

# **Experience with Control Energy Trading at NCG**

**NetConnect Germany, Nils Kretschmar, 18 January 2010**

# Agenda

- 1. Products in 2008/09 gas year**
- 2. Products and EEX cooperation in 2009/10 gas year**

## Products in 2008/09 gas year

### Long-term flexibility master contract (market maker)

Lot size:	90,000 kW
Type:	Firm delivery
Tendering period:	1 quarter in each case
Call:	1 hour minimum; 1 quarter maximum (intraday flexibility)
Advance notice period:	At least 3 hours before use via edig@s REQUEST
Trading point:	VTP
Provision:	Market area entry or exit point to be nominated or the relevant VTP

## Products in 2008/09 gas year

### Short-term flexibility master contract

Lot size:	30,000 kW
Type:	Firm delivery
Tendering period:	1 gas day in each case
Call:	1 hour minimum; 1 gas day maximum (intraday flexibility)
Advance notice period:	At least 3 hours before use via edig@s REQUEST
Trading point:	VTP
Provision:	Market area entry or exit point to be nominated or the relevant VHP

# Use of external control energy in 2008/09 gas year

## Total calls of NCG H-gas in 2008/09 gas year:

- Provision (sale of gas quantities by control energy providers)  
3,408,674,000 kWh
- Offtake (purchase of gas quantities by control energy providers)  
1,342,590,000 kWh

## Problems with control energy procurement

- In a demand situation, more control energy is needed than may be available on the merit order list
- Tendering is bilateral via the online platform
- Procurement not at market prices
- It is difficult to support participation by small bidders (< 30 MW) at the present time – pooling is needed
- Number of providers is increasing but still not satisfactory
- Control energy tenders are not accepted by the market to the extent expected
- Intraday flexibility for individual hours cannot be offered by all traders

→ Objective: Market-oriented procurement of control energy by NCG through product adaptation and EEX cooperation

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- 1. Products in 2008/09 gas year**
- 2. Products and EEX cooperation in 2009/10 gas year**

# Adaptation of NCG's control energy products

The following control energy products are available:

- Flat daily flow rate at EEX spot market
- Flat daily flow rate, long-term
- Flat daily flow rate, short-term
- Rest of day, long-term
- Rest of day, short-term

Bidders will not necessarily be invited to bid for all products at the same time.

# From 1 October "Current indication of external control energy demand" for today and tomorrow

- » Unternehmen
- » Informationen und Verträge
- » Daten und Preise
- » Virtuelle Handelspunkte
- » **Regelenergie**
  - > Ausschreibung Regelenergie
  - > Marktgebiet NCG H-Gas
    - > Aktuelle Indikationen zum externen Regelenergiebedarf
    - > Unterlagen zur Beschaffung von Regelenergie
    - > interne Regelenergie
    - > Regelenergie Systemzustand
    - > externe Regelenergie
  - > Marktgebiet E.ON GT L-Gas
- » Registrierung / Zugang zum Portal
- » Presse
- » Veranstaltungen/Downloads
- » Karriere
- » Häufige Fragen / FAQ

## Aktuelle Indikationen zum externen Regelenergiebedarf

Gastag	Kauf möglich	Neutral	Verkauf möglich
11.01.2010 06:00 - 12.01.2010 06:00			X
12.01.2010 06:00 - 13.01.2010 06:00			X

Stand: 11.01.2010 12:00:00

# Control energy procurement via EEX

- NCG employees completed trader training in September 2009
- NCG has been admitted to the EEX spot market from the start of the 2009/10 gas year
- Control energy procurement in the form of flat daily flow rates via EEX started on 1 October 2009
- First control energy trading in the form of flat daily flow rates via EEX on 16 October 2009; since then, continuous trading of flat daily flow rates
- Control energy trading via EEX currently accounts for approx. 25 % of NCG's traded control energy volume

# Publications on a daily and monthly basis

- » Unternehmen
  - » Informationen und Verträge
  - » Daten und Preise
  - » Virtuelle Handlungspunkte
  - » Regenergie
    - > Ausschreibung Regenergie
    - > Marktgebiet NCG H-Gas
      - > Aktuelle Indikationen zum externen Regenergiebedarf
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- NetConnect Germany GmbH & Co. KG  
Kaiserswerther Straße 115  
40880 Ratingen
- <http://www.net-connect-germany.de>

**Einsatz externe Regenergie November 2009**  
[Download](#) (0.07 MB)

**Einsatz externe Regenergie Oktober 2009**  
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**Einsatz externe Regenergie April 2009**  
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**Einsatz externe Regenergie März 2009**  
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# Use of external control energy in 2009/10 gas year

## Total calls of NCG H-gas (as at 10 January 2010):

- 2009/10 gas year
- Provision (sale of gas volumes by control energy providers)  
Total: 3,696,150,000 kWh  
of which bilateral: 2,542,710,000 kWh  
of which via EEX: 1,153,440,000 kWh
- Offtake (purchase of gas quantities by control energy providers)  
Total: 1,550,750,000 kWh  
of which bilateral: 1,464,500,000 kWh  
of which via EEX: 86,160,000 kWh

## Outlook: Introduction of an intraday product on the EEX spot market

- NCG meets all requirements to also trade control energy on the intraday market
  - Tendering continues in parallel with the focus on local components
  - NCG has continually developed its control energy product mix by based on the question "What does the network need and what can the trading business constantly improve?"
- Market-oriented control energy procurement and cooperation with EEX are being developed further by implementing the "Rest of the day" product

# Thank you.

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