Minutes Market Coupling Steering Committee Meeting
14.-15. June 2022, Brussels airport

Present SDAC and/or SIDC parties

50Hertz	Creos	EPEX Spot	IBEX	OPCOM	Statnett
Admie	CROPEX	ESO	Kraftnät Aland	OTE	Svk
Amprion	EirGrid (TSO)	EXAA	Litgrid	PSE	Terna
APG	Eirgrid/SONI (SEMO PX)	Fingrid	MAVIR	REE	TGE
AST	Elering	GME	Nasdaq	REN	Transelectrica
Baltic Cable	ELES	HEnEx	Nord Pool EMCO	RTE	Transnet BW
BSP	Elia	HOPS	OKTE	SEPS	TTG
ČEPS	Energinet	HUPX	OMIE	SONI (TSO)	TTN

3rd parties

ARIGA	Artelys	BEA	E-Bridge	Ernst & Young	Indra
JAO					

Observers

ACER	EC	EMS	Entso-e	MEMO	MEPSO
OST	SEEPEX	Swissgrid			

Present	By phone	Not attending

Meeting agenda
14. June 2022

#		Topic	For	Presenter	File
1		**Welcome, practicalities**		**14:00-14:20**	
	1.1	TSO and NEMO cooperation	Inf	NC Chair	X
	1.2	Confirm quorum	Inf	Secretaries	■
	1.3	Introductory statement by co-chairs	Inf	Co-chairs	X
	1.4	Adoption of the agenda	Dec	Co-chairs	■
	1.5	Matching of pre-aligned NEMO Vote and TSO Vote	Inf	Secretaries	■
2		**JOINT – General points**		**14:20-14:30**	
	2.1	Approval of minutes (internal & external)	Dec	Secretaries	■
	2.2	Review of action points	Inf	Secretaries	■
3		**JOINT – Important points to highlight & decisions requested**		**14:30-16:15**	
	3.1	Further improvements to joint governance (60 min) *Decision proposal for implementation starting in June 2022 (resource management, strategy WS, role of ICT & MCSC ICT ToR), guidance for further elaboration until September MCSC*	Dec	WG governance	■
	3.2	Legal TF (15 min) *Simplification of signature process, status signature process DAOA & IDOA amendment*	Inf	L TF leaders	■
	3.3	Communication TF (10 min) *Approval go-to-webinar license, feedback from MESC & 1st MCCG meeting, new logo/design*	Dec	Com TF leader	■
	3.4	Qualified majority voting tool (10 min) *Approval of the figures that apply to determine the criteria for the calculation of the voting shares*	Dec	Secretaries	■
	3.5	ACER letter on compliance related to publication of operational procedures (10 min)	Dec	Secretaries	■

		"Un-blackened" SDAC operational procedures and DAOA for publication, "Un-blackened" SIDC operational procedures and IDOA for publication			
4		**JOINT – Any other business**	**16:15-16:20**		
5		**SIDC – Important points to highlight & decisions requested**	**16:20-16:45**		
	5.1	Integrated Plan (5 min)	Inf	QARM convener	■
	5.2	OPSCOM Status Report (20 min)	Dec	OPSCOM convener	■
X		**MCSC Procurement strategy**	**16:45-17:00**		

15. June 2022

#		**Topic**	**For**	**Presenter**	**File**
1		**Welcome**		**09:00-09:05**	
	1.1	Confirm quorum	Inf	Secretaries	■
5		**SIDC – Important points to highlight & decisions requested**		**09:05-11:10**	
	5.3	QARM Status Report including IDA Topics (40 min) *Roadmap(s), budget assumptions, IDA commercial indication (dedicated release), CIP - updated cost, ASR for Flow-based, Go Live - 4th wave*	Dec	QARM convener	■
	5.4	MSD Status Report including IDA Topics (40 min) *IDA Performance test results, Negative ATC feature for IDA, IDA Implementation Timeline, IDA CIP functionality extensions, Decoupling process*	Dec	MSD convener	■
	5.5	BMSG Status Report (20 min) *IDA cost items; SIDC Budget 2023 preparation; Refinancing for past non accounted cost.*	Dec	BMSG convener	■
	5.6	MCSC members questions to reports (10 min) *NEMOs and TSOs Report*	Inf	Co-chairs	See back-up
	5.7.	Activity in the governance groups (15 min)	Dis	Co-chairs/ Secretary	■
6		**SIDC – Any other business**		**-/-**	
7		**SDAC – Important points to highlight & decisions requested**		**11:10-12:00**	
	7.1	(Re)-appointment of TF leaders (10 min)	Dec	Co-chairs	■
	7.2	SDAC OPSCOM (40 min) *Notable changes & events, incidents incl. 10/05 decoupling, testing & training, feedback proposal of simplification of SDAC & regional procedures, status update work on finding more time in daily operational processes for algo calculation*	Dec	SDAC OPSCOM convener	■
		LUNCH BREAK		**12:00-13:00**	
	1.1	Confirm quorum (5 min)	Inf	Secretary	■
7		**SDAC – Important points to highlight & decisions requested**		**13:05-14:50**	
	7.3	SDAC MSD (75 min) *15 min MTU performance updates- re-consideration big bang go-live, 2030 future of the algorithm: status and outcome of Dispatch Hubs, NUP: way forward with the 4th study, Co-optimization study, SDAC RfC Management (E11.3/PMB12.2 scope closure and timeline, efforts in MSD)*	Dec	SDAC MSD leaders	■
	7.4	15 min MTU project (10 min) *Status update*	Inf	15 min MTU project manager	■
	7.5	SDAC BMTF (10 min) *Changes to 2022 budget, 2023 budget planning*	Inf	SDAC BMTF leader	■
	7.6	SDAC SF TF (5 min) *Status update*	Inf	SDAC SF TF leaders	■
	7.7	MCSC members questions to TF/project reports (5 min) *SDAC reports in back-up (NEMO progress report, regional projects)*	Inf	Co-chairs	See back-up
8		**SDAC – Any other business**		**-/-**	
9		**Closure meeting**		**14:50-15:00**	
	9.1	Next meetings/calls	Inf	Co-chairs	■

List of decisions

#	**Topic**	**Decision**
1.4	Adoption of the agenda	The meeting agenda is approved.
2.1	Approval of minutes	The minutes of the MCSC meeting on 07/04/2022 are approved.

		The minutes extract of the 07/04/2022 meeting is approved for publication under the dedicated SDAC & SIDC section at the ENTSO-E and NC websites.
3.1	Further improvements to joint governance	1. MCSC approves the organisation of yearly MC strategy workshops in Q2 of each year. 2. MCSC approves the organisation of the first MC strategy workshop for 2022 in Q4 as an exception. 3. MCSC agrees to mandate the MC SC Co-chairs to further elaborate on the organisation of 2022 MC strategy workshop.
		Once the joint ICT ToR are ready (ambition end of June with implementation after summer period), they will be circulated for email approval (deemed acceptance being applicable 10 working days after the ToR were emailed for approval).
		1. As of 2023, BMTF to regularly collect data (regarding internal + external) resources from WGs/TFs leaders and prepare these data for MCSC discussion on monitoring of resources / quality check (1b). 2. MCSC ad-hoc Governance Group (REG TF) to draft general principles for monitoring of MC resources (2a).
		1. MCSC support the guiding principles on „process ownership" for TSOs and NEMOs 2. The standard rate of reimbursement shall be 925€/d in 2022 and shall be reviewed each year. 3. MCSC requests to draft a detailed decision proposal for the next MCSC in September in order to implement improved „process ownership" as of the year 2023.
		1. MCSC is requested to decide to mandate the group of volunteers to assess pros and cons the two options mentioned on multi-layering, together with other options which could be identified along the way, and to present to MCSC in September HL descriptions of the options in order to choose among them and initiate the detailed description of the preferred one. 2. MCSC supports a dedicated call which is followed by a WS before the summer break to discuss further the identified Options.
		1. MCSC tasks MCSC ad-hoc Governance group with the elaboration of standard template for ToR by end of July. 2. MCSC tasks MCSC ad-hoc Governance group to draft ToR for new TFs/WGs for MCSC approval in September. 3. MCSC tasks existing TFs/WGs to draft/update their own TORs based on the standard template for MCSC approval in September.
3.3	Communication TF	MCSC requests EY to buy the 'GoToWebinar' license so that it is available as of September 2022.
3.4	Qualified majority voting tool	MCSC approves the figures that apply to determine the criteria for the calculation of the voting shares as listed in the back-up section of June's MCSC session file. The MCSC indicates that these figures shall apply for the period September 2022 until end March 2023 (it being understood that the figures will be updated should a NEMO or TSO adhere to SDAC and/or SIDC during this period).
3.5	ACER letter on compliance related to publication of operational procedures	MCSC approves the reworked versions of the DAOA and IDOA including the operational procedures for publication, understanding that the yellow parts will afterwards, before being published on ENTSO-E' and NEMO Committee's websites still be turned to black (using a secured software which does not allow for recovering the blackened information).
4.	JOINT – Any other business (NRA's recommendations concerning the implementation of the 15' MTU in SDAC and SIDC)	The MCSC welcomes the recommendations provided by NRAs and ACER. The MCSC mandates SDAC MSD and ICG as soon as possible to replan for a big-bang go-live in 2025 and to revert to the MCSC at September's meeting with an updated plan and preconditions (including the back-up plan, if one Member state is delayed) on what a big-bang means and to start initiatives (i.e., R&D) if required to support the new implementation plan. The MCSC also mandates SIDC IDA SG, in cooperation with SDAC MSD, to assess impact on IDAs go-live and provide potential impact on the planning – before the MCSC meeting in September. This means that all activities for step-wise go-live in SDAC and on cross-product matching in continuous ID trading are put on hold.
5.2	OPSCOM Status Report	MCSC approves March and April AM & SIDC Stakeholder reports, i.e. reports are ready to be processed and published by COM SG on SIDC area of ENTSO-E and NC websites.
		MCSC approves reporting enhancement in the AM for the "Rate of Executed Trade" (number per hour) to exclude downtime hours from reporting on minimal value.
5.3	QARM Status Report including IDA Topics	In line with the guidance provided by NRAs on 07/06, MCSC approves the Scenario 1 of the SIDC 2023 Roadmap with the exception of R4.1 as the assumption for Y2023 budgeting process.
		MCSC gives the mandate to QARM to finalize the content and the associated cost of the R4.0. QARM shall prepare the point for decision that shall be approved only via email (5 WDs, deem acceptance principle to be applied).
		MCSC acknowledges the price for implementation IDAs This price does not include prices for setup of MPLS and prices for the update of the test clients. MCSC will take the final decision as soon as NRAs provide a guidance on the next steps for implementation of CPM.

		MCSC approves the changes in the scope of CIP and the price increase in the implementation, hosting, maintenance and operational cost. MCSC acknowledges extension of the implementation timeline by 6 weeks.
		MCSC approves ASR028.
		MCSC approves the Launch Approach for the 4th wave GL
		MCSC approves LIP Testing Approach for the 4th wave GL
		MCSC approves the roadmap/process of the Trial Period and Launch Process for the 4th GL wave
		MCSC acknowledges and approves the latest LIP Go Love Readiness Report
5.5	BMSG Status Report	MCSC approves the assumptions concerning the SIDC sharing of the SDAC budget related to IDAs.
		MCSC approves adding IDA SG PMO historical costs to Q2 2022 resettlement where they will be resettled according to current CSK.
		MCSC approves reallocating of 200K EUR from DBAG development budget to IDA development budget.
		MCSC approves the resettlement of costs associated with the Freshworks tool with the current CSK in 2Q 2022.
7.1	(Re)-appointment of TF leaders	The MCSC prolongs the existing SDAC BMTF and SDAC OPSCOM leaderships for another year, until end June 2023.
		The MCSC appoints Timo Suhonen as SDAC MSD NEMO co-leader until end June 2024.
7.2	SDAC OPSCOM	The MCSC gives the SDAC OPSCOM the mandate to approve the possible go-live of PMB technological update planned in August. The mandate is given for the situation that no special circumstances arise in the SDAC tests; in case of controversy, an ad-hoc MCSC call will be scheduled to approve the go-live.
7.3	SDAC MSD	The MCSC approves that the N-side results & explanatory note for dispatch hubs will be shared with NRAs/ACER within JET-A.
		The MCSC approves that the insights and conclusions of recent 15 min performance aspects can be shared with NRAs/ACER and discussed on the workshop on the Algorithm on 27/06.
		The MCSC acknowledges a list of "Must Have Measures" (as being necessary for supporting both, Stepwise & Big Bang in SDAC) - i.e., PUN removal from SDAC, CO2SCO (subject to local NRAs approval), additional time for the algorithm, Distributed Hardware.

1. Welcome, practicalities

The chairs open the meeting by welcoming TSOs and NEMOs. The meeting agenda is approved, and the list of pre-aligned NEMO and TSO votes is established.

2. JOINT – General points

The minutes from the MCSC call held on 07/04/2022 were approved. The action point list was reviewed and the current status was shared with the MCSC.

3. JOINT – Important points to highlight & decisions requested

3.1) Further improvements to joint governance

Based on the MCSC decision in April, the ad-hoc governance group prepared a set of recommendations to further improve the MCSC governance. Besides the items presented for approval (see decisions), there are items presented for information and guidance; decision will be expected in September's meeting. These items are cost sharing, process ownership, TF ToR, regulatory tasks and multi-layering.

3.2) Legal TF

A summary on the various topics the Legal TF deals with is presented: investigations to improve the signature process, the signing status of the latest amendments, agreements that are being currently established and points to which legal advice has been given.

3.3) Communication TF

Feedback from the first Market Coupling Consultative Group (MCCG) meeting held on 7 June is provided. The agenda included the inquiries from the market participants mentioned in the MESC meeting, the status report of current developments, the SIDC Cross-Product Matching which was planned before as a separate WS and was implemented here at the end. The aim of the MCCG meetings is to discuss and share views on the ongoing works related to the design, development, implementation, and operation of SDAC and SIDC.

3.4) Qualified majority voting tool

As of September 2022, qualified majority voting (QMV) will be applied in MCSC. The figures that apply to determine the criteria for the calculation of the voting shares (i.e., the number of NEMOs and TSOs per Member State, the Member State

population, the volume of traded electricity by NEMOs in MNA Member State in the preceding calendar year and the allocation of the voting powers among the TSOs in case of Member States with more than one TSOs being active) were approved by the MCSC.

3.5) ACER letter on compliance related to publication of operational procedures
Following a concern raised by ACER that the published operational procedures are currently widely blackened out, SDAC and SIDC have reviewed all published operational procedures and agreements. The redacted operational procedures and agreements are to be be validated during today's MCSC and will subsequently be published.

4. JOINT – Any other business
The way forward following the just recently submitted NRA's recommendations concerning the implementation of the 15' MTU in SDAC and SIDC is agreed.

5. SIDC – Important points to highlight & decisions requested
5.1) Integrated plan
The QARM Convener highlighted the major milestones of the project achieved over the course of past 2 months. Concerning operation, the transit shipper switch was successfully executed. On the development side, the input from NRAs leads to the consequence that the CPM development is put on hold and therefore the roadmap of the project shall be replanned. Concerning the 4th wave go-live everything goes according to the plan, however some delays are experienced when testing the R3.3. If the issues prevail, the 4th wave go-live might be executed on R3.2.

5.2) OPSCOM Status Report
The OPSCOM convener presented the recent work on the operational side of the SIDC project. The project experienced 5 minor incidents in the last 2 months without any impact on the market; all of them were resolved. OPSCOM successfully executed the transit shipper switch and several minor deployments. OPSCOM equally conducted several testing activities and elaborated regular operational reports.

5.3) QARM Status Report including IDA Topics
The QARM Convener presented the progress on development topics achieved in the last 2 months:
- R3.3 –The development of R3.3 is completed. Preparation for the testing is completed. Regression tests and UAT I is ongoing – there are risks of delay due to the discovered latent faults
- CPM – the feedback was provided by NRAs; as a result the development of the CPM is put on hold for the time being
- 2021 CACM Report – QARM in cooperation with OPSCOM and TWG-PTF has provided all inputs for the CACM report. QARM approved the scalability and R&D part of the report.
- 2022 Roadmap – based on the NRAs feedback, the CPM will be removed from the roadmap.
- 4th wave Go Live – Launch Organization is established, as well as the process for the monitoring of the LIP activities. Launch Approach is finalized and preparation of Trial Period Plan and Launch Plan is ongoing.
- CIP Contract – NEMOs and TSOs have agreed to redraft the CIP contract in order to make it compliant with the SIDC standards. QARM has provided comments on the business topics.
- IDA Testing Group is established and started working on the initial deliverables (preparation of the CIP Functional Test and review of the IDA Test Approach)

5.4) MSD Status Report including IDA Topics
MSD convener presented the status of the current work with specific focus on the intraday auction's development.
- The performance tests were executed. The project is aiming at introducing the mandatory products; any additional products are to be agreed subject to analysis concerning the performance impact
- Negative ATCs introduction – the NEMOs and TSOs are analysing the various impacts of the introduction of this feature (legal and regulatory, market and technical implications). The discussion to be continued at the next regular MCSC
- MCSC presented the updated IDA timeline. The roadmap is to be approved in September after the impact on LTSs was updated in the light of the decision concerning the CPM.
- IDA partial decoupling – the topics was thoroughly discussed among NEMOs and 2 possible options were identified. No conclusion was reached yet and the decision if to implement the functionality and what option is to be agreed on the next MCSC

5.5) BMSG Status Report
The BMSG Convener presented the first steps for budget 2023 preparation. The collection data started. Most items are stabilized. Items connected to the development need to be agreed among the parties. The discussion started, the budget proposal is expected in autumn 2022. The MCSC also agreed the cost sharing keys between SDAC and SIDC on the items having impact on both projects.
The cost resettlement process for Q1 2022 was executed according to the plan.

5.6) MCSC members questions to reports
No questions were raised to the regular NEMOs and TSOs report. The individual input is discussed within other agenda points.

5.7) Activity in the governance groups
The Co-Chair presented to the results of the input and presence analysis in the individual governance groups. The parties were encouraged to actively participate in the governance bodies, so that the way ahead is pre-discussed by all concerned parties as soon as possible.

6. SIDC – Any other business
No topics were raised under this agenda point.

7. SDAC – Important points to highlight & decisions requested
7.1) (Re)-appointment of TF leaders
According to the ToR, all TF leaders are initially appointed for a two-year mandate. Thereafter the mandate can be prolonged on a yearly basis. During June the appointment period of the TF leaders of SDAC BMTF, MSD and OPSCOM ends.

7.2) SDAC OPSCOM
- The incident rate is stable, however, on 10 May a partial decoupling happened.
- Since last MCSC meeting the RfC related to the maximum price increase due to HMMP methodology and the CORE FB together with IBWT MNA and timing changes went live.
- For August the new PMB version (technological updates) is planned to be deployed.

7.3) SDAC MSD
- 15 min MTU performance updates: The status on the implementation scenarios, corrective measures ("must have measures"), performance status, and risks are presented. Recent R&D work improved the situation slightly. The impact of the recently received NRA's recommendation concerning the implementation of the 15' MTU in SDAC – namely to go for a big bang implementation in 2025 – will be analysed in the coming weeks (see also agenda point 4). Nevertheless, 15 min MTU implementation in SDAC is not possible with PUN. There are high expectations to have benefits of Scalable Complex Orders (SCO) implementation.
- After the WS on algorithm with NRAs in March 2021, it was agreed to proceed with an exercise to investigate which topics are foreseen for the 2030 horizon that might impact/challenge the. One of the topics selected for this assessment was Dispatch Hubs and the quantitative analysis for this topic was completed in April 2022. SDAC MSD prepared an explanatory note to frame the results and plans to share this note with NRAs after MCSC approval.
- After finalization of the 3rd study on non-uniform pricing, NEMOs and TSOs could make internal assessments on how to continue with the 4th study. Outcomes of the assessments showed that NUP needs to be further assessed in the context of side payments and there is a need for a prototype update. MSD identified the topics to be investigated in the next study which is planned to be completed until September 2022.
- The Euphemia 11.3 and PMB 12.2 scope is being finalized until the end of June 2022. All RfCs expected to be part of this release must be submitted by originators until this deadline.

7.4) 15 min MTU project
Topic taken out of agenda due to replanning as a consequence of new guidance from ACER/NRAs.

7.5) SDAC BMTF
Some changes in expected costs compared to the budget forecast are highlighted. The SDAC BMTF already initiated the 2023 budget exercise with the aim to improve the 3-year forecast and to have a better pre-alignment between the different committees, to ensure a smooth budget discussion and approval process in September.

7.6) SDAC SF TF
- The SDAC SF TF is organizing a first workshop to discuss as well as brainstorm in smaller teams on the three main work packages (future improvement of the SF, recurrent issue management and monitoring of the SF activity) and for an informal training on the new SF v4.
- The first user campaign was postponed to after summer to give users enough time to get themselves acquainted with the newest release version of the SF that will be released in June.

7.7) MCSC members questions to TF/project reports
No questions are raised.

8. SDAC – Any other business
No points are addressed.

9. Closure meeting
9.1) Next meetings/calls
The MCSC meeting schedule for September is agreed.