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Burn Out: The endgame for fossil fuels

HELM
TALKS

LECTURE SIX

MARKET DESIGN: SYSTEM OPERATORS

PRESENTED BY

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TALKS

OUTLINE

- The capacity problem
- The system properties
- System Operators
- The conflict of retail problem
- RSOs and NOs
- Regulatory consequences

SYSTEM PROPERTIES

- Defining systems
- Non-marginal investments decisions
- Centralised vs. decentralised and the type of generation
- Network integrity and depletion
- Network enhancements and time inconsistency

SYSTEM OPERATORS

- The day job
- Command-and-control vs. market
- Conflicts of interest
- Risk/revenue and regulated returns
- Data access and data management

CONFLICT OF INTEREST

- Between networks and generation
- Between networks and demand side
- Between networks and storage
- Between potential risks and private returns
- Between the short and long run
- Public not private activities

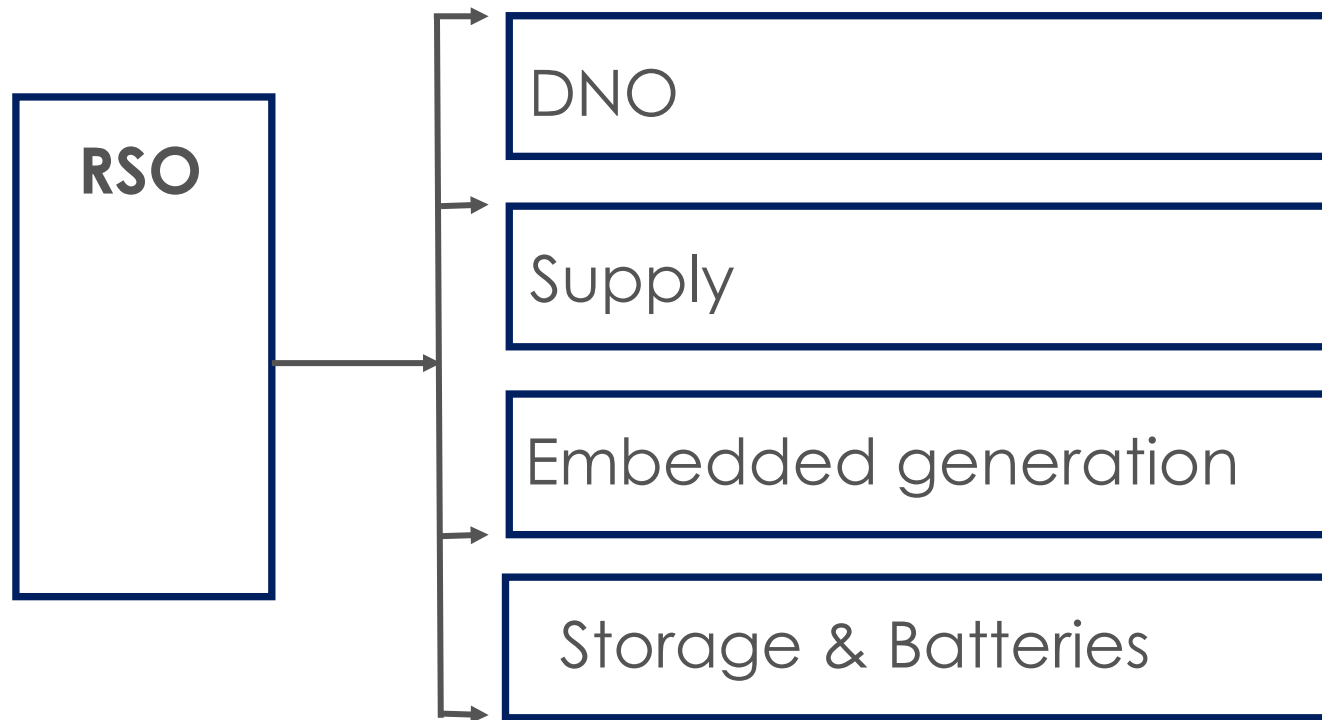
NSOs AND RSOs

NSO

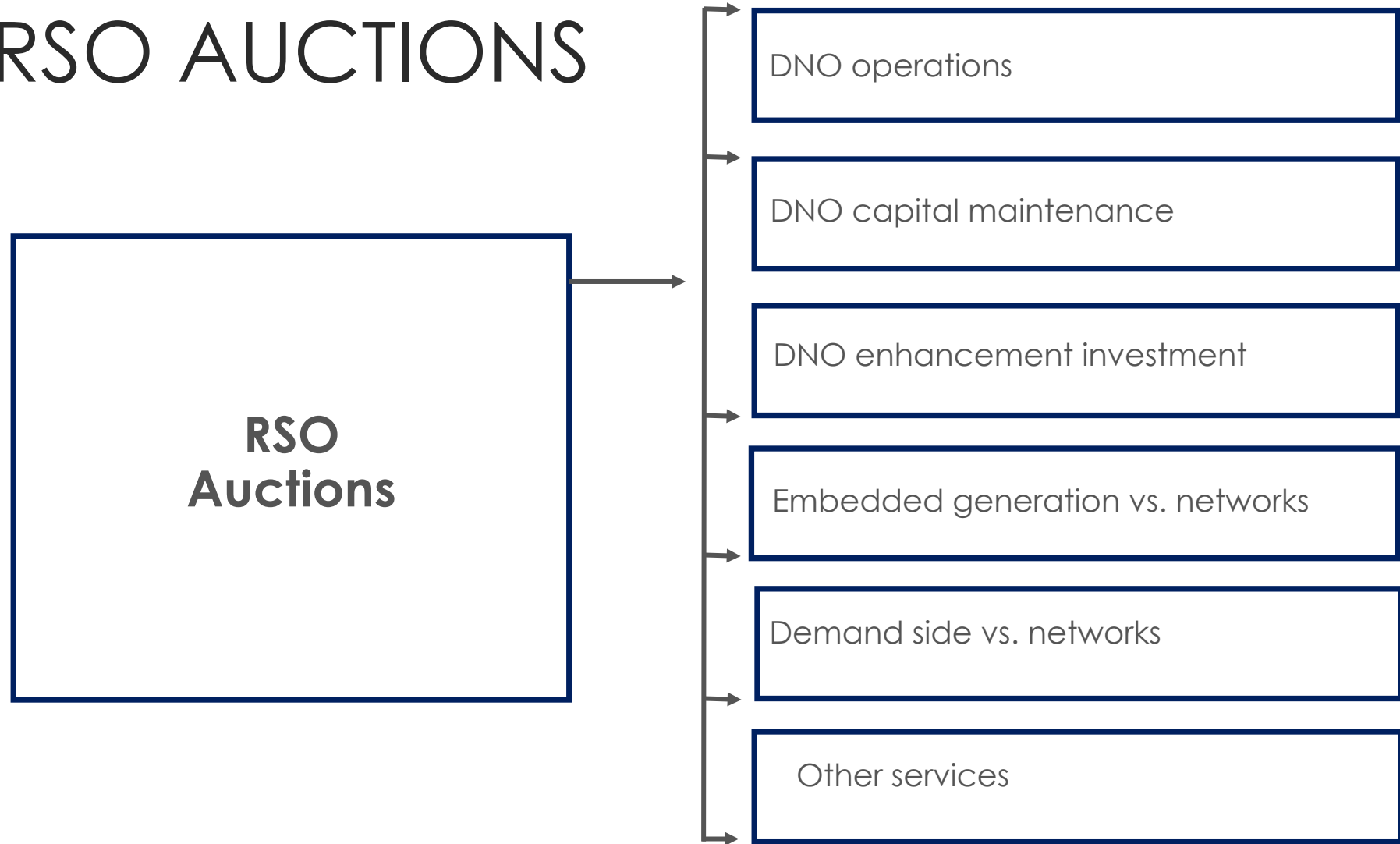
Co-ordinating council

RSO 1 RSO 2 RSO 3 RSO_n

THE RSO AND DECENTRALISED ENERGY SYSTEMS



THE RSO AUCTIONS



REGULATORY CONSEQUENCES

Government	Capacity margins
NSO & RSO	Public sector (no assets)
NSO & RSO Auction	Competition law/discretion
Supply generation and DNO licences	Single licences