

Press release

17 June 2021: Successful go-live of Interim Coupling – Reaching the SDAC enduring phase

The 4MMC countries' day-ahead market is now integrated in the Pan-European day-ahead power market

The project parties of the Interim Coupling are pleased to announce the successful go-live of the Interim Coupling solution. On 17 June 2021, for the first time, day-ahead cross-zonal capacity on the 6 new borders (PL-DE, PL-CZ, PL-SK, CZ-DE, CZ-AT, HU-AT) has been implicitly allocated via the Euphemia algorithm. The implemented price coupling allows for the simultaneous calculation of electricity prices and cross-border flows across the region. The efficient use of the power system and cross-border infrastructures, brought about by stronger coordination between energy market stakeholders, and maximizes social welfare to the benefit of all market participants.

The Interim Coupling project was launched in December 2018 following the request of the relevant national regulatory authorities (NRAs) in order to further develop regional integration of day-ahead organized electricity markets. The project aimed to connect the borders of 4M MC (Czech-Slovak-Hungarian-Romanian market coupling) with the Multi-Regional Coupling (MRC) by introducing Net Transmission Capacity (NTC) based implicit capacity allocation on the above-mentioned six borders.

The successful new coupling is the result of the close cooperation among the Interim Coupling Project NEMOs (EPEX SPOT, EXAA, HUPX, Nord Pool EMCO, OKTE, OPCOM, OTE, TGE) and TSOs (50Hertz, APG, ČEPS, MAVIR, PSE, SEPS, TenneT DE, Transelectrica), together with the respective NRAs (ANRE, BNetzA, E-Control, ERU, MEKH, URE, URSO).

This NTC-based market coupling represents a major step towards the achievement of European Single Day-ahead Coupling. The next step consists of the introduction of the flow-based capacity calculation method in the framework of the Core Flow-Based Market Coupling project, which is the target model for day-ahead market coupling.

About SDAC

SDAC allocates scarce cross-border transmission capacity in the most efficient way by coupling wholesale electricity markets from different regions through a common algorithm, simultaneously taking into account cross-border transmission constraints, thereby maximising social welfare.

The aim of SDAC is to create a single pan European cross zonal day-ahead electricity market. An integrated dayahead market increases the overall efficiency of trading by promoting effective competition, increasing liquidity and enabling a more efficient utilisation of generation resources across Europe.

For additional information on SDAC go to: <u>http://www.nemo-committee.eu/sdac</u> <u>https://www.entsoe.eu/network_codes/cacm/implementation/sdac/</u>