aggregated financial balance of the Czech control area with TSO (ČEPS) after the deadlines mentioned above.**