

## **Efficient intraday market to facilitate decarbonisation of the EU economy**

The European Federation of Energy Traders (EFET)<sup>1</sup> is pleased to publish our position paper “Towards an efficient intraday market design.”<sup>2</sup>

The growing role of the intraday markets in supporting Europe’s transition to a climate neutral economy cannot be overestimated. These markets enable the integration of the increasing volumes of renewable sources and help to unlock the flexibility offered by innovative technologies and services such as demand response and storage.

With the go-live of XBID (the platform for continuous cross-border intraday trading) and the gradual extension of Single Intraday Coupling, the European intraday markets have become increasingly connected, efficient, and liquid. At the same time, there is a number of specific market design features that should be improved in order to ensure the proper functioning of intraday markets.

Our position paper offers a comprehensive set of recommendations to improve the functionality of intraday markets in Europe.

### **EFET recommendations at a glance**

Improving the functionality of the European intraday (ID) markets can be achieved by way of:

- Removing technical and regulatory barriers to ID liquidity growth.
- Developing cross-border products with a 15-minute granularity and harmonising the imbalance settlement period to 15 minutes across Europe.
- Ensuring the effective harmonisation of cross-zonal intraday gate opening time (ID CZ GOT) and opening of shared order books at 15:00 (CET).
- Setting cross-zonal intraday gate closure time (ID CZ GCT) to 15 min before the start of the relevant market time unit and ideally, even closer to delivery.
- Implementing clear, transparent and harmonised capacity calculation and recalculation methodologies and frequency.
- Ensuring that the technical price limit in ID includes an adjustment mechanism to reflect the value of lost load.
- Ensuring minimum interruption time of the three pan-European auctions required by ACER by postponing their implementation until 15 min products are available.

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<sup>1</sup> The European Federation of Energy Traders (EFET) promotes competition, transparency and open access in the European energy sector. We build trust in power and gas markets across Europe, so that they may underpin a sustainable and secure energy supply and enable the transition to a carbon neutral economy. We currently represent more than 100 energy trading companies, active in over 27 European countries. For more information: [www.efet.org](http://www.efet.org).

<sup>2</sup> EFET position paper “Towards an efficient intraday market design” is available at the following link: <https://bit.ly/3djF2Gv>