

Study on Next Generation Day-Ahead and Intraday Market Coupling IT-Architecture

Brussels, 16 January 2026

General comments

Overall, we welcome the TSOs [study](#). We would request clarity on next steps, as page 24 states that “the subsequence’s high-level cost estimates combine empirical benchmarks with estimated efforts derived from interviews conducted with the TSOs”.

According to the report, TSOs would envisage moving away from black-box intermediaries in favour of primary infrastructure providers, combined with in-house developments or targeted innovative suppliers.

However, it is unclear whether problems and solutions presented in the report have already been explored within MCSC R&D activities, in particular with respect to interaction with cloud-computing-based solutions. Moreover, the report appears to suggest exploring alternatives to renewing the XBID contract with DBAG. Clarification would therefore be useful on whether similar challenges exist on the Euphemia side, and on which alternative partners or providers could realistically compete under a more simplified and efficient architecture.

The report proposes a centralized architecture with two operational sites and one test site. We understand that this would imply a change in the current NEMO/TSO ownership structure. Although governance aspects are explicitly excluded from the report, we wonder if TSOs intend to reinforce its governance role through this solution.

Finally, we recommend further R&D streams:

- IT efficiency improvements for tasks related to RCC legal mandates, as well as additional processes within and between TSOs, even the possibility for the latter to be voluntarily transferred to the RCCs.
- Similarities and differences between the proposed architecture and those of the MARI and PICASSO balancing platforms. In particular, are comparable efficiency gains expected from deeper integration between MARI and PICASSO under the same logic? In

addition, could similar benefits arise from integrating market coupling with balancing platforms and other TSO processes?

Costs and fees

We note some gaps that should be addressed:

- Quantification of expected efficiency gains. A comparison with current spending alternatives and of a cost-sensitivity analysis accounting for potential delays. In particular, estimates of time savings and reductions in human-resource needs related to development, deployment and system management.
- What is currently included in existing infrastructure costs and whether these are already reflected in current financial projections managed by the MCSC.
- The total cost presented includes the establishment of a central technical team in Phase 1 and a Market Coupling Innovation Lab in Phase 3. It would be valuable to clarify the legal entity to which these teams would belong.
- The total cost will be financed through an ad-hoc 1 ct/MWh fee, in line with CACM 2.0 proposals (Miscellaneous Charges Order – MCO). Detail on the calculation of the proposed fee would be appreciated, and discuss alternative fee structures that could avoid cross-subsidization between market participants, particularly smaller participants or traders with limited final transacted volumes. Clarify whether NEMO fees which would be deducted as functions are migrated to the central team and infrastructure.

Detailed comments

Blocks 1 and 2:

- Clarify the scope of the proposed Common Information Model, specifically whether it implies the absence of such a model today, or rather the renewal and enhancement of the existing one.
- Provide greater transparency on the unified API proposal, including the current state, targeted improvements, and expected benefits, notably for LTS in terms of improved synchronization with central services. Clarify accessibility and integration of a single data-publication API, including whether it would be available to market participants and how it would interact with the ENTSO-E Transparency Platform.

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- Explain how the proposed architecture would effectively address the risk of failure propagation between the day-ahead market and IDA1, previously identified by the MCSC when IDA1 was considered as candidate for a fallback mechanism.

Blocks 3 and 4:

- We find the diagnosis concerning. However, it gives the impression that the intention is to extend ENTSO-E's communications model without first assessing whether it can be improved or whether it is imperfect.
- Quantify latency reduction or show a use case.
- How is failover currently performed? Is there currently no transparent failover for users in XBID? Is this not in the DBAG contract? Time gains are missing.
- What is the current status of Disaster Recovery and Business Continuity processes? Are they not audited?

Block 5:

- It would be useful to give concrete examples of currently unmet needs when stating: "While inputs and outputs—bids, prices, schedules—are accessible, the transformation process remains opaque. This gap limits operators' ability to validate outcomes, anticipate stress behaviour, and manage risks proactively." Trading dynamics do not necessarily yield physical conclusions that TSOs can process adequately. We do not fully understand the accountability issue described, as they are not responsible for trading until the resulting schedules are nominated. We do agree that they should have nomination information directly from market participants, as early as possible, while preserving trading freedom until market closure and under balanced data-exchange obligations are ensured. Otherwise, efficient price formation would be impacted.
- We do agree that independent audits of algorithm behaviour during incidents could be carried out, provided they are led by ACER/DG ENER, as TSOs are also an interested party. Replicability of algorithms and decisions could also be extended to incidents on

balancing platforms. However, using this capability to simulate future decision-making scenarios raises doubts, as it may lead to incorrect conclusions or be used to dilute the TSOs/NEMOs' legal responsibility.

- It would be advisable to complement the report with current performance metrics benchmarked against clear targets, for example in comparison with stock exchanges (while acknowledging the different contexts). We would welcome improvements in coordination of post-coupling and intraday processes between NEMOs and TSOs, thereby reducing the risk of decoupling, IDA cancellations, tight time windows and the application of corrective measures limiting/eliminating the use of products and other features.
- The report states: "In addition, there has been growing criticism by stakeholders, including market participants, regulators and policy makers about the 'black box' nature of the algorithms, and entry barriers of new market participants." We would appreciate concrete examples of entry barriers, which would necessarily involve both NEMOs and TSOs.

Blocks 6 and 7:

- In theory, systems should already be managed as envisaged for the future, in line with what is presented in the MESC. The proposal does not specify which concrete improvements have been identified.
- Would the canary-release strategy affect market participants?
- The automatic rollback process is, in principle, already envisaged (e.g. 15-minute MTU), and we understand that the test environment currently in use already acts as the proposed Digital Twin. What concrete improvements are being put forward, beyond greater process controllability derived merely from centralization and system integration? In the case of the Digital Twin, how will the real-time market situation be replicated?
- Does the concept of a "single source of truth" imply that there is currently no unified data model and no coherent, homogeneous and single repository for all

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coupling-related data? Would this be integrated with the ENTSO-E Transparency Platform?

Block 9:

- Would the proposed operating model detect bids that are misaligned with expectations? Would it facilitate NEMOs' tasks under REMIT?

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