

ACER consultation on the NEMOs amended methodology proposal for intraday products



EFET response – 15 November 2019

We thank ACER for the opportunity to provide comments on the NEMOs' amended methodology proposal for products that can be taken into account in the intraday coupling process.

Q1: Do you agree with the choice of intraday products proposed by all NEMOs?

We welcome the introduction of smaller granularity products (15 and 30-minute products). As stated in our response to the concomitant consultation of ACER on the NEMOs amended methodology proposal for the price coupling algorithm and the continuous trading matching algorithm¹, one very important element in order to ensure that the continuous intraday market maintains its current level of liquidity when introducing smaller granularity products is that these products can be matched between themselves. Until all ISPs in Europe are aligned – not before 2025 – cross-border transmission capacity in intraday can only be provided according to the shortest ISP on the two sides of a given border. While we welcome the introduction of smaller granularity products, this means that XBID will have to deal with a variety of product granularity and transmission capacity granularity. ACER should ensure that the NEMOs are ready to provide cross-product matching. If this is not the case, the result will be effectively the split of XBID in a handful of separate markets for each product granularity and corresponding transmission capacity granularity.

In terms of products, XBID already incorporates hourly block orders, without indication from the NEMOs that this increases the complexity of matching orders. We generally welcome the introduction of complex products as detailed in the list provided by the NEMOs.

¹ EFET response to the ACER consultation on the NEMOs amended methodology proposal for the price coupling algorithm and the continuous trading matching algorithm, dated 15 November 2019 and available at: https://efet.org/Files/Documents/Downloads/EFET_ACER%20consult%20algorithm_15112019.pdf.