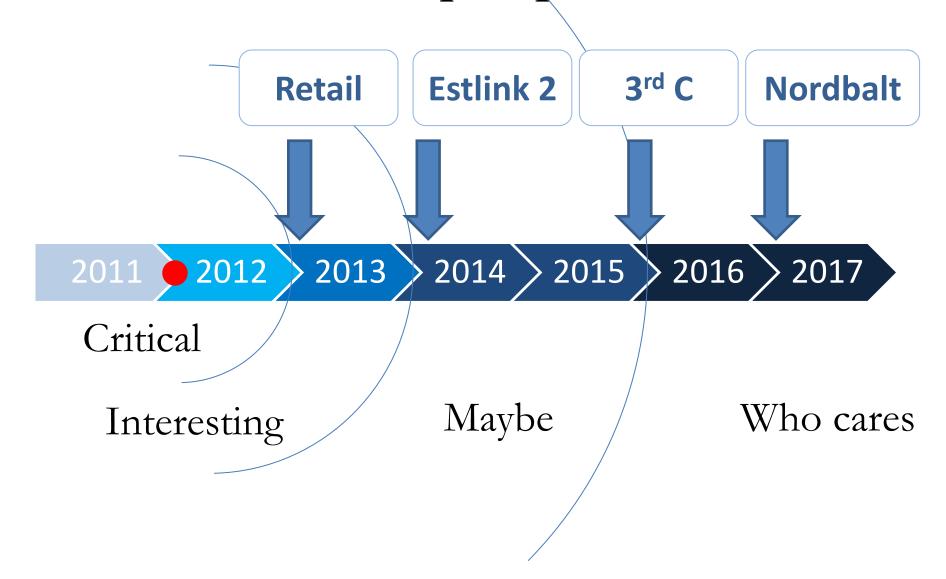
13th Baltic Electricity Market Mini-Forum

# A trader's perspective Situation of electricity market in the Baltic States

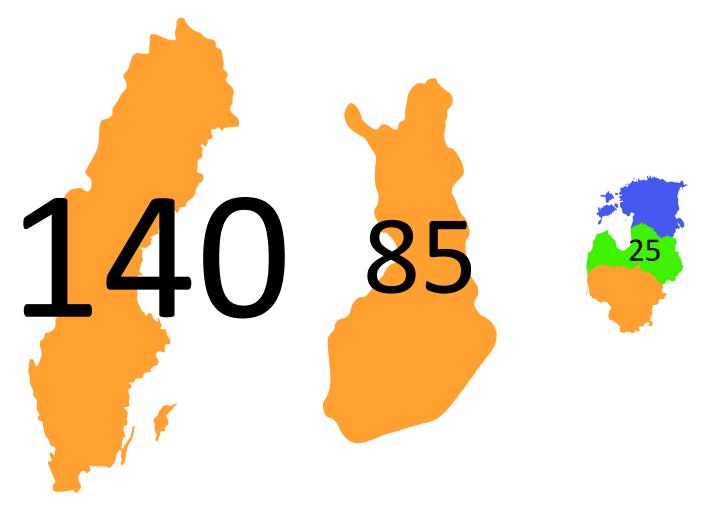
Baltic Energy Partners OÜ

Peeter Pikk

## What is a traders perspective



Why don't we have a common power market?



## Priorities in the Region

Interconnections

Transparency

Balancing

Congestion
Management

Region specific

...according to the internet

### Summary of Mini-Fora agenda topics so far

50 most used words in topics

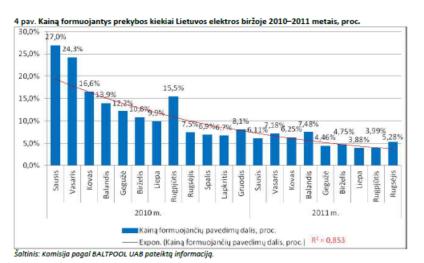


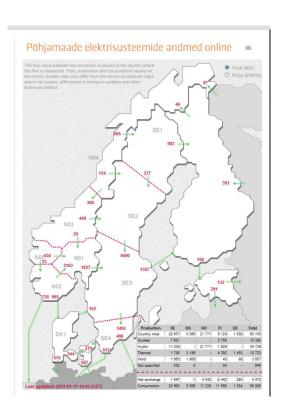
#### Interconnections -

- Maintenance plans curtailments, congestions
- Capacity auctions how and when
- Completion of projects when

## Transparency – availability of data





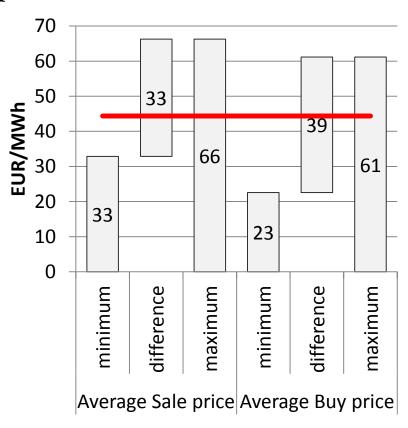


## Regulation – rules of the game

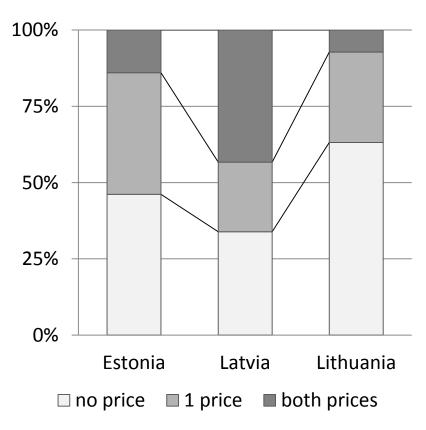
- Common Market— we all could save money
- Import from 3rd Countries -by 01/01/2016?
- Retail market switching, billing
- **Decisions** speed and communication
- Financial Market what rules shall apply
- Renewable support scheme who's on the market

## **Balancing** – more expensive than it should be

Huge differences in balancing prices in 2011



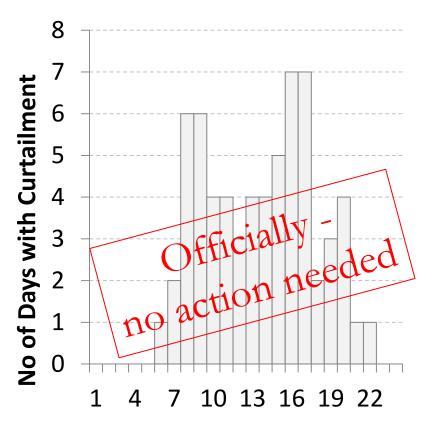
SO Buy Price more expensive than Sell Price of other SO's



"Latvian PX price"

## Congestion – no action priority

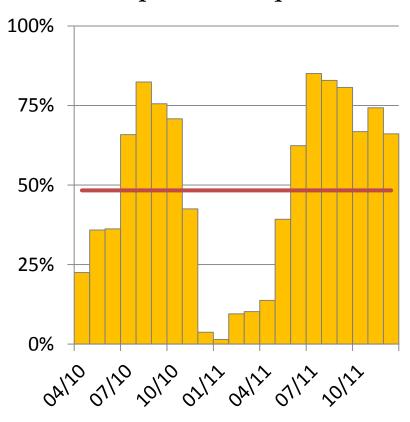
#### 25/10/11 - 31/12/11



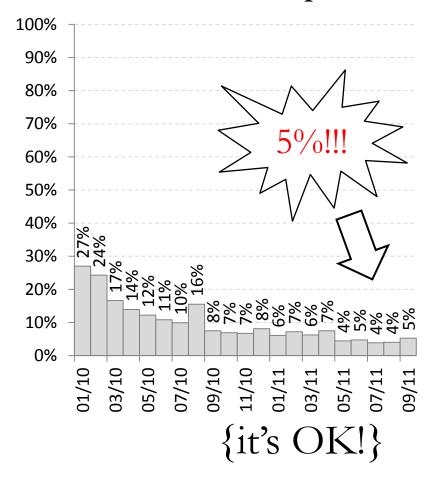
- During the period of 39 days there where curtailments on Estonian/Latvian border
- Due to balance energy pricing curtailments are expensive

### Region Specific – not only wires but rules

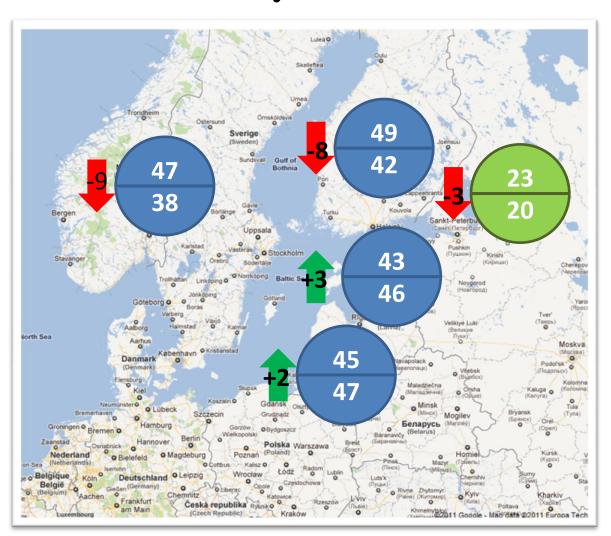
### Hours when Estonian and Finnish NoPo Area prices are equal



## Share of price forming bids of total PX volume in Baltpool

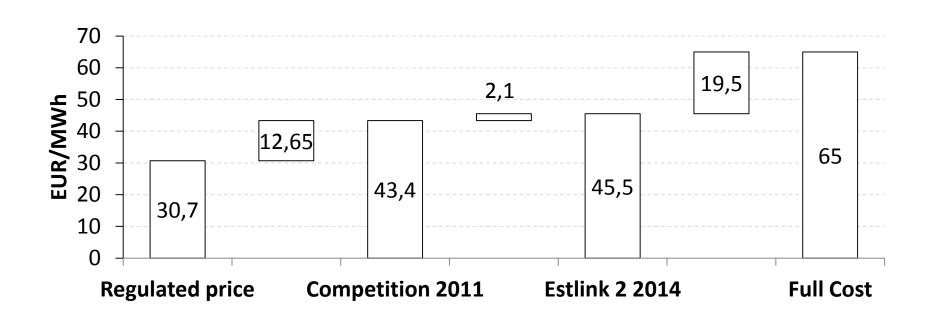


#### Lack of financial market makes risk management difficult and costly for Baltic market participants



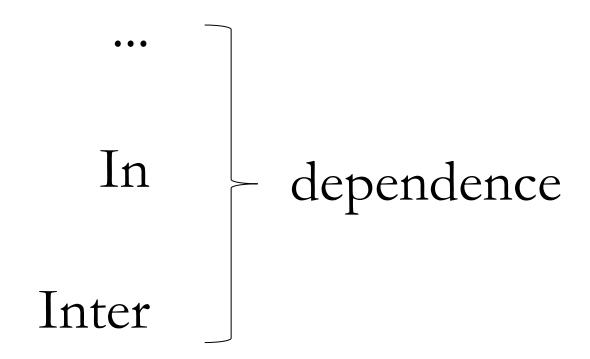


## Eventually we have to pay the full cost Nordic Power Market and some. There is no hiding.

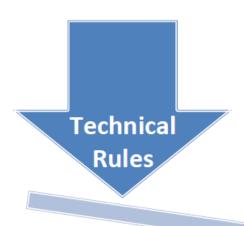




#### Security of supply and energy independence



#### There are different issues on the table

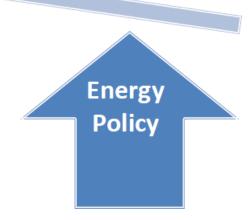


Create stable and predictable investment environment

- Measures to ensure security of supply
- Regulation of import
- Regional Energy Policy

Enable suppliers and consumers to choose their counterparty

- Network services
- Balancing principles
- Information availability
- Tariffing
- Reserve Market
- Price index
- Competence of Competition Authority



## The 50 most used words in the Baltic MiniFora conclusions

