# CONSULTATION RESPONSE

# Response to the NEMOs and TSOs consultation on Fallback Concept for the Single Day-Ahead Coupling

Brussels, 16 April 2026

## Key messages

The ongoing assessment of alternative fallback mechanisms, particularly the use of intraday continuous trading for price formation and capacity allocation in decoupling situations, represents a significant evolution of current arrangements.

From a market participant perspective, fallback solutions must preserve market integrity, support efficient risk management, and ensure continuity of trading operations under stressed conditions. Against this backdrop, Energy Traders Europe highlights the following key principles:

- The establishment of a single, robust reference price. A single price is essential to preserve market transparency, avoid fragmentation, and maintain consistency.
- The postponement of Transmission System Operators' (TSOs) nomination deadlines, particularly in the Core region, to accommodate fallback processes.
- Market participants must retain the ability to nominate their day-ahead (DA) positions even under fallback conditions.
- While obtaining the most accurate possible reference price is important, it should not come at the expense of restricting order execution.
- The methodology used to derive fallback reference prices must be fully transparent and publicly available.
- Minimise impacts on market operations. This includes limiting changes to established workflows, preserving existing products where possible, and avoiding unnecessary complexity.

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## Detailed comments

High-level Acceptance of the Proposed Fallback Concept

*Q1. Do you support the proposed new fallback concept?*

- *Yes, fully*
- *Yes, partially*
- *No, rather not*
- *No, not at all*
- ***Not applicable***

*Q2. Which aspects do you consider critical, which aspects do you support, which aspects do you find blocking points?*

We support the goal to have a single price in this fallback concept.

However, we find the following critical aspects:

- Liquidity: a potentially not robust price in SIDC continuous if liquidity is not fully transferred very early in some Core bidding zones. Future to spot products should be considered.
- Operations: full bid transfer used very rarely in case of full decoupling might mean that market participants might not be quick enough. The operational implications of the proposed mechanism are technically challenging, such as the transfer of bids between the Day-Ahead market and the Intraday market in a short timeframe. Given the difference in market structure and offered products, such a transfer of bids is not trivial. It should also be noted that not all market participants are active in both the Day-Ahead and the Intraday market, which makes a fallback solution relying on the Intraday market challenging. There is also the regulatory risk for being unbalanced.
- Nominations: in general, we support extending the nomination deadline beyond the current SDAC fallback procedures and would favour a longer extension than the proposed 30 minutes. Additional time would allow for more effective SDAC optimisation, potentially avoiding decoupling, and would also improve the robustness of the fallback process if decoupling is ultimately required. However, the

proposal appears to link this extended timeframe to the removal of shadow auctions, without clearly explaining how their removal would, in practice, free up additional time for either purpose. There is also a question whether the new fallback will trigger new nomination.

- Price: we suggest having a minimum percentage of SDAC volumes or an extended time snapshot to have a better reference price. Consideration of intraday cross-zonal capacities is a must. Otherwise, there is a risk that the resulting price may not be sufficiently robust to serve as underlying for the futures market.
- Algorithm performance: using SDIC/XBID as a SDAC fallback could constrain even more the algorithm, while NEMOs are implementing corrective measures (i.e. OBs reduction).
- Timings: there is lack of clarity when it comes to the timing. If SDIC will be used, is there a certain trading windows and after that a settlement price? This is a crucial point, as many contracts are based on the Day-Ahead auction prices.

## Bid Transfer, Trading Capability, and Process Timings

*Q3. From a technical perspective, how much time would you need to transfer your bids from the Day-Ahead timeframe (SDAC) to the Intraday timeframe (SIDC CT) in the fallback scenario?*

No comments.

*Q4. How would the transfer of bids be implemented in your organization?*

- *Immediately, in a single step (considering the technical minimum time needed as indicated in the previous question) after decoupling is announced*
- *Gradually (continuous / stepwise) transfer*
- *It depends on the specific market situation*
- *Not applicable*

No comments.

*Q5. Additional remarks and/or comments on how the transfer of bids would be implemented in your organization:*

No comments.

*Q6. How much time would you consider sufficient to trade in SIDC CT before the snapshot for the SDAC Reference Price is taken?*
No comments.

*Q7. How would your internal processes be affected if a postponement of the full decoupling deadline leads to a start of SIDC CT without cross-zonal capacities (that would only be available once the ID Capacity Calculation process has been completed)?*

- *No impact*
- *Minor impact*
- *Moderate impact*
- ***Significant impact***

*Q8. Please elaborate on how your internal processes would be affected if a postponement of the full decoupling deadline leads to a start of SIDC CT without cross-zonal capacities (that would only be available once the ID Capacity Calculation process has been completed)?*
Cross-zonal capacity in SIDC CT is a prerequisite as it would deliver a more meaningful price signal and better liquidity. It is irrational to suggest having SIDC CT as a fallback without cross-border capacity. It would be the same thing than current local auctions.

Reliability of Portfolios, Nominations, and Schedules
*Q9. Would the proposed fallback concept affect your ability to submit generation and load schedules to your national TSOs in a timely and accurate manner?*

- *Yes*
- ***Limited in accuracy***
- *Other limitation*
- *No*
- *Not applicable*

*Q10. Please elaborate why you selected 'Limited in accuracy' or 'Other limitation'*
Full decoupling and shortened timelines would have an impact on accuracy and on renewables subsidy remuneration.

A further impact is expected if not all forecasted volumes can be traded within the initial reference price period, which results in ongoing schedule updates rather than in a single concise update as it would be the case with an auction. This increases the potential for errors and the risk of imbalances.

*Q11. How does this fallback concept compare with the current fallback process in terms of submission of reliable generation and load schedules?*

- *Better*
- *Same*
- *Worse*
- *Not applicable*

No comments.

*Q12. Please elaborate your answer to how this fallback concept compares with the current fallback process*

No comments.

*Q13. Under the conditions of the proposed fallback concept; once the SDAC reference price is published; what is the minimum time you would need to provide reliable generation and load schedules to the respective TSO?*

No comments.

Dependency on the Day-Ahead Reference Price

*Q14. Would you participate in the SIDC CT before the Day-Ahead reference price is available?*

- *Yes*
- *No*
- *Not applicable*

No comments.

*Q15.* If 'No', please explain

No comments.

*Q16. Do you rely on the Day-Ahead reference price to prepare your nominations?*

- *Yes, essential*
- *Yes, but not critical*
- *No*
- *Not applicable*

No comments.

*Q17. Does the time at which the DA reference price is published influence your trading decisions?*

- *Yes, significantly*
- *Yes, but minor*
- *No*
- *Not applicable*

No comments.

*Q18. If 'Yes, significantly', please elaborate*
No comments.

*Q19. Under the proposed fallback scenario, do you expect liquidity in continuous intraday trading in your bidding zone to be sufficient to support a robust calculation of the Day-Ahead reference price?*

- *Yes*
- *Partially*
- *No*
- *Not applicable*

No comments.

*Q20. If 'Partially' or 'No', which of the following do you see as the main reasons for likely insufficient liquidity?*

- *Overall traded volumes remain too low*
- *Trading is too back-loaded (concentrated late / close to gate closure)*
- *Delayed or uncertain cross-zonal capacity availability*
- *High bid-ask spreads or volatility deterring early trades*

No comments.

Regulatory and Market Rule Preconditions

*Q21. Do you foresee any need for amendments to national legislation, market rules, or other binding frameworks to implement the proposed fallback concept?*

- **Yes**
- No

*Q22. If 'Yes', what amendments would be required?*
Change in law and rules.

We see the following amendments to national legislation to implement the proposed fallback concept:

- Imbalance for nomination deadlines in Germany: if not all forecasted volume traded until nomination deadline in continuous intraday, a fully balanced position is hard to achieve
- Obligations to be balanced in DA in Germany: if fallback solution moves to Intraday, market participants cannot be balanced in DA, thus being "forced" to be unbalanced and a potential violation of their balancing contracts.
- Subsidy schemes and capacity remuneration mechanisms.

*Q23. In Poland, market participants will have to keep providing the internal nominations (internal commercial trade schedules, generation schedules, ISP bids [in Polish Terms and Conditions for Balancing: USE, PP, OZPG, OEB]) until 15:30. Do you see the need for any support from Polish NEMOs or PSE to perform that process in this new fallback?*

- *Yes*
- *No*
- *Not applicable*

No comments.

*Q24. If 'Yes', what support would be required?*

No comments.

Addional Remarks

*Q25. Please provide additional remarks, if any.*

The preferred alternative solution would be to further shift the TSO nomination deadline to allow (1) for a longer solution finding time of the market coupling algorithm and (2) for a delayed Day-Ahead auction in case a decoupling is declared. This solution is preferred as it allows market participants to trade and nominate in the Day-Ahead timeframe and offers the full product availability and cross-zonal capacity of the day-ahead auction.

Shifting the TSO nomination deadline should not only be used to ensure improved processes in case of a decoupling, but foremost to avoid a decoupling. It is hence important that sufficient time is allocated to enable the market coupling algorithm to find a solution.

Any shift in TSO deadline should include shifting the nomination deadline to allow for accurate nominations following the reference price publication.

## Contact

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