



Multi-Regional Coupling



Price Coupling of Regions



Italian Borders Market Coupling

ITALIAN BORDERS MARKET COUPLING TO LAUNCH ON 24 FEBRUARY 2015

A further significant step towards an integrated European power market

02 February 2015. The Italian Borders Market Coupling Project is scheduled to launch on 24 February 2015. The Go-Live is subject to the final approval by the involved regulatory authorities. Three of the five borders of the Italian Borders Market Coupling Project will be coupled with the Multi-Regional Coupling (MRC), thus linking the majority of EU power markets - from Finland to Portugal and Slovenia. The launch of the Italian Borders Market Coupling provides evidence of the flexibility and reliability of the Price Coupling of Regions (PCR) solution.

After successful completion of all testing activities in January 2015, the launch of the Italian Borders Market Coupling will take place on 24 February 2015. From this date onwards, capacity for the Italian-Austrian, Italian-French and Italian-Slovenian borders will be implicitly allocated through the PCR solution for the Day-Ahead markets, making those borders part of the MRC.

The Day-Ahead markets of MRC extended to the Italian Borders Market Coupling will cover 20 European countries, accounting for about 2,800 TWh of yearly consumption. The daily average cleared volume over these countries will amount to over 4 TWh, with an average daily value of over €150m.

In addition, with reference to the market coupling currently in operation between Italy and Slovenia, the Gate Closure Time for the Day-Ahead Markets of Italy and Slovenia is set at 12:00 pm starting from the trading date 10 February 2015 (delivery date 11 February 2015).

Information regarding the Italian-Swiss border

Though all Swiss borders are technically ready for market coupling, their coupling is delayed in the course of ongoing bilateral negotiations between Switzerland and the EU Commission. The partners remain ready to go live within a short timeframe, as soon as the present political situation evolves.

Information regarding Italian-Greek border

The Italian-Greek border will be technically ready for market coupling at a later date. The Go-Live date of the Italian-Greek border will be decided as soon as its technical readiness to enter has been assessed within the Italian Borders Market Coupling project.

Information regarding regulatory approval

As stated in the first page, the launch of the Market Coupling remains subject to the approval of the National Regulatory Authorities of Austria, France, Italy and Slovenia. Consequently, the confirmation of the Market Coupling launch on the Italian Borders will happen when such approvals by all National Regulatory Authorities have been published.

About the projects:

The Multi-Regional Coupling (MRC) is a pan-European project dedicated to the integration of power spot markets in Europe. It is a cooperation between the Power Exchanges APX, Belpex, EPEX SPOT, Nord Pool Spot and OMIE, and the Transmission System Operators 50Hertz, Amprion, Creos, Elia, Energinet.dk, Fingrid, National Grid, REE, REN, RTE, Statnett, Svenska Kraftnät, TenneT TSO B.V. (Netherlands), TenneT TSO GmbH (Germany) and TransnetBW. The cooperation operates a price coupling of the Day-Ahead wholesale electricity markets, increasing the efficiency of the allocation of interconnection capacities of the involved countries and optimising the overall social welfare. The MRC relies on one single algorithm, calculating simultaneously the electricity market prices, net positions and flows on interconnectors between bidding zones, is based on implicit auctions and facilitated through the Price Coupling of Regions solution. The MRC currently covers countries accounting for 75% of European power consumption.

Price Coupling of Regions (PCR) is the initiative of seven European Power Exchanges (APX, Belpex, EPEX SPOT, GME, Nord Pool Spot, OMIE and OTE), to develop a single price coupling solution to be used to calculate electricity prices across Europe and allocate cross-border capacity on a day-ahead basis. This is crucial to achieve the overall EU target of a harmonised European electricity market. The integrated European electricity market is expected to increase liquidity, efficiency and social welfare. PCR is open to other European Power Exchanges wishing to join. Today, PCR is used to couple the Multi-Regional Coupling, covering 75% of European consumption, and the 4M Market Coupling between the markets of Czech Republic, Hungary, Romania and Slovakia.

Italian Borders Working Table (IBWT) is a joint Market Coupling project between the Transmission System Operators (ADMIE, APG, ELES, RTE, SWISSGRID and TERNA) and Power Exchanges (BSP, GME, EPEX, EXAA and LAGIE) of Austria, France, Greece, Italy, Slovenia, and Switzerland, with the support of CASC and ECC. This project aims to define the pre-coupling, post coupling and exceptional situations processes that are necessary to allow the operation of Market Coupling between MRC and the Italian-Borders day-ahead markets.

For further info on PCR, MRC and IBWT please see these websites from involved project parties:

MRC:

www.apxgroup.com
www.belpex.be
www.epexspot.com
www.nordpoolspot.com
www.omie.es
www.casc.eu

PCR:

www.apxgroup.com
www.belpex.be
www.epexspot.com
www.mercatoelettrico.org
www.nordpoolspot.com
www.omie.es
www.ote-cr.cz

IBWT Project:

www.admie.gr
www.apg.at
www.bsp-southpool.com
www.eles.si
www.epexspot.com
www.ecc.de
www.exaa.at
www.mercatoelettrico.org
www.lagie.gr
clients.rte-france.com
www.swissgrid.ch
www.terna.it