

National 4M Market Coupling workshop provided information to market participants on extension of interconnected organized short-term cross-border electricity markets

The Short-term Electricity Market Operator OKTE, a.s. within its cooperation with transmission system operators, and national market operators from Slovakia, the Czech Republic, and Hungary has been successfully operating coupled day-ahead electricity markets based on implicit cross-border transmission capacity allocation, so called Market Coupling. The extension towards the neighbouring countries is a logical step in order to create a European Internal Electricity Market.

The international project of day-ahead market coupling extension by Romanian market area - 4M Market Coupling (4M MC) continues in its intensive development. The project is being developed under the supervision of national regulators and in compliance with the European Union goals, and regulations currently under preparation.

The solutions being implemented for 4M MC are aimed at reaching compatibility with Market Coupling in North-western and South-Western European regions which is in operation as of 13 May 2014. The interconnection of national markets should bring a harmonised approach to market organisation, more effective usage of cross-border transmission capacities, increased competition, as well as more stable and convergent electricity wholesale prices.

One of the key milestones in the 4M MC project proceeding was the national workshop for cross-border short-term electricity market and potential applicants organized by OKTE, a.s. in cooperation with Slovenská elektrizačná prenosová sústava, a.s. (SEPS, a.s.) on 24 September 2014 in Bratislava.

In total 61 participants from 29 companies used the opportunity to gain up to date information on the development of electricity markets integration in the 4M MC project and simultaneously on the upcoming common test with market cross-border short-term electricity market participants, planned for the middle of October 2014. The aim of the workshop was to present organisation of the integrated markets together with all necessary information for trading and related changes.

The welcome and opening was addressed by Michal Cabala, PhD., Chairman of the Board of Directors of OKTE, a.s. In the following speech, the Chairman of Regulatory Office for Network Industries Jozef Holjenčík, PhD. highlighted the importance of the project within electricity markets integration and expressed support not only for 4M MC, but also for the following activities aimed at fulfilling the targets in the area of markets harmonization in the European Union. Ján Petrovič, PhD., Director General of Energy Section in Ministry of Economy SR, put his emphasis on the close collaboration among the market operators, national transmission system operators and regulatory authorities with involvement of market participants for the robust solution for the benefit of the whole electricity market community and, in parallel, for the fulfilment of the target model set by the European Union. The final address was delivered by Jaroslav Kubinec, Executive Director of Section of Trade in SEPS, a.s., focusing attention on the rapid implementation, solution simplicity and concluding by appraising the work being done by all experts involved in the 4M MC project.

The workshop continued with presentations divided in three blocks. In the first and second blocks, auditorium had the opportunity to see particular differences between the contemporary SK-CZ-HU Market Coupling and the 4M MC, functionalities, 4M MC solutions and individual procedures, as well as basic information on prepared tests with cross-border short-term electricity market participants.

Content of the third block comprised of information regarding contractual relations in organized cross-border short-term electricity market, billing terms and relating obligations. In the end, demonstrations of updated web interface for cross-border short-term electricity market were presented.

All presentations from the workshop can be downloaded in the pdf format:

Link: [Prezentácie z pracovného seminára](#)

Concluding, it is worth highlighting that as a thread winding through the whole workshop the information was carried that the SK-CZ-HU Market Coupling as well as 4M MC are unique projects of their kinds in the Central and Eastern Europe. Hence the participants appreciated presented information they will be able to utilize in the upcoming tests and later launching of 4M MC.

4M MC is a clear signal and interim step for attaining the European single electricity market while respecting opinions and requests of the involved electricity market participants.

About OKTE, a.s.

OKTE, a.s. (Short-term electricity market operator) was established on 11th August 2010 as a subsidiary of the transmission system operator Slovenská elektrizačná prenosová sústava, a.s. (SEPS) and it commenced its activity on 1st January 2011. SEPS is the sole shareholder and founder of the company. OKTE, a.s. as a regulated entity is subject to regulation by the Regulatory Office for Network Industries and it is a holder of permission for a short-term electricity market operator in the Slovak Republic.

From its establishment, OKTE, a.s. fulfils an unsubstitutable role in the energy sector based on the applicable legislative documents, in particular Act No. 251/2012 Coll. on Energy as well as legislative regulations determining operation of the electricity market stakeholders on the European liberalized market in electricity, especially the Directive of the European Parliament and of the Council 2009/72/EC concerning Common Rules for the Internal Market in Electricity.

The main functions of OKTE, a.s. are the Organization and evaluation short-term cross-border electricity market, Imbalance clearing, and effective as from 1st January 2014 the Collection, management and making available of the measured data, and Central invoicing of charges related to the system operation.