

Remarks

As a general principle, this fallback procedure determines the operation of the Incident Committee (IC), which determines the fallback solution to be applied, i.e. Full Decoupling (SDAC_FAL_02) or Partial Decoupling (SDAC_FAL_03).

The IC invitation is always sent by the PMB Coordinator to PMB Operators and Daily Observers.

Every NEMO is responsible to forward the IC invitation to its relevant parties, according to local procedures.

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1. Introduction

As soon as an incident occurs that prevents the timely allocation of the CZCs via the implicit allocation process and/or the timely publication of the Market Coupling Results, an Incident Committee (IC) is convened by the PMB Coordinator. Relevant participants to the IC identify the issue, assess and agree on potential fallback solutions, these being either Full Decoupling (SDAC_FAL_02) or Partial Decoupling (SDAC_FAL_03).

Everywhere in this document where “TSOs” is written, “TSOs and/or any party entitled by the TSOs” is meant.

2.1. Purpose

As a general remark, the fallback procedures aim at offering a common framework to which all the local fallback procedures must be aligned.

This document shall provide clear and unambiguous guidelines to the IC participants for an efficient functioning IC through a clear explanation of the IC participants’ roles and responsibilities and the sequence of actions during the IC.

This procedure deals also with the principle that the first action in case of issue is the bilateral treatment of it, between the Operational NEMO and the TSO.

2.2. Governed / Regulated by

- Day-Ahead Operational Agreement (DAOA)

2.3. Tools and Communication Protocols

- TSOs Pre-Coupling Systems
- Joint NEMO IT Systems
- Local NEMO IT Systems

2.4. Associated Procedures and Documents

Backup procedures:

- SDAC_BUP_01: Cross-Zonal Capacities and Allocation Constraints Submission
- SDAC_BUP_02: Final Confirmation of the Results

Following fallback procedures:

- SDAC_FAL_02: Full Decoupling
- SDAC_FAL_03: Partial Decoupling

Other associated procedures and documents:

- SDAC_NOR_01: Cross-Zonal Capacities and Allocation Constraints Submission
- SDAC_NOR_02: Final Confirmation of the Results
- SDAC_NOR_03: Market Coupling Results and Scheduled Exchanges Transfer
- SDAC_NOR_04: Trading Confirmation and Scheduled Exchanges Notification
- SDAC_OTH_02: Internal and External Communications
- SDAC_SPE_01: Impact of Second Auctions

- SDAC_SPE_02: Impact of price limits in Nordic-Baltic reached
- ANDOA_OPE_01: PMB Coordinator and Backup Coordinator Rotational Switch
- ANDOA_FAL_01: Incident Committee
- ANDOA_FAL_02: Partial and Full Decoupling

2.5. Incident investigation: bilateral communication NEMO - TSO

As soon as a severe issue occurs during the Market Coupling process, the concerned party (either a NEMO or a TSO) informs the other involved party through a bilateral call about the following:

- the type of issue;
- the possible backup solutions;
- when possible, provide an estimated time needed to solve the issue.

At the Target Time of the corresponding backup procedure, if the issue is still not solved, the NEMO informs the PMB Coordinator about the issue, according to ANDOA procedures.

2. Incident Committee

The Incident Committee is organized by the PMB Coordinator by sending the Incident Committee invitation ([REDACTED]) to all PMB Operators and Daily Observers.

The relevant PMB Operator is responsible for forwarding the invitation to its TSO(s) and its serviced NEMO(s).

In order to request the triggering of an Incident Committee, an Operational NEMO contacts directly or via its Servicing NEMO the PMB Coordinator and a TSO contacts its related NEMO, who will contact the PMB Coordinator directly or via its Servicing NEMO.

The latest moment in time when an Incident Committee has to be triggered is named Latest Time to Start an IC and it depends on the (risk of) decoupling case.

2.1. Incident Committee Timeline

Depending on the Partial Decoupling and Full Decoupling cases (as defined in the procedure SDAC_FAL_02 and SDAC_FAL_03), the PMB Coordinator will follow a series of deadlines, in terms of:

a) Latest Time to Start an IC

This is the latest moment in time when an Incident Committee has to be triggered.

b) Deadline for informing about the risk of decoupling

This is the latest moment in time when the external message informing about the risk of decoupling needs to be sent, according to procedure SDAC_OTH_02.

This communication is very important because JAO needs it in order to activate the Shadow Auction processes.

c) Deadline for declaring the decoupling

This is the latest moment in time when the Incident Committee declares the decoupling and an external message officially informs the Market Participants about the decoupling.

The following table shows the timeline that has to be followed for the **Partial Decoupling** cases:

| Partial Decoupling cases | Start of IC - Message to be sent by the PMB Coordinator to NEMOs | Latest Time to Start an IC (TSOs welcomed to join the IC) | Deadline for informing of risk of Partial Decoupling - Message to be sent by NEMOs to TSOs | Deadline for declaring the Partial Decoupling - Message to be sent by NEMOs to TSOs |
|--|--|--|--|---|
| Partial Decoupling for CZC related reasons (PD Case 1) | | | | |
| Partial Decoupling for reasons not related to CZCs (PD Case 2) | | | | |
| Partial Decoupling known in advance (PD Case 3) | | | | |

The following table shows the timeline that has to be followed for the **Full Decoupling** cases:

| Full Decoupling cases | Start of IC - Message to be sent by the PMB Coordinator to NEMOs | Latest Time to Start an IC (TSOs welcomed to join the IC) | Deadline for informing of risk of Full Decoupling - Message to be sent by NEMOs to TSOs | Deadline for declaring the Full Decoupling - Message to be sent by NEMOs to TSOs |
|--|--|--|---|--|
| Full Decoupling during the Market Coupling Session (FD Case 1) | | | | |
| Full Decoupling known in advance (FD Case 2) | | | | |

2.2. Incident Committee Participants

Depending on the nature of the incident, the parties with *full participation rights* will vary. TSO(s) and/or Serviced NEMOs directly impacted, responsible or being able to contribute to solving the problem or the solution, will have full participation rights. If the impact on the party is indirect, they may join in silent mode only as an *invited participant*.

The following table describes the roles and responsibilities of the parties that are entitled to join the Incident Committee.

| | FULL RIGHTS PARTICIPANTS | INVITED PARTICIPANTS |
|---|---|--|
| Participants | <ul style="list-style-type: none"> a) PMB Coordinator b) PMB Operators c) PMB and Algorithm provider, on demand (in case of a technical issue) d) TSO(s) and/or Serviced NEMOs directly responsible or being able to contribute to solving the problem or the solution e) TSO auction office | <p>TSOs not directly involved in the issue.</p> <p>Serviced NEMOs not directly involved in the issue</p> |
| Means used to communicate the organization of an IC | <ul style="list-style-type: none"> – Email – Telephone to join the conference call line | |
| Rights | <ul style="list-style-type: none"> – Take part in the operational analysis in order to assess and apply the potential solution or to declare a Partial Decoupling or Full Decoupling. – Participants have 5 minutes to join the call. Deemed acceptance will apply if they fail to do so. | <ul style="list-style-type: none"> – Take part for information purposes but should remain silent. |

NB: See for a detailed description of types of participants and their rights, the Rules of Internal Order, which are provided in Section 3.

3. Procedure

Depending on the reason for declaring a Partial Decoupling or a Full Decoupling, there are 5 main cases, each of them with its specific deadline:

Partial Decoupling (SDAC_FAL_03)

- 2 cases of Partial Decoupling known during the daily Market Coupling Session, with 2 different timings depending on the issue:
 - Case PD1 - Partial Decoupling for CZC-related reasons → [REDACTED]
 - Case PD2 - Partial Decoupling for reasons not related to the CZCs → [REDACTED]
- the case of Partial Decoupling Known in Advance:
 - Case PD3 - Partial Decoupling Known in Advance → [REDACTED]

Full Decoupling (SDAC_FAL_02)

- Case FD1 - Full Decoupling known during the Daily Market Coupling Session → [REDACTED]
- Case FD2 - Full Decoupling known in Advance → [REDACTED]

The PMB Coordinator is responsible for organizing and chairing the IC.

A TSO requests the initiation of the IC through its NEMO, by phone.

A NEMO requests the initiation of the IC through contacting the PMB Coordinator directly or via its Servicing NEMO.

3.1. General overview

The table below lists all the required steps and associated deadlines necessary to hold an IC.

| # | Process | Deadline | From | To | Tool & Communication Protocols | Condition to switch to next step (besides deadline reached) |
|---|---|------------|--------------------------------------|-------------------------|--------------------------------|--|
| 1 | PMB Coordinator initiates the Incident Committee (IC) by sending pre-defined email to NEMOs | [REDACTED] | PMB Coordinator | PMB Operators | [REDACTED] | Message has been sent. |
| 2 | NEMOs may forward the IC invitation to their TSOs and/or Serviced NEMOs | [REDACTED] | PMB Operators | TSOs Serviced NEMOs | [REDACTED] | Message has been sent. |
| 3 | Operational NEMOs and TSOs join the call | [REDACTED] | - | - | [REDACTED] | All full right Participants have joined the call or 5 minutes have passed. |
| 4 | Start the IC | [REDACTED] | - | - | [REDACTED] | Or earlier when all full right Participants have joined the call |
| 5 | Quick technical analysis | [REDACTED] | PMB Coordinator/ relevant parties | Full Right Participants | [REDACTED] | Issue is identified and potential solutions are clear |

| # | Process | Deadline | From | To | Tool & Communicati on Protocols | Condition to switch to next step (besides deadline reached) |
|----|---|------------|-------------------------|------------------------------|---------------------------------|--|
| 6 | Agreement on the solution to apply | [REDACTED] | Full Right Participants | - | [REDACTED] | All Full Right Participants present in the call agree |
| 7 | Send Risk of Decoupling message from PMB Coordinator to NEMOs if the issue has not been solved yet. | [REDACTED] | PMB Coordinator | NEMOs | [REDACTED] | Message has been sent. |
| 8 | Send Risk of Decoupling message to TSOs and MPs if the issue has not been solved yet. | [REDACTED] | Operational NEMOs | TSOs and Market Participants | [REDACTED] | Message has been sent. |
| 9 | Apply agreed solution | - | Full Right Participants | Relevant parties | [REDACTED] | Agreed solution is applied leading to – <ul style="list-style-type: none"> • issue is solved • FD or PD is declared. |
| 10 | End the IC | - | - | - | [REDACTED] | Previous step completed. |

As a result of the IC there can be three possible outcomes, listed below along with the following procedure:

- Entire SDAC region remains coupled, (SDAC normal procedures, depending on where in the process)
- Partial Decoupling (SDAC_FAL_03)
- Full Decoupling (SDAC_FAL_02).

Generic Communication Actions: See procedure SDAC_OTH_02.

3.2. Process clarification

Step 1: PMB Coordinator initiates the Incident Committee by sending the IC invitation to the NEMOs

The PMB Coordinator sends a predefined message from a predefined email address to a predefined mailing list, informing all IC Participants that

- an IC is triggered,
- all IC Participants are asked to connect urgently to the IC conference call number.

Step 2: NEMOs may forward the IC invitation to their TSOs and/or its serviced NEMOs

The NEMOs may forward the IC invitation to their TSOs and its serviced NEMO(s) at the Latest Time to Start an IC according to the Tables 1 and 2 above, according to regional procedures.

Step 3: PMB Coordinator starts the Incident Committee conference call and Operational NEMOs and TSOs join the call

The PMB Coordinator opens the IC conference call line to allow Operational NEMOs and TSOs to connect to the conference call. All invited Participants connect through the IC conference call line.

In case a Full Rights Participant has not connected to the call, the PMB Coordinator or the relevant NEMO will try to contact the missing party. They should try at least 2 times to reach the missing party before the IC starts.

Step 4: Starting the Incident Committee

As soon as all Registered Parties have joined the IC conference call, the PMB Coordinator can start the IC. The PMB Coordinator announces the start of the IC meeting at the latest 5 minutes after the IC initiation according to the Rules of Internal Order (Chapter 3), even if one of the Operational NEMOs or TSOs has not joined the IC conference call.

Step 5: Quick technical analysis

The PMB Coordinator presents as briefly as possible the situation, including:

- The stage at which the DA Price Coupling process is
- The observed incident
- Whether the source of the problem is:
 - o identified; and what the problem is
 - o not identified or not clearly identified; and what possible problems could have caused the incident.
- Backup solutions resorted to, if any, and why they have not been sufficient.
- The parties or subcontractors that are working on the investigation/resolution.

When relevant, the PMB Coordinator may ask any of the IC participants to share any of the points above.

The PMB Coordinator then reminds:

- what time it is
- relevant Partial Decoupling Deadline or Full Decoupling Deadline.

Step 6: Agreement on the solution to apply

There is a discussion phase initiated by the PMB Coordinator during the IC conference call in order to collect information needed to determine the feasible fallback solutions and dependencies.

The PMB Coordinator makes sure that within the discussion, the IC participants provide the following information clearly:

- whether they require Partial Decoupling or Full Decoupling or not
- in case of a technical problem in the TSO Systems, how long the TSO(s) need to solve it and which bidding zones are concerned
- in case of a technical problem in the Local NEMO IT Systems or PMB, how long the NEMO(s) need to solve it and which NEMO(s) are concerned.

In view of information given during the discussion, the PMB Coordinator presents the feasible solution(s) and the time constraints associated. The possible technical measures, if any, are presented together with:

- their likelihood of solving the problem (if it is relatively high)
- an indication of the timeframe in which it could be applied and whether this enables publication of confirmed Market Coupling Results before the relevant deadline or not.

Guideline for declaring Partial Decoupling:

If the concerned NEMO is not able to solve the problem before the relevant Partial Decoupling Deadline, the IC declares the decoupling of the concerned NEMO, according to procedure SDAC_FAL_03.

Guideline for declaring Full Decoupling:

The Incident Committee declares the Full Decoupling of the entire SDAC area [REDACTED] if:

- a) the Market Coupling Results are not available or not confirmed by the positive Global Preliminary Confirmation before [REDACTED] (the deadline for Full Decoupling Case 1);
- b) the Market Coupling Results have been confirmed by the positive Global Preliminary Confirmation, but rejected during the Final Confirmation process (as long as the rejection was received before [REDACTED], the deadline for Full Decoupling).

If a negative Final Confirmation arrives after [REDACTED], the Market Coupling Results are considered as firm and no Full Decoupling can be declared anymore.

Step 7: Sending the Risk of Decoupling message from the PMB Coordinator to NEMOs

Except for case PD1, the PMB Coordinator will always send the risk of decoupling message at the timings indicated in the table corresponding to the different Partial Decoupling and Full Decoupling cases to the Operational NEMOs (directly or via its Servicing NEMO).

Step 8: Sending the Risk of Decoupling message from NEMOs to TSOs and MPs

The NEMOs will forward this message to their respective TSOs and Market Participants.

For case PD1, messages will be sent according to local procedures.

Step 9: Applying the agreed solution

The PMB Coordinator, TSO Pre-Coupling System Operator, the TSO Post-Coupling Operator or other relevant Shared System IT Managers will apply the agreed solution. As soon as an IC has been initiated, the IC participants will remain connected through the IC conference call line in order to quickly interact in case of inapplicability of the solution or a new incident.

In case the application of the agreed solution is not successful, the IC shall assess if another solution can be found and applied within the limited remaining timeframe before the Partial Decoupling Deadline or the Full Decoupling Deadline. If feasible the IC shall restart process Step 5.

Step 10: End the IC

The IC is ended as soon as the coordination between parties is no longer needed.

Rules of Internal Order

These Rules of Internal Order set forth the decision-making process rules of the Incident Committee.

General description of tasks

The Incident Committee is responsible for performing the tasks described in this procedure with the explicit intent to avoid as far as possible Partial Decoupling or Full Decoupling. The Incident Committee is entitled to take all measures necessary, including declaring the Partial Decoupling or Full Decoupling.

PMB Coordinator

The PMB Coordinator is the operator of the PCR Market Coupling System and also the chairman of the Incident Committee. The PMB Coordinator role is shared between all PMB Operators on a rotating basis, according to procedure ANDOA_OPE_01: Coordinator and Hot Backup Switch.

Incident Committee Composition

The Incident Committee is chaired by the PMB Coordinator.

All Participants are invited to attend the Incident Committee, either as Full Rights Participants or as Invited Participants.

As a general principle, the PMB Coordinator has to send the invitation to the Incident Committee to all the Operational NEMOs and each one has to forward this invitation to its TSOs and its Serviced NEMOs. The list of NEMO Full Rights Participants is held by the PMB Coordinator. The list of all TSO representatives is held by their respective NEMOs. An Operational NEMO Full Rights Participant may change its representative(s) or appoint any other person in his/her place as an alternate in the Incident Committee, provided that all changes are notified to the PMB Coordinator in due time according to the PCR Change Control procedure. The TSOs also have the possibility to change representatives by informing their respective Operational NEMO, according to the relevant local procedure.

Full Rights participants

The Full Rights Participants are:

- (a) the PMB Coordinator;
- (b) PMB Operators;
- (c) PMB and Algorithm provider;
- (d) TSO(s) and/or Serviced NEMOs directly responsible or being able to contribute to solving the problem or the solution.
- (e) As soon as a risk of decoupling is declared all Invited Participants (see definition below) become Full Right Participants

In order to be invited in the Incident Committee, the Full Rights Participants shall be reachable by at least one of the following means: email or phone call.

The presence of all Full Rights Participants is required to start an Incident Committee. If an Operational NEMO or a System Provider is missing within 5 minutes after the invitation was sent, the PMB Coordinator will try to contact them by phone on a best effort basis. If the missing participant cannot be reached, the Incident Committee will start anyway. If one or several TSOs directly involved in the issue are missing within 5 minutes after the invitation was sent, the

related NEMO will try to contact them on a best effort basis. If the missing participant cannot be reached, the Incident Committee will start anyway.

The Full Rights Participants perform the operational analysis to assess and agree on the solution for the incident, including the declaration of Partial Decoupling or Full Decoupling if all other solutions fail.

Invited Participants

The Invited Participants are the TSOs not directly involved in the issue.

In order to be invited in the Incident Committee, the Invited Participants shall be reachable by email.

The presence of Invited Participants is not required for the start an Incident Committee.

The Invited Participants take part in the Incident Committee for information purposes but should remain silent unless they can bring a contribution in solving the issue.

Incident Committee triggering

A TSO requests the initiation of the IC through its Operational NEMO by phone.

An Operational NEMO requests the initiation of the IC through contacting the PMB Coordinator directly or via its Servicing NEMO.

Meeting modalities

The Incident Committee is held through a conference call.

Full Rights Participants connecting to the conference call give in an audible manner their own name, the name of the company he/she is working for and, if applicable, the system he/she is representing. Invited Participants do not need to provide such information.

For the purpose of an Incident Committee, the Participants (Full Rights and Invited) put at disposal a dedicated landline or mobile number where they can be reached. The PMB Coordinator holds the list of the NEMOs and system providers contact phone numbers. The NEMOs hold the list of contact phone numbers for their TSOs and other entities under the responsibility of the TSOs.

The PMB Coordinator records the Incident Committee conference call. This recording shall only be used as evidence for audit purposes or in case of dispute in connection with the recorded discussions.

4. Incident Investigation and Reporting

4.1. Incident Committee Minutes

As soon as the IC is over, the PMB Coordinator summarizes in a short email the decisions made and actions taken during the IC. The PMB Coordinator distributes this email to the IC Participants (Registered and Unregistered). This summary is for information purposes only and cannot be used as evidence in case of audit and/or dispute.

This email contains:

- a) the IC start time;
- b) the IC end time;
- c) the decisions made and
- d) the actions taken.

4.2. Incident Committee Report

At the end of the Market Coupling session where an Incident Committee was triggered, the PMB Coordinator must fill in the Incident Report template

The PMB Coordinator sends the Incident Committee Report to all NEMOs and the NEMOs involved in the incident fill in the necessary details. If a TSO was involved in this incident, this TSO will also be required to fill in the report on request of its NEMO.

The PMB Coordinator compiles these analyses into a final Incident Committee Report and distributes it to all NEMOs who forward it to their TSOs for information and lessons learned purpose. The process of filling in the report is preferably completed on the day of the incident.

The template of the final Incident Committee Report can be found below.

| INCIDENT COMMITTEE REPORT | | |
|---------------------------|------------------------|--|
| Written by | | |
| Conf. Call Number | | |
| IC Date & Time | Date | |
| | Start time | |
| | End time | |
| List of Attendees | PMB Coordinator | |
| | PMB Backup Coordinator | |
| | ████████████████████ | |
| | ██████ | |
| | ██████ | |
| | ██████████ | |
| | ██████ | |
| | ██████████ | |
| | ██████ | |
| Other parties: | | |

INCIDENT DESCRIPTION

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PROPOSED SOLUTION & DISCUSSIONS

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DECISION

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OTHER ISSUES

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| REPORT APPROVAL DATE | |
|-----------------------------|--|

4.3. Ad-Hoc SDAC OPSCOM meeting for severe incidents

In case of severe incident, meaning risk of full decoupling (message ExC_03b) or materialized full or partial decoupling not known in advance (cases FD1, PD1 and PD2), the SDAC OPSCOM PMO shall organize an ad-hoc SDAC OPSCOM meeting on the same working day in the afternoon.

For severe incidents during the weekend or on a common bank holiday the ad hoc SDAC OPSCOM shall be organized at the start of the next working day.