

Example static

Alternative to current methodology			
Financial component		Volume (MWh)	Price
Payment from end customer to supplier	Nomination Component	=nominated volume = 100MWh	Contractual price (P)
	Settlement Component	$Settlement = nomination - allocation - ancillary\ delivery$ $= 100 - 80 - 20 = 0$	Imbalance price (IP)
Payment from FSP to supplier		0	\
Exposure to imbalance of supplier		0 (correction by ELIA)	Imbalance price (IP)
Income Supplier		100	Contractual price (P)
Current methodology			
Financial component		Volume (MWh)	Price
Payment from end customer to supplier	Nomination Component	=Nomination - ancillary delivery $= 100 - 20 = 80$	Contractual Price
	Settlement Component	$Settlement = nomination - allocation - ancillary\ delivery$ $= 100 - 80 - 20 = 0$	Imbalance price (IP)
Payment from FSP to supplier		20	Agreed Price (AP)
Exposure to imbalance of supplier		0 (correction by ELIA)	Imbalance price (IP)
Income Supplier		100	80% P + 20% AP

Example Dynamic

Inputs			
DA Nominated by DGU to supplier	100	MWh	
Contract price	50	€/MWh	
Imbalance price	400	€/MWh	
Real allocated Volume	80		
R2/R3 Volume activated	20	MWh	Positive is up volume, negative down volume
Other (causing imbalance)	0		Positive: created a long position for supplier
Can be filled in with any number			
Payment from FSP to Supplier/Supplier to FSP			
None			
Payment from DGU to Supplier			
	Volume	Price	Amount
Nomination Component	100	50	5000
Settlement Component	0	400	0
Total			5000
Regardless of what happens: the supplier receives in both cases the same total payment.			
Payment from DGU to Supplier if there would not have been an activation			
	Volume	Price	Amount
Nomination Component	100	50	5000
Settlement Component	0	400	0
Total			5000
Required flow of information			
From	To	When	What
FSP	TSO	During activation	Estimation of supplied volume of reserves for each connection point: to avoid actions nullifying activation of reserves
TSO	Supplier	During activation	Estimation of total supplied volume of reserves, cumulated for all connection points of all FSP's: to avoid counter reaction
TSO	Supplier	Right after activation	Estimation of total supplied volume of reserves cumulated. Only given separately for pass through contracts, without saying who is FSP => Supplier can set-up invoice to the client based on rules
TSO	Supplier	M+2	Validated delivery of delivered R2/R3 volume activated per pass-through connection point (no mention of FSP). Supplier can send out settlement