

Explanatory note for amendments to the Algorithm Methodology for timing adjustments to the Intraday Auctions due to the introduction of the Flow-based implementation

20 July 2026

Disclaimer

This explanatory document is submitted by all NEMOs to the European Union Agency for the Cooperation of Energy Regulators for information and clarification purposes on proposed amendments to the “Methodology for the price coupling algorithm, the continuous trading matching algorithm and the intraday auction algorithm also incorporating a common set of requirements” in accordance with Article 37(5) of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management.

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1. Introduction

This explanatory document provides an overview of the background and context for the amendments proposed by all NEMOs to the Algorithm Methodology in connection with the implementation of flow-based capacity allocation in Intraday Auctions (IDAs).

2. Background

In compliance with paragraph (3) of Article 55 of CACM, providing the high-level requirements for the implementation of the pricing of intraday capacity and the development of the relevant applicable methodologies, the Agency for the Cooperation of Energy Regulators (ACER), in coordination with National Regulatory Authorities (NRAs) and following a relevant proposal of all TSOs on the Intraday Cross-Zonal Capacity Pricing methodology (IDCZCP) by all TSOs, has approved (Decision 01/2019 of 24th of January 2019 on Establishing a Single Methodology for Pricing Intraday Cross-Zonal Capacity) the implementation of three pan-European intraday auctions (IDAs) to price cross-zonal capacity, complementing the existing continuous trading system in the Single Intraday Coupling (SIDC). These auctions aim to ensure that capacity pricing better reflects scarcity in the intraday market. Intraday Auctions were implemented across Europe on 13 June 2024, forming a key part of the SIDC market mechanism under the NTC allocation-constraints option.

In light of the planned introduction of flow-based capacity allocation in IDAs, NEMOs, in cooperation with TSOs, proposed a targeted set of timing adjustments to the IDA process set out in the Algorithm Methodology (AM). The proposed amendments [were consulted publicly](#), pursuant to Article 12 of CACM, for collecting stakeholders' views for one month between May 13th and June 12th 2026.

3. Public Consultation summary and responses

NEMOs and TSOs received two substantive market-participant responses. The respondents welcomed the implementation of flow-based (FB) capacity allocation in IDAs, while emphasising that the interruption of cross-zonal continuous trading should remain as short, predictable and transparent as possible. One respondent opposed any increase in the suspension period, while both respondents called for the parallelisation of tasks. NEMOs and TSOs note that FB allocation requires an additional post-IDA ATC-extraction process to preserve operation within the secure operational domain. The final approach will maintain a maximum total suspension of 40 minutes under normal operation, supported by improved parallelisation of activities.

A respondent requested earlier indicative publication of capacity for IDA2 to support order preparation. NEMOs and TSOs note that the relevant capacities are determined through a complex CCR-level process involving data collection and grid modelling; running this process earlier would reduce accuracy and could lead to more conservative capacity determination. A further request concerned possible locked cross-zonal flows in the Nordic region after the introduction of FB in day-ahead. As this relates to the regional Nordic FB-capacity-calculation design rather than the timing changes consulted here, it should be addressed through the Nordic flow-based stakeholder process.

Respondents also questioned whether the former wording of Article 5(19) could be read as extending the total interruption from 40 to 45 minutes and sought clarity on the relationship with the indicative XBID configuration timings. NEMOs and TSOs recognise that the detailed pre- and post-GCT periods could create such an interpretation when read in isolation. The final proposal will therefore set only the maximum total interruption period of 40 minutes under normal operation; detailed operational

steps and timings will be governed through the IDA operational procedures and accompanying market documentation.

Respondents also recommended retaining the existing 30-minute minimum period of cross-zonal continuous trading after IDA-result publication under normal operations and sought clarification of fallback arrangements. The amendment to Article 6(12) will not be pursued. NEMOs and TSOs further clarify that fallback arrangements are exceptional, are designed first to protect secure grid operation, and rely on a combination of automated and manual procedures. Borders for which secure operation is ensured remain available for allocation; regional backup processes reflect the relevant network topology, while post-validation cancellation and reversion to previously established NTC values are existing arrangements independent of the introduction of FB allocation.

On intraday-market-information publication, and inclusion of additional detailed specifications in the Algorithm Methodology, including on accessibility, historical retention and consistency across publication locations, NEMOs note the request but consider this request extending beyond the timing changes required for FB in IDAs and requires further coordination. The relevant governance bodies will assess current arrangements and the requested specifications; subject to that assessment, an amendment to Article 20 will be proposed in a subsequent dedicated update, as appropriate.

The respondents feedback and the response of NEMOs in cooperation with the TSOs are published at the [NEMOs public consultation webpage](#).

4. Proposed amendments to the Algorithm Methodology

Considering the initial proposals and feedback received from MPs and stakeholders under the public consultation process the NEMOs, in cooperation with TSOs, now propose the following amendments, further detailed in the amendment proposals to the “Methodology for the price coupling algorithm, the continuous trading matching algorithm and the intraday auction algorithm, Annex I of ACER Decision 11/2024 on amendments to the price coupling algorithm and the continuous trading matching algorithm, including a common set of requirements”.

Article 4, Paragraph 12

Considering the operational impact of the 15-min MTU go-live to the normal-operation deadline for publishing SDAC results, NEMOs and TSOs now also propose the amendment of the relevant deadline to 13:05 CET.

Article 5, paragraph 14

With regard to the implementation of flow-based (FB) allocation in continuous trading, NEMOs and TSOs consider that further research and development (R&D) activities should be carried out to assess the technical feasibility of such an approach and, where feasible, to define an appropriate implementation plan, including indicative timelines. Considering the current amendment timeline for the AM and required coordination, NEMOs and TSOs will propose relevant amendments for a detailed R&D schedule in a subsequent dedicated update, as appropriate.

Article 5, paragraph 19

To accommodate the agreed IDA-FB design NEMOs and TSOs acknowledge a simplified approach regulating only the total period of suspension of continuous SIDC while maintaining the overall interruption of cross-zonal continuous trading within 40 minutes under normal operation. Detailed operational steps and timings before and after the IDA GCT will be governed through the IDA

operational procedures and communicated to market participants in accordance with the relevant arrangements.

Article 5, paragraph 20

As the 12-month transitional period following IDA go-live has expired, NEMOs and TSOs propose deleting Article 5(p.20) of the AM.

Article 6, Paragraph 12

No amendment is proposed to Article 6(p.12). The existing provision will continue to require the provision of IDA results in due time to allow at least 30 minutes of cross-zonal continuous trading for any given MTU after publication of the auction results under normal operation.

Article 6, Paragraph 15

NEMOs and TSOs recognize the need to provide a concrete implementation timescale for FB allocation in IDAs for Article 6(p.15.c). Consistent with the current planning such anticipated technical readiness date for go-live could be foreseen for Q4-2027. It should be noted, however, that duration of go live preparation depends on alignment with market participants and operational requirements.

5. Useful links

CACM

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02015R1222-20210315>

IDCZCP

https://acer.europa.eu/Individual%20Decisions/ACER%20Decision%2001-2019%20on%20intraday%20cross-zonal%20capacity%20pricing%20methodology_0.pdf

https://eepublicdownloads.entsoe.eu/clean-documents/nc-tasks/EBGL/CACM_A55_190124_IDCZCP%20methodology_ACER.pdf

Algorithm Methodology (AM, last ACERs Decision, Main body and Annexes)

<https://www.nemo-committee.eu/publication-detail/algorithm-methodology>

6. Abbreviations

AM	Algorithm Methodology for the price coupling algorithm, the continuous trading matching algorithm and the intraday auction algorithm also incorporating a common set of requirements, in accordance with Article 37(5) of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management
CACM	Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on Capacity Allocation and Congestion Management (Capacity Allocation and Congestion Management)
CZC	Cross Zonal Capacity
IDA	Intraday Auction
IDCZCP	Intraday Cross-Zonal Capacity Pricing methodology
NEMO	Nominated Electricity Market Operator

OBK	Orderbook
SIDC	Single Intraday Coupling
SDAC	Single Day-Ahead Coupling
TSO	Transmission System Operator