



4M Market Coupling Project

CEE IG meeting 20 February

Project goals

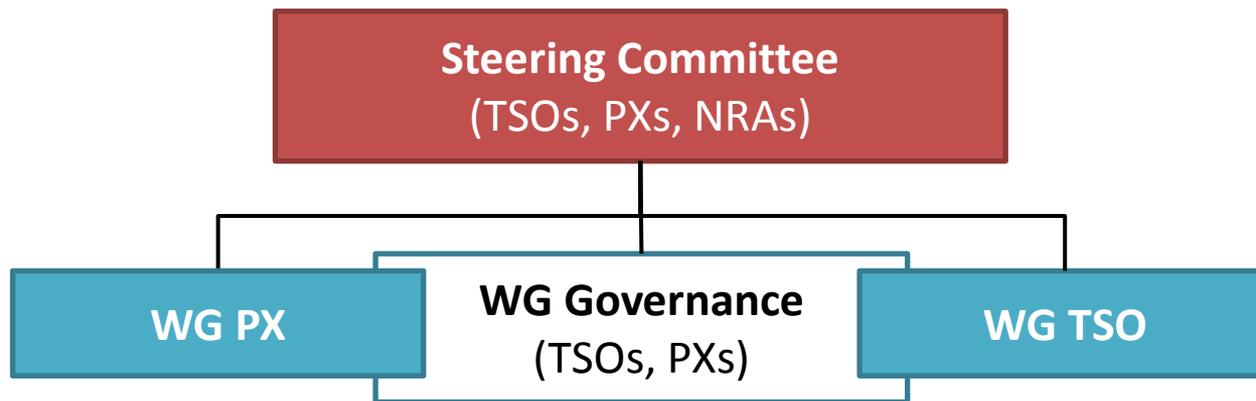
Main goals:

- Extension of CZ-SK-HU MC to Romania
- 4M countries wish to introduce benefits of market integration to market participants as soon as possible
- Get prepared for and closer to European Price Coupling – implement MC based on PCR solution

Context:

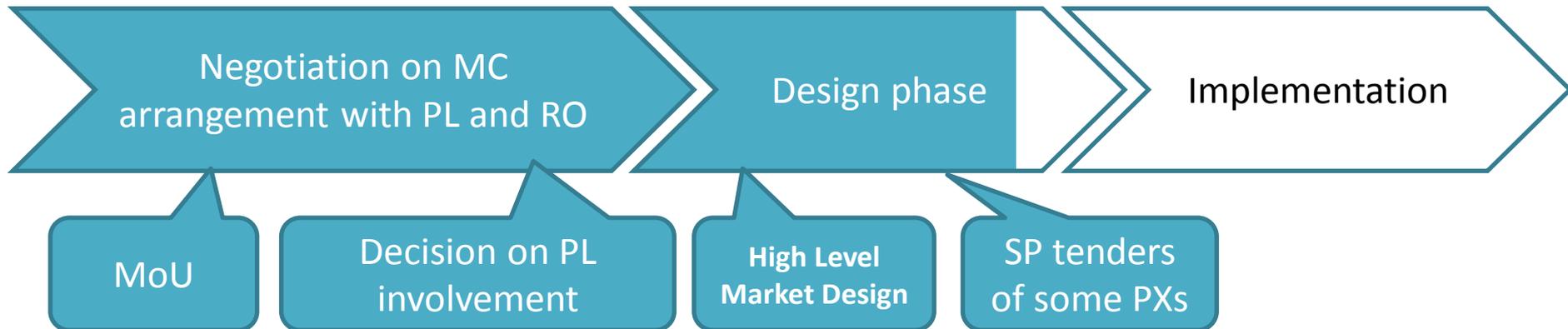
- Stepwise market integration is the only way forward due to a **blocked situation and slow progress in the CEE region**
 - Flow-based capacity calculation methodology
 - Overlapping regions and other integration activities
- CEE regional solution is not agreed yet
- The extension does not hinder the regional development as it is an intermediate step towards European Price Coupling

Project organisation



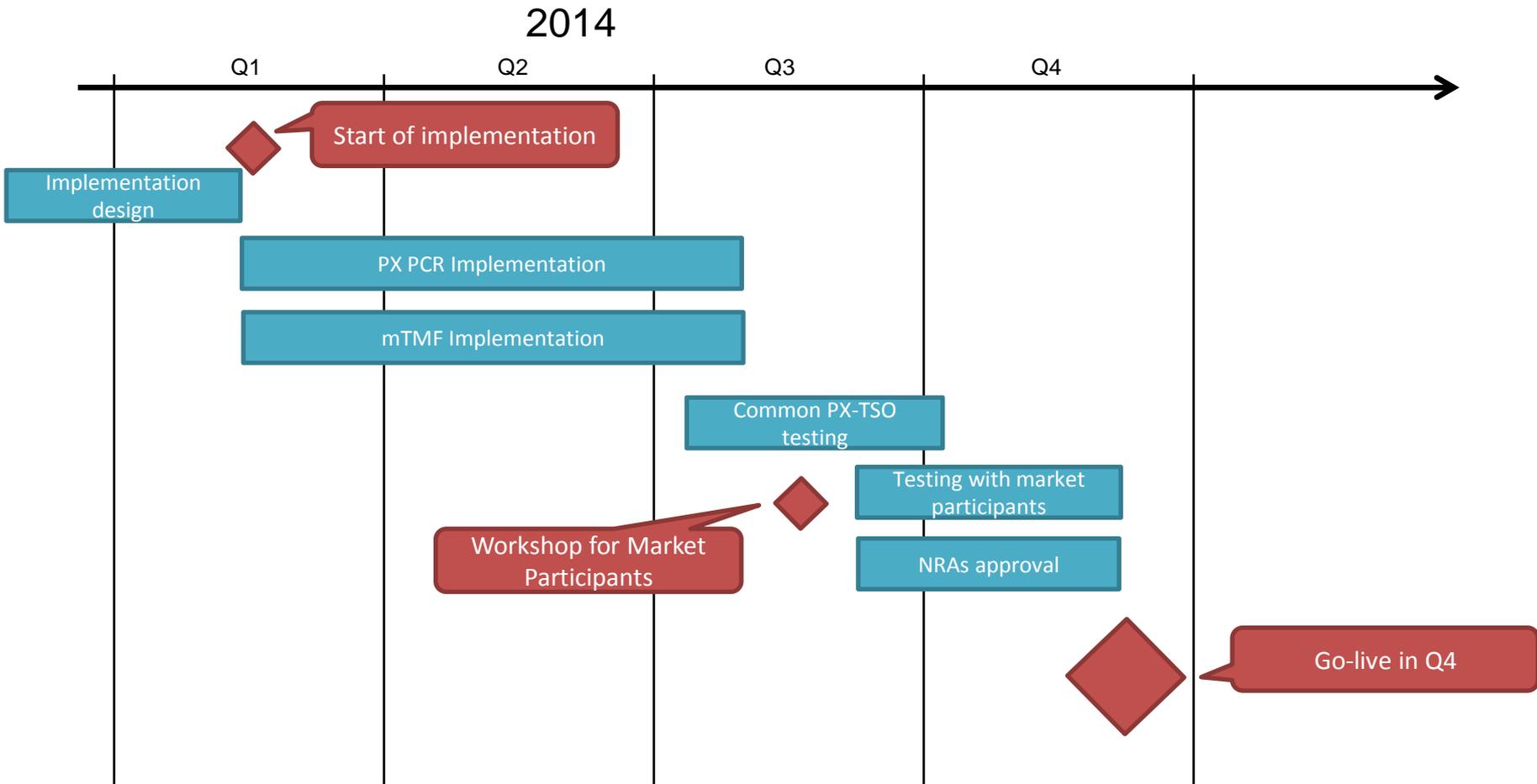
- Deep involvement and continuous supervision of relevant NRAs
- Efficient resource management
 - Mainly virtual meetings
 - In-house project management as much as possible
 - Recycling of existing IT infrastructure on TSO side
 - Ad-hoc WGs and TFs on demand

Current status – mid February 2014

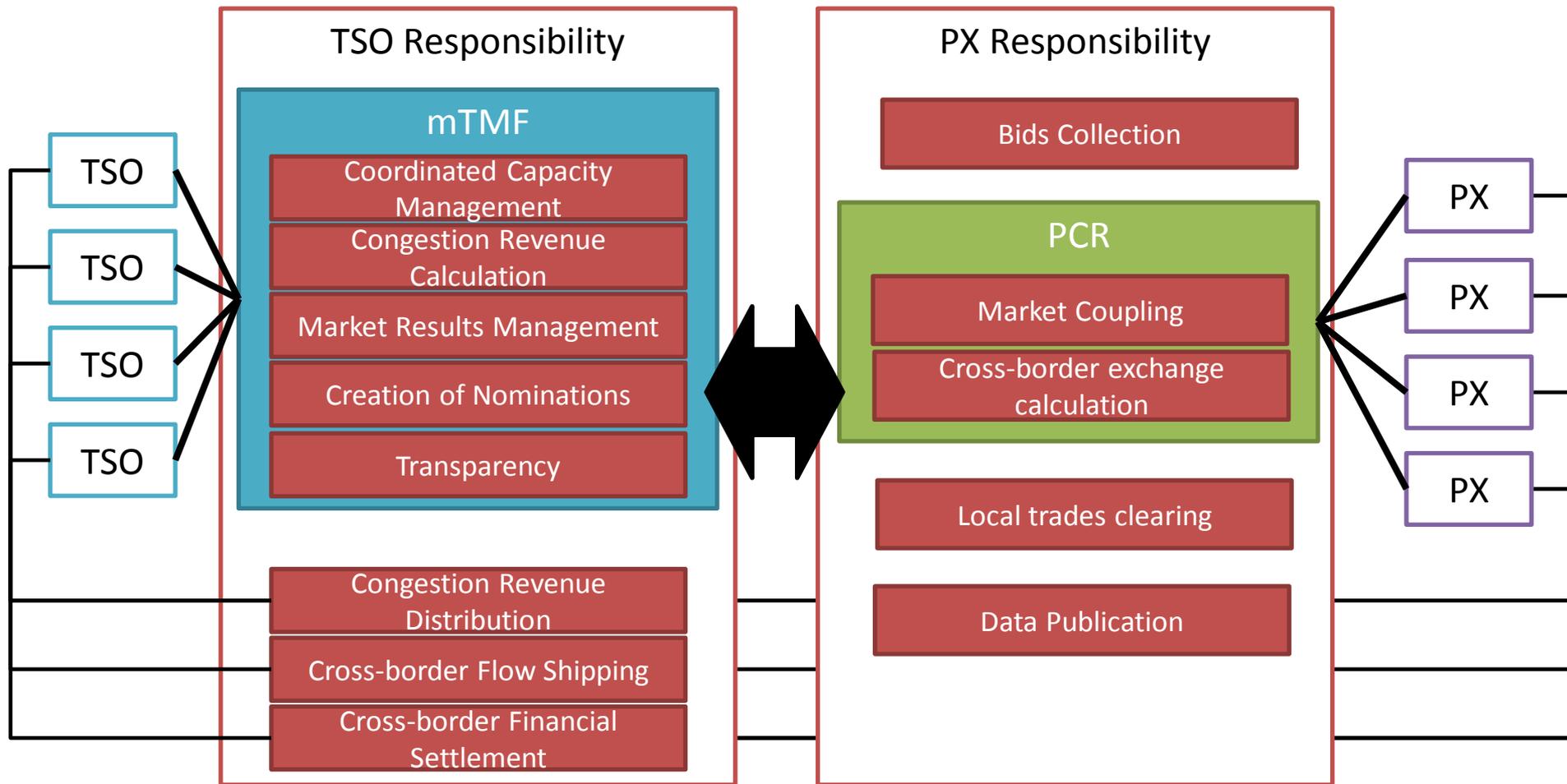


- OTE has become a Full PCR Member since March 2013
- PCR Service Provider selected by HUPX, OKTE and OPCOM
- TSO-PX design phase in February to fix the main issues
 - Interfaces, high-level procedures, roles, etc.
 - Check compliance with NWE MC
- Go-Live in Q4/2014

4M MC Project Roadmap



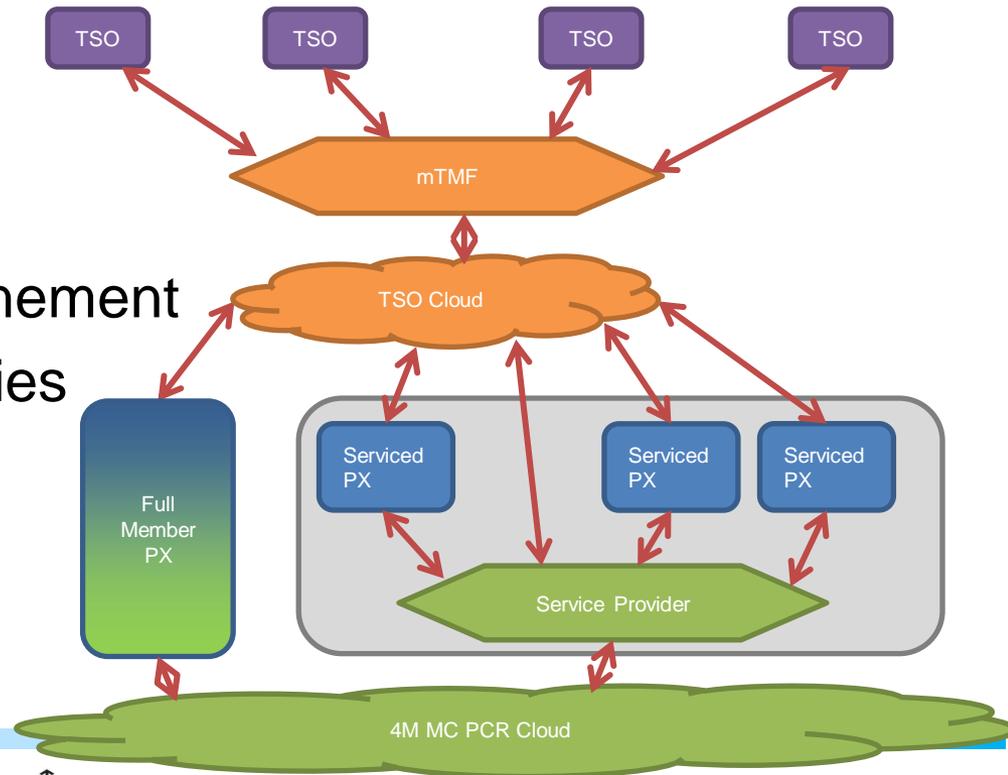
4M MC governance



4M MC technical design

- Simple and universal solution
- Coordinated TSO platform (mTMF) complements PCR and provides pre- and post- coupling services (TSO Cloud)

- Equal access of all parties
- Efficient data exchange
- Explicit responsibility assignement
- Easy extension to new parties



PX technical solution

- PCR implementation fully in line with the target model
 - 1 Full PCR Member (OTE)
 - 3 Serviced PXs (OKTE, HUPX, OPCOM)
- PCR solution is an important step forward for further integration:
 - implemented interfaces can be reused with further extensions
 - coupling procedures compatible with NWE/SWE (except timing)
 - PCR IT solution
 - under implementation in CSE
 - already running in NWE/SWE regions

TSO technical solution

- Equal status of all connected TSOs
- The only TSO platform (no rotation, simple contract)
- Allows easy changing of PX roles (Coordinator/Non-Coordinator)
- Excellent experiences on performance and functionalities from CZ-SK-HU MC
- *mTMF* and *TSO Cloud* systems are easily extendable
 - Unlimited number of TSOs and PXs
 - extension of the system with almost no costs

4M MC heads to the IEM

- 4M MC prepares PXs and TSOs for the target model
- Current coordinated capacity calculation method remains (ATC)
- Provides market participants benefits of implicit allocation already before Flow-Based MC is implemented
- Promotes cross-regional integration by involving Romania and being open for other markets as well
- PX Systems in 4M MC support further integration with NWE/SWE
- Offers smooth access to new parties
- Go-live in Q4/2014

Thank you for your attention

