

XBID Status and Go-Live Preparation Update

*12th MESC Meeting
Brussels*

6th March 2018

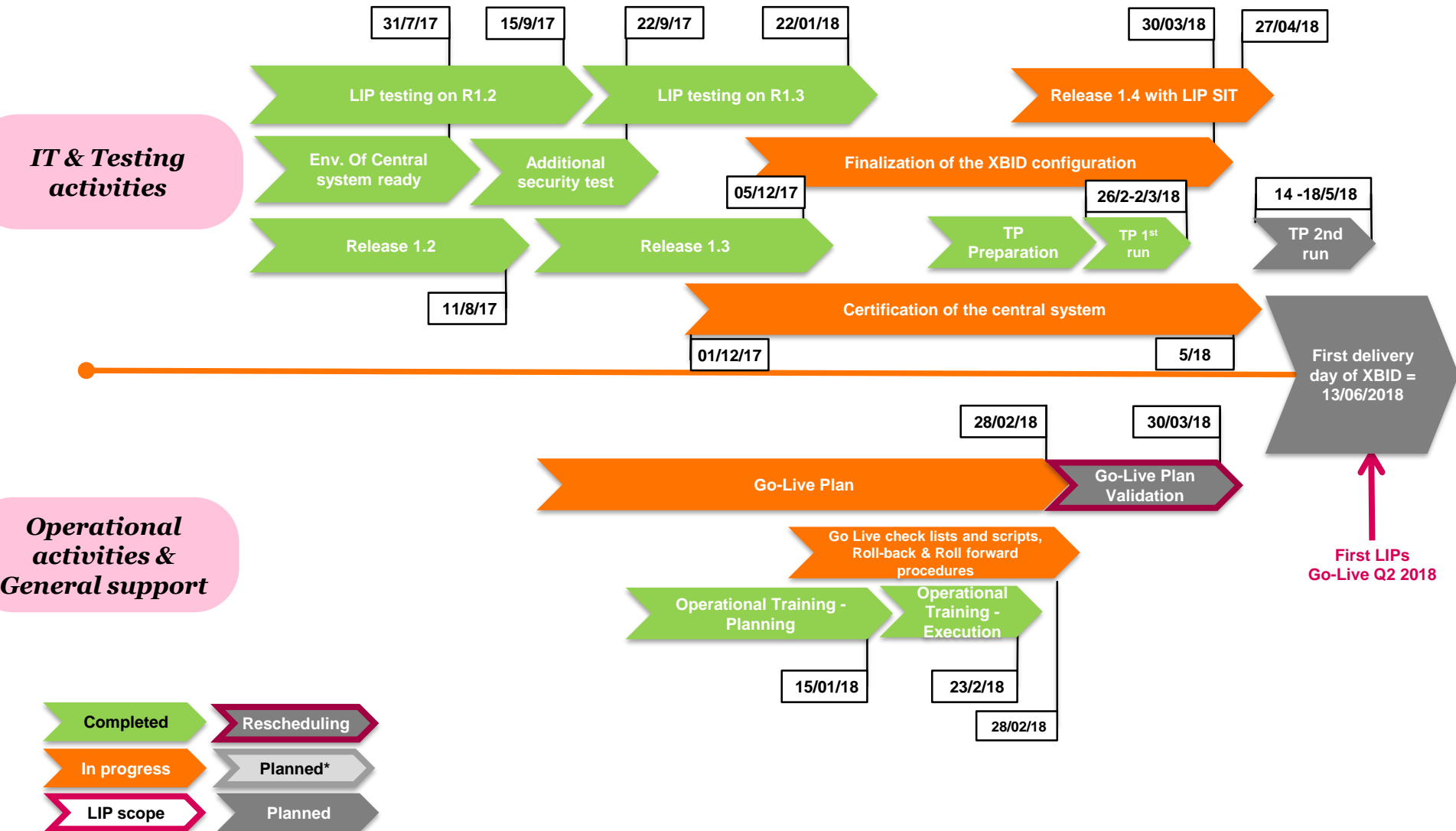
Agenda

- 1. Project Timeline**
- 2. Trial period achievement**
- 3. Potential risks/blockers/challenges for go-live**
- 4. Local Implementation Projects**
- 5. Summary**

1. High Level Go Live Plan



Planning for major activities with exception of legal tasks



2. Trial period execution

Day				Special scenarios	Comments
Part 1	0	Mo	26/02	• -	No Trials yet
	1	Tu	27/02	• None	Regular trading day
	2	We	28/02	• None	Regular trading day
	3	Th	01/03	<ul style="list-style-type: none"> Trade recall and trade cancellation Closing of French-German border (between 14:00 – 15:00) 	Both FR-Amprion and FR-TransnetBW interconnectors to be closed <u>by RTE</u> . Possibly additional borders.
	4	Fr	02/03	• XBID not available (between 14:00 – 15:00)	No trading and capacity allocation in XBID possible, through setting SOB to halt by NEMO Central Admin. LTSS' services may be still available.

2. Trial period execution

- **First results (project parties perspective)**

- The XBID platform has been stable, although some minor issues have been identified (small correction in line with specification regarding GUI, Explicit Participant Report, and FOK order).
- A relatively good number of Market Participants took part and found it very useful to 'explore' XBID.
- Trade recalls were triggered and successfully handled both from system as well procedural point of view.
- The special scenarios (closing of a border, XBID not available) have been executed taking into account the foreseen messaging.

- **Next steps**

- Second trial period scheduled for 14-18/05.
- The Market Participants have indicated that more time is needed to get familiar with all the services provided by XBID in addition to the two Trial Periods (the one in May is seen by MPs as a final check), so the project parties are considering a proposal to allow the MPs usage of the Simulation environment for an additional period as a further trial opportunity.

3. Potential risks/blockers/challenges for go-live (1/2)

1. Successful completion of testing not achieved

- Latent fault testing/R1.4 commenced 15/02 and is due to complete 10/04 (including testing, bug fixing & verification)
- Two phases of 5 day LIP testing (19/02-23/02 & from 04/04) are scheduled
- Achieving the timeline is dependent on DBAG identifying no further faults, XTG finding no new faults and fixes being tested successfully
- Previously challenging to achieve 5 days LIP testing with no issues

2. Outstanding NRA clarifications prevent IDOA signature

- Project parties wrote to Garrett Blaney, ACER, on 24th January requesting all outstanding cost sharing etc. clarifications (see following slide for more details)
- NRAs held a 'cost workshop' on 31st January – **workshop with NEMOs and TSOs scheduled on the 19th of March**
- All parties to confirm their willingness to sign IDOA by 16/04 and signature process due to commence 23/04. Outstanding clarifications are a blocker.

3. ECC/Nordpool cross clearing agreement not reached

- ECC and Nordpool have been negotiating for a period of >6 months
- ECC/NP have commenced holding CEO escalation meetings to resolve outstanding issues
- NRAs need to review the agreement (in line with CACM article 77)
- Further implications of the agreement, once reached need to be reviewed by the LIPs

Extract from Project Parties letter to ACER (24/01/18) – Outstanding clarifications requested to ensure IDOA can be finalised and signed

“Cost sharing within Member States

The sharing key for Joint NEMOs-TSOs common costs is needed for the following countries:

- Bulgaria, France, Ireland, Lithuania, Luxembourg, Slovakia, Great-Britain and Northern Ireland*
- NB. The information previously provided for Austria and Germany referred to a working assumption regarding cost sharing which also needs to be clarified as to whether this can be used as an input for the IDOA contract.*

The sharing key for Joint NEMOs common costs is needed for the following countries:

- Austria, Estonia, France, Ireland, Latvia, Lithuania, Luxembourg, Slovenia, Great-Britain, Northern Ireland*

Please note that the outstanding information related to cost-sharing makes it impossible for parties to forecast their financial exposure to the XBID costs.

Cost recovery for NEMOs

Discussions on cost recovery at national level are at different stages of maturity¹ and no final formal decision has been made or published. This is valid for both establishing and amendment costs as well as operational costs. This is preventing NEMOs understanding whether XBID costs can be recovered, less than two months prior to the scheduled go-live of the XBID mechanism.”

¹ In some countries clear guidance by NRAs has been provided, whereas in other countries this is not yet the case.

3. Potential risks/blockers/challenges for go-live (2/2)

4. Parties willingness to sign IDOA and socialisation of costs

- Accession Parties have been asked to confirm whether they will sign the IDOA before go-live. A number of parties (e.g. Terna, PSE, HUPX & MAVIR) are unable to commit to a date while they await feedback from their NRAs.
- Other parties have not stated their willingness to sign IDOA before go-live including OKTE, SEPS, EXAA and Eirgrid
- One NEMO (supported by other parties) has stated that they are not willing to finance the CACM costs of parties not signing the IDOA – potential blocker.

5. Readiness of all parties for go-live

- LIP Testing has identified a number of issues with local systems etc. which need to be rectified before go-live.
- Action is being taken to remediate these and re-test
- Two phases of further 5 day consecutive LIP testing are scheduled (from 19/02 and 04/04)

6. Local markets and SOB

- Automatic Linkage between Local Markets and SOB expected by market participants. Discussion on-going between EC and NEMOs

7. Letters from stakeholders

- Letters sent by EFET (02/03) and Eurelectric (05/03) to NEMOs and EC respectively. Points highlighted include interaction between LTS and XBID, Order book depth, Iberian Market design, Tick size etc.

4. Go-live Preparation

- Significant focus is being dedicated to **go-live preparation** in order to ensure, as much as possible, a seamless transition and go-live
- A high level **Go-live plan** has been developed as well as the detailed planning for the **Trial Period** and **Launch Process**.
- A **Launch Matrix** is being finalised which identifies all activities to be considered during the launch as well as responsibility for each activity and timing of the execution
- The **Production Certification** process has been developed and is in progress with a significant part of the **Certification Process** completed
- **Launch Plan and Launch Process** are drafted, subject to validation in the coming period.

5. Summary



- **Re-planning** of the project has been undertaken following the identification of the latent faults and the need to test the fixes. **Revised go-live date is 12th/13th June.**
- Extensive **Go-Live preparation** activities are underway
- Successful **Pre-launch event** held with stakeholders on 31st January
- **We continue to manage a number of significant risks – both internal and external to the project.**
- The **Accession Stream continues with positive collaboration.** Planning and preparation for the 2nd Wave go-live is well underway
- **We all continue to invest extensively to deliver a successful XBID Go-Live in June 2018**