

## Minutes

<b>Project Title</b>	XBID Market
<b>Title of Meeting</b>	6 <sup>th</sup> User Group Meeting
<b>Date / Place</b>	20/06/17, 11:00 – 16:00 CET, Brussels Airport

Status	Version	Date	Comment
Draft	1	20/06/17	Draft provided to PP for review
Draft	2	26/06/17	Draft provided to MP for review
Final	3	03/07/17	Final

### PRESENT MARKET PARTIES (MP)

Name	Company
Anders Damm Johansen	Danske Commodities
Jerome Michel	EDF, EFET
Lorenzo Llorente	EFET
Paul-Erik Vermeulen	EFET
Irina Nikolova	EFET
Johan Roupe	EI
Andrea Stengel	Energy Norway
Francisco García Lendínez	ENÉRGYA VM
Yannick Phulpin	Eurelectric
Hélène Robaye	Eurelectric
Jean Rodriguez	Gazprom Marketing & Trading Limited
Petri Evasoja	NAET
Benjamin Karsten	Statkraft Markets
Johan Hagsten	Svensk Energi
Frank Gerkmann	Vattenfall
Carlos Valverde	Wind to Market

### PRESENT PROJECT PARTIES (PP) AND LIP REPRESENTATIVES

Name	Company
Gilbert Guntschnig	APG
Susanne Dornick	E-Bridge
Katja Birr-Pedersen	Energinet.dk
Tjitske Kramer	EPEX
Pablo Royo	Indra, LIP 9&12 SPOC
Florent Beau	Magnus Red, LIP 6&8 SPOC
Igor Honhoff	Nord Pool
Juan Francisco Pérez	OMIE
Jérôme Calderan	Sia Partners, LIP 3 SPOC
Chris van de Beek	TenneT B.V.
Mark Pickles	TSO Project Manager

## AGENDA

TIME	AGENDA ITEM	PRESENTER
10:45 – 11:00	Registration, Coffee	
11:00 – 11:05	1. Welcome, Agenda	Mark Pickles
11:05 – 12:00	2. Project status overview	Mark Pickles
12:00 – 12:30	3. ID products for go-live and roadmap	Igor Honhoff
12:30 – 13:00	4. LIPs – general status overview	Katja Birr-Pedersen
13:00 – 13:45	Lunch Break	
13:45 – 15:45	5. LIPs individual presentations a) LIP 1 b) LIP 13 c) LIP 2 d) LIP 3 e) LIP 4 f) LIP 5 g) LIP 6 h) LIP 8 i) LIP 9&12	Igor Honhoff Igor Honhoff Katja Birr-Pedersen Jérôme Calderan Chris van der Beek Gilbert Guntschnig Florent Beau Florent Beau Pablo Royo
15:45 – 16:00	6. 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

Project timeline, project progress including key achievements and challenges and the future roadmap are presented. The status of the go-live preparations and an update from the Accession Stream is given.

**Q:** Will trading needed to be stopped for a period of time prior go-live? Have PXs looked into this already?

**A:** The project hasn't looked into that yet and this question will be taken up later this year once testing is finished. In any case the aim is to keep any down-period at minimum.

**Q:** When will PXs inform MPs about interface changes?

**A:** EPEX has informed the market participants regarding interface changes in May for the upcoming release in September. No additional changes are foreseen for the go-live of the XBID solution in Q1 2018. Nord Pool informed already end of May their participants via a letter and will send another communication on expected changes in July.

**Q:** After XBID go-live – does a trader active in many countries has to implement access to XBID in each country?

**A:** Access to XBID will be arranged via the NEMOs. In an example, if after XBID go-live a trader enters an order at Nord Pool in UK, it will be matched on the UK market. If the order is entered in France it will be sent to XBID and matched there.

### 3. ID products for go-live and roadmap

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

**Q:** Which products will be available for XBID go-live?

**A:** The goal is to ensure for go-live the currently available products.

**Q:** There are consultations running on lead times. Is it expected that there will be shorter or synchronised lead times?

**A:** This is a process which is running under CACM. Any changes resulting from CACM process will enter into force after XBID go live. Thus it is up to the LIPs to define for go-live what the lead times will be.

**Q:** All trading will be in Euro. How will for countries like UK the exchange rate be considered in XBID?

**A:** The PP could not answer this question during the meeting and will get back to the PP.

**Q:** Is a list of products offered at different LIPs available?

**A:** This list will be available end of October as an outcome of the product definition road map.

**Q:** If each LIP defines products themselves, isn't there a risk to liquidity if one country has for example 30 min products, the other country 15 min products which cannot be matched?

**A:** There will be a coordinated process between NEMOs and LIPs when it comes to globally available products matched across borders. Besides global products local products can be offered.

#### **4. LIPs – general status overview**

A general introduction to the LIPs, progress made since the last UG meeting and the LIP testing status is presented. For go-live explicit access to capacity will be only offered for the FR-DE border. Further EPEX, Nord Pool and OMIE provide early information on member's testing which will be organised by each PX prior go-live.

**Q:** How can MPs access explicitly offered capacity at the FR-DE border?

**A:** The current working principle of booking capacity explicitly will be kept, however, instead of accessing the capacity via the web gui to the ICS platform the MPs will access the capacity via web gui to the XBID system.

**Q:** Will the capacity management module enable countertrading or capacity releases?

**A:** This functionality is indeed built-in and will be available for go-live.

The participants exchange on how often ID capacity is re-calculated and how MPs are informed once new capacities are available. The PP will get back to the MPs with the following information:

- Provide a border per border overview of when in XBID available capacity will be published
- Provide information per NEMO on where available capacity is published after XBID go-live and on the updating frequency

#### **5. LIPs individual status and progress reports**

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

##### **a) LIP 1**

**Q:** What type of challenges you see regarding testing?

**A:** The LIPs covers 23 borders and the LIP had to look very carefully into the testing plan to ensure that all cases are covered and testing resources are available.

##### **b) LIP 13**

**Q:** Is there a link in the rollback procedure between LIP 1 and LIP 13?

**A:** The discussion on rollback currently takes place at TSO level.

**Q:** What will happen to this LIP if EPEX will join?

**A:** It will probably have an impact on the current arrangements; however it is intended today not to have an impact on the roadmap.

c) LIP 2

No questions.

d) LIP 3

**Q:** What is the status of the NRA approval of explicit access?

**A:** There is a formal response from the Danish and Dutch NRA that no explicit access shall be offered. The German NRA is currently formalizing a communication to TSOs. So far, after informal exchanges, there is no indication that it would take another direction than the two other NRAs.

The participants discuss how REMIT-conform trading will be ensured in XBID for the case a MP is seller in one bidding zone and buyer in another (i.e. when optimising group generation portfolios cross border). Currently EPEX provides OTC clearing for this. The PP will get back to the MPs if this will be also available after XBID go-live.

Further MPs suggest using the explicit access to CMM as fall back for all borders – in case SOB fails. It is clarified that there are two SOBs and if one fails the other takes over. Additionally, it is up to the NRAs to approve such a fall back solution. The PP will get back to the PP whether it can be confirmed that when the SOB is down, MPs can still book capacity in CMM for the DE-FR border.

e) LIP 4

No questions.

f) LIP 5

**Q:** Besides XBID are there local talks ongoing with Swissgrid on way forward?

**A:** Discussions are ongoing at TSO level. It is at a too early stage to communicate concrete steps; however, the aim is to have explicit access available at the Swiss borders.

g) LIP 6

**Q:** Are any discussions ongoing on introducing 15 min products for the BE-NL border?

**A:** Products to be available for go-live will follow the product definition roadmap as outlined under agenda point 2. Currently no discussion on introducing 15 min products takes place at LIP 6 level.

h) LIP 8

The PP will get back on the following questions:

- How will the French balancing mechanism function at the DE-FR border once XBID is live?
- Will the current fall back solution for the BE-FR border requested by the NRAs be also available once XBID is live?

i) LIP 9&12

**Q:** You have mentioned that besides continuous trading there will be auctions at certain borders?

**A:** There was a public consultation on this last year. Following this, two models for running local auctions in addition to continuous trading for the ES/PT border were proposed to the NRAs who are currently analysing this. MPs can find all the information related to the process in the following link: <http://www.nuevomercadointradiario.omie.es/index.html>

**Q:** Which counterparty will be able to participate in the auction?

**A:** You have to be a party to the Iberian market: if you are participating in the auction today you will be also able to participant after XBID go-live tacking into account that, as a consequence of not having explicit auctions anymore for the FR-ES border, MP will not be able to export/import energy directly during the auctions to/from the French zone. These kinds

of practicalities will be defined and communicated to the MP only when final answer from the NRAs about the model chosen is received.

MPs challenge the introduction of auctions and have several questions to who will be allowed to participate in the auctions and if energy acquired in the auctions can be traded continuously cross border. In view of that there are only seven months to go the PPs promise to communicate to the Iberian TSOs/NEMO that MPs require more information on how the future Iberian market will work. MPs assume that going to continuous trading will require adjustment of IT systems, procedures, etc.

**Q:** Is it compliant with the CACM guideline to open cross-border continuous trading for an ISP only after the ultimate auction addressing this ISP (i.e. 1h through 6h before the ISP)?

**A:** CACM compliance is to be addressed by NRAs.

## **6. Closing remarks, reflections on the day**

The PPs inform that beginning of 2018 a User Forum with wider participation will be organised. The MPs suggest that once the overview of products offered for XBID go-live per NEMO and bidding zone is available a webinar/conference call is arranged.

Overview of point on which the PPs will get back to the MPs:

- Consideration of exchange rate in XBID for countries not having Euro as currency
- Border per border overview of points in time when in XBID available cross border capacity will be published
- Information per NEMO where after XBID go-live available capacity will be published and on the updating frequency
- If the OTC clearing provided by EPEX will be also available after XBID go-live
- Confirm that if the SOB is down, MPs can still book capacity in CMM for the DE-FR border.
- Functioning of the French balancing mechanism at the FR-DE border once XBID is live
- Availability of current fall back solution for the BE-FR border requested by the NRAs after XBID go-live
- Overview which products will be available per bidding zone and NEMO