

Minutes Market Coupling Steering Committee Meeting

22. February 2023, Teleconference

Present SDAC and/or SIDC parties

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

3rd parties

ARIGA	Artelys	BEA	E-Bridge	Ernst & Young	Indra
JAO					

Observers

ACER	EC	EMS	Entso-E	MEMO	MEPSO
OST	SEEPEX	Swissgrid	ETPA		

Present	By phone	Not attending
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Meeting agenda

#	Topic	For	Presenter	File*
1	Welcome, practicalities		09:00-09:10	
1.1	Confirm quorum	Inf	Secretary	■
1.2	Introductory statement by co-chairs	Inf	Co-chairs	X
1.3	Adoption of the agenda	Dec	Co-chairs	■
1.4	Matching of pre-aligned NEMO Vote and TSO Vote	Inf	Secretary	To be added
2	JOINT – General points		09:10-09:15	
2.1	Approval of minutes (internal & external)	Dec	Secretaries	■
2.2	Review of action points	Inf	Secretaries	■
3	JOINT – Important points to highlight & decisions requested		09:15-10:35	
3.1	Legal TF (10 min) <i>Ukrainian Market Operator (JSC MO) Observer status (for decision + other topics for information)</i>	Dec	LTF leades	■
3.2	SDAC/SIDC QARM (15 min) <i>Prioritization methodology to apply to SDAC & SIDC list of requirements</i>	Inf/Dec	SDAC/SIDC QARM conveners	■
3.3	BMTF (10 min) <i>Timeline for CACM Cost report 2022</i>	Inf/Dec	BMTF conveners, co-chair	■
3.4	Gov TF (45 min) <i>Update co-optimisation (Workplan)</i> <i>Approval of publication of study on co-opt and</i> <i>Approval of accompanying note EFET / Eurelectric paper on “no regret” for approval</i> <i>Approval of the in and out of scope table</i>	Dis/Dec Dec Dec Dec	NEMO representative	■
4	JOINT – Any other business		10:35-10:40	
4.1	Involvement of the MCSC in the EC market design proposals	Dis/Dec	Co-chairs	■
5	SIDC – Important points to highlight & decisions requested		10:40-12:00	
5.1	Integrated Plan (5 min)	Inf	QARM chair	■
5.2	SIDC QARM Status Report including IDA Topics (25 min) <i>Roadmap; Cost approvals</i>	Dec	QARM co-chairs	■
5.3	SIDC MSD Status Report including IDA Topics (30 min) <i>Flow-based and Losses high-level implementation timeline, Flow-based Minimum Viable Product scope and included shipping approach, MTUs applicable to BZ and borders included for IDA go-live</i>	Dec	MSD chair	■
5.4	SIDC BMSG Status Report (15 min) <i>Cost vs. budget 2022</i>	Inf	Co-chair	■
5.5	MCSC members questions to reports (5 min) <i>NEMOs and TSOs Report, OTF Report</i>	Inf	Co-chairs	See back-up
6	SIDC – Any other business		12:00-12:05	
LUNCH BREAK			12:05-13:05	
7	SDAC – Important points to highlight & decisions requested		13:05-14:20	
7.1	SDAC OPSCOM (15 min) <i>Notable changes and events, testing and training, status on finding more time for algo calculation</i>	Inf	SDAC OPSCOM leaders	■
7.2	SDAC MSD (35 min) <i>Including termination of the non-uniform pricing R&D</i>	Dec	SDAC MSD leaders	■
7.3	SDAC QARM (5 min) <i>Progress report</i>	Inf	SDAC QARM leaders	■
7.4	SDAC SF TF (15 min) <i>Timeline, status, and Go-Live</i>	Inf	SDAC SF TF leaders	■
7.5	MCSC members questions to TF reports (5 min)	Inf	Co-chairs	
8	SDAC – Any other business		14:20-14:30	
8.1	Unavailability Simulation Facility	Inf	Co-chairs	■
9	Topics without subcontractors		14:30-15:00	
9.1	PMO Procurement Development	Inf		■
10	Closure meeting		15:00-15:05	

List of decisions

#	Topic	Decision
1.2	Adoption of the agenda	The meeting agenda is approved.
2.1	Approval of minutes (internal & external)	The minutes from the MCSC meetings held on 30.11. 2022 and 25.1.2023 are approved The minutes for publication from 30.11.2022 are approved and can be published
3.2	SDAC/SIDC QARM	MCSC approves the communication of the initial list of work items for SDAC and SIDC – with a disclaimer that this is a living document, without prioritization, and that additional items can still be added into the list at any point based on QARM proposal and MCSC approval as far as the strategic CRs are concerned (at least twice a year). Items listed in the second list are kept beside. (Prioritization will be done in a second step and approved in March MCSC).
3.3	BMTF	The MCSC to mandate the Joint BMTF on the respective exercises (gathering of input, organization of workshops...) required to prepare the yearly CACM cost report.
3.4	Gov TF	The MCSC to: <ul style="list-style-type: none"> Approve the Excel file (https://service.projectplace.com/pp/pp.cgi/r1167213652) with the NEMO and TSO contributions, in or out divergent positions and seek to agree on common text where needed. Agree that, if no agreement is reached on some answers, these should be excluded from the final document. Task the Gov TF to draft a word document which reflects the compromise text and submit to MC SC for online approval by 24 February noon. <p>Share the final documents with MPs under MCCG on 27th Feb and make final document available to MESC of 09.03.23.</p>
		The MC SC approves the updated table on the tasks that are in and out of scope of the MCO function.
		The MC SC approves the high level workplan on co-optimization (PP Link).
4.1	Involvement of the MCSC in the EC market design proposals	MCSC does not mandate Gov TF to assess EC legislative proposals and will not take any position.
5.2	SIDC QARM Status Report including IDA Topics	MCSC approves and commit (MCSC TSOs and NEMOs except ETPA) to the roadmap and IDA testing timeline on both central and RIP level.
		MCSC approves purchase of CIP Pre Production environment with the following prices: implementation cost 6,435.00 EUR, annual hosting/maintenance cost 107,976.84. The pre-production environment shall be available starting from November 2023.
		MCSC agrees that as soon as the final IDA RIP Report for Jan 2023 is ready and approved by QARM, it will be sent for deemed acceptance to MCSC (with the period of 5 working days). If no objection is raised the report will be approved and available for use in JET-A.
5.3	SIDC MSD Status Report including IDA Topics	MCSC acknowledge scheduled exchanges calculation for IDAs will work as a default setup with the cost coefficients aligned with DA.
		MCSC acknowledge commitment of the parties regarding MTU/resolution to be applied for borders and Bidding Zones included to IDA Go-Live. The commitment for IDA Go-Live covers all borders, bidding zones and parties being part of continuous trading in February 2023 (with reservations made by ENDK).
7.2	SDAC MSD	MCSCs approves to put on hold any additional NUP R&D and implementation evaluations, as the performance and welfare gains are not justifying the disruptive market entry for NUP.

1. Welcome, practicalities

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

2. JOINT – General points

2.1) Approval of minutes (internal & external)

The minutes from the MCSC meetings held on 30.11. 2022 and 25.1.2023 are approved. The minutes for publication from 30.11.2022 are approved and can be published

2.2) Review of action points

Action points were reviewed, open action points were covered in session file during the meeting.

3. JOINT – Important points to highlight & decisions requested

3.1) Legal TF

Ukrainian Market Operator (JSC MO) requested to be granted the status of MCSC observer but did not request to become member at this point in time. The decision to grant observership status and access to SIDC and SDAC documentation was postponed until the next MCSC due to security reasons. The Legal Task Force will implement the security risk check and provide it on the next MCSC.

3.2) SDAC/SIDC QARM

List of requirements identified by SDAC and SIDC QARM is provided to MCSC in order to set a proper prioritisation of the work. QARMS and MSD will propose prioritizations on the lists, for discussion and approval in March MCSC, and final submission to PCG.

3.3) BMTF

Preparation of CACM cost reporting is under MCSC responsibility, who mandated BMTF to lead the process. BMTF proposed a timeline with a final deadline for the document at end of June 2023.

3.4) Gov TF

- Three topics were presented by Gov TF. First is the co-optimization workplan. Co-optimization process should be included in the algorithm methodology. The NEMO and TSO volunteers drafted a high-level workplan that includes a timeline for delivery of the methodology amendment proposal and submit it to the MC SC for approval.
- Second topic presented was the preparation of the response to EFET and Eurelectric CACM 2.0 quick wins proposals. Parties aligned on the content of the response during the call.
- Last the improvements to joint governance were discussed. Steps for joint governance improvement were agreed on the last MCSC, where Gov TF was tasked to update XLS table. XLS table was presented and approved on the call.

4. JOINT – Any other business

4.1) Involvement of the MCSC in the EC market design proposals

MCSC does not participate at the currently ongoing EC Consultation on the Electricity Market Design Reform. In Gov TF a discussion took place how MCSC should/could participate to the upcoming political and legislative process. MCSC decided that it will not mandate Gov TF to assess EC legislative proposals and will not take any position.

5. SIDC – Important points to highlight & decisions requested

5.1) Integrated Plan

Integrated plan runs according to the agreed process. The next major milestones are R4.0 and IDA implementation.

5.2) SIDC QARM Status Report including IDA Topics

Almost all deliverables are progressing on schedule with exception of Secondary Data Center Migration, whose deadline is at medium risk. The main identified risk concerning the CIP Contract was clarified and successfully solved.

5.3) SIDC MSD Status Report including IDA Topics

SIDC MSD prepared an updated timeline for implementation of Flow-based and Losses to continuous trading. Timeline indicates FB implementation earliest in 2026 and Losses in 2027. MTU applicable to interconnectors and BZ products for IDA were agreed by IDA SG. Discussion regarding proposed modification of EUPHEMIA allowing negative ATCs will be submitted to IDA enforcing non-intuitive flows has not progressed.

5.4) SIDC BMSG Status Report

All cost lines in 2022 were kept under the budget with exception of a few categories. CACM Cost report of 2022 will be prepared under the joint umbrella.

5.5) MCSC members questions to reports

No question was raised

6. SIDC – Any other business

No topic was raised.

7. SDAC – Important points to highlight & decisions requested

7.1) SDAC OPSCOM

Since last MCSC meeting there went live the RfCs related to increase of second auction threshold and second auction in Croatia and Baltics, the new HMMCP methodology and the Scalable Complex Order in Ireland.

Number of incidents is in line with average and none of them was critical. Description of all incidents was provided.

7.2) SDAC MSD

SDAC MSD provided update on the 15 min MTU performance, Euphemia Lab R&D Pipeline and release planning, XPRESS solver, Non-uniform pricing, 2030 future of the algorithm exercise.

7.3) SDAC QARM

Terms of Reference have been detailed and are now finalized on SDAC QARM level. SDAC QARM will communicate them to SDAC WG as well as PCR working bodies as QARM ToR will have an impact on other ToR. SDAC QARM aims to send ToR to MCSC for validation after SDAC WG review by March MCSC.

RfC handling process is being reviewed and drafted by SDAC QARM, with the objective of starting a discussion with SDAC WG and updating SDAC Change Control Procedure. SDAC QARM aims to send the CCP to MCSC for validation by June MCSC.

7.4) SDAC SF TF

The go-live window of Simulation Facility (SF) v4 remains scheduled for 15/02 – 17/02/2023. PCR SF TF is re-testing the latest bug-fix release delivered by the IT provider. The last bugfix release is expected for 09/02, and it will be followed by PCR SF TF re-test. On 13/02/2023, decision on GL date will be communicated to SDAC SF TF and release note distributed to users.

7.5) MCSC members questions to TF reports

No question was raised.

8. SDAC – Any other business

9. Topics without subcontractors

10. Closure meeting

Parties thanked each other for cooperation and closed the meeting.