SEMOpx Info – 04 June 2019

Potential increase of maximum price in ETS for Day-Ahead and local auctions as from 01 July 2019

Important information – Action required

- As of 01 July 2019, if the clearing price for a single hour reaches 60% of the maximum clearing price in a coupled Day-Ahead auction, the maximum clearing price will be increased in coupled and local auctions.
- We recommend all members check that trading limits allow for your current bidding strategy in case of increased maximum price.

Dear SEMOpx Member,

As of 01 July 2019, SEMOpx will implement requirements linked to the European Capacity Allocation and Congestion Management (CACM) regulation. This will have an impact on the maximum clearing price in the coupled Day-Ahead auction that is run every day at 11:00 GMT.

Currently, the maximum clearing price in the Day-Ahead auctions at SEMOpx is set at 3000€/MWh. As from 01 July 2019, if the clearing price exceeds 60% of the harmonized maximum clearing price, for a single hour in one bidding area in MRC (Multi-Regional Coupling), the maximum clearing price will be increased by 1000€/MWh for all bidding areas of MRC.

The increase will be applied five weeks after this 60% threshold has been reached. Should this happen, we will inform our members in a timely manner about the increase and its go-live date.

If during this 5-week period, the clearing price exceeds 60% of the newly increased maximum clearing price, the harmonized maximum clearing price will be raised again five weeks after the next calendar days.

Please note that the maximum price will not decrease and that minimum prices are not affected by the change.

SEMOpx local auctions will not trigger an increase of the maximum clearing price.

Please make sure that your trading limit is sufficient to guarantee that no order would be rejected in case the price cap would be moved from 3000€/MWh to 4000€/MWh. Please also monitor the evolution of maximum prices.

Please do not hesitate to contact us should you require any further information.

Yours faithfully,

SEMOpx Team