

A satellite view of Europe at night, showing city lights and the dark landmass against the blue glow of the atmosphere. The background is a dark blue space with scattered stars.

ENTSO-E response to EC options paper in Governance of day-ahead electricity markets

*Florence Forum
13-14 December 2010*

entsoe

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Key messages from ENTSO-E (I)



- ENTSO-E confirms its view that a **robust, unambiguous governance framework** is essential for a Pan-European implementation of Day-Ahead Price Coupling
- We re-affirm our support to the **two-tier approach** for the governance, promoting and facilitating convergence of Day-Ahead markets.
- The two-tier approach to governance can also be implemented for the **Intraday timeframe**

Key messages from ENTSO-E (II)

- Implicit auctions (price coupling) is essentially a congestion management activity, hence public service
-> **TSOs to stipulate their requirements** of the MC system
- It is essential that the governance guideline is consistent and coherent with, and complemented by, the **FG CACM and Network codes** in order to create an effective legislative tier for market integration.
- The **contractual approach** for implementation of the operational tier is needed if we want to achieve a truly Pan-European market → given the XB nature of price coupling national legislation is not enough, contracts are indispensable
- Role of the **administrative committee** to be clarified

Thank you for your attention