



Pentalateral Energy Forum  
Chairpersons Support Group 1  
Attn. Frederik Deloof

Via e-mail: f.deloof@benelux.be

Your reference  
Our reference           MPP-2014-00023  
Handled by               Ruud Otter  
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Date                      13 May 2014

Subject                    Quick wins for cross border intra-day trade in the CWE region

Dear Co-chairs,

The project to come to a European solution for electricity cross border intra-day trade is again facing delays. Given the rapidly increasing penetration of intermittent generation and the obligation for balance responsible parties to balance their respective portfolios, the ability to trade intra-day on a cross border basis is more urgently needed as ever before. Therefore we would like to make some recommendations to enhance the situation in the short term with no regret improvements.

The NWE cross border intra-day project aims to implement continuous trading on explicit and implicit basis in the NWE region. This requires the development of a Capacity Management Matrix (CMM) and a Shared Order Book Function (SOBF). After a tender procedure Deutsche Börse Systems (DBS) has been chosen to provide this as an integrated product. The CMM part of this system already exists on the German borders. With local implementation projects individual TSOs can hook up to the system, providing the CMM with capacity information. Given this situation we would like to propose an early execution of the local implementation to make improvements available quickly and to hook up to the integrated system when it is available.

More concretely we propose to:

- Replace current systems capacity allocation systems with the existing DBS Capacity matrix on the following borders: UK-FR, NO-NE, UK-NL, BE-FR, GE-DK(East) and NL-BE
- Implement at least 24 (hourly) gates on every border
- Implement a harmonised gate closure for intra-day in order to create a real international level playing field (15 minutes before delivery)
- Allow for explicit trade on at least the borders where there is no continuous access possible now



With this approach the current situation will improve considerably, allowing all flexibility in the market to compete. Furthermore this will not lead to implementation of interim solutions, as all of this has to be done anyway.

We would be very happy to discuss our proposal more in detail in the next SG1 meeting.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Otter', with a long horizontal stroke extending to the right.

Ruud Otter

Chairman Market Parties Platform

A copy of this letter is sent to:

ACER

ENTSO-E

DG-Energy