



RAP

Energy solutions
for a changing world

Different reliability standards in neighbouring jurisdictions: is it an issue?

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The simple answer: it depends...

- 1) *An issue for whom?*
- 2) *Are they synchronised?*
- 3) *“Jurisdiction” = control area? Central- or self-dispatch?*
- 4) *Are the load curves closely correlated?*
- 5) *How is the standard defined? How is it enforced?*
- 6) *Are the two markets coupled? If so, at what time scale(s)?*
- 7) *Is one standard too low? Is one standard too high?*
- 8) *How is access to interconnector capacity coordinated? Is capacity recallable by either jurisdiction?*

The best answer: it should not be an issue

- 1) *Regional resource adequacy assessment*
- 2) *No capacity markets or open capacity markets*
- 3) *Real-time linkage between balancing & energy markets*
- 4) *Full participation by demand in all markets*
- 5) *Coupled intra-day and balancing markets*
- 6) *Consolidation of balancing control area authority*
- 7) *Close coordination of access to interconnector capacity*
- 8) *Political commitment to no-recallable capacity obligations*

About RAP

The Regulatory Assistance Project (RAP) is a global, non-profit team of experts that focuses on the long-term economic and environmental sustainability of the power and natural gas sectors. RAP has deep expertise in regulatory and market policies that:

- Promote economic efficiency
- Protect the environment
- Ensure system reliability
- Allocate system benefits fairly among all consumers

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