

Minutes Market Coupling Steering Committee Meeting

02-03/02/2022, conference call

Present SDAC and/or SIDC parties

50Hertz	Cropex	ESO	Litgrid	PSE	Svk
Admie	EirGrid (TSO)	EXAA	MAVIR	REE	Terna
Amprion	Eirgrid (SEMO PX)	Fingrid	Nasdaq	REN	TGE
APG	Elering	GME	Nord Pool EMCO	RTE	Transelectrica
AST	ELES	HEnEx	OKTE	SEPS	Transnet BW
BSP	Elia	HOPS	OMIE	SONI (SEMO PX)	TTG
ČEPS	Energinet	HUPX	OPCOM	SONI (TSO)	TTN
Creos	EPEX Spot	IBEX	OTE	Statnett	

3rd parties

ARIGA	Artelys	BEA	E-Bridge	Ernst & Young	Indra
JAO					

Observers

ACER	Baltic Cable	EC	EMS	Entso-e	Kraftnät Aland
MEMO	MEPSO	OST	SEEPEX	Swissgrid	

Attending by phone	Not present
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0. Meeting agenda

02/02/2022

#	Topic	For	Presenter	File*
1	Welcome, practicalities		14:00-14:40 CET	
1.1	TSO and NEMO cooperation (15 min)	Inf	ENTSO-E MC & NC Chairs	X
1.2	Confirm quorum	Inf	Secretary	■
1.3	Introductory statement by co-chairs	Inf	Co-chairs	X
1.4	Adoption of the agenda	Dec	Co-chairs	■
1.5	Matching of pre-aligned NEMO Vote and TSO Vote	Inf	Secretary	X
2	SIDC – General points (10 minutes)		14:40-14:50 CET	
2.1	Approval of minutes	Dec	Secretary	■
2.2	Review of action points	Inf	Secretary	■
3	SIDC – Important points to highlight & decisions requested		14:50:16:40 CET	
3.1	Integrated Plan (10 minutes)	Inf	QARM Convener	■
3.2	OPSCOM Status Report (20 minutes)	Inf	OPSCOM Convener	■
3.3	QARM Status Report including IDA Topics (30 minutes)	Dec	QARM Convener	■
3.4	MSD Status Report including IDA Topics (40 minutes)	Dec	MSD Convener	■
3.5	MCSC members questions to reports (10 min) <i>BMSG, NEMOs and TSOs Report</i>	Inf	Co-chairs	■
4	SIDC – Any other business		16:40-16:55 CET	
Closing Remarks			16:55-17:00 CET	

03/02/2022

#	Topic	For	Presenter	File*
1	Welcome, practicalities		09:00-09:05 CET	
1.1	Confirm quorum	Inf	Secretary	■
5	JOINT – Important points to highlight & decisions requested		09:05-11:05 CET	
5.1	Implementation QMV (60 min)	Dec	WG governance	■
5.2	IDA budget & cost allocation between SDAC and SIDC (10 min)	Dec	SIDC BMSG leader	■
5.3	Communication TF (15 min) <i>Press release first MCSC, SIDC CPM WS</i>	Dec	Com TF leader	■
5.4	CACM Report for 2021 (15 min)	Dec	Tech TF leader	■
5.5	Further improvement of MCSC governance (15 min) - TSO input	Dec	WG governance	■
5.6	MCSC members questions to joint TF reports (5 min) <i>Remaining TF reports (Legal TF)</i>	Inf	Co-chairs	■
6	JOINT – Any other business		11:05-11:25 CET	
6.1	Establishment of a consultive group (15 min)	Inf	NEMO chairs	X
6.2	CACM 2.0 process status update (5 min)	Inf	Entso-e & NC representative	X
6.3	Possibility to circulate updated MCSC session file after deadline	Dis	Co-chairs	X
7	SDAC – General points		11:25-11:35 CET	
7.1	Approval of minutes	Dec	Secretary	■
7.2	Review of action points	Inf	Secretary	■
8	SDAC – Important points to highlight & decisions requested		11:35-12:15 CET	
8.1	SDAC OPSCOM (40 min) <i>Notable changes & events, incidents and measures to reduce incident rate, testing & training, new operational timing</i>	Dec	SDAC OPSCOM chair	■
Lunch break 12:15-13:15 CET				
	Confirm quorum	Inf	Secretary	■
8	SDAC – Important points to highlight & decisions requested		13:15-15:15 CET	
8.2	Proposal simplification of SDAC & regional procedures (15 min)	Dec	CWE representatives	■
8.3	Baltic Cable / Kraftnät Åland adherence to DAOA (10 min)	Dec	Secretary	■
8.4	Improvement of the governance for the MCO assets (20 min) <i>Status update ongoing improvement of SDAC CCP, detailing corrective measures application process, CWE TSOs' & NEMOs' reflections on SDAC project organisation</i>	Inf	WG CCP representatives	■
8.5	SDAC MSD (30 min) <i>E11.2/PMB12.1 release scope, 15 min MTU performance, Performance Optimization Plan (POP) status, Iteration 7 scope, budget & high-level timeline approval, feedback on co-optimization (status update)</i>	Dec	SDAC MSD leaders	■
8.6	SDAC SF TF (15 min) <i>Workplan 2022</i>	Inf	SDAC SF TF leaders	■
8.7	ACER request on market simulations (10 min) <i>Letter from ACER to all NEMOs and all TSOs and actions to deliver the simulations requested on time</i>	Inf	Co-chairs	■
8.8	15 min MTU project (10 min) <i>Approval overall implementation plan</i>	Dec	Project leader	■
8.9	MCSC members questions to TF/project reports (10 min) <i>Remaining TF reports (SDAC BMTF) SDAC reports in back-up (regional projects, NEMO progress report)</i>	Inf	Co-chairs	■
9	SDAC – Any other business		15:15-15:25 CET	
10	Closure meeting		15:25-16:00 CET	
10.1	Next meeting <i>April's meeting to arrange as physical meeting or via telco?</i>	Dec	Co-chairs	■

List of decisions

#	Topic	Decision
1.4	Adoption of the agenda	The meeting agenda is approved.
2.1	Approval of minutes past SIDC IDSC	The minutes from the 16/12 SIDC IDSC meeting are approved.

3.2	SIDC OPSCOM Report	The MCSC approves the September-December AM reports and SIDC Stakeholder reports, i.e., reports are ready to be processed by COM SG and published on SIDC website.
		The MCSC agrees that underlying data for AM and SIDC stakeholder report are to be available to all IDOA contract parties.
		The MCSC decides that the auto-conferencing system is a common cost.
3.3	QARM Report	The MCSC provides a mandate to QARM for finalization and approval of CR104 (ECP Upgrade).
		The MCSC approves backup CC in March – currently planned for 10 th , based on elaboration of underlying information backup CC may be rescheduled (subject of CC is a guidance for CPM implementation in combination with R4.0 performance mitigation measures / impact on SLAs, preliminary impact on LTSs).
3.4	SIDC MSD Report	The MCSC approves the IDA implementation principles, roles and responsibilities as laid down in the IDA Implementation Approach document.
5.1	Implementation QMV	MCSC approves the implementation of Qualified Majority Voting for the MCSC as described in the paper “220125 QMV implementation for MCSC”. With regard to the computation of the QMV thresholds, the OPTION A shall be implemented. The Legal TF shall prepare the corresponding DAOA and IDOA amendment for approval at April's MCSC.
5.2	IDA budget and cost allocation between SDAC and SIDC	The MCSC approves that SIDC BMSG will investigate and propose which cost items from SDAC shall be attributed and to which percentage level to IDA costs falling under SIDC. Proposal from SIDC BMSG shall be submitted for MCSC of 14-15 June 2022.
5.3	Communication TF	The MCSC acknowledges the press release on MCSC. The MCSC approves the draft CPM WS agenda's topics and speakers. The MCSC approves the CPM communication note on the WS date to be published.
5.4	CACM Report for 2021	MCSC Secretariat shall act as single point of contact (SPOC) towards the NC as for the preparation of the so-called CACM report, in order to ensure efficient coordination of the preparation of inputs to the report to the NC and the validation of the final text delivered by the NC. These SPOCs shall meet with NC SPOCs to agree the planning of the activities, the status update, the quality control, and whichever further activity will be needed. Whenever specific tasks must be assigned directly only to NEMOs, to TSOs or to service providers (i.e., PCR) – this shall be managed directly at MCSC level (under the corresponding agenda item, it may be a joint matter, a SDAC matter or a SIDC matter).
5.5	Further improvement of MCSC governance	The MCSC approves to setup a dedicated expert team on the further improvement of MCSC governance. Nominations are to be made by 11/02/2022. The MCSC requests the dedicated expert team to provide a proposal for approval on the further improvement of MCSC governance by April's MCSC meeting.
7.1	Approval of minutes past SDAC JSC	The minutes of the JSC meeting on 25/11/2021 are approved. The minutes extract of the 25/11/2021 meeting is approved for publication under the dedicated SDAC section at the ENTSO-E and NC websites.
8.1	SDAC OPSCOM	The MCSC gives SDAC OPSCOM the mandate to approve the below go-lives planned in the period until April 2022. The mandate is given for the situation that no special circumstances arise in the SDAC tests; in case of controversy of the latter, an ad-hoc MCSC call will be scheduled to approve the go-live. Go-lives expected: <ul style="list-style-type: none"> 23/02: change of PMB and Euphemia for technological updates 29/03: reinstating the LBI (Lithuania Belarus Import) bidding zone and line set SE3A in Sweden March: Introduction of the overall limit of exclusive groups submitted on OTE trading platform All SDAC parties commit to support the go-lives scheduled for the 20/04: CORE FB, IBWT MNA, and Timing change.
8.2	Proposal simplification of SDAC & regional procedures	The MC SC asks the SDAC OPSCOM to assess the feasibility of relocating all regional procedures in one single place in SDAC project place and then simplify them and revert by mail to the MC SC with feedback and an implementation time plan if supported.
8.3	Baltic Cable / Kraftnät Åland adherence to DAOA	Baltic Cable and Kraftnät Åland, contacted SDAC, requesting full membership. All conditions are fulfilled and the adherence of Baltic Cable to the DAOA can be approved.
8.5	SDAC MSD	The MCSC approves the final scope & budget allocation for the R&D iteration 7 of Euphemia Lab. MCSC agrees that for the future the finalization of scope & budget allocation of an R&D iteration lies within the mandate of SDAC MSD and needs to be brought to MCSC for information only (provided alignment has been reached in SDAC MSD).
8.8	15 min MTU project	The MCSC approves the 15 min MTU project overall plan and acknowledges that this plan is subject to changes as time progresses.

1. Welcome, practicalities

The chairs open the meeting by welcoming TSOs and NEMOs to the first Market Coupling Steering Committee meeting. The meeting agenda is approved, and the list of pre-aligned NEMO and TSO votes is established.

2. SIDC – General points

The minutes from the IDSC call held on 16/12/2021 were approved. The action point list was reviewed and the current status was shared with the IDSC. The open action points are addressed during the meeting.

3. SIDC – Important points to highlight & decisions requested

3.1) Integrated Plan

QARM Convener presented the SIDC plan with the emphasis to cross product matching (CPM) and Intraday Auction (IDA) area. Intensive testing activities related are mentioned, especially in the light of the bottleneck related to development of the R3.3 release; the optimization is under discussion. The fact that R3.2 development was delayed due to last minute latent fault identified plays a role. Successfully, the R3.2 was deployed into production on 31/01. Conceptual test of IDA has started. Potential additional complexity of CPM design has been identified.

3.2) SIDC OPSCOM Status Report

No major issues and risks in operations were identified. OPSCOM conducted 3 maintenance windows during December and January. Regular transit shipper switch date is moved by 1 day to avoid weekend. OPSCOM is looking for auto-conferencing system that would increase participation of TSOs in incident committees which is in benefit to all project.

3.3) QARM Status Report including IDA Topics

QARM Convener presented Status Report including IDA topics. ECP upgrade is high priority change. After the discussion with DBAG the common understanding is to include this change (CR104) in R3.3 package. Such inclusion altogether with other delay (mainly due to latent faults related to R3.2), makes the original R3.3 timeline challenging. NEMOs and TSOs agree that further elaboration is needed. CPM MVP design discussion with DBAG is ongoing. Assessment of IDA impact on XBID solution is agreed with DBAG via additional service request (ASR027).

3.4) MSD Status Report including IDA Topics

MSD Convener presented Status Report mainly related to IDA topic. Implementation organisation was approved.

3.5) MCSC members questions to reports

No questions were raised.

4. SIDC – Any other business

No AOB topics were raised.

End of meeting day 1.

5. JOINT – Important points to highlight & decisions requested

5.1) Implementation QMV

- A dedicated working group was assigned by the SDAC JSC and IDSC co-chairs with the task of setting forth the practicalities of the so-called Qualified Majority Voting (QMV) mechanism to be introduced for the MCSC.
- The detailed description of how QMV could be applied in practice was presented to the MCSC during the call on 19/01 and questions and comments from MCSC members were taken-up.
- Considering the feedback received, the dedicated working group adjusted the blocking minority principle and agreed on the calculation of the QMV thresholds.
- Introduction of QMV in the contracts will be prepared based on the agreed principles.

5.2) IDA budget & cost allocation between SDAC and SIDC

- Intraday auctions (IDAs) governance currently falls under the umbrella of the SIDC project and therefore also under IDOA contractual setup – including cost categorization and sharing. On the other hand, IDAs will utilize substantial amount of workload and deliverables performed under SDAC project and IDOA contractual setup.
- It was agreed that certain costs encountered by SDAC project will be either fully or partially born by the SIDC project. So far, these agreements were done on an ad-hoc basis. This shall be changed for the long term; robust cost-allocation principles will be elaborated.

5.3) Communication TF

- The kick-off call of the joint Communication TF took place. As first deliverable, a press release about the conduct of the first MCSC was prepared.
- Preparations of the workshop about the Intraday Cross Product Matching with market participants have progressed. The content part will be covered by SIDC MSD, the execution of the workshop will be facilitated by the Communication TF. The proposed date of the WS is 28/03.

5.4) CACM Report for 2021

- According to Algorithm methodology, by June each year NEMOs in cooperation with TSOs publish the so called CACM report. The report is prepared by the NEMO Committee.

- In the past years, contribution of inputs and validation of comments for the ID time frame have been delivered directly from SIDC, while as for the DA timeframe the input contributions have been mainly delivered by DA NEMOs and final validation has been delivered by SDAC, following the specificities of DA timeframe.
- With the go-live of MCSC, it is proposed that the same approach adopted for ID is applied also to DA, so requesting both input contribution and validation respectively to MCSC.

5.5) Further improvement of MCSC governance – TSO input

- All TSOs and all NEMOs agree to enhance the governance by implementing the so-called MCO Option 3 of joint Market Coupling Governance.
- The implementation of QMV is considered as a first milestone.
- An early implementation of additional fundamental building blocks of the MCO Option 3 could significantly strengthen joint efforts for a robust evolution of market coupling. A dedicated team will propose further improvements to be implemented by the MCSC.

5.6) MCSC members questions to joint TF reports

No questions are raised to the Legal TF report.

6. JOINT – Any other business

6.1) Establishment of a consultative group

- The consultative group is a building block of the MCO Option 3. A call was arranged between the NC secretariat and market participant's associations to present the idea. The concept of an MC consultive group was welcomed by the stakeholders.
- MCSC agrees to establish the MC consultive group as soon as possible. A draft of the ToRs will be prepared.

6.2) CACM 2.0 process status update

A brief update on the status of CACM 2.0 and the foreseen next steps is provided.

6.3) Possibility to circulate updated MCSC session file after deadline

The point is raised by the SIDC co-chairs. There is a fixed date for MCSC and there may be in parallel a process of negotiation with IT provider(s) whose results can be known a few days after the deadline. This information is important to share with MCSC to facilitate decision making.

7. SDAC – General points

The minutes from the JSC call held on 25/11/21 were approved. The open actions are reviewed.

8. SDAC – Important points to highlight & decisions requested

8.1) SDAC OPSCOM

- Mainly due to the fix of the algorithm performance, the number of incidents has significantly decreased over the past weeks and is back to the normal level.
- The efforts in gaining time to reduce probability for decoupling is proceeding. Required regulatory approvals have been initiated.

8.2) Proposal simplification of SDAC & regional procedure

- Last year, when the initiative to simplify SDAC procedures across regions was raised by CWE, SDAC highlighted that this work should be undertaken after an optimization of regional procedures, starting with CWE/CORE.
- Meanwhile, this work has been completed for the CORE procedures, and CWE JSC proposes to implement a similar approach led by SDAC. Main objective is to replace all procedures currently being used across regions by one single library of SDAC procedures integrating regional specificities. The feasibility of this proposal will be assessed.

8.3) Baltic Cable / Krafnät Åland adherence to DAOA

Baltic Cable and Krafnät Åland, contacted SDAC, requesting full membership. All conditions are fulfilled and the adherence of Baltic Cable to the DAOA has been approved.

8.4) Improvement of the governance for the MCO assets

- Updates of the Change Control Procedures and final review is ongoing in the CCP WG. A brief status update on the individual areas that the group is looking into, is provided.
- The draft CCP with the detailed corrective measures application steps will be provided for April's MCSC meeting for approval.

8.5) SDAC MSD

- 15 min MTU performance: the diagnosis study results indicate that big performance challenges remain in place even if some of the difficulties or requirements are eliminated.
- The status of the Performance Optimization Plan (POP) which aims at defining concrete actions and details related to the optimization of Euphemia performance to support the implementation of the 15 MTU is presented.
- R&D scope & timeline iteration 7: this iteration dedicated to Euphemia improvements will take place from April to September 2022. MSD aligned with N-Side and agreed on the detailed scope and corresponding budget.

- MSD assessed the ongoing R&D work & progress and concluded that 20 MDs of existing budget could be allocated to the Co-Optimisation project in order to support timely deliverables. A plan for the conduct the prototype study is being discussed.

8.6) SDAC SF TF

- During the kick-off meeting of the newly established SF TF the Terms of References and the initial workplan for 2022 were discussed. The vision of the TF conveners is to enable all users to obtain market coupling insights by performing simulations in an easy-to-use and performant tool through this task force.
- The initial workplan foresees the management of the recurrent issues identified by the PCR SF TF, collecting improvement ideas from SF users, following-up the functional performance of the SF, and discussing together with PCR SF TF the discrepancies identified between the specifications and the SF. The final workplan will be provided at April's MCSC.

8.7) ACER request on market simulations

- An urgent request from ACER to deliver for the geographical area covered by the Euphemia algorithm the results from a simulation under two different scenarios has been received. The inputs to be provided will be used for ACER's report on CACM implementation.
- It was agreed that PCR will run the simulations whereas TSOs will be responsible to provide the cross-zonal capacity inputs. A letter confirming the delivery to ACER was sent.
- The work has started since the deadline to provide inputs to ACER is 28 February.

8.8) 15 min MTU project

- The existing project Overall Planning has been updated and was approved; it is however recognized that this plan is subject to changes as time progresses.
- The ICG continued working on the Master Test Plan and foresees to finish this in Q1 2022. The Test Body is constituted with members foreseen to start its work end Q1/early Q2.
- All RIPs have clarified or are clarifying their organizations. The monitoring document for the RIPs will be updated in cooperation with the SPOCs, in accordance with the new timings from the adjusted overall plan.

8.9) MCSC members questions to TF/project reports

No questions are raised to the BMTF, the regional SDAC project and the NEMO progress report.

9. SDAC – Any other business

No points raised.

10. Closure of the meeting

10.1 Next meetings

April's MCSC: depending on the pandemic situation and the quote/cancellation policy of the venue a decision for a physical/hybrid/online meeting will be made around end February.

List of abbreviations

Short	Long name	Short	Long name
50Hertz	50Hertz Transmission GmbH	MNA	Multi-NEMO Arrangements
Admie	Independent Power Transmission Operator S.A.	MSD	Market and System Design
Amprion	Amprion GmbH	MTU	Market Time Unit
AOB	Any Other Business	N-Side	Provider of Euphemia
AP	Action Point	Nasdaq	Nasdaq Oslo ASA
APG	Austrian Power Grid AG	NEMO	Nominated Electricity Market Operator
ASR	Additional Service Request	NC	NEMO Committee
AST	AS "Augstsprieguma tīkls"	Nord Pool EMCO	Nord Pool European Market Coupling Operator AS
BMTF	Budget Management Task Force	OBK	Orderbook
BSP	BSP Energy Exchange LL C	OKTE	OKTE, a.s.
CC	Conference call	OMIE	OMI-Polo Español, S. A
ČEPS	ČEPS, a.s	OPCOM	Operatorul Pietei de Energie Electrica si de Gaze Naturale "OPCOM" S.A.
CET	Central European Time	OPSCOM	Operational Steering Committee
CR	Change Request	OST	OST sh.a – Albanian Transmission System Operator
Creos	CREOS Luxembourg S.A.	OTE	OTE, a.s
Cropex	Croatian Power Exchange Ltd.	PCG	Pentateral Coordination Group
CSE	Central Settlement Entity	PCR	Price Coupling of Regions
DAOA	Day-Ahead Operational Agreement	PMB	PCR Matcher and Broker
		PM	Project Manager
DST	Daylight Savings Time	PMI	Public Message Interface
EC	European Commission	PMO	Project Management Office
Eirgrid	EirGrid plc	PP	Project Place
Elering	ELERING AS	PSE	Polskie Sieci Elektroenergetyczne S.A.
ELES	ELES, Ltd., Electricity Transmission System Operator	QARM	Quality Assurance and Release Management
Elia	ELIA System Operator SA/NV	R#.#	Release and number
EMS	Javno Preduzeće Elektromreža Srbije Beograd	R&D	Research and Development
Energinet	Energinet Elsystemansvar A/S	REE	Red Eléctrica de España, S.A.U.
EOB	End of Business	REN	REN – Rede Eléctrica Nacional, S.A.
EOD	End of Day	RIP	Regional Implementation Project
EPEX Spot	EPEX Spot SE	RTE	RTE Réseau de Transport d'Electricité
ESO	ELECTRICITY SYSTEM OPERATOR EAD - Bulgaria	SEPS	Slovenská elektrizačná prenosová sústava, a.s.
EXAA	EXAA Abwicklungsstelle für Energieprodukte AG	SF	Simulation Facility
Fingrid	FINGRID OYJ	SIDC	Single Intraday Coupling
GCT	Gate Closure Time	SLA	Service Level Agreement
GME	Gestore dei Mercati Energetici S.p.A.	SONI	SONI Limited
HEEx	HELLENIC ENERGY EXCHANGE S.A.	SPOC	Single Point of Contract
HL	High-Level	Statnett	STATNETT SF
HOPS	Croatian Transmission System Operator Ltd.	Svk	AFFÄRSVERKET SVENSKA KRAFTNÄT
HUPX	HUPX Hungarian Power Exchange Company Limited by Shares	TBD	To Be Defined
IBEX	Independent Bulgarian Energy Exchange	Terna	Terna - Rete Elettrica Nazionale S.p.A.
ICG	Implementation Coordination Group (for MNA and 15 min MTU coordination)	TGE	Towarowa Gielda Energii S.A.
IMT	Incident Management Tool	ToR	Terms of Reference
JSC	Joint Steering Committee with DBAG	Transelectrica	National Power Grid Company Transelectrica S.A.
LIP	Local Implementation Project (SIDC)	TransnetBW	TRANSNET BW GmbH
Litgrid	LITGRID AB	TSO	Transmission System Operator
MAVIR	MAVIR Hungarian Independent Transmission Operator Company Ltd.	TTG	TENNET TSO GmbH
MCO	Market Coupling Operator	TTN	TENNET TSO B.V.
MCSC	Market Coupling Steering Committee	XTG	XBID Testing Group
MD	Man days		
MEPSO	Transmission System Operator of the Republic of North Macedonia		