

The logo for APX Endex, featuring the text 'apx endex' in a sans-serif font with a stylized globe icon between 'apx' and 'endex'.The logo for BELPEX, featuring the text 'BELPEX' in a bold, sans-serif font with a red dot above the 'X'.The logo for EPEX SPOT, featuring the text 'EPEX SPOT' in a bold, sans-serif font with 'EUROPEAN POWER EXCHANGE' in a smaller font below it.The logo for GME, featuring the text 'GME' in a bold, sans-serif font with 'Gestore Mercati Energetici' in a smaller font below it, and a green stylized wave icon to the left.The logo for emie, featuring the text 'emie' in a bold, sans-serif font with a green dot above the 'i'.The logo for nordpool spot, featuring the text 'nordpool spot' in a bold, sans-serif font with 'spot' in a smaller font below 'nordpool'.

Supported by:

The logo for europex, featuring the text 'europex' in a bold, blue, sans-serif font with 'association of european energy exchanges' in a smaller font below it.

PCR Status report

AESAG, October 19 2012



PCR agreements status

- PCR open to continue receiving and answering questions from AESAG participants regarding the agreements
- Discussions on going with other PXs to incorporate them to the PCR process

PCR suppliers main contracts status

- Maintenance contracts under discussion with the providers

PCR development status – price coupling algorithm (Euphemia)

- Release #1 (NWE + IBERIA) was delivered and tested as part of the incremental process of industrialization of the PCR Algorithm. Next releases #2 and #3 will be delivered by the end of the year; these releases will extend the functional perimeter and fix observed bugs.
- Release #1 shows very satisfactory results if we consider the behavior of the release on the NWE + IBERIAN perimeter:
- No risk is currently foreseen related to the ability of the algorithm to be delivered for the launch of NWE + IBERIAN perimeter.
- If new requirements appear they will be treated under change control

PCR development status – Support Information System - **PMB (PCR Matcher and Broker)**

- Testing in progress.
- MPLS network in progress
- Communications among PXs in progress of bringing up the common shared configuration
- Integration tests between PCR PXs about to start
- Certification procedures finished
- Change control procedures in progress
- Extended tests (Post system acceptance) scheduled for January

PCR development status. Operational Manual

- Main Principles established in the PCR cooperation agreement, in line with the draft Governance Guideline
- Details to be developed starting from, and adapting, primarily the CWE Operational Manual
- PCR Normal procedures finished
- PCR Backup procedures in development stage
- PCR Exceptional procedures prepared
- PCR Fall-back procedures under development
- PCR Checklist (actions form all procedures) under development
- Coordination with Regional projects procedures (timing, etc...)

Regional implementations of PCR (I)

- *PCR doesn't cover any pre- or post- coupling steps (e.g. shipping or clearing) and what specific solutions for exceptional situations are utilized on each border, or groups of borders. It is up to bilateral (or multilateral) decisions of relevant Parties;*
- In line with ACER road map
- **NWE**
 - See detailed complementary presentation by NWE PXs and TSOs

Regional implementation of PCR (II)

- **MIBEL-France (Pre coupling, post coupling and exceptional situations)**
 - Under the SWE Regional Implementation Group coordination
 - Limited to pre coupling, post coupling and exceptional situations processes
 - Cooperation agreement done
 - Working groups in operation
 - Existing procedures respected as much as possible
 - Coordination with other Regions very important for the PX and the TSO involved also in NWE
 - The interface between the PXs trading system and the PMB in testing stage (compress bid preparation, portfolio allocation, validations, etc...)

Regional implementation of PCR (III)

- **CSE – Italian Borders Working Table**

- Launched last summer
- Goal: establish a cooperation between PXs and TSOs for the implementation of the day-ahead market coupling in accordance with the ACER Cross-regional Roadmap
- Achievement: Completed the drafting of the “*Cooperation Agreement for the Italian Borders Pre and Post coupling processes*” to be signed by PXs and TSOs and covering:
 - PXs’ commitment to implement the PCR solution in the region as soon as it is industrialized
 - Design phase of the pre and post coupling arrangements on the Italian Borders interconnections to be implemented once the price-coupling has started in the region (information exchanges, settlement, congestion revenues calculation and distribution)
 - Project organization and decision making principles

Regional implementation of PCR (IV)

- **CEE-NWE**

- Austria, Czech, Germany, Hungary, Poland, Slovakia and Slovenia involved in the project of MC FBA CEE-NWE
- MoU including Implementation roadmap is being prepared
- Support of NRAs and TSOs: MC to be based on PCR.
- CEE PXs to choose between becoming full PCR members or being serviced by one of the full PCR members.
- Coordination with NWE and PCR members is inevitable for the PXs and the TSOs involved in CEE for further implementation
- Additional requirements of CEE TSOs to PCR algorithm need to be clarified and discussed, which can prolong implementation
- First discussions concerning the structuring of a pre-post coupling process involving TSOs and PXs
- Waiting for TSOs resolution on bidding zones/loop flows issues
- Next steps – signature of MoU and start work on the design and Framework Project Agreement.