



Cross Border balancing

Initiatives on the Italian Borders

3.2 - XB Balancing expert group – Why having XB Balancing arrangements



→The following challenges:

- Ensuring operational security;
- Fostering competition in balancing markets;
- Facilitating wider participation of demand response and renewable sources of energy;
- Promoting cross-border balancing exchanges

→are driving TSOs to develop the cross-border balancing exchanges mechanisms.

3.2 - XB Balancing expert group – Targets & Tasks for 2012



Target for 2012

Build know-how and knowledge on cross-border balancing among members



Tasks for 2012

- Exchange knowledge about national balancing markets and cross-border balancing initiatives actually in place or under design in TSOs at the Italian borders



Done

Identify the main prerequisites for the implementation of cross-border balancing solutions and elaboration of a roadmap



- Identify the main prerequisites for the implementation of an existing cross-border balancing solutions on some or all Italian Borders
- Design a roadmap to the implementation of the cross-border balancing solutions at the Italian borders



In progress

Liverables for Year 2012

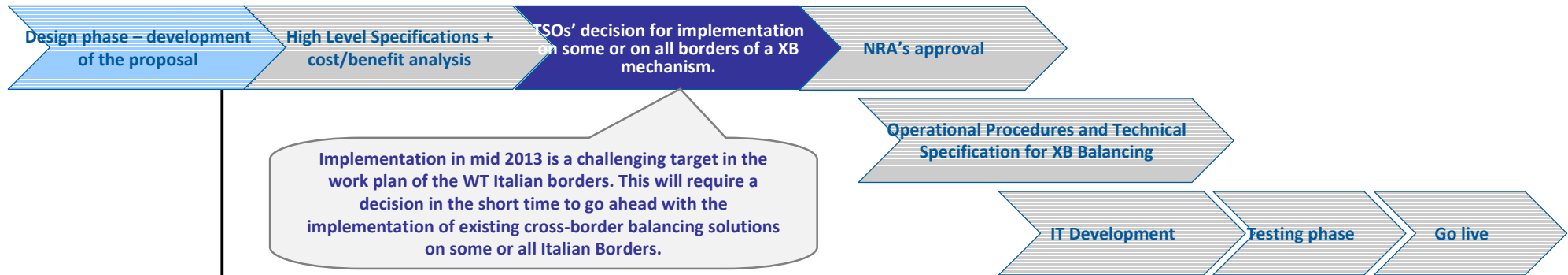
Report including the main prerequisites for introducing existing cross-border balancing solutions on the Italian Borders

Roadmap for the implementation of cross-border balancing solutions on the Italian Borders

3.2 - XB Balancing expert group – Activities for 2012



XB Balancing Project phases



| Activities macro planning in 2012 | Jul | Oct | Dec |
|---|---------|---------|---------|
| Introduction to National Balancing Markets | 1° week | | |
| Recognition of XB Balancing Initiatives in progress in TSOs at the Italian Borders | 1° week | | |
| Draft Prerequisites for the implementation of XB balancing on the Italian Borders and roadmap | | 2° week | |
| Final Prerequisites for XB balancing and roadmap | | | 1° week |

3.2 - XB Balancing expert group – Actions in progress



NORMAL CONDITIONS

ACTION1: BALIT, XB balancing solution involving tertiary reserve:

- a) Already implemented between National Grid and RTE and under implementation with REE and REN (subject to national authorities confirmation)

The Expert Group is drafting requirements to have BALIT in operation on Italian border(s)

ACTION 2: exchange solutions for secondary reserve (Imbalance netting mechanisms):

- a) Already implemented in Switzerland on the German border as well as on the borders Germany- The Netherlands, Germany-Denmark and Czech Republic-Slovakia
- b) Project in progress on the Slovenian/Austrian border

The Expert Group is drafting requirements for an imbalance netting mechanism to be in operation on Italian border(s)

The Expert Group is focusing on the above solutions, following the SC request to give priority to existing models in order to privilege possible quick deployments.