

Market Code Consultation

Updates to v2.1 of Market Code



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Definitions

- Significant rework of definitions
 - Aligning to ERAA, Grid Code
 - Removed references to other parts of the Code (stand-alone)
 - Removed redundant references
 - Added new definitions for capitalized terms
 - Added new definitions for new concepts:
 - Default Retailer
 - Balancing Group
 - Network Zone (as opposed to Network Constrained Area)



Annexures

- Market Code responsibilities
 - (1) Market Conduct Rules (applied to all Parties)
 - (5) Market parameters (cap, etc.)
 - (6) Dispute resolution process
- NERSA responsibilities (not technically Market Code)
 - (2) CPA conduct rules
 - (3) Qualifying criteria
 - Who must be balance responsible
 - Who may be market participants
 - (4) Transitional arrangements (vesting contracts) – moved from Section 17



Trading Units and Balancing Groups

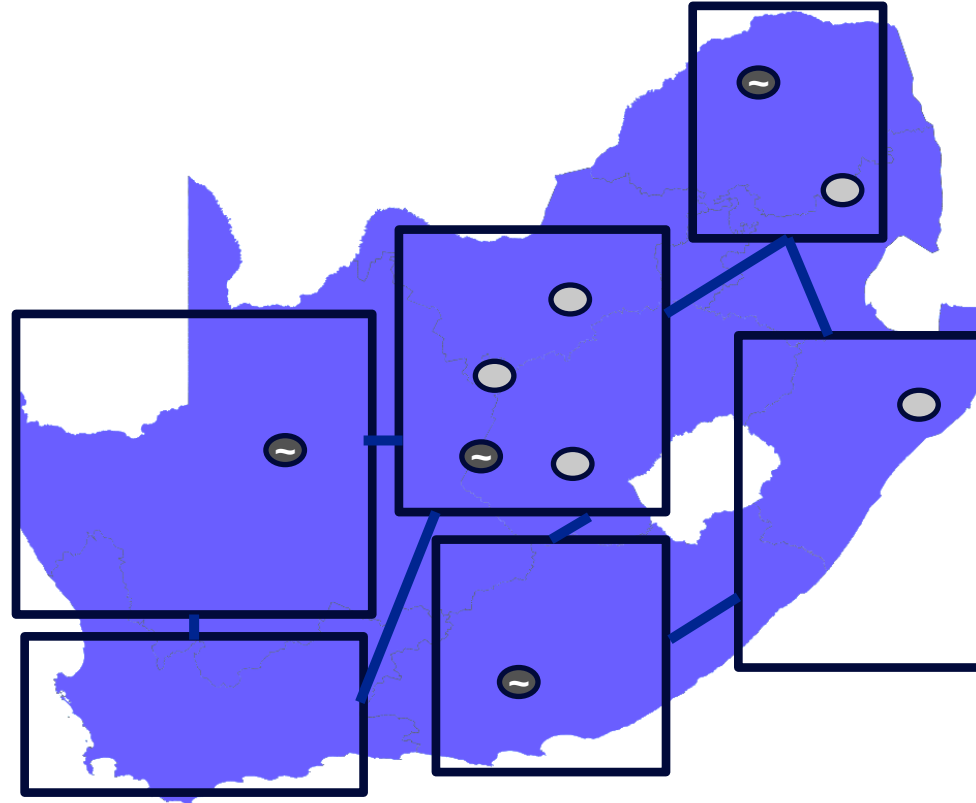
- Network Zones and the System Operator model
 - Introducing timelines for changes to the model
- Defining Trading Units (and limitations)
- Ability to balance across the portfolio
 - Interface with SO instructions



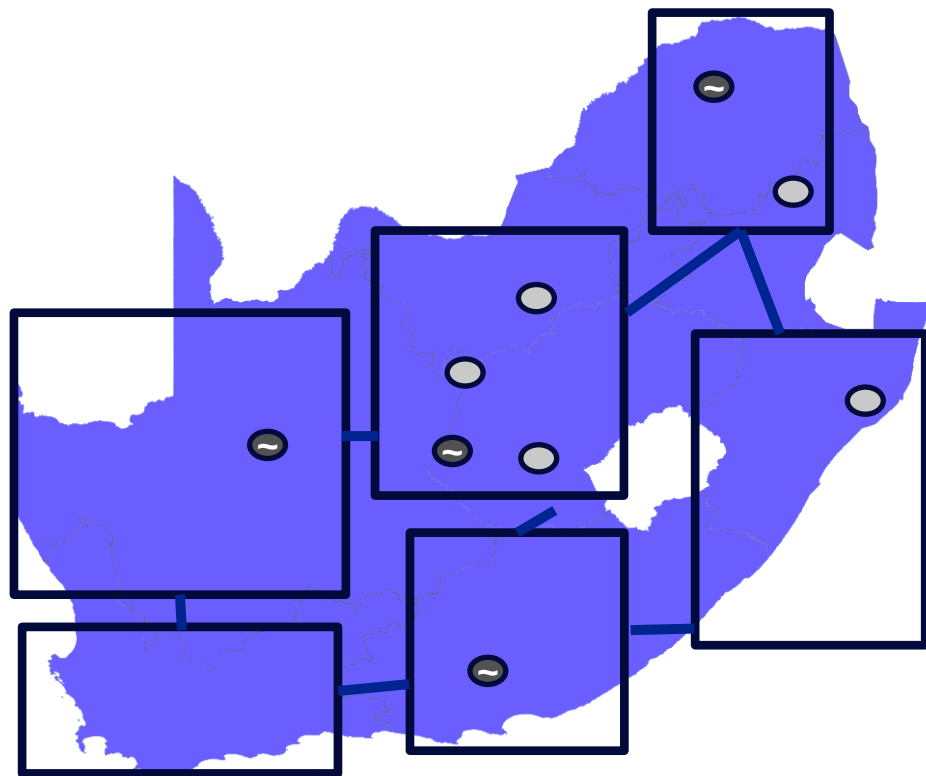
Trading Unit – between the gross pool and the net pool

Definition: “Trading Unit” means an aggregated construct of production and/or consumption components established by a Market Participant or Balance Responsible Party with the following conditions:

- (a) A Trading Unit **may not be aggregated across more than one Network Zone**;
- (b) The Maximum Continuous Rating of a Trading Unit of a Generator **cannot be greater than 930 MW** unless approved by the SO;
- (c) The metering configuration of the Trading Unit must encompass all the Energy production and consumption of the Trading Unit;



Balancing Groups



Market Participant / BRP can designate Trading Units to a Balancing Group

If the SO has designated the flow to/from a Network Zone as constrained then Trading units impacted by the direction of constrained flow cannot be included in the Balancing Group for the duration

Aggregate:

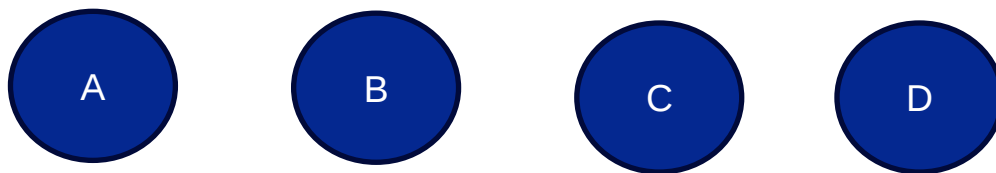
- a. SO Instructions within the Group;
- b. Metered actuals within the Group;
- c. Intra-day schedules applicable within the Group

In the payment process SO instructions are allocated in the Group depending on the net balance position of the Group (allowing that more expensive instructions are utilized within the Group first)



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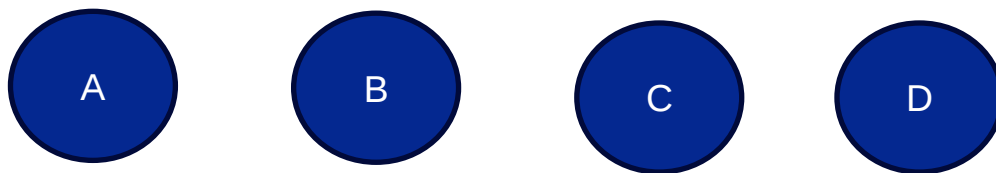
Balancing Groups (2)



	A	B	C	D	Total
SE	100	500	-600	-300	-300
AE	110	650	-660	-400	-300
IE	100	500	-600	-300	-300
Price	SMP	SMP	SMP	SMP	



Balancing Groups (3)

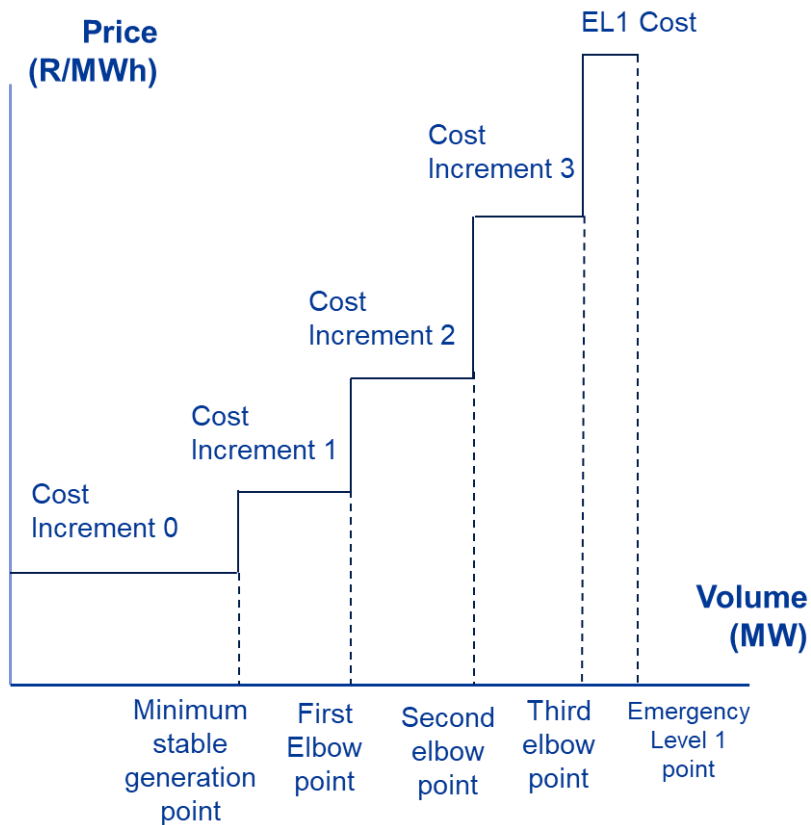


	A	B	C	D	Total
SE	100	500	-600	-300	-300
AE	110	850	-760	-400	-200
IE	100	850	-600	-300	50
Price	SMP	250 MW -> BG 100 MW -> SO instruct	SMP	SMP	

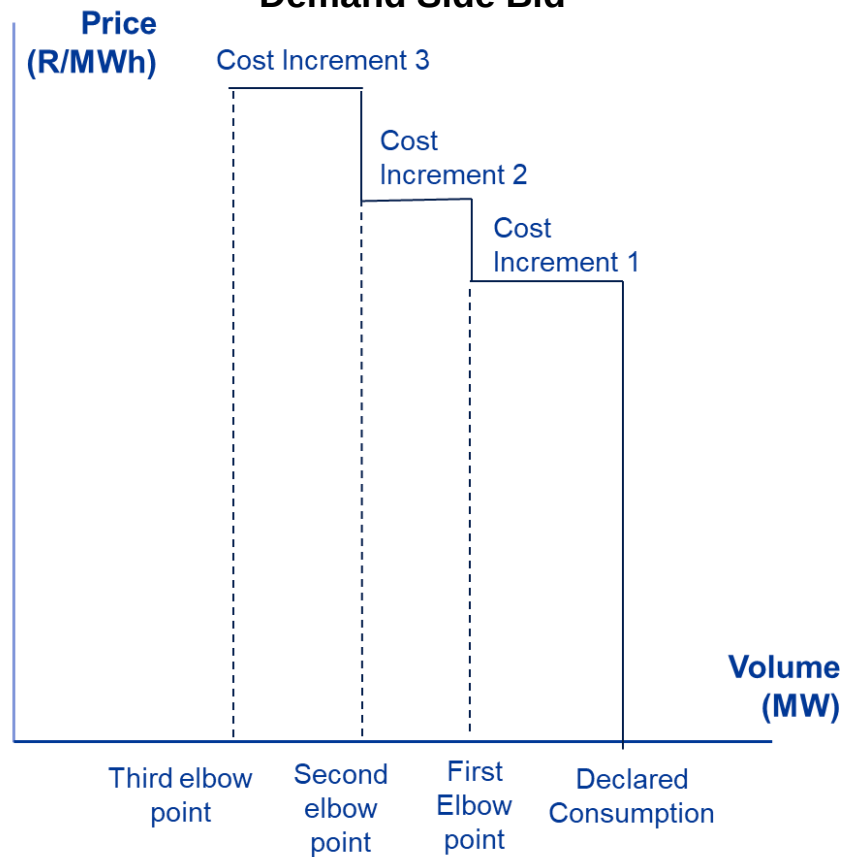


Clarifying demand-side bid structure

Supply Side Offer



Demand Side Bid



Responsibilities of a Network Operator

- Metering services and submission of metering data
- Facilitating data queries, settlement queries and disputes
- Accountability for network losses
- Follow suspension and termination orders from MGC
- Default retailer provisions
- Billing of use-of-system charges and inform MO if there is a breach of CUOSA

