

Markus Eklund

23 October 2018

Public

Customer Committee 4/2018

Date 6.11.2018 11:30 EET
Place eSett's office
Läkkisepäntie 23, 00620 Helsinki
Finland

Agenda

	Time (EET)	Topic
	11:30 – 12:30	Lunch
1	12:30 – 12:45	Welcome Minutes of the eSett Customer Committee meeting 10.4.2018
2	12:45 – 13:15	eSett News
3	13:15 – 14:15	Introduction to one balance model and 15-minute settlement model proposal + workshop
	14:15 – 14:45	Coffee break
4	14:45 – 15:30	Presentations of workshop results
5	15:30 – 15:45	Summary and next meeting

Distribution: Customer Committee

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Agenda item: TOP 1

Minutes of the eSett Customer Committee meeting 14.11.2017

Brief summary:

- Members will review and approve the previous minutes of the eSett Customer Committee meeting 14.11.2017 and discuss about open action points.
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eSett	Customer Committee meeting	
Date	10.04.2018 12:00 -16:00 EET	
Place	Helsinki Hilton Airport hotel	
Present	Espen Fjeld	Energi Salg Norge
	Tom Backman	Fortum Markets Oy
	Lena Ingårda	Vattenfall AB
	Tommi Pyhähuhta	Caruna Oy
	Kristian Bernseter	Statnett SF
	Mari Salo	Energiavirasto
	Heikki Raatikainen	Fingrid Oyj
	Birger Fält	Svenska kraftnät
	Liv Marie Butveit (Deputy) remotely	Markedskraft ASA
	Uy Tran	NVE
	Tor Ny	EI
	Kim Saarijärvi	eSett Oy
	Tuomas Lahti	eSett Oy
	Minnakaisa Ahonen (Chairman)	eSett Oy
	Markus Eklund (Secretary)	eSett Oy
Absent	Morten Torgalsbøen (Deputy)	Statnett SF
	Heidi Sundin (Member)	E.ON Elnät AB
	Tania Pinzon	Svenska kraftnät
	Samuli Saine (Deputy)	Satapirkan sähkö Oy
	Håkan Eriksson (Deputy)	Ellevio
	Emelie Ekman (Deputy)	LOS Energy AB

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	Lars Ellingsgard (Member)	Hafslund Nett AS
	Teija Pelkonen (Deputy)	UPM Energy Oy
	Trond Søreide (Deputy)	Mørenett AS
	Jani Piipponen	Fingrid Oyj

1 Minutes of eSett Customer Committee meeting 10.04.2018

1.1 Opening the day, recap of eSett Customer Committee meeting 10.04.2018

eSett CEO and chairman of the meeting Minnakaisa Ahonen welcomed all customer committee members to the third customer committee meeting. It was agreed that previous meeting's minutes were approved and no additions or corrections are needed. Minnakaisa Ahonen raised few topics from the last customer committee meeting's content.

- Minnakaisa mentioned that there has been changes in Customer Committee members. Lena Ingårda from Vattenfall AB has replaced Johan Hagsten from Vattenfall AB. Lena Ingårda represents Swedish BRPs in the Committee.
- Personnel at eSett has changed. Pasi Lintunen has moved to Fingrid's data hub project and Anna Kirkland-Kaukinen has moved to work for another company. Minnakaisa mentioned also that Tuomas Lahti has been taken over settlement operations and introduced Markus Eklund and Kim Saarijärvi to the committee.
- Minnakaisa mentioned that unfortunately during this year eSett has delayed the invoices two times. The first time was caused because of a larger update to the imbalance settlement system and second time was caused when structure change caused problems in customer's IT system and because of this, all the invoices for Sweden would not have been correct.
- In the previous meeting some open questions were left for eSett to answer in this meeting. In the previous meeting it was asked if settlement results will be sent more often. Minnakaisa answered that it has not been planned to change the current processes of settlement result sending. Minnakaisa commented also that generic data packages are available in Online Service for subscription but eSett have not received questions or feedback from the customers regarding generic data packages. In the previous meeting it was also asked if descriptions of structural data flows are available. Minnakaisa informed that the descriptions of structural data flows are available in the BRS documents on ediel.org.

2 eSett News

Tuomas Lahti began with presenting the employees and roles of eSett's customer service team. He also mentioned the different channels how customers can contact eSett. Customers can create a service request through eSett's web page, send email to eSett's settlement mailbox or call directly during working hours.

2.1 Handbook updates

Tuomas Lahti mentioned that eSett will publish a new version of the handbook during this spring. The following changes will be made to the handbook:

1. Change to acceptance of bilateral trade counterparty values

2. Structural changes into past
3. Introduction of multiple NEMOs (Elbas vs. Intraday)
4. Small adjustment of KPI chapter
5. Forced encryption of messaging in Sweden (TLS certificate)
6. Language improvements

Regulator question:

- What is the background for the encryption in Sweden?

eSett answer:

- It has been decided by Svenska kraftnät to take TLS certificate into use in market communication.

Regulator question:

- Is the security level the same in Finland and Norway?

eSett answer:

- In Finland SFTP channel is mainly used and this is a more secure way to communicate because both ends need to recognize each other before data is sent.

2.2 Change to acceptance of bilateral trade counterparty values

Tuomas Lahti informed that eSett have received feedback from BRPs especially in the last customer committee meeting, that there should be more time to manually accept counterparty values for bilateral trades. eSett has decided to make the schedule more flexible and extend the gate closure from D+1 12:00 CET to D+1 24:00 CET in all MBAs. This change will give BRPs 12 hours more time to accept their counterparty values in Online Service.

Market participant question:

Is it still the next working day?

eSett answer:

- Yes, the logic is the same but there is now 12 hours more to accept counterparty values

2.3 Structural changes into the past

Tuomas Lahti presented that especially DSOs have requested eSett to support structural changes flexibly into the past. Tuomas informed that it has been evaluated

with the TSOs and it has been decided to allow some structural changes in to the past. The following settings have been suggested:

1. Consumption in all countries: 7 days to the past
2. Minor production in Finland and Norway: 7 days to the past
3. Normal production in Sweden: 7 days to the past

It has not been decided when these changes will take place. eSett will inform the market parties as soon as the time-schedule has been confirmed.

2.4 Online Service improvements

Tuomas Lahti presented a list of already implemented improvements to the customer committee members. Following improvements has been implemented:

1. Notification when new market participants are added to settlement
2. A field "Customer's reference" to the invoices
3. A new filtering option in the Message Overview
4. Filtering criteria under "MESSAGES" to be able to filter on the field "ACK Status"
5. Export to excel status of reporting functionality with all the details
6. MGA Imbalance View drill downs for MGA exchanges
7. Notification when production unit is without regulation object
8. Missing Free Text (description) Field on MECs
9. Easier way to manage retailer balance responsibilities (RBR) for a BRP when new MGA is added

Tuomas commented that some of the BRPs have already used the customer reference functionality. There has also been a big improvement in connecting the regulation objects with production units by BRPs when the notification about a production unit missing regulation object was added.

Tuomas Lahti presented also upcoming improvements for year 2018. eSett has planned to implement the following improvements in 2018:

1. Paging to be removed from the Online Service view
2. Column width in tables to be adjustable
3. Bilateral trade counter party approvals
4. Aggregated balance reports and imbalance views

5. ONLS views should remember user's preferences
6. Basse calculations to the future, MECs open to the future
7. ONLS Production and Consumption drill down

Tuomas mentioned that the column width functionality is with high priority. Tuomas informed the "Status of Data for MGA Exchange Overview" improvement has been cancelled since feasible solution for this functionality was not found.

2.5 New premises

Tuomas Lahti informed the customer committee that eSett will move to new premises during this May. The reason for this was that the current office does not accommodate all employees appropriately. The new office is located next door to the current office in a building called Duetto. Tuomas mentioned that future Customer Committee meetings could possibly be organized in the new office.

TSO Comment:

We have received feedback that customers are not aware of all data (data packages) that eSett is offering. It would be good to organize trainings for customers of these dataflows and data packages which are available.

3 Customer Satisfaction Survey results

3.1 Background information of the 2017 survey

Markus Eklund introduced the customer satisfaction survey results from 2017 to the customer committee members. The survey was carried out in the beginning of this year. The activity was rather low and eSett received 106 replies. The survey consisted of 12 questions. The results show that the customer service performance have improved but there are still room for improvement.

3.2 Survey results

Markus Eklund presented the results from different customer service areas and compared the results to last year's survey. eSett received survey replies from all market roles and the DSOs were the most active role to answer the survey. The survey replies were quite evenly distributed per country.

In general, the results were excellent. eSett received an overall grade 4 out of 5 of customer service. Customers think that eSett's customer service is very professional and friendly. eSett has focused on improving the service request response times from 2016 and this was shown in a positive way in 2017 survey's results. However, there are still room for improving the response times even more. In the free comment section, eSett received also feedback to improve the service in local languages. Customers would like to have instructions and info letters in local languages. eSett will evaluate the possibility to publish a summary and key points of the info letter in local languages on eSett's web page.

3.3 Discussion topics

At the end of the presentation Markus asked customer committee participants to give feedback of eSett's customer service and give ideas how the amount of survey replies could be increased.

Market participant question:

- How much less replies did eSett receive in the survey compared to last year?

eSett answer:

- This time we received roughly half of the replies compared to the last year's results.

Market participant question:

- Is eSett planning to do different kind of surveys about the services it provides?

eSett answer:

- eSett has considered doing for instance a survey about the usage of Online Service but finds it hard to define meaningful questions. All comments from the market are welcome.

4 Market reports

4.1 Market Reports in Online Service

Kim Saarijärvi introduced market reports which will be available in Online Service during Q4 2018. There will be differences in publishing the reports. The Advanced Settlement Report BRP will be published in all countries and the BRP Imbalance KPI will be published in Norway and Sweden.

Market participant question:

- Why will the BRP Imbalance KPI report be published in Sweden and Norway but not in Finland?

eSett answer:

- This has been decided by the TSOs.

TSO comment

This is a report that will be published later in Finland but this kind of report has not been used in Finland. In Norway and Sweden, the report has been in use earlier.

4.2 Information of advanced settlement report BRP

Kim Saarijärvi presented the content of the advanced settlement report BRP. This report contains data from BRP's Online Service. User is able to present values in

graphs or aggregate them on weekly or monthly levels. Kim showed in the presentation an example how the report looked like. It was also presented more deeply how the different factors in the advanced settlement report are calculated. The formulas for imbalance result, relative consumption imbalance, production imbalance loss, relative production and imbalance skewness were presented. There are also predefined values which tell if BRP is skewed or not.

eSett question:

- Are the limits same in all countries?

eSett answer:

- Yes, the limits are the same in all countries.

Market participant question:

- How are the limits chosen?

eSett answer:

- They are predefined and can be changed if necessary. The values come from the TSOs

TSO comment

- There is not exact definition what is the correct value. The values are currently used in Norway

Market participant question:

- What happens if BRP is too skewed?

TSO answer:

- It is up to TSOs to decide if there are action needed towards the market participant which is too skewed.

4.3 Information of BRP Imbalance KPI report

Next the content of the Imbalance KPI report was introduced. It was mentioned that the report displays 12 months of data for closed settlement period. Kim Saarijärvi presented the layout of the report to the customer committee members. The production and consumption imbalance KPIs are presented by different colors: green, yellow and red based on BRP's imbalance results. Kim Saarijärvi presented how the consumption and production imbalance factors are calculated and what are the formulas for different colors. The different colors are calculated based on different threshold values and imbalances.

TSO question:

- Is it possible get information for earlier months than one year?

eSett answer:

- Yes, it is possible show values from the past but the maximum amount is 12 months at a time that can be showed.

5 Introduction to the Nordic HTR project

Birger Fält from Svenska kraftnät introduced the TSOs' Nordic high time resolution project on behalf of other Nordic TSOs.

5.1 Network codes and purpose of the project

Birger Fält presented the network codes and EU regulations related to 15 minutes settlement period. The last network code entered into force at the end of year 2017 and this code stipulates the harmonization of the imbalance settlement period to 15 minutes and also significant changes to the imbalance settlement model.

It was mentioned that the benefits of 15-minute settlement would increase the trading options for BRPs with other countries, interconnectors would be used more efficiently, the pricing and valuation of flexibility would be more accurate and frequency quality would increase. Birger Fält emphasized that the costs of the change would be that scaling from one hour to 15 minutes must be implemented to data exchange systems, adjustments to TSOs' and market players' IT systems are required and also metering configuration shall be changed to support 15 minutes resolution.

Birger Fält emphasized that simultaneous implementation in all countries would reduce the costs. It was also informed that the agreed ambition to implement the 15-minute settlement and resolution would be by 1st July 2020. Birger Fält asked the customer committee members opinion about the planned implementation date.

Market participant comments:

- There are challenges in Finland regarding this date since the data hub must be operating before the 15 minutes resolution is implemented. The reason for this is that data hub will be responsible for scaling the data to 15 minutes and without the data hub, the solution will be very costly for DSOs.
- There are currently many changes happening in the market and it is unclear in which order the changes should be made so that no work is done unnecessarily.

Birger commented that in Sweden the data hub is planned to go-live after the high time resolution has been implemented

Market participant question:

- How many meters do you have to change in Sweden to support the 15 minutes?

TSO answer:

- In 2025 most meters should be able to support 15 minutes and also the hub will perform the scaling when it begins to operate. It is unclear how the situation will be handled between 1st of July 2020 and when the hub will start to operate. Production, exchanges and large consumptions should be reported with 15 minutes resolution.

Market participant comment:

- There should be Nordic coordination and regulators should cooperate with each other to minimize the costs of this change

5.2 Organisation and general time plan

Birger Fält introduced project's organisation to Customer Committee members. The organisation consists of a steering group which controls the Nordic project management forum. Birger also mentioned that there is a working group planning the 15-minute imbalance settlement where TSOs from Finland, Sweden, Norway and Denmark are members together with eSett.

The conceptual design phase has already started and this phase is planned to be finalized in Q3 this year. The conceptual design phase is followed by detailed design phase and implementation phase which is planned to be finalized by the end of 2019. Before the go-live in July 2020 there is also a market test phase during the first half of year 2020.

5.3 Main changes and next steps

Birger Fält listed the main changes coming with the project and these changes were:

1. 15 minutes settlement period will apply to imbalance settlement
2. 15 minutes settlement period will apply to intraday market
3. 15 minutes will apply to the balancing market.

In addition to these changes it was mentioned that there are additional requirements to harmonize the imbalance settlement by using single imbalance pricing and one balance model. The working group's aim is to implement changes regarding one price, one balance and 15-minute settlement at the same time.

Birger mentioned that the working groups have started the work and the close cooperation with Nordic NRAs will continue. The project management forum for the project has also been established.

Market participant question

- What about the market participants, how are they included in the process?

TSO answer

- This is a TSOs' Nordic project and the market participants are involved in the national projects. In Sweden there is currently an actors' meeting on-going to start the process but currently I do not have details regarding this. Actors will be included in the process and advice will be asked from the them.

Market participant question:

- Will datahub in Sweden handle the 15-minute calculation and settlement?

TSO answer:

- Yes, the datahub will be responsible for 15-minute calculation and scaling but in Sweden the problem is that the data hub will not be in place by 2020.

Market participant comment:

- The Nordic countries has achieved harmonisation to some extent with eSett but there are still national differences. There should also be harmonization between the datahubs and no local solutions should be implemented that lead to de-harmonization of NBS model.

6 **Market Participant topics: Market Participants observations and proposals for future NBS model development**

DSO representative Tommi Pyhähuhta presented suggestions how the NBS model could be developed. Tommi raised following topics:

1. The extension of the 15 minutes settlement transition time schedule must be as long is needed to ensure a high-quality implementation.
2. The cost impact on DSO and end customers should be minimized. Too early meter changes should be avoided since this will be very costly for DSOs.
3. Actual measured 15 minutes data and profile 15 minutes data should be calculated and reported separately. It helps investigation in case results differs.
4. eSett will have official balance sheet results in the future. In addition to 15 minutes data, hourly measurements data are also needed day-ahead for commercial purposes.
5. It is assumed that the datahub handles and calculates the 15 minutes data and 60 minutes for 15 profile data in delivery site level, and submits sum data to eSett.
6. The DSO must be able to test and verify that the calculated results are correct in the data hub and eSett Basse, what would be the best model to implement?

7. Imbalance report in Basse could have visible reasons, ie, which results in a balance difference, for example if the neighboring DSO network has different calculation results. It could help a lot from the investigation work.

Market participant question:

- Are hourly values needed for eSett?

eSett answer:

- eSett does not necessarily need hourly values but the final model is still under development. The values can be aggregated to one hour if needed

7 Any other business

It was suggested that in the next meeting eSett could present how the hub model will look like from imbalance settlement perspective. It was also suggested that TSO's would present the future settlement model and how single price and one balance model could look like including the fee structures.

No more topics were raised at this point. Chairman ended the meeting.

eSett received questions and comments outside the meeting from one customer committee member and the questions and eSett's answer are listed below:

1. What is the status on making changes on historical structures? I.e. within the open balance window.
 - Suggestion for structural changes in to the past is presented in section 2.3 in the meeting minutes
2. We still need more information on what new improvements are going to be made in Basse/OLNS and when.
 - Already implemented improvements and upcoming improvements are presented in section 2.4 in the meeting minutes. The improvements are planned to be implemented during 2018 and eSett will inform customers when improvements are available.
3. The closing day should be stated more clearly in ONLS for the users.
 - eSett will take this as a development proposal
4. The difference of handling production series and consumption series when ending them. The market operators know how this is done by know, but still errors can be made and it is still a problem for the actors to remember the difference and also to ask eSett for help for all the ones that where ended wrongly in the early phase on the NBS model.

Markus Eklund

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8 Next meeting

Next customer committee meeting will be held 6.11.2018 in Helsinki.

Attachments: eSett News – Tuomas Lahti
2017 customer satisfaction survey results – Markus Eklund
Market reports – Kim Saarijärvi
Introduction to the Nordic HTR project – Birger Fält

Distribution: Customer Committee members and deputies

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Agenda item: TOP 2

eSett News

Responsible party: Tuomas Lahti, eSett

Brief summary:

eSett will present settlement news since last customer committee meeting. NBS model changes that has been taken into use since last committee meeting will be summarized. The customer committee views for following changes will be discussed:

- collateral model adjustment to include intraday trades
- operating model for Norwegian data hub (Elhub).

eSett will also introduce upcoming functionalities such as market reports and Online Service improvements.

- Material will be available on 30.10: <https://www.esett.com/customer-committee/>
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Agenda item: TOP 3 - 4

Introduction to one balance model and 15-minute settlement + workshop

Responsible party: Jonni Laine, eSett + all customer committee members

Brief summary:

TSOs have in cooperation with eSett analyzed the changes to settlement model due to balancing guideline:

- 15-minute settlement period instead of one hour
- One balance settlement model replacing two balance model

Based on the analysis it has been drafted a plan for settlement model after adaption of 15-minute settlement and one balance model (available on eSett web page). The purpose of this agenda item is to introduce the plan and discuss it in small groups. Customer committee members will prepare presentations to bring up the market views on the plan.

- Material is available on: <https://www.esett.com/customer-committee/>

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Agenda item: TOP 5

Summary and next meeting

Responsible party: All

Brief summary:

- Discussion on any other business
 - Next meeting
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