



Single Balance, Price Model News

Customer Committee 5/2021

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Single Balance, Single Price Model Commissioning Plan

- The Single Balance, Single Price Model commissioning plan was published 27.5.2020
<https://www.esett.com/materials/single-balance/>
- Minor updates have been made
 - Commissioning time schedule – go-live date 1.11.2021
 - Information about imbalance price and fees
 - Information of MEPI-message for Datahubs
 - Example of single balance model settlement calculation
 - Examples of XML- files are available on our web site
- Open issues
 - Production plan KPI is under discussion

If market participants need additional information, eSett is happy to update the plan according to their needs



Imbalance Settlement Agreement's Appendices will be amended

- The Imbalance Settlement and Pledge and Right of Disposal of Cash Account will not be amended
- Appendices will be amended to reflect the changes of the model
 - eSett will notice the market participants at least one (1) month beforehand
 - New appendices will be published on www.eSett.com
 - No resigning of the agreements required
- Single price version of NBS Handbook will be published during summer 2021

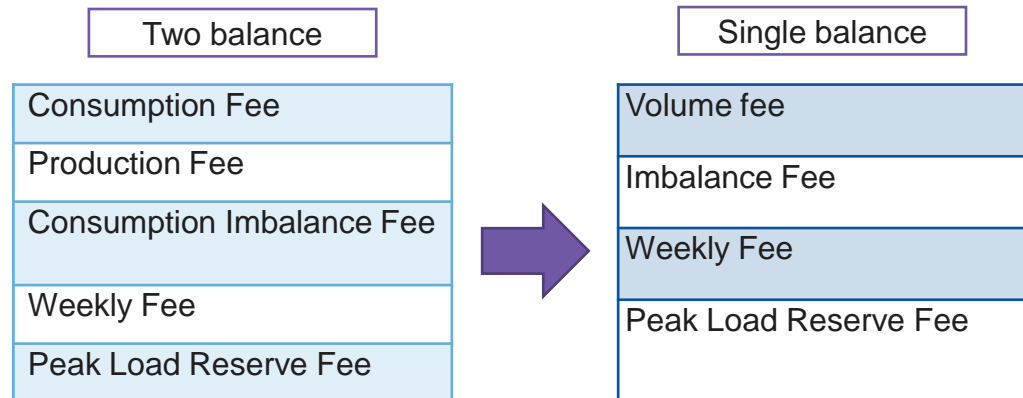
Agreement / Appendix	
Imbalance settlement agreement	No changes
Appendix 1 Fees	Minor updates, see next page
Appendix 2 Collaterals	Minor updates, see next page
Pledge and Right of Disposal of Cash Account Agreement	No changes
On-Demand Guarantee	No changes



Amendments due to Single Balance Model in Agreement Appendices

Appendix 1 Fees

- The applicable fee rates per fee category and country are amended



Appendix 2 Collaterals

- Collateral formula will remain as today.
- Fees and prices will be updated to reflect single balance model used

3.2 Under normal circumstances, the Collateral Requirement shall be calculated according to the following formula ("Standard Formula"):

$$\text{Collateral Requirement} = 3 * (S_1 + S_2) + m * (V_1 + V_2) * P$$

Where:

- S₁** = Average of the sums of invoiced ~~volume~~production-fees, ~~consumption~~ fees and ~~consumption~~ imbalance fees per week for the last three invoiced weeks, including any VAT on these amounts that the BRP is liable to
- S₂** = Average of the absolute amounts of the sums of invoiced ~~production-and-consumption~~-imbalances in a week for the last three invoiced weeks, including any VAT on these amounts that the BRP is liable to
- V₁** = Consumption volume the last seven settled days
- V₂** = Bilateral and PX market sales volumes during the last seven days for which such volumes are available (current day minus 8 days to current day minus 2 days)
- m** = Multiplier:
 - 3/7 for the share of (V₁+V₂) that does not exceed 80,000 MWh
 - 1/7 for the share of (V₁+V₂) that exceeds 80,000 MWh but does not exceed 400,000 MWh
 - 0 for the share of (V₁+V₂) that exceeds 400,000 MWh
- P** = Average of the ~~consumption~~-imbalance prices in the different MBAs during the last seven days for which such prices are available, where the price of each MBA is weighted according to the share of the BRP's total turnover (consumption, PX market sales and bilateral sales) during the last three invoiced weeks that took place in the respective MBA

Balance Agreement update needs

Balance agreements will be updated in Finland in September-October 2021

- eSett will co-ordinate the renewal
- Electronic signing will be used

In Denmark, Norway and Sweden, the change will not require changes to the balancing agreement.





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