

MESC – Market Europe Stakeholder Committee

Update on MCSC

Conference call, 09 March 2022

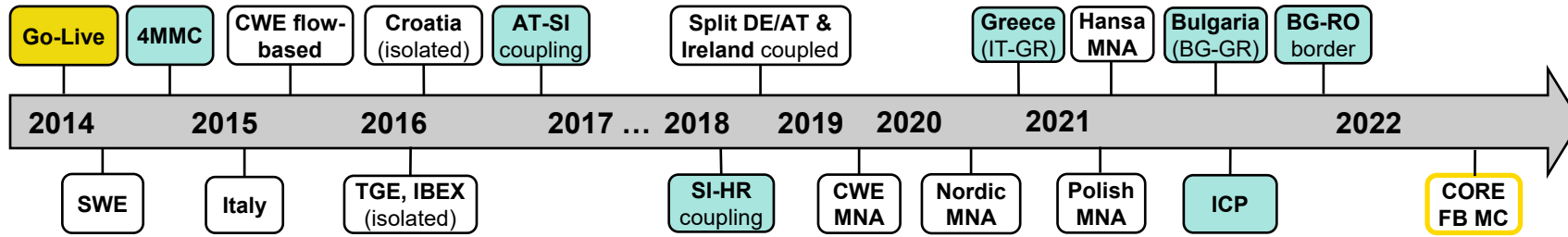
Miha Pregl / Jean Verseille

SDAC / SIDC Co-chairs

Agenda

- 1 **SDAC roadmap - extensions**
- 2 **New operational timing to make SDAC operations more robust**
 - Proposed new operational timing
 - Impact, Status, and Implementation plan
- 3 **SIDC extensions**
- 4 **SIDC operations**
- 5 **SIDC roadmap**
- 6 **SIDC R&D update**

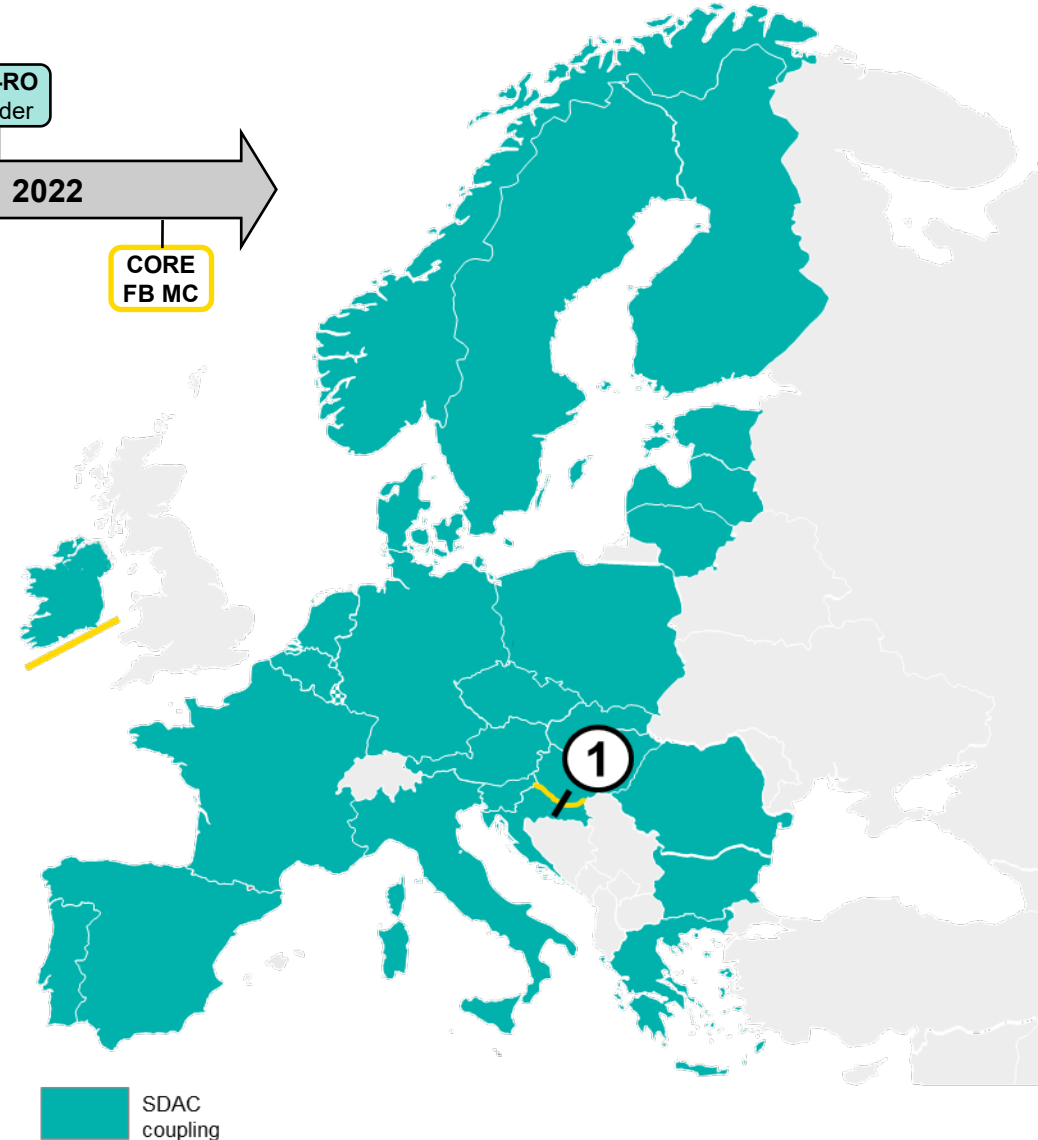
1. SDAC Roadmap - extensions



In 2022

1 Croatian – Hungarian border

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



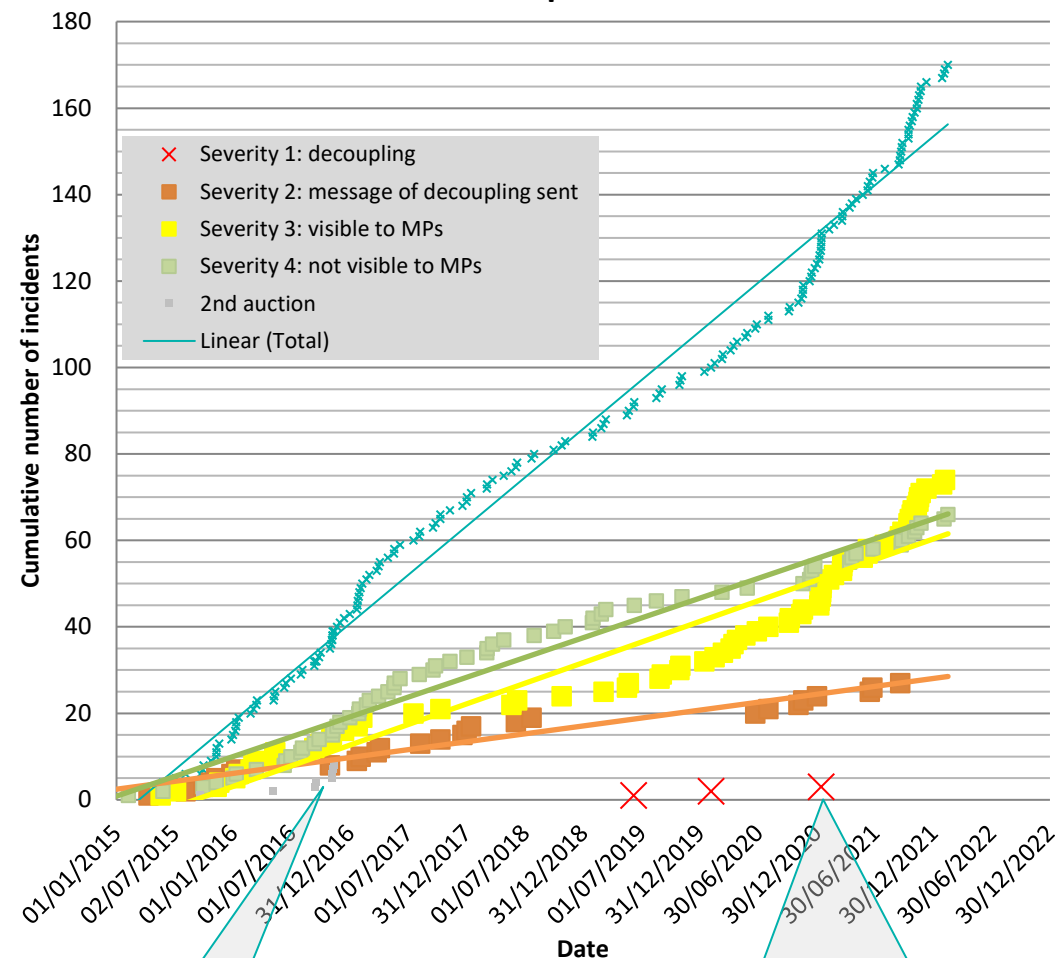
2. SDAC - Proposed new operational timing (1/2)

- In the last years, **operations are becoming more and more complex** (due to increased complexity of topology, 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 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 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's current & future challenges.
- With the removal of the second auction (in case of a decoupling situation) the deadline to declare full decoupling will be moved by 20 min to 14:20 CET & the partial decoupling will be moved to 13:05 CET.
 - The regional fallback procedures and shadow auction rule need to be adjusted and NRA approvals collected.
 - Objective is to implement this change **together with the go-live of Core FB 20/04/2022**.

SDAC Incidents in period 2015-2022



2nd auctions:
Last occurrence more than 5 years ago (13/11/2016)

Partial decoupling incidents: 3 in total

- the last one would have been avoided, if the proposed additional 20 minutes would have been available.
- Costs related to decoupling incidents, easily amount multiple millions of Euros.

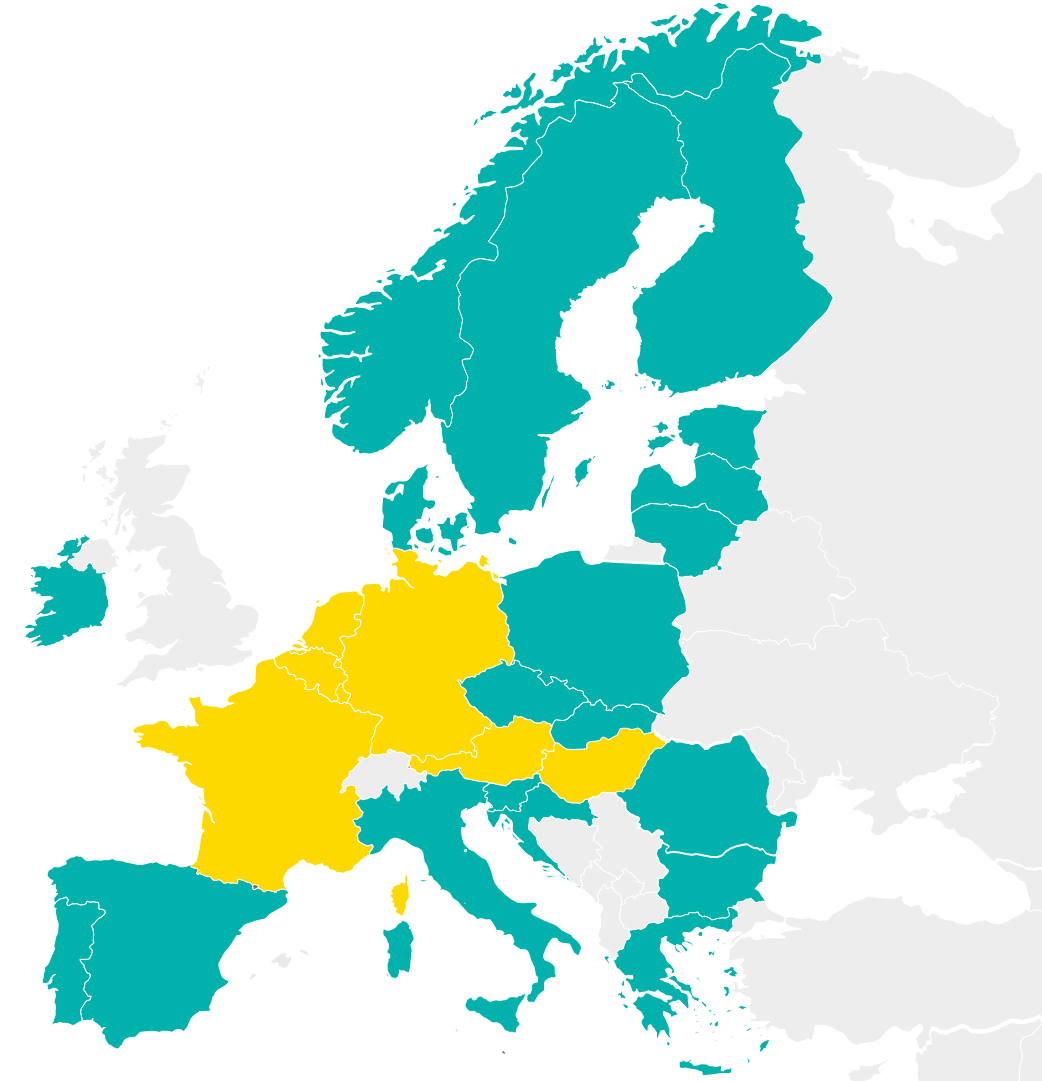
2. SDAC - Proposed new operational timing (2/2)

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 of SDAC.

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.

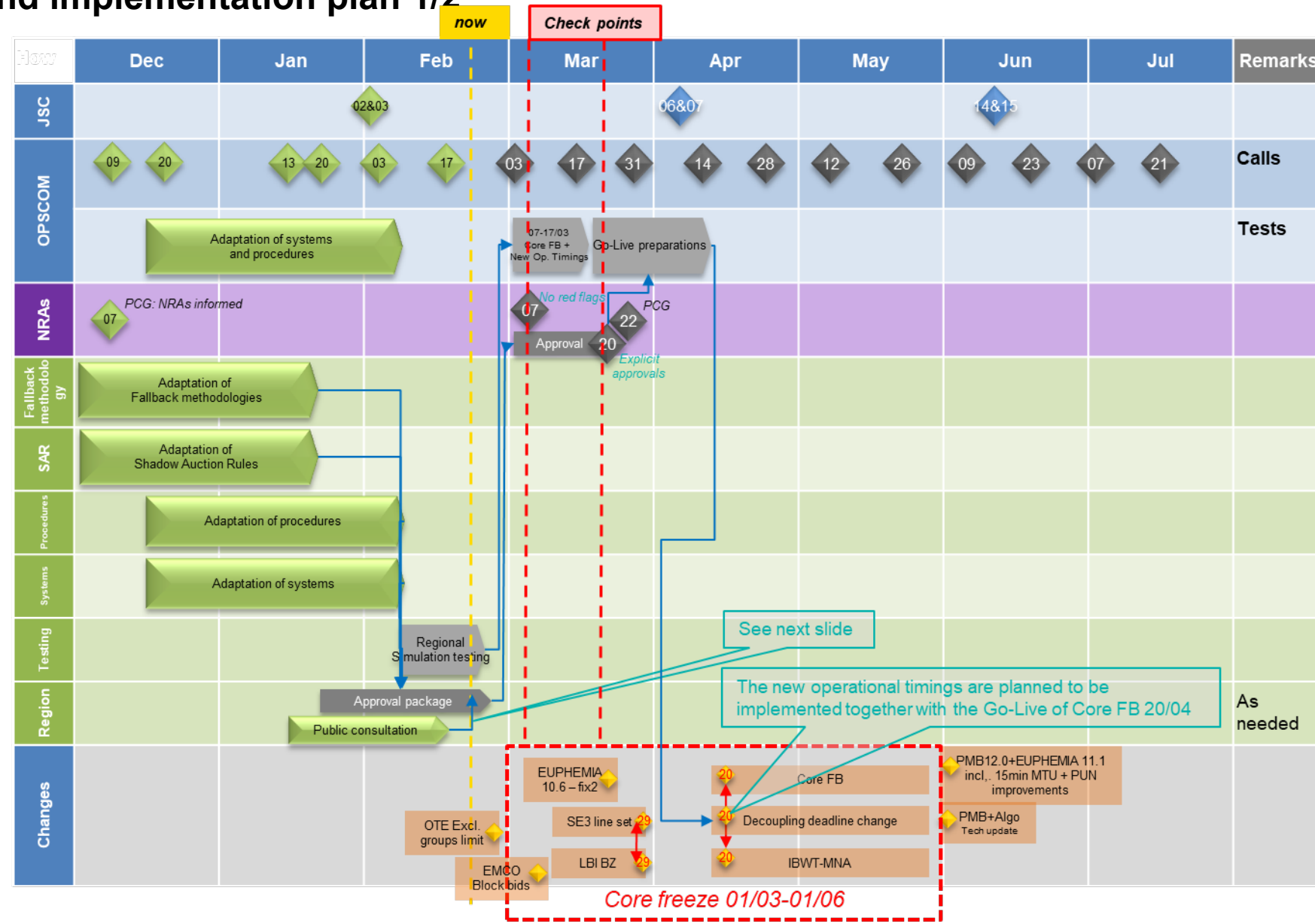
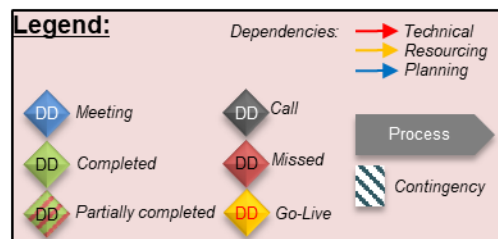


No change

Change: in case of a Full decoupling, no second auction process facilitated in CWE and Hungary

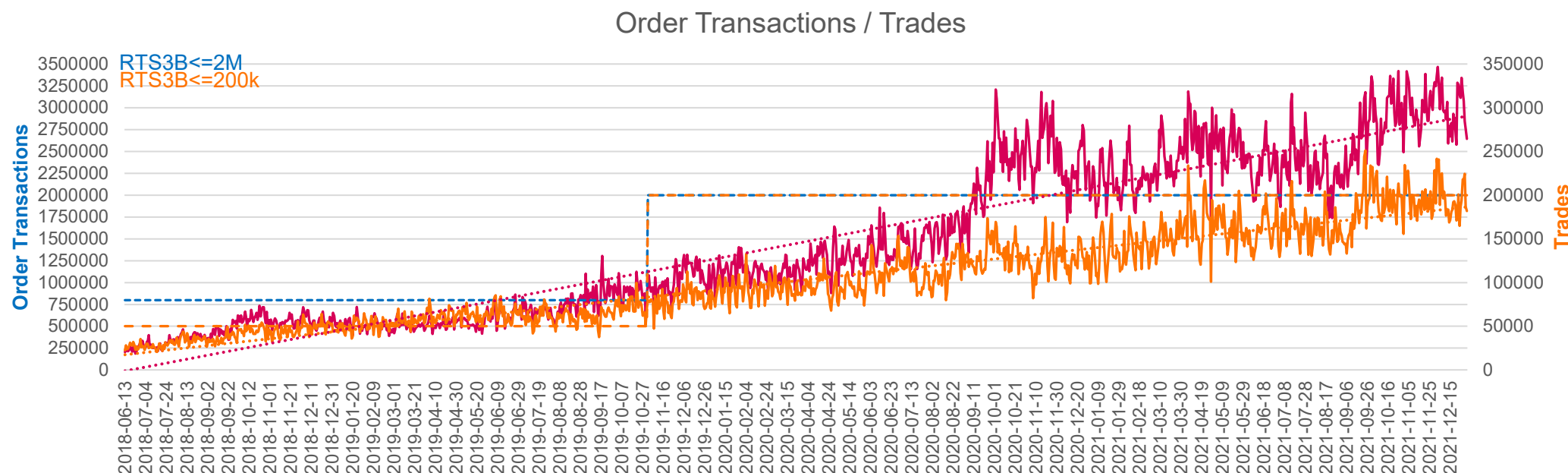
2. SDAC - Impact & Status and implementation plan 1/2

	Impact & Status							
	SDAC	ANDOA	Regions/borders					
			Core	GRIT/NI (Italian borders)	SWE (FR-ES border)	Hansa	SEE (BG borders)	All others
NPA approval	-	-	Needed	Needed	Needed	-	Needed	-
Fallback methodology	-	-	Updated	Updated	Updated	-	Updated	-
SAR	-	-	Updated	Updated	Updated	Updated	Updated	-
Procedures	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted
Systems	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted
Testing	Needed	Needed	Needed	Needed	Needed	Needed	Needed	Needed



3. SIDC Operation


- The latest **operational data** covering January clearly confirm the trend of recent months of a constant growth.
- These January data set new monthly records :
 - more than 6,2 million trades (one year ago: 4 million trades)
 - 94,9 million order transactions (one year ago: 66 million order transactions per month).
 - A new daily record of 3,47 million order transactions was achieved on 7 January.

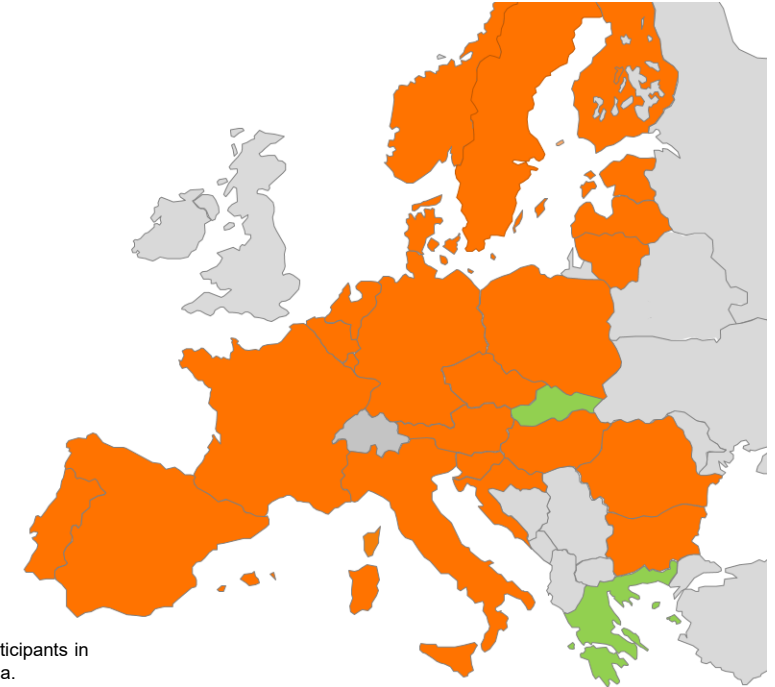


4. SIDC Geographical extension

Countries coupled Intraday
with 4th SIDC Go-Live

 Countries coupled in
1st, 2nd and 3rd
go-live

 Countries to be coupled
in 4th go-live
(end 2022)



Note: Luxembourg is part of the Amprion Delivery Area. Market participants in Luxembourg have access to SIDC through the Amprion Delivery Area.

- 3rd go-live wave (Italy)

- Italy successfully integrated into Single Intraday Coupling on 21st September with first deliveries on the 22nd September 2021.

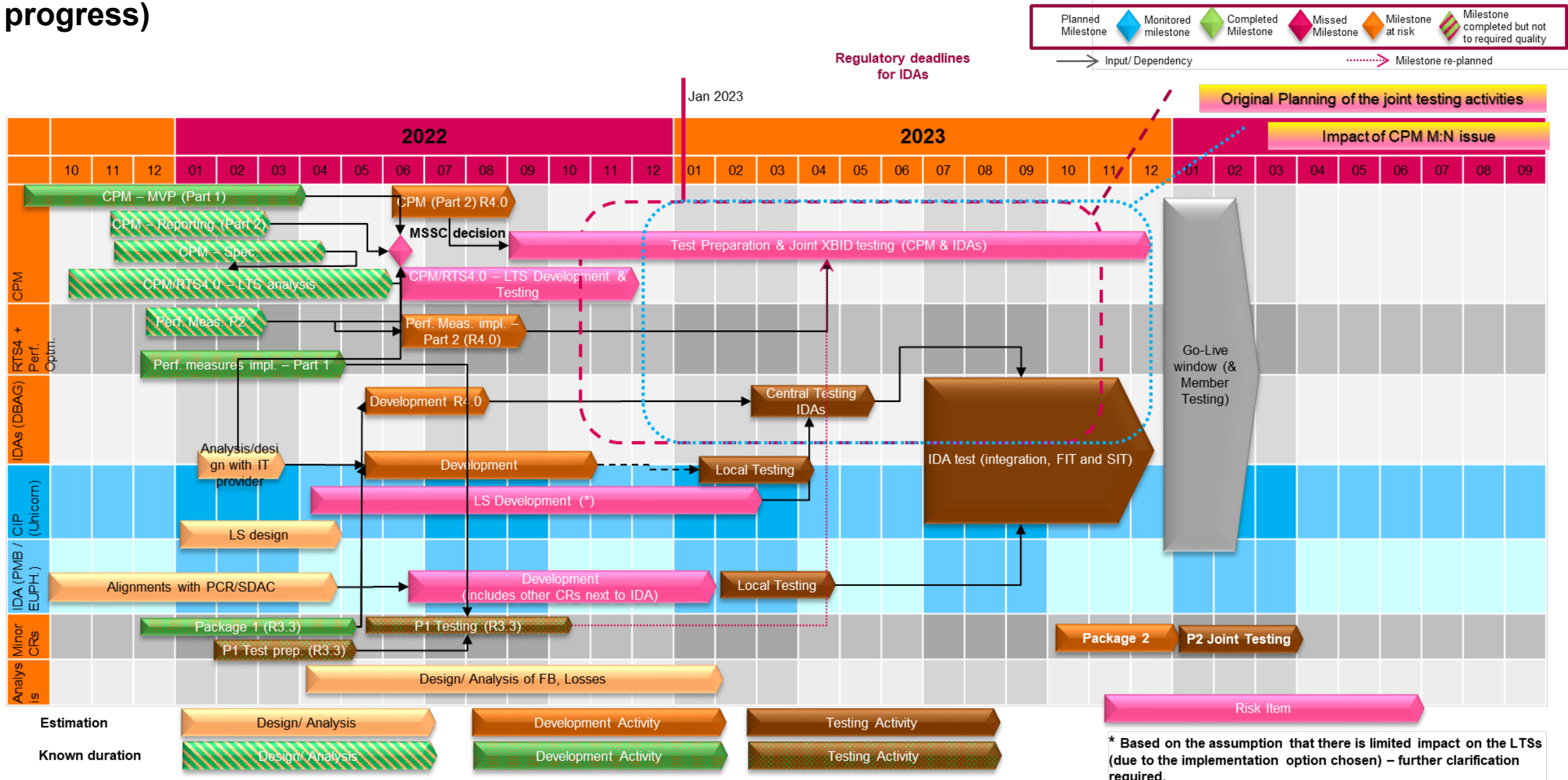
- 4th go-live wave (Greece)

- The SIDC integration of Greece will go live at the same time as Slovakia end of 2022.

- 4th go-live wave (Slovakia)

- Slovak borders (SK-CZ, SK-HU, SK-PL) planned to go-live end of 2022.

5. SIDC Roadmap 2022-23 – status as of February 2022 (work in progress)



6. Status on R&D changes

- Cross-product matching (CPM)

- Design of central system changes with SIDC service provider largely finalised
- **Development** of the first part of this functionality- minimum viable product- almost finished. An issue identified at the end of development of the minimum viable product required a design reconsideration and resulted in 7 weeks of delay, which also delays the start of local system changes analysis.
- The expected impact on performance remains a significant challenge
- 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)

- The **detailed design** for the integration of the continuous (SIDC, XBID) and the day-ahead auction infrastructure (PCR) has been finalised by SIDC.
- The **service provider** for the interface between XBID and the day ahead (IDA Central Interface Point infrastructure – IDA CIP) **has been selected**.
- Requests for change to XBID and IDA CIP design are under review with IT providers with aim to have final technical design in mid March. Requests for change provided to SDAC are subject to clarification with PCR IT providers.
- Initial conceptual test in XBID has been performed with promising results, limited issue is under clarification. Performance tests in EUPEHMIA are under preparation.
- Regional implementation projects scoping and setup is ongoing.
- SIDC and SDAC cooperation governance for IDA implementation has been agreed ensuring efficient alignment on development activities
- Testing approach prepared by SIDC is under review in cooperation with SDAC