

After careful consideration EPEX SPOT will vote against 15-minute Day-Ahead go-live in light of serious operational concerns

Exchange requests clarity for Market Participants and suggests revised go-live date

In the coming months, the European power market will witness one of the most profound changes of the past decade, the introduction of 15-minute Market Time Unit (MTU) products in the Single Day-Ahead Coupling (SDAC). This launch aims at improving electricity trading on the European continent, enabling a more seamless integration of renewables into the market while enhancing grid stability. On the Single Intraday Coupling (SIDC), a market that is essential for renewable integration, the introduction of 15-minute products is almost completed, with a vast majority of borders and Bidding Zones operating under 15-minute resolution.

The introduction of 15-minute MTU in SDAC will also generate significantly more pressure on systems, processes, physical conditions, and add considerable complexity for all actors. Operational security is the foundation of this development, to secure pan-European price formation, volume execution and overall system stability every single day of the year.

As of today, EPEX SPOT considers internal and external testing results as far below standard, with too many failures which would lead to severe operational issues in production. In line with previous statements from the EPEX SPOT Exchange Council which underlined the need for operational security, the European Power Exchange considers that Market Participants need clarity, sooner rather than later, a concern again recently raised via a letter to the Market Coupling Steering Committee (MCSC) project parties.

End of May 2025, the MCSC project parties will vote whether 15-minute MTU will go-live on 11 June 2025. After careful consideration, EPEX SPOT announces already today that it will vote against this go-live on 11 June 2025, due to serious operational concerns revealed during the latest testing activities.

According to EPEX SPOT, the following issues raise serious concerns:

- **The SDAC mechanism is still prone to decoupling or delay in market results publication:** Operational timings, as they stand today, do not allow safe operations. In the procedural tests conducted in February and March 2025, circa 20% of testing sessions ended in unexpected full decoupling; a market incident that has never occurred in the history of Market Coupling. This percentage is unacceptable at this stage of the project where systems are supposed to be acting very close to production standard. In a significant part of the test cases performed so far, market results publication was considerably delayed.
- **The central matching algorithm is under pressure:** 15-minute products mean an exponential increase of complexity for the algorithm, while the overall operational margins in the Market Coupling process are compressed. There is no plan B for the central matching algorithm, it has to perform in line with increased complexity.
- **Unmet quality criteria:** Several test phases were closed without formally meeting the commonly agreed quality criteria. The importance of meeting these quality criteria is underlined by the launch of Intraday auctions (IDA) in the Single Intraday Coupling in 2024. In the first three months of operation, nine IDAs were cancelled. Such performance level would be unacceptable in Day-Ahead.

Jean-François Conil-Lacoste, Chief Executive Officer of EPEX SPOT, comments: "Market participants need clarity. This ongoing insecurity on a change that is supposed to happen so soon, with such profound consequences, must stop. We should envisage a reasonable go-live after summer, for delivery on 1 October 2025 as it was also initially wished by Market Participants. The European Market Coupling as we know it today is a remarkable achievement. Reliability and secure operations are not just a parameter to be measured, they must remain the foundation. EPEX SPOT has a duty and collective responsibility towards our large trading community to deliver this."

Leaving the market in limbo until the official MCSC vote end of May 2025 would only generate more insecurity, which is why EPEX SPOT advocates for a prompt revision of the date to 30 September 2025 for delivery on 1 October 2025. Already in December 2024, Eurelectric on behalf of its members and of market participants had voiced their wish via a letter to SDAC project parties to launch 15-minute products on that date. A revised go-live date will allow to devote the necessary additional time to redesign common operational framework (timings, procedures), fine-tune individual systems and processes, as well as show stability in testing activities for the overall benefit of the European Market Coupling.

EPEX SPOT was the first Power Exchange to introduce 15-minute contracts in 2011 already, on the German Intraday continuous market. Today, these contracts have become a European standard, with the Single Intraday Coupling nearly completed at 15-minute level, and the Single Day-Ahead Coupling to follow. EPEX SPOT brings together a large trading community in Europe, with over 400 companies connected to its markets.

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Building on its unique expertise as a co-creator of the Internal Energy Market for electricity, EPEX SPOT's services span over 19 countries: From power trading across Central Western Europe, the United Kingdom, Switzerland, the Nordics, and Poland to Market Operation services in Ireland, Hungary, Montenegro, North Macedonia, Serbia, and Slovenia. In the environmental market, EPEX SPOT's Pan-European GOs auctions cover a scope of 22 countries.

As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT enables a price-responsive power system, to achieve a competitive and climate neutral Europe. 49% of its equity is held by a holding of major European Transmission System Operators.

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