



Coordination of CWE Market Coupling and EMCC Volume Coupling

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Background

Projected CWE Market Coupling

- Price Coupling between France, Belgium, Netherlands, Luxembourg and Germany
- Proposed start by project parties: September 2010

Existing EMCC Volume Coupling

- Tight Volume Coupling between the Nordic Market and Germany
- started operating in November 2009
- running smoothly and producing robust results



CWE MC and EMCC VC - Background -

The problem

Uncoordinated start of CWE MC would create market disturbances in Germany and the Nordic Market

- Commercial flows in the wrong direction on German/Nordic border would occur more frequently
- would most probably lead to suspension of the German/Nordic Market Coupling

→ this would be a serious threat to the idea of a Single European Energy Market



CWE MC and EMCC VC - Background -

What regulators want

- **Starting CWE Market Coupling as soon as possible**
- and**
- **ensuring that EMCC can continue its very successful operation**



The path towards a coordinated launch



The path towards a harmonized launch

Based on a mandate from **GA BNetzA** invited all **Regulators, Power Exchanges** and **TSOs** of the **CWE** and **NE** region to a meeting at the beginning of May in Bonn, Germany

At this meeting all parties agreed on a **Letter of Commitment** which contains all necessary steps in order to ensure the **smooth running** of **both projects**

The path towards a harmonized launch

What has been agreed on

- Strongest efforts of all parties to ensure that **Interim Tight Volume Coupling** between the two regions and CWE MC will start **at the same time**
- In order not to postpone the start, the **NorNed cable** may not be integrated from beginning on – but will be included **within two month** after the launch
- Foreseen starting date: **as close as possible to September 7, 2010**
- Volume Coupling is seen as an **interim solution** – final goal is **Price Coupling!**



The path towards a harmonized launch

Next steps and outlook

- In order to ensure implementation of the agreed steps a close **Monitoring** is implemented
- Feedback of first **Progress Report**:
 - “all parties are on track to meet the agreements made”
 - “a firm launch date is expected to be announced in July”
- Next Monitoring Meeting is scheduled for **June 17**



**Thank you
for your
attention!**