Market Coupling Steering Committee

Workshop on Market Coupling for the Energy Community

Session 5: Status-quo of SDAC and SIDC

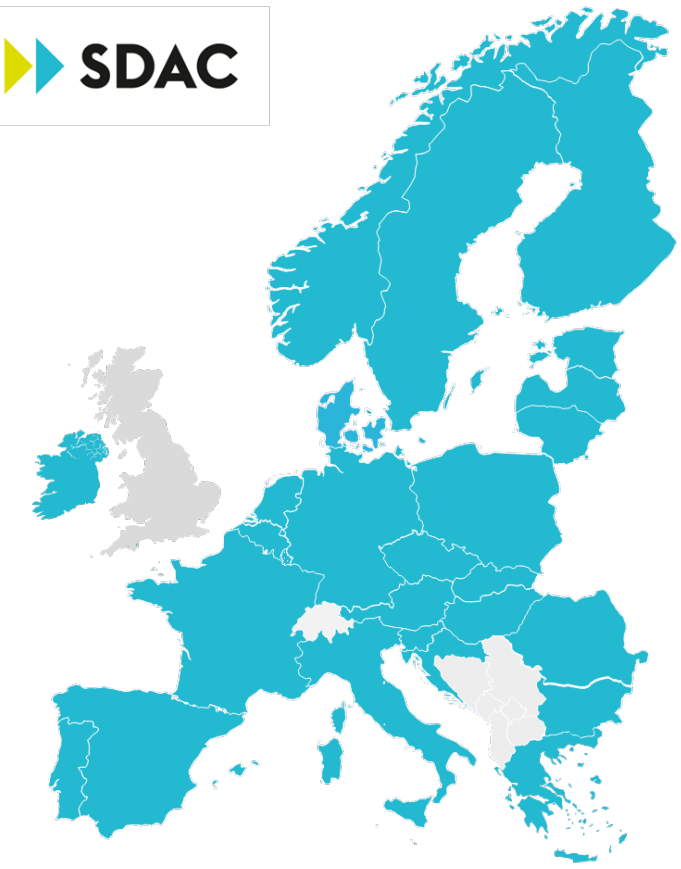
16/05/2023

Cosimo Campidoglio, MCSC co-chair

Completion of SDAC and SIDC

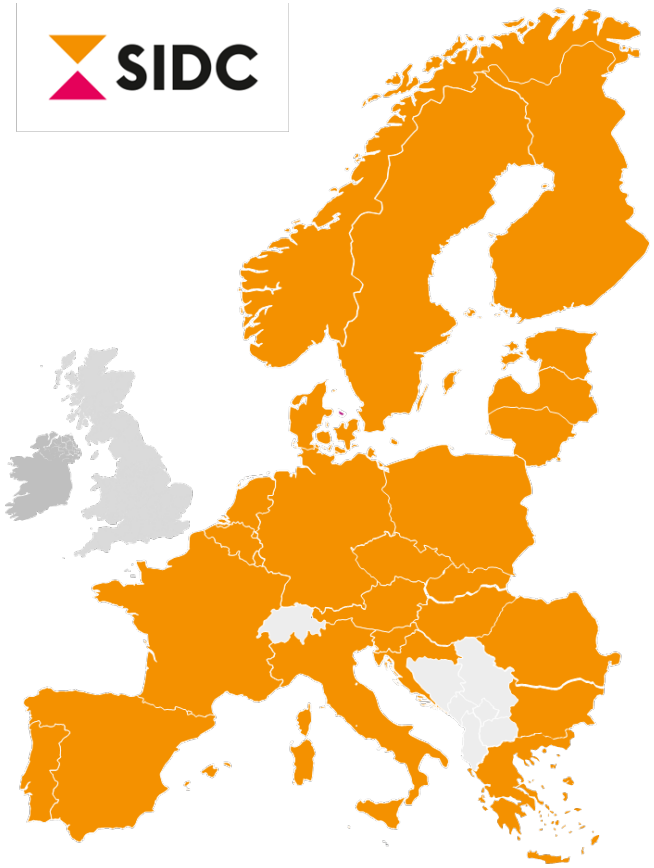
Market Coupling Steering Committee

SDAC



Close to
10 years
working

SIDC



This June
5 years
working

MCSC Roadmap and work program

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Similar to the previous years, there is a lot happening in 2023 and 2024.

From a market perspective, the following milestones on the roadmap are interesting to point out:

- **25 January 2023** **scalable complex orders - successfully introduced**
- **11 May 2023** decoupling **training session** with market participants - being prepared

- **Q1 2024** Nordic Flow-Based - being prepared
- **Q2 2024** IntraDay Auctions - being prepared

Prior to these (indicative) Go-Live dates/windows, the following typical phases (design, development, testing, Go-Live preparations) are executed. In order to keep the roadmap insightful, these phases have not been explicitly included, except for the 15 min MTU implementation project.

In addition, there are several other changes in the pipeline, but these are less relevant from a market participant perspective (and therefore visualized in a faded manner on the next slide).

MCSC Roadmap and work program
Joint SDAC/SIDC Planning activities

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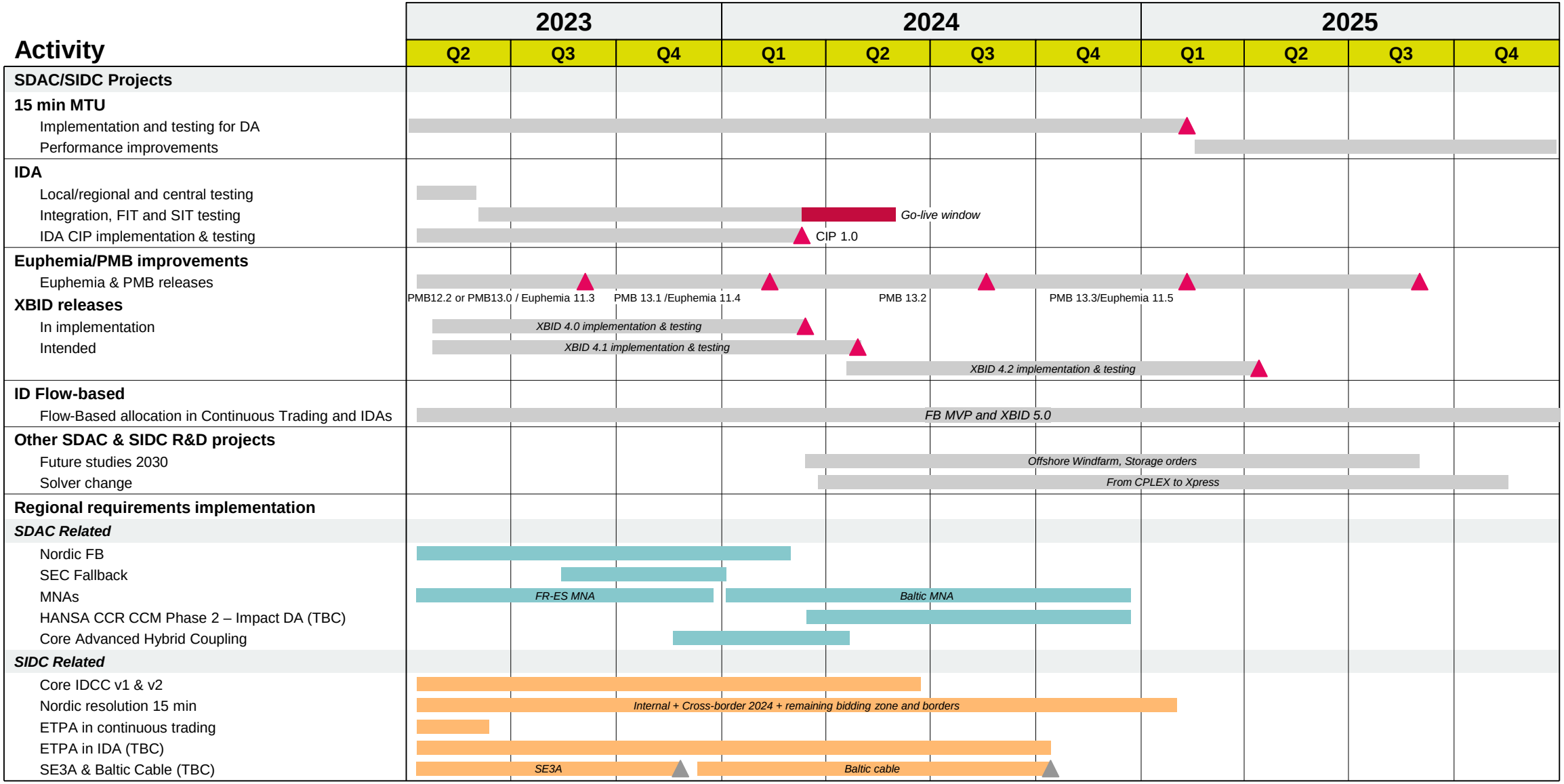

MCSC Roadmap and work program
Overview of the determined deliveries and future priorities

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Out of scope of prioritisation	In scope of future prioritisation	
"Now" – In scope 23-25/ dev	**Later (~2025+)**	**On Hold / To be Discarded**
SDAC + SIDC: ▪ Baltic MNA ▪ Hansa CCR CC Phase 2 **SDAC:** ▪ 15' MTU (including PUN phase-out) @ ▪ Nordic FB * @ ▪ Advanced Hybrid Coupling Core * @ ▪ MNA Implementations **SIDC:** ▪ Pan-EU Intraday Auctions @ ▪ ID Flow-based allocation in XBID: MVP * @ ▪ 15' granularity in remaining SIDC BZs and Interconnectors * ▪ Core FB IDCC 1 and 2 * @ ▪ Non-zero CZC @ 15h D-1 * ▪ ETPA integration ▪ Baltic cable integration in SIDC	**SDAC + SIDC:** ▪ Interconnectors integration (DE-SE, PL-LT, …) ▪ Hansa CCR CC Phase 3 and 4 ▪ Extension to Energy Community contracting parties ▪ Ireland integration **SDAC:** - **SIDC:** ▪ ID Flow-based allocation in IDC and IDA * @ ▪ 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)	**SDAC + SIDC:** ▪ Change of CCR configuration **SDAC:** ▪ Nasdaq integration ▪ MRLVC @ * ▪ Non-uniform pricing * ▪ Co-Optimization * **SIDC:** ▪ Cross-Product Matching in Continuous trading @ ▪ Losses in Continuous trading @

* → in line with the view of MPs
@ → in line with the view of ACER
■ → Joint MCSC projects in black
■ → Regional projects in blue

Projects: 15 min Market Time Unit challenges to Algorithm performance

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- In line with EU Clean Energy Package (CEP), SDAC is preparing the move of DA market coupling auctions from a time resolution of 60 min to 15 min. This requires different adaptations on local systems, central assets and algorithm performance.

- **Stepwise implementation with unharmonized bidding zones/multiple MTUs (15/30/60) lead to significant challenges to the algorithm** compared to only 15 min MTU Big Bang. TSOs and NEMOs could not confirm that the algorithm will be performant enough to allow a go-live of 15 min MTU in SDAC in 2024 with the Stepwise implementation. After receiving this information, **ACER and NRAs shared new guidelines on the Big Bang implementation approach in June 2022**. SDAC parties are now actively working on the Big Bang project planning and assessing its performance to enable the 15 min MTU go-live in SDAC in Q1 2025.

- Big bang is a switch to 15 min MTU by all parties as from 2025 when ISP has changed to 15 min by all parties. But for a **product design perspective, Big Bang can still be with products in multiple MTUs or 15 min MTU products only**. SDAC is currently assessing both multiple MTU products and 15 min MTU product-only as separate scenarios. Regular updates on 15 min MTU status with Big Bang implementation will be provided to NRAs/ACER.

- SDAC is already working on the following measures that are “must-have” for the 15 min MTU implementation also in Big Bang implementation approach**: i) Removal of PUN product from SDAC, ii) Transition from Complex order to Scalable complex order, iii) Additional time to the algorithm in DA MC process and iv) Deployment of the Distributed Computing environment**