

Croatia: Public hearing on balancing services prices

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Date : February 3, 2015

Proposed methodology for determining the prices for the provision of balancing services is in discussion until 10 February.

Energy regulator HERA has started a public hearing regarding the proposed methodology for determining the price for the provision of balancing services. The agency calls energy entities and all interested and expert public to submit their comments, opinions or statements.

Public hearings will be held from 27 January to 10 February, and one can expect great interest of electricity suppliers who have repeatedly expressed their disagreement with the current methods for calculating of balancing energy. The methodology determines the method of calculating of unit prices for the provision of balancing service in the accounting interval for increase or decrease of production within the activation of power reserve for automatic secondary frequency regulation and power exchange, power reserve for tertiary regulation for system balancing and power reserve for tertiary regulation for system's safety. The methodology determines also the method of calculating the reference price for the provision of balancing services within the accounting interval, and the manner of reporting and monitoring of the implementation of the Methodology.

The reference price for the provision of balancing services in the accounting interval is determined as the average value of the hourly prices on the Regional energy exchange BSP and the Hungarian electricity exchange HUPX. According to the Methodology, the coefficients for the determination of unit prices for the automatic secondary frequency regulation and power of exchange are 1.4 and 0.6, while for tertiary regulation for system balancing are 1.3 and 0.7. For balancing energy activated from the power reserve for tertiary regulation for system's safety the coefficient is 1.4. Due to the activation of power reserves, the provider of balancing service is paid for production increase while balancing service provider pays for production decrease.