

# FLOW-BASED CAPACITY CALCULATION IN THE NORDIC REGION

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# EXPECTED FLOW-BASED GO-LIVE IN OCTOBER 2024

The current phase is the final 6 months of external parallel run before go-live.

**FLOW-BASED** A CAPACITY CALCULATION METHOD THAT REPRESENTS THE PHYSICAL GRID AS **MARKET** CONSTRAINTS.



## WHY?

TO INCREASE THE FLEXIBILITY NECESSARY FOR THE GREEN TRANSITION.

A REQUIREMENT IN EU REGULATION 2015/1222 ESTABLISHING A GUIDELINE ON CAPACITY ALLOCATION AND CONGESTION MANAGEMENT.



### MORE DETAILS AND COORDINATION

Today

**Local TSO capacity calculation** 

Per hour:

34 net transfer capacity constraints

Future = Flow-based

Local TSO input data Individual grid model

Common grid model creation

Central capacity computation with validation by the TSOs

Per hour: roughly
150 flow-based constraints

**Market coupling** 

FLOW-BASED
IMPROVES THE
UTILIZATION OF THE
GRID.





### EXTERNAL PARALLEL RUN RESULTS

Simulations of the Nordic flow-based capacities have run since December 2022.

- Simulations have run in a test environment for the market algorithm.
- Sensitivity analysis, changing only one parameter:

#### Changed:

 Capacities in capacity calculation region Nordic and the external borders to the continent.

#### Not changed:

- Day-ahead order books used in all bidding zones.
- Day-ahead capacities used in the rest of Europe.

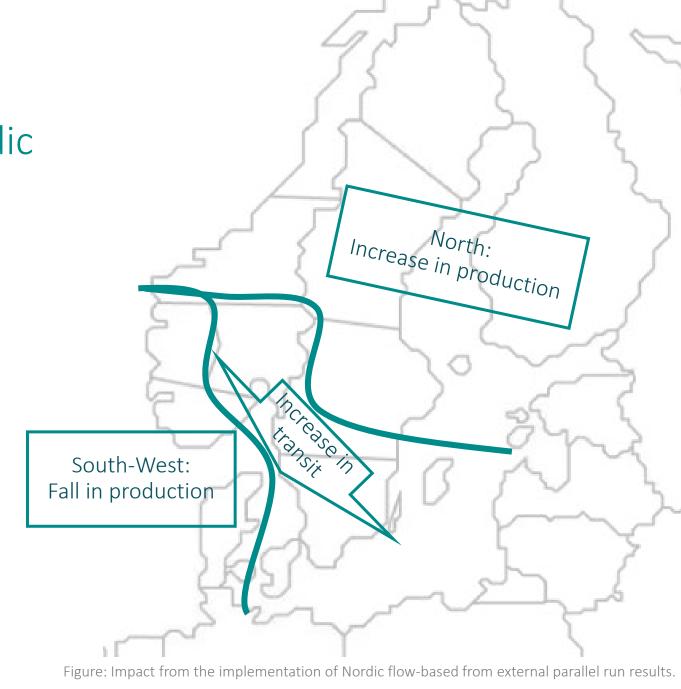
Data is not a forecast of the future, but a calculation and comparison of the daily impact of a change in the capacity calculation.



Improved utilization of the Nordic grid with flow-based enables increased flow from North to South-West by **6,5 TWh** that was not possible with net transfer capacity.

This is an increase of 67%.

Flow-based impact July 2023 - June 2024



### HIGHER UTILIZATION OF NORDIC PRODUCTION

3% increase in export to the continent in hours with export.

7% fall in import from the continent in hours with import.

Flow-based impact July 2023 - June 2024

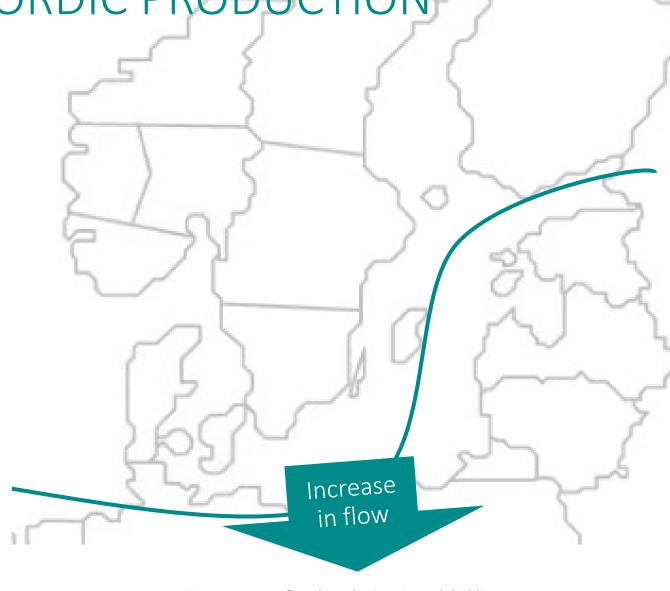


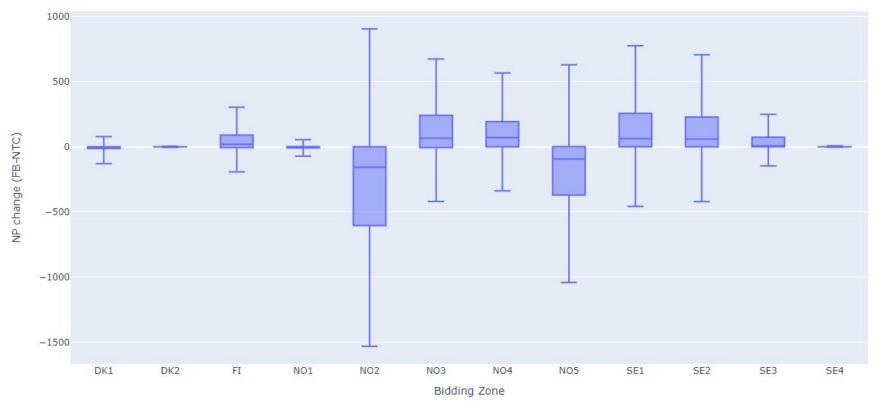
Figure: Average flow-based prices in each bidding zone.

#### **ENERGINET**

# THE IMPACT OF FLOW-BASED DIFFERS GREATLY FROM BIDDING ZONE TO BIDDING ZONE

Flow-based impact July 2023 - June 2024

Positive value: Increase in export/fall in import in bidding zone with flow-based. Negative value: Fall in export/increase in import in bidding zone with flow-based.



Boxplot: The 99% fractile of the day-ahead net position (NP) change in MWh/h between flow-based and production per bidding zone.

# ARE YOU READY FOR FLOW-BASED?

IF NOT, THEN INFORMATION CAN BE FOUND AT HTTPS://NORDIC-RCC.NET/FLOW-BASED/

AND QUESTIONS CAN BE SENT TO CCM@NORDIC-RCC.NET