



Status of the Macedonian electricity market

specifics and future developments

Skopje, 26-th September 2019

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ABOUT US



History and organizational background of the Electricity Market Operator

STATUS OF THE EM



Status of the Macedonian electricity market, quantities and tendencies

FUTURE PLANS



What can be expected

Who we are?

JSC MEPSO - Electricity Transmission System Operator

Fully state-owned company, established in 2005 after the transformation of the ESM. The MEPSO core activity and business is a smooth electricity transmission via the high voltage network, electric power system control and organizing, efficient operation and electricity market development

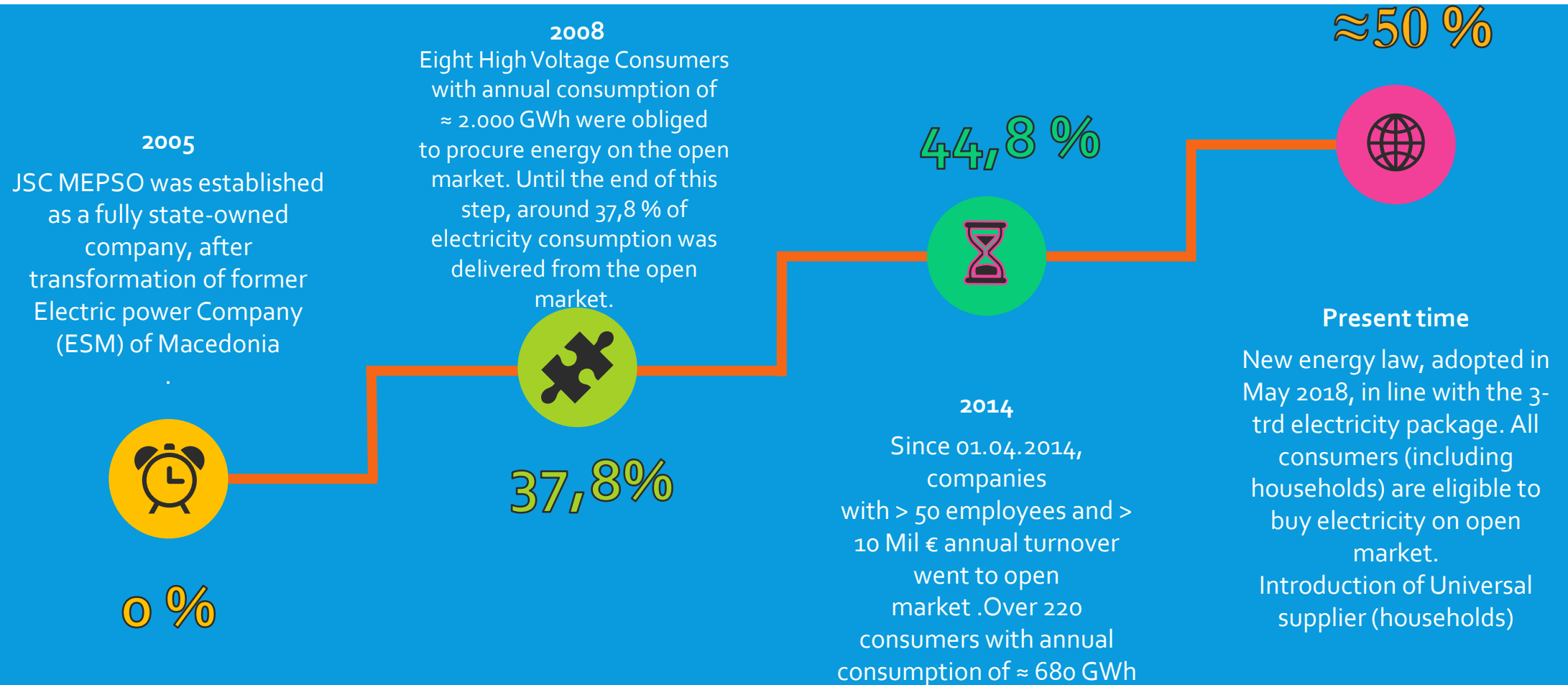
EMO – Electricity Market Operator

Electricity market operator, a branch in JSC MEPSO which organizes operationally the Macedonian electricity market. The market operator is a synonym for the electricity market operator licensed by the NRA operating within JSC MEPSO.

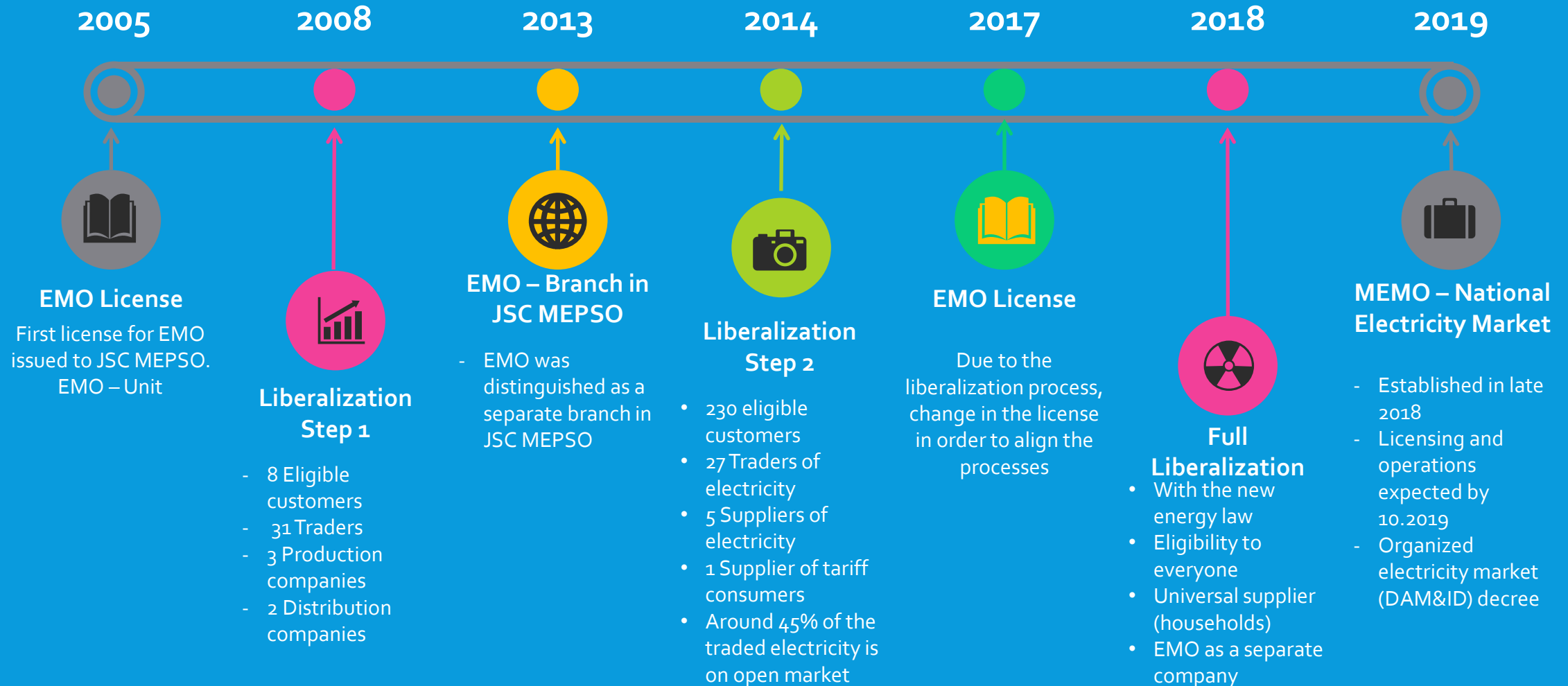
MEMO – National electricity market operator

Company established in 2018 by the JSC MEPSO, with a goal to continue with activities related to the wholesale electricity market operations, to establish and make operational power exchange for day-ahead and intraday trading. The license obtained by the NRA .

Liberalization process in Macedonian market - History



MEPSO → MEMO



Wholesale market - Legal Background

Energy law

The new energy law was adopted in May 2018. In compliance with the 3rd energy package. Introduction of Universal Supplier, Virtual producer, feed-in premium, deregulation in production, Unbounding of the TSO, EMO as a separate company, organized electricity market

Market rules

The new market rules were adopted on 11.09.2018 by NRA and will be used after entering into force of the Balancing rules.

New balancing rules

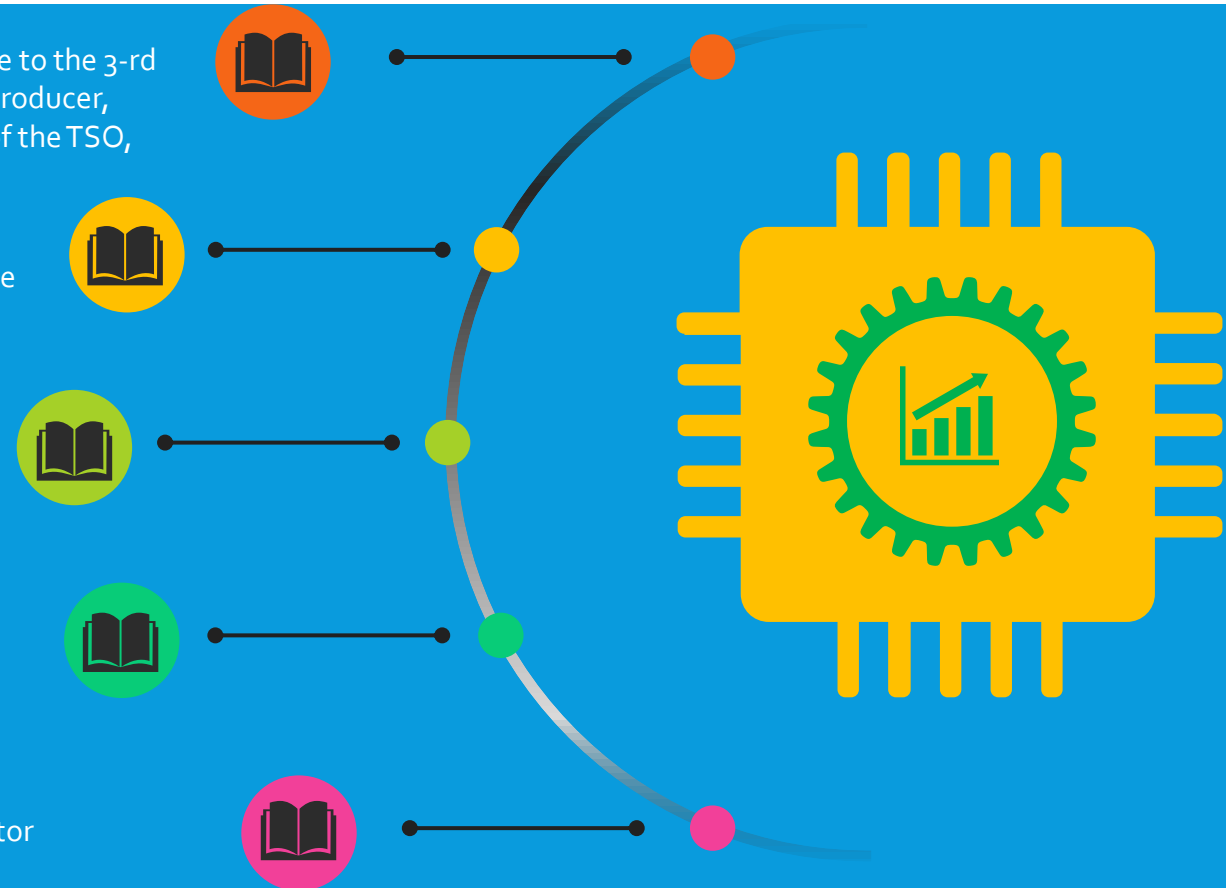
Adopted by the JSC MEPSO as a TSO in 2019 and approved by the NRA (January 2020).

Organized electricity market decree

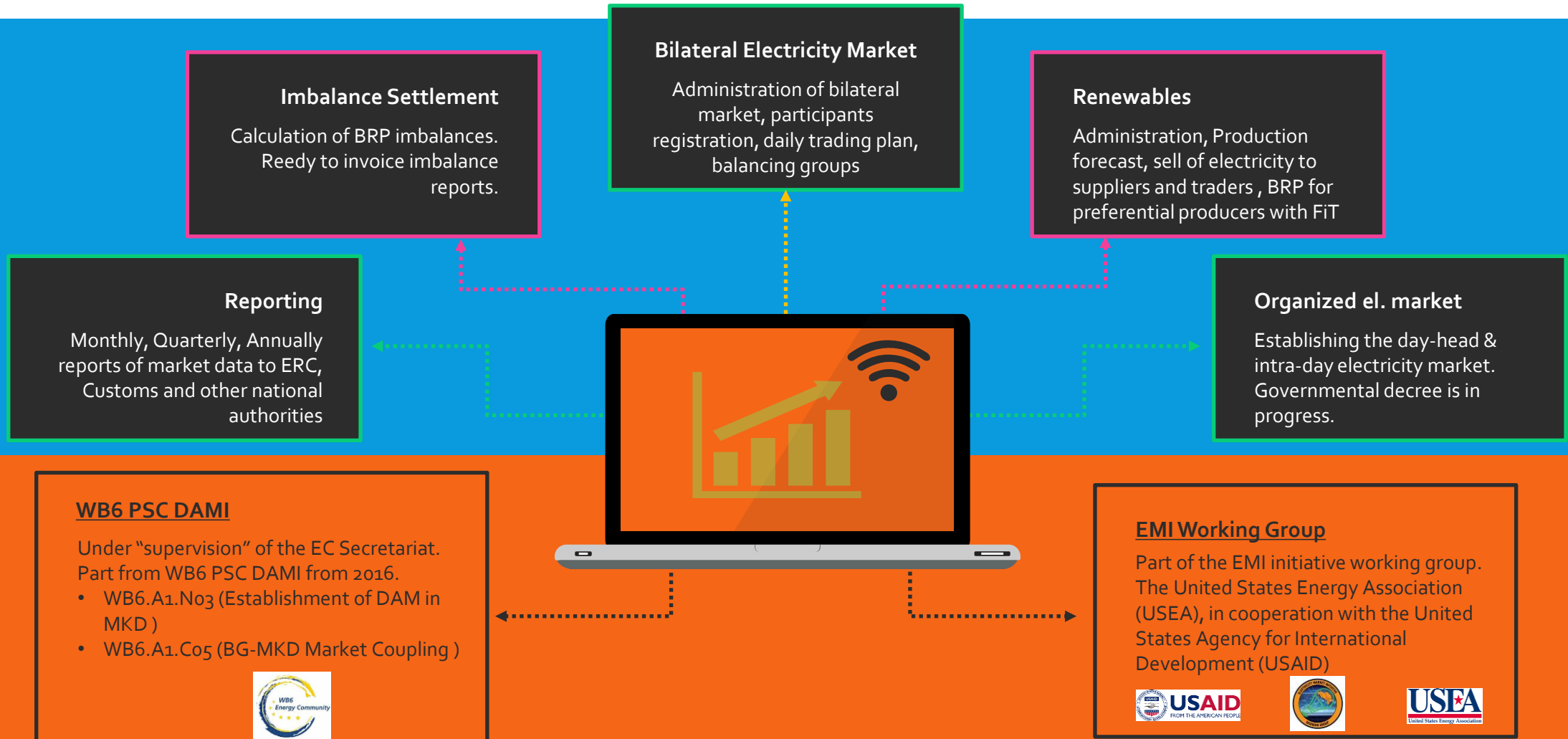
The designation criteria for the organized electricity market operator (DAM & ID). In procedure.

Organized electricity market rules

Will be adopted by an Organized Electricity Market Operator



EMO responsibilities



Electricity Market status



Market participants

9 Consumers registered on wholesale market

41 Producers registered on a wholesale market

20 Suppliers registered on a wholesale market

26 Traders registered on a wholesale market

1 Universal Supplier / Supplier of last resort

2 DSO, 1 TSO, 1 MO

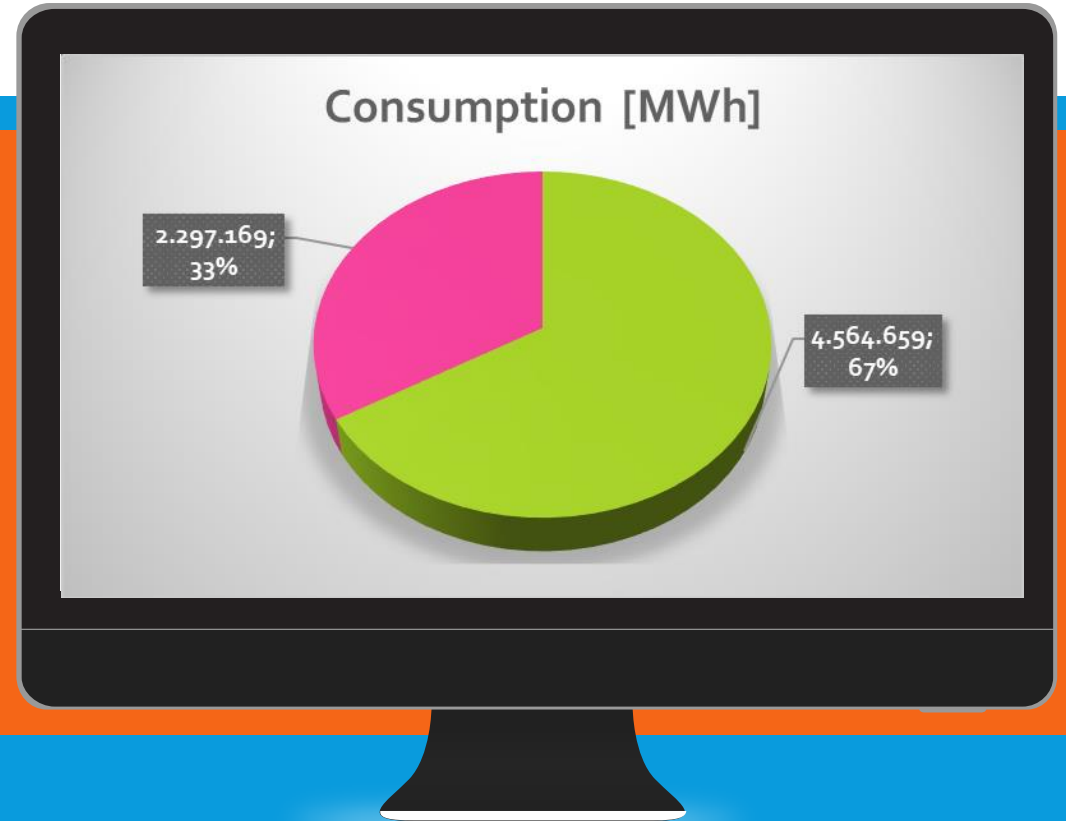
2018 - Figures



Gross domestic production - 4.565 GWh (67%)



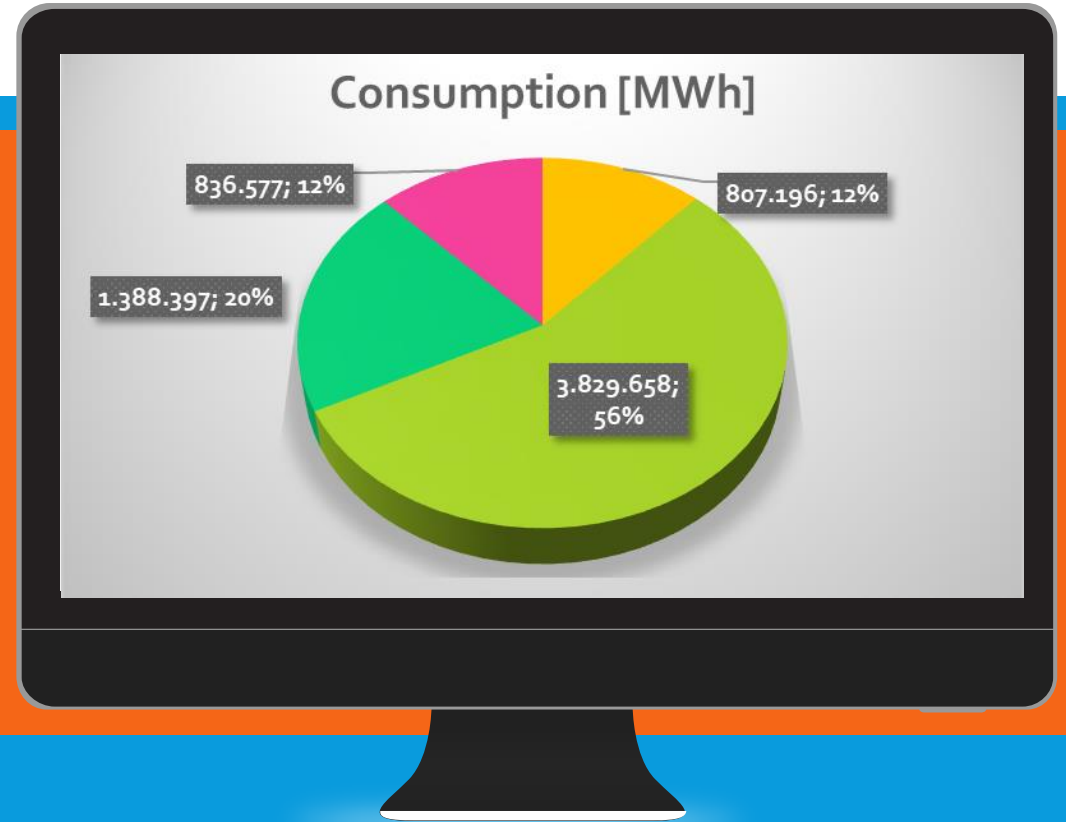
Gross Import – 2.297 GWh (33%)



The total consumption in 2018 - 6.862 GWh

2018 - Figures

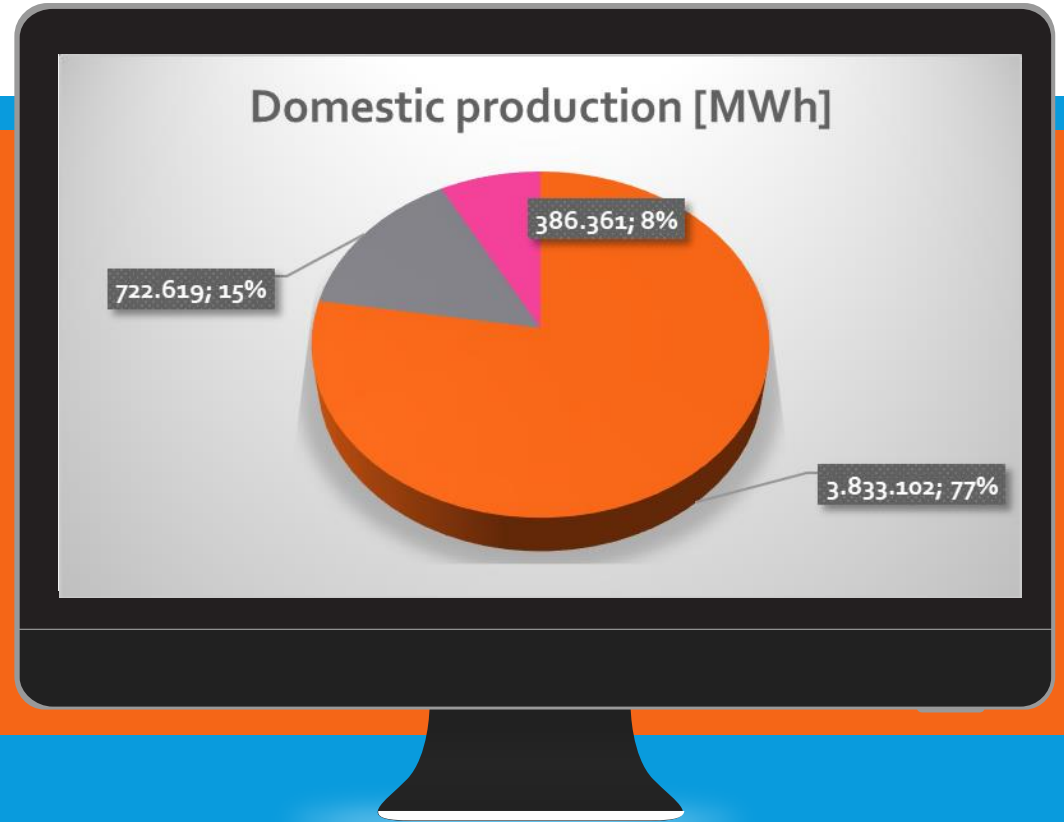
- ✓ Big consumers registered on a wholesale market – 807 GWh (12%)
- ✓ Electricity supply on regulated market – Tariff consumers – 3.830 GWh (56%)
- ✓ Electricity supply on a open market – 1.388 GWh (20%)
- ✓ Electricity for Transmission network losses – 837 GWh (12%)



Electricity consumption share purchased on open market is around 44%

2018 - Figures

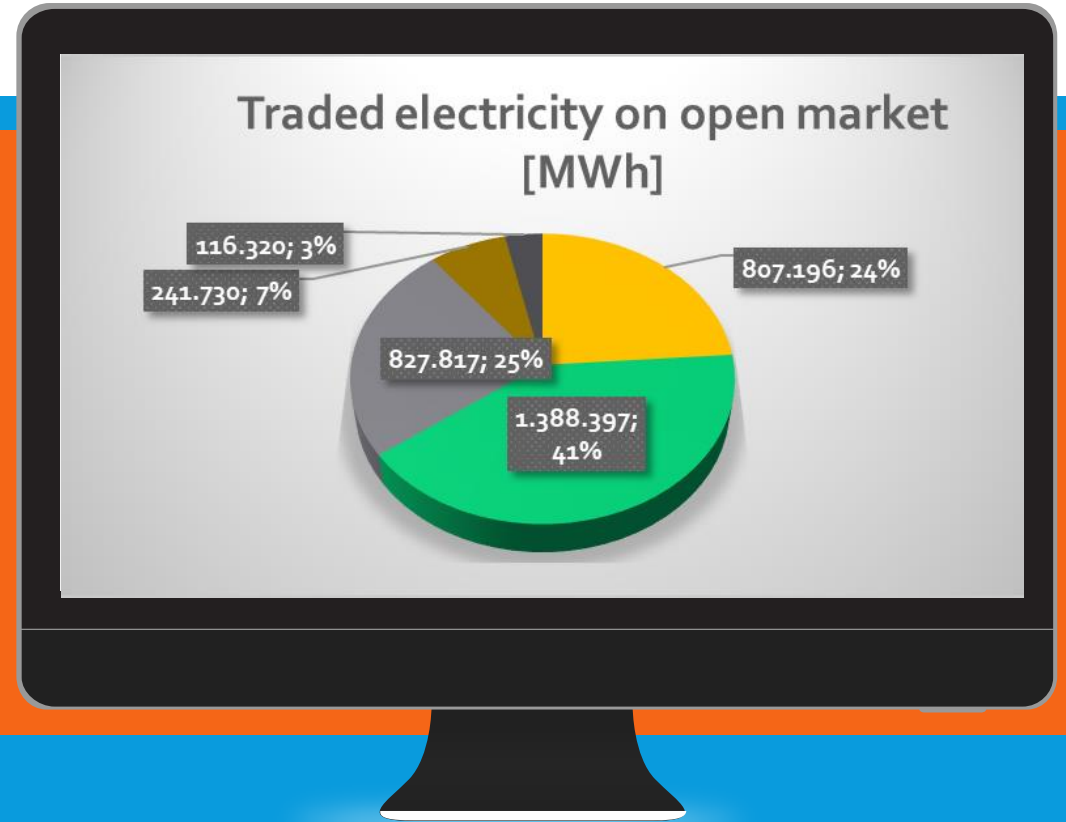
- ✓ JSC ESM (ELEM) – 3.833 GWh (77%)
- ✓ Independent producers – 723 GWh (15%)
- ✓ RES with FiT tariff – 386 GWh (8%)



- JSC ESM (ELEM) has a major part of domestic production
- Electricity sale from RES with FiT 386 GWh – 8%

2018 - Figures

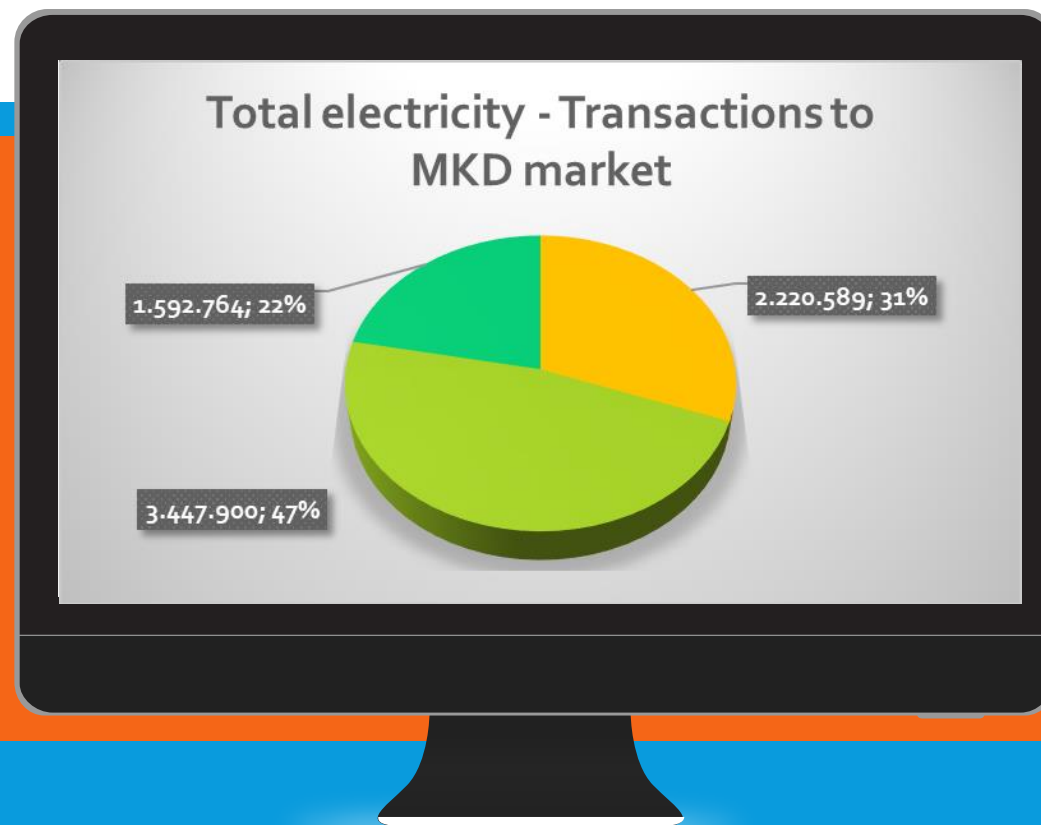
- ✓ Big consumers registered on a wholesale market – 807 GWh (24%)
- ✓ Electricity supply – 1.388 GWh (41%)
- ✓ Losses TSO + DSO – 828 (25%)
- ✓ RES for tariff consumers – 242 GWh (7%)
- ✓ Electricity for tariff consumers – 116 GWh (3%)



The biggest share of electricity traded on open market goes to retail consumers 41%

2018 - Figures

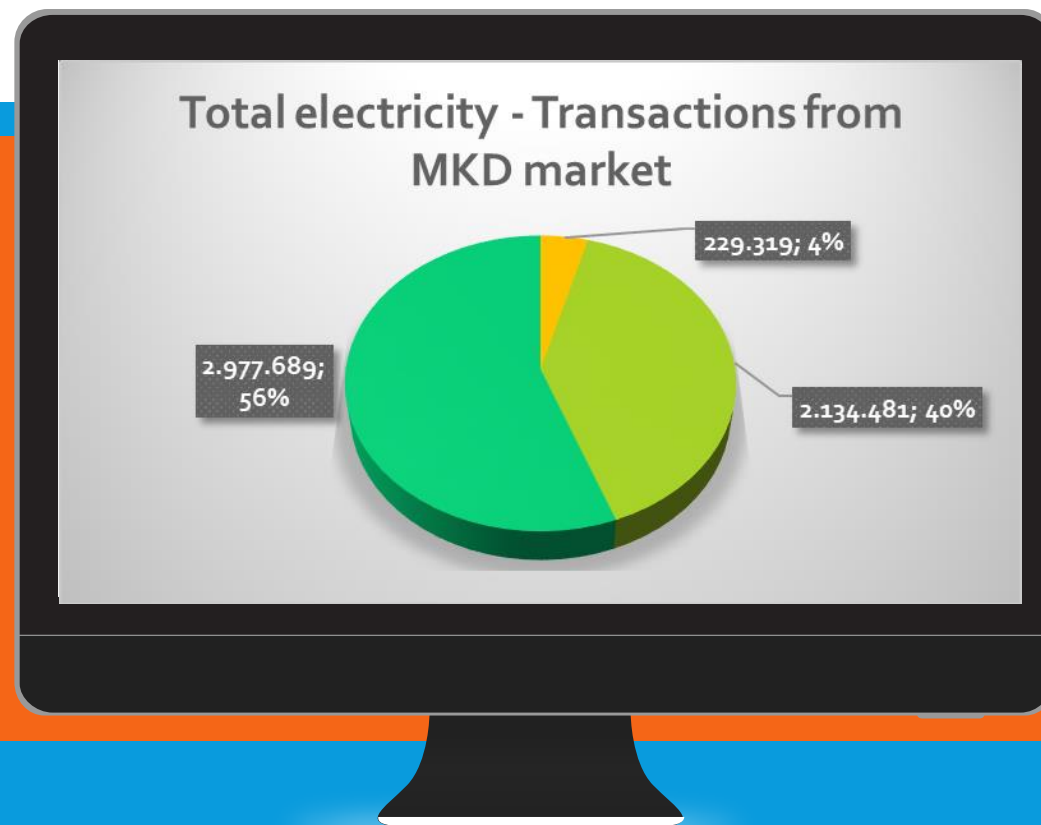
- ✓ Transactions from interconnection with Bulgaria – 2.221 GWh (31%)
- ✓ Transactions from interconnection with Serbia – 3.448 GWh (47%)
- ✓ Transactions from interconnection with Greece – 1.593 GWh (22%)



Total transactions with transits

2018 - Figures

- ✓ Transactions to interconnection with Bulgaria – 229 GWh (4%)
- ✓ Transactions to interconnection with Serbia – 2.134 GWh (40%)
- ✓ Transactions to interconnection with Greece – 2.978 GWh (56%)



The electricity flow to Greece is dominant 56%

2018 - Figures

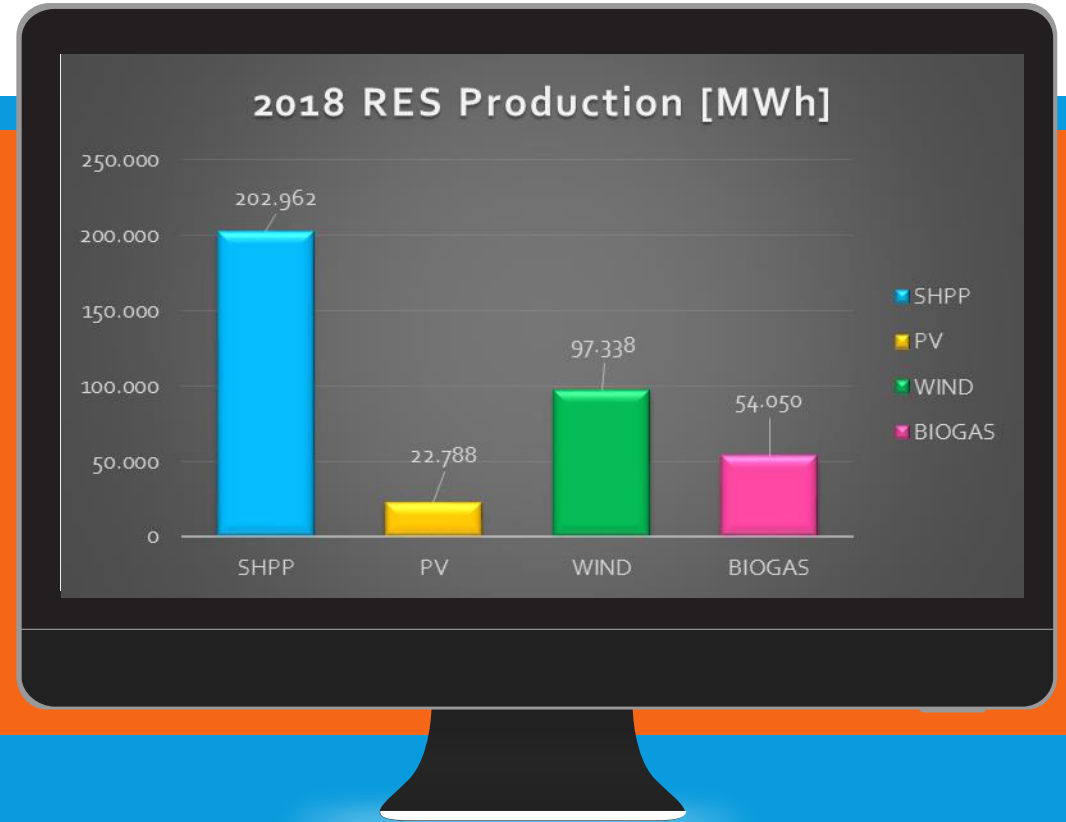
- ✓ Declared import – 2.297 GWh
- ✓ Declared export – 337 GWh
- ✓ Export of electricity procured in Macedonian market – 137 GWh
- ✓ Gross transit – 4.827 GWh
- ✓ Net transit – 3.711 GWh
- ✓ Countertrading – 1.117 GWh



The importance of good interconnection with neighboring electricity markets 3.710 GWh

2018 - Figures

- ✓ SHPP– 73,5 MW
- ✓ PV– 16,7 MW
- ✓ Wind– 36,8 MW
- ✓ Biogas – 7 MW
- ✓ Biomass – 0,6 MWh



188 preferential producers
Total production of FiT RES in 2018 = 378 GWh
Annual cost 38.8 M EUR
Average price per MWh = 103 EUR

The Future



What should be expected

Power Exchange (DAM & ID)

Establishment of the Power Exchange is closely related to the Electricity law and the Governmental decree for designation of the Organized electricity market operator.

Integration of RES

As a measure for decreasing the end consumers costs and increasing the DAM liquidity (when established), part of the RES production to be sold on a day-ahead market. No game-change for the producers.

Market coupling BG-MK

Ongoing project closely related with the establishment of Macedonian PX and the memorandum of understanding signed by relevant authorities in both countries



Thank You !



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26 September

