

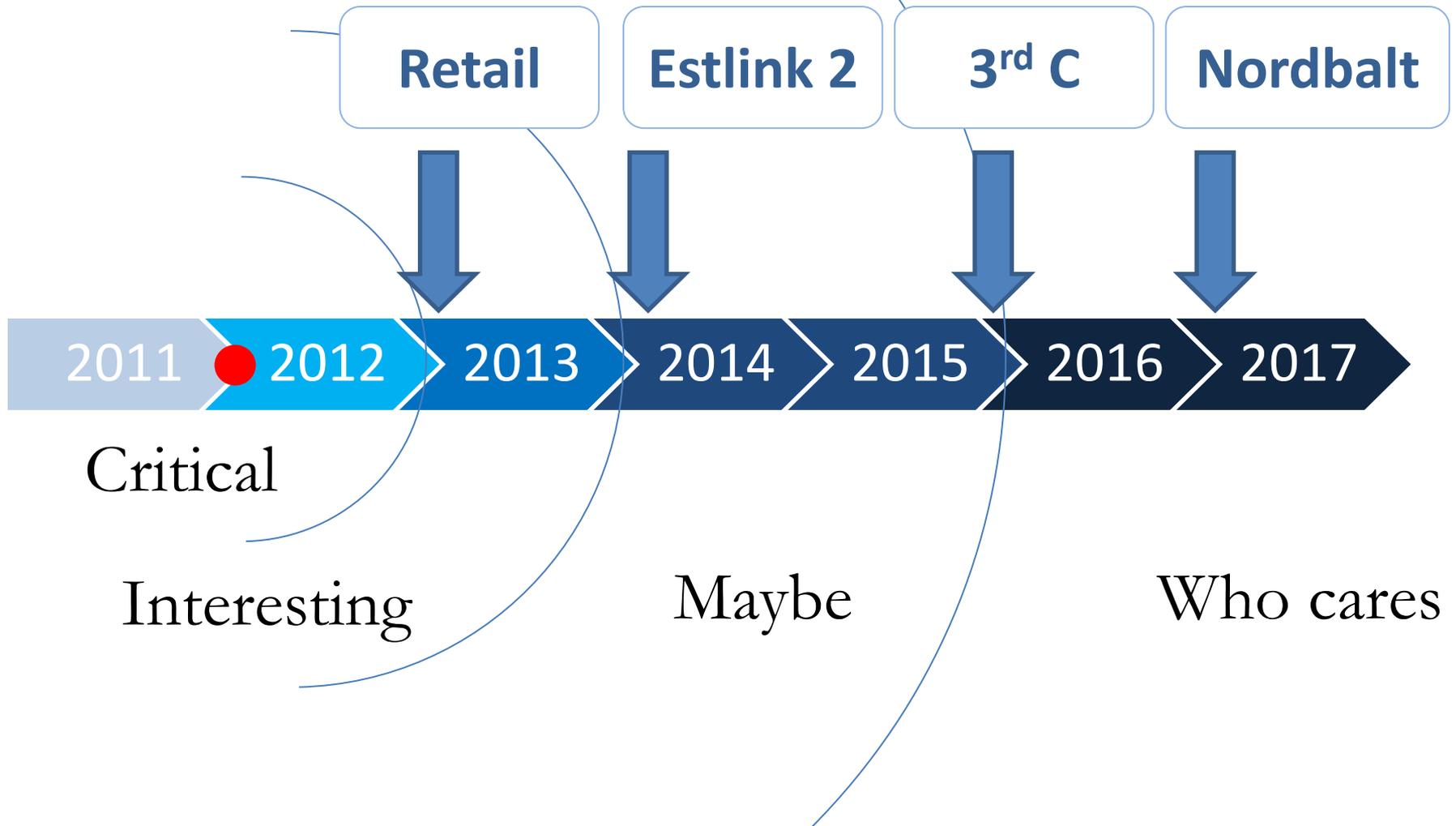
13th Baltic Electricity Market Mini-Forum

A trader's perspective
**Situation of electricity market
in the Baltic States**

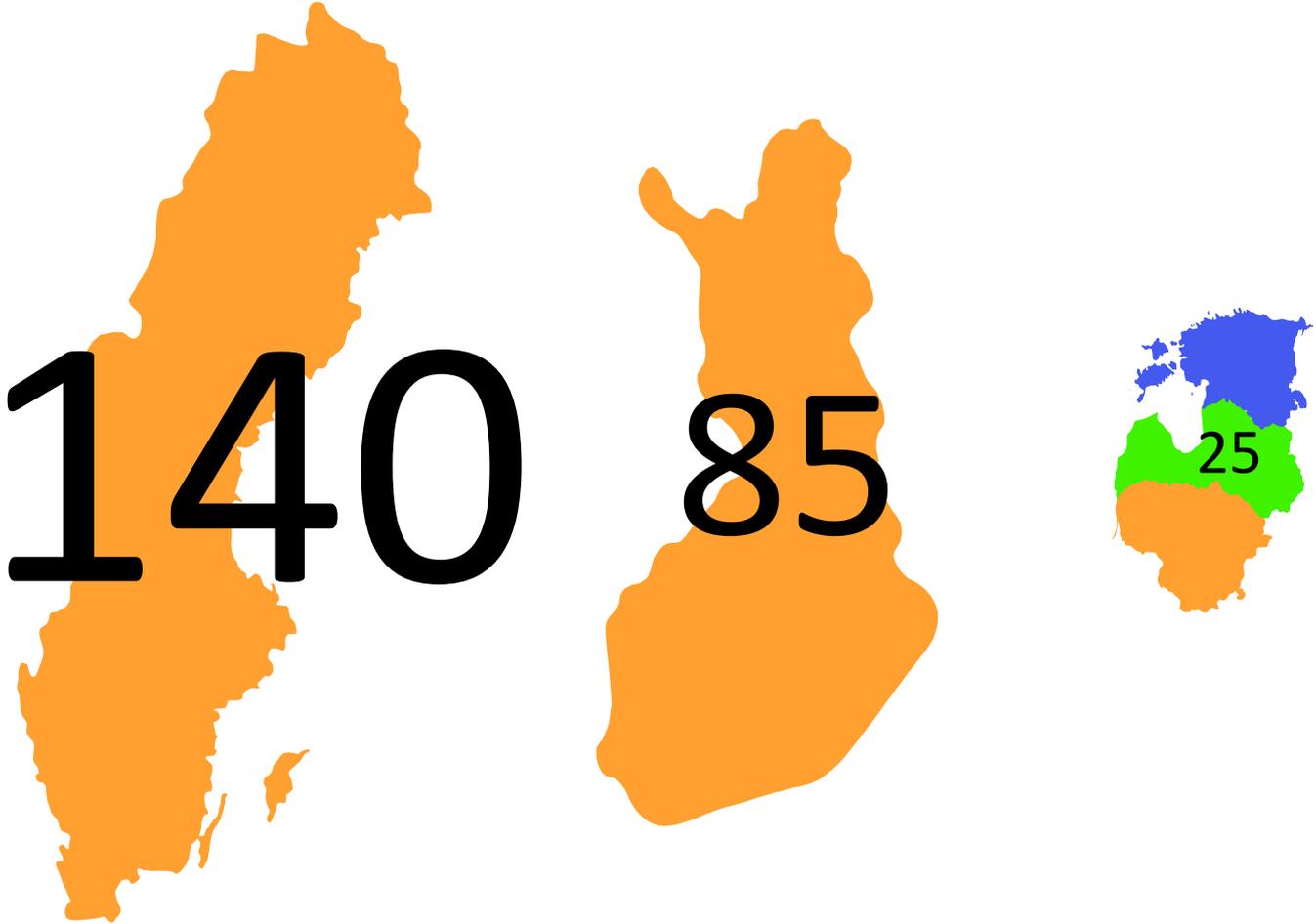
Baltic Energy Partners OÜ

Peeter Pikk

What is a traders perspective



Why don't we have a common power market?



{it's OK!}

Priorities in the Region

Interconnections

Transparency

Balancing

Regulation

Congestion
Management

Region specific

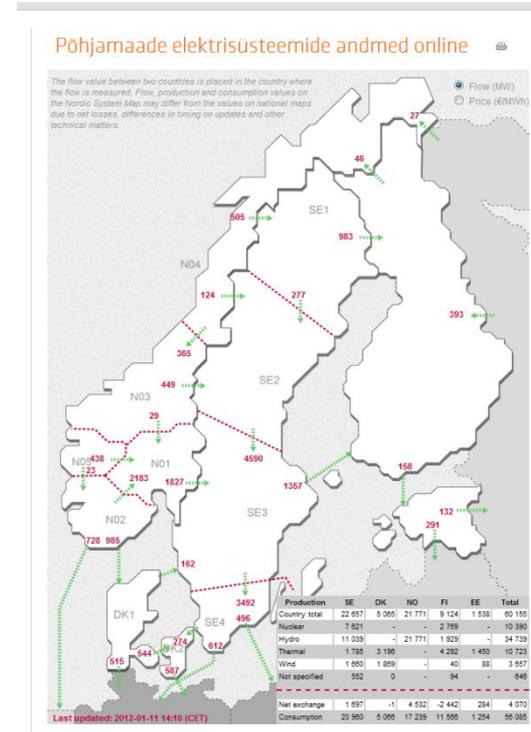


...according to the internet

Interconnections -

- **Maintenance plans** – *curtailments, congestions*
- **Capacity auctions** – *how and when*
- **Completion of projects** - *when*

Transparency – availability of data

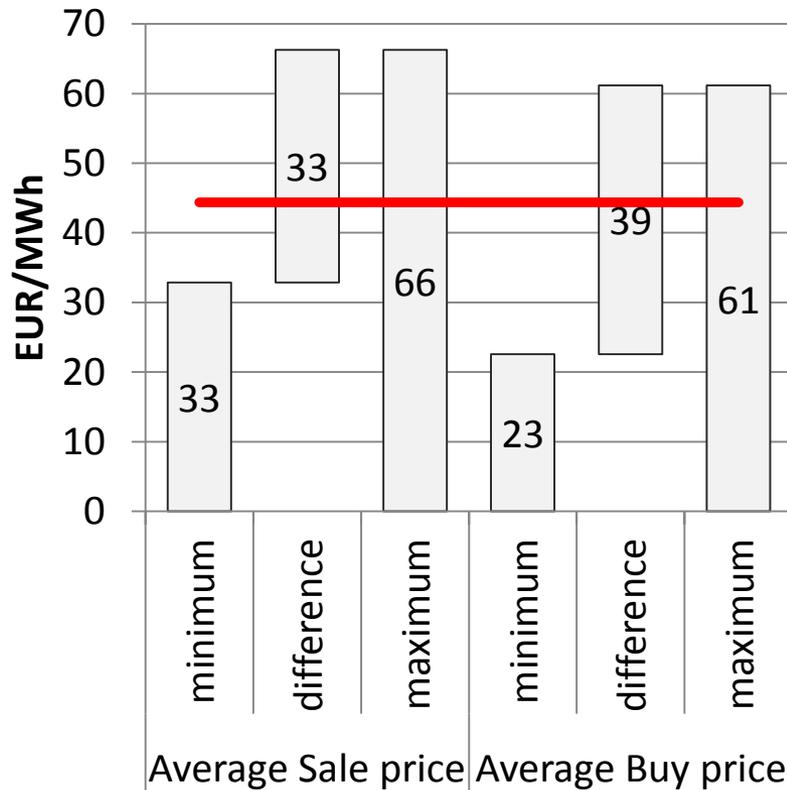


Regulation – rules of the game

- **Common Market** – *we all could save money*
- **Import from 3rd Countries** – *by 01/01/2016?*
- **Retail market** – *switching, billing*
- **Decisions** – *speed and communication*
- **Financial Market** – *what rules shall apply*
- **Renewable support scheme** – *who's on the market*

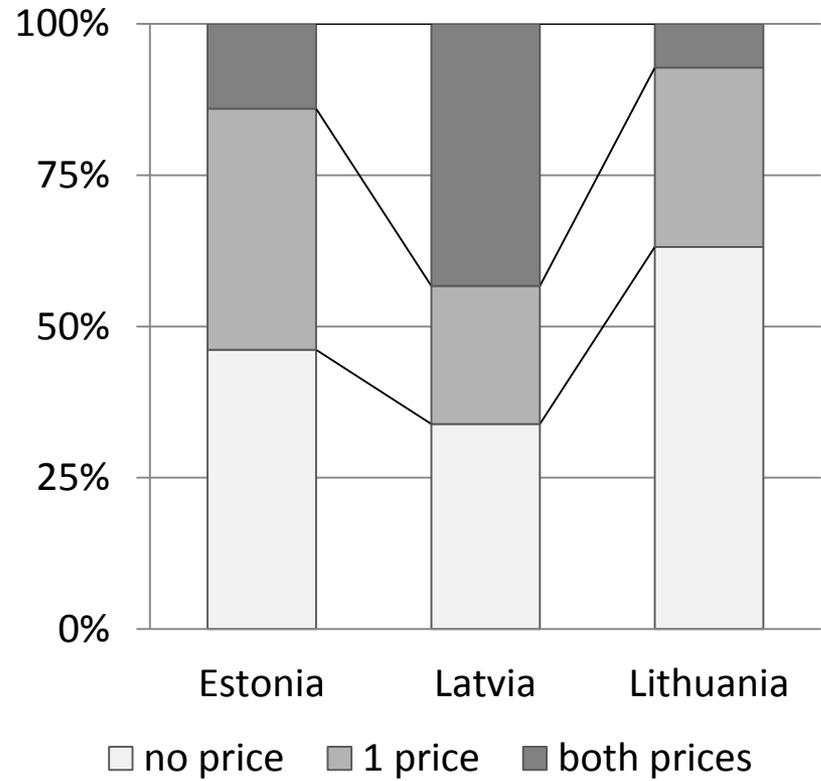
Balancing – more expensive than it should be

Huge differences in balancing prices in 2011



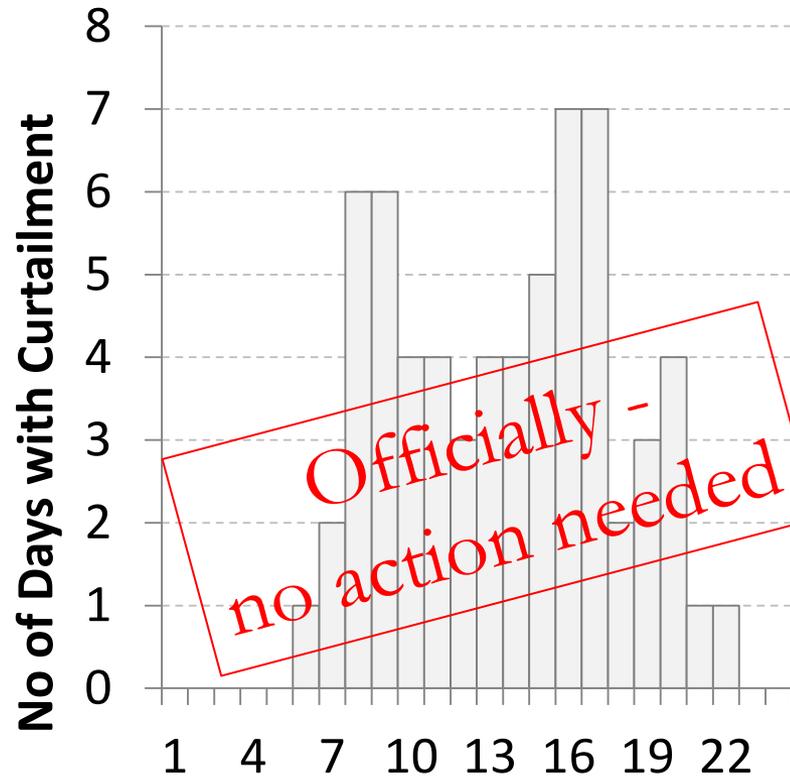
— “Latvian PX price”

SO Buy Price more expensive than Sell Price of other SO's



Congestion – no action priority

25/10/11 – 31/12/11

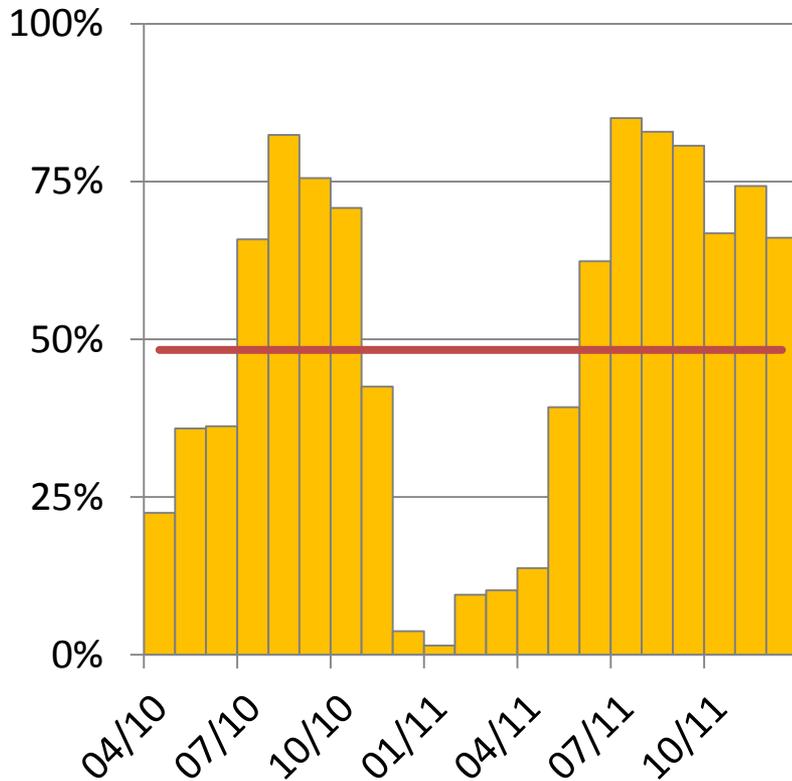


- During the period of 39 days there were curtailments on Estonian/Latvian border
- Due to balance energy pricing curtailments are expensive

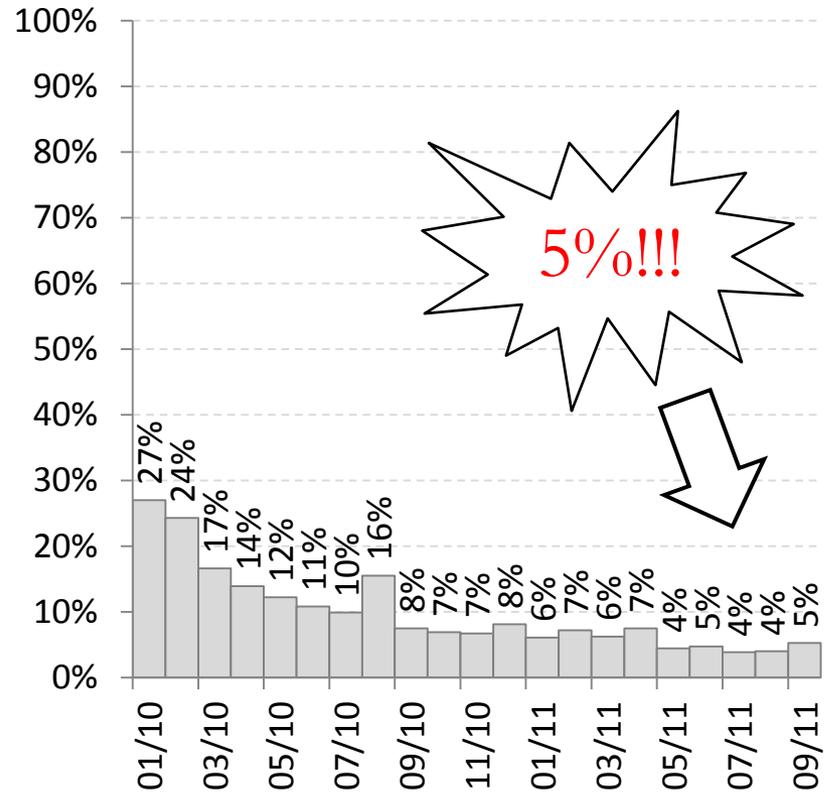
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Region Specific – not only wires but rules

Hours when Estonian and Finnish NoPo Area prices are equal

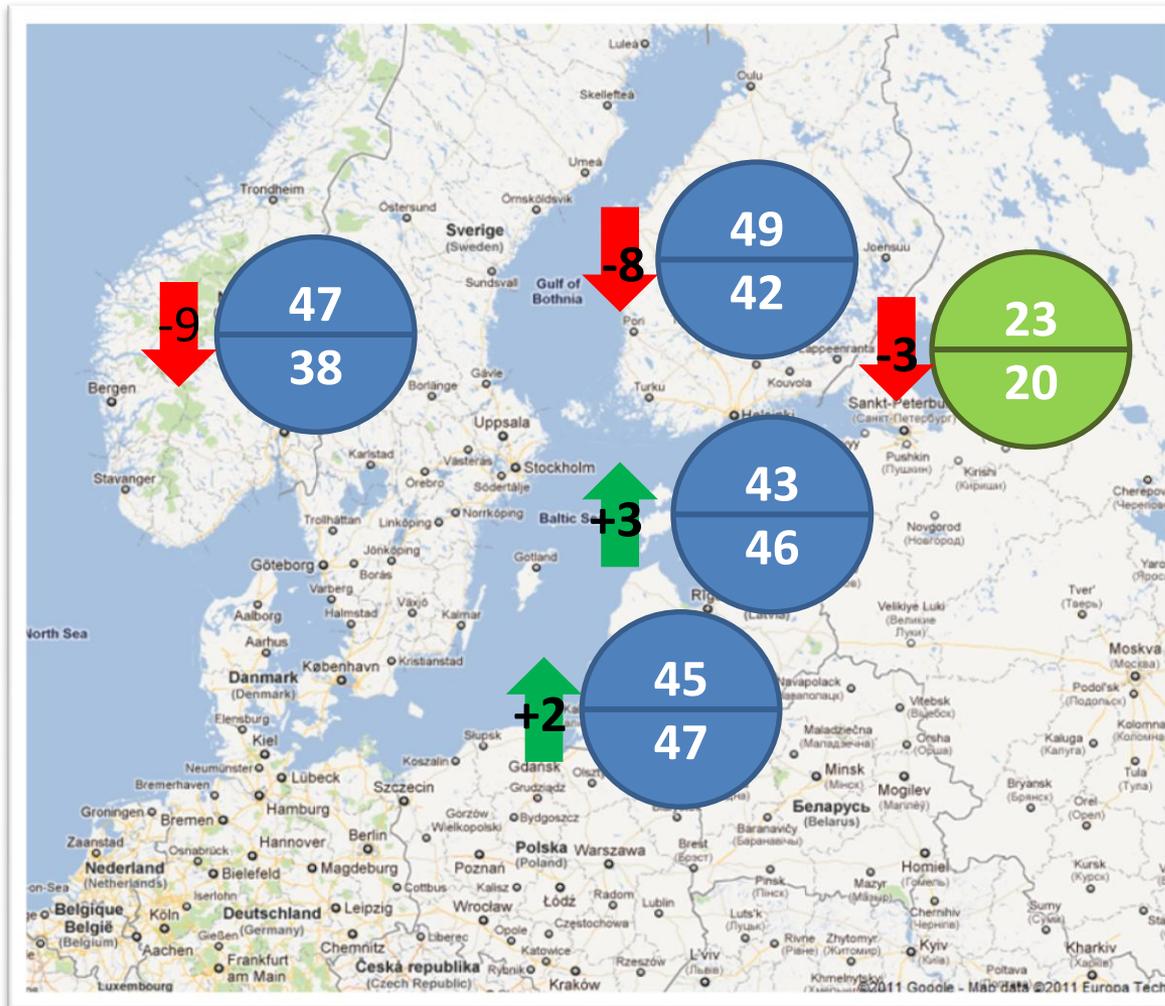


Share of price forming bids of total PX volume in Baltpool



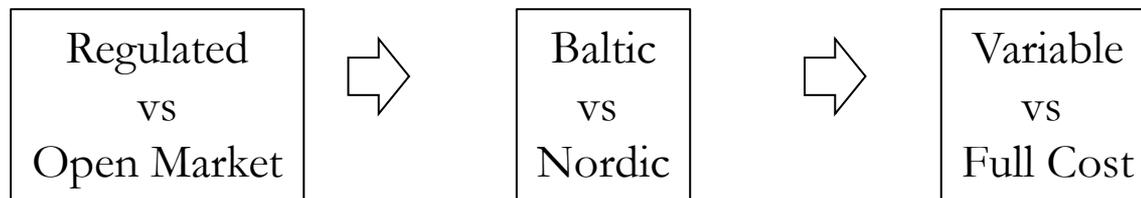
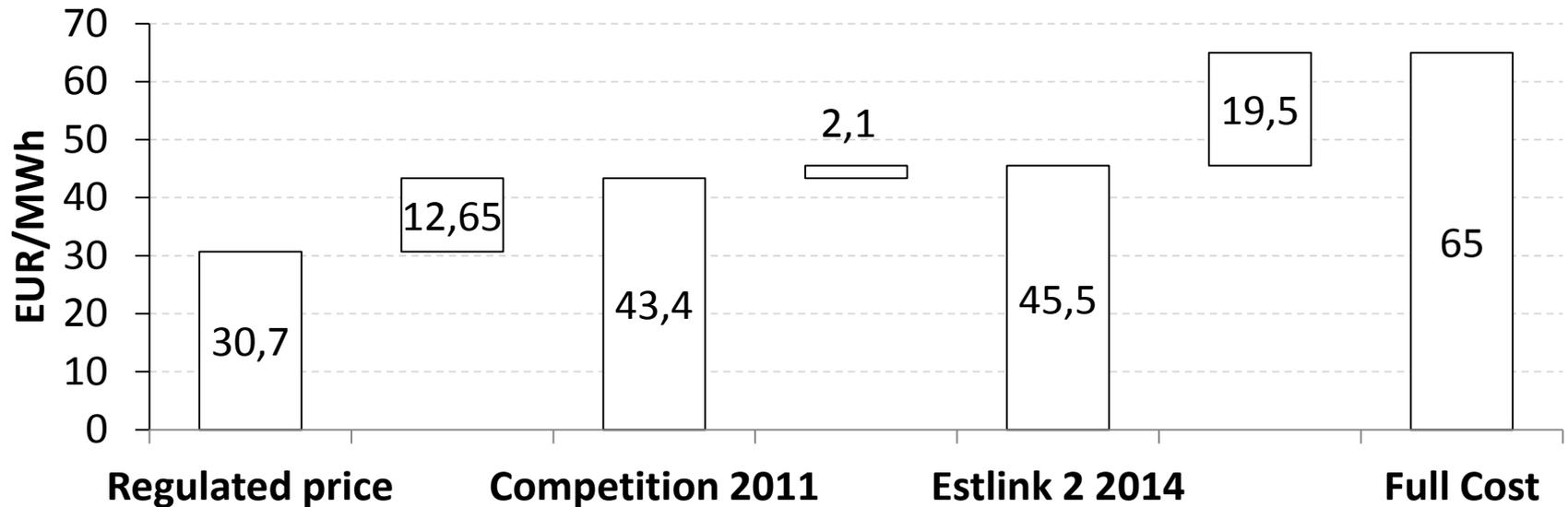
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Lack of financial market makes risk management difficult and costly for Baltic market participants



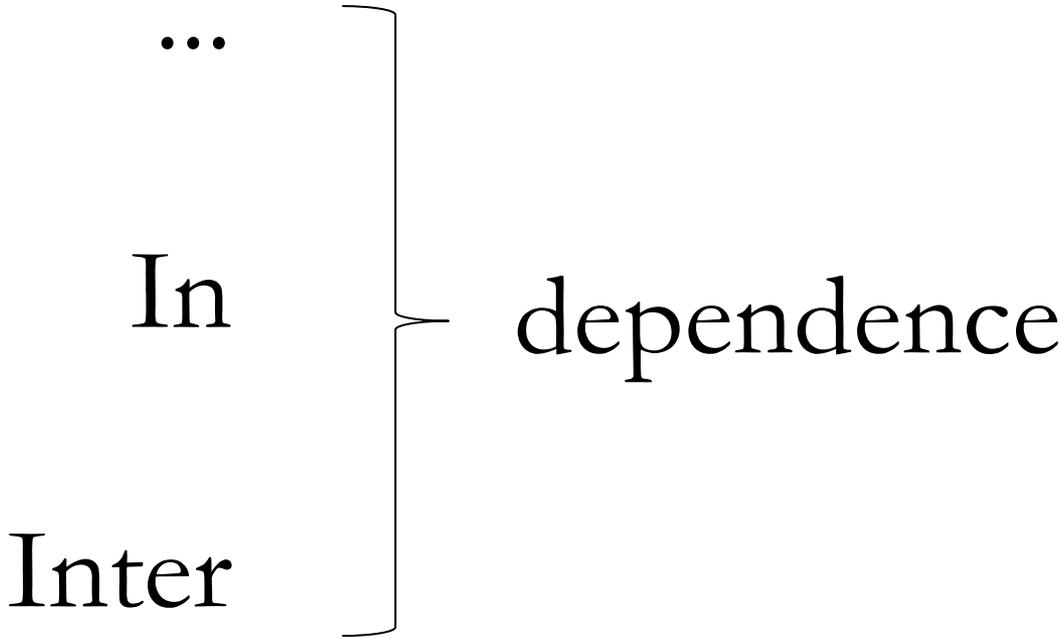
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Eventually we have to pay the full cost Nordic Power Market and some. There is no hiding.

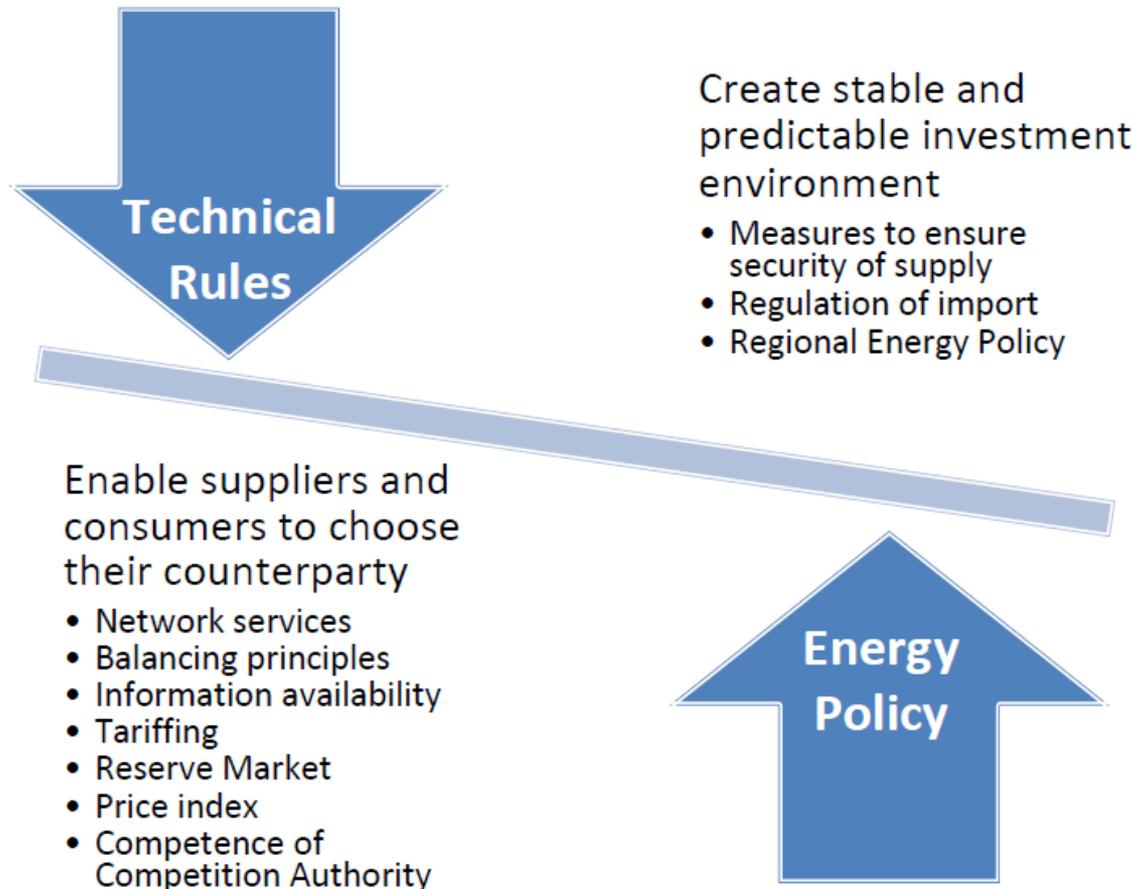


{it's OK!}

Security of supply and energy independence



There are different issues on the table



{it's OK!}

