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Date 8 July 2022

## **NEMOs consultation on Harmonized maximum and minimum clearing prices for SDAC and for SIDC.**

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### **4. When integrating HMMCP for Intraday Auctions, NEMOs propose to follow the same principles as for SDAC. This means a differentiation from HMMCP for the SIDC continuous. What is your view on that differentiation, and do you have a view on what maximum and minimum clearing price should be applied for SIDC IDAs and what mechanism for possible upward or downward adjustment of that maximum and minimum clearing price should be applied?**

The maximum and minimum clearing prices for SIDC IDAs should be the same as for SIDC continuous. SIDC IDAs and SIDC continuous trading are closely linked and cover the same trading timeframe, therefore they should have the same price limits.

The current methodology only foresees an increase of the maximum clearing price in SIDC in case the maximum clearing price in SDAC exceeds the level in SIDC. However, the maximum clearing price in intraday (both IDA and continuous) should always be significantly higher than in day-ahead, either a constant value (e.g. 5000 EUR/MWh) or a certain factor (e.g. 2-3x). We propose to amend the HMMCP methodology accordingly.

### **5. The current methodologies describe a dynamic process to increase the maximum clearing price if market prices reach certain thresholds.**

**NEMOs would like to consult on the possibility to also implement a decrease of the maximum clearing price after a period when no thresholds have been exceeded and the maximum clearing price shows to be unnecessarily high.**

We are open to the possibility to reduce the maximum clearing price to the initial threshold, in case the clearing price has not reached more than 60% of the initial maximum clearing price for more than 18 month. A sufficiently long period is required in order to avoid frequent changes.

- 6. NEMOs would like to consult on the duration of the transition period between detection of the threshold and entry into force of the new price cap. Shall this be shortened, increased, or maintained to be 5 weeks after the triggering threshold (60% of max clearing price) has been reached?**

We recommend to shorten the transition period to one week. In view of the expected high prices next winter, we propose to shorten the transition period before the beginning of Q4 2022.

- 7. Do you consider the current approach to increase the maximum clearing price in steps of EUR 1000,-- still adequate?**

At the moment yes. However, if the probability of extreme price spikes in the next winter increases, larger increase steps should be considered.

- 8. Do you think that the event that the clearing price exceeds a value of 60 percent of the harmonised maximum clearing price for SDAC in one market time unit of a day in single bidding zone is a sufficient trigger to increase the harmonised maximum clearing price for SDAC? For example: to instead as the basis for triggering a maximum clearing price increase to be given by a requirement that the threshold has been exceeded on multiple different days (e.g. separate SDAC trading days) within a given period.**

We consider the exceeding of 60% of the maximum clearing price in one market time unit in a single bidding zone sufficient to trigger an increase.

- 9. HMMCP methodologies to describe also an automatic extension of the minimum clearing price when a certain threshold is reached?**

Yes

- 10. Any other views regarding the HMMCP methodologies for SDAC and SIDC?**

Kind regards

Lorenz Rentsch  
Senior Project Manager