

What makes electricity trading in SEE effective and what stands against

Breakout Session - Group 3:

PX and trading related aspects

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What are the key elements to increase liquidity and trust in the price signals from the SEE local and regional markets?

Add on questions: What perspective/route did the local PXs take on building liquidity? Was the definition of the gate closure time a factor?

- SEEPEX: Focus on removing barriers for trading, standards on clearing and settlement, removal of licencing obstacles (for which the Energy Community Secretariat was invited to help out in achieving this), extension of markets (coupling), and a gate closure time different from 4MMC was thought to gain more liquidity. A key will also be to get RES in to the market
- IBEX: No major barriers within Bulgaria, many bilateral players, and also many eligible companies that could take part in wholesale & retail activity, and therefore key for gaining liquidity has been based on marketing and explaining why companies shall trade, in addition to having simple, efficient trading and settlement/clearing mechanisms in place.
- Market participant: To many PXs can be costly and complex (registration etc.) for trading participants.
- On national levels within SEE there is limited competition characterised by dominant "supply" giants, and therefore combining markets cross border is key

What aspects of the setup of organized (PX) markets are key to ensure efficient markets from technical, legal, cost, etc. perspectives?

For ex. what is important about settlement/clearing, products, number of participants, algorithm and matching rules, transparency linked to market and fundamental power system data, fee structures,.....

Add on question: Why not considering being fully serviced from "abroad"?

- Building "from abroad" is hard for historical reasons, lack of trust, local specificities, etc.
- (SEEPEX) Key to be precise and early in your information about opening or changing of markets
- (IBEX) Agree but not state readiness to early, e.g. should be confident go-live will work