

MRC Day-Ahead Price Coupling

Meeting with the Energy Community Contracting Parties

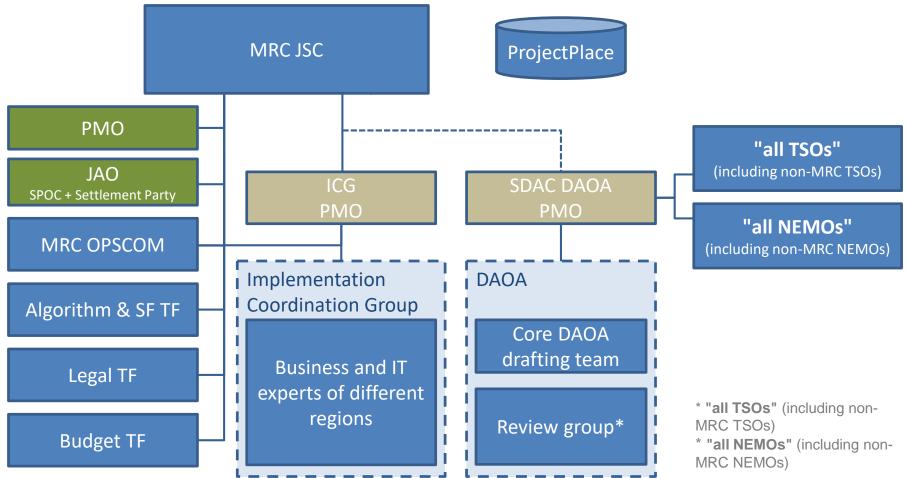
Stefano Alaimo (PX) Co-Chair ID

Ole Jacob Høyland (TSO) Co-Chair DA





MRC organization structure – Current situation



ToR on all groups, approved by JSC DAOA ad hoc working group will be closed, as the work on the DAOA is finalized

I. PCR High Level Status

- Price Coupling of Regions (PCR) is the voluntary initiative of 7 European Power Exchanges, to develop a single
 price coupling solution to calculate electricity prices and allocate cross-border capacity on a day-ahead basis
 across Europe
- PCR has, since its Go-Live in Feb 2014, proven to be operationally robust and ready to facilitate the EU target of an integrated electricity market

· Major milestones achieved:

 04 Feb '14: NWE Go-Live + SWE in common synchronised mode using PCR

· 13 May '14: SWE Full Coupling

 19 Nov '14: Launch of the 4M Market Coupling using separate PCR Solution

24 Feb '15: CSE Coupling (FR-IT, AT-IT, SI-IT)

· 20 May '15: CWE FB Implementation

· 16 Jun '15: Provision of PCR Simulation Facility to MRC

users (PXs + TSOs)

· 20 Jan '16: Bulgaria

• 11 Feb '16: Croatia (isolated mode)

• 18 Feb '16: Serbia

19 Jun '18: Market Coupling on Slovenian-Croatian border

30 Sept '18: DE/AT split of bidding zones & SEMO integration of IRL & NIR



Expansion PCR		
	Multi Regional Coupling (MRC): NWE, Poland, Baltic, SWE & CSE, Bulgaria, Croatia, Ireland & Northern Ireland	Feb 2014 synchronous operation, May 2014 full price coupling, Feb 2015 integration CSE (FR-IT, AT-IT, SI-IT), Jan 2016 Bulgaria, Feb 2016 Croatia, Jun 2018 SI-HR border, Sept 2018 SEMO integration
	4ММС	Separate PCR Solution, Successfully launched on 19 Nov 2014. To be coupled to MRC as soon as possible (via CEE Flow Based/NTC)
	Serbia	Independent operation of algorithm
	Switzerland	TBD integration into MRC



MRC JSC Participants – 21 member Countries 85-90% of Europe's electricity consumption

32 TSO's

- 50Hz
- Admie
- Amprion
- APG
- AST
- BritNed
- Creos
- Eirgrid
- Elering
- ELES
- Elia
- Energinet
- ESO
- Fingrid
- HOPS
- LAGIE

- LitGrid
- MAVIR
- National Grid
- Nemo Link
- PSE
- REE
- REN
- RTE
- Statnett
- SvK
- Swissgrid
- TenneT BV
- TenneT GmbH
- TERNA
- Transelectrica
- Transnet BW

12 PX's

- EPEX
- Nord Pool
- GME
- OMIE
- BSP
- Cropex
- EXAA
- HUPX
- IBEX
- OTE
- SemoPX
- TGE



MRC JSC Organisation of meetings

- Six MRC JSC meetings per year,
 - Normally at Munich Airport, Municon
 - Physical present, dial in not possible today due to size and technical constraints
- Draft agenda of the meeting is provided 3 weeks prior to the meeting
- Final draft agenda and session files are provided one week prior to the meeting
- All matters presented with cover-note (dec, info, dis)
- All material available on Projectplace
- Following dates are fixed so far in 2019
 - 13th of February 2019
 - 10th of April 2019
 - 11th of June 2019
- Plan to align with ID meetings



5.3 Combined functional testing with PCR NEMOs + 4MMC - PMB10.1 + £10.3

5.4 Combined tests with PCR NEMOS + PCR - MRC Tests with TSOs - PMB10.1 + £10.3

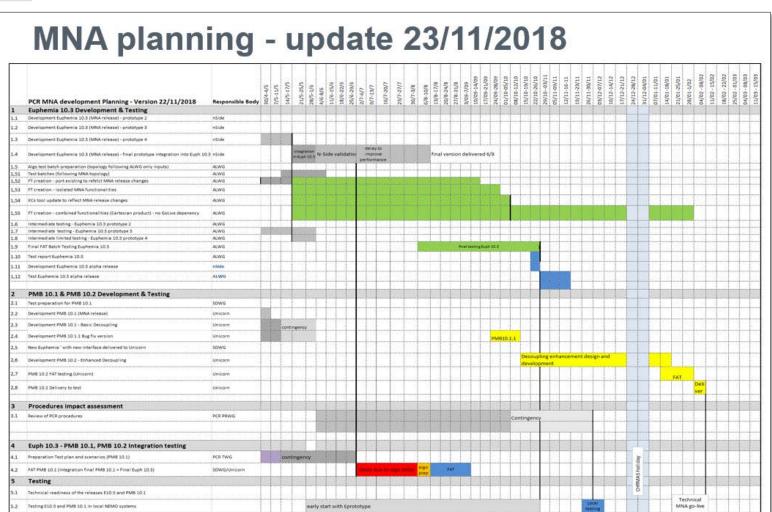
5.7 Tests MRC with TSOs in PRE2 - PMB10.2 + E10.5

Execution FIT (EPEX included, starting of week 47)
 Execution SIT (15 days, including contingency)

PCR TWG/PWG

PCR TWG/PWG

Example of follow-ups to JSC

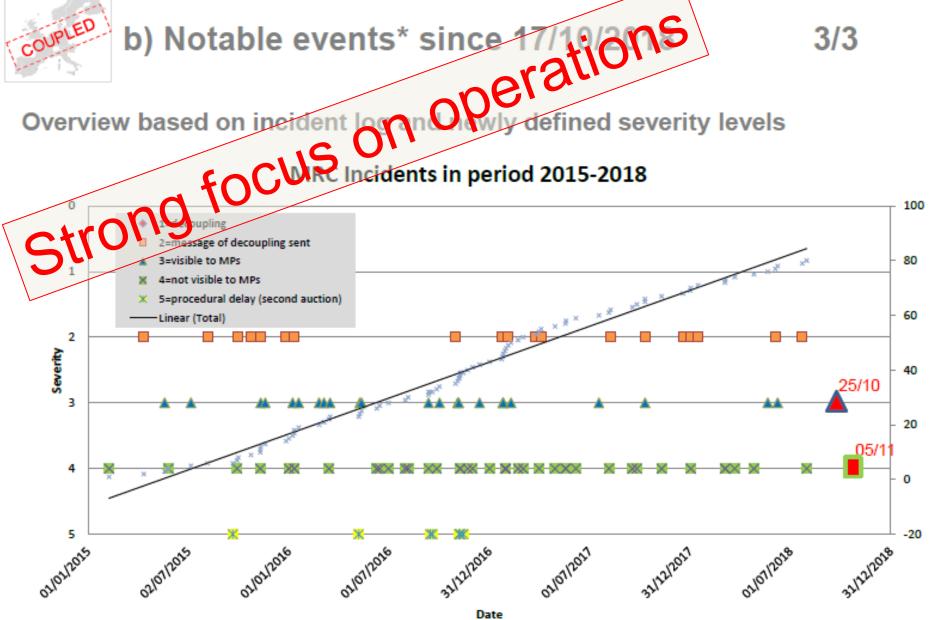


10/12: Update of PRE2.

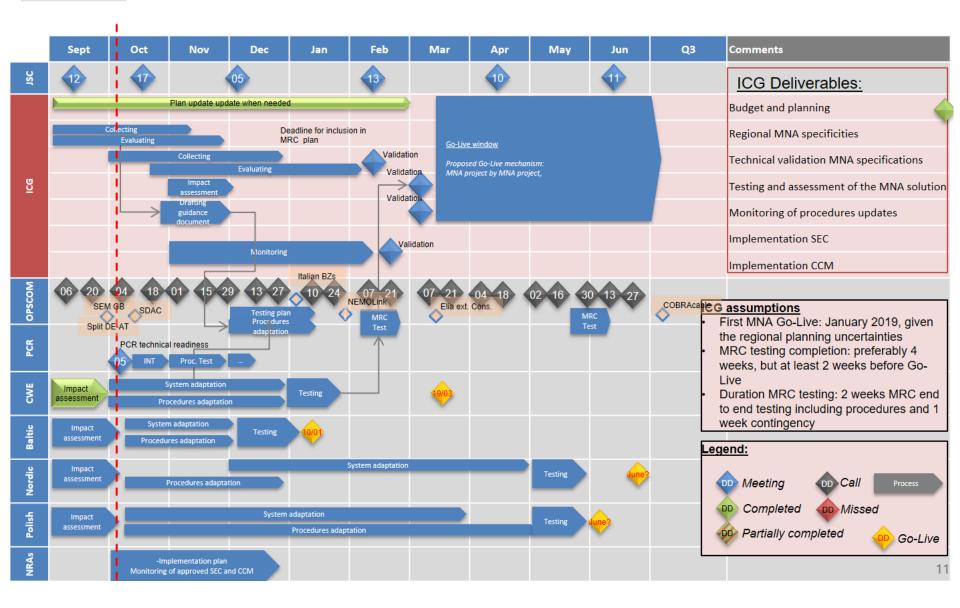


3/3

defined severity levels



COUPLED ICG Plan



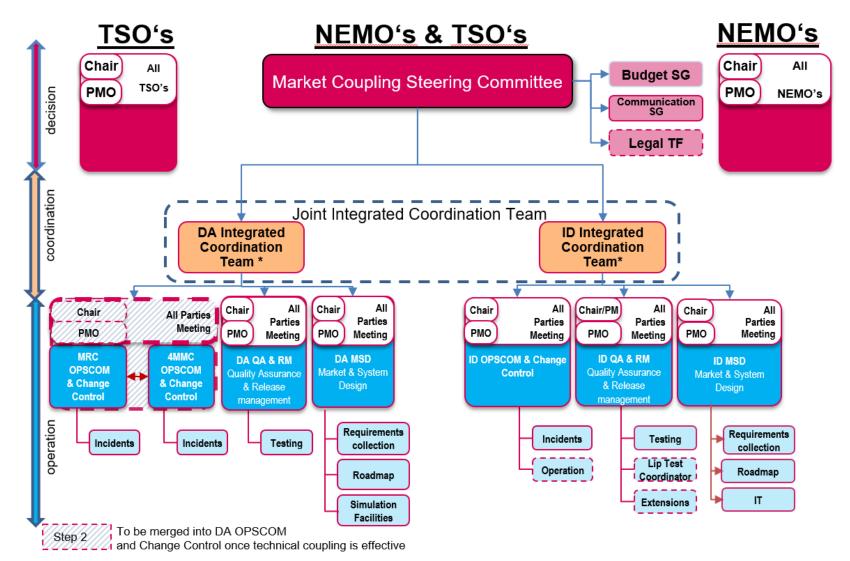


New Governance SDAC + SIDC

- All TSOs and all NEMOs have agreed on an enduring Governace structure for DA and ID
- This <u>implies changes</u> for both DA and ID
- Currently more details are being worked out by the Governance Group
 - Roles and powers of the different bodies
 - Organizing of work
 - Relation to Entso-E MC / all NEMOs
 - Voting rules
 - Escalation rules
 - etc
- The TSO Governance Group is reporting via Market Integration to Entso-E Market Committee
 - Consulting the JSC MRC TSOs in the pre meetings
- NEMO Committee (Cosimo)



Enduring Governance DA + ID



^{*} To be merged upon MCSC decision



How to join the MRC operation?

- Harmonize law and rules
 - National legislation, implementing 3rd IEM Package
- Establish a PX
 - Can also be a serviced solution.
- Partner inside the MRC
 - Establish a coupling project
- When new agreement is signed SDAC DAOA
 - Energy Community parties can apply to become observers (By Decision in JSC)



Questions?