

15 April 2024:

Communication note

The Single Day-Ahead Market Coupling (SDAC) decoupling training session with market participants was successfully completed on 20 March 2024.

To give market participants the opportunity to confirm that they are properly prepared to handle a day-ahead market decoupling incident in real operations and real-life conditions, regular training sessions involving all operationally active parties are conducted.

Since the go-live of SDAC in 2014, more than 3,600 successful market coupling sessions have been conducted.

Attendance of this session was high, with market parties from 76 different companies being present. The coordination between Transmission System Operators (TSOs), the Joint Allocation Office (JAO), and Nominated Electricity Market Operators (NEMOs) went smoothly and the Shadow Auction process was executed on time, proving the effectiveness of back-up mechanisms. In the upcoming weeks, SDAC parties are going to evaluate the outcome of the training as well as start the preparation for the next session. As always, this will be done taking into account all lessons learned stemming from the most recent and previous sessions.

In the last 10 years, only five incidents have happened that led to a partial decoupling of the SDAC Market. As part of the SDAC evaluation of these incidents, recommendations have been made to perform training sessions involving all operational parties (TSOs, NEMOs, Central Clearing Parties, Shadow Auction entities, etc.), and including Market Participants as well.

About SDAC

SDAC allocates scarce cross-border transmission capacity in the most efficient way by coupling wholesale electricity markets from different regions through a common algorithm, simultaneously taking into account cross-border transmission constraints, thereby maximising social welfare.

The aim of SDAC is to create a single pan European cross zonal day-ahead electricity market. An integrated dayahead market increases the overall efficiency of trading by promoting effective competition, increasing liquidity and enabling a more efficient utilisation of generation resources across Europe.

For additional information on SDAC go to: <u>http://www.nemo-committee.eu/sdac</u> https://www.entsoe.eu/network_codes/cacm/implementation/sdac/

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