

Diana Welander

26 October 2023

Public

eSett's Customer Committee meeting 19.10.2023

Date 19.10.2023 13:00 EEST

Place Microsoft Teams Meeting

Present	Kristian Lund Bernseter	Statnett SF
	Jani Piipponen	Fingrid Oyj
	Birger Fält	Svenska Kraftnät
	Karsten Feddersen	Energinet
	Bård Mageli (Spokesperson)	Volue Market Services AS
	Jarmo Lapakko	EPV Energia Oy
	Tarja Heinonen (Deputy)	Sallilan Energia
	Jesper Vestergaard	Danske Commodities
	Anders Millgaard (Member)	Modstrøm
	Lena Ingårda (Member)	Vattenfall AB
	Jonas Holmgren (Deputy)	Vattenfall AB
	David Lundgren (Deputy)	E.ON Elnät AB
	Minnakaisa Ahonen (Chairperson)	eSett Oy
	Diana Welander (Secretary)	eSett Oy
	Tuomas Lahti	eSett Oy
	Tuomas Pulkkinen	eSett Oy
	Tommy Gulin	eSett Oy
Olli Vainikainen	eSett Oy	
Rami Ayoub	eSett Oy	
Jonni Laine	eSett Oy	
Absent	Espen Fjeld	Energi Salg Norge AS
	Trond Marthinsen (Deputy)	Lyse Produksjon AS
	Liv Marit Butveit (Deputy)	Volue Market Services AS
	Olli Taipale	Caruna
	Tom Backman (Deputy)	Fortum
	Naji Iskander	Modstrøm
	Jørn Klitgaard (Deputy)	Ørsted
	Håkan Eriksson (Member)	Ellevio
	Morten Torgalsbøen (Deputy)	Statnett SF
	Robert Thelander (Deputy)	Svenska kraftnät
	Heikki Raatikainen (Deputy)	Fingrid Oyj
	Preben Høj Larsen (Deputy)	Energinet

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1 Opening the day, recap of the meeting minutes from the last Customer Committee meeting

eSett CEO and Chairperson of the meeting Minnakaisa Ahonen opened the meeting and welcomed all Customer Committee members to the meeting. This meeting was held as a Teams meeting, and all Deputies had the opportunity to participate in the meeting as well.

The member list was shortly revised, and all members had an opportunity to say their greetings and mention their expectations of the upcoming meeting.

The meeting minutes from the last Customer Committee meeting were approved as they were, since no one had any comments on them.

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2 eSett News

Diana Welander opened the first agenda point by presenting the 2023 Customer Satisfaction Survey results, conducted in September with a three-week open period. A notable 4.39 out of 5 customer service ratings were achieved, emphasizing eSett's commitment to improvement. Additionally, customer feedback was presented.

Next up, changes in the Swedish balancing capacity settlement were discussed. As of October 1, 2023, eSett assumed responsibility for aFRR and FCR settlement, with the first invoice issued this week. Furthermore, as of Go-live two days ago, the settlement of mFRR balancing capacity is also being handled by eSett. The invoicing of balancing capacity in Sweden will therefore be part of eSett's weekly Imbalance Settlement invoicing and the procured balancing capacity volumes and amounts will be visible in Online Service.

The next topic was Svenska kraftnät's decision to transfer reconciliation settlement and invoicing to eSett from November 1st, enabling streamlined data access, faster profiled consumption updates, and automated invoicing.

Diana also introduced the new "Balancing Service Settlement Agreement" for BSPs and mentioned that it is accessible on the dedicated guidance webpage. Timetables for this model's implementation vary by country and updated information can be found on the project page.

It was highlighted that a revised version of the NBS Handbook has been published on eSett's website since early October. It was also noted that work on the forthcoming version of the Handbook has already commenced. This upcoming edition will introduce changes related to the banking setup.

The presentation concluded with an overview of the upcoming Merged Production implementation scheduled for April 2024 in Sweden. Merged production streamlines reporting for units under 1 MW, reducing the number of Production Units and making it easier for Swedish distribution system operators to manage production with fewer structural changes. Additionally, new production codes will be introduced, enabling more precise classification of production types, including new categories like "Wind (offshore)" and "Energy storage."

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3 15 min settlement status analysis

Tuomas Pulkkinen started his presentation by highlighting the successful eSett Go-Live on May 22, 2023. The project site and commissioning plan have been updated to reflect "post-Go-Live" information, with irrelevant sections visually marked in grey and references to future actions modified.

Furthermore, Tuomas announced the upcoming 15 min Go-Live in Sweden, scheduled to take place in just two weeks. Comprehensive testing and support for Swedish and Norwegian customers are actively underway in preparation for the national Go-Live dates.

Tuomas continued his presentation by thoroughly examining the analysis of changes brought about by the implementation of the 15-minute imbalance settlement period. He also provided valuable insights into the imbalances observed in Finland among different groups of Balance Responsible Parties (BRPs), categorizing them into four distinct groups. Through a comprehensive data analysis, he extracted significant conclusions from this assessment.

The study concluded that BRPs aren't actively balancing in 15 minutes, resulting in no significant impact on intraday or bilateral trades. The primary reason for this is the hourly-based imbalance pricing, lacking financial incentive for more frequent balancing. Additionally, BRPs with substantial wind production exhibit slightly higher imbalance volumes, which have increased due to greater production volatility, coupled with the absence of 15-minute balancing.

Regarding Metering Grid Area (MGA) imbalances, the study found that there was no significant increase in distribution areas with 15-minute metering and reporting. This observation was based on the stable median values, indicating a lack of substantial impact. However, it was noted that overall MGA imbalances or losses had increased in Finland due to mixed metering frequencies, involving both hourly and 15-minute intervals, leading to imbalances occurring within the hour.

During the discussion, the question arose regarding whether many entities were simply dividing the hourly values by four. In response, Tuomas clarified that the majority of the energy is already metered in 15 minutes. The Danish and Finnish TSOs added that about 95 percent of the productions and almost all large consumption are metered in 15 min ISP.

During the meeting, a customer expressed concerns about if some DSOs would be unable to report 15 min data, which could lead to issues, especially regarding metering and grid losses. Tuomas outlined three potential scenarios for handling this situation: either applying values from the other party, accepting accurate data from the reporting entity, or utilizing positive losses for reporting. The discussion also touched on the challenges of manual data acceptance for DSOs with numerous exchange points. It was acknowledged that while some issues could be addressed using certain measures, full resolution might require collaboration with the DSO and potential imbalances for a brief period were recognized.

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4 Shortening of the reporting period, situation with 15 min data

The next agenda item featured a presentation by Olli Vainikainen on an analysis carried out by eSett. This analysis originated from a conversation about expediting the invoicing cycle, prompted by market participants' requests and a directive from TSO to assess data timing and adequacy. The examination primarily concentrated on the current reporting period, which has a final deadline of 13 days, with the goal of investigating the feasibility of a shorter cycle. It's important to note that this analysis specifically centered around the imbalance settlement data received from market participants and was not bound by legislative constraints.

The study's primary objectives were to assess Data Readiness, focusing on the open reporting window, and determine the feasibility of advancing imbalance settlement before D-13, relying solely on the imbalance settlement data received by eSett. The original study, conducted from November 21, 2022, to March 30, 2023, involved data collection on Mondays and Thursdays in the afternoon hours, spanning a total of 33 days.

The presentation continued with revealing the key findings from the study: missing data showed relative stability in the final reporting days, with consumption and production values as major contributors. MGA Imbalance, due to its variability, was analyzed using median values, and it generally stabilized after the eighth reporting day, although with some country-specific differences. Absolute BRP Imbalance depended on factors like the number of MBAs and remained fairly steady in most countries. The introduction of 15-minute data had limited impact, with Finland's MGA Imbalance increasing due to mixed metering intervals, while BRP Imbalance decreased, attributed to summer's lower imbalances. Overall, Data Readiness seemed minimally affected by 15-minute data.

Olli continued by presenting three hypothetical examples of invoicing schedules with shorter reporting windows. He explained that based on the findings of the Data Readiness study, it is evident that the quality and availability of input data received by eSett remains relatively stable, even during the final days of the current reporting window. Moreover, the introduction of 15-minute data intervals did not significantly impact the results. As a result, the prospect of shortening the reporting window appears to have a limited effect on the imbalance settlement process, potentially allowing for invoicing to be concluded several days earlier.

However, certain uncertainties must be acknowledged. Questions arise regarding the potential increase in settlement result corrections, either through bilateral agreements or by eSett as suggested by a member, when narrowing down the reporting window. Furthermore, the feasibility and workload associated with implementing a shorter reporting window need to be assessed, along with the consideration of legislative changes and their impact on the systems of all stakeholders, including eSett, TSOs, and DSOs amongst other.

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5 General market analysis and Open data

The next presentation was held by Tommy Gulin who presented an overview of the electricity market in the NBS countries, using imbalance data, covering for example prices, market party changes, and other imbalance data.

Tommy started by showing statistics on the number of active market party roles in every NBS country. He showed that there is an increasing trend in the BRPs that are operating in multiple countries.

He then continued with presenting yearly absolute production / consumption imbalance quantities in the NBS countries showing that the absolute imbalances have been stable. It is the BRPs with the biggest volumes that have also the biggest imbalances. Tommy also clarified to the members that the Top 10 BRPs in the graph refer to the BRPs with most imbalances and not the size of the company.

Tommy moved on with showing graphs with the average monthly imbalance price per day and per area. The graph showed that the prices have stabilized again after last year's high peaks. The second graph containing average monthly imbalance price per area split Norway and Sweden into two price areas (north and south) to make the picture more reader friendly. This graph shows that there are huge price differences between the southern and northern areas. Tommy also noted the variation of the prices and bigger peaks. One peak is on the negative side in April where almost all countries had negative prices during the same day.

The presentation continued with comparing consumption and production data in each NBS country. Denmark is not included on this slide as eSett does not get the production data per type from the Datahub. The graph shows the yearly variation and that the share of wind production has doubled since year 2018. Production and consumption data from Q3 of 2022 and 2023 were compared and Tommy highlighted a significant disparity in the system price and a growing divergence between production and consumption.

In conclusion, Tommy compared the trade volumes of the PX market and BIT and reported that there have been no significant changes compared to the previous analyses presented during the Spring meeting. Notably, the proportion of bilateral trades continues to decrease, while the trend in Intraday volumes is on the rise.

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6 Future communication channels: ECP, BRP API development etc.

Next up, Rami Ayoub introduced eSett's new open data platform, emphasizing that while it may appear similar to the previous one, it's an entirely new platform due to the end-of-life status of the old one. Rami then demonstrated the platform's enhanced features, including improved graphs, a standard OpenAPI specification, support for 15-minute intervals as well as new technical enhancements with a modern cloud-based architecture, and enhanced security measures.

Rami conducted a live demonstration of the Open Data page, showcasing visual improvements in graph features, zoom functionality for examining data at different time intervals, and the platform's fast loading times. Furthermore, he introduced an API link on the page, offering a brief description and instructions on how to connect to the API and access the data. Rami also explained the various available endpoints and provided guidance on making API requests to obtain data in JSON format.

During the presentation, it was highlighted that eSett currently offers interfaces for data retrieval through the Information Service, utilizing a SOAP/XML-based framework. Rami highlighted that eSett is actively engaged in modernizing their APIs to enhance the user experience, and as part of this effort, an improved API for accessing Open Data has been introduced alongside the upgraded cloud-based open data platform.

To streamline the design of future APIs, eSett has outlined several discussion points and questions to guide the planning and optimization efforts. The list of discussion points was sent out to the members of the Customer Committee before the meeting, but given the technical nature of the questions raised, the discussion points were not thoroughly addressed during the meeting. Instead, attendees were kindly requested to review these matters with their respective IT departments and provide their input and insights to eSett later.

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7 TSO News

The meeting shifted to the agenda item of TSO News.

Statnett began by noting that Elhub has initiated the reception of 15-minute values, and market participants have until January 21st, 2024, to begin sending 15-minute data to Elhub. At this date Elhub will also start to send 15-minute data to eSett. Statnett also highlighted that the volume fee is set to increase starting from January 1st, 2024.

The next update came from Denmark's TSO, who reported that Denmark is in the final stages of refining the rules and terms for an independent aggregator. As part of this effort, they are redefining the roles of BSP (Balancing Service Provider) and BRP (Balance Responsible Party). The BSP will serve those supplying ancillary services to Energinet, while the BRP will be responsible for energy trading. Importantly, the roles themselves will not change, but there is a need to redefine the associated rules and terms. This realignment aligns with eSett's existing model. Besides this, there were no further updates from Energinet, as they are currently examining potential reforms within the electricity market.

The Swedish TSO shared their updates next, revealing their plan to raise fees from January 1, 2024, and expressing some concerns about the transition to 15-minute reporting. They mentioned that numerous DSOs and other stakeholders are conducting tests against Ediel, with the hope that most will successfully complete the tests before November 1, 2023. On the topic of BSP, they confirmed a go-live date of May 2024, but the specific products to be included in this launch have not been finalized yet.

To conclude, the Finnish TSO provided their updates. The Finnish TSO noted that the volume fee has already been increased starting from November. Fingrid is also considering the integration of GLN, GSLN, and EIC codes in imbalance settlement, as these are currently separated in the Datahub. However, they plan to discuss this potential change with customers beforehand. Additionally, Fingrid's representant mentioned that the Ministry and specific working groups are currently investigating the role of the Independent Aggregator.

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8 Summary and next meeting

The Chairperson proposed that the upcoming Customer Committee meeting be scheduled for May 22, 2024. This meeting will take place in person in Helsinki and will be followed by a dinner. Details for the meeting and dinner reservations will be shared shortly after this meeting.

Minnakaisa inquired about volunteers for the role of Spokesperson for the Customer Committee. Since no one stepped forward, it was decided that Bård would continue as the spokesperson until the next meeting in Spring 2024.

Proposed topics for the next meeting were:

- Collaterals (The TSOs are looking into this topic)
- The electricity market reform regarding the dedicated measurements
- Independent aggregator

The Chairperson thanked the Customer Committee members for active participation in the meeting and ended the meeting.

Attachments:

eSett News – Diana Welander

15 min settlement status analysis – Tuomas Pulkkinen

Shortening of the reporting period, situation with 15 min data
– Olli Vainikainen

General market analysis and Open data – Tommy Gulin

Future communication channels: ECP, BRP API development etc.
– Rami Ayoub

Distribution:

Customer Committee members and deputies