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TO:
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16 December 2024

Subject: Eurelectric's feedback on the 15-minute MTU go-Live date in the day-ahead market communicated by the Market Coupling Steering Committee

Dear Market Coupling Steering Committee SDAC chairs,

During the Market European Stakeholder Committee of 3 December 2024, the Market Coupling Stakeholder Committee (MCSC) communicated its intention to propose a go-live date of early June 2025 for the introduction of 15-minute Market Time Unit (MTU) in the Single Day-Ahead Coupling (SDAC). The exact date of the go-live is to be determined and communicated towards stakeholders after 18 December 2024.

Eurelectric would like to take this opportunity to share its concerns – previously communicated on September 13, 2024, to the MCCG co-convenors, and during the Market European Stakeholder Committee on December 3, 2024– about a possible date in June for the go-live of this major evolution in the SDAC design.

In essence, there are two major prerequisites for a go-live date that would minimize the likelihood of disruption to the market and allow for a smooth transition from operational, and, importantly, also from a contractual point of view:

- Operational: Bidding in the SDAC requires strong interactions between operational teams, IT systems and their support teams. Adequate presence and participation of operational and support teams is therefore crucial, not only on the day of the go-live but also in the days preceding and following this date. This requirement is compounded through the risks posed by the increase of complexity, which may lead to decoupling or roll-back.
  A date during the weekend, bank holidays or holiday periods is therefore highly undesirable, as full staffing of all involved teams may not be feasible. Without adequate availability of staff members, any deviation from normal market functioning or occurrence of errors at any step of the process could quickly cascade.
- Contractual: As the reference electricity market in Europe, many contracts have direct links to the outcome of the SDAC. As contracts are often started on the first of a month, a go-live date should align to this. If a combination of 15- and 60-minute MTUs are

present in a single month, this may require manual interventions in billing systems, which is prone to error and will divert staff from other preparations for the 15-minute MTU go-live. As a reminder, such contracts are relatively widespread and may thus represent a significant workload challenge for market participants. Moreover, for financial and operational planning, the start of a quarter instead of a month would be even more desirable and require fewer manual interventions in automated systems.

Regarding the stated intention of the MCSC to have a go-live during June 2025, Eurelectric has received feedback from its membership that any date in June would imply issues with one or both of the crucial prerequisites stated above. The first of June, acceptable though not ideal from a contractual point of view, falls on a Sunday and would thus pose serious issues from an operational point of view. A date in the middle of June could be operationally acceptable if it falls on a weekday, but would create significant problems contractually. A date towards the end of June, with delivery the first of July, is problematic for members from certain regions where the summer holiday recess has already started by then.

Eurelectric is mindful and does not take lightly that the combination of the prerequisites expressed by its membership and the project planning constraint on the NEMO and TSO side may lead to additional delays. However, Eurelectric would also like to remind that it could originally have agreed to the go-live date of 1st of April 2025, where the major prerequisites mentioned before were met. We also acknowledge that the issues identified in relation to a go-live date in June are well-founded and significant. The 1st of April is no longer achievable (neither on NEMO, TSO, nor market participants side), but **unfortunately June 2025 cannot provide a good candidate for a go-live date**.

Eurelectric has appreciated the open and constructive discussions on this topic with the MCSC. **To continue in that spirit, we would like to point out that the 1st October 2025 would address all the criteria stated above without being too far off.** This date is on a Wednesday and does not overlap with any bank holiday in countries covered by the SDAC, and thus acceptable from an operational point of view. It is also the start of a month (and even a quarter), allowing a smooth transition from a contractual point of view. Eurelectric considers that given the importance of the project, the complexity of the change, and the potential disruption in case of a problematic go-live, the benefits of a well-considered go-live date should be carefully weighed against the urgency of finally delivering this milestone.

We trust that our concerns and suggestions will be given true consideration. Should you have any questions, please do not hesitate to approach Cillian O'DONOGHUE (codonoghue@eurelectric.org), Donia PEERHOSSAINI (dpeerhossaini@eurelectric.org) and Max Schneider (mschneider@eurelectric.org).

Yours sincerely,

Cillian O'DONOGHUE, Policy Director