

EFET¹ calls the European Commission to ensure the relevant technical and market design improvements are implemented before the go-live of the XBID platform.

On 23 January 2018 EFET issued a letter to the European Commission outlining the key technical and market design improvements that ought to be implemented before the go-live of the XBID platform.

Each of the points of concern identified and detailed in the letter poses a threat not only to the future of the single intraday market coupling via XBID, but also to the efficiency of intraday markets as we know them, including across borders.

EFET urges the European Commission to use its influence to ensure that the following elements of relevant technical and market design improvements are implemented before the go-live of XBID:

1. The XBID platform is automatically coupled to all LTS participating in the go-live
2. The tick size is set at EUR 0,1/MWh.
3. The depth of the order book is not limited or at the very least significantly improved
4. XBID allows implicit continuous trading of sub-hourly products at the borders where such products are currently available as of the go-live date.
 - *We also request that NEMOs clarify and commit to a timeline for the introduction of sub-hourly products at all other borders.*
5. True portfolio bidding in the intraday timeframe is immediately available in Iberia.
6. Auction Model B is implemented in Iberia as soon as possible, accompanied with clear requirements and a precise timeline to rapidly reduce the number of auctions to one single opening auction.
 - *Should XBID go live in Iberia with the market design proposed by the Iberia regulators, we request that the TSOs maintain explicit access to capacity at the Spain<->France border to avoid discrimination of foreign non-Iberian participants.*
7. Switzerland is included in XBID.
 - *Should this be politically unfeasible, we request that the existing implicit coupling arrangements at the borders between Switzerland and the EU be maintained.*
8. TSOs develop fallback solutions for all the borders participating in the go-live, maintaining explicit auctions as fallback solutions at the borders where they are currently available.

Looking at the previous experience of European projects that went live before all conditions for success were met – day-ahead flow-based market coupling, the joint allocation platform, EMFIP – it becomes clear how difficult it is for us, as a community of market participants and relevant stakeholders, to put a project back on track to deliver the expected benefits to the

¹ The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent, sustainable and liquid wholesale markets, unhindered by national borders or other undue obstacles. We currently represent more than 100 energy trading companies, active in over 28 European countries. For more information, visit our website at www.efet.org.

market, and to European citizens down the line. It is vital that the European Commission, as the main driving force behind XBID, sticks to its initial commitment to market participants that the implementation of XBID would not lead to any step backwards and uses its influence to find solutions guaranteeing that the implementation of XBID truly contributes to the development of European intraday markets across borders.

Full version of the letter is available here: <http://bit.ly/2n3kNFp>

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