

SIDC (XBID) Update

24th MESC Meeting

11.03.2021



SIDC – Headlines on Progress

Future Development Progress

- Testing of Release 3.1 (includes 5 change requests (CRs)) proceeding according to plan, to be finalised end of Q1 2021 – deployment expected in Q2 2021.
- Scoping of developments for release following Release 3.1 ongoing (R4.0).
- Analysis on CRs potentially in scope of R4.0 finalised except for cross product matching.

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

**SIDC couples
22 European
countries**

Securing operations

- Interim solution for transit shipping implemented, extension secured beyond 19 November 2020.
- Significantly increased number of order transactions registered, while system is performing well and running stable.
- Analysis on performance uplift initiated to cope with increased load.

Geographic expansion

- 3rd wave Go-live (including Italy and the Italian Northern Borders) currently planned in May 2021 needs to undergo re-planning.
- Based on that 4th wave Go-live envisaged by end of 2021 integrating Slovak borders and possibly Greek borders into SIDC might be impacted as well.

SIDC Update



Operations

- The SIDC intraday market continues to show high activity. January 2021 almost reached the all-time high of last October in terms of trades concluded.
 - Almost 4.1 million trades were recorded resulting in an average of almost 131k trades per day.
 - The highest number of trades on a single day was achieved on 22nd January with over 178k trades.
 - More than 75 million trades have been completed since go-live (counting until end of January).
- Significant growth in number of trades when comparing Q4 2018 with Q4 2020.
 - Q4 2018: **4.3 million**
 - Q4 2020: **11.9 million**
 - **number of trades almost tripled in 2 years!**
- 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.



Enduring shipping

- The extension of the existing rotational transit shipping model was secured well beyond 19th Nov 2020 (until the enduring shipping solution is implemented).
- A detailed cost benefit analysis on the enduring shipping options is nearing completion with 2 out of 3 parts delivered to the NRAs for decision making on the long-term shipping solution to be implemented by SIDC.

SIDC Roadmap

- SIDC currently works on the following **complex R&D changes**:

Enduring shipping solution

Intraday Auctions

Losses

Cross-product matching

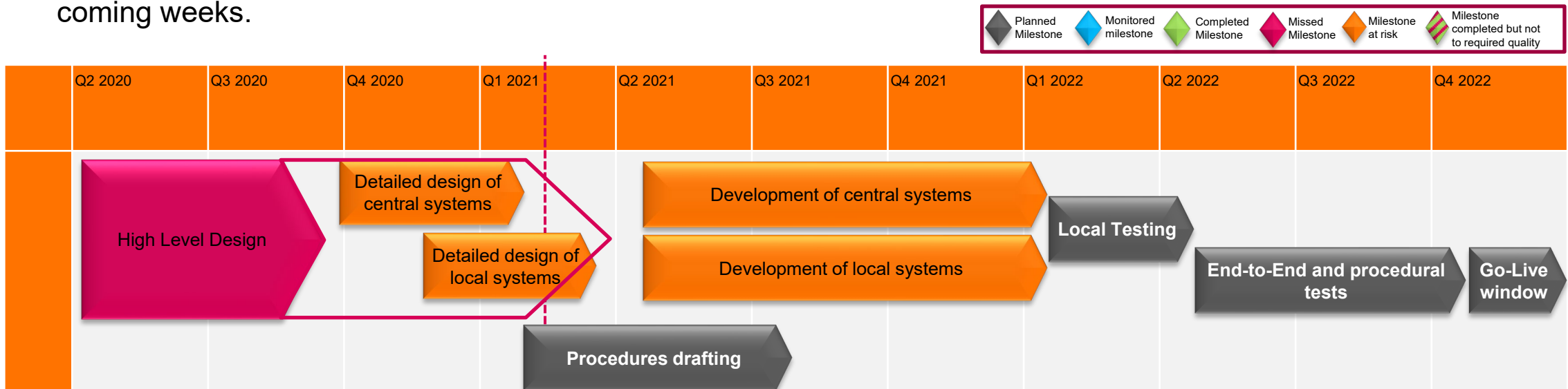
Flow-based allocation

- It remains to be seen whether development is needed for the enduring shipping solution, therefore SIDC development resources are focusing on “lower priority” items at the moment.
- As the enduring shipping solution, intraday auctions as well as losses are not yet ready for development (further technical specification is required), cross-product matching is the current priority for development.
- The design for flow based allocation has also been initiated.

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 shown below*. 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.



*Assuming Steering Committee decides on the integration option in a timely manner and potential dependencies on other XBID developments will not delay progress, the testing of IDAs will likely not be started earlier than in Q3 2022 (which implies a go-live earliest Q3 2023)

Status on R&D changes

Cross-product matching (CPM)

- Common technical analysis with the SIDC service provider in the framework of a proof of concept is requiring more time than initially planned due to complexities of the CPM feature and its impact on many parts of the system. 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 will organise an online user group meeting for that purpose.

Losses on HVDC interconnectors

- Investigations to resolve an open topic on rounding 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).
- The assessment is ongoing, therefore the implementation timeline is not defined and there is a risk that the current design cannot be implemented.

Geographical extension

LIP 14

- In parallel to the LIP 14 implementation the Italian market is undergoing a major reform including the ancillary services markets.
- Market party associations have recently informed Terna that the testing phase with market participants (“market trial period”) should be postponed to end of June/beginning of July in order to provide them with the required time to prepare for the major changes.
- This shift of the market trial period requires a project re-planning which has already been initiated within LIP 14.
- Details on the new LIP 14 go-live planning including the date for the pre-launch event will be communicated as soon as they are available.