

Cooperation between EPEX SPOT and GOPACS enables significant growth in flexible capacity activation for congestion management

Amsterdam / Arnhem / Paris, 23 May 2022. GOPACS and EPEX SPOT will cooperate to utilize more flexible power in the Dutch national electricity grid. Both parties have entered into an agreement committing to establishing a connection between the EPEX market platform and the GOPACS platform. GOPACS is the coordination platform for Dutch grid operators that allows them to reduce congestion in the electricity grid. EPEX SPOT is the largest power exchange active in Europe, bringing access to the liquidity of the Dutch power market. The cooperation between the two parties helps grid operators in the Netherlands to better match supply and demand in the electricity grid in order to reduce congestion. This cooperation is fully in line with the goals of both organisations: using the full potential of flexibility resources to facilitate the integration of renewables, whose variable generation profile adds tension to power grids across Europe.

GOPACS important tool for solving congestion

The energy transition demands more and more capacity from the electricity grid. Local generation, such as wind and solar parks, on the one hand, and a higher demand for electricity on the other, require more transport capacity in the grid than is available. This is referred to as congestion. The grid operators are working on expanding and upgrading the electricity grid, but this process is costly and takes time. Meanwhile, grid operators and energy businesses such as EPEX SPOT, are also working on alternative solutions, for instance reducing congestion by optimizing supply and demand with the help of parties from the power market. In the Netherlands, this is done with and via GOPACS. Connecting Europe's largest energy trading platform EPEX SPOT to GOPACS opens up new opportunities for both market participants and grid operators.

“We are extremely pleased with our cooperation with EPEX SPOT. It further enables us to solve the increasing problems of congestion in our electricity grids in a more effective and cost-efficient way”, says Dennis Stufkens, Chairman of the GOPACS Foundation. He adds: “In our continuous efforts to solve local congestion situations together with market parties, it is important for GOPACS to provide all relevant market players the opportunity to utilize their flexible capacity. It helps to solve congestion and at the same time they can generate additional revenue. From the start, we have actively supported the energy transition in an innovative way with GOPACS and we will continue to do so.”

EPEX SPOT members bring additional flexibility potential

Grid operators with congestion situations publish their requests for flexibility to solve the congestion situations via GOPACS. Thanks to the new cooperation between EPEX SPOT and GOPACS, EPEX SPOT members with flexible assets in the Netherlands will be able to send locational bids directly to grid operators through the EPEX SPOT market platform. This happens via the same trading system used by EPEX for its existing pan-European Intraday continuous market. Both a buy and a sell order are necessary to maintain balance in the system on a national level. The provided flexibility is then used to physically solve grid congestions.

The cooperation between GOPACS and EPEX SPOT brings additional opportunities for EPEX SPOT members to value their flexibility in the Netherlands. GOPACS and its grid operators benefit from a connection to a bigger pool of flexibility providers, which increases liquidity.

“We look very much forward to our cooperation with GOPACS, building on our solid expertise of operating the Dutch power market for over 20 years. With innovations like these we facilitate the energy transition, making it more cost-efficient for the end consumer. This project is in line with our continuous efforts to invest in innovative solutions with the goal of easing grid congestions” explains Ralph Danielski, Chief Executive Officer of EPEX SPOT. He adds: “Thanks to this cooperation, we offer additional access to members with assets in the Netherlands. By bringing together offer and demand for location specific needs, we enable on-the-spot alleviation of grid congestions.”

The new offer completes EPEX SPOT’s product suite of Day-Ahead, Intraday and After-Market trading in the Netherlands.

First flexibility activations next year

The agreement has been signed and preparations have already started. An important milestone is linking the platforms on a technical level. The parties expect the first activations via the EPEX SPOT platform early 2023.

Market parties with flexible assets in the Netherlands that want to offer their flexible energy supply and/or demand (provided with location data) for use on GOPACS can contact their account manager of their Dutch grid operator. Or visit www.gopacs.eu for more information. Market participants who wish to offer flexibility via EPEX SPOT can get in touch with their key account manager, or send an email to sales@epexspot.com.

-ENDS

About EPEX SPOT

The European Power Exchange EPEX SPOT SE and its affiliates operate physical short-term electricity markets in 13 countries: Central Western Europe, Great Britain, Switzerland, the Nordics and in Poland. As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT is committed to the creation of a pan-European power market. Over 300 members trade electricity on EPEX SPOT. 49% of its equity is held by HGRT, a holding of transmission system operators. For more information, please visit www.epexspot.com.

About GOPACS

GOPACS is a collaboration of all Dutch grid operators. The platform is an important step to reduce capacity shortages in the electricity grid (congestion) and helps to keep the grid reliable and affordable. GOPACS is a unique initiative in Europe and originated from an active collaboration between the Dutch national grid operator (Transmission System Operator, TSO) TenneT and all regional grid operators (Distribution System Operators, DSO's). More about GOPACS at www.gopacs.eu.

How GOPACS works

At the moment, participants offer their available flexibility on trading platform ETPA (Energy Trading Platform Amsterdam). Soon it can also be offered on the EPEX SPOT trading platform. At request from GOPACS, market parties can place their orders on these platforms. GOPACS then checks whether a combination of upward and downward adjustments offers a solution to solve the shortage of transport capacity (congestion) in the electricity grid. This is because counter orders are needed outside the congestion area to maintain the balance in the grid at national level. The network operator with the congestion problem pays the difference in the supply and demand price, the spread, so that the bids are activated and congestion is prevented. That is the price they pay to reduce congestion in the electricity grid.

CONTACT

GOPACS: Communications, marcom@gopacs.eu

EPEX SPOT: External Communications, press@epexspot.com