

Remarks

It is estimated that the whole Second Auction routine will take around 53 minutes (IC, reopening of the order books and second calculation included), which represent the real impact on the market coupling normal timings.

In case the Market Coupling Results are not confirmed as final at [REDACTED], the Incident Committee will declare the Full Decoupling.

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1. Introduction

This procedure describes the special routine that should be applied during the Market Coupling process in case the prices of one or several concerned Areas reach or exceed the predefined thresholds (lower and/or upper) listed in the Table 1.

Within SDAC, the Bidding Areas for which price thresholds have been predefined are:

Table 1 – Predefined Price thresholds applicable on the SDAC bidding areas

	Type of Price Threshold	MIN Threshold	MAX Threshold
Prices expressed in EUR	AUSTRIA		
	BELGIUM		
	CZECH REPUBLIC		
	FRANCE		
	GERMANY		
	GREECE		
	HUNGARY		
	PORTUGAL AND SPAIN		
	ROMANIA		
	SLOVAKIA		
	SLOVENIA		
	THE NETHERLANDS		
	REPUBLIC OF IRELAND		
Prices expressed in GBP	NORTHERN IRELAND		

The technical steps of this routine are not part of the SDAC process and are further addressed in the ANDOA procedures and in the relevant regional procedures.

1.1. Summary

The Second Auction is triggered in case at least one of the prices reaches or exceeds the predefined price thresholds, as mentioned in Table 1.

The routine consists in reopening the NEMOs order books for 15 minutes to give the Market Participants the opportunity to modify their bids in order to improve the market situation. All SDAC NEMOs have the right but not the obligation to reopen their order books to their Market Participants.

A second calculation will be run by the PMB Coordinator with the new versions of Order Data.

In case the concerned prices still reach the predefined thresholds after the Second Auction calculation, there will be no more triggering of a further Second Auction.

1.2. Governed / Regulated by

- Day-Ahead Operations Agreement (DAOA)
[REDACTED]
- NEMOs' Market Rules and Procedures

1.3. Tools

- SDAC MC System – PMB
- Local NEMO IT Systems
[REDACTED]

1.4. Pre-requisites – Associated procedures

Pre-requisites:

- ANDOA_NOR_05: Results Sharing and Receiving

Following procedures:

- ANDOA_NOR_06: Preliminary Confirmation of the Results
- SDAC_NOR_02: Final Confirmation of the Results

Other associated procedures and rules:

- SDAC_FAL_01: Incident Management
- SDAC_OTH_02: Internal and External Communications
- ANDOA_OPE_04: Internal and External Communications
- ANDOA_EXC_03: Thresholds and Curtailment Reached
- Regional procedures
- Daily working checklists

2. Procedure

2.1. Preconditions to start

As soon as the concerned NEMOs receive the Market Coupling Results, they perform their own checks for identifying if any of the predefined price thresholds are reached/ exceeded or if a curtailment situation occurs.

2.2. General overview

The following table lists all the steps involved in the running of the Second Auction routine. The ANDOA related procedures are marked in grey, while the local/regional procedures are marked in green.

Table 2 – Second Auction process

#	Process	Start - End	From	To	Tool	BACKUP
1.	One or several NEMOs detect that price thresholds are reached/exceeded in one or several SDAC Areas.	ASAP after the Market Coupling Results are received	-	-	[REDACTED]	-
2.	The involved NEMO sends a negative Preliminary NEMO Confirmation and informs immediately the PMB Coordinator.	ASAP – before the deemed acceptance	Local NEMO IT Systems	PMB		ANDOA_BUP_06
3.	Each PMB Operator receives a negative Global Preliminary NEMO Confirmation.	ASAP	PMB	Local NEMO IT Systems		ANDOA_BUP_06
4.	The PMB Coordinator opens an Incident Committee call.	ASAP	PMB Coordinator	NEMOs	[REDACTED]	-
5.	Each NEMO receives the communication <i>ExC_01: Thresholds reached - Reopening of the order books.</i>	ASAP after IC decision	PMB Coordinator	NEMOs	[REDACTED]	-
6.	The concerned NEMOs adapt and forward the communication <i>ExC_01</i> to their own Market Participants and TSOs.	ASAP	NEMOs	Market Participants TSOs	[REDACTED]	-
7.	NEMOs that wish to do so can reopen their order books at the agreed time.	At time agreed in IC	-	-	[REDACTED]	-
8.	NEMOs close their order books.	15 minutes after the agreed reopening time	-	-	[REDACTED]	-
9.	The ANDOA Normal Procedures are followed as usual.	-	-	-	-	ANDOA BUP

2.3. Process Clarification

Detecting thresholds and sending of negative Preliminary NEMO Confirmation

As the Second Auction routine steps are detailed in the relevant regional procedures and in the ANDOA procedures, only some general guidelines are presented below.

As soon as the concerned NEMOs receive the Market Coupling Results, it is their responsibility to perform checks in order to identify if any of the concerned thresholds was reached/exceeded.

As soon as a concerned NEMO has detected reaching/exceeding the thresholds, the involved NEMO sends immediately a negative Preliminary Confirmation and informs the PMB Coordinator.

The negative Preliminary Confirmation file should contain the corresponding reason of rejection: "Second Auctions price thresholds reached or max price/curtailment".

NEMOs have to check the results and send the Preliminary NEMO Confirmation within the dedicated minutes.

As soon as all the Preliminary Confirmations are received in the PMB, the PMB generates a negative Global Preliminary NEMO Confirmations that is automatically sent to all PMB Operators.

The PMB Coordinator should be informed about the thresholds reached by the relevant NEMO.

Incident Committee call

The Incident Committee will be initiated by the PMB Coordinator.

The concerned NEMO has to clearly state in the IC the hours and the Areas for which the price thresholds have been reached.

The IC members will decide on the timings of the Second Auction, i.e. mainly the time of the reopening for 15 minutes of the NEMO order books and the new PMB Gate Closure Time.

Communication to Market Participants

When the topics are discussed and agreed upon during the Incident Committee the PMB Coordinator will distribute to all NEMOs the external communication *ExC_01: Thresholds reached – Reopening of order books*.

As soon as the NEMOs receive the *ExC_01*, they may adapt and forward it to their Market Participants, according to procedure SDAC_OTH_02 and to the local market rules.

This communication has to be sent in due time so Market Participants are informed before the reopening of the order books.

Reopening of order books

NEMOs may reopen their order books to the Market Participants according to the agreed and communicated timings. There should always be 15 minutes between the reopening and the reclosing of the order book.

The NEMOs that have chosen to reopen their order books send the modified Order Data to the PMB. The new version of Order Data will have an incremented value compared to the previous one.

The NEMOs that have not reopened their order books do not need to resend their Order Data.

None of the NEMOs is allowed to send new versions of Network Data during a Second Auction.

The Market Coupling Session continues as normal but with delayed timings

As soon as the new versions of Order Data are received in the PMB, the Market Coupling Session will continue as normal but with delayed timings.

If technical problems disturb the completion of the Second Auction

Since the Partial Coupling deadline is reached during the Second Auction process, the only possible solution is a Full Decoupling at the Full Decoupling Deadline, as the Market Coupling Results from the previous valid PMB calculation cannot be used anymore.

Where the new versions of Order Data (modified after the reopening of the order books) have not been received in the PMB by [REDACTED] the latest, there is a high risk of Full Decoupling. As a result, there will be insufficient time to complete all processes and to have final Market Coupling Results at [REDACTED].

NEMOs running a Second Auction cannot continue with the previously submitted order books.

In case the Market Coupling Results are not confirmed as final at [REDACTED], the Incident Committee will declare the Full Decoupling, according to the ANDOA procedure ANDOA_FAL_02.

2.4. Final state

As soon as the new Order Data are sent to the PMB, the second calculation will start and the normal procedures will be followed as usual.