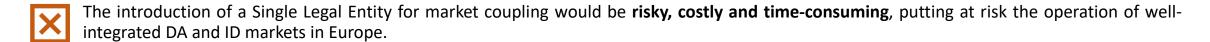
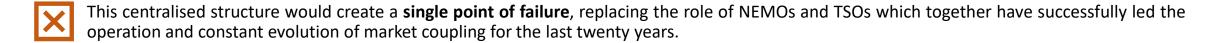


## Single Legal Entity for market coupling (SLE)

Articles 7(1) and 59(1b)

### Would the proposal improve the status quo?





### Why now?



There is **no evidence that such a drastic overhaul would have a positive impact** for either the efficiency of market coupling, system security or on electricity prices.



SLE was not part of the initial EMD review scope and **not consulted on**, leaving stakeholders no possibility to evaluate the proposal and provide feedback.



As NEMOs, TSOs and market participants consider SLE to be dangerous to the well-functioning of short-term markets, this proposal has already been debated and set aside in the CACM Guideline review.



# **Regional Virtual Trading Hubs (RVTHs)**

### Article 9

Does this proposal adequately address the needs of market participants?



Existing hedging solutions such as spread futures or EPADs have emerged from market needs – whereas there is no such demand for RVTHs.



A proper impact assessment should look at the wider framework for Long Term Transmission Rights (LTTRs), take into account external reasons inhibiting forward market liquidity (e.g., regulatory intervention, non-market-based support schemes, existing collateral requirements, etc.) and include ACER, ESMA and all interested market stakeholders in the discussion.

#### What are the drawbacks to RVTHs?



Would create significant uncertainty regarding costs and risks for TSOs and market participants, leading to higher electricity prices for end-consumers.



More likely to fragment forward market liquidity, rather than to improve it, and interfere with existing, well-functioning hedging possibilities.



We instead encourage bottom-up solutions stemming from direct market demand.