

Response ID ANON-NQ9N-SF9R-A

Submitted to **Intraday cross-zonal gate opening and gate closure times**

Submitted on **2016-05-18 14:05:25**

Introduction

1 What is your name?

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3 What is your organisation?

Organisation:

European Federation of Energy Traders - EFET

questions and general comments

1 Does the IDCZGOT and IDCZGCT proposal satisfy the needs for harmonization and simplicity?

1. Does the IDCZGOT and IDCZGCT proposal satisfy the needs for harmonization and simplicity?:

We generally welcome the proposal for harmonised gate opening and closure times for cross-border intraday trading.

However, we believe that the GOT of 22:00 proposed in Art. 4 is not ambitious enough: we acknowledge that there is room for flexibility to propose an earlier timing per CCR in Art. 5, but we believe the standard set in Art. 4 should be set earlier in the afternoon of D-1.

Concerning the GCT, the proposal does not foresee a possible deviation from the 60-minute GOT set in Art. 6. We believe that the same flexibility to set a more ambitious timing for the GCT should be granted to TSOs of any CCR as that of Art. 5 for the GOT. Art. 59.3 CACM foresees that the IDCZGOT is "at most one hour before the start of the relevant market time unit", the proposed rules should reflect the flexibility given by the CACM Guideline.

2 How does the IDCZGOT and IDCZGCT proposal affect your internal, market-related processes (if applicable)? Please explain.

2. How does the IDCZGOT and IDCZGCT proposal affect your internal, market-related processes (if applicable)? Please explain.:

In practice, a GOT set at 22:00 means that many market participants (especially smaller ones) will only trade the following morning, with limited time for the first hours of the day.

A fixed GCT at 60 minutes would also prevent trading close to real time, i.e. market participants' ability to self-balance with the most updated forecasts, when uncertainty of renewable production is reduced.

3 Do you agree of the interpretation of the legal reference that set the scope of IDCZGOT and IDCZGCT proposal?

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Art. 59.3 CACM foresees that the IDCZGOT is "at most one hour before the start of the relevant market time unit", the proposed rules should reflect the flexibility given by the CACM Guideline.

4 Do you agree on the proposal for IDCZGOT and IDCZGCT? If not please explain.

4. Do you agree on the proposal for IDCZGOT and IDCZGCT? If not please explain.:

We believe that the GOT of 22:00 proposed in Art. 4 is not ambitious enough: we acknowledge that there is room for flexibility to propose an earlier timing per CCR in Art. 5, but we believe the standard set in Art. 4 should be set earlier in the afternoon of D-1. In practice, a GOT set at 22:00 means that many market participants (especially smaller ones) will only trade the following morning, with limited time for the first hours of the day.

Concerning the GCT, the proposal does not foresee a possible deviation from the 60-minute GOT set in Art. 6. We believe that the same flexibility to set a more ambitious timing for the GCT should be granted to TSOs of any CCR as that of Art. 5 for the GOT. Art. 59.3 CACM foresees that the IDCZGOT is "at most one hour before the start of the relevant market time unit", the proposed rules should reflect the flexibility given by the CACM Guideline. Besides, a fixed GCT at 60 minutes would also prevent trading close to real time, i.e. market participants' ability to self-balance with the most updated forecasts, when uncertainty of renewable production is reduced.

5 Do you agree on the proposed timescale for their implementation?

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Yes

6 Are there any relevant provisions missing from the IDCZGOT and IDCZGCT proposal? If so, please provide a justification for the changes.

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Concerning the GCT, the proposal does not foresee a possible deviation from the 60-minute GOT set in Art. 6. We believe that the same flexibility to set a more ambitious timing for the GCT should be granted to TSOs of any CCR as that of Art. 5 for the GOT, e.g. in an additional article on the model of Art. 5.

7 Do you have any other comments on the proposal and/or consultation process?

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The Explanatory Document mentions the difficulties to have updated capacity calculation: EFET would like to remind TSOs of the need to step up efforts to improve capacity calculation for intraday, not only in terms of timing, but also in terms of frequency.

At bidding zones borders where flow-based market coupling applies in day-ahead, a full recalculation of intraday capacities post day-ahead market clearing is vital to ensure that all capacity is available to the market. The current target date for the implementation of intraday flow-based market coupling (2017/2018) is not ambitious enough.

Also, we take this opportunity to reiterate our reservations regarding the need for and relevance of intraday capacity pricing. The main objective of the CACM Guideline is to ensure non-discriminatory access to cross-zonal capacity while maximising social welfare. The establishment of a liquid continuous intraday market is also one of the key objectives of the CACM Guideline. We see now that all these CACM requirements are conflicting with each other and this incompatibility issue requires some "flexibility" and possible adaptation. Pricing capacity in a continuous intraday trading mechanism is very complex and therefore, complementary intraday auctions would be required. EFET HAS generally been reluctant to see regional auctions implemented mainly due to the major impacts this would have on continuous trading. First it would raise questions regarding how available capacity is allocated between the two mechanisms. Second, it could have an impact on liquidity in the continuous trading even without having to suspend it.