

Directorate for electricity trade within Power utility company EPS (Elektroprivreda Srbije) purchased a new electricity trading software from Slovakian Ipesoft.

In The Directorate for Electricity Trade of “Electric Power Industry of Serbia”, a new software, configured as a support of electricity trade has been in use since mid-January. After nearly 10 years of waiting, electricity traders have finally obtained a “working tool” which has been already in use by their colleagues in the region.

According to the plan, the first phase of the project for introducing the software for electricity trading was completed and operationally released on January 12th.

This phase involves “front office” and, according to Mr David Zarkovic, director of open market trade in the Directorate for electricity trade of EPS, there are also a “middle office” and “back office”. These English words are difficult to translate, but the employees in the Directorate of EPS for electricity trade, are often more familiar with English professional terms than Serbian .

This software system has been designed by a Slovakian company “Ipesoft” which has introduced this system in “Slovak powers” in Slovakia, and whose subcontractors are “Atos” and the Institute “Mihajlo Pupin”.

“Front Office” enables the trading in electricity, cross-border transmission capacities, and the emissions of hazardous gases. “Middle office” deals with risk analysis and market analysis, while a “back office” deals with contracts, invoices and with customs procedures, as Mr Žarković explains. This software system encompasses all elements together, and in currently active “front office” we now have 18.000 contracts of electricity trading that have been made since 2010 in the Directorate for trade. Annually, we make around 7.000 contracts.

According to Mr Žarković, this software system generates all the data concerning initial trading, filling in and signing the contracts, as well as sending invoices. Contracts are standardized, but their other elements, that is, contractors, prices, quantities and duration are variable. Software itself makes all calculations.

This software calculates, that is, “pulls” all stock markets data on realised trades and positions, so-called “futures” - Mr Žarković explains. - For example, EPS has bought a certain amount of electricity to the end of the year, and by means of this software system we monitor the changes of electricity prices on stock market, in order to sell it at the best price. It enables us to wait for the moment when it is most expensive to sell it. This information system performs all these activities.

Thanks to this system, the trade flow of EPS during the last year can be transparent. The chart clearly shows the date when the floods spoil a very good trade trend in 2014. From the 16th of May, sale chart changes completely its direction towards purchasing of electric power. The introduction of our software into use will show the position of the “Electric Power Industry of Serbia” in the global trade market of electricity.

Since there is no reference stock market in Serbia, we can compare our prices to those existing in the Hungarian, Romanian and Slovenian stock markets. So far, we monitored the situation on the stock markets via their websites, but now this software retrieves data and creates graph, and offers the advantage to take into calculation our position and our prices to estimate the losses or profits. This software is what we had dreamed of for years, says our interlocutor.

In April, we expect that our software also covers accounting, which will be part of the SAP system within EPS.