

Minutes

Project Title	XBID Market
Title of Meeting	5 th User Group Meeting
Date / Place	08/11/16, 11:00 – 15:10 CET, Brussels

Status	Version	Date	Comment
Draft	1	08/11/16	Draft provided to PP for review
Draft	2	16/11/16	Draft provided to MP for review
Final	3	23/11/16	Final for publication

PRESENT MARKET PARTIES (MP)

Name	Company
Christophe Cesson	ACER
Jerome Michel	EDF
Martijn van Gemert	EFET
Lucía Ibáñez	EFET
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Lorenzo Llorente	Enel
Andrea Stengel	Energy Norway
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Hélène Robaye	Eurelectric
Rabia Ikram	Eurelectric
Yannick Phulpin	Eurelectric
Konrad Keyserlingk	RWE Supply and Trading
Johan Hagsten	Svensk Energi
Daniel Szafryk-Koiki	Uniper Global Commodities
Carlos Valverde	Wind to Market

PRESENT PROJECT PARTIES (PP) AND LIP REPRESENTATIVES

Name	Company	
Tjitske Kramer	APX/EPEX, LIP 5&11, LIP 6	
Peter van Dorp	APX/EPEX, LIP4	
Susanne Dornick	E-Bridge	
Mike Hopmans	E-Bridge	
Viviane Illegems	Elia, LIP 8	
Katja Birr-Pedersen	Energinet.dk, LIP 2, LIP 3	
Tadas Stonis	Litgrid	
Igor Honhoff	Nord Pool, LIP 1, LIP 13	
Mark Pickles	National Grid, Communications TF Convenor	
Juan Francisco Pérez	OMIE	
Zuzana Vacková	OTE	
Javier Barrantes	REE	



Agenda

TIME	AGENDA ITEM	PRESENTER
10:00 - 10:05	1. Welcome, Agenda	Mark Pickles
11:05 – 12:25	2. Project status overview	Mark Pickles
12:25 – 13:00	3. ID products supported by XBID	Peter van Dorp
13:00 - 13:45	Lunch Break	
13:45 – 13:55	4. Recap on quick wins step 2 for BE-FR and BE-NL	Viviane Illegems
13:55 – 14:20	5. LIPs – general status overview	Katja Birr-Pedersen
14:20 – 15:45	 6. LIPs individual status and progress reports a) LIP 1 b) LIP 13 c) LIP 2 d) LIP 3 e) LIP 4 f) LIP 5&11 g) LIP 6 h) LIP 8 i) LIP 9&12 	Igor Honhoff Igor Honhoff Katja Birr-Pedersen Katja Birr-Pedersen Peter van Dorp Tjitske Kramer Tjitske Kramer Viviane Illegems Juan Fco. Pérez, Javier Barrantes
15:45 – 16:00	7. Closing remarks, reflections on the day	Mark Pickles

The questions (Q) received from the market parties (MP) and the respective answers (A) given by the project parties (PP) during and after the presentation are listed in the minutes.

1. Welcome, Agenda

The participants of the User Group meeting are welcomed. A brief round-the-table introduction is made and the agenda of the meeting is introduced.

2. Project Status Overview

The project timeline, project progress including key achievements and emerging risks are presented. The outcome of the pre-UAT performance tests and an update from the Accession Stream is given. Follow-ups from the last User Group meeting are addressed.

3. ID products supported by XBID

The product types and features the XBID solution can offer are presented.

Q: Do you have an indication of min and max prices.

A: The discussion on this has not started yet. However, the aim is to harmonise these across NWE. Also CACM requests NEMOs to make a proposal on min and max prices 18 month after CACM entry into force.

4. Recap on quick wins step 2 for BE-FR and BE-NL

A recap on the quick win implementation at the BE-FR and BE-NL borders is given. Since beginning of October 2016 the BE and NL markets are implicitly coupled with the EPEX intraday continental markets in France and Germany, Austria and Switzerland, already operated with M7.

Q: Clarification on the fall back procedure is requested.

A: The description of the fall back procedure is published on Elia's webpage. Whenever there will be an issue with the implicit allocation an ad-hoc call with all relevant operators will be triggered to evaluate the situation and to decide if the fall back is triggered or not. Thereby the expected down time of the implicit platform will be regarded, as once the fall back is triggered it is technically not possible to switch back to the implicit platform within the trading day.

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5. LIPs – general status overview

A general introduction to the LIPs, their current status and the LIP testing preparations is presented. During June till August 2017 a stable environment is expected and therefore this is considered as the most probable time slot in which member's testing might be organised by each PX and user's testing might be organised by the TSOs at which borders explicit access to capacity will be offered. With regard to explicit access, for the FR/DE, DE/CH and AT/DE borders the respective NRAs took the decision that explicit access shall be offered. For the borders DE/NL and DE/DK the consultation run by the NRAs is still ongoing.

The presentation is followed by a recap on the shipping arrangement discussion had during the last UG meeting.

Q: Are shipping arrangements still a risk for go-live and which LIPs are concerned?

A: End of June, when the last UG meeting took place and this topic was discussed; there was the risk that the PP will not agree on shipping arrangements. This risk did not materialise as agreement was reached. Currently there is a risk for some LIPs that the implementation of the shipping arrangements may create a delay. Options to mitigate the delay are currently being discussed and agreed.

Q: Does the discussion on XBID shipping arrangements impact the E-sett go-live?

A: E-sett go-live is not affected by the shipping arrangements for XBID. E-sett is planned to go-live in May 2017. Currently it is analysed what and when adjustments can be made to the E-sett system so that it can support the preferred shipper implementation.

Q: Initially it was communicated that preferred shipper shall be implemented across NWE. Why did the XBID project deviate from this approach?

A: When preferred shipper was defined as the solution for the whole NWE area (which was very important in order to secure the go-live timeline) the impact for borders where there is one single NEMO at one side of the border was not completely assessed. Also LIPs not part of the first go-live having one single NEMO at one side of the border (e.g. GME, OTE) will have the same issue regarding the preferred shipper. Implementing the preferred shipper for all these borders would mean that the single NEMO either becomes balance responsible in all NWE bidding zones or that it appoints a third party among competitor PXs to take care of the shipping. Both of these options are not easily implemented: the first requires regulatory, contractual, procedural and technical implementations in all NWE bidding zones; the second option comes with issuing a tender and corresponding timelines to be regarded. Options to allow the concerned borders to be part of the first go-live based on the current day-ahead arrangements are currently being analysed and discussed.

6. LIPs individual status and progress reports

The status of each LIP part of the first go-live is presented.

a) <u>LIP 1</u>

Q: How easy is it to implement 15 min products in the Nordic?

A: There is a joint Nordic project looking into the implementation of 15 min balancing products.

b) <u>LIP 13</u>

Q: Is there a risk that if the Baltic LIP is delayed, it will delay also the Nordic LIP?

A: There is interdependency from a system perspective, however there is strong focus on being able to go-live with both LIPs end of Q3/2017.

c) <u>LIP 2</u> No questions. d) <u>LIP 3</u> No questions. e) <u>LIP 4</u>



No questions.

f<u>) LIP 5&11</u>

Q: May the potential split of the Austrian-German bidding zone impact the go-live of the LIP?

A: This topic is not discussed at the moment since no binding decision has been taken yet in this respect. Consequently there is currently no need to adapt the timeline for the go-live.

g) <u>LIP 6</u>

Q: Please clarify the status of the shipping arrangements and the therewith mentioned risk for delay.

A: LIP 6 officially decided to implement the preferred shipper 1,5 weeks ago, which from a system implementation perspective is quite late as testing shall take place in February 2017 already. Further, the EPEX systems do not only have to be adjusted with regard to the BE/NL border but they also need to be adjusted for other NWE borders. Thus, the outstanding decision on shipping arrangements at other borders may impact the developments for LIP 6.

i) <u>LIP 8</u>

No questions.

j) <u>LIP 9&12</u>

Q: Is it planned to remove the two auctions at the ES-FR border?

A: Yes, this is planned and continuous intraday trading will be implemented.

The implementation of the shipping arrangement at the ES-FR border is discussed extensively. The issue cannot be easily explained without going into specification details of the shipping module and is therefore challenging to understand. EFET and EURELECTRIC call for a pragmatic approach in finding a solution. It would be regrettable that administrate/ redistribution issues at NEMO level delay the go-live of LIPs where at one side of the border there is a single NEMO and thereby the benefits of XBID, amongst others, increasing the liquidity and competition in the intraday market.

Q: We have seen that the integration of the Iberian market into Euphemia (day-ahead market) came with a lot of complexity. What is your expectation for ID?

A: In DA complex order types exist in Iberia. This is not the case for ID. Even if all the products supported by XBID are implemented, this will not be as complex as day-ahead. Therefore, in ID this complexity is not expected.

7. Closing remarks, reflections on the day

The progress with the project is summarised and how that it is moving forward although there remain significant challenges.

Point on which the PP shall follow-up and get back to the MP:

• Provide a short description on how the shipping module works taking into account the different shipping arrangements possible

The next meeting will be arranged in April 2017.