

Project prioritisation discussion

**Please note these are draft slides and
MCSC discussion will continue in March 2024**

MCSC Roadmap & Prioritisation

Background

- ❑ MCSC TSOs and NEMOs previously shared inputs to the Prioritisation discussion highlighting the improvements of the prioritisation process, but more importantly provided integrated roadmap for until the end of 2025.
- ❑ **Prioritisation shall only cover the implementation timeline 2025+** (hence, current MCSC timeline is not affected by prioritisation)

Outcomes of the prioritisation discussion with ACER and market parties:

- ❑ Based on the alignment the second half of 2025 could be potentially used for prioritisation exercise, respecting the already planned activities.
- ❑ Both R&D and implementation shall be in the scope.
- ❑ Currently, EnC countries and assets releases are the main future implementation tasks. However, little tangible progress is visible by EnC countries for MCSC parties.

Contents of this material

- ❑ **Integrated SDAC & SIDC Roadmap until the end of 2025** → including all the currently ongoing projects and planned projects.
- ❑ **Future outlook beyond 2025 (draft)** → preliminary view on the SDAC & SIDC planning based on known projects.
- ❑ **MCSC Feedback on ACER prioritisation proposal**

Current status & next steps

- ❑ MCSC discussion of the roadmaps and ACER proposal – March MCSC WS

MCSC Integrated roadmap and outlook

February 2024

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MCSC Integrated roadmap & Outlook | Assumptions and objectives

MCSC planning until (at least mid) of 2025 is fixed due to:

- Major projects implementation and go-lives,
- Service provider contracts supporting implementation of various projects in 2024 and 2025,
- Postponed items in order to facilitate IDA and 15 MTU go lives,
- Legal deadlines.

Potential items for prioritisation consideration (2nd half of 2025):

- Prioritisation of EnC go-lives and accessions (incl. technical integration & testing)
- Questions for ACER:** What other potential projects shall be included in 2nd half of 2025 (if any)?

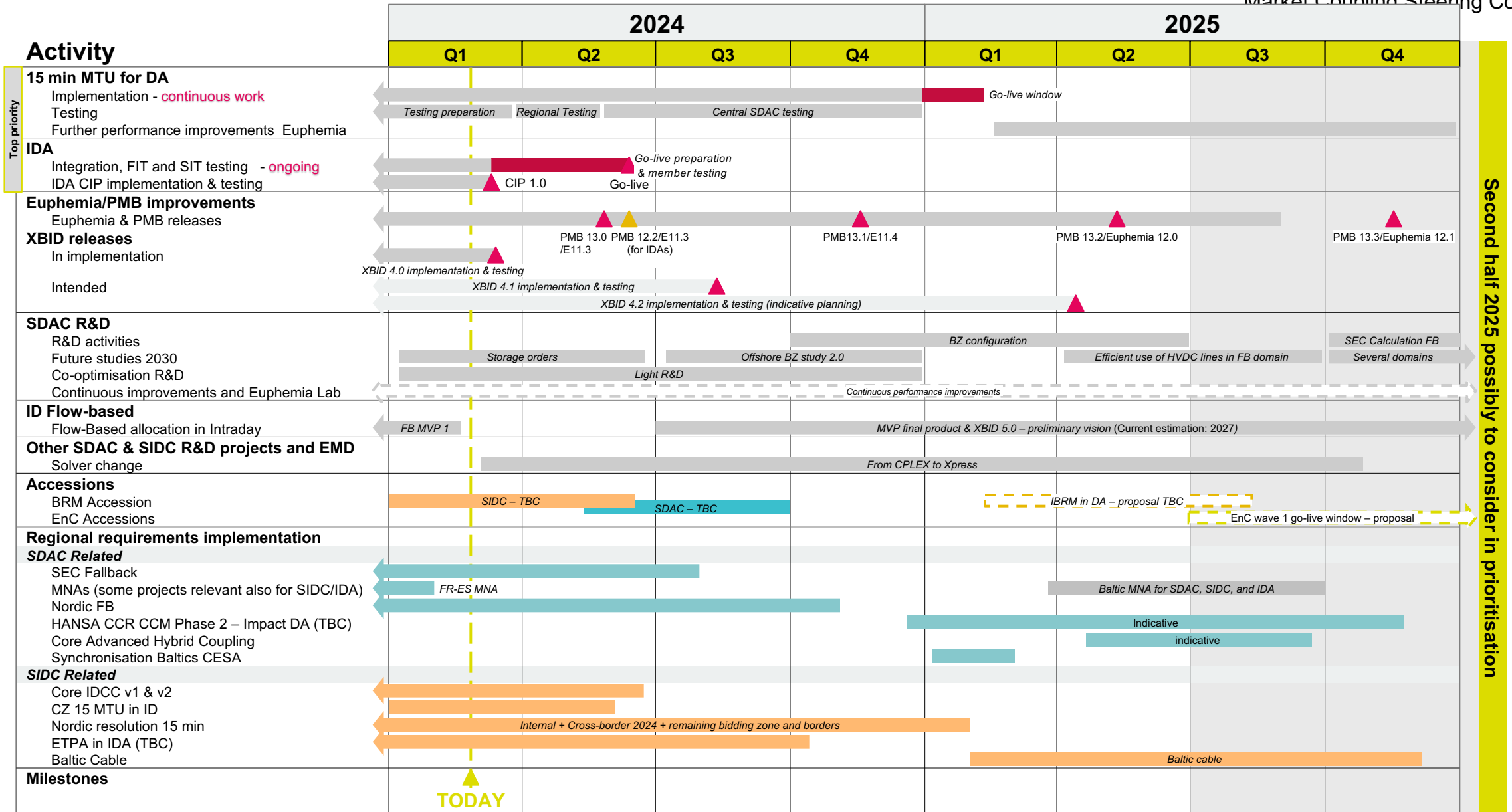
For next MCSC discussion objective is to:

- Confirm with MCSC TSOs and NEMOs that all known projects are included in the roadmap until 2025 and outlook beyond 2025.
- Confirm the sequence of the projects also from the regional perspective.
- Jointly assess the possibility to include prioritization projects identified by ACER to the roadmap (mid 2025+) & how?

MCSC Integrated roadmap – out of prioritisation exercise scope



Market Coupling Steering Committee



Second half 2025 possibly to consider in prioritisation

Future outlook beyond 2025 (draft)

Activity	2026				2027				2028					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
EnC countries accession <i>Proposed Go-lives (waves) →</i> <i>depending on the parties' readiness and transposition progress</i>	SDAC 1 st wave			SIDC 1 st wave	SDAC 2 nd wave			SIDC 2 nd wave	SDAC 3 rd wave					
SDAC R&D <i>Co-optimisation</i> <i>R&D activities</i>	Continuation of previous R&D													
Label	Celtic Interconnector		Potential MRLVC R&D placeholder											
Celtic Link (Ireland/SEM integration) CCR Merger Core/Italy (CE CCR) (DA) Interconnectors integration (DE-SE, PL-LT, ...) Hansa CCR CC Phase 3 and 4 ID Flow-based allocation in Intraday Nordic Flow Based ID CC Impact of Core ROSC RD&CT on Core ID CC Impact of AHC in ID Core Balancing CC after ID Interconnectors integration (NO4-FI)	Implementation & testing		Go-live		Implementation & testing		Go-live		Implementation & testing		Go-live			
Project pipeline reserve	20 % of the pipeline = Maintenance, performance optimisation, scheduled releases & ad hoc requests													

Planning not defined yet

On Hold / Out of scope

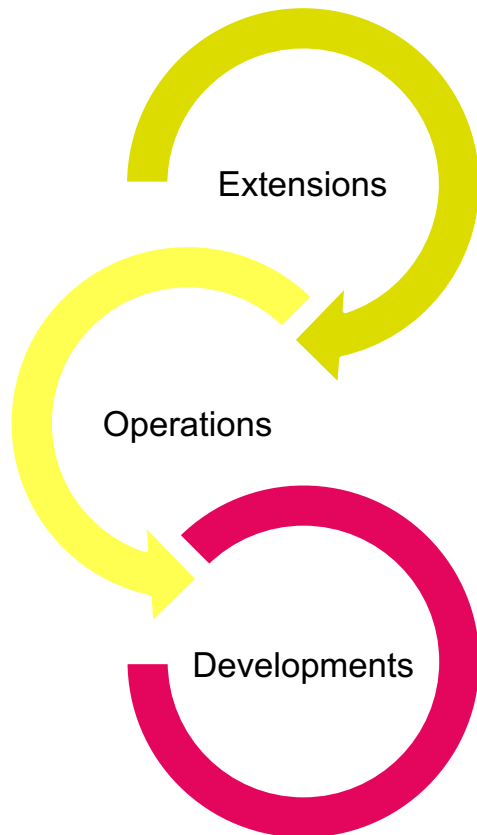
- SDAC:**
- MRLVC @ * (project dependent on the outcome of the political discussion), Non-uniform pricing, Co-Optimization (besides Initial R&D in 2024)
- SIDC:**
- Cross-Product Matching in Continuous trading & Losses in Continuous trading

MCSC feedback on ACER proposal for project prioritisation 2024

February 2024

ACER prioritisation proposal feedback | MCSC project prioritisation in a nutshell

Today!

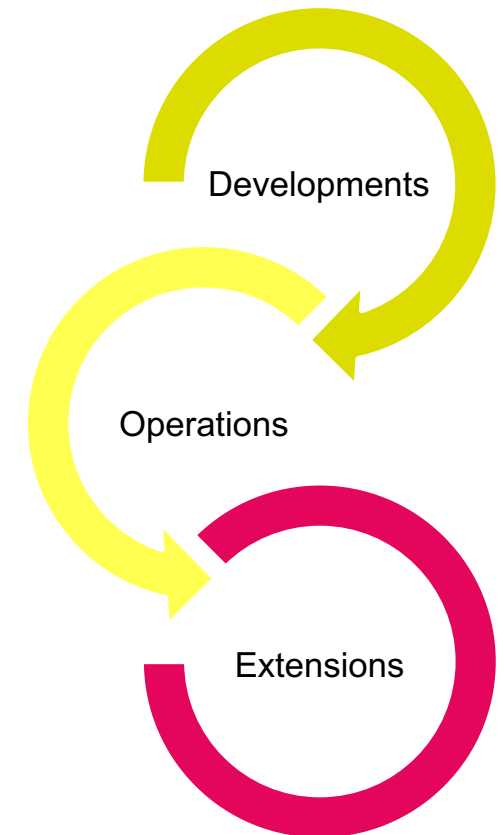


The **SDAC and/or SIDC implementation framework** is for many years based on the following principles

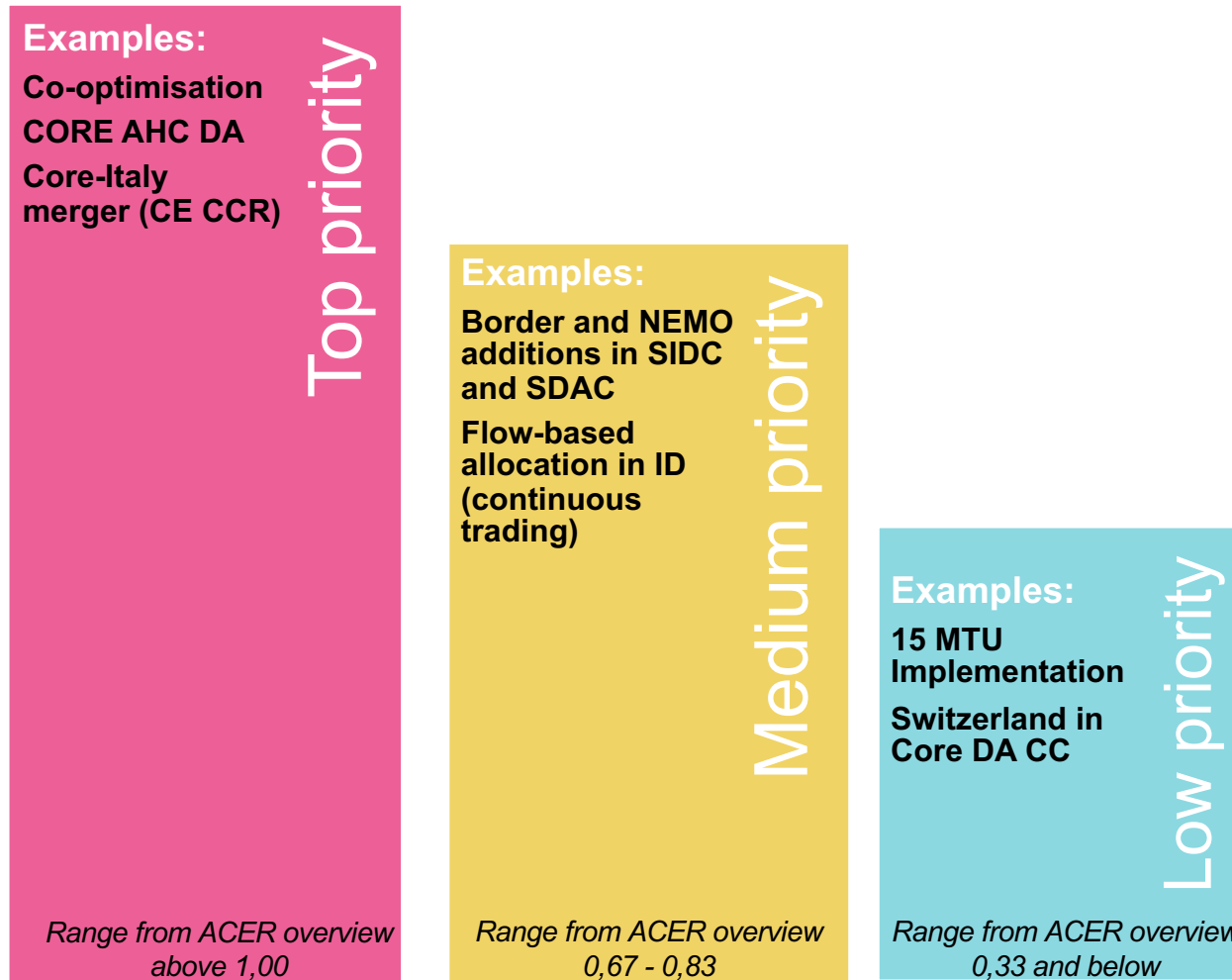
1. **Extensions** (e.g. new borders/Bidding Zones, additional TSO/NEMOs,)
2. **Operations** (e.g. bug fixing, system robustness/performance)
3. **Developments** (e.g. R&D, new functionalities for TSOs and/or NEMOs)

- **ACER proposed** in the meeting 16 February 2024 to essentially apply an „**upside-down**“ - **framework**.
- By changing the current framework the entry of new countries will be more and more difficult.

Tomorrow?



ACER prioritisation proposal feedback | ACER priority examples



Consequence of such prioritisation:

- 1. Practical implication of priority** – what does it practically mean that a project is high/low priority?
- 2. Definition of priorities in silos**, e.g. CE CCR vs Switzerland in Core (welfare and project management)
- 3. Several projects with the same “priority”** – how to rank them?

ACER priority projects list | SDAC and SIDC initial feedback

SIDC

- ❑ **Pan-EU IDAs** – from TSO and NEMO perspective top priority project
- ❑ **15min MTU implementation ID**
 - Ongoing process with multiple deadlines depending on the regions/borders. Expected full completion in Q1-2025, high priority, and mandatory prerequisite for 15min MTU implementation in DA.
- ❑ **Flow-based allocation in ID (continuous trading)**
 - In the analytical phase, the Implementation timeline and go-live are not clear as Minimum Viable Product (MVP) market design & development is facing many challenges as this is a complex R&D project. Readiness for GL potentially during 2027 if a feasible solution is found.
- ❑ **Flow-based allocation in ID (IDAs)** – Subject of clarification, Algorithm already supporting FB - Integration in SIDC depends on the findings and progress of FB for continuous trading.
- ❑ **Border and NEMO additions in SIDC**
 - There is several timelines for different parties/regions e.g. BRM – new NEMO - Q2/2024 Under validation; EPTA – New NEMO Germany – Q2/2024 - New NEMO Austria, Belgium, France – Q3-Q4/2024; EPEX – New NEMO Baltics – Q2/2025, Baltic Cable – New Interconnector - Q4/2025; Celtic interconnector - New NEMO, TSO, market area and new interconnector – Q4/2026; Energy communities and EnC countries – new NEMOs, TSOs, market area and interconnectors – Initial go-live wave proposal Q4 2026 depending on the local party readiness.

ACER priority projects list | SDAC and SIDC initial feedback

SDAC

- ❑ **NEMO and border additions are combined in the list of project (Excel file)**
 - There are multiple planned NEMO accessions that do not add any borders (BRM, ETPA, Baltic MNAs are currently planned). As a lot of the comments are about the addition of borders, we recommend separating this and add BRM, ETPA and Baltic MNAs explicitly.
 - Energy communities and EnC countries – new NEMOs, TSOs, market area and interconnectors - Initial go-live wave proposal Q1 2026 depending on the local party readiness.
- ❑ **Hansa Phase 2 (as well as 3, and 4) Capacity Calculation is missing.**
- ❑ **Nordic FB DA CA is listed twice in the list—see screenshot below.**

	A	B	C	D	E	F
1	ID	Project name	Project description	Regulation	Project pipeline	Date of decision
3		Nordic flow-based DA CA		CACM	CACM SDAC	
27		Nordic flow-based DA CC		CACM	TSOs capacity calculation - Nordic	Dec-19
28		Nordic flow-based DA CA		CACM	CACM SDAC	Jul-18
44						
45						
46						

ACER priority projects list | SDAC and SIDC initial feedback

Regional – not in the MCSC scope or competence

- **Vital interdependency:** Even if not in the scope/control of MCSC, these projects impact SIDC/SDAC timelines because of the needed change of configuration, RfCs required in the algorithm or mandatory testing with all MCSC parties.
 - Sometimes projects conflict in terms of responsibilities and project pipeline (in the ACER prioritisation example Core AHC for DA is in "CACM SDAC pipeline" and not in "TSO capacity calculation – Core")

Note: *Planning and prioritisation is the responsibility of local/regional projects.*