

21st Electricity Regulatory Forum Florence, 5-6 December 2011

Input from IFIEC Europe & CEFIC to
item 4.8 'Discussion on market integrity
framework and transparency'

1

Market integrity and transparency

- IFIEC supports all measures that can contribute to improve market integrity and transparency, as long as they do not impose excessive administrative and/or financial burden on market players
- Market monitoring should verify ex post whether or not capacity hoarding took place and whether day-ahead prices were correctly settled
- Market monitoring should allow 3rd parties to verify whether day-ahead prices reflect effective marginal costs of the marginal generation unit available; deviations between hourly prices and marginal cost of marginal units must be public and should be further investigated
- Market monitoring should verify whether all technically available generation capacity was effectively offered at all moments at marginal cost; in cases where some capacity was technically available but not offered, this should be made public and further investigated
- Long-term bilateral supply agreements should be encouraged, with the short-term exchanges used to adjust between hedges and requirements

2