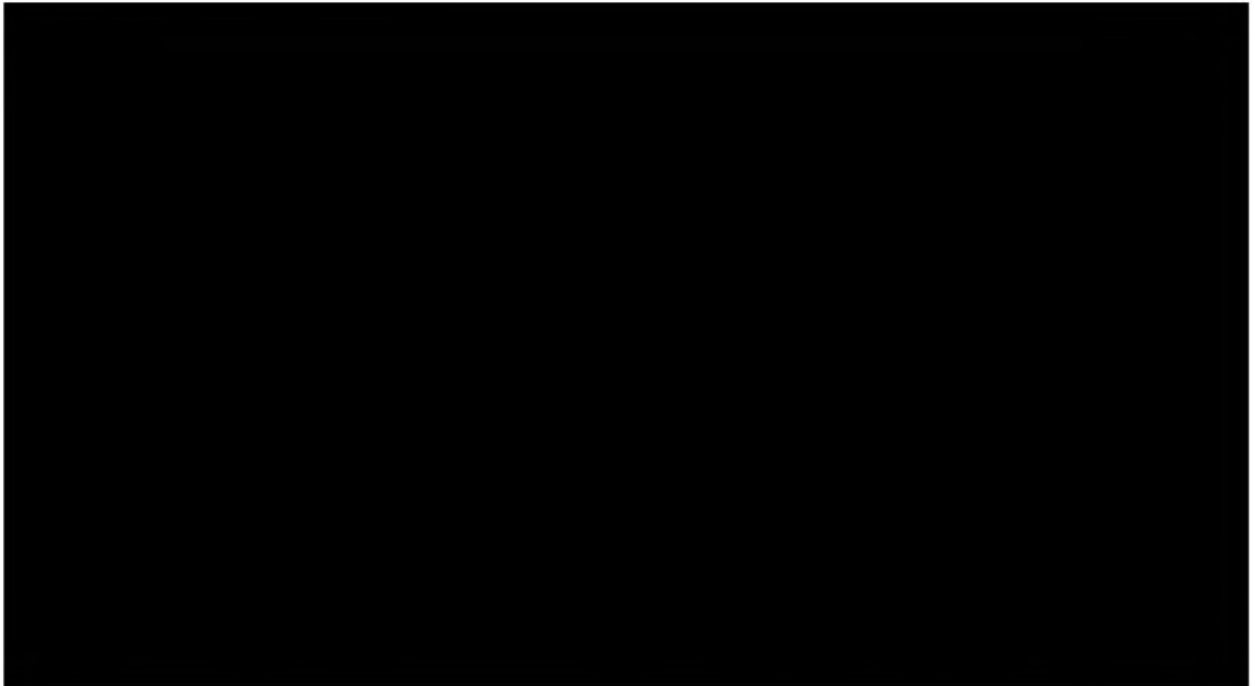


## MRC\_OTH\_06: Modification of Maximum Clearing Price

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## 1. Introduction

Maximum and minimum clearing prices have been harmonized for SDAC with +3000 EUR/MWh and -500 EUR/MWh, respectively.

The goal of this procedure is to give to the operator the list of tasks that have to be performed in case of modification of the Price Caps and their chronological order.

These special actions should be applied after the DA MCS in the event that a clearing price exceeds a value of 60 percent of the predefined harmonized maximum clearing price in at least one market time unit (hour) in a day in an individual bidding zone or in multiple bidding zones in the MRC.

## 2. Purpose

The purpose of this procedure is to describe the specific actions that should be performed by NEMOs in case the above situation is detected, as well as the implications and consequences.

### 1.1. Governed / Regulated by

- DAOA.
- ACER Decision on NEMOs HMMCP for single day-ahead coupling: [https://www.acer.europa.eu/Official\\_documents/Acts\\_of\\_the\\_Agency/Pages/ANNEXES-NEMOs-HMMCP-FOR-SINGLE-DAY-AHEAD-COUPPING-DECISION.aspx](https://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/Pages/ANNEXES-NEMOs-HMMCP-FOR-SINGLE-DAY-AHEAD-COUPPING-DECISION.aspx)
- ACER Decision on NEMOs HMMCP for single intraday coupling: [https://www.acer.europa.eu/Official\\_documents/Acts\\_of\\_the\\_Agency/Pages/ANNEXES-NEMOs-HMMCP-FOR-SINGLE-INTRADAY-COUPPING-DECISION.aspx](https://www.acer.europa.eu/Official_documents/Acts_of_the_Agency/Pages/ANNEXES-NEMOs-HMMCP-FOR-SINGLE-INTRADAY-COUPPING-DECISION.aspx)

### 1.2. Associated Procedures

- MRC\_OTH\_02: Internal and External Communications

## 3. Procedure

### 2.1. Definitions

- **'CACM'**: means Capacity Allocation and Congestion Management rules.
- **'Clearing Prices'**: means the price determined by matching the highest accepted selling order and the lowest accepted buying order in the electricity market.
- **'Day-Ahead MCO Function'**: It refers to the PCR NEMOs that are considered as Market Coupling Operators. The market coupling operator uses a specific algorithm to match bids and offers in an optimal manner. The results of the calculation should be made available to all power exchanges.
- **'HMMCP'**: means Harmonization of Minimum and Maximum Clearing Prices.

- **'NEMO'**: means Power exchanges or Nominated Electricity Market Operators who collect bids and offers within different time-frames in different market areas (bidding zones) which serve as an input for capacity calculation in the single day-ahead process.
- **'Single day-ahead Coupling'** (SDAC): means the auctioning process where collected orders are matched and cross-zonal capacity is allocated simultaneously for different market zones/bidding areas in the day-ahead market. Both MRC and 4MMC markets are part of the SDAC.
- **'Single Intraday Coupling'** (SIDC): means an implicit cross-zonal capacity allocation mechanism which collects orders for each bidding zone from wholesale market participants and matches them continuously into contracts to deliver electricity while respecting cross-zonal capacity and allocation constraints, and is available in the intraday market timeframe once the day-ahead market allocation process has taken place. NEMO solution is based on the cross-border ID (XBID) commercial solution.

## 2.2. General overview

The table below provides a chronological overview of all the required steps and associated deadlines necessary to prepare and modify the Price Caps.

Steps	Process	Target time
1	Once the situation is detected by NEMOs, and after validation in ad-Hoc NEMO OPSCOM call, relevant communication message(s) will be sent to OPSCOMs.	Same working day
2	In the next 5 weeks, impact will be analyzed (common and local) and relevant preparations will be done. Relevant request for change will be sent to SDAC OPSCOM with detailed information of the change for official validation.	ASAP within next 5 weeks after detection
3	NEMO communication of the amended harmonized maximum clearing price for SDAC.	1 week after detection

*\* Timings can be adapted in case necessary with mutual agreement of the OPSCOM.*

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## 2.3. Process Clarification

### 2.3.1 Detection and communication

In the event that a clearing price exceeds a value of 60 percent of the predefined harmonized maximum clearing price in at least one market time unit (hour) in a day in an individual market area or in multiple market areas, the harmonized maximum clearing price for the MRC auction shall be increased by 1,000 EUR/MWh.

**For example:** The Maximum Clearing Price is set to 3,000 EUR/MWh, the Clearing Price detection of 60% is set to 1,800 EUR/MWh, and the NEMO who detects a clearing price that reaches or trespasses it for one of its areas of responsibility. The new Maximum Clearing Price will be set to 4,000 EUR/MWh and the new 60% detection value shall also be updated to 2400 EUR/MWh.

### 2.3.2 Preparation actions and impact

#### 1) Common modifications:

The PMB Shared Configuration file will have to be changed.

Preparations will happen in the following weeks after the detection, and the activation of the new configurations shall apply in all bidding zones which participate in the SDAC from five weeks after the day in which the event has taken place.

#### 2) Local impacts and actions:

- **Trading system:**

NEMO Market Operations will modify the maximum clearing price limit in trading system configuration. This modification will automatically, or in the process to create the order book, modify/delete the hourly and blocks orders already sent by the market participants following the local procedures according to the new maximum clearing price.

- **NEMO trading on behalf tool (if applicable):**

In case a trading on behalf tool exist at the given NEMO and there is severe issue on the primary trading system, NEMO will (if applicable) activate the trading on behalf tool that automatically generate individual templates sent to each market participant. The maximum clearing Price need to be adjusted in the template sent to the market participants.

- **NEMO local post coupling system:**

Local post coupling system will have to be updated with the new maximum clearing Price. This system is using the output file generated by the trading system that will integrate the new price limits.

- **NEMO Website:**

Information on new maximum clearing Price will be updated on the individual NEMOs website (products, bidding forms in case of trading on behalf).

### 2.3.3 Public / official communication

Official public communication towards market participants and external parties will be done by NEMOs via the trading system and NEMO official website.

Message content will be discussed during OPSCOM meetings, taking into account that all bids submitted for the following days (after the configuration change) will be modified/deleted (hourly, block and physical orders) following the local procedures according to the new Maximum Price Cap.

According to regulation, public communication shall be published by NEMOs 4 weeks prior its implementation, so 1 week after detection.

## 2.4. Final state

Implementation of amended maximum clearing Price is successfully completed.

## **Annex I – HMMCP for SDAC and SIDC**

### **Harmonized maximum and minimum clearing prices for SDAC**

1. The harmonized maximum clearing price for SDAC shall be **+3000** EUR/MWh.
2. The harmonized minimum clearing price for SDAC shall be **-500** EUR/MWh.

### **Harmonized maximum and minimum clearing prices for SIDC**

1. The harmonized maximum clearing price for SIDC shall be **+9999** EUR/MWh.
2. The harmonized minimum clearing price for SIDC shall be **-9999** EUR/MWh.

**ExC\_07: Maximum clearing price Threshold detection in MRC - Details**

After the Ad-Hoc OPSCOM and with common OPSCOM agreement to start the amending process of the harmonized maximum clearing price, PCR Coordinator will send communication messages to the contact list in Annex II of this procedure and all relevant PCR & NEMO OPSCOM members in order to warn ██████████ about it.

Message title:

**(ExC\_07): Maximum clearing price Threshold detection in MRC– Details**

Message content:

*High/low prices are detected on the following bidding areas and hours:*

<i>Date</i>	<i>Bidding area</i>	<i>High/ Low</i>	<i>Hours impacted</i>

*Disclaimer: The timings are expressed as CET timings.*

Please mind harmonized maximum clearing price shall amendment process shall start now.

*Note:*  
The concerned NEMO will fill in the table with the hours as displayed in the PMB Market results menu (based on CET timings).