

Procedure for decoupling

Decoupling

In case of a technical problem in market coupling process, no market results can be provided till the critical deadline, Fallback solutions shall be applied.

Decoupling in 4M MC could be announced in two cases:

- 1) when it is not possible to allocate the available transmission capacity via the normal daily implicit allocation, i.e.: a critical deadline in the time schedule is reached and no solution is found before the critical deadline to publish the market results. This type of decoupling is called “Full Decoupling”.

Critical deadline for announcing (full) decoupling is 12:35 CET/CEST.

- 2) when it is not possible to fix severe problems in TSO Management Function system and/or ATC calculation/provision process. In this case decoupling is announced early, i.e. before PXs order book gate closure. This special type of decoupling is called “Early Decoupling”. The default timing of “Early Decoupling” aims at keeping the normal PXs order book gate closure time unchanged (11:00 CET/CEST).

Critical deadline for announcing early decoupling is 10:30 CET/CEST

In case of decoupling the capacities are allocated via explicit capacity auction (shadow auction) after the decoupling is announced. ČEPS and MAVIR are shadow auction organizers in 4M MC. ČEPS organises for CZ – SK border in the DAMAS ENERGY system while MAVIR organises for SK – HU & HU – RO borders in the MAVIR KAPAR system.

Operational timeframe of full decoupling

Fallback procedure – Full decoupling

- I. Delay in Market Coupling Results publication: **11:40**

Market participants will be informed about the technical issue and the delay in publication

Information will be distributed via e-mail, in a message of the trading system and will be published at HUPX website (www.hupx.hu/en)

- II. Risk of Decoupling and Shadow Auction: **12:05**

Market participants will be informed about the unsolved technical issue and will be asked to prepare for the decoupling

Shadow auctions are the fallback measure in place to handle a situation where the capacity of interconnectors cannot be allocated in the normal Market Coupling process.

Market participants have the possibility to place default bids and provide (updates of) bids through dedicated platforms to obtain capacity until 12:30.

The results of this auction are published at the moment that the partial decoupling is declared (normally at 12:40) and represents the allocated capacity. Once this phase is terminated, the market participants can adjust their power bids in the different markets between 12:50 and 13:00 to take into account the results of this shadow auction.

Once the market coupling process has run, participants can nominate the capacity allocated through shadow auctions.

These nominations done towards TSOs are then matched among the TSOs border by border.

III. Decision about decoupling: **12:35** (as the latest point of time)

12:40: HUPX informs trading members about decoupling decision and further actions and timings

At **12:45** latest the TSO has made available Shadow Auction results and PXs have reopened their order books. Market participants can now update their bids at PXs taking into account the Shadow Auction results

At **13:05** PXs close their order books. In case there is a delay in Shadow Auction results publication, PXs order book closure should be postponed accordingly in order to let minimum 20 minutes between Shadow Auction results publication and PXs order book closure.

At **13:15** latest HUPX publishes results. In case of price threshold exceeded at HUPX a Second Auction will be performed immediately (reopening of order book for 10 minutes and afterwards final local calculation) to respect that results at HUPX shall be published latest 13h30.

From **13:30** HU nomination process starts.

Around **13:45** or sooner, if they are already available, OTE and/or OKTE publish results (including a possible Second Auction process).

14:30 is the cross-border nomination deadline (CZ, SK, HU) as well as the local hub nomination deadline for HU.

Example Message „Full Decoupling and Shadow Auction”

Full Decoupling and Shadow Auction

Due to technical problems, the CZ-SK-HU-RO Market Coupling cannot be run for delivery date: DD.MM.YYYY

CZ, SK, HU and RO are decoupled. Local calculations will be run separately by HUPX, OKTE, OTE and OPCOM for the four markets.

As a consequence of the CZ-SK-HU-RO decoupling, the CZ-SK-HU-RO order books will be reopen as soon as technically possible (latest 12:45) and finally close at 13:05. For more information please follow the local auction rules of each PX.

ATCs for SK-HU border, CZ-SK border and HU-RO border will be allocated explicitly via Shadow Auction. Please refer to MAVIR (KAPAR system) the website of MAVIR for SK-HU border and HU-RO border and/or ČEPS (DAMAS Platform) for CZSK border to get the results of the Shadow Auction, which are available as soon as possible (latest at 12:45).