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Eurelectric amendments on revised European CACM 2.0 draft

Eurelectric amendments

December 2025

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:
- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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WG Market Integration & Network Codes

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Legend:

- *Cursive* or ~~strikethrough~~: EC text amended compared to the June 2025 version; Eurelectric amendment proposal
- Standard text: no change to the June 2025 version
- Green or red: positive or negative wording in the EC draft

Article	European Commission 20/10 draft	Eurelectric comment
1. Staying on course with the current target model for short-term markets		
Stakeholder involvement for methodology development, testing and relevant market coupling processes helps translate market experience into functioning regulation.		
Art. 9	No change to items subject to consultation.	For improvement: In Art. 9(1)(n), we suggest adding for consultation "*the draft of the final bidding zone review report.*"
Art. 21	(1) The *Joint Steering Committee, in cooperation with the* Single Market Coupling Operator, shall prepare a draft *proposal for the* ~~annual~~ biennial work programme for *projects aiming to implement the tasks referred to in Article 23* ~~market coupling related projects~~ to be implemented during the subsequent ~~three~~ *two calendar* years and ~~submit it to the Joint Steering Committee for approval~~. *The draft proposal for the biennial work programme shall be subject to a stakeholder consultation organised by the Joint Steering Committee. Following the consultation*, ~~Prior to the voting,~~ ~~T~~the Joint Steering Committee shall, *where applicable, amend the draft proposal for the biennial work programme* ~~be able to provide opinions and comments on the draft documents as well as propose~~ and vote ~~on amendments to~~ to adopt the final proposal for the biennial work programme ~~the proposed draft documents~~.	Positive: we welcome the provision introducing a consultation on the draft work programme for Market Coupling Operator tasks.

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Ensure evidence-based, realistic objectives and a thorough involvement of market participants regarding design changes.		
Art. 33	(3) The capacity calculation methodology shall ~~transpose~~ *include* the requirements regarding the minimum level of available capacity for cross-zonal trade pursuant to Article 16(8) of Regulation (EU) 2019/943, *taking into consideration the availability of remedial actions in the capacity calculation region in day-ahead and intraday timeframes*.	For clarification: we request further clarification the intention of this amendment considering the availability of remedial actions in the DA and ID timeframe.
Art. 70	(2)(b) an analysis of the expected evolution of structural and physical congestions resulting from investment in networks or from significant changes in generation or in consumption patterns, in the following three years;	For improvement: for the analysis of future grid congestion developments, national grid development plans should also be allowed to be considered. In addition, we advocate examining a 10-year period instead of the currently foreseen 3-year period: (2)(b) an analysis of the expected evolution of structural and physical congestions resulting from investment in networks or from significant changes in generation or in consumption patterns, in the following *ten* ~~three~~ years;
Art. 72	(2) Within six months after the entry into force of this regulation, ~~ACER, in cooperation with regulatory authorities~~,*all NRAs* shall *jointly* establish a methodology setting the rules for the monitoring of the ~~compliance~~ **fulfillment** of TSOs with the requirement to guarantee that at least 70% of interconnection capacity is made available for cross-border trade pursuant to Article 16 (8) of Regulation 2019/943 in a uniform way. *Each NRA shall assess the compliance of their respective TSOs on the basis of this harmonised methodology.*	Positive: we welcome that NRAs preserve the competence over monitoring frameworks for the 70% rule.
Preserving portfolio bidding, which proved its efficiency in delivering economic optimisation to the electricity system.		

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Art. 46	(2) Each NEMO shall ensure that orders resulting from the day-ahead and intraday products submitted to the algorithms: [...] (d) are able to accommodate locational information.	Clarification is welcome: Eurelectric reiterates its support to the current target model grounded in decentralised dispatch and portfolio-based bidding. A provision such as Art.46(2)(d) should only apply in central dispatch systems or to accommodate provisions from the Network Code on Demand Response. In this regard, we welcome the European Commission's clarification that the provision's reach is limited to consistency with NCDR. We would suggest the following amendment and a Recital[1] to ensure that this interpretation is implemented in a consistent manner: (d) *Where applicable*, are able to accommodate locational information *to ensure interoperability with local markets, implemented pursuant to Article 32(1) of Directive (EU) 2019/944.*
Safeguarding continuous trading as the primary tool for intraday trading by avoiding to enshrine intraday auctions as a mandatory element of the design and by minimizing their impact on continuous trading.		
Art. 41	(1) The integrated day-ahead and intraday markets shall be developed and operated in accordance with Articles 7, 8, 10, 16 and 17 of Regulation (EU) 2019/943. These markets shall be operated through:	For improvement: Eurelectric reminds that the Electricity Regulation does not mandate the introduction of intraday auctions. We suggest wording to clarify that they remain optional. Besides, Eurelectric proposes systematically preceding references to IDAs with the mention 'if applicable',

[1] Recital: *Local markets, which are implemented to procure flexibility services to solve physical congestion and voltage issues, in line with Article 32(1) of Directive (EU) 2019/944, should be interoperable with wholesale markets. This interoperability should rely on innovative, smooth and efficient solutions reflected in terms and conditions of those local markets, by avoiding overcomplexity in the handling of market participants' orders, particularly when entering in aggregation, by guaranteeing interoperability among NEMOs within the same bidding zone, and without negative impact in market performances and cross-border trades.*

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	[...] (b) single intraday coupling for the intraday timeframe, consisting of both the intraday continuous trading and intraday auctions.	in order to prevent CACM from permanently embedding these auctions into the market design: (b) single intraday coupling for the intraday timeframe, consisting of ~~both~~ the intraday continuous trading *which may be complemented by an efficient number* of intraday auctions *not interfering with both day-ahead and continuous trading.* Furthermore, intraday auctions lead to interruptions of continuous trading and can restrict the availability of cross-zonal capacity. Their impact on SDAC/SIDC should be reviewed regularly to avoid negative effects on the efficiency and market liquidity of continuous trading, which needs to remain the main market for intraday trading. With regard to SIDC timelines and procedures we propose to amend Article 50: [...](6) The suspension of the cross-zonal intraday continuous trading shall be limited to the extent possible *and shall not exceed 10 minutes*.
Avoiding rushing the introduction of new functionalities in the target model without a proper assessment of all their potential impacts.		
Art. 23	(1) The MCO shall be responsible for the following tasks: [...](i) *When applicable, p*Performing the co-optimised allocation process set out in Article 40 of Regulation (EU) 2017/2195 for the single day-ahead and *if relevant* single intraday coupling.	For improvement: Eurelectric proposes to delete this reference, since the possibility to implement co-optimisation is already codified in the EBGL and can be pursued via the new Art. 23(1)(a) CACM. The operation of co-optimisation can also be defined further in a Union-wide methodology. Most importantly, the concept and its feasibility remain theoretical and have not been validated.

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2. Ensuring market coupling remains reliable, understandable and at the service of the electricity system		
Full transparency from market operators and TSOs on market results, market functioning and capacity calculation inputs and other TSO actions affecting available cross-zonal capacity (allocation constraints, individual validation assessments).		
Art. 11	~~(3)~~(4) The methodology referred to in paragraph 1 shall include at least the requirements to publish the following information: (a) information on capacity calculation provided by each RCC: i. capacity calculation outputs, and allocation constraints where applicable ii. capacity reductions resulting from common or individual validation including a justification; iii. for each bidding zone and on a daily basis, the number and the list of non-anonymized critical network elements and a justification for any extraordinary addition of a critical network element, as well as data per each critical network element, needed for monitoring of minimum capacity targets pursuant to Article 16(8) of the Electricity Regulation; [...]	<u>For improvement</u>: transparency regarding all relevant capacity calculation inputs is necessary to ensure transparency and efficient market functioning. We therefore suggest adding the following: (4) The methodology referred to in paragraph 1 shall include at least the requirements to publish the following information, *which shall be made available in an easily accessible format covering a period of at least 5 years and shall include historical data:* (a) information on capacity calculation provided by each Regional Coordination Centre: *i. capacity calculation inputs and common grid models, at least for a representative set of market time units* *ii. planned and ordered costly and non-costly remedial actions [...]*
Art. 36	No change to rules for allocation constraints	<u>For improvement</u>: In addition to the provisions introduced regarding the use of allocation constraints, TSOs should provide a detailed description of the measure when used. We therefore suggest the following amendment: *(4) Each TSO proposing to use allocation constraints pursuant to paragraph 1(a) shall provide a detailed description of the allocation constraint including a mathematical description of the calculation process.*

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Art. 40	(2) Each TSO may adjust these cross-zonal capacities in accordance with Article 42(2) of Regulation (EU) 2019/943. *This adjustment shall constitute a deviation from coordinated action as defined in Article 16(3) of Regulation (EU) 2019/943. The justification for each deviation shall be reported to the RCC, including detailed data on the remedial actions considered to be available and unavailable during validation, to be included in the quarterly reports mandated by Article 16(3) of Regulation (EU) 2019/943.* [...] (4) Validations by TSOs in accordance with paragraph 2 that result in reductions of cross-zonal capacities ~~on the bidding zone borders~~ *due to violation of operational security limits on critical network elements* belonging to several CCRs shall be applied in a non-discriminatory manner.	For improvement: information about IVAs should be made available to all market parties in an easily accessible format: (4) Validations by TSOs in accordance with paragraph 2 that result in reductions of cross-zonal capacities on the bidding zone borders belonging to several CCRs shall be applied in a non-discriminatory manner. *This information shall be made available in an easily available format for at least 5 years.*
Art. 55	(5) After the single day-ahead coupling gate closure time for the day-ahead timeframe and after the single intraday auction gate closure time, the orders submitted by market participants shall be considered firm. *After the single day-ahead gate closure time, the NEMOs shall remove orders considered as erroneous or harmful – unless confirmed as valid orders by the relevant market participant - before submitting them to the MCO.*	Unacceptable: we strongly recommend revising the second sentence to remove the reference to harmful orders, which is a matter of market surveillance. Determining when an order is "harmful" is difficult and is assessed retrospectively by the supervisory authorities. Pre-classifying good and bad orders should not be the role of the exchanges. Furthermore, wording regarding erroneous bids should be adapted to ensure that removal is conditional on approval by the relevant market participant. We suggest the following amendment: 5) After the single day-ahead coupling gate closure time for the day-ahead timeframe and after the single intraday auction gate closure time, the orders submitted by market participants shall be considered firm. *After the single day-ahead gate closure time, the NEMOs shall remove orders considered*

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		as erroneous, ~~or harmful~~ only upon approval by the relevant market participant, ~~— unless confirmed as valid orders by the relevant market participant —~~ before submitting them to the MCO.
Improved fallback procedures to minimise uncertainty and negative impact in case of system failure.		
Art. 49	(1)(d) SDAC gate closure time; which shall be noon market time day-ahead*; or up to one hour earlier than 12:00 when justified for the security of market coupling operations;*	Unacceptable : Eurelectric strongly opposes an earlier gate closure time. Justifying such an amendment with the security of market coupling operation is misguided, since moving the gate closure time would itself threaten the market coupling operation as well as operations of other mechanisms preceding the SDAC, such as the reservation of balancing capacity. Eurelectric strongly opposes this provision and asks for its deletion: (1)(d) SDAC gate closure time; which shall be noon market time day-ahead*; ~~or up to one hour earlier than 12:00 when justified for the security of market coupling operations~~;*
Art. 49	(3) The day-ahead timings and procedures methodology referred to in Article 48(1) shall define the day-ahead reference prices under normal, back-up and fallback processes. The methodology shall ensure that only one single dayahead reference clearing price is established for each market time unit and for each bidding zone, even in the application of a back-up or fallback situation. *The methodology should seek to provide a day-ahead reference clearing price that is consistent with prevailing market conditions. The fallback processes shall cover both partial and full decoupling scenario.*	Positive: we welcome the mention that the clearing price needs to be consistent with prevailing market conditions.
Art. 49	(6) The fallback procedures referred to in paragraph 3(c) shall be designed with the aim to preserve the coupling of markets as much as possible and be applied by default as alternative procedures. The decoupling of one or multiple NEMO trading hubs from the single day-ahead coupling may only	For improvement: CACM should leave sufficient flexibility for NEMOs to implement a local clearing with SDAC price in case of partial decoupling. We therefore suggest the following amendment:

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	be applied as the last resort measure, *unless in case of defaulting NEMO.* The	(6) […]*As a last resort, and ensuring a single price per bidding zone as foreseen in paragraph 3, the fallback procedure may result in the organisation of trading or clearing with day ahead products or products with the same characteristics outside the single day-ahead coupling.*
3. A pragmatic approach to market coupling harmonisation and its extension to new geographies		
Allowing NTC capacity calculation where it remains relevant		
Art. 32	(2) Where flows on bidding zone borders assigned to a capacity calculation region are not significantly impacted by exchanges on other bidding zone borders within or outside this capacity calculation region, subject to evaluation by the relevant regulatory authorities, the coordinated net transmission capacity approach may continue to be applied.	For improvement: Eurelectric considers that the terminology "continue to be applied" is not appropriate regarding NTC, with coordination being extended to new areas where neither FB nor CNTC are applied today. The term should be "NTC may be applied" to allow these newly coordination areas to apply NTC. We suggest the following amendment: (2) Where flows on bidding zone borders assigned to a capacity calculation region are not significantly impacted by exchanges on other bidding zone borders within or outside this capacity calculation region, subject to evaluation by the relevant regulatory authorities *at least every three years,* the coordinated net transmission capacity approach may ~~continue to~~ be applied.
Encouraging participation of third countries in market coupling and accounting exchanges with third countries in the compliance with the 70% rule.		

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Art. 30	(5) The capacity calculation methodology on bidding zone borders with third countries referred in paragraphs 1 and 2 above shall not prioritise electricity exchanges with a third country at the expense of the EU internal electricity flows.	For improvement: third-country flows should be used when they improve the efficient allocation of resources in the internal electricity market. We believe that the implementation of advanced hybrid coupling should help prevent undue prioritisation of third-country flows. We therefore suggest the following amendment: (5) The capacity calculation methodology on bidding zone borders with third countries referred in paragraphs 1 and 2 above shall ~~not prioritise electricity exchanges with a third country at the expense of the EU internal electricity flows~~ *ensure the efficient use of cross-zonal capacity.*
Art. 30	(6) When, pursuant to paragraph 3, the capacity calculation methodology applied on the borders with a third country has been approved by regulatory authorities of the relevant capacity calculation region and implemented, flows resulting from exchanges with this third country calculated pursuant to Article 39(4)(e)(iv) shall be counted towards compliance with Article 16(8) of Regulation 2019/943.	For improvement: all flows resulting from exchanges with third countries should be counted towards achieving the 70% MACZT obligation, insofar as they do not occur between third countries. We propose the following amendment: *(6) ~~When, pursuant to paragraph 3, the capacity calculation methodology applied on the borders with a third country has been approved by regulatory authorities of the relevant capacity calculation region and implemented, flows~~ Flows* resulting from exchanges with ~~*this*~~ third *countries* calculated pursuant to Article 39(4)(e)(iv) shall be counted towards compliance with Article 16(8) of Regulation 2019/943, *except for flows that occur between third countries.*
Art. 63	(5)(e) ~~in accordance with Article 14(6) of Regulation (EU) 2019/943 and~~ once the report is deemed compliant ~~with the methodology and assumptions referred to in paragraph 4~~, submit the report on the bidding zone review including the joint proposal to maintain or amend the bidding zone	For improvement: The proposed twelve-month period for the "actual" BZR is unrealistic and should be extended to 18 months. The BZR is a highly complex study. Especially the preparation and running of the simulations of the modelling chain take time and effort. Experience from the last BZR has

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	configuration to the relevant Member States or their designated competent authorities, and for information to the relevant regulatory authorities, ACER and the European Commission, within 12 months after the approval of the proposal on the methodology assumptions and alternative bidding zone configurations pursuant to paragraph 4 (b) and (c).	shown that one year is not enough to perform all the required simulations and complete the study. It is important to note that the 18 months are estimated for the study alone. In case a compliance check by the NRAs or the creation of an implementation timeline is to be performed, these activities would require even more time: [...] submit the report on the bidding zone review including the joint proposal to maintain or amend the bidding zone configuration to the relevant Member States or their designated competent authorities, and for information to the relevant regulatory authorities, ACER and the European Commission, within ~~12~~ *18* months after the approval of the proposal on the methodology assumptions and alternative bidding zone configurations pursuant to paragraph 4 (b) and (c).
Art. 64	(3) A relevant Member State may raise an objection to a streamlined bidding zone review due to *reasoned* concerns ~~about the proposed objectives or approach~~ *that the conditions in paragraph 1(a) will not be met*. In this case, the Member State launching the review shall account for those concerns. *Where Member States are unable to reach an agreement within the 63-month period, upon their joint request during that period, ACER may provide an opinion to facilitate a compromise solution.* ~~If the objection is not withdrawn within 3 months, a multilateral bidding zone review for the capacity calculation region shall apply in accordance with Article 63 and, consequently, the relevant Member States shall instruct their TSOs to participate.~~	<u>For improvement</u>: we welcome the possibility for relevant Member States to object to a streamlined bidding zone review. In addition, it should be clarified that a streamlined process must not compromise the robustness of cost-benefit and efficiency analyses, taking into consideration impacts on interconnected bidding zones. Explicit reference to the assessment criteria established in the current bidding zone review methodology should be ensured.
Art. 65	(4) A bidding zone review in accordance with Article 63(1) b) shall be based on the time horizons set out in Article 14(5) of EU Regulation 943/2019,	<u>For improvement</u>: the BZR target year should be placed far enough in the future to reflect a stable grid and RES system rather than a transition phase. The target year should be chosen only after the methodology and

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	starting from the year following the year in which the decision to launch the review was taken.	alternative configurations are approved, and there should be flexibility to use existing datasets (e.g., TYNDP) to enhance the analysis. (4) A bidding zone review in accordance with Article 63(1) b) shall be based on the time horizons set out in Article 14(5) of EU Regulation 943/2019, starting from the year following the year in which *the methodology and alternative configurations pursuant to Article 63(4)a) are approved* ~~the decision to launch the review was taken~~.

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability

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