

MESC – Market Europe Stakeholder Committee

Update on SDAC

Conference call, 29 September 2021

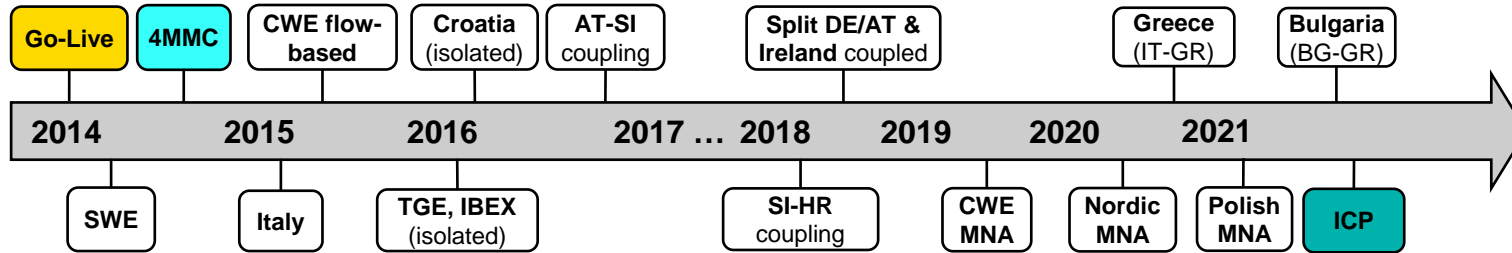
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SDAC Co-chairs

Agenda

- 1 SDAC roadmap - extensions**
- 2 SDAC decoupling training session with Market Participants November 3rd 2021**
- 3 Incidents of 13/09 and 18/09 – SDAC algorithm required long time to find a solution**

1. SDAC roadmap – extensions



① Interim Coupling Project (DE-AT-PL-4M)

- Go-live: 17/06/2021 with delivery day 18/06



One Single Day-Ahead Coupling

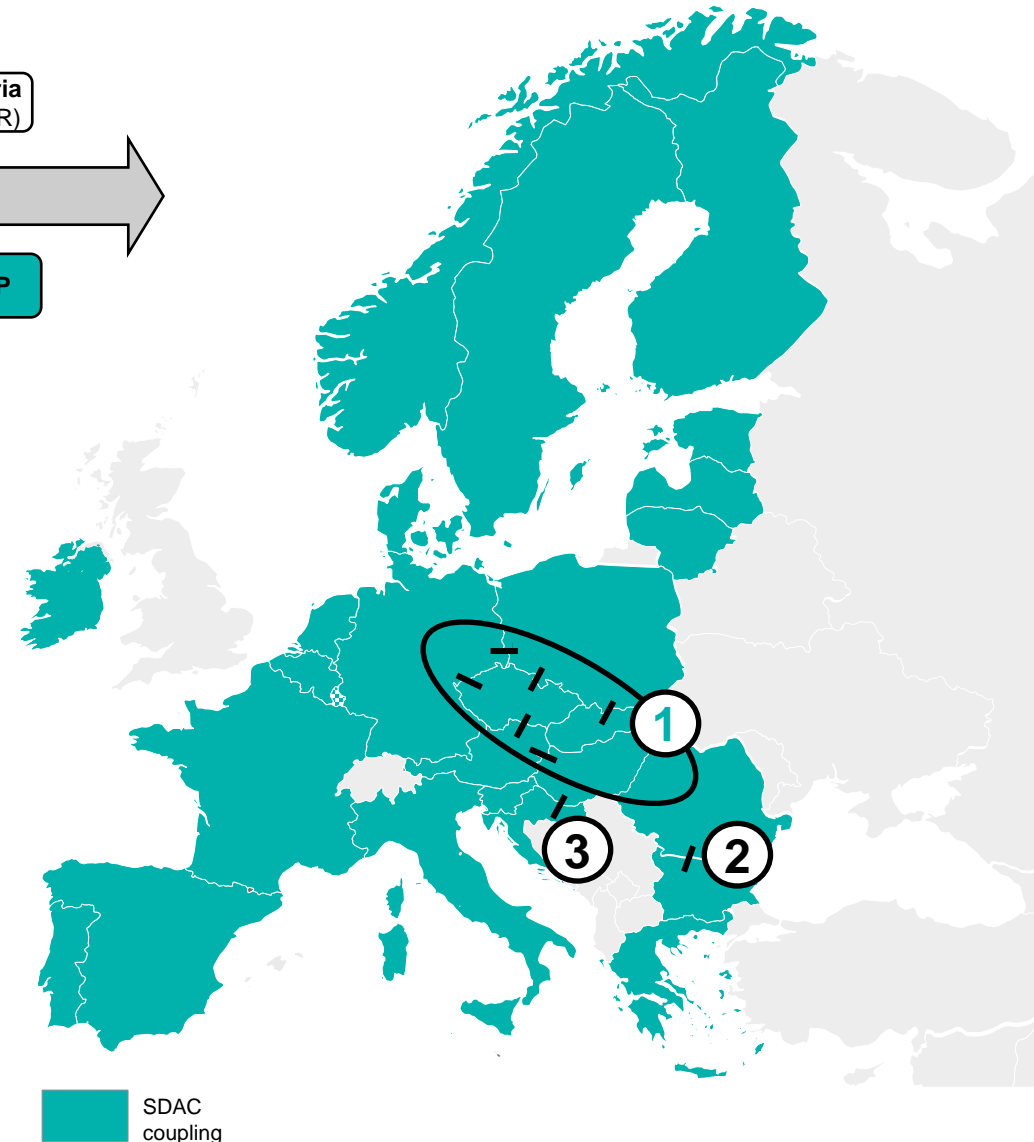
PLANNED ↓

② Bulgarian – Romanian MC Project

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

③ Croatian – Hungarian MC Project

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



2. SDAC decoupling training session with Market Participants November 3rd 2021

BACKGROUND

- Since the go-live of Multi Regional Coupling (MRC, jointly with 4M MC forming SDAC) in 2014, more than 2,700 successful market coupling sessions have been conducted.
- In the last 2 years, three major incidents have happened that led to a partial decoupling of the SDAC Market. As part of the SDAC evaluation of these three incidents, recommendations have been made to perform training sessions involving all operational parties (TSOs, NEMOs, Central Clearing Parties, Shadow Auction entities, etc.) including Market Participants.

OBJECTIVE

- This training session is organized to give all parties involved the opportunity to validate that they are properly prepared to handle such a day-ahead market decoupling incident in real operations and real-life conditions.

SCENARIO

- A full decoupling due to issues with the central calculation process will be simulated.
- This means that no SDAC market coupling results will be available, but local auctions/regional coupling will be triggered depending on the specific region.
- For your convenience, the session will take place outside of the usual SDAC operational timings in order not to interfere with ongoing operations.
- The TSOs, NEMOs, and the Joint Allocation Office (JAO) will handle the situation in line with operational procedures. More specifically, shadow auctions will be run by JAO and local/regional coupled auctions will be run by the NEMOs after the Full Decoupling. Market Participants are expected to respond and act, based on the operational messages from their respective NEMOs and JAO, exactly like in real operations. The complete process chain will be addressed (incl. nomination and matching, unless explicitly stated otherwise in respective regions).

NEXT STEPS

- 06/10: Distribution of detailed information package to the Market Participants
- 20/10: Market Participant registration deadline towards its NEMO/JAO
- 03/11: Execution of the full decoupling training session
- 10/11: Collection of market participants' feedback on the training session

FUTURE TRAINING SESSIONS

- So far, the training sessions have been specifically focused on a full decoupling situation, because this involves all parties and allows for all to train.
- In the future, other scenarios (like partial decoupling and situations with extreme prices) will be considered.

3. Incidents of 13/09 and 18/09 – SDAC algorithm required long time to find a solution

- The root cause of the incidents is being investigated.
- More information is expected to be provided verbally during MESC.