PICASSO Stakeholder Workshop
Q&A Document

02/12/2021
Webinar

Legend
Black: question from Webinar participant Green: response from PICASSO TSOs

Questions and Answers

Is the go live fo Picasso in May or July? If some of the other work streams get delayed (e.g. IT security or AOF description), is there a risk that the go-live might be delayed as well?

PICASSO platform will Go-Live with the first TSOs will joining the platform in May. Legal implementation deadline of the PICASSO platform is in July 2022.

Will the Equigy platform be linked to Picasso? What is the expected timing?

There is no direct connection. Questions related to the indirect link via the participating TSOs should be raised to those TSOs.

Will the available and utilized XB capacity on each border be published? if so where?

Adjustments to the available XB capacity will be published on the ENTSO-E Transparency Platform. The available XB capacity is not foreseen to be published.

How often is the AOF executed?

Optimazation cycle (OC) will be between 1 and 5 seconds. Platform will start with an OC of 4 seconds.

Picasso has marginal pricing, but does this mean that the participating markets are moving to marginal balancing pricing? Or will Picasso just flow into the local balancing price logic as aFRR activation?

Local energy pricing has to follow marginal prices. For the renumeration of balancing capacity other rules might apply.

How do you overlap AOFs between aFRR, mFRR, IGCC and other dynamics in the power system (difference between schedule and physical loop flows)?

All processes will run in parallel and will be used according to the balancing strategy of the respective TSOs to regulate any imbalances to zero. PICASSO and IGCC run on the same IT system using the same input and output, the others don't have any direct interaction. It needs to be ensured that the cross border transmission capacity won't be used twice. This is the task of each TSO in the beginning and will be taken over by a central capacity management system.

Why this difference in prices for the non-AOF volume?
If the non-AOF volume would be priced on the CBMP, it could happen that the non-AOF volume is renumerated with a price below the bid price which would lead to wrong incentives for the market (e.g., mark-up prices).

AOF selection is different form TSO request. Is this difference given by LFC filter only. Are there any provision for taking into account bid/unit ramprates at TSO level?
Deviations between AOF output and the actual control request might be caused by the frequency restoration controller. At the same time, depending on the local processes, there might be additional ramping of signals which are send to each BSP. This additional ramping of BSP activation signals is typically performed In LFC areas that use set-point products.

Is the platform affecting the local balancing price? Will the local algorithm be adapted to use the platform price?
Imbalance pricing is determined on the rules laid out by Imbalance Settlement Harmonization Methodology. CBMP of PICASSO and MARI will be an input to the imbalance price determination.

What is the Maximum price and min price for AOf and bids?
According to the Pricing Methodology, the range of possible prices (technical price cap) are: -99 999 EUR - 99 999 EUR. There are ongoing discussions/ consultations regarding additional price caps (below technical caps). ACER confirms that there are ongoing discussions and a decision shall be made beginning of 2022.

Do prices change every 5 s?
The price changes every OC (4s for the start of the platform)

Why is a recalculation of 5 seconds needed if the activation time anyway is 5 min?
The activation isn't fully determined on the full activation time of the aFRR but also determined based on the volatility of the demands. In case of fast changes of the demands, the aFRR setpoint need to react quickly.

Regarding non-AOF activation, if the bid is higher than the next period's marginal price, will it still be remunerated in a pay-as-bid fashion ? (Therefore inducing a higher revenue than the marginal price)
According to the Pricing Methodology always the maximum of the bid price and CBMP is used. If the bid is accepted and the price if higher than the CBMP, it is remunerated with its bid price.
A special case is when the bid is still accepted based on activation in the previous validity period. In the deactivation phase - if the bid is still accepted even though it isn't offered in the current validity period, the maximum between the CBMP and the bid price that was valid for the previous validity period applies.

What is the validity time of each submitted bid by BSP?
15 minutes.

Did you already have perform simulations ? And can you share first flow and price résults ?
Simulations have been performed, but predicting behavior in future scenarios is not possible because the market response is unknown.
A cost benefit has been performed in 2017 and can be found on the ENTSO-E website.

Why cross-border capacities could be attributed to IGCC if there is no energy interchange ?
There is an energy interchange in IGCC, but there is no activation of aFRR within the IN process.

if a TSO takes part in both platform, how is going to be shared the merit order of the BSPs offer between the two platforms?
Only PICASSO platform needs information regarding bids. IGCC doesn't use any bid information. MOL is only transmitted to PICASSO.

What think ACER of all the dérogation ?

ACER didn't expect so many TSOs asking for derogation although it is of course allowed from legal perspective. It is recognized that the local projects have a long lead time to be developed and put in production.

Is it possible that a TSO only takes part in the netting part of PICASSO?
A TSO cannot only participate in the netting part of PICASSO. If a TSO can only take part in the imbalance netting, IGCC needs to remain active because the PICASSO netting part needs information on the bids.

Will the data be available on some test platform as well? To prepare the data flows for analysis before the go-live?
There is no dedicated Test platform. However, the additional data will be provided using the same format and interfaces which are already used for the existing IGCC publications on Transparency platform, so these can be used as a blueprint.

Will also the merit orders of each TSO's area be published, meaning also the NOT accepted offers?
Yes, all the offers are published on ENTSO-E Transparancy Platform in accordance with EBGL.

The net positions are not equivalent to volumes exchanged; their sum is the same, but the nformation provided is not the same. The net positions are ok as a first step towards the publication of the exchanged volumes.
At present, publication of net positions are being prepared. The topic will be discussed by TSOs and they will come back with a proposal on how to accommodate the target phase.

Is it planned to have limitation in capaciy between countries or inside countries (in Germany) for the first month of the go live ? Will this be limited in Time ?
In the first months after the accession of a TSO, there is the possibility to set permanent limitations for the exchange with neighboring LFC areas. After this trial phase, all available transmission capacity after previous timeframes will be used. This transmission capacity can only be adjusted temporarily in order to ensure operational security.
On the inner-German borders, no permanent limitations will be applied.

Will the total activated volume per country (or control demand established by the platforme) will be published for each platform, regardless of the exchanges ?
Inside Germany, no permanent limitations will be applied.

What "bid conversion" means please?
This relate to the process for the conversion of balancing energy bids from specific products into balancing energy bids from standard products. see Article 26.1.e of the GLEB. Also the IF there is a possibility to convert standard bids.

In the context of transparency and monitoring indicators, how would market surveillance be performed on the platform?
Since this is a topic that could be discussed with ACER and NRAs, it is proposed not to focus on it, during this workshop.

Do all of the described platforms base on interconnectors'capacities?
In principle all of the transmission capacity is determined based on the interconnector capacities (according to proniciples which are already in EBGL)

Which website to find FAQ and slides later?
The material can be found on the ENTSO-E website.