

**DJINGOV  
GOUGINSKI  
KYUTCHUKOV  
VELICHKOV**

ATTORNEYS AND COUNSELLORS AT LAW



## **15-minute electricity imbalance settlement period and a new option for trading of 15-minute products on the Power Exchange Intraday Market Segment**

By a decision of the Energy and Water Regulatory Commission under Protocol No. 243 of 09.09.2022, Rules for Amending and Supplementing of the Electricity Trading Rules (ETR) were adopted (amended, SG 76 dated 23.09.2022), effective from 01.10.2022. The amendments to the ETR introduce a 15-minute settlement period (the previous settlement period was 1 hour), which will enable the submission of balancing offers closer to real time trading (up to 15 minutes) by the end of the year relative to the closing hours of the balancing energy market. These amendments stimulate the following:

- Increasing the accuracy of generators' production schedules;
- Improving of the tools for forecasting the RES capacity and consumer consumption;
- The introduction of monitoring and control systems;
- Disciplining the behavior of the trading participants.

The above measures will result in a more accurate and fairer distribution of the costs of imbalances between trading participants in the electricity market, as well as securing electricity supply at minimum cost, considered as a key priority of the energy legislation.

The amendments shall contribute to the coupling of the balancing markets in the European Union and will ensure more opportunities for the exchange of balancing services through the further development of European balancing platforms (FSKAR, MARI and PICASSO). At the same time, the amendment of the Power Exchange Operational Rules (amended and supplemented, SG/76 dated 23.09.2022) creates the possibility to trade 15-minute products on the Intraday market segment and defines the term "fifteen-minute product" in order to implement the requirement of Article 8(4) of Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity. According to the Regulation, the imbalance settlement period shall be 15 minutes in all scheduling areas, which is an important condition to increase the operational security of the electricity system and improve the efficiency of the Power Exchange Intraday Market Segment.

As of delivery day 01.10.2022, 15-minute products are offered on the Bulgarian-Romanian border which will provide the opportunity to the trading participants to increase the accuracy of their forecasts in the trading schedules, submitted to the Electricity System Operator, as the trading schedules are used for notification of the committed capacity (MW) for each 15-minute interval. With the abovementioned changes the gross and the net trading schedules can have different or equal values within the new 15-minute interval. There is an exception only for the notification of the trading schedules related to the trades concluded on the Power Exchange Day-ahead Market Segment, which are mandatory and include 4 equal values within each hourly interval.

**Authors:**

**Milan Pandev**

Partner

E: [milan.pandev@dgkv.com](mailto:milan.pandev@dgkv.com)

**Radoul Iliev**

Senior Associate

E: [radoul.iliev@dgkv.com](mailto:radoul.iliev@dgkv.com)



**Sofia** | 10 Tsar Osvoboditel Blvd. | Sofia 1000 | Bulgaria

T: +359 2 932 1100 | F: +359 2 980 3586

**Berlin** | Schlegelstrasse 29 | 10115 Berlin (Mitte) | Germany

T: +49 30 2758 1561 | F: +49 30 2758 1562

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