

ERRA ENERGY MARKET SURVEILLANCE WEBINAR
SUPERVISORY TOOLS AND SANCTIONING

CASE FROM LATVIA: BREACH OF OBLIGATION TO PUBLISH INSIDE INFORMATION

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LATVIA: KEY FACTS (2020)

Production: 5.7 TWh

51% CHP (mainly natural gas)
45% hydro
3% wind

Consumption: 7.1 TWh

average household about 150 kWh per month
rollout of smart meters 70%

Market: fully opened for competition since 2015

NEMO - NORD POOL
Wholesale & retail 41 supplier registered
Monthly Day-Ahead price Dec 2020: 44.86 EUR/MWh
Today's Day-Ahead price: 167.93 EUR/MWh

Challenges:

Desynchronization from former USSR system &
synchronization with EU system (until 2025)



REMIT: ARTICLE 4











Obligation to publish inside information

Market participants shall publicly disclose in an effective and timely manner inside information which they possess in respect of business or facilities which the market participant concerned, or its parent undertaking or related undertaking, owns or controls or for whose operational matters that market participant or undertaking is responsible, either in whole or in part. Such disclosure shall include information relevant to the capacity and use of facilities for production, storage, consumption or transmission of electricity or natural gas or related to the capacity and use of LNG facilities, including planned or unplanned unavailability of these facilities

Inside information

information of the precise nature which has not been made public, which relates, directly or indirectly, to one or more wholesale energy products and which, if it were made public, would be likely to significantly affect the prices of those wholesale energy products


e.g., typically, capacity and use of facilities (planned & unplanned unavailability) but also any other used in decision making by reasonable market participants

NORD POOL REMIT UMM	
MESSAGES	527 Messages
Publication ...	
All	
Event date	
Next 7 Days	
All Areas	
All Statuses	
All Types of Unavail...	
All Stations	
All Fuel Types	
All Connections	
All Publishers	
All Market Participa...	
All Message Categ...	
All Message Types	
Reason or remarks	
<input type="checkbox"/> Include outdated	
Clear All	
Event	Infrastructure
Unavailability ... Production	 IE Kilroot - GU_500823 (
Unavailability ... Transmission	 KAL →  LT
Other market i... Market Inf...	 FI
Other market i... Market Inf...	 DK1 Nordjyllandsværket
Unavailability ... Transmission	 NO2 →  NL
Unavailability ... Transmission	 DK1 →  NL
Unavailability ... Production	 IE Moneypoint - GU_400
Unavailability ... Production	 IE Aghada - GU_400850

CASE STUDY: PUBLISHED UMMs


Published	Event Start	Event Stop	Duration	Type of Unavailability	Reason Code	Reason for the Unavailability	Remarks
25.11.2019 14:29:51	from 25.11.2019 14:10	to 25.11.2019 23:59	9 hours 49 minutes	Unplanned	Failure	Unplanned failure of chp-1 gas security system. Updates will follow.	

Production Units

Unit Name	Unit EIC	Area	Installed Capacity	Available Capacity	Unavailable Capacity	Fuel Type	Power Feed-In	From	To
CHP-1	43W-RTEC-1-----T	 LV	138 MW	0 MW	138 MW	Fossil Gas		25.11.2019 14:10	25.11.2019 23:59


Published	Event Start	Event Stop	Duration	Type of Unavailability	Reason Code	Reason for the Unavailability	Remarks
25.11.2019 16:44:23	from 25.11.2019 14:10	to 30.11.2019 00:00	4 days 9 hours	Unplanned	Failure	Unplanned failure of chp-1 gas security system. Updates will follow.	Updated event stop time.

Production Units

Unit Name	Unit EIC	Area	Installed Capacity	Available Capacity	Unavailable Capacity	Fuel Type	Power Feed-In	From	To
CHP-1	43W-RTEC-1-----T	 LV	138 MW	0 MW	138 MW	Fossil Gas		25.11.2019 14:10	30.11.2019 00:00

Published	Event Start	Event Stop	Duration	Type of Unavailability	Reason Code	Reason for the Unavailability	Remarks
27.11.2019 09:23:54	from 25.11.2019 14:10	to 28.11.2019 00:00	2 days 9 hours	Unplanned	Failure	Unplanned failure of chp-1 gas security system. Updates will follow.	Updated event stop time.

Production Units

Unit Name	Unit EIC	Area	Installed Capacity	Available Capacity	Unavailable Capacity	Fuel Type	Power Feed-In	From	To
CHP-1	43W-RTEC-1-----T	 LV	138 MW	0 MW	138 MW	Fossil Gas		25.11.2019 14:10	28.11.2019 00:00

CASE: KEY INFORMATION

CASE SUMMARY

Affected facility: CHP-1 (natural gas)

Latvenergo – incumbent
138 MW for electricity
significant role in heat generation for the needs of Riga

Market transparency issue: UMM not updated properly

According to UMM: unavailability end time 28.11.2019. 00.00
In fact: turbine GT-1 in work mode and synchronized
27.11.2019. 15:08

How it can be detected

Compare UMM with ENTSO-E information (> 100MW)
Compare UMM with information from TSO
Additional information from market participant

Market impact:

Day-Ahead
Intraday
Balancing market

DIVERGING VIEWS



Decision on whether it is inside information



Positive decision – UMM published



Uncertainty of reasons and end time



UMM update the clearer the predictions come



Concentrating just on Day-Ahead (no bidding), forgetting other markets

SANCTIONING SYSTEM

According to Law Regulator is entitled to

impose an **obligation to ensure conformity** with the relevant requirements of Law within the specific time period

impose the penalty - up to 10% from the net turnover of the previous financial year of the market participant, however not less than 300 €

express a **warning**

According to Regulations of the Cabinet of Ministers, if a penalty is applied, **the Regulator shall evaluate**

A. has **market been affected**

B. has participant derived **direct or indirect benefit**

duration of the violation

Regulator **may reduce the penalty:**

Violation discontinued with first information from Regulator received

Voluntarily eliminated consequences before decision of Regulator

MP on its initiative has provided proofs for detecting violation

MP reimburses losses to person suffering

A & B NO: <0.15%
A YES, B NO: <1.5%
A & B YES: 0.15-10%

<year +0%
1-5 years +0,5%
>5years +1%



Thank you for your attention!



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Sabiedrisko pakalpojumu regulēšanas komisija



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