No-regret improvements to day-ahead and intraday markets

MESC – 7 December 2022

Why should we continue improving on DA/ID markets now?

DA and ID markets improvements are important for the long game

- DA/ID markets are the flagship of European electricity market integration
- Continued market optimisation is a must in the current context (crisis and long-term reform)

CACM reform suspension should not hold off progress

- CACM reform has been put on hold without a clear "defreeze" timeline
- Heavy and controversial debates on CACM have complicated the process

Market participants propose what should progress/what can wait

- Last MESC discussion showed willingness to progress on more consensual points
- Governance for the adoption of improvements to be clarified

Improving the efficiency of DA market coupling and continuous ID trading

Suggestion	Priority	Market consensus
Effective ID CZ GOT with cross-border capacity at 15:00 (D-1)	High	Broad
Order book sharing in ID until local ID GCT	High	Broad
15-min ID products, tradable across borders	High	Broad
No step back on functionalities and services of the algorithms for the use of Linked and Exclusive families of blocks	High	Broad
Complex block orders available in at least 3 BZs must be accommodated everywhere, especially in the context of the MIC and PUN removals	High	Broad
Framework for coordination of capacity calculation with third countries	High	Broad

Improving the transparency of DA and ID markets

Suggestion	Priority	Market consensus
Publication of bid/offer curves, including blocks	High	Broad
Publication of source codes, auction orders, and algorithm specification in DA and ID	High	Broad
Publication of allocation constraints and related justification in DA and ID	High	Broad
More detailed reporting and justification on capacity reductions and curtailments	High	Broad

Limiting the negative impact of ID auctions on continuous trading

Suggestion	Priority	Market consensus
Guarantee recalculation of ID capacity before the implementation of IDAs	High	Broad
Guarantee a maximum XBID interruption time of 10 min before the implementation of IDAs	Medium	Broad
Allow trading within BZ during XBID interruptions and for ALL coupled BZ in the same manner	High	Broad
Ensure monitoring of ID liquidity in XBID vs. auctions	Medium	Broad

Setting aside less consensual reform proposals that requires further consensus building

Suggestion	Priority	Market consensus
Postpone MCO governance until better demonstration of the current problems and improved proof of concept of the solution	Low	Broad
Postpone the implementation of non-uniform pricing in DA (or ID) until a full assessment of the effects and clarification of financial consequences	Low	Broad