

All NEMO Committee consultation on products that can be taken into account in the SIDC



EFET response – 11 February 2022

The European Federation of Energy Traders (EFET*) welcomes the opportunity to provide comments regarding the NEMO Committee consultation on products that can be taken into account in the Single Intraday Coupling (SIDC).

The NEMOs are not proposing any change to the existing products according to ACER Decision No 05/2020 in January 2020 (SIDC products). However, we think that part of the Decision No 05/2020 related to intraday auctions should be jointly reviewed with the Decision No 37/2020 in December 2020 (SDAC products).

We ask to make the complex block orders in the intraday auctions (IDAs) mandatory and not optional. Therefore, we request art. 7.2.a on complex block orders optionality to be moved to art. 6 on mandatory product for intraday auctions. We observe that SIDC already incorporates block orders as well as a wide variety of “complex orders”, from user-defined blocks and iceberg orders. NEMOs have gradually improved the performance of Euphemia in order to accommodate more complex products.

We do not believe that linked or exclusive bids introduce such a degree of complexity in the algorithm that they deserve to be made optional. In our view, only a thorough demonstration of their negative impact on algorithm performance would have warranted their exclusion from the list of mandatory products.

Moreover, we propose the elimination of MIC orders and low gradient orders (art. 7.2, b and c). The flexibility for market participants in MIBEL should come from the freedom of bidding (i.e. portfolio bidding + direct nomination to TSOs) and the use of “block orders” for all market participants (including the most sophisticated formats of blocks currently available in Central Europe).

We encourage the NEMOs, ACER and the NRAs to review these regional/national market design features that are hindering the SDAC and SIDC framework because they represent a specificity in contrast with the objective of efficiency in the European coupling. The use of complex block orders instead of MIC orders can be achieved with a transitional period in order to accommodate the update of the regulatory framework.

These comments are aligned with our opinion regarding products offered in the SDAC¹.

¹ [EFET response to ACER consultation on all NEMOs DA products.pdf](#)