

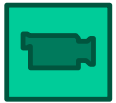


SDAC Products Methodology

Online workshop for Public Consultation on SDAC Products
Methodology

Thursday 28.05.2026 , 11:00 – 12:00 CET

Housekeeping rules



The WS broadcasting is being recorded. Recording will be published at the NEMOs YouTube channel.



Attendees' cameras and microphones are disabled by default. So, please post your questions @ the Q&A box.



For questions not addressed directly during the workshop, the answers will be included in the Q&A publication.

Purpose and Structure of the Workshop

*"By two years after the entry into force of this [CACM] Regulation and in every second subsequent year, all NEMOs shall consult, in accordance with Article 12:
(a) market participants, to ensure that available products reflect their needs;
..."*

The workshop aims at providing more direct communication with respect to the public consultation and thus addresses the request of stakeholders for greater involvement in the process raised also in the context of Market Coupling Consultative Group (MCCG).

Workshop structure:

- Provide a detailed overview of the public consultation process and next steps
- Present the analysis conducted by the NEMOs behind the amendment proposal
- Address questions via the Q&A session

SDAC Product Methodology : Background

- ❑ The SDAC Products Methodology concerns products and order types that can be taken into account and used when submitting sell and buy orders in the SDAC as provided for under Article 40 (1) of CACM.
- ❑ In accordance with Article 40 (3) of CACM, to ensure that the terms and conditions on SDAC products continue to meet their objectives, the NEMOs shall consult market participants at least every two years to ensure that available products reflect their needs.
- ❑ The current SDAC Product Methodologies in force have been approved by ACER with Decision No 13/2024 in October 2024.
- ❑ Now, in accordance with Article 12 of CACM, the NEMOs are consulting on possible amendments to the SDAC Product Methodology.

SDAC Product Methodology : Background

- ❑ As per Article 7 par.3 in the Methodology:

“All NEMOs shall reassess the classification of SDAC products into mandatory and optional products and propose amendments following the next review of these terms and conditions.”

- ❑ NEMOs have performed a review on the Mandatory (MTU-Orders, Period-Orders and Simple Block Orders) and Optional Products (Complex Block Orders, Scalable Complex Orders) for the period 1st October 2025 to 28 February 2026 and undertaken an analysis on Products Usage for all the Products and Order Types.
- ❑ NEMOs are [now consulting](#) on the results of the analysis and the need for possible amendments to the SDAC Product Methodology

SDAC Product Methodology : NEMOs proposal

- ❑ NEMOs started their assessment on the need for amending the SDAC PM, by assessing the level of usages registered in the first 5 months after the go-live of the 15' MTU.
- ❖ **The level of Usages is a key factor for the algorithm's performance**, and, in case exceeded above the usage range, it is a possible driver for the application of corrective measures.
- ❖ **A balance between Market Participants needs and algorithm capability** must be considered when proposing the products classification

Usages analysis: Number of submitted orders

Usages of different products in the period 1 October 2025 – 28 February 2026 (avg figures):

Granularity	No. of STEP ^(*)	No. of SCO	No. of SIMPLE BO	No. of SMART BO ^(**)
15'	857 876	53	3 318	2 876
30'	25 656	19	0	0
60'	107 601	0	1 361	878
	891 134	53	4 678	3 753

(*) Number of Steps or intervals included in the aggregated Curves submitted at the BZs level

(**) SMART BO refer to Complex Block Orders according to SDAC PM



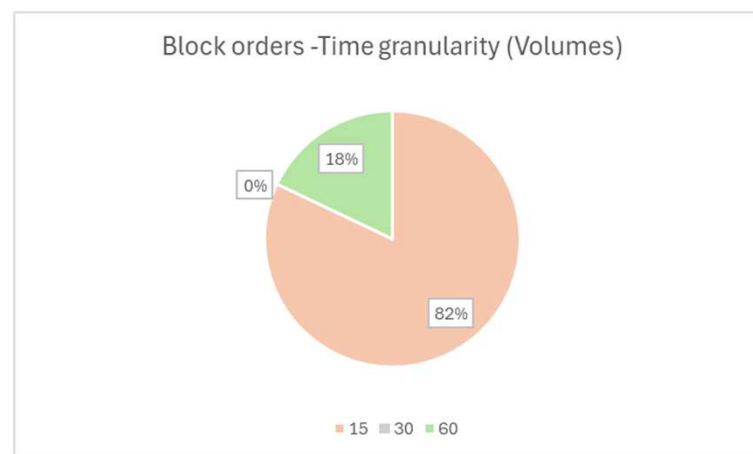
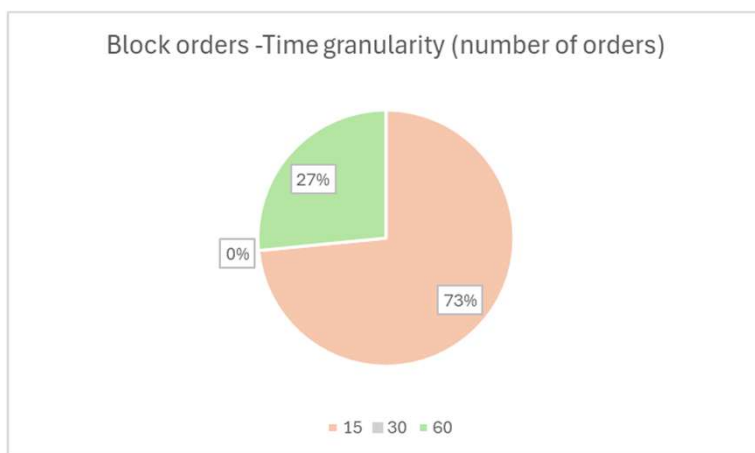
Majority of orders submitted @ 15' granularity



60' granularity still have a significant share for the majority of products

Usages analysis: Blocks Orders

A share of around 30% of block orders is submitted with 60' granularity corresponding to a share of 20% in terms of submitted volumes



Question: what is the need for market participants for having block orders with 60' granularity? Is it possible to remove such a product? Market participants are invited to answer the questionnaire provided in the consultation page of the NC.

Impact analysis: 60' Blocks Orders

- ❑ Scope of the simulations:
 - Period: 2026.01.25-2026.02.07 (14 days)
 - All blocks with 60'/30' resolution were converted to equivalent blocks with 15' time resolution.
 - Both reference sessions and converted sessions run using same machine to make sure that the results are comparable.

Indicator (average)	Before conversion	After conversion
Average number of solutions found	2.8	2.5
Time to first solution (s)	699	685
Average economic surplus (€/session)	15,594,110,023	15,594,109,481
Number of PRBs	19.9	18,9



Based on the above, NEMOs cannot draw the conclusion that converting 60/30 blocks improves the performance of the algorithm, and for such a reason NEMOs do not consider proposing the possibility of removing the 60' granularity offering for the submission of blocks orders

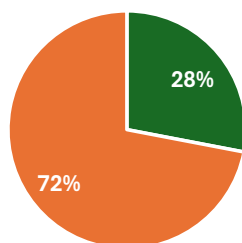
Usages analysis: Blocks Orders –MAR parameter

- ❑ As per Reasoning 39 of ACER decision 13/2024 :

“ACER sees the need to reevaluate the mandatory character of the ‘minimum acceptance ratio’ condition. ACER is of the view that the mandatory set of SDAC products should be kept to minimum required to comply with the CACM Regulation..”

- ❑ The Minimum Acceptance Ratio (MAR) parameter, ranging between 0-1, always under the Market Participants’ selection, is intended to **make Block Orders more flexible**, to facilitate the underlying assets scheduling needs for minimum operational stability and to help the algorithm to converge

Number of Block Orders



■ BO with MAR !=1 ■ BO with MAR=1



Usages of block orders in the period 1 October 2025 – 28 February 2026 show that 72% of blocks are submitted with MAR=1

Usages analysis: Blocks Orders –MAR parameter

- ❑ In NEMOs view, a market without MAR would bring counter-productive effect or be detrimental to MPs:
 - ❖ In market without MAR (MAR=1), the MPs would use many more Block Orders with smaller volume granularity, possibly also in linked families, to mimic the behavior of Block Orders with MAR less than 1.
 - ❖ In market without MAR (MAR=0), the MPs would lose the ability to consistently define profiles **reflecting their operational/scheduling needs**.
- ❑ The removal of the MAR parameter for Block Orders would restrict the ability of MPs to express their needs and could end up in an increase of Complex Blocks or in an increase in the number of Simple Blocks, worsening the algorithm performance.



Based on the above, NEMOs do not recommend any changes to the existing text of the SDAC Products Methodology.

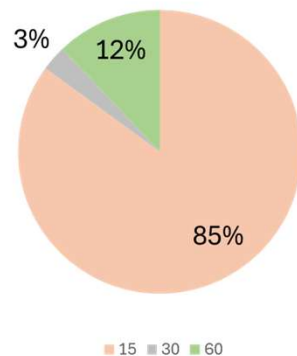
Usages analysis: Curve orders

- ❑ As per Reasoning 39 of ACER decision 13/2024 :

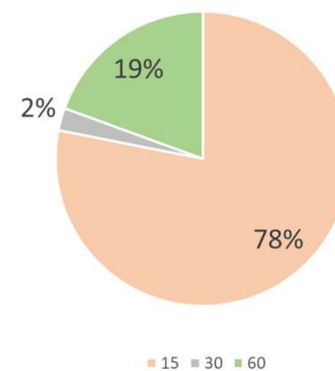
“Period Orders do not constitute the most basic type of products to cover multiple MTUs. Hence, the classification of SBOs and Period Orders as mandatory must be reconsidered in the future.”

- ❑ In the period 1 October 2025 – 28 February 2026 Curve Orders are mainly submitted with 15' granularity (MTU orders), both in terms of number of orders and volume submitted.

Number of Steps in all BZs Curves Orders



Volumes of Steps in all BZs Curves Orders



Assessing risk of 60-min Period Orders being replaced by Block Orders

- ❑ Maximum number of **Block Orders (usage range)** tested in the last scalability scenario in the 2024 Scalability Report was around **36.577**.
- ❑ Considering the observed usage of around 136.000.000 (total steps submitted) in the last 5 months, in case the 12% of steps @60' were replaced by Block Orders, we would have an **average number per session of block orders increased by 109.000** (+increase of 1360%).
- ❑ Currently a magnitude of 8000 Block Orders per SDAC session. Even a replacement of Steps with a bigger volume Blocks could introduce significant difficulties for the algorithm.



Based on the above, NEMOs expect an adverse effect in case of application of SDAC CMs. The simplification of the Curves' management will lead to an increased usage of Block Orders, i.e. **increased risk of performance degradation for the algorithm.**

Concluding Remarks

- ❑ The categorization of SDAC products within "mandatory" or "optional" list is only useful in case of application of Corrective Measures (CMs).
- ❑ NEMOs consider that they already have the correct tools and means, including a list of parameters and optional products & orders types, to successfully restore the performance level of SDAC algorithm to a pre-defined satisfactory level (Complex Block Orders, SCOs, ramping, TSOs parameters...).
- ❑ In case of application of CMs in SDAC, the expected benefits of reducing/removing usage of the 30' & 60' Period Orders is either very small or even negative:
 - From the measurement of the **relatively small usage of the Period Orders** with 30' and 60' resolution, it is concluded that no significant gain is expected: linear step-orders are not consuming any meaningful performance of the algorithm, and the penetration usage of 15' resolution is already very high.
 - The reduction of usage of 30' & 60' Period Orders will be **compensated with an increase of Simple Block Orders or Complex Block Orders, bringing an adverse effect** (increase complexity of the order book for the SDAC algorithm) to the initial intention (restore performance).



NEMOs do not consider that categorizing 30' and 60' Period Orders as Optional Products/Order Types is a necessary or fit-for-purpose measure, and that all fit-for-purpose means already exist in the context of application of SDAC CMs under the current provisions of the AM.

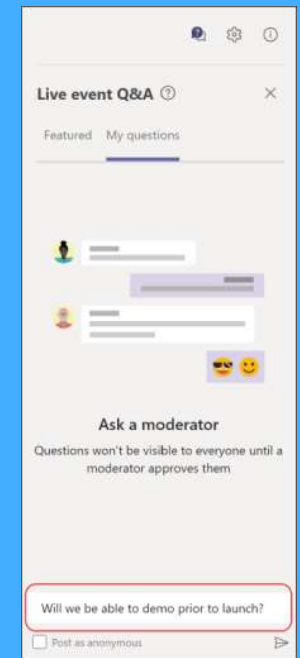
Q&A Session

11:30 – 11:45

Answers to the anonymized questions of the WS will be published at the NC Website page for the [Public Consultation](#)

Q&A Panel

- Questions are posted @ the Q&A Panel
- Type your question in the compose box
- Select: Send
- You can select “Post as anonymous”
- The event moderator will review and publish the question.



On-going Public Consultation process and next steps

18/05/26

- Start of [Public Consultation](#)
- MPs are invited to answer the questions proposed by NEMOs in the dedicated Market Participant and Stakeholder Questionnaire
- Feedback collected by the NC Secretariat (secretariat@nemo-committee.eu)

End-June
26

- End of Public Consultation: 18/06
- Results processing: end of June
- All PC results, including WS Q&A document and recording will be published

Mid July

- Final NEMOs proposals
- Submission of final proposals @ ACER: mid- July 2026

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