

SIDC (XBID) Update

24th MESC Meeting

16.06.2021



SIDC – Headlines on Progress

Future Development Progress

- Testing of Release 3.1 successfully concluded, deployed into production end of April.
- 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 preparing
for
3rd wave Go-Live

Securing operations

- Extension of the Interim solution for transit shipping secured beyond 19th November 2020 until a decision is taken on the enduring shipping solution.
- Significantly increased number of order transactions registered, while system is performing well and running stable. Analysis on performance uplift underway to cope with increased load.

Geographic expansion

- 3rd wave Go-live (including Italy and the Italian Northern Borders) planned to go-live on 21st September 2021.
- 4th wave Go-live planned by end of Q1 2022 integrating Greek borders into SIDC.
- 5th wave Go-live integrating Slovak borders expected at the end of 2022.

SIDC Update

Operations

- The SIDC intraday market continues to grow at a significant pace. **April 2021** marked another all-time high in terms of trades concluded.
 - More than 5 million trades were recorded resulting in an average of almost 170k trades per day. The highest number of trades on a single day was achieved on 6th April with over 233k trades.
 - More than 89 million trades have been completed since go-live until end of April.
- Significant growth in number of trades when comparing Q4 2018 with Q4 2020.
 - Q1 2019: **4.8 million**
 - Q1 2021: **12.7 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 2021 sums up to 7h 10min.

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 has been completed and delivered to NRAs in April. Exchanges with NRAs/ACER in the framework of the joint expert teams continue to prepare the decision on the enduring shipping option, which is dependent on the finalisation of the CACM 2.0 amendment process.

SIDC Roadmap

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

Enduring shipping solution

Intraday Auctions

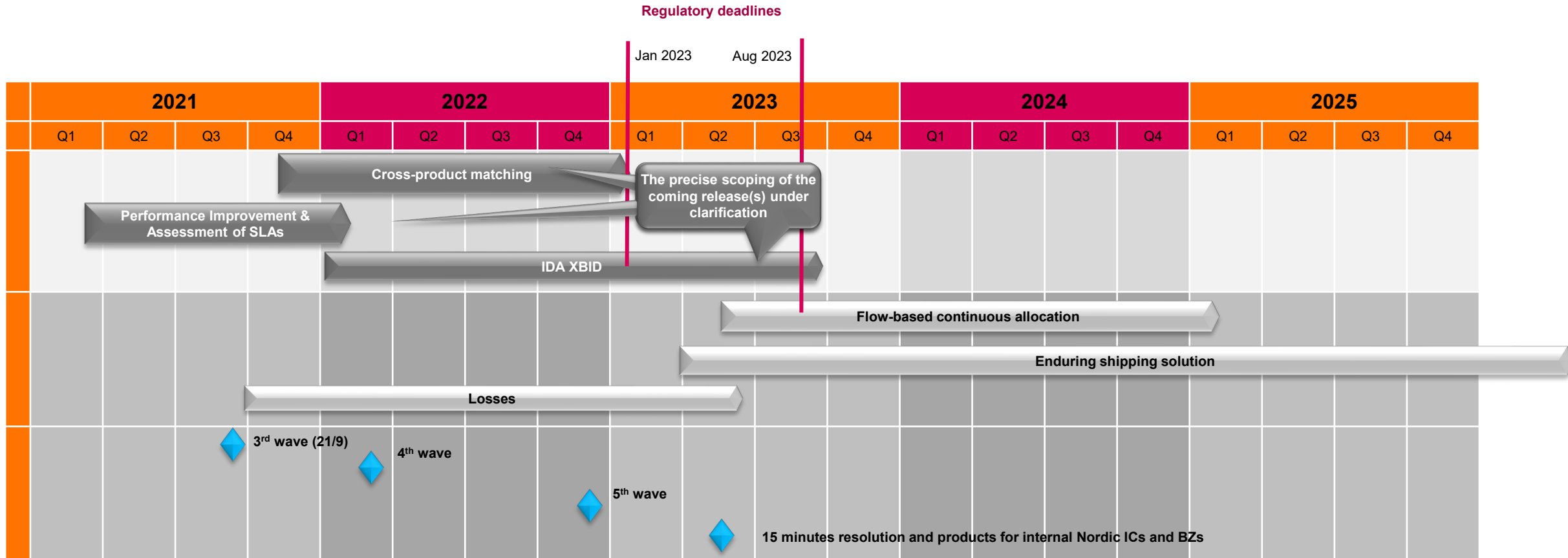
Losses

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 other implementations 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.

SIDC Roadmap 2021-2025 (work in progress)



Chevrons show development and testing timelines, design phases not depicted.

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. The expected impact on performance is a significant challenge, currently the creation of a prototype is discussed to investigate this effect.
- 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.

Intraday Auctions (IDAs)

- Different options for the integration of the continuous (SIDC, XBID) and the day-ahead auction infrastructure (PCR) are currently evaluated by SIDC. This particularly concerns the way the data is exchanged between the involved systems.
- SIDC aims to take a decision on the option to be implemented in Q2 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.

Losses on HVDC interconnectors

- A new proposal to resolve the open design topic on rounding in the central SIDC platform is under evaluation. The assessment is still ongoing, therefore the implementation timeline is not defined.

Geographical extension

LIP 14

- LIP 14 has accommodated the request of market participants to shift the testing phase with market participants (“market trial period”) to the end of June. The market trial is now planned to commence on 21st June.
- As a consequence the project timeline had to be adapted and the go-live was replanned to take place on 21st September for delivery on the 22nd September.
- A pre-launch event was held on 29th April with a broad and active participation of market participants and extensive Q&A sessions.
- Preparations for the trial period are ongoing according to plan.
- Internal test runs have been extended to ensure the robustness of the solution, but no impact on the planning of the market trial is expected.