

Response ID ANON-NQ9N-SF9H-Z

Submitted to **Intraday cross-zonal gate opening and gate closure times**

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Introduction

1 What is your name?

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3 What is your organisation?

Organisation:

Interim All NEMO Committee (and answers also supported by Europex)

questions and general comments

1 Does the IDCZGOT and IDCZGCT proposal satisfy the needs for harmonization and simplicity?

1. Does the IDCZGOT and IDCZGCT proposal satisfy the needs for harmonization and simplicity?:

The proposals do not achieve necessary and market efficient harmonization and simplicity as further explained in the answers to the other questions.

2 How does the IDCZGOT and IDCZGCT proposal affect your internal, market-related processes (if applicable)? Please explain.

2. How does the IDCZGOT and IDCZGCT proposal affect your internal, market-related processes (if applicable)? Please explain.:

They very significantly affect the market efficiency and orderly trading, matching and closing of the Single Intra Day Coupling (SIDC) that all operational NEMOs are responsible for organizing via the ID MCO Function.

The ID MCO Function includes all ID orders from the NEMOs own Trading Systems that have been submitted to the Shared Order Book (SOB) and then combined with capacity given in the Capacity Management Module (CMM) enables continuous matching of all ID orders part of SIDC.

3 Do you agree of the interpretation of the legal reference that set the scope of IDCZGOT and IDCZGCT proposal?

3. Do you agree of the interpretation of the legal reference that set the scope of IDCZGOT and IDCZGCT proposal?:

We do not object with the legal references made by the TSOs, but we have question marks about the interpretations made and as reflected in the proposals.

4 Do you agree on the proposal for IDCZGOT and IDCZGCT? If not please explain.

4. Do you agree on the proposal for IDCZGOT and IDCZGCT? If not please explain.:

No we do not agree with the IDCZGOT or IDCZGCT proposals, as further explained in the following remarks:

(1) The IDCZGOT is missing the fact that it must be the latest time possible for giving ID CZ capacity as stated in Article 59 paragraph 4 of CACM, and thus part of SIDC, for all periods of the next day

(2) THE IDCZGOT is missing confirmation that the deadline applies for all periods of the next day's 24 hours as expected in CACM GL and given that it is the general market practice since 10-15 years across large portions of EU.

(3) The IDCZGOT for all periods of the following day is set much too late and will therefore not facilitate efficient, liquid Intra Day Trading in general and in particular not enable efficient, best price/volume based matching in SIDC

(4) The IDCZGOT provisions that allow for earlier IDCZGOT on a regional/local basis are positive since the 10 pm CET deadline is much too late. As a consequence of that it is important to set a target for a much earlier and common normal IDCZGOT and define later submissions as the exceptions, and to be subject to consultations and regulatory approvals.

(5) The IDCZGOT fails to recognize existing practices across several regions of the EU IEM where IDCZGOT for all periods of the next day since many years is opened for continuous implicit trading normally as early as 2 pm CET or at least 4 pm CET, and therefore in-line with among others recitals (e.g. 14) in CACM GL such existing timelines should be considered when establishing the normal IDCZGOT to be applied.

(6) Furthermore, possible temporary or more long term exceptions (delays) versus currently existing and well-functioning IDCZGOT, should be consulted upon and then also considering the overall welfare and efficiency losses that will result from the fact that such delayed, possibly as late as between 7 and until 10 pm CET, IDCZGOT will cause since it makes it impossible for market participants across the EU/EEA to get best price/volume for their needs to adjust and re-trade SDAC (and bilateral) positions after such DA positions have been confirmed and set for scheduling, e.g. normally shortly after 1 pm CET

(7) The IDCZGOT proposal, and likewise the IDCZGCT, is lacking clarity on if identical rules and limitations will apply also for Intra Day Explicit Cross Zonal Capacity Rights, and therefore such clarity should be added, and in our firm view the rules must be identical for Implicit (e.g. SIDC) and Explicit Capacity Rights when it comes to the IDCZ GOT and GCT times

(8) Furthermore, both the IDCZGOT and IDCZGCT proposals are missing clarity on what the backup procedures, rules and possible penalties shall be if the timelines are not upheld. As a basic principle it is key that any breaches of such timelines do not adversely affect neither the efficient operation or risk exposures for the operational NEMOs operating the MCO Function and the SIDC it delivers, nor the market participants ability to take part in the SIDC

(9) While we consider that the current proposal to set IDCZGCT at 60 minutes before the delivery period may reflect existing operational constraints, the provisions should open for the possibility to gradually move that IDCZGCT closer to the delivery period, e.g. 30 minutes before delivery, and with the pro-active focus to adapt necessary systems for scheduling/reporting of ID trades and Balancing preparations to cope with such shorter IDCZGCT which given the increased production and less predictable production fluctuations due to mainly RES will be important to further improve the ability for the market to efficiently trade towards balance in the open markets before the delivery period commences

(10) The IDCZGCT proposal is not clear about the time required for closing of matching of all available and relevant orders in the SIDC SOB, and system computations and submittal of scheduling, CZ shipping, CCP to CCP and CCP/NEMO reporting to market participants in time before the Balancing Arrangements commence. It is not clear which point in the sequence the IDCZGCT refers to:

- a. if it is the last time orders can be submitted, TSOs may not get final CZ schedules for some 5-10 minutes after the IDCZGT; alternatively,
- b. if it is the last point when TSOs receive final CZ schedules, this would imply shutting the ID market to new orders 5-10 minutes earlier

We have a strong preference for interpretation a, e.g. allowing market parties to submit orders until GCT, and sufficient processing time for all SIDC post processes as explained above.

5 Do you agree on the proposed timescale for their implementation?

5. Do you agree on the proposed timescale for their implementation?:

If we are to interpret that what is referred to here is the proposed Article 7.2 that states implementation shall coincide with implementation of SIDC then we have no strong objections.

6 Are there any relevant provisions missing from the IDCZGOT and IDCZGCT proposal? If so, please provide a justification for the changes.

6. Are there any relevant provisions missing from the IDCZGOT and IDCZGCT proposal? If so, please provide a justification for the changes.:

See the answers to question 4, and furthermore that the indicated changes due to missing parts or other reasons are justified for a number of reasons, eg. based on lack of recognition of existing practices that is clear in CACM GL as something to consider, that the proposals lack sufficient clarity and completeness, and fail to support key objectives on efficiency, liquidity, and best price/volume matching in the SIDC across EU IEM and relevant adjacent EEA and other countries.

7 Do you have any other comments on the proposal and/or consultation process?

7. Do you have any other comments on the proposal and/or consultation process?:

The IDCZGOT and IDCZGCT have clear impact on all market participants' ability to efficiently and based on best price/volume matching trade Intra Day and on the by operational NEMOs orderly and efficient operation of the ID MCO Function that gives the SIDC. The All NEMO Committee would have welcomed the opportunity to discuss proposal with TSOs before the consultation was launched. We believe that the further development of operational arrangements and procedures for SDIC should be managed under the joint governance of TSOs and the All NEMO Committee.