

25 June 2024

European Energy Market Milestone: Intraday Auctions (IDAs) Successfully Implemented

13 June marked a significant milestone in the European electricity market as Nominated Electricity Market Operators (NEMOs) and Transmission System Operators (TSOs) organised the successful go-live of the first pan-European Intraday Auctions (IDAs), with the 15min Market Time Unit (MTU) being already tradeable in many bidding zones from its go-live. This monumental project, which seamlessly coordinated several central, regional, and local systems, showcases the collaborative effort of all NEMOs and TSOs working hand-in-hand, on a daily basis to enhance market efficiency and energy security across Europe.

The IDAs represent a groundbreaking development in the European energy landscape, providing Market Parties with new trading opportunities three times a day. This innovation complements the intraday continuous market. The IDAs are conducted as implicit auctions using the EUPHEMIA algorithm, which simultaneously matches collected orders and allocates cross-zonal capacity. IDAs provide higher scheduling efficiency for a broader range of generation portfolios.

For the first time ever, a Big Bang go-live approach was implemented for such a pan-European project. Unlike the Continuous Intraday Market — which required four waves between 2018 and 2022 to cover the entire geographical scope — the implementation of IDAs was achieved in one single, coordinated effort. This unprecedented approach was far more complex and challenging, yet ultimately more efficient.

MCSC NEMO Chair, Ondřej Máca commented: "We are incredibly proud of the collaborative efforts that have led to the successful implementation of IDAs. This project demonstrates the power of cooperation and innovation in achieving significant advancements in market efficiency and energy security."

MCSC TSO Chair, Dr. André Estermann added: "The launch of the Intraday Auctions is a testament to the dedication, hard work and coordination of all NEMOs and TSOs. This

achievement reflects our commitment to further integrate the European electricity market and to support the transition to a more sustainable energy system."

We would like to thank Market Parties, National Regulatory Authorities (NRAs), the Agency for the Cooperation of Energy Regulators (ACER), and the European Commission (EC) for their cooperation throughout this process. Their contributions have been instrumental in bringing this unprecedented project to fruition.

For further information on Intraday Auctions and their impact on the European energy market, please visit the [NEMO Committee website](#) and [ENTSO-e website](#).

Contact:

info@mcsc-communication.eu

About SIDC:

The Single Intraday Coupling (SIDC) is a market mechanism in the intraday timeframe defined in the CACM Regulation based on continuous trading and complemented by three intraday implicit auctions (so called "IDAs").

The SIDC continuous trading solution is based on a common IT system with one Shared Order Book, a Capacity Management Module and a Shipping Module. It allows for orders entered by market participants for continuous matching in one bidding zone to be matched by orders similarly submitted by market participants in any other bidding zone within the project's reach as long as transmission capacity is available. The intraday solution supports both explicit allocation (where approved by the respective National Regulatory Authorities) and implicit continuous trading. It is in line with the EU Target model for an integrated intraday market.

On the other hand, SIDC IDAs allow for the pricing of cross-border capacity in the intraday timeframe. IDAs are implicit auctions where collected orders shall be matched, and cross-zonal capacity shall be allocated simultaneously for different bidding zones, determining clearing prices for each bidding zone.

European-wide intraday coupling is a key component for completing the European Internal Energy Market. With the rising share of intermittent generation in the European generation mix, connecting intraday markets through cross-border trading is an increasingly important tool for market parties to keep positions balanced. The purpose of the SIDC is to increase the overall efficiency of intraday trading.

For additional information on SIDC go to:

<http://www.nemo-committee.eu/sidc>

https://www.entsoe.eu/network_codes/cacm/implementation/sidc/