

To: Mr. Christian Zinglensen, ACER Director & Ms. Clara Poletti, Chair of the ACER BoR

Cc: Ms. Sonya Twohing, Secretary General, ENTSO-E  
Mr. Kjell A. Barmsness, Chairman of the Market Committee, ENTSO-E  
Mr. Zoltan Gyulay, Head of Market Section, ENTSO-E  
Mr. Martin Viehhauser, ACER  
Mr. Mathieu Fransen, CACM PCG Co-chair

**By e-mail**

24<sup>th</sup> November 2023

**Subject: SUBMISSION OF NEMOs PROPOSAL FOR AMENDMENTS OF THE ALGORITHM METHODOLOGY DUE TO INTRODUCTION OF THE CO-OPTIMISATION PROCESS AND AMENDMENTS FOR THE IDAs IMPLEMENTATION**

Dear Director,

on behalf of the NEMO Committee, please find enclosed the All-NEMOs' proposal on amendments of the Algorithm methodology (AM) due to Co-optimisation, in accordance with Article 37 of the CACM Regulation.

This proposal builds on our public consultation held between 31.07-25.09/2023. NEMOs' report for the public consultation, along with the original feedbacks of the participants, can be found at the NEMO Committee website (<https://www.nemo-committee.eu/public-consultations/open-public-consultation-on-price-coupling-algorithm-and-the-intraday-auction-algorithm-due-to-co-optimisation>).

Following the conclusion of the public consultation process, all NEMOs in coordination with all TSOs, cooperated on updating the AM amendment proposals, reflecting concerns and recommendations raised during the process by market participants and ACER. The proposal consists of the following documents, attached to this letter:

- Explanatory note for amendments to the Algorithm Methodology for the price coupling algorithm due to Co-optimisation (including also amendments for IDA implementation and inclusion of the Scalable Complex Orders in the Algorithm Monitoring methodology).
- Methodology for the price coupling algorithm, the continuous trading matching algorithm and the intraday auction algorithm (Algorithm methodology)
- Annex 1 to AM - Requirements for SDAC (according to the TSOs updated set of requirements as of 11/09/2023)
- Annex 2 to AM - Requirements for SIDC
- Annex 3 to AM - Monitoring methodology for SDAC

During the Joint Expert Team on Algorithm (JET-A), relevant NEMOs' and TSOs' concerns on the changes needed in the Algorithm methodology and the requirements for further R&D for concluding a fully-fledged Algorithm methodology have been exchanged. Such R&D could be used for the implementation of the co-optimisation process in SDAC, and a relevant timeline is currently provided by all TSOs and all NEMOs in the AM updated proposal.

We are fully available to continue the discussion with you on the review and future implementation of the co-optimisation process in SDAC.

Kind regards,

-Redacted-

Rafael Gómez-Elvira González  
Chairperson of the All NEMO Committee

Sent on behalf of all designated NEMO: BSP, BRM, CROPEX, EPEX SPOT, ETPA, EXAA, GME, HEnEx, HUPX, IBEX, Nord Pool EMCO, OKTE, OMIE, OPCOM, OTE, SEMOpx, and TGE