

To
NRAs representatives in CCR Core, GRIT/NI, SWE, and SEE
By e-mail

25/02/2022

Subject: Pending NRA approvals for changing SDAC Decoupling Deadlines

Dear NRAs representatives in CCR Core, GRIT/NI, SWE, and SEE,

herewith, we would like to draw your attention to the foreseen Go-Live of Core FB together with the change in SDAC decoupling deadlines and the corresponding regulatory approval process. The combined Go-Live is in line with the implementation plan presented at the PCG meeting of 07/12/2021.

New operational timings

- In the last years, operations are becoming more and more complex (due to growing complexity of topology, systems, and procedures).
- This is leading to an increased incident rate and more severe incidents that Parties mitigate with great professionalism.
- In order to secure robust and reliable operations in the period to come, SDAC has been looking into mitigation measures in order to give more time to the process in case of incidents and to reduce the risk of partial and full decoupling
- The most promising measure to obtain some additional time is the removal of second auctions, after full decoupling in the regions where this puts time constraints to the whole process. For the avoidance of doubt,
 - the existing second auction process will continue to be facilitated, except for the case of full decoupling in some regions that have strong time constraints.
 - in case of a full decoupling, no second auction process will be facilitated at least not in CWE and Hungary. (In case of a partial decoupling, a possible facilitation of second auctions is up to the individual decoupled regions/markets.)
- Through this measure, 20 minutes can be gained for strengthening the robustness of the daily operational processes concerning the entire SDAC topology in case issues are encountered.
- With the removal of the second auction (in case of a decoupling situation) the deadline to declare full decoupling will be moved by 20 min to 14:20 CE(S)T & the partial decoupling deadline will be moved to 13:05 CE(S)T.
 - For implementing this, the Shadow Auction Rules and the fallback methodologies in certain CCRs have been proposed to be adapted.
 - The TSOs in the impacted CCRs have launched public consultations and are asking the NRAs for their approvals.

See for more information the attached presentation.

Testing and Go-Live preparations

- The new operational timings, taking into account the change in the SDAC decoupling deadlines, are planned to be implemented together with the Go-Live of Core Flow Based 20/04/2022.
- Prior to going live, changes undergo a thorough testing programme.
- As part of the Go-Live preparations, the exact configurations and timings just like in production need to be applied during the testing.
- To secure compliance with all relevant regulation and methodologies when going live, the **regulatory approvals of the adapted Shadow Auction Rules and the regional Fallback Methodologies from the following regions are required**: Core, GRIT/NI, SWE, and SEE.

In case the NRAs of Core, GRIT/NI, SWE, and SEE do not explicitly approve, Core FB will Go Live without the change in the operational timings.

See for more information the attached presentation.

The MCSC parties would like to point out that not changing the operational timings together with the Core FB Go-Live, would require significant additional testing activities (retesting of specific scenarios for Core FB and later, dedicated testing for the new operational timings).

In order to provide Market Parties more insight into the merit of the new timings SDAC parties intend to organise in parallel to the testing a dedicated webinar ensuring direct interaction and discussion on potential improvements of stakeholder involvement for future operational changes.

Request to NRAs

We need approval from all relevant NRAs latest by 21/03/2022. Without this approval we cannot Go-Live with both Core FB and new operational timings. New operational timings will then be postponed with the consequence of higher risk in operations. If any NRA(s) already know now there is a "RED FLAG" please indicate this as soon as possible and preferably before 07/03/2022 (i.e. start of SDAC new timings) testing.

See for more information the attached presentation.

Your confirmation of taking note of the request, including the information sharing moments and the latest moment to receive the regulatory approvals is highly appreciated.

Yours sincerely,

on behalf of the MCSC,

Miha Pregl
NEMO co-chair

Ole Jacob Høyland
TSO co-chair

New operational timing to make SDAC operations more robust

*Change in SDAC decoupling deadlines together with Core FB
Go-Live 20/04/2022*

25/02/2022

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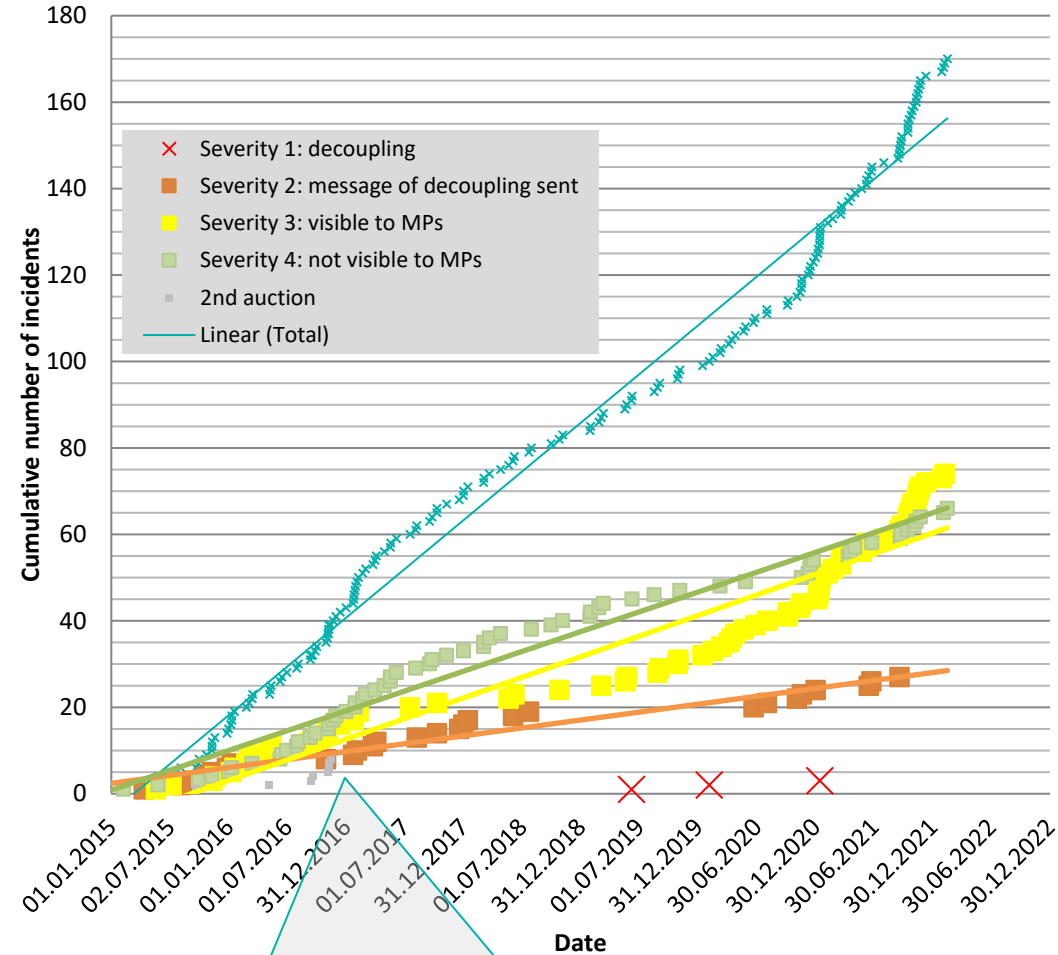
1) Proposed new operational timing (1/4)

- In the last years, **operations are becoming more and more complex** (due to growing complexity of topology, systems, and procedures).
- This is leading to an **increased incident rate and more severe incidents**.
- In order to secure robust and reliable operations in the period to come, SDAC has been looking into mitigation measures in order to give more time to the process in case of incidents and to reduce the risk of partial and full decoupling
- The **most promising measure** to obtain some additional time is the **removal of second auctions, after full decoupling** in the regions where this puts time constraints to the whole process.
 - Currently, time is reserved in the operational processes for the option to run in CWE and Hungary a second auction, after a SDAC full decoupling.
 - Both incidents leading to full decoupling, as well as market situations leading to second auctions, are considered rare events.
 - SDAC parties consider the avoidance of decoupling (even) more important than the options for organizing second auctions in some regions only.
 - Therefore, SDAC is proposing to not facilitate a second auction process in case of a full decoupling in order to gain that time for the global process.

20 minutes more time can be gained

- Time will be used to strengthen the robustness of the daily operational processes in case particular situation will appear.
- Required to manage SDAC's current & future challenges.
- With the removal of the second auction (in case of a decoupling situation) the deadline to declare full decoupling will be moved by 20 min to 14:20 CET & the partial decoupling will be moved to 13:05 CET.
 - The regional fallback procedures and shadow auction rule need to be adjusted and NRA approvals collected.
 - Objective is to implement this change **together with the go-live of Core FB 20/04/2022**.

SDAC Incidents in period 2015-2022



Last 2nd auction occurred more than 5 years ago, namely 13/11/2016.

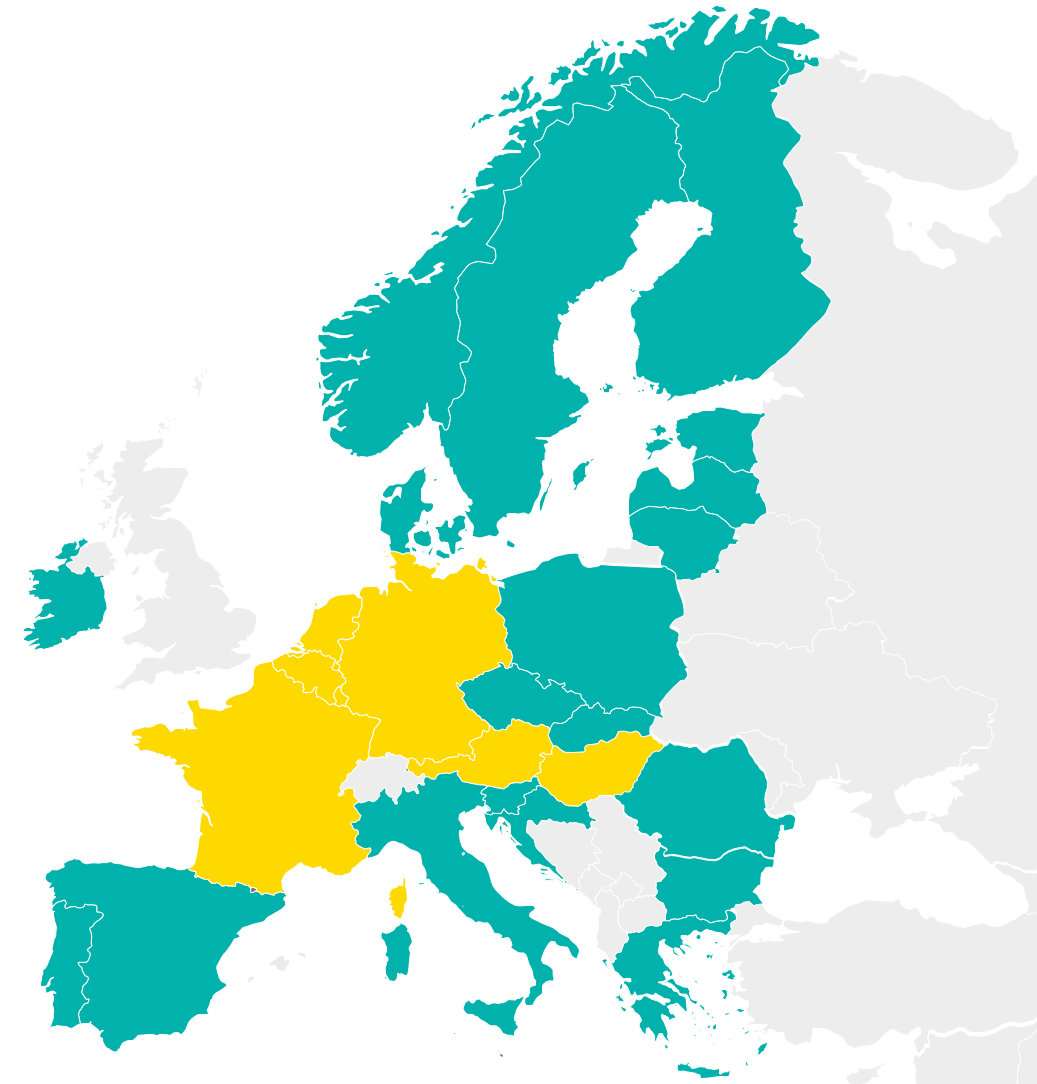
1) Proposed new operational timing (2/4)

Concept

- The **existing second auction process will continue to be facilitated, except for the case of full decoupling** in some regions that have strong time constraints.
- **In case of a full decoupling, no second auction process** will be facilitated at least not **in CWE and Hungary**. (In case of a partial decoupling, a possible facilitation of second auctions is up to the individual decoupled regions/markets.)
- This means there is 20 minutes more time to solve the issue at hand and avoid a decoupling of SDAC.

What this means for Market Participants

- Under very special circumstances (full decoupling situation) there is no second auction process facilitated in CWE and Hungary.
- By using the gained 20 minutes for solving issues in the market coupling process, the TSOs and NEMOs can secure a more robust operations and decrease the risk of partial and full decoupling, dedicating more time to the solution of issues in the global SDAC process.



[No change](#)

[Change](#): in case of a Full decoupling, no second auction process facilitated in CWE and Hungary

1) Proposed new operational timing (3/4)

Gained 20 mins will be used to avoid Partial Decouplings.

Compared to the current operational timings, normal process timings will remain, however the following steps in the coupling process are given more time:

- Partial Decoupling
 - Start of IC.
 - Message for risk.
 - Declare Partial Decoupling.
- Full Decoupling
 - Start of IC.
 - Message for risk.
 - Declare Full Decoupling.

	Current timings	New timings	
Pre-Coupling	09:00	09:00	Start of the Market Coupling Session
	09:00	09:00	TSOs start computing and matching the CZC values
	09:15	09:15	Latest Time start an IC for issues in the Configuration Synchronization step
	09:45	09:45	Deadline to skip the Configuration Synchronization step
	10:30	10:30	Target Time for submitting the Network Data in the PMB
	11:00	11:00	Latest time to start an IC for missing Network Data (TSOs can join the call)
	11:15	11:15	Risk of Partial Decoupling for one or more interconnectors (at regional level)
Coupling	11:30	11:30	Deadline to declare the Partial Decoupling for an interconnector (at regional level)
	12:00	12:00	NEMO Order book Gate Closure Time
	12:10	12:10	PMB GCT // Reception of all Order Data files in PMBs → Start of Calculation
	12:15	12:25	Latest Time to start an IC for Order Data-related reasons (TSOs can join the call)
	12:25	12:40	Deadline to send the message for Risk of Partial Decoupling
	12:27	12:27	End of Calculation
	12:29	12:29	Reception of Results in NEMO Local systems + Start of 12 min Confirmation process
	12:41	12:41	Deadline to send the Preliminary Confirmations → Generation of GPC
	12:43	12:43	Reception of Preliminary Final Confirmation in local PMBs
	12:45	13:05	Deadline to declare Partial Decoupling
	12:45	12:45	Publication of Preliminary Results and sending to the TSOs →
	12:57	12:57	Start of 12 min Final Confirmation process
	12:57	12:57	Deadline to send the Final Confirmations
	12:57	12:57	Reception of all Final Confirmations in the PMB → Generation of GFC
	12:57	12:57	Reception of Global Final Confirmation in local PMBs
	12:58	12:58	Publication of Final Results → Start of Notification Process
13:15	13:15	Latest time to Start an IC and invite TSOs	
13:30	13:50	Deadline to send the message for Risk of Full Decoupling	
14:00	14:20	Deadline to declare the SDAC Full Decoupling or Publication of coupled Results	

1) Proposed new operational timing (4/4)

The impact on Market participant communications and process timings are detailed below compared to current timings:

- The “normal” coupling (no relevant delays) timings are **not impacted**. Regular publication time of MC results will be kept (12:45).
- **Second auction** process timings due to Threshold detection situation are **not impacted**, +20 mins gain for the process (with new Full Decoupling deadline).
- **Partial Decoupling situation** → communication messages timings impacted, Shadow auction process delayed.
- **Full Decoupling situation** → communication messages timings impacted, Shadow auction process & local auctions delayed.

	Current timings	New timings	
Coupling	12:00	12:00	NEMO Order book Gate Closure Time
	12:10	12:10	PMB GCT // Reception of all Order Data files in PMBs → Start of Calculation
	12:15	12:25	Latest Time to start an IC for Order Data-related reasons (TSOs can join the call)
	12:25	12:40	Deadline to send the message for Risk of Partial Decoupling (visible for Market Participants) Shadow auction mechanism (Explicit Auction run by JAO) as Fallback Allocation process is activated (Market participants invited to update Shadow Auction bids)
	12:27	12:27	End of Calculation
	12:29	12:29	Reception of Results in NEMO Local systems + Start of 12 min Confirmation process
	12:35	12:55	Closure of Shadow Auction bids by JAO (Partial Decoupling)
	12:41	12:41	Deadline to send the Preliminary Confirmations → Generation of GPC
	12:43	12:43	Reception of Preliminary Final Confirmation in local PMBs
	12:45	12:45	Publication of Preliminary Results and sending to the TSOs → Start of 12 min Final Confirmation process
	12:57	12:57	Deadline to send the Final Confirmations
	12:57	12:57	Reception of all Final Confirmations in the PMB → Generation of GFC
	12:57	12:57	Reception of Global Final Confirmation in local PMBs
	12:58	12:58	Publication of Final Results → Start of Notification Process
	12:45	13:05	Deadline to declare Partial Decoupling (visible for Market Participants – Reopening of Order Books for 15 minutes)
	13:15	13:15	Latest time to Start an IC and invite TSOs
	13:30	13:50	Deadline to send the message for Risk of Full Decoupling (visible for Market Participants) Shadow auction mechanism (Explicit Auction run by JAO) as Fallback Allocation process is activated (Market participants invited to update Shadow Auction bids)
	13:50	14:10	Closure of Shadow Auction bids by JAO (Full Decoupling)
	14:00	14:20	Deadline to declare the SDAC Full Decoupling or Publication of coupled Results (visible for Market Participants)
	



Local auctions in case of Full-decoupling will be organized and run regionally. Markets will be reopened following regional procedures (visible for MPs).

2) Impact & Status and Implementation plan (1/2)

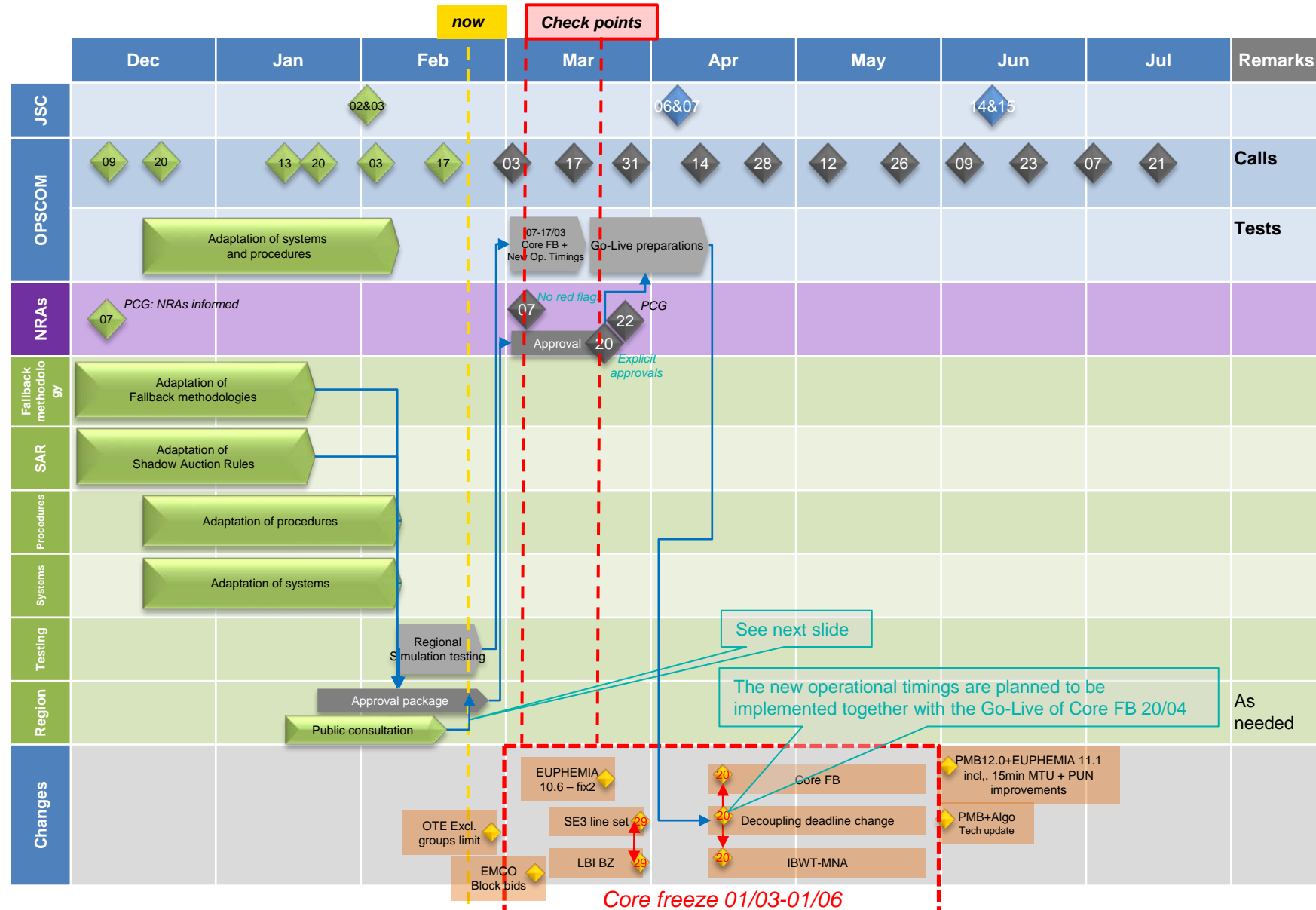
Impact & Status								
	SDAC		Regions/borders					
	ANDOA		Core	GRIT/NI (Italian borders)	SWE (FR-ES border)	Hansa	SEE (BG borders)	All others
NRA approval	-	-	Needed	Needed	Needed	-	Needed	-
Fallback methodology	-	-	Updated	Updated	Updated	-	Updated	-
SAR	-	-	Updated	Updated	Updated	Updated	Updated	-
Procedures	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted
Systems	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted	Impacted
Testing	Needed	Needed	Needed	Needed	Needed	Needed	Needed	Needed

Legend:

Dependencies: → Technical → Resourcing → Planning

DD Meeting DD Call
DD Completed DD Missed
DD Partially completed DD Go-Live

Process
 Contingency



2) Impact & Status and implementation plan (2/2)

Fallback methodologies have been adapted for:

- Core
- GRIT/NI (Italian borders)
- SWE (FR-ES border)
- SEE (BG borders)

SAR have been updated for:

- Core
- GRIT/NI (Italian borders)
- SWE (FR-ES border)
- Hansa
- SEE (BG borders)

Consultations have been organized

- Core - [consultation](#) closed 14/02
- North Italy - [consultation](#) closed 20/02
- Greece-Italy - [consultation](#) closed 20/02
- SWE - [consultation](#) ongoing until 01/03
- SEE - [consultation](#) ongoing until 24/02

NRA approvals are required from:

- Core
- GRIT/NI
- SWE
- SEE

In case not all NRAs explicitly approve, Core FB will Go Live without the change in the operational timings

Next steps

- 24/02: Review call to finalize the SDAC procedures
- 07/03: SDAC NRAs to indicate “NO RED FLAG”
- 07-20/03: SDAC simulation testing of Core FB with new operational timings
- 21/03: Latest moment for receiving NRAs approval
- 21/03: JAO to publish the SARs (30 days before 20/04, in line with the SAR).