



**E-CONTROL**

## **Electricity Market Code**

### **Chapter 1**

### **Definitions**

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Version 2.2

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## Document history

Version	Release	Publication	Applies as of	Part	Comments
1	0				first draft
2	0				
2	1	30/12/2011	01/01/2012		Update and some new definitions line with the <i>Elektrizitätswirtschafts- und -organisationsgesetz</i> (Electricity Act) 2010
2	2	30/06/2015	01/07/2015		Definitions for smart meters, balancing service providers and aggregators; engl. terms aligned with ENTSO-E harmonised role model and NCs

**Aggregator**

An energy management provider that bundles short-term consumption or generation capacities for the purpose of buying, selling or auctioning on organised energy markets or bilaterally.

**Ancillary services**

All services necessary for the operation of a transmission or distribution grid.

**Annual consumption**

The billed consumption as scaled to a period of 365 days.

**Applicable system charges**

The currently applicable charges that grid users pay to network operators for grid use. These charges are fixed by the competent authority.

**Applicable technical rules**

The commonly accepted technical rules, the Technical and Organisational Rules for operators and users of transmission and distribution grids mentioned in the *Elektrizitätswirtschafts- und –organisationsgesetz* (Electricity Act) (the TOR – corresponding to the Grid Code, Distribution Code and Metering Code), as well as the system operation rules of network operators.

**Balance group (BG)**

A virtual group of suppliers and customers within which the volumes of electric energy procured (by procurement schedules, injections) and supplied (by delivery schedules, withdrawals) are balanced.

**Balance group members**

Suppliers or customers joined into balance groups within which injection and withdrawal of electricity are balanced.

**Balance responsible party (BRP)**

The entity representing a balance group vis-à-vis other market participants and vis-à-vis the imbalance settlement responsible.

**Balancing service provider (BSP)**

A market participant that fulfils all requirements necessary to participate in the balancing markets (primary, secondary and tertiary control) and to offer balancing services in the control area operator's tenders. BSPs may subcontract third parties that in fact render the balancing services or that bundle such services (aggregators).

**Bank account for direct debits**

Bank account for which direct debits can be set up.

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**Bank working day**

Any day (except for Saturdays and Sundays) on which banks are open for the public and which is also a Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET) day.

**BDEW**

*Bundesverband der Energie und Wasserwirtschaft e.V.*, the German Association of Energy and Water Industries.

**Billed consumption**

The consumption between two meter readings.

**Billing agency**

The agency operated by the imbalance settlement responsible that uses the information provided by network operators and market participants to calculate each balance group's imbalances; that draws up the merit order list for calling off power plants to generate balancing energy and calculates the balancing energy prices based on the producers' bids; and that manages the organisation, clearing and settlement of balance groups.

**Billing period**

The time period for which the billing agent performs the financial clearing.

**Certified e-mail address**

An e-mail address with an electronic certificate that can be used to add signatures to e-mails or encrypt them.

**Charge for system losses**

The charge that compensates the network operator for the costs incurred by procuring the energy required to cover network losses.

**Clearing, financial**

s. financial clearing

**Clearing, first**

s. first clearing

**Clearing, second**

s. second clearing

**Clearing, technical**

s. technical clearing

**Clearing fund**

The guarantee fund kept by the billing agent to protect clearing members from a clearing member default; the amount a balance responsible party is required to contribute to the fund depends on its credit rating.

**Clearing interval**

The time period during which the imbalance settlement responsible performs the first clearing.

**Cogeneration**

The simultaneous generation in one process of thermal energy and electrical and/or mechanical energy.

**Combined heat and power (CHP)**

s. cogeneration

**Consumer**

A natural or legal person or a registered partnership that purchases electricity for own use.

**Control area**

The smallest unit within the interconnected system in which load-frequency control is operated.

**Control area operator**

The entity which is responsible for load-frequency control within a control area; this function may also be carried out by a third company based in another member state of the European Union.

**Control block**

A unit in the synchronous area ENTSO-E Continental Europe that comprises one or more control areas and works together with other control blocks that are part of the system in the load-frequency control function.

**Cost cascading**

A calculation method which is applied to allocate the prorated costs of the grid level to which a consumer group is directly connected and of all upstream grid levels to that consumer group.

**Credit check**

The credit check of a balance responsible party applicant, which involves a check of its entire economic, corporate, financial and staffing situation.

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**Customer**

A consumer, electricity trader or electricity undertaking that buys electric energy.

**Deviation factor**

The ratio of actual to standard consumption on each day between two meter readings.

**Digital signature**

An encryption annex to an electronically transmitted message that serves to demonstrate that the message was created by a known sender and was not altered in transit.

**Direct line**

A line constructed in addition to the interconnected system.

**Directly connected grid areas**

Grid areas linked by electric connections.

**Distribution**

The transport of electricity through high, medium or low-voltage distribution systems with a view to its delivery to customers, but not including supply.

**Economic precedence**

The ranking of sources of electric energy according to economic criteria.

**Electricity trader**

A natural or legal person or a registered partnership selling electricity with a view to profit.

**Electricity undertaking**

A natural or legal person or a registered partnership that performs one or more of the functions of generation, transmission, distribution, supply and purchase of electric energy with a view to profit, and which also performs commercial, technical or maintenance duties in connection with these functions. Consumers are not electricity undertakings.

**Encrypted e-mail**

An electronic message that has been encrypted so that it can be read only by the designated recipient.

**Exchange programme**

The total scheduled energy interchange between two control areas during a measurement period (definition by ENTSO-E Continental Europe).

**External commercial trade schedule**

A schedule for exchanges between balance groups that are located in different control areas.

**Financial clearing**

The imbalance settlement responsible's determination of a balance group's imbalance charges for each imbalance settlement period, as well as for the entire billing period, including the settlement of these imbalance charges with each balance responsible party.

**First clearing**

The regular (at least monthly) process by which the total imbalances for each balance group during each imbalance settlement period are determined; for this purpose, the aggregate schedules are offset against the sum of aggregate quarter-hourly meter readings and aggregate load profiles.

**Generation**

The production of electric energy.

**Green card**

A confirmation issued by the imbalance settlement responsible, by which it confirms towards E-Control that it considers an applicant to fulfil all technical, financial and contractual requirements necessary for the function it has applied for.

**Grid area**

A part of an electricity grid for which the same charges apply.

**Grid connection**

The physical connection of a customer or producer facility to the grid.

**Grid level**

A part of a grid, mainly defined by its voltage level.

**Grid use**

The injection or withdrawal of electric energy from a grid.

**Grid user**

A natural or legal person or commercial undertaking feeding electric energy into or out of a grid.

**Group undertaking**

A legally independent undertaking affiliated with another legally independent undertaking pursuant to section 228(3) *Handelsgesetzbuch* (Commercial Code).

**GTC ISR**

The general terms and conditions of the imbalance settlement responsible.

**Imbalance**

The difference between a balance group's schedule and its actual offtake or infeed during an imbalance settlement period; the volume of electric energy per imbalance settlement period may be metered or calculated.

**Imbalance settlement period**

The shortest time interval (15 minutes) for which the imbalance settlement responsible determines imbalance prices and for which the imbalance volume is metered for the purpose of technical clearing.

**Imbalance settlement responsible (ISR)**

A natural or legal person or a registered partnership operating a billing agent for imbalance settlement.

**Indirect representative**

A representative that acts in its own name on behalf of the represented.

**Injection point**

A metering point connecting a producer or electricity undertaking that feeds electric energy into the grid.

**Integrated electricity undertaking**

A vertically or horizontally integrated electricity undertaking.

**Interconnected system**

A number of transmission and distribution grids linked together by means of one or more interconnectors.

**Interconnector**

Equipment used to link electricity systems.

**Internal commercial trade schedule**

A schedule for exchanges between balance groups that are located in the same control area.

**ISR contract**

The contract between the imbalance settlement responsible and the market participants about the statutory services to be provided; the general terms and conditions of the ISR become binding by virtue of this contract.



**Load meter (LM)**

A piece of technical equipment that continuously records the average load and/or the consumption during each imbalance settlement period along with the time of use. Load meters can be read remotely but do not allow for remote disabling or remote load limiting.

**Load-frequency control**

Load-frequency control comprises

- primary control,
- secondary control,
- tertiary control, and
- unintended exchanges.

**Load profile**

The electric energy volume taken at a withdrawal point or fed in at an injection point shown in time intervals.

**Margin**

The collateral of a balance responsible party to be deposited with the billing agent in addition to the compulsory contribution to the clearing fund.

**Market participants**

Balance responsible parties, suppliers, electricity traders, producers, balancing service providers, system users, customers, consumers, imbalance settlement responsables, power exchanges, transmission system operators, distribution system operators and control area operators.

**Market rules (MR)**

The entirety of all legal or contractual rules, regulations and provisions which electricity market participants must comply with in order to facilitate and guarantee the proper functioning of this market.

**Membership of a balance group, direct**

Market participants that have concluded a contract with a balance responsible party about the organisation and settlement of their imbalance charges resulting from differences between injections and withdrawals are direct members of the balance group.

**Membership of a balance group, indirect**

Grid users and electricity traders that have concluded a contract with a supplier about the supply of electricity, including the organisation and settlement of their imbalance charges resulting from differences between injections and withdrawals, are indirect members of the supplier's balance group. Such indirect membership means that there is no direct contract between the grid user or electricity trader and the balance responsible party.

**Meter reading**

The value that indicates the electric energy volume fed in or out at a metering point on the interconnected system, as metered average load for each measurement period.

**Metering point (MP)**

Any injection or withdrawal point where electricity volumes are metered and registered. Combining several metering points is not admissible.

**Minimum collateral**

The minimum amount of the mandatory contribution to the clearing fund to be deposited with the billing agent.

**Minute reserve**

s. tertiary control

**Monthly aggregate time series**

For each balance group or supplier, the time series resulting from aggregating the time series data of load metered customers and those of the standardised load profiles, used in the clearing process.

**Network operator**

The operator of a transmission or distribution grid with a nominal frequency of 50 Hz.

**Party entitled to system access**

A natural or legal person or registered partnership that wishes to gain access to a system, including but not limited to electricity undertakings, to the extent required to fulfil their responsibilities.

**Point of delivery**

A point on an electric grid named such and agreed by way of contract, where electric energy is transferred between the parties to the contract. The point of delivery may coincide with the metering point and the ownership boundary.

**Primary control**

The automatic reestablishment of the balance between generation and consumption by means of turbine speed governors according to the machines' static default characteristic within no more than 30 seconds following the occurrence of an imbalance.

**Producer**

A legal or natural person or a registered partnership which generates electricity.

**Renewable energy source (RES)**

A renewable non-fossil energy source (wind, solar, geothermal, wave, tidal, hydropower, biomass, landfill gas, sewage treatment plant gas and biogas).

**Reserve capacity**

The generation capacity available to cover unplanned generation outages.

**Risk management**

The due diligence analysis of balance responsible parties carried out by the imbalance settlement responsible's billing agent, including the determination, request for, release and administration of collateral as well as the use of collateral by the billing agent in the case of a balance responsible party default.

**Schedule**

A document specifying the electricity that is fed in or out at certain points on the grid or exchanged between balance groups, in terms of planned average loads per imbalance settlement period.

**Second clearing**

The correction of the imbalances determined for each balance group during the first clearing; this relies on the actual annual electricity injections and withdrawals metered.

**Secondary control**

The automatic regulation of the frequency to its set value by means of central or distributed control reserves following a deviation of generated and consumed active load. Secondary control operates for periods of several minutes.

**Smart meter (SM)**

A piece of technical equipment that records actual energy consumption and time of use close to real time and allows for bidirectional data transmission and remote meter reading.

**Smart meter with full functionality**

A smart meter that transmits 15-minute readings, given that the customer either has expressly agreed that this can be done or has chosen a supply contract that relies on 15-minute readings, i.e. where these are necessary so that the contract can be fulfilled.

**Smart meter with standard functionality**

A smart meter that transmits one daily meter reading, given that the customer has **not agreed** that 15-minute readings can be submitted.

**Standard consumption**

The consumption during a given period of time that is reflected in a standard load profile provided by the imbalance settlement responsible.

**Standard load profile (SLP)**

A load profile characteristic of a certain group of injection or withdrawal points drawn up by way of a suitable procedure.

**Standard digital meter (SDM)**

An electronic meter that does not save 15-minute meter readings and does not allow for remote disabling or remote load limiting and that therefore is not a smart meter. SDMs do enable regular remote meter reading and electronic submission of monthly meter readings. Meter readings can also be submitted when it is necessary to exactly determine actual consumption; the system operator must be informed thereof in due time.

**Supplier**

A natural or legal person or a registered partnership that provides electricity to other natural or legal persons.

**Supply**

The sale, including resale, of electricity to customers.

**System admission**

The initial establishment of a connection to the grid, or an increase in the connected capacity of an existing connection to the grid.

**System admission charge**

The lump-sum charge that compensates the network operator for all expenditures directly arising from the grid admission (establishment of first connection to a grid) or from an increase in the connected capacity of an existing grid connection.

**System access**

Use of a system.

**System access applicant**

A natural or legal person that has applied for grid access.

**System access contract**

The individual agreement concluded between a party entitled to grid access and a network operator that regulates grid connection and utilisation of the network operator's grid.

**System losses**

The difference between the amounts of electric energy fed into and out of a grid that results from the wires' ohmic resistance, insulator discharges, coronas or other physical phenomena.

**System operator**

A network operator that has the technical and organisational means to take any measures required to maintain the operation of the grid. All network operators in Austria are system operators.

**System provision**

The indirect expenses in the upstream grid incurred by a network operator in enabling a grid user's grid connection.

**System provision charge**

The charge that compensates the network operator for the indirect expenses it has incurred in the upstream grid to enable a grid user's grid connection.

**Technical clearing**

The balancing of each balance group's technical account at the billing agent; for this purpose, the time series data provided by the grid operators for each supplier and producer and any internal and external schedules that have been exchanged between balance groups are used.

**Tertiary control**

The manual or automatic activation of generation capacity for an extended period, in order to support or complement active secondary control or to restore secondary control reserves.

**Third countries**

Countries that are not members of the European Union and have not acceded to the European Economic Area Agreement.

**Transmission**

The transport of electricity through an extra-high voltage and high-voltage interconnected grid with a view to its delivery to consumers or distributors, but not including supply.

**Transmission grid, transmission network, transmission system**

A high-voltage interconnected system with a voltage of 110 kV or above, serving the purpose of supra-regional transport of electric energy.

**UCTE (Union for the Coordination of Transmission of Electricity)**

The interconnected transmission network of continental Europe.

**Unintentional deviations**

Unintended exchanges of energy between control areas that cannot be forecast and that result from the physical conditions of the network. Unintentional deviations are the difference between actual measured energy exchange and the scheduled energy exchange.

**Vertically integrated electricity undertaking (VIU)**

An undertaking or a group of undertakings in which the same person is entitled, directly or indirectly, to exercise control, and where the undertaking or group performs at

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least one of the functions of transmission or distribution and at least one of the functions of generation or supply of electricity.

**Withdrawal point**

A metering point connecting a consumer or network operator that takes electric energy from the grid.

**Working day**

All days except Saturdays, Sundays, statutory holidays, Good Friday, and 24 and 31 December.