SEM-FR SDAC Fallback Explanatory Document & Response to Queries

CORE MaWG

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EirGrid SONI

Contents

1. Context 3

1.1. Nominations in SEM (Future coupled scenario post Celtic Go-live).....**Error! Bookmark not defined.**

1.2. Feed-thru of capacities to IDA/IDCTIDCTs post SDAC failure..... **Error! Bookmark not defined.**

1.3. IDA1 Cancellation in case of SDAC Fallback.....3

1. Context

During the CORE MaWG Meetings of July 2026, EirGrid and SONI presented the proposed option for the Interim SDAC Fallback solution on the SEM-FR border. Several queries which required further examination arose out of this meeting. This document is a formal response to these queries.

It is important to note that this is intended as an INTERIM solution until a solution is developed under CACM2.0 for the entire IEM, or the CORE/CE CCR.

1.1. Rationale

EirGrid are unable to use Shadow Auctions due to lack of a nomination platform.

Cost of development of a nomination platform has NOT been allowed for under Celtic Integration programme by NRAs

Given the likelihood of Shadow Auction replacement in medium term, this would be difficult to justify to NRAs. In addition, timelines for this are unclear, but it's certain to require additional effort and possibly changes to existing IT development ongoing within EirGrid/SONI.

The main points in favour of "IDA1 + IDCT solution":

- Familiarity - Market Participants would be familiar with these markets – No additional burden administratively
- TSO Cost – EirGrid would not be required to procure a nomination platform that would see very limited use, and may be obsolete in only a few years.
- Future proofing – FEG discussions indicate it's likely that an Intraday or Intraday Continuous (IDCT) solution will be the enduring CORE/IEM solution for SDAC Fallback.
- Readiness – Auctions are scheduled to be delivered as part of Celtic programme, and will be active at go-live, and as such, there is less delivery risk than other options.

1.2. Timelines and Testing

Internal EirGrid experts have been queried, and have advised that the option is required for Celtic Technical go-live, rather than Commercial go-live, for testing purposes. Currently, SDAC technical go-live is planned for September 2027.

This further constrains the available time to formulate an alternative to the option proposed here.

1.3. IDA1 Cancellation in case of SDAC Fallback

An issue with use of IDA1 is that the EU IDAs use Euphemia, the same algorithm used in SDAC, so in decoupling situations it is very likely that Euphemia will not be available for IDA1, and thus IDA1 is likely to be cancelled. There are different decoupling cases, but in general this is true.

In theory, if the NEMOs can provide the IDA OBK and IDA CZC for IDA1 in time, then MPs should be able to participate in IDA1. IDA1 is cancelled when no positive Global Final Confirmation (GFC) from DA is generated before the deadline of 14:35 - which will be the case in decoupling situation.

However, we have received information that if the issues at NEMO/TSO side are resolved prior the deadline for IDA1 provisions, they should be able to participate in IDA1.

If the deadline for full decoupling is 13:20 IST, then that still leaves 40 min for MPs to amend their EU IDA1 bids before the gate closure, which should be sufficient – given it is a very unlikely scenario and they

will have forewarning. Effectively in this case SDAC will be cancelled and MPs can include all SDAC bids into EU IDA1. Given EU IDA1 is for the full day, then it will likely give similar results as SDAC would have.

1.4. SEM Reference Price in case of SDAC Fallback

Parallel to developments concerning the SEM Re-integration to EU project, SEM is currently implementing Multi-NEMO arrangements (MNA). As such, an updated MNA TCM, under Articles 45/57 of CACM has been published by the TSOs concerned and approved by NRAs. Arrangements here refer to both full and partial decoupling cases. Provisions here also exist for calculating the SEM Day-Ahead Reference Price, by the TSO, in a case of full decoupling.

Note that a period will exist where MNA Arrangements are active in SEM, but the SEM remains “isolated” with no XB capacity available, prior to Celtic go-live.