

EDF response to the NEMO consultation on SIDC Products

04/07/2024

EDF welcomes this new all NEMOs consultation on an amended methodology of products to be used in the single intraday coupling (SIDC), encompassing both the continuous trading and intra-day auctions (IDAs). The list of products to be used for SIDC indeed requires a **balanced trade-off between**, on the one hand, a **growing complexity** to be handled by the algorithms **and**, on the other hand, **overall simplification**, allowing to decrease computational time but altering the efficiency of the market to a large extent.

EDF would like to recall that an important appreciation element of the products and services to be proposed is primarily whether they **accommodate market needs**. The increased computation complexity for the algorithm induced by the introduction of the 15 min Market Time Unit (MTU) should not lead to reducing the product offer and should enable a correct representation of assets on the market. EDF therefore asks for the mandatory accommodation of (simple and complex) products by the Day-Ahead and IntraDay algorithms whenever traded in a sufficient number of Member States (at least 3) so that assets are correctly offered/priced on the markets.

While EDF understands that there will be only 15min products in the IDAs after the 15min MTU go live, EDF would like to remind NEMOs that for the intraday continuous market, **all current products (15/30/60min) should remain** in XBID/SIDC after the go live of the 15min MTU for intraday. EDF also considers that handling complex products, in particular block orders over multiple hours, is key for the efficiency of capacity allocation and pricing.

Decisions on products require adequate transparency and NEMOs are invited to share with market participants the assessments of the computational time of the algorithm when integrating all the complexity of the products together with the 15 minutes ISP as well as the analyses of the algorithms' performance (especially those leading to increase the run times or to prioritize developments). More generally considering the evolutions to come, EDF does not support too speedy implementations without the insurance that SDAC and SIDC algorithms are able to handle products already admissible today, in particular linked, exclusive and loop block products.

Regarding article 3 on general requirement for SIDC, EDF opposes paragraph 3 provisions, i.e. the *"usage and parameterization of any individual product is a decision of each individual NEMO"*. Mandatory products should be mandatory. If there is a common methodology to define products at EU level, there should be a harmonized implementation/interpretation of the rules across Europe. This addition should not be a means to abide the rules and enable the recent interpretation of the rules for SDAC products by some NEMOs.

Regarding article 5 on mandatory products and order types for IDAs, EDF considers the amendments require clarifications. Should it be understood as only one of granularity will be available in a given zone at a given time?

Regarding new article 6 on aggregated MTU orders for IDAs, there are no references in the article to cross-product matching as expressed in the explanatory document.

Regarding article 7 on optional products and order types for IDAs, EDF reminds NEMOS that **all current blocks available** (including linked, exclusive, family etc...) on the **SDAC should remain** available for market participants after the SDAC 15min go live in 2025. Therefore, EDF also requests to have **for the IDAs the same blocks than the ones available for the SDAC**. This is crucial to allow a proper optimisation of the intraday market at EU level.

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