



North Western Europe Day Ahead Price Coupling Project

NWE Monthly Progress Report

April 2013





Agenda

- 1. Introduction and purpose**
- 2. Overview on Project Planning and Status**
 - a) Procedures
 - b) Testing
 - c) Development Projects
- 3. Progress since last reporting**
- 4. Project Risk list**
- 5. Conclusion**



Purpose

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The Monthly Progress Report aims at providing regularly detailed information on the project planning and the progress made against the defined project milestones.

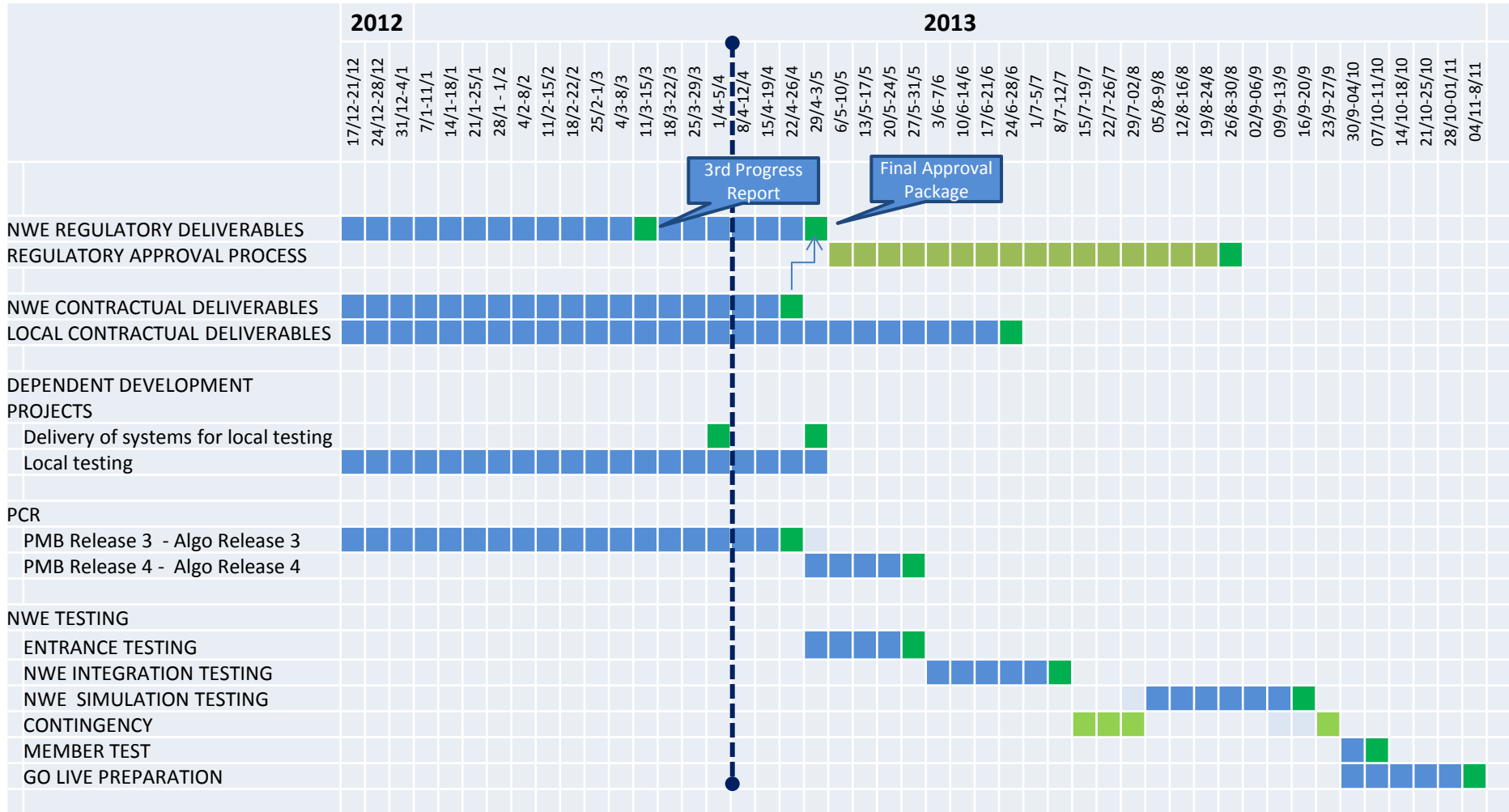
It provides an overview of the status for the following topics:

- Procedures
- Testing
- Local implementation projects

In addition to the Monthly Report, NRAs have received in March the 3rd NWE Progress Report, in which the deliverables are described in detail.



2) Planning Overview



finished



on schedule
low impact / risk



deadline at risk
medium impact / risk



deadline highly at risk
high impact / risk



2a) Procedures: Planning

	2012						2013																
	29/10-2/11	05/11-9/11	12/11-16/11	17/12-21/12	24/12-28/12	31/12-04/01	07/01-11/01	14/01-18/01	21/01-25/01	28/01 - 01/02	04/02-08/02	11/02-15/02	18/02-22/02	25/02-01/03	04/03-08/03	11/03-15/03	18/03-22/03	25/03-30/03	01/04-05/04	08/04-12/04	15/04-19/04	22/04-26/04	
PROCEDURES																							
Normal procedures																							
Backup procedures																							
Special procedures																							
Fallback procedures																							

Due to some minor open issues concerning the Backup, Special and Fallback, these procedures have not been finalized yet.



finished



on schedule
low impact / risk














deadline at risk
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2a) Procedures: Current Status

Deliverable	Status		Deadline
Normal (4) Procedures	Approved by Technical WG.	 a)	25/03/2013
Backup (2) Procedures	Reviewed by Technical WG, being updated after the JSC decision of 11/04.	 a),b)	29/04/2013
Special (3) Procedures	SPE_01-03, reviewed by Technical WG. Being updated.	   a)	29/04/2013
Fallback Procedures (3)	Decision for 1 Incident committee for both PCR&NWE, but 2 individual IC procedures. 2 procedures being aligned with PCR and foreseen decoupling scenarios.	   a), c)	29/04/2013
Other (5)	3 for review by Technical WG. Market communication procedure and simulation test list for review 16/04	  	29/04/2013

a) Timings for NOR confirmed by PCR on 21/03; confirmation for BUP and FAL expected 10/05.

b) For BUP_01: discussion on deadline for ATC submission => 11:45 was decided during JSC meeting of 11/04.

c) Add. 15 min flexibility through reducing notification process from 60 to 45 min in exceptional circumstances.



finished



on schedule
low impact / risk



deadline at risk
medium impact / risk




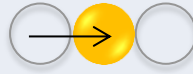



deadline highly at risk
high impact / risk





2b) Testing: Current Status

Deliverable	Status	Delivery	Status
Entrance/Integration test scenarios	List finalized. Detailing of the scenarios ongoing Technical constraints assessed	28/02/2013	
Integration tests scripts	Normal day to be delivered High level script only (see next slide)	15/04/2013	
Simulation test scenarios	List under review by Procedure TF Workshop to be organized test TF/Procedure TF To be reviewed by Technical WG/ Local parties to guaranty it covers needed local procedures	15/04/2013	
Simulation tests scripts	Issue: resource shortage due to working on both scripts and testing in parallel	31/05/2013	
Detailed daily test plan	Plan finalized by Testing TF Slots for bug fixing are included in the planning every two weeks to allow coordinated upgraded of test environments and regression tests	15/03/2013	



finished



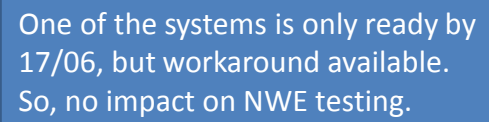
on schedule
low impact / risk



deadline at risk
medium impact / risk



























deadline highly at risk
high impact / risk





2c) Local implementation projects: Current Status

Deliverable	Status		Deadlines		
			Design	Development	Ready for NWE Entrance Testing
CWE	On schedule	  	18.01.2013	01.03.2013	26.04.2013
IntraGB (PX-PX)	On schedule	  	01.01.2013	01.02.2013	01.05.2013
IFA Cable (UK-FRA)	On schedule	  	06.02.2013	18.03.2013	01.05.2013
BritNed Cable (UK-NED)	On schedule	  	21.12.2012	29.03.2013	03.05.2013
NorNed Cable (NOR-NED)	On schedule	   ^{a)}	29.01.2013	01.04.2013	29.04.2013 ^{a)}
DK1-GER Cable	On schedule	  	-	04.03.2013	26.04.2013
Kontek Cable (DK2-GER)	On schedule	  	15.03.2013	08.04.2013	26.04.2013
Baltic Cable (SWE-GER)	On schedule	  	31.03.2013	08.04.2013	26.04.2013

^{a)} One of the systems is only ready by 17/06, but workaround available. So, no impact on NWE testing.



finished



on schedule
low impact / risk



deadline at risk
medium impact / risk



deadline highly at risk
high impact / risk



3) Progress since last reporting

- All subprojects report to be on track and local testing of all subprojects has started.
- List of possible partial couplings and full decoupling scenarios finalized and approved.
- Losses study: simulations, analysis and report finished and approved.
- NWE Normal Procedures finalized and approved.
- Integration test scenarios finalized and approved.
- Roll back proposal EMCC received.
- SWE - NWE kick-off meeting took place.
- Market Participant consultation finished, follow up actions initiated.
- Content of Final Regulatory Package finalized and approved.
- Agenda 2nd Stakeholder Forum finalized and approved.



4) Project Risk List

- Timing issues and constraints in rare fall back scenarios, depending on Market consultation outcome.
- Systems not ready / not all local tests performed by the subprojects before start of entrance tests: risk to identify issues in entrance tests that should have been found in local tests, which can delay the NWE testing.
- Not all systems ready with final system releases by start of integration tests: risk that more regression testing will be needed, having impact on the duration of the test and the test resources.
- Shortage of test resources / test environments due to lots of test activity in parallel (PCR, NWE, CWE flow based, other local project testing).
- Compliancy of the shipping arrangement with the future CACM NC (pending further investigation).
- Regulatory approval process
 - If not all NRAs give their approval timely and local decisions are not coherent with each other, NWE target planning of go-live cannot be uphold.
 - Need for good coordination between NRAs.



Shipping Arrangements and the Network Code

- PXs and TSOs in NWE are finalising shipping solutions on individual borders
- Shipping arrangements might be considered non-compliant with the draft CACM NC - Art 89.2: *“Shipping Agents shall not be subject to fees nor be required to provide collateral”*
- Parties should satisfy themselves that the intended shipping solutions are not likely to breach the NC prior to completion
- Shipping contracts also need to address how the parties will deal with any potential non-compliance in the future



Compliance Check - Current Status

- IFA: compliance with cross CCP solution, no further investigation, no changes foreseen.
- IntraGB: depending on the interpretation of the CACM NC not clear whether compliant or not.
- BritNed: investigation ongoing
- NorNed: depending on the interpretation of the CACM NC not clear whether compliant or not.
- DK1: compliance with draft CACM code (cross CCP solution), no changes foreseen
- DK2: awaiting feedback 50Hertz.
- Baltic Cable: investigation ongoing



Mitigating Measures Proposed by PXs

- Shipping agreements between TSOs and PXs/CCPs should contain the following provisions to handle the risk of potential non-compliance with future laws/regulation (not limited to just the NC)
 - Parties acknowledge that they are aware of the relevant current and draft laws and regulations, and that they believe the solution to be compliant
 - Parties shall cooperate in good faith to defend the agreed solution against any claim of non-compliance
 - If change is required, Parties agree to negotiate in good faith on an alternative as close to the original as possible
 - If no mutually acceptable solution is agreed and Parties are unable to continue performing according to the agreement, Parties are unilaterally entitled to terminate the arrangements without any costs or liability towards each other
 - All obligations under the agreements will apply until the point of termination, including the obligation to pay for services provided according to the agreement
- The PXs are preparing a standard text for insertion in all relevant shipping agreements



5) Conclusion

NWE is still on schedule in accordance with the target planning of go-live in November 2013 with the feasible scenarios and timings in accordance with last reporting.