

SIDC (XBID) Update

23rd MESC Meeting

14.12.2020



SIDC – Headlines on Progress

Future Development Progresses

- Testing of Release 3.1 (includes 5 CRs) planned until end of Q1 2021 – deployment expected in Q2 2021.
- Scoping of developments for release following Release 3.1 ongoing.
- Smaller granularity products (15min, 30min) made available on a number of borders from 10th December.

Research & Development

- Several significant regulatory changes are subject to R&D:
 - Cross product matching
 - Flow-based capacity allocation
 - Enduring shipping solution
 - European Intraday auctions (IDAs)
 - Losses

2nd Wave Go-Live successfully delivered

- 7 additional countries coupled with 15 already live.
- Interim solution for transit shipping implemented, extension secured beyond 19 November 2020.
- Significantly increased traded Intraday volumes as well as record numbers in trades registered, while system is performing well and running stable.

**SIDC couples
22 European
countries**

Geographic expansion

- 3rd wave Go-live is planned in May 2021 including Italy and the Italian Northern Borders.
- 4th wave Go-live envisaged by end of 2021 integrating Slovak and possibly Greek borders into SIDC.

SIDC Update

Operations

- The intraday market still exhibits strong growth rates. October 2020 was another record breaking month since SIDC was launched in June 2018.
 - 4.2 million trades were recorded resulting in an average of almost 135k trades per day.
 - The highest number of trades on a single day was achieved on 24th September with over 173k trades.
 - More than 63 million trades have been completed since go-live (counting until end of October) with a strong upward trend.
- Despite this high level of activity the system continues to perform well. The cumulated duration of unexpected downtimes in 2020 sums up to 8h 09min (as of 07th November).

Enduring shipping

- The discussions on cost recovery of transit shipping activities have been resolved on SIDC level. The topic is further discussed on national level between NEMOs, TSOs and NRAs. As a consequence the existing rotational transit shipping model was extended beyond 19th Nov 2020 until the enduring shipping solution is implemented.
- A detailed cost benefit analysis on the enduring shipping options has been initiated which is expected to be concluded in February 2021. In the months following the submission of the cost benefit analysis the NRAs will take a decision on how shipping should be performed in the long run.

SIDC Roadmap – Challenges & Mitigation

- The following **project priorities** for complex R&D changes have been agreed in SIDC:

1 Transit shipping- enduring solution

2 Intraday Auctions

3 Losses

4 Cross-product matching

- It remains to be seen whether development is needed for the enduring transit shipping solution, therefore SIDC development resources are focusing on “lower priority” items at the moment.
- Since the enduring shipping solution, intraday auctions as well as losses are not yet ready for development (further technical clarification / specification is required), cross-product matching is the current priority for development.
- These R&D changes have priority over other functional changes. This means that additional features will only be implemented if resources and budget allow to do so in parallel to the prioritized R&D changes.
- The design for flow based allocation is also forthcoming, but has not yet been taken up into the list of project priorities.

Status on R&D changes

Intraday Auctions

- Different options for the integration of the continuous (SIDC, XBID) and the day-ahead auction infrastructure (PCR) are currently evaluated by SIDC NEMOs and TSOs. This particularly concerns the way the data is exchanged between the involved systems.
- The aim is to take a decision on the option to be implemented in Q1 2021, which implies a delay against the initial project roadmap. Since the day-ahead infrastructure will be used by SIDC, the cooperation with SDAC as well as PCR (day-ahead infrastructure provider) needs to be properly defined and formalised in the coming weeks.



Status on R&D changes

Cross-product matching

- Common analysis with the SIDC service provider in the framework of a proof of concept is nearing completion (planned to be finalized by end of year). Several options how cross-product matching can be implemented technically have been assessed within the project.
- Market participants will be informed once the technical details are stable enough for sharing, SIDC intends to organise an online user group meeting.

Losses

- Investigations to resolve an open topic on rounding centrally (in the central SIDC platform) did not yield a positive result. As a last effort it is examined whether it can be solved on local level (rounding needs to be carried out by local systems).
- Due to resource constraints this has recently been put on hold, but will be further assessed once the activities on intraday auctions and enduring shipping are more mature. Consequently, the implementation timeline is not defined yet and there is a risk that the current design cannot be implemented.