ACER director
Mr. Alberto Pototschnig

and
representatives of NRAs

NEM◯
COMMITTEE

1ˢᵗ August 2019

SUBJECT: SUBMISSION OF NEMO METHODOLOGIES PROPOSALS

Dear ACER Director, NRAs representatives,

I am writing to you on behalf of all NEMOs in execution of ACER Decisions 08/2018 and 01/2019 in accordance to Articles 37 and 55 of CACM (Commission Regulation (EU) 2015/1222).

All NEMOs, in cooperation with all TSOs, launched on 3rd June 2019 a public consultation on Algorithm Methodology review, including algorithm change control and algorithm monitoring, plus SIDC requirements annex amendment for supporting ID auctions, plus SIDC product methodology. This consultation closed on 2nd July 2019.
After the finalisation of the consultation, the comments received were evaluated and the final versions of the mentioned proposals were prepared and approved by all NEMOs and all TSOs. Hereby, the NEMO Committee is submitting these proposals to ACER and all NRAs for revision and approval, on behalf of all NEMOs, and in parallel each NEMO may submit the abovementioned proposals to the corresponding NRA(s).

This submission comprises the following documents: The Algorithm Methodology (AM), the common set of requirements for the continuous trading matching and the intraday auction algorithms (annex 2), the Algorithm Monitoring Methodologies (AMM) for SDAC and SIDC respectively (annexes 3 and 4), the proposal for products that can be taken into account by NEMOs in the intraday coupling process and the evaluation of responses to the public consultation.

Please, don't hesitate to come back to us should you need any clarification or additional information. The proposals submitted are crucial for the successful development of the MCO function and therefore we are interested to cooperate with ACER and NRAs in order to find the best way forward

Yours sincerely,

Cosimo Campidoglio
NEMO Committee Chairman¨

On behalf of all designated NEMOs: CROPEX, EPEX SPOT, EXAA, GME, HENEX, HUPX, IBEX, NASDAQ, EMCO, OKTE, OMIE, OPCOM, OTE, SEMOpx, BSP and TGE.

Appendixes: Appendix A. Changes introduced in the proposals after the public consultation
                Appendix B. List of documents submitted

Appendix A. Changes introduced in the proposals after the public consultation

The changes introduced in the proposals after the public consultation can be classified in three main categories:

1. **Changes in response to the feedback obtained in the public consultation**
   In AM Article 5(20), the interruption of cross-zonal allocation in continuous SIDC in advance of the auction GCT has been increased, in order to address the needs of TSOs belonging to the CORE region.
   AM Articles 6(4) and 6(5) have been added in order to clarify the steps to be followed in case intraday cross-zonal capacity is not provided for IDAs and the case in which an IDA is not able to allocate the intraday cross-zonal capacity.
   AM article 6(6) and the Annex 2 to the Algorithm Methodology, article 6(1)(a)(i) have been modified in order to allow for an earlier implementation of the MTU requirement in IDAs.

2. **Clarifications on concepts**
   AM article 2(2)(l) improved definition of First "OK" solution.
   AM article 12 (8) has been amended in order to detail who shall be affected by the corrective measures listed under article 12(5)(c).

3. **Slight rewording of paragraphs**
   AM article 13 aligns the terminology used. "Evaluation" term has been replaced by "assessment" term.
   AM articles 13, 17, 18, 19 and 20 contain several minor wording amendments as well as fixing.
   AM article 19 fixes some wrong references and article 20 adds the resources constraints as a reason for not accepting one request for change.

Appendix B. List of documents submitted

- Evaluation of responses to the public consultation abovementioned, provided as "Answers_to_Feedback_on_Public_Consultation_AMs.pdf" document

- Algorithm Methodology, hereinafter referred as AM:
  - Clean version "AM_document_clean.pdf"
  - Version showing changes "AM_document_with_comments.pdf"

- Algorithm monitoring methodologies for SDAC and SIDC, respectively corresponding to the annexes 3 and 4 of the Algorithm Methodology:
  - Clean version "AMM_SDAC_document.pdf"
  - Clean version "AMM_SIDC_document.pdf"

- Annex 2 to the Algorithm Methodology, containing the Common set of requirements for the continuous trading matching and the intraday auction algorithms:
  - Clean version: "SIDC_requirements_clean.pdf"
  - Version showing changes "SIDC_requirements_with_comments.pdf"

- Proposal for products that can be taken into account by NEMOs in intraday coupling process:
  - Clean version: "Products Proposal_ID_clean.pdf"
  - Version showing changes: "Products Proposal_ID_with_comments.pdf"

The documents that are new are provided in a clean version only. When documents have been amended from a previous existing version approved by ACER, two versions are provided: one clean version and one "commented" version.