

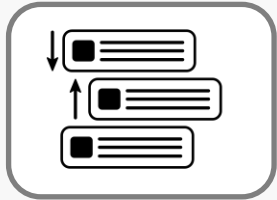
# MESC

Update on SDAC & SIDC

13 June 2024




## Joint status updates



### Prioritisation exercise

- MCSC aims to keep the planning of central projects and implementations triggered by regional and local projects up to date.
- The integrated view on the MCSC planning until the end of 2025 provides holistic view on the MCSC pipeline and implementation. MCSC TSOs and NEMOs strive to provide the latest information about the planning. **Any planning of MCSC is dependent on local and regional planning and interdependency with other projects.**
- MCSC parties are open to discuss how the prioritisation exercise shall be improved in the future and what inputs were missing in order to provide valid contributions to this round of exercise.

### EnC SDAC/SIDC extensions

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- MCSC prepared the standardised **EnC Info package** to share information about the SDAC and SIDC projects to EnC parties via the EnC Secretariat.
  - Local transposition, MCO integration plan, local & regional implementation and CCRs are the vital prerequisites for the EnC Accessions – both from NEMO and TSO side.
  - Fixed go-live windows should be defined to allow streamlined planning on local & central side.
  - 18 months should be assumed as the minimum time needed for the implementation & full accession.
  - Any adherence and detailed planning can only **start once prerequisites are fulfilled.**



## Co-optimization R&D update

### Current status

- MCSC NEMOs and TSOs agreed to start the Co-optimisation R&D; first two steps in 2024:
  1. The first phase of the R&D is a **conceptual study to identify a suitable approach for co-optimization regarding the bidding structure** and its impact mainly on the market design.
  2. Following to conceptual study, a first prototyping phase shall be launched to secure to have a sufficiently clear definition of requirements and of their HL implications - **performance assessment** of the co-optimized market coupling system using the selected design.

### Next steps

- Target for the design completion is set by the end of **Q3/2024** (following the conceptual study and design choice) and development of the prototype shall start during fall 2024.
- Final R&D report to be ready for MCSC / SDAC review by the end of 2024.
- Reporting to ACER to take place before the end of Q1/2025.

**For further discussions with ACER and Market parties it is strongly preferred to use the existing dedicated governance structures to foster cooperation and exchanges on relevant areas.**

### Key message

- ❑ **The co-optimization will have a significant impact to the European energy market.** It will add new financial and legal interfaces between SDAC parties and will change the order types for balancing market participants.
- ❑ **Price formation is more complex than in DA market alone.** Upcoming R&D phases during 2025 -2026 should focus to secure a feasible market coupling results.
- ❑ **The performance implications are one of the key concerns that should be tackled before the co-optimized design is introduced into operation.**

## Main bulletins – SDAC status updates

### 15 min MTU implementation & Updated operational timings

- Full set of new operational timings, including the technical proposal for the optimization of operational timings, will be tested as a part of the procedural testing scheduled for second half of 2024.
- Ongoing discussions focus on finalisation of timings update for Partial Decoupling scenarios.
- SDAC 15 MTU implementation regional monitoring is ongoing concerning the readiness of systems for testing.
- First phase of SDAC functional testing starts in the second half of June 2024.
- Further test phases and more detailed planning will be communicated as part of the MCCG session on 27/06. Planning considers other interdependent projects and follows realistic roadmap. Go live is planned on 18/03/2025.
- Final portfolio of products to be offered was approved by MCSC - The central algorithm will allow a **product offering that includes 15', 30' and 60' product time resolutions**.
- Product portfolio is managed by local NEMOs and an overview of offered products per NEMO and BZ will be provided during the MCCG session on 27/06.



### Background

- ❑ In JET-A NRAs requested that SDAC and SIDC report regularly on type 1 & 2 incidents\*

### Updates and points of attention

- ❑ There has been one **category 2 incident** (no category 1) since the last PCG, on the 4th of May 2024.

### Background

- ❑ Due to an IT issue during the DA capacity calculation process in the Core CCR the provision of merged allocation constraints was delayed, which triggered the “Risk of Partial Decoupling” message for PL BZ.
- ❑ On the day of the incident the required inputs could be provided, which saw the Business Day completed.
- ❑ Since then, the IT issue in Core CCR has been addressed with short- and medium-term improvements in pre-coupling procedures, a medium-term mitigation and a long-term improvement planned for the IT infrastructure.

\* Type 1 incident means partial or full decoupling. Type 2 incident means that the message that there is a risk of partial or full decoupling was sent (but the decoupling did not materialize).

## Main bulletins – SIDC status updates



### IDA go-live preparations

- Extensive testing period of IDA provided for a confirmed go-live on 13 June 2024 (Delivery day 14 June)
- Parties closely monitored the remaining open technical, procedural and regulatory points.
- **MCSC NEMOs and TSOs will provide most recent update concerning the IDA go-live verbally during the meeting.**



### FB in Intraday

- First MVP phase revealed issues mostly connected to the generation of crossed order books, while applying the routing for the update of the local view, and to the performance.
- Modification of existing path finding concept was suggested, none of the solutions SIDC MSD proposed was considered effective in resolving the identified issues.
- **MCSC NEMOs and TSOs are assessing alternative concepts for FB implementation in SIDC**



### Successful BRM go-live in SIDC continuous trading

- Following the adherence of BRM to SIDC at the beginning of 2024, the continuous trading was successfully implemented by Romanian parties and SIDC on 23/05.
- **In the next step BRM shall become operational in SDAC and IDA.**

## Recent Relevant Updates on SIDC Operational Incidents

### Background

- ❑ In JET-A NRAs requested that SDAC and SIDC report regularly on type 1 & 2 incidents\*

### Updates and points of attention

- ❑ Incident on 16/04 (Severity 2, Major): some files sent from DBAG to CMM via ECP piled up, causing some flows failing. Fixed after RCA study of Unicorn and DBAG.
- ❑ Incident on 21/05 (Severity 1, Critical): The SOB Core went down (XBID markets were halted) due to a bug in R4.0, that causes issues when the 2 CMMs nodes run in parallel. This has been solved by a hotfix deployed on 05/06. The report will be prepared and provided by SIDC OPSCOM as usually.