

ENTSO-E consultations on the amendment of the day-ahead fallback procedures in the Core, Italy North, Greece-Italy, SEE and SWE CCRs



EFET response – 14 February 2022

The European Federation of Energy Traders (EFET*) welcomes the opportunity to provide comments regarding the amendments proposed by ENSTO-E on the day-ahead fallback procedures in the Core, Italy North, Greece-Italy, SEE and SWE Capacity Calculation Regions (CCRs) in accordance with Article 44 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 (CACM).

However, the proposal of the TSOs, based on a decision of the SDAC Joint Steering Committee, comes with **too little justification to enable us to take a firm position on it.**

EFET has been supportive for some time now of granting the day-ahead coupling process more time to improve its resilience and the capacity of the algorithm to find the most optimal solutions. The proposal to shift the shadow auction results publication deadline from D-1 14h00 to D-1 14h20 and to cancel the second auction in case of full decoupling seems to indicate a move in that direction by granting more time to the “standard” coupling process.

Nonetheless, these changes – in particular the cancellation of the second auction – also imply a lower level of security for the SDAC should the “standard” coupling process fail even with an extra 20 minutes. Therefore, **a thorough impact assessment of the proposed changes should have been performed and made publicly available** to enable market participants to take an informed decision on the matter. Furthermore, **the conditions for a cancellation of the second auction remain unclear for us**, considering that cases of full decoupling are only known ex-post in the coupling process, and that the decision to cancel the second auction would need to be taken during that process

Hence, the NEMOs and TSOs proposal should have be accompanied by:

- a probabilistic forecast of the algorithm's chances to find a solution – and avoid full (or partial) decoupling – or a more optimal solution within the extra 20 minutes granted to the standard coupling process; and
- a clear definition of criteria upon which – or a clear cut-off point as of when – the cancellation of the second auction is decided

We understand that NEMOs organised bilateral discussions with individual market participants to discuss these changes. Their feedback was positive but based according to us on partial information. We regret that the NEMOs did not formally consult the market with full details and justifications on their proposal before taking a decision in the SDAC Joint Steering Committee. Now that market participants are formally asked for input in the context of this ENTISOE consultation, and in view of the future decision NRAs will need to take on the subject, we request clarification on the points mentioned above.

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