

Press Release

GCCIA AND CESI LAUNCH THE GCC DAM PILOT PROJECT

Dubai, United Arab Emirates – On October 18th, Gulf Cooperation Council Interconnection Authority (GCCIA) with the support of CESI Middle East FZE, a subsidiary of CESI S.p.A. (Centro Elettrotecnico Sperimentale Italiano), a world-leading technical consulting and engineering company launched the GCC Day Ahead Market (DAM) Pilot Project at the Pavilion of the Gulf Cooperation Council at Expo 2020, in Dubai.

This ambitious project consists in the creation of an electronic platform for the pricing of electricity in GCC countries, as part of the first phase of the energy pricing project in the region. After the go-live, the pilot project is set to last over the course of six months, during which the Member States will be able to gather and leave feedbacks for further implementations in the future.

The GCC DAM Pilot Project is the first of its kind, as it represents a fundamental cornerstone for managing the energy exchange platform launched by the Electricity Interconnection Authority in 2018, an essential contribution to the development of the spot market for electricity trading. The Electricity Interconnection Authority has dedicated a full international team, in collaboration with CESI and ENERWEB, to manage and follow this project.

The GCC DAM Pilot Project aims to be a key-step for the evolution of the roadmap of the regional electricity market. This first phase aims at estimating electricity prices at a regional level and enhancing the expertise and skills on electricity trading topics. Due to the complexity of simulating day-ahead market scenarios, CESI has been involved in the creation of the new platform in terms of both quality assurance and project management support.

Matteo Codazzi, CESI Group CEO, stated: “This project is a true milestone for the electricity trading in the Gulf area, as it meets the need to implement tools that can support the shift from fossil fuels to renewable electricity sources for GCC countries. I am very proud of CESI involvement in the initiative: for years, we have been developing and using simulation tools for power markets in Europe and supporting traders and market operators, therefore, our expertise and tools can support the ambition of GCCIA, with the goal of modernizing the Gulf region’s energy market.”

Ahmed Ali Al-Ebrahim, GCC Interconnection Authority CEO added that “The authority has carried out many projects and efforts to develop the energy trade. Last year it launched a platform for bilateral energy exchange contracts, which contributed to an increase in energy exchanged between countries by about 20% and helped significantly improve the lead times of agreements between countries. This new project will only bring forward such development, projecting the region ahead into the future of electricity trading.”

Mr. Al-Ebrahim also highlighted the crucial role of this pilot project: “I want to thank all the key players that contributed to the launch of GCC DAM Pilot Project, which has met the enthusiasm of all member countries. The next six months will be challenging and exciting at the same time, as the feedback will be able to gather will help us not only to develop a better web-based tool, but also to possibly create new ones for ancillary markets and renewable energy markets, therefore supporting the undergoing energy transition amongst GCC countries.”

Floris Hendrikus Schulze, CESI Middle East Managing Director added: “The ground-breaking project was carried out by a professional team of GCCIA in partnership with CESI Middle East FZE. This project will, indirectly, boost the energy transition towards renewables and new innovations like Green Hydrogen and also supports a further expansion of the electricity infrastructure to neighbouring countries and continents like Africa, Asia and Europe by means of inter-regional HVDC interconnections which will enhance trading and exchange of electricity between countries and regions. We might even expect in the future a Pan Arabic energy market.”

CESIS.p.A (Centro Elettrotecnico Sperimentale Italiano) is a world-leading technical consulting and engineering company in the field of technology and innovation for the electric power sector. Through its Division KEMA Labs, CESI is the world leader for the independent Testing, Inspection and Certification activities in the electricity industry. With a legacy of more than 60 years of experience, CESI operates in 70 countries around the world and supports its global clients in meeting the energy transition challenges.

The company's key global clients include major utilities, Transmission System Operators (TSOs), Distribution System Operators (DSOs), power generation companies (GenCos), system integrators, financial investors and global electromechanical and electronic manufacturers, as well as governments and regulatory authorities. In addition, CESI works in close cooperation with international financial institutions such as, among others, the World Bank Group, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank.

Major consulting services include: Power Systems studies and Power Market studies, Master Planning and Operational Planning, design and Owner's Engineering for HVAC/HVDC Interconnections, Real Time Operations supervision and control, Asset Management, Integration of Renewable Energies and Storage Systems, design and Owner's Engineering of Smart Grids and Smart Metering deployments, Technological and Environmental Audits, Control and Regulation Systems for Power Plants, Engineering services for Testing Laboratories, Environmental Impact Assessments, Civil Engineering Services for hydro and renewable plants and Environmental Monitoring Systems for Electric Power Plants. CESI also develops and manufactures advanced solar cells, III-V triple junction GaAs for space and terrestrial application (CPV). CESI is a fully independent joint-stock company headquartered in Milan and with facilities in Arnhem, Berlin, Mannheim, Prague, Dubai, Knoxville (USA), Chalfont (USA), Rio de Janeiro, Santiago de Chile and Shanghai.

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