



Stakeholder Forum in London, 14 June 2013

# NWE Day-Ahead Price Coupling

## NWE High Level Architecture





# Agenda

**(1) NWE and its benefits**

**(2) NWE – Behind the Scenes**

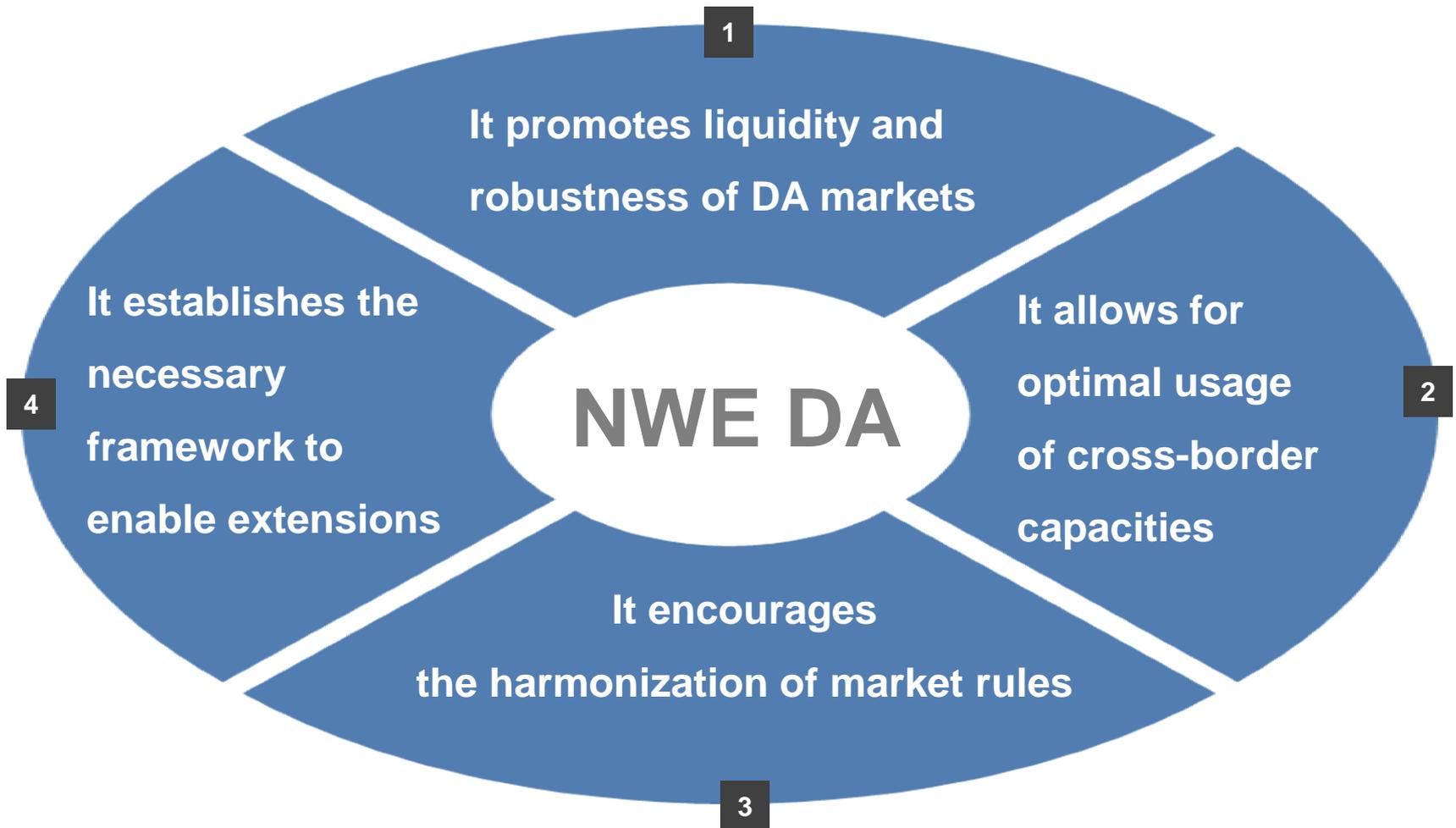
**(3) High Level Architecture**

**(4) Comparison ITVC vs. NWE**



# NWE – Driving European Market Integration

*„NWE is more than the sum of its parts“*





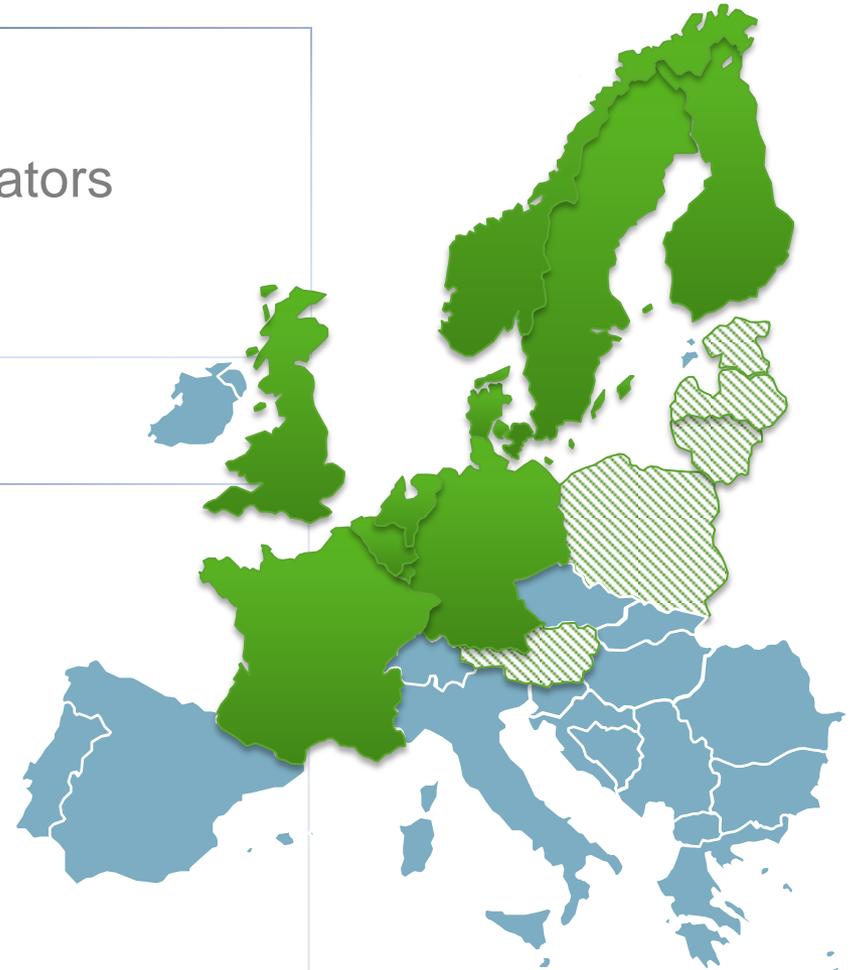
# NWE – Behind the Scenes

## Parties involved

- 13 Transmission System Operators
- 4 Power Exchanges

## Systems & interfaces

- Approx. 50 systems involved
- Approx. 250 interfaces
- 40 serviced interconnectors
- 30 bidding zones



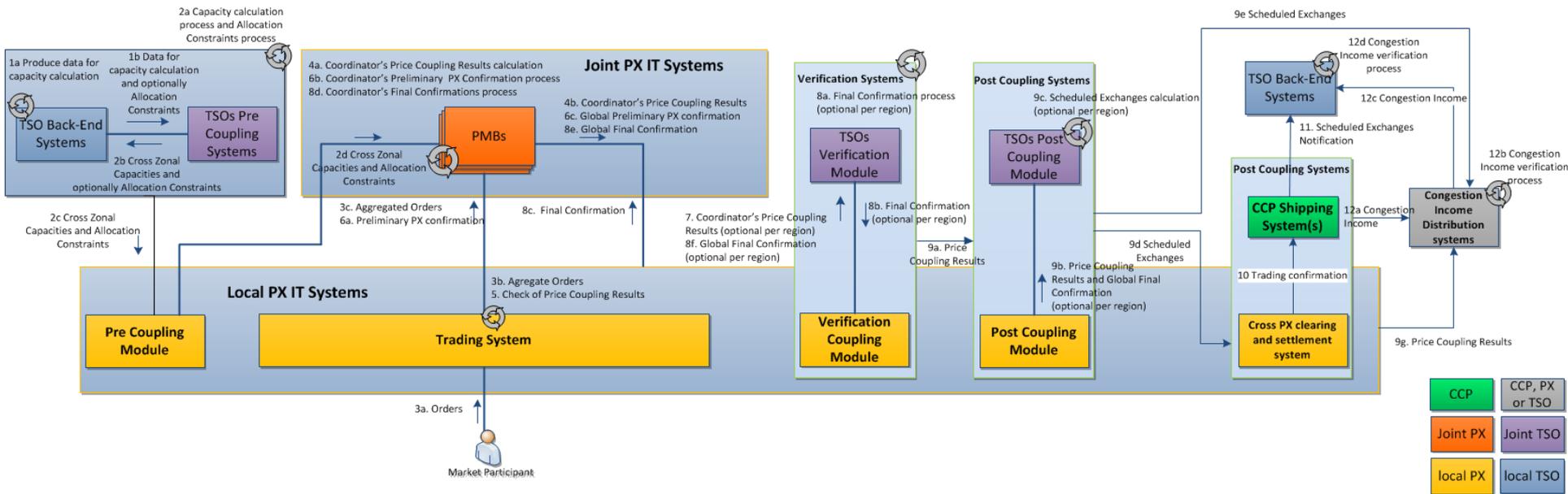


# High Level Architecture (I)

Precoupling

Coupling

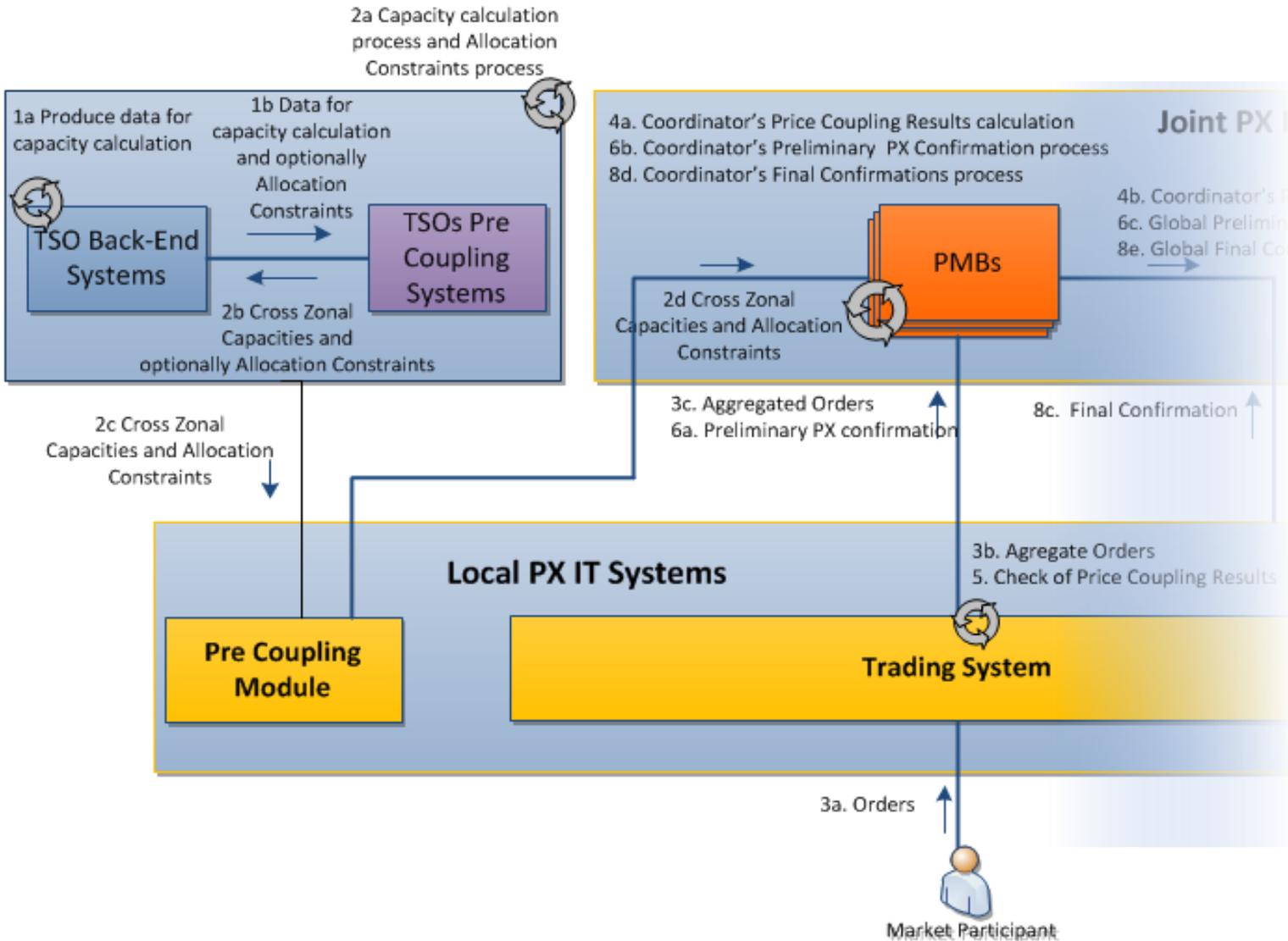
Postcoupling





# High Level Architecture (II)

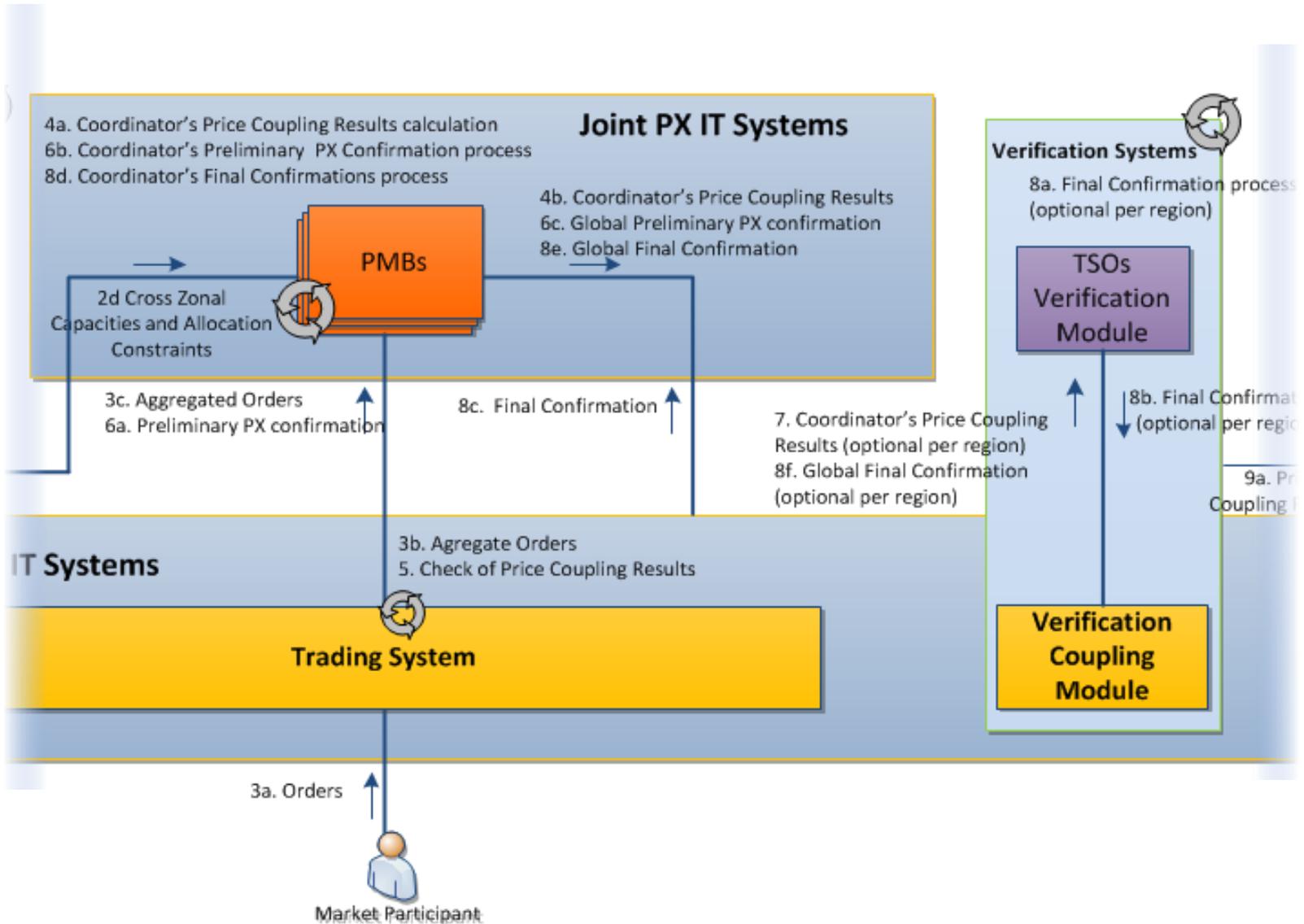
## Precoupling





# High Level Architecture (III)

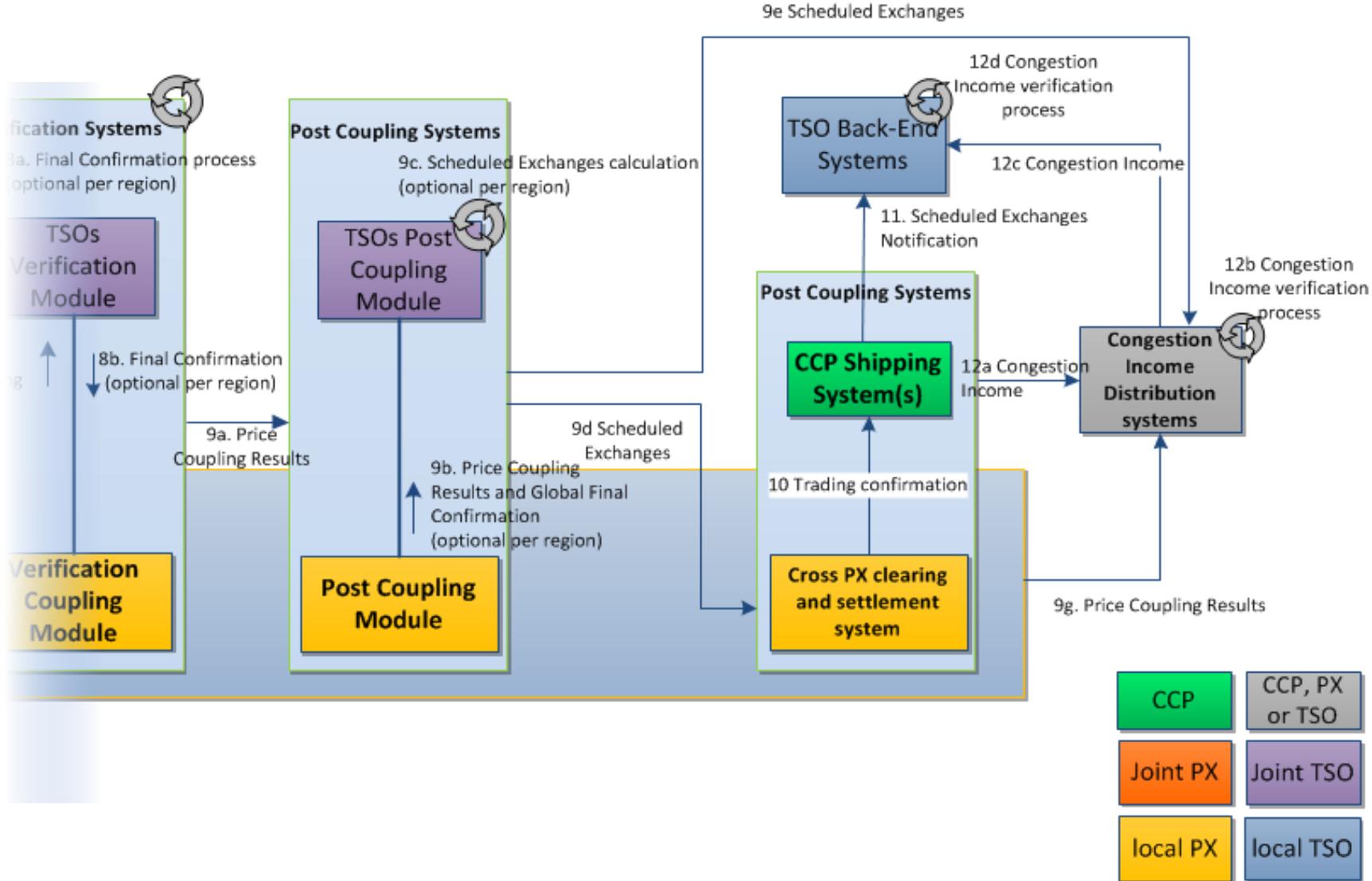
## Coupling





# High Level Architecture (IV)

## Postcoupling





## Comparison ITVC vs. NWE

### ITVC



- Two separate Market Couplings (Nordic + CWE) linked by a volume coupling entity (EMCC)
- Sequential calculation approach
- Possibility of scheduling non-optimal adverse flows
- No common algorithm applied

- Full coupling with GB
- One single price coupling based on a single calculation
- Adverse flows will only occur if they are welfare-optimizing
- One single common algorithm to allow for a sound and robust price formation

### NWE

