

## DAC\_FAL\_01: Incident Management

### Remarks

As a general principle, this fallback procedure determines the operation of the Incident Committee (IC), which determines the fallback solution to be applied, i.e. Full Decoupling (DAC\_FAL\_02).

The IC invitation is always sent by the NEMO to the TSOs and the MC Service Provider.

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## **1. Introduction**

As soon as an incident occurs that prevents the timely allocation of the CZCs via the implicit allocation process and/or the timely publication of the Market Coupling Results, an Incident Committee (IC) is convened by the NEMO. Relevant participants to the IC identify the issue, assess and agree on potential fallback solutions, these being Full Decoupling (DAC\_FAL\_02).

### **1.1. Purpose**

This document shall provide clear and unambiguous guidelines to the IC participants for an efficient functioning IC through a clear explanation of the IC participants' roles and responsibilities and the sequence of actions during the IC.

This procedure deals also with the principle that the first action in case of issue is the bilateral treatment of it, between the NEMO and the relevant TSO.

### **1.2. Governed / Regulated by**

- Day-Ahead Coupling Operations Agreement (DACOA)
- NEMO - MC Service Provider Procedure
- Local Procedure

### **1.3. Tools and Communication Protocols**

- TSOs IT Systems
- NEMO Local Trading Systems

### **1.4. Associated Procedures and Documents**

Backup procedures:

- DAC\_BUP\_01: Cross-Zonal Capacities and Allocation Constraints Submission
- DAC\_BUP\_02: Final MC Results

Following fallback procedures:

- DAC\_FAL\_02: Full Decoupling

Other associated procedures and documents:

- DAC\_NOR\_01: Cross-Zonal Capacities and Allocation Constraints Submission
- DAC\_NOR\_02: Final MC Results
- DAC\_NOR\_03: Market Coupling Results and Scheduled Exchanges Transfer
- DAC\_NOR\_04: Trading Confirmation and Scheduled Exchanges Notification
- DAC\_OTH\_02: Internal and External Communications
- DAC\_SPE\_01: Impact of Second Auctions

### **1.5. Incident investigation: bilateral communication NEMO - TSO**

As soon as a severe issue occurs during the Market Coupling process, the concerned party (either NEMO or a TSO) informs the other involved party through a bilateral call about the following:

- the type of issue;
- the possible backup solutions;
- when possible, provide an estimated time needed to solve the issue.

At the Target Time of the corresponding backup procedure, if the issue is still not solved, the NEMO informs the MC Service Provider about the issue according to relevant procedures.

## 2. Incident Committee

The Incident Committee is organized by the NEMO by sending the Incident Committee invitation (internal message *ALPEX\_InC\_01*) to the TSOs and the MC Service Provider if relevant.

When the NEMO initiates the Incident Committee then send the internal message *ALPEX\_InC\_01*, in case a critical issue jeopardizes the publication of the Market Coupling Results or if there is an issue that cannot be solved until the Latest Time to Start an IC. The NEMO will be in charge of initiating and chairing the Incident Committee. Also, the NEMO is responsible for writing the Incident Report and distributing it to the IC Participants. The IC conference call is recorded by all participants in the IC and this record shall only be used for audit purposes or in connection with the recorded discussions

A TSO can request the triggering of an Incident Committee by contacting the NEMO by phone followed by email, who will trigger the IC.

The latest moment in time when an Incident Committee has to be triggered is named Latest Time to Start an IC and it depends on the (risk of) decoupling case.

### 2.1. Incident Committee Timeline

Referring to Full Decoupling cases (as defined in the procedure DAC\_FAL\_02), the NEMO will follow a series of deadlines, in terms of:

**a) Latest Time to Start an IC**

This is the latest moment in time when an Incident Committee has to be triggered.

**b) Deadline for informing about the risk of full decoupling**

This is the latest moment in time when the external message informing about the risk of full decoupling needs to be sent, according to procedure DAC\_OTH\_02.

This communication is very important because SEE CAO needs it in order to activate the Shadow Auction processes.

**c) Deadline for declaring the full decoupling**

This is the latest moment in time when the Incident Committee declares the full decoupling and an external message officially informs the Market Participants, relevant TSO(s) and SEE CAO about the full decoupling.

The following table shows the timeline that has to be followed for the **Full Decoupling cases**:

| Full Decoupling cases               | Start of IC<br>-<br>Message to be sent by NEMO | Latest Time to Start an IC<br>(TSOs welcomed to join the IC) | Deadline for informing of risk of Full Decoupling<br>-<br>Message to be sent by NEMO to TSOs | Deadline for declaring the Full Decoupling<br>-<br>Message to be sent by NEMO to TSOs |
|-------------------------------------|--|--|--|---|
| Day-Ahead Auction results cannot be | 13:00<br>-                                     | 13:15  | 13:50<br>-   | 14:20<br>-  |

|   |                            |       |                             |                             |
|---|----------------------------|-------|-----------------------------|-----------------------------|
| determined timely, or Preliminary Market Coupling Results are not confirmed by ALPEX and/or TSO (FD Case 1) | ALPEX_InC_01               |       | ALPEX_Exc_03b               | ALPEX_Exc_04b               |
| Late submission of Cross-Zonal Capacities Session (FD Case 2)   | 11:00<br>-<br>ALPEX_InC_01 | 11:00 | 11:15<br>-<br>ALPEX_Exc_03b | 11:30<br>-<br>ALPEX_Exc_04b |
| Full Decoupling known in advance (FD Case 3)  | 09:30<br>-<br>ALPEX_InC_01 | 09:40 | 09:40<br>-<br>ALPEX_Exc_03b | 10:00<br>-<br>ALPEX_Exc_05b |

## 2.2. Incident Committee Participants

If an Incident Committee needs to be started, the NEMO invites the TSOs and the MC Serviced Provider, depending on the relevant incident case.

The following table describes the roles and responsibilities of the parties that are entitled to join the Incident Committee.

|  | IC PARTICIPANTS   |
|--|---|
| <b>Participants</b>  | a) NEMO<br>b) MC Service Provider<br>c) TSOs  |
| <b>Means used to communicate the organization of an IC</b> | - Email<br>- join the conference call line  |
| <b>Rights</b>  | - Take part in the operational analysis in order to assess and apply the potential solution or to declare Full Decoupling<br>- Participants have 5 minutes to join the call. Deemed acceptance will apply if they fail to do so |

SEE CAO will be notified by NEMO regarding risk of decoupling.

NB: See for a detailed description of participants rights, the Rules of Internal Order, which are provided in Section 3.

## 3. Procedure

Depending on the reason for declaring a Full Decoupling, there are 3 cases, each of them with its specific deadline:

### Full Decoupling (DAC\_FAL\_02)

- Case FD1 - Day-Ahead Auction results cannot be determined timely, or Preliminary Market Coupling Results are not confirmed by NEMO and/or TSOs → 14:20 deadline.
- Case FD2 - Late submission of Cross-Zonal Capacities → 11:30 deadline.
- Case FD3- Full Decoupling known in Advance → 10:00 deadline.

The NEMO is responsible for organizing and chairing the IC.

A TSO requests the initiation of the IC through the NEMO, by phone.

### 3.1. General overview

The following table describes the different steps that should be followed when initiating and conducting an Incident Committee.

Table Incident Committee steps

| Step | Incident Committee step description   |
|------|---|
| 1    | NEMO initiates the Incident Committee and sends the internal message <a href="#">ALPEX_InC_01</a> by email to the relevant parties. |

|   |  |
|---|--|
| 2 | IC Participants join the Incident Committee conference call.   |
| 3 | Start of the Incident Committee and good behaviour rules.  |
| 4 | Quick technical analysis of the issue.   |
| 5 | Identification and agreement on the solution to apply.   |
| 6 | Implementation of the agreed solution following the procedures (including decoupling decision, if needed). |
| 7 | NEMO declares the end of the Incident Committee  |

The table below lists all the required steps and associated deadlines necessary to hold an IC.

| # | Process  | Deadline  | From  | to                        | Tool & Communication Protocols | Condition to switch to next step (beside deadline reached)  |
|---|--|---|---|---------------------------|--------------------------------|---|
| 1 | NEMO initiates the Incident Committee (IC) by sending pre-defined email to TSOs, MC Service Provider | Case FD1: 13:00<br>Case FD2: 11:00<br>Case FD3: 09:30 | NEMO  | TSOs, MC Service Provider | Phone, email                   | Message has been sent.  |
| 2 | NEMO, TSOs, MC Service Provider join the call  | Immediately   | -   | -                         |                                | All IC Participants have joined the call or 5 minutes have passed   |
| 3 | Start the IC   | Step 1 plus 5 minutes                                 | -   | -                         | Conference call line           | Or earlier when all IC Participants have joined the call  |
| 4 | Quick technical analysis   | -   | NEMO/MC Service Provider depending on issue | IC Participants           | Conference call line           | Issue is identified and potential solutions are clear   |
| 5 | Agreement on the solution to apply   | -   | IC Participants                             | -                         | Conference call line           | All Full IC Participants present in the call agree  |
| 6 | Send Risk of Decoupling message to TSOs and EMs if the issue has not been solved yet.                | Case FD1: 13:50<br>Case FD2: 11:15<br>Case FD3: 09:45 | NEMO  | TSOs and Exchange Members | email                          | Message has been sent.  |
| 7 | Apply agreed solution  | -   | IC Participants                             | Relevant parties          | email                          | Agreed solution is applied leading to –<br><ul style="list-style-type: none"> <li>• <b>issue is solved</b></li> <li>• <b>FD is declared.</b></li> </ul> |
| 8 | End the IC   | -   | -   | -                         |                                | Previous step completed.  |

As a result of the IC there can be two possible outcomes, listed below:

- Issue is solved

- Full Decoupling (DAC\_FAL\_02).

**Generic Communication Actions:** See procedure DAC\_OTH\_02.

### **3.2. Process clarification**

#### **Step 1: NEMO initiates the Incident Committee by sending the IC invitation to the TSOs, MC Service Provider**

NEMO sends a predefined message **ALPEX\_InC\_01** from a predefined email address to a predefined mailing list, informing all IC Participants that:

- an IC is triggered,
- all IC Participants are asked to connect urgently to the IC conference call number.

As long as the issue is purely NEMO related and the Latest Time to Start an IC has not been reached, TSOs do not have to be invited to the Incident Committee.

#### **Step 2: NEMO starts the Incident Committee conference call and TSOs, MC Service Provider join the call**

The NEMO opens the IC conference call line to allow TSOs, MC Service Provider to connect to the conference call. All invited Participants connect through the IC conference call line.

In case a Participant has not connected to the call, the NEMO will try to contact the missing party. They should try at least 2 times to reach the missing party before the IC starts.

#### **Step 3: Starting the Incident Committee**

As soon as all Parties have joined the IC conference call, the NEMO can start the IC. The NEMO announces the start of the IC meeting at the latest 5 minutes after the IC initiation according to the Rules of Internal Order

Five minutes after the initiation of the IC the NEMO starts the Incident Committee. At the start of the IC, the NEMO shall note down the list of participants taking part in the discussion of the Incident Committee. This rule is important in order to keep the discussion as efficient as possible. All the attendees in the call will make their best effort in order to assure the conference call can be held in good conditions (i.e. without external noise).

#### **Good behaviour rules**

Only the Participants who are directly involved in the incident or who can contribute to solving the issue are allowed to speak. In case of there will be Invited Participants they shall not intervene in the discussion. They shall only attend as silent listeners for information purposes. All participants are asked to put the phones on mute when not intervening, in order not to disturb the call. The NEMO tries to advise the parties to respect the behaviour rules.

#### **Step 4: Quick technical analysis**

The NEMO presents as briefly as possible the situation, including:

- The step of the Market Session and the relevant procedure that applies
- The stage at which the DA process is

- The observed incident
- Whether the source of the problem is:
  - o identified; and what the problem is
  - o not identified or not clearly identified; and what possible problems could have caused the incident.
- Backup solutions resorted to, if any, and why they have not been sufficient.
- The parties or subcontractors that are working on the investigation/resolution.

When relevant, the NEMO may ask any of the IC participants to share any of the points above.

The NEMO then reminds:

- what time it is
- Full Decoupling Deadline.

### **Step 5: Agreement on the solution to apply**

There is a discussion phase initiated by the NEMO during the IC conference call in order to collect information needed to determine the feasible fallback solutions and dependencies.

The NEMO makes sure that within the discussion, the IC participants provide the following information clearly:

- whether they require Full Decoupling or not
- in case of a technical problem in the TSO Systems, how long the TSO(s) need to solve it and which bidding zones are concerned.
- in case of a technical problem in the NEMO IT Systems or the MC Service Provider System, how long the NEMO needs to solve it.

In view of information given during the discussion, the NEMO presents the feasible solution(s) and the time constraints associated. The possible technical measures, if any, are presented together with:

- their likelihood of solving the problem (if it is relatively high)
- an indication of the timeframe in which it could be applied and whether this enables publication of confirmed Market Coupling Results before the relevant deadline or not.

### **Step 6: Sending the Risk of Decoupling message from NEMO to TSOs, SEE CAO and EMs**

The NEMO will forward this message to respective TSOs and Exchange Members.

### **Step 7: Applying the agreed solution.**

The NEMO, the TSOs, the MC Service provider or other relevant Shared System IT Managers will apply the agreed solution. As soon as an IC has been initiated, the IC participants will remain connected through the IC conference call line in order to quickly interact in case of inapplicability of the solution or a new incident.



In case the application of the agreed solution is not successful, the IC shall assess if another solution can be found and applied within the limited remaining timeframe before the Full Decoupling Deadline. If feasible the IC shall restart process Step 4.

### **Step 8: End the IC**

The IC is ended as soon as the coordination between parties is no longer needed.

### **Rules of Internal Order**

These Rules of Internal Order set forth the decision-making process rules of the Incident Committee.

### **General description of tasks**

The Incident Committee is responsible for performing the tasks described in this procedure with the explicit intent to avoid as far as possible Full Decoupling. The Incident Committee is entitled to take all measures necessary, including declaring the Full Decoupling.

### **Incident Committee Composition**

The Incident Committee is chaired by the NEMO.

All Participants are invited to attend the Incident Committee, Full Participants.

As a general principle, the NEMO has to send the invitation to the Incident Committee to TSOs and Service Provider.

### ***Full Rights participants***

The Full Rights Participants are:

- (a) the NEMO;
- (b) the MC Service Provider
- (c) TSO(s);

In order to be invited in the Incident Committee, the Participants shall be reachable by at least one of the following means: email or phone call.

The presence of all Participants is required to start an Incident Committee. If a participant is missing within 5 minutes after the invitation was sent, the NEMO will try to contact them by phone on a best effort basis. If the missing participant cannot be reached, the Incident Committee will start anyway. If one or both TSOs directly involved in the issue are missing within 5 minutes after the invitation was sent, the NEMO will try to contact them on a best effort basis. If the missing participant cannot be reached, the Incident Committee will start anyway.

The Full Rights Participants perform the operational analysis to assess and agree on the solution for the incident, including the declaration of Full Decoupling if all other solutions fail.

### **Incident Committee triggering**

A TSO requests the initiation of the IC through the NEMO by phone or email.

### **Meeting modalities**

The Incident Committee is held through a conference call.

Participants connecting to the conference call give in an audible manner their own name, the name of the company he/she is working for and, if applicable, the system he/she is representing.

For the purpose of an Incident Committee, the Participants put at disposal a dedicated landline or mobile number where they can be reached. The NEMO holds the list of the TSOs and system providers contact phone numbers.

All parties joining the IC, join by a dedicated phone number that is recorded and record the Incident Committee conference call. This recording shall only be used as evidence for audit purposes or in case of dispute in connection with the recorded discussions.

#### **4. Incident Investigation and Reporting**

##### **4.1. Incident Committee Minutes**

As soon as the IC is over, the NEMO summarizes in a short email the decisions made and actions taken during the IC. The NEMO distributes this email to the IC Participants. This summary is for information purposes only and cannot be used as evidence in case of audit and/or dispute.

This email contains:

- a) the IC start time;
- b) the IC end time;
- c) the decisions made and
- d) the actions taken.

##### **4.2. Incident Committee Report**

At the end of the Market session where an Incident Committee was triggered, the NEMO must fill in the Incident Report template.

The NEMO sends the Incident Committee Report to the TSOs and the MC Service Provider and fill in the necessary details. If a TSO was involved in this incident, this TSO will also be required to fill in the report on request of the NEMO.

The NEMO compiles these analyses into a final Incident Committee Report and distributes it to the TSOs and the MC Service Provider for information and lessons learned purpose. The process of filling in the report is preferably completed on the day of the incident.

The template of the final Incident Committee Report can be found below.

| <b>INCIDENT COMMITTEE REPORT</b> |  |
|----------------------------------|--|
| <b>Written by</b>                |  |
| <b>Conf. Call Number</b>         |  |

|                           |                            |  |
|---------------------------|----------------------------|--|
| <b>IC Date &amp; Time</b> | <b>Date</b>                |  |
|                           | <b>Start time</b>          |  |
|                           | <b>End time</b>            |  |
| <b>List of Attendees</b>  | <b>NEMO</b>                |  |
|                           | <b>MC Service Provider</b> |  |
|                           | <b>TSOs</b>                |  |
|                           | <b>Other parties</b>       |  |

**INCIDENT DESCRIPTION**

**PROPOSED SOLUTION & DISCUSSIONS**

**DECISION**

**OTHER ISSUES**

|                             |  |
|-----------------------------|--|
| <b>REPORT APPROVAL DATE</b> |  |
|-----------------------------|--|