

MESC – Market Europe Stakeholder Committee

Update on SDAC

Conference call, 01 December 2021

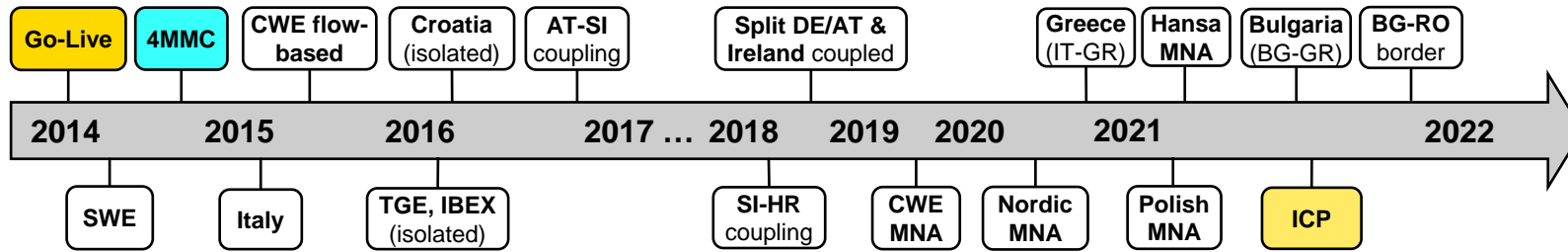
Miha Pregl / Ole Jacob Høyland

SDAC Co-chairs

Agenda

- 1** SDAC roadmap - extensions
- 2** September incidents – Algorithm could not find a solution within TTFS
- 3** Proposed new operational timing

1. SDAC roadmap – extensions



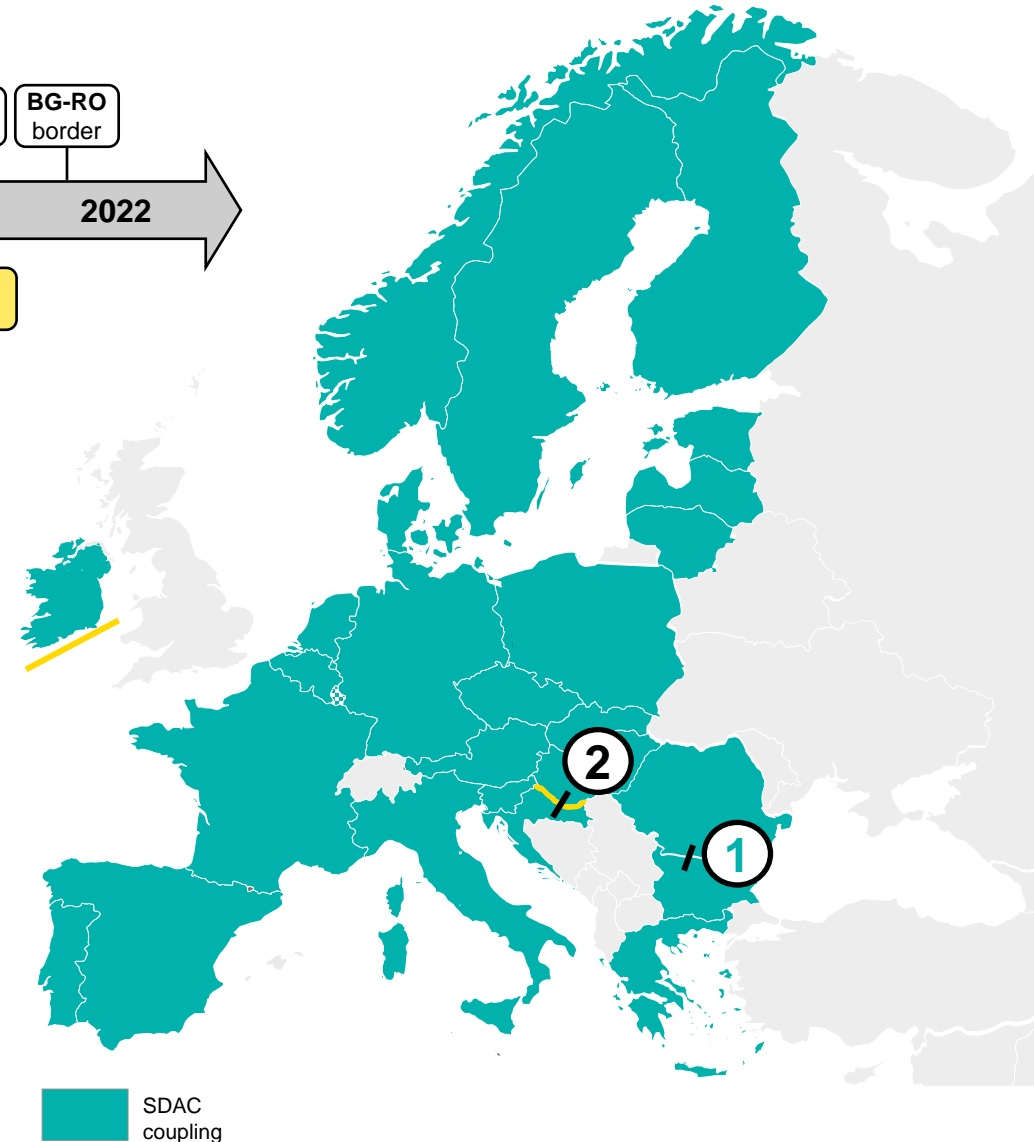
① Bulgarian – Romanian MC Project

- Go-live: 27/10/2021 with delivery day 28/10

PLANNED ↓

② Croatian – Hungarian MC Project

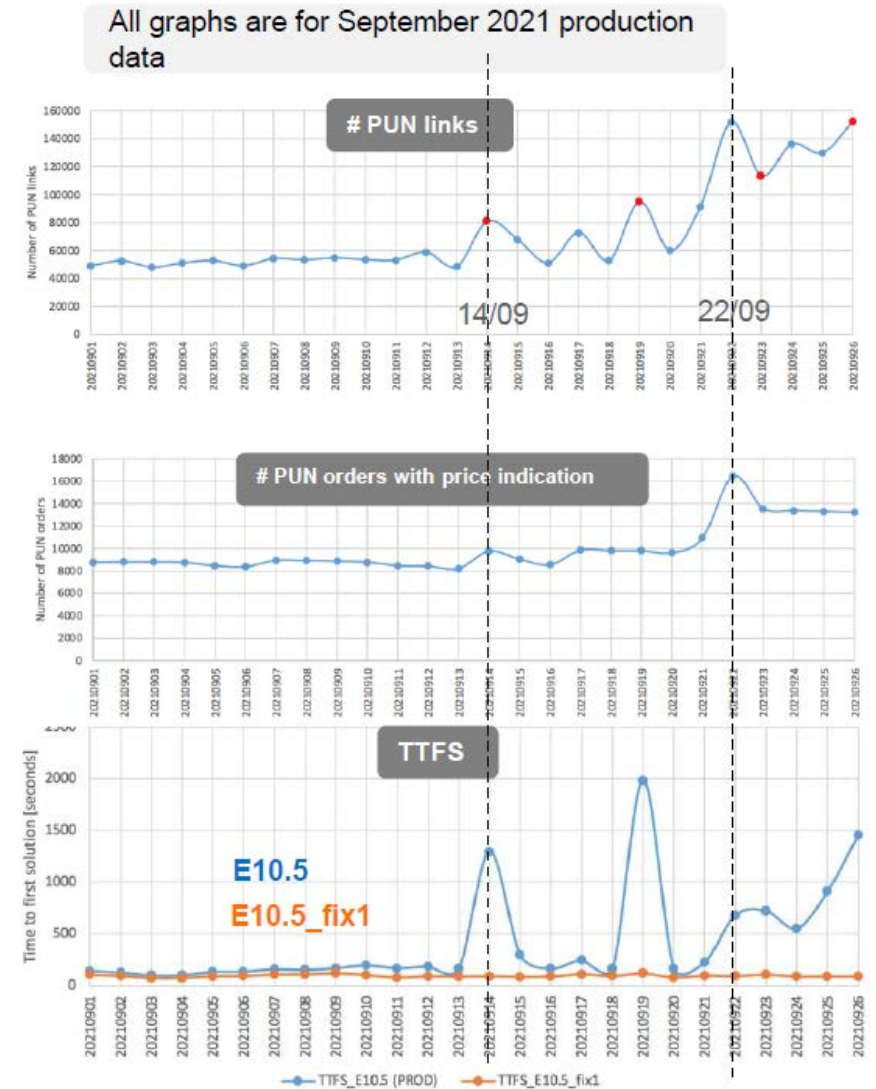
- Will be included with CORE FB project go-live (Q2 2022)



2. September incidents – Algorithm could not find a solution within TTFS

- **Three big incidents happened during September** (14th, 19th and 25th) where the algorithm did not find a solution within the time till first solution (TTFS = 17 minutes).
- The calculation was run on a back-up coordinator’s instance using alternative configuration and eventually results were published.
- The issue was caused by an increase of PUN links* which resulted in that the Algorithm run into numerical difficulties.
- The issue was solved by implementing a “hot fix” end September.
- **Lessons learned:**
 - Maintain a low TTFS baseline in order to increase the likelihood to absorb unexpected events like the ones observed in September.
 - Diversification strategy is key. Different Euphemia configurations/versions can be applied in parallel in production.

* Constraints added by Euphemia in the primal optimisation problem to enforce soft consecutiveness between PUN orders.



3. Proposed new operational timing (1/2)

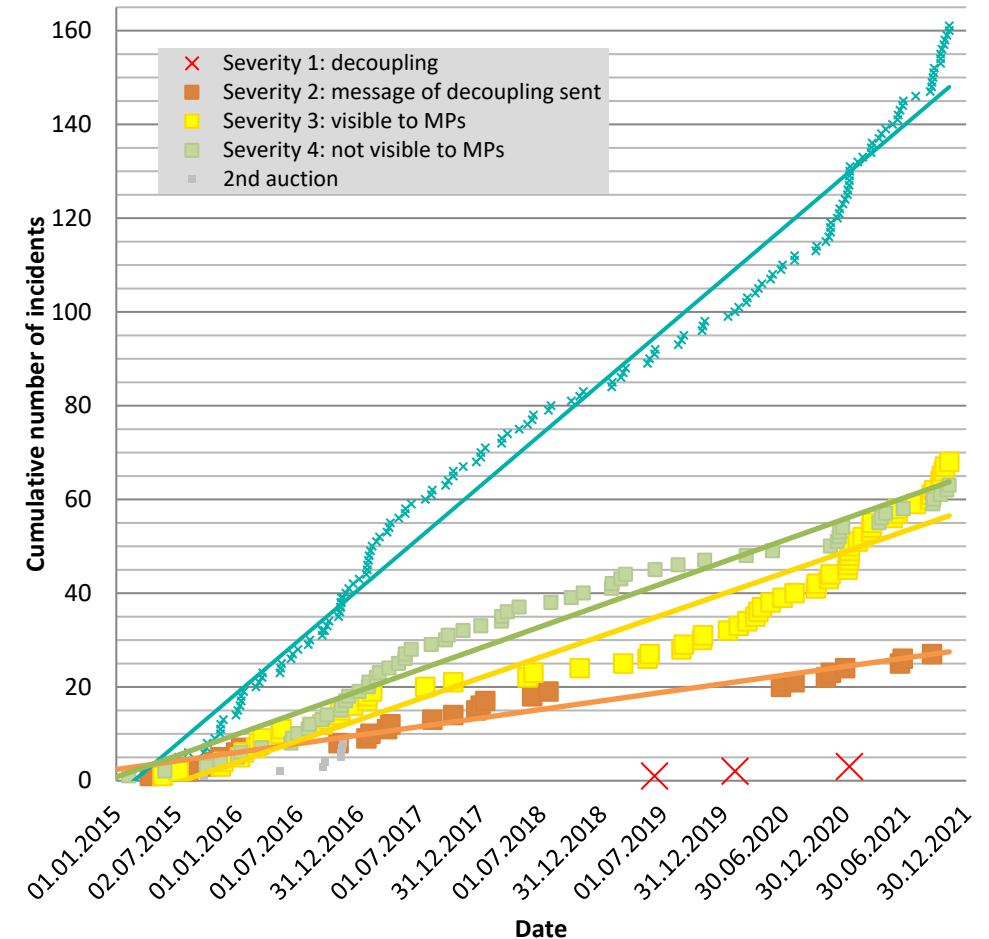
- In the last years, **operations are becoming more and more complex** (due to growing numbers of parties, systems, and procedures).
- This is leading to an **increased incident rate and more severe incidents**.
- In order to secure robust and reliable operations in the period to come, SDAC has been looking into mitigation measures in order to give more time to the process in case of incidents and to reduce the risk of partial and full decoupling
- The **most promising measure** to obtain some additional time is the **removal of second auctions after full decoupling** in the regions where this puts some time constraints to the whole process.
 - Currently, time is reserved in the operational processes for the option to run in CWE and Hungary a second auction, after a SDAC full decoupling.
 - Both incidents leading to full decoupling, as well as market situations leading to the second auctions, are considered rare events.
 - SDAC parties consider the avoidance of decoupling (even) more important than the options for organizing second auctions in some regions only.
 - Therefore, SDAC is proposing to not facilitate a second auction process in case of a full decoupling in order to gain that time for the global process.



20 minutes more time can be gained

- Time will be used to strengthen the robustness of the daily operational processes in case particular situation will appear.
- Required to manage SDAC' current & future challenges
- With the removal of the second auction the deadline to declare full decoupling will be moved by 20 min to 14:20 CET & the partial decoupling by the same time
 - The regional fallback procedures and shadow auction rule need to be adjusted and NRA approvals collected.
 - Objective would be to implement this changes with the go-live with CORE (Q2 2022) or immediately after if a common go-live cannot be arranged.

SDAC Incidents in period 2015-2021



3. Proposed new operational timing (2/2)

Concept

- The **existing second auction process will continue** to be facilitated, **except for the case of full decoupling** in some regions that have strong time constraints.
- **In case of a full decoupling, no second auction process** will be facilitated at least not in **CWE and Hungary**. (In case of a partial decoupling, a possible facilitation of second auctions is up to the individual decoupled regions/markets.)
- This means there is 20 minutes more time to solve the issue at hand and avoid a decoupling.

What this means for Market Participants

- Under very special circumstances (full decoupling situation) there is no second auction process facilitated in CWE and Hungary.
- By using the gained 20 minutes for solving issues in the market coupling process, the TSOs and NEMOs can secure a more robust operations and decrease the risk of partial and full decoupling, dedicating more time to the solution of issues in the global SDAC process.