2nd European Stakeholder Committee

XBID Project Update

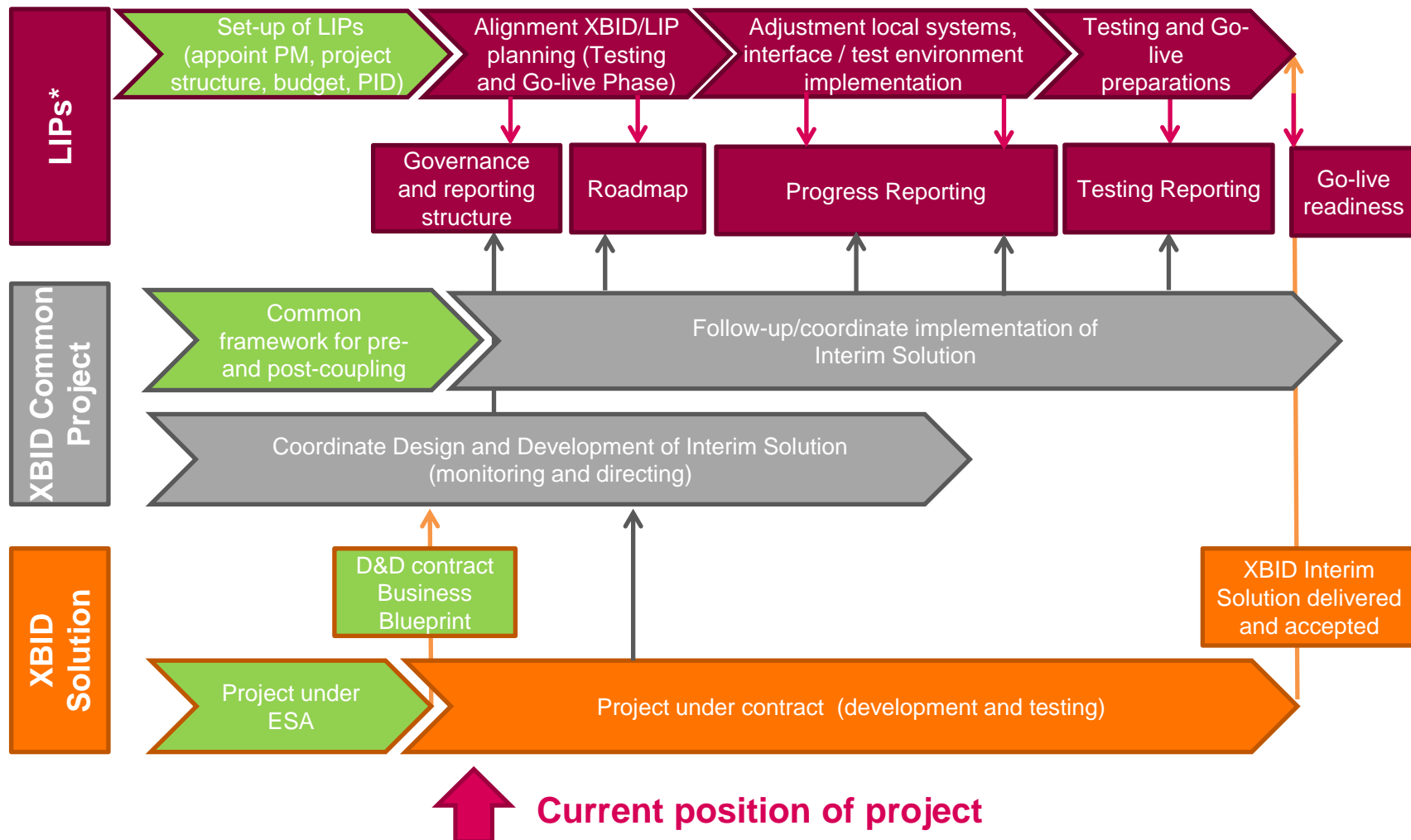ENTSO-E, Brussels

03.12.2015

On behalf of
entsoe
Reliable Sustainable Connected

Supported by
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1. **Project Approach**
2. **Project Progress**
   - **Achievements**
   - **Challenges**
3. **Project Timeline**
4. **Quick Wins and Local Implementation Projects**
5. **Summary**

1. Project Approach

Delivery of XBID involves 3 areas of distinct focus

LIPs*

| Set-up of LIPs (appoint PM, project structure, budget, PID) | Alignment XBID/LIP planning (Testing and Go-live Phase) | Adjustment local systems, interface / test environment implementation | Testing and Go-live preparations |

| Governance and reporting structure | Roadmap | Progress Reporting | Testing Reporting | Go-live readiness |

XBID Common Project

| Common framework for pre- and post-coupling | Follow-up/coordinate implementation of Interim Solution |

| Coordinate Design and Development of Interim Solution (monitoring and directing) |

XBID Solution

D&D contract Business Blueprint

XBID Interim Solution delivered and accepted

| Project under ESA | Project under contract (development and testing) |

Current position of project

*Existing LIPs under APCA

= Completed

2. Project Progress
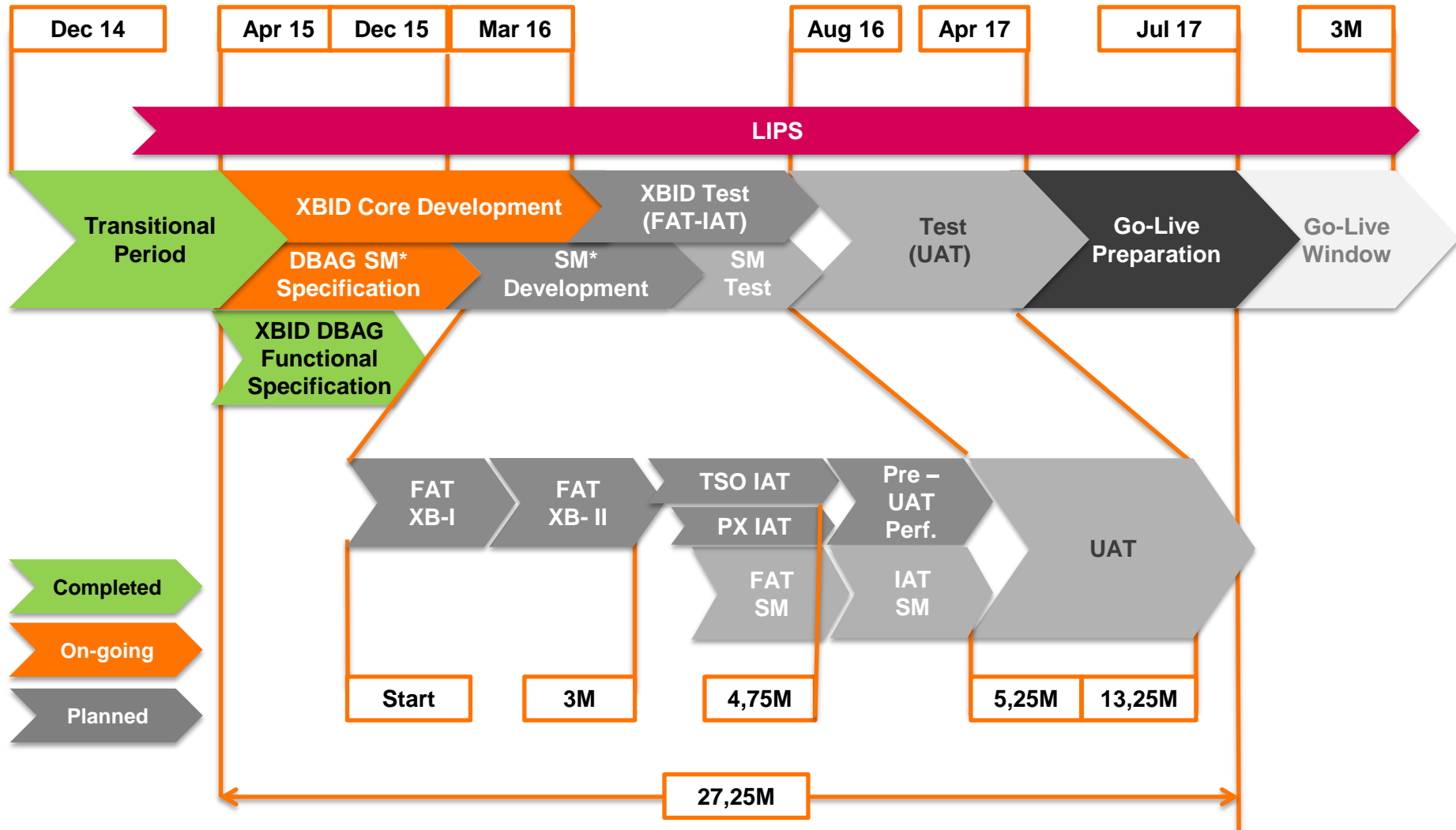
- Key achievements:
  - **SOB and CMM Development is underway** and due to be completed by end February 2016 ✓
  - The review of the **Functional Specifications for the Shipping Module** is underway with completion due by mid-December ✓
  - Progress continues to be made in the negotiations for the **Hosting and Maintenance contracts** ✓
    - Mitigation has been successfully agreed for the provision of 3rd party support from early December 2015 for the PXs developing their Local Trading Solutions (key milestone on critical path)
  - The hardware for the **Customer Test Environments** has been ordered by DBAG
  - A formal submission has been made to the EC on the proposed creation of an **Accession Stream for non-NWE+ parties** to XBID. This has been reviewed by the EC for CACM and Competition Law compliance. **Formal confirmation and support** for the proposal has been received from the EC (16th November). ✓ ✓
    - The Co-Chairs of the XBID Steering Committee have written to those non-NWE+ parties who have formally requested to join the XBID project providing an overview of the steps that have been taken including the submission to the EC
    - A submission has been made to the NRAs for cost comfort for the first Elaboration Phase of the Accession Stream
  - **Project financial control, review and audits** have been put in place for the affected PXs (APX, EPEX & NPS) in line with the ACER statement of principles ✓
  - Steps continue to be taken to achieve a more **collaborative approach** between DBAG and the Project Parties have been taken. ✓

Project Progress

- Challenges:
  - Securing the conclusion of the Hosting and Maintenance negotiations without impacting the project timeline
  - Resolution of significant issues involving:
    - The XSD's (XML [Extensible Mark-up Language] Schema Definition) which are key for the PXs to develop the interfaces between their LTS and XBID
    - Change control for the PMI (Public Message Interface) to ensure the XBID system is not affected by changes proposed in the future by DBAG
  - Ensuring that the Shipping Module performance boundaries are agreed with DBAG
  - Balancing the needs for TSOs to receive confirmed nominations within 5 minutes of Gate Closure Time (GCT) against processing queues that may have built up prior to GCT
  - MPLS (Communication Channel providing secure communication between XBID and PXs/TSOs).
    - Connections to DBAG is one of the key elements of the hosting negotiations, which combines several technology suppliers (COLT and Orange).
  - DBAG have highlighted a risk relating to the exposure of XBID CMM towards the open public Internet by external parties securing explicit capacity. They have also highlighted the risk that internet access to the solution can be impacted by external events.
  - Balancing the resourcing requirements for the Accession Stream against delivery of XBID as well as the strategic planning for future requirements.
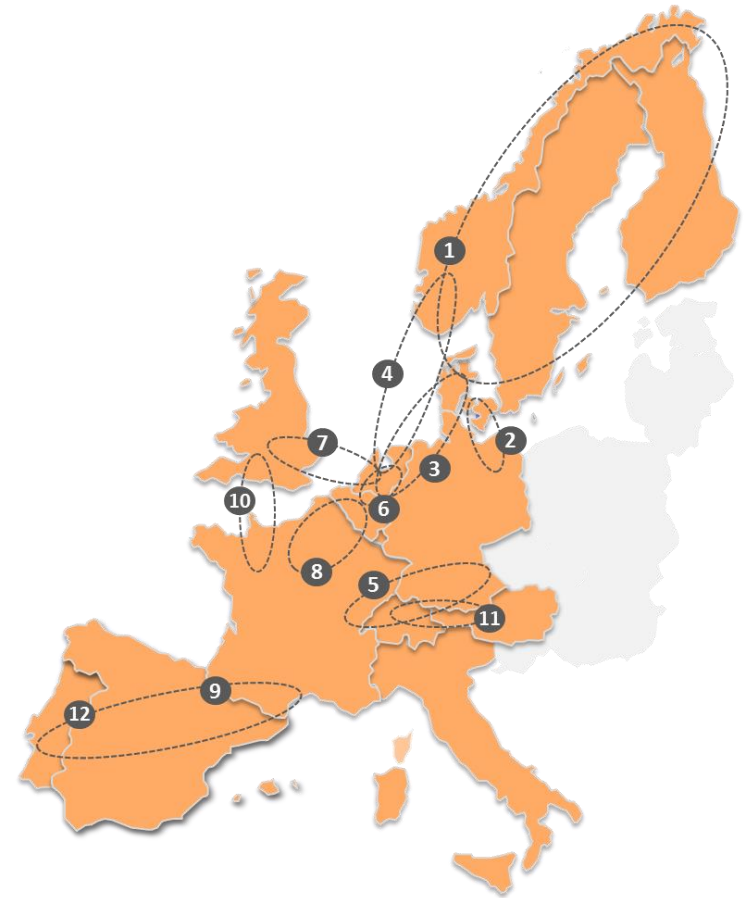
4. Project Plan – High Level Delivery Plan until Go-Live

| Dec 14 | Apr 15 | Dec 15 | Mar 16 | Aug 16 | Apr 17 | Jul 17 | 3M |

LIPS

Transitional Period

XBID Core Development

XBID Test (FAT-IAT)

Test (UAT)

Go-Live Preparation

Go-Live Window

DBAG SM* Specification

SM* Development

SM Test

XBID DBAG Functional Specification

FAT XB-I | **FAT XB- II** | **TSO IAT** | **Pre – UAT Perf.** | **UAT**

PX IAT

FAT SM | **IAT SM**

Completed

On-going

Planned

| Start | 3M | 4,75M | 5,25M | 13,25M |

27,25M

*SM – Shipping Module

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5. Quick Wins and Local Implementation Projects (LIPs)

- The Quick Wins for the Belgian borders are being progressed:
  - All specifications of the intermediate solutions for the BE-NL and BE-FR borders have been finalised with the service provider
  - The developments for the intermediate solutions have been ordered from the service provider
  - Planning of the different steps :
    - Explicit First-Come-First-Served Allocation on FR-BE border: early 2016
    - Implicit allocation on FR-BE and NL-BE borders: end of Q3/2016
- Consultation by NRAs will be organised by the end of the year

- A LIP Sub Group has been established within the project and structured progress reporting introduced
- The LIPs continue to make progress in establishing individual project governance arrangements, structure (e.g. appointment of Project Managers), budget, planning and impact assessments.

5. Overall impact assessment per LIP

	LIP	Participants	Impact analysis		
			Technical changes	Operational changes	Contractual changes and regulatory
1	Nordic	Fingrid, EnDK, SvK, Statnett, NPS	MAJOR	MEDIUM	MINOR
2	DK2/DE (Kontek)	EnDK, 50Hz, NPS, EPEX	MEDIUM	MINOR	MINOR
3	DK1/DE, DE/NL	EnDK, TenneT NL& DE, Amprion, EPEX, APX/Belpex, NPS	MEDIUM	MEDIUM	MEDIUM
4	NorNed	Statnett, TenneT NL, APX/Belpex, NPS	MAJOR	MEDIUM	MEDIUM
5	FR/DE, CH/ DE, CH/FR, DE/AT	Amprion, TransnetBW, APG, RTE, Swissgrid, EPEX, NPS, Tennet DE	MEDIUM	MINOR	MEDIUM
6	NL/BE	Elia, TenneT NL, APX/Belpex	MEDIUM	MINOR	MEDIUM
7	BritNed	BDL, NG, TenneT NL, APX	MAJOR	MAJOR	MEDIUM
8	FR/BE	RTE, Elia, APX/Belpex, EPEX	MEDIUM	MINOR	MINOR
9 12	FR/ES& ES/PT	RTE, EPEX, OMIE, REE, REN	MEDIUM	MEDIUM	MEDIUM
10	IFA	RTE, NG, NPS, EPEX	MEDIUM	MEDIUM	MEDIUM
11	AT/CH	APG, Swissgrid, EPEX	MAJOR	MEDIUM	MAJOR

5. Evaluation of LIP feedback - Impact Analysis

- All LIPs expect changes
  - **Technical changes**: all LIPs expect major or medium technical changes to diverse TSO and PXs systems:

Expected technical impact	LIP 1	LIP 2	LIP 3	LIP 4	LIP 5	LIP 6	LIP 7	LIP 8	LIP 9&12	LIP 10	LIP 11
- system interfaces with CMM	Medium	Minor	Medium	Medium	Minor	Medium	Major	Medium	Medium	Medium	Major
- system interfaces with SOB	Major	Major	Medium	Medium	Minor	Minor	Minor	Minor	Major	No changes	Major
- system interfaces with SM	Medium	Medium	Medium	Major	Medium	Major	Major	Unknown	Medium	Unknown	Major
- local systems	Major	Minor	Medium	Medium	Medium	Medium	Major	Medium	Major	Major	Major

  - **Operational changes**: Except for LIP 7 (major) all LIPs expect medium to minor changes.
    - Whereas most of the LIPs have identified the IT systems requiring technical changes, approx. 50% of the LIPs still need to analyse what operational changes will be required (LIP 3, 4, 5, 6, 11)
  - **Contractual changes**: Except for LIP 11 (major) all LIPs expect medium to minor changes
  - **Regulatory approval** required in all of the LIPs (except for LIP 5 where this is still unknown). For the regulatory approval process an average lead time of 6-9 month is expected.

6. Summary

- Progress continues to be made in the negotiation of the Hosting and Maintenance Contracts although the process is proving to be very lengthy. This remains a significant challenge and a risk to the project should the negotiation timeline become extended.

- The project continues to both resolve and manage a number of challenges. At present key ones include future change control over the PMI and the boundaries of the Shipping Module performance.

- A submission has been made to the EC with a proposal to create an Accession Stream for non-NWE+ parties. This has been reviewed for CACM and Competition Law compliance and formal support for the proposal has been received from the EC.

  – A meeting with the non-NWE+ parties will be arranged to discuss the arrangements for the creation of the Accession Stream

- There is a continuing focus on LIPs. A project Sub group has been created and regular reporting introduced.