



# Market Update Q3 -2021 and Outlook Q4-2021

## Market Update Q3 2021



### SIDC Update

- Successful Go-Live of the Local Implementation Project 14 on 21<sup>st</sup> of September 2021: Integration of following borders and zones into the coupled intraday region:
  - Northern Italian Borders (ITA-FRA, ITA-AUT, ITA-SLO)
  - Internal Italian Bidding Zones
- The Testing period for the integration of Greek borders with Italy and Bulgaria (GRE-ITA, GRE-BUL) is coming up, planned Go-Live is in 2022.
- SIDC is developing new features:
  - Cross-product matching: matching different products, e.g. 15 min with 60 min products.
  - Intraday auctions, complementing existing continuous intraday market.



### EPEX Reaction on CACM iteration

- EPEX warns that next iteration of Capacity Allocation and Congestion Management Regulation (CACM) Guideline might impede market efficiency and EU climate targets.
- EPEX sees potential ban of organized trading outside SIDC and SDAC critical.
- EPEX proposes focusing on developing existing market coupling setup, fostering innovations and enabling competition between exchanges.
- The Exchange Council announced that it agrees with EPEX's reaction.



### EPEX Raised GB market price limit

- As a reaction to market conditions and price spikes in the UK, EPEX has increased the market price limit on the GB Intraday continuous market.
- The limit as of 10<sup>th</sup> September 2021 is 6,000 £, instead of 3,000 £.



### Optimized Timing French Intraday Auction

- As of 30<sup>th</sup> June 2021, French 30-minute Intraday auction was shifted from 14:30 CET to 17:00 CET.
- Publication of results is scheduled at 17:15 CET.
- Shift was conducted after a consultation with market participants.
- It should benefit market participants and market liquidity.



### Suspension of Swiss Cross-Border Trading

- The Intraday Auctions at 11:15 CET and 16:30 CET are no longer coupled with Italy as of 21<sup>st</sup> September 2021. Consequently, cross-border capacity needs to be bought in addition to power.
- Market Participants are expecting inefficiencies, welfare losses and higher prices.
- EPEX sees also climate goals of the EU endangered since Swiss Hydropower resources can not be included in short term optimization of generation.



### NEMOs Publish CACM Annual Report 2020

- All NEMOs together with TSOs have prepared an annual report about the implementation of the Capacity Allocation and Congestion Management Regulation (CACM).
- Overview of SDAC and SIDC in 2020 and outline of future performance of market coupling.
- Contents/Highlights:
  - SDAC:**
    - Traded volume of 1,530 TWh with lower clearing prices compared to 2019
    - R&D towards 15 min MTU, Algorithm updates
  - SIDC:**
    - Traded volume of 82 TWh
    - New borders, product extensions and increased trading volume
    - R&D towards ID auctions, cross-product matching, flow-based allocation



### Successful Launch of Regional Intraday

- On 22<sup>nd</sup> of September, the three Complementary Regional Intraday Auctions (CRIDAs) between Greece, Italy and Slovenia were successfully launched.
- This launch contributes to the goal of a pan-European intraday power market.
- Market Participants might profit from increase in efficiency and liquidity.



## Market Outlook Q4 2021



### Market Coupling: UK and Norway

- Since the Brexit, UK left the EU Energy Market and UK Power Exchanges publish several individual Day-Ahead prices.
- First daily auction took place and in October 2021, North Sea Link Interconnector is becoming operational, coupling the markets of UK and Norway.
- Coordinated access to the interconnector for all power exchanges would result in returning to one single Day-Ahead Price for UK.



### Live Webinar CACM Annual Report 2020

- On 14<sup>th</sup> of October 2021 the All NEMO Committee hosts the "CACM Annual Report 2020 Webinar", in cooperation with ENTSO-E.
- On the Agenda are key insights of the Annual Report 2020 and a policy session, including an open discussion about upcoming changes for SDAC and SIDC.
- Registration: <https://register.gotowebinar.com/register/2046332292991059212>

Updates Q3 2021

Outlook Q4 2021

