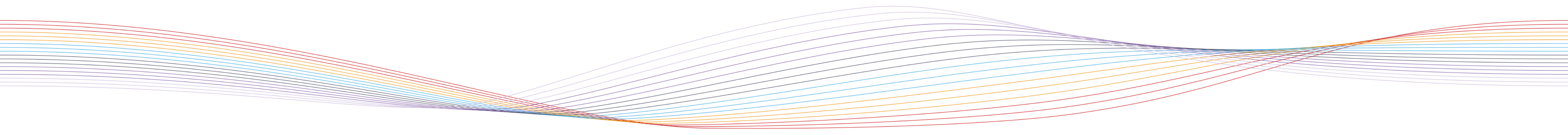


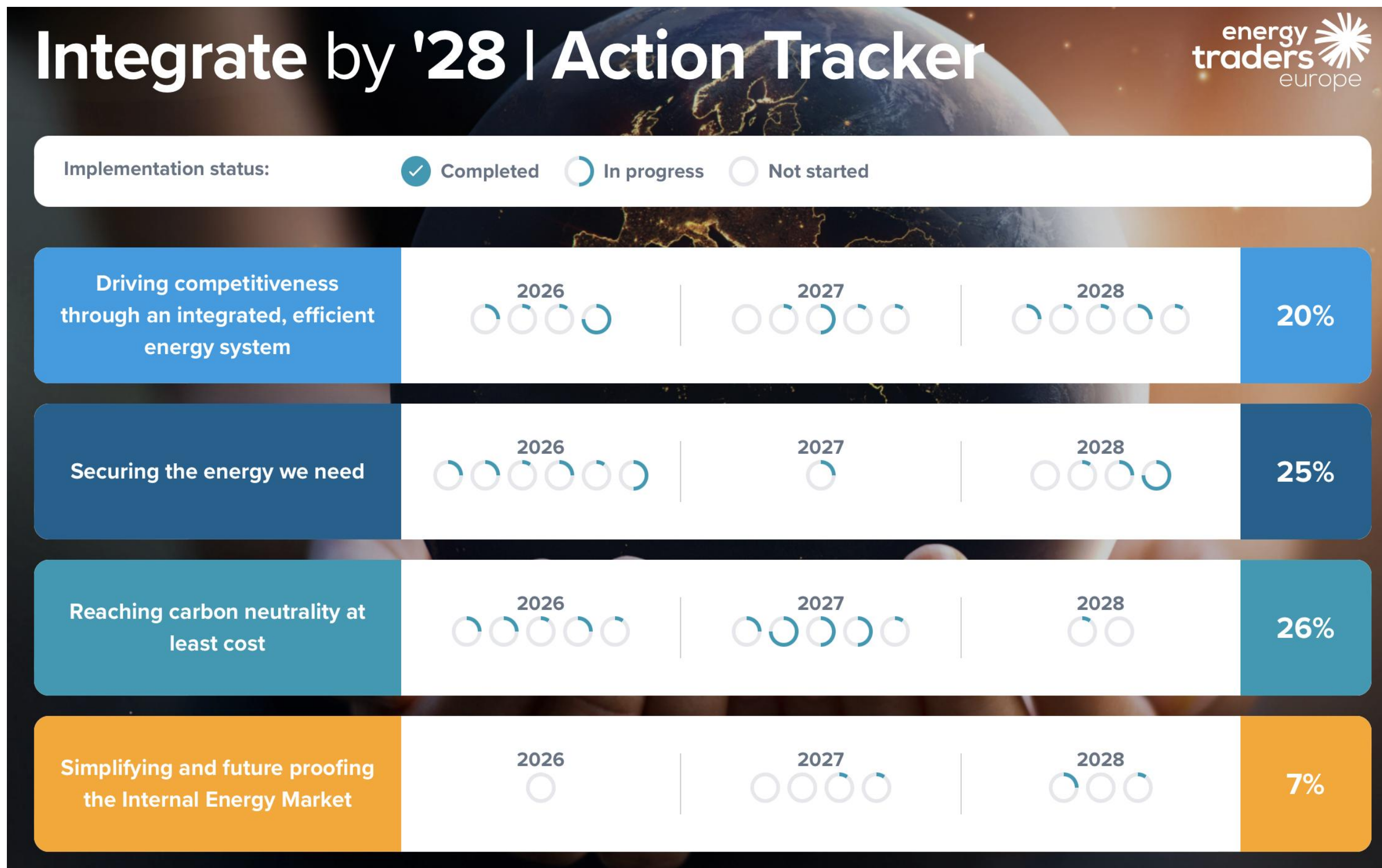
8-9 October 2026

Market Stakeholder Committee

Ljubljana



Integrate by 28 - clear steps to complete the IEM



We need a common vision and a target model.

We need it to:

- Push in the same direction.
- Focus on the long-term in addition to reactions.
- Link the technical and the political.
- Avoid distortive market interventions

Our Integrate by 28 Report, with 45 policy recommendations, show how deeper market integration can help Europe to become more independent, strengthen energy security, support industrial competitiveness and reach carbon neutrality at least cost.

Track progress at:



Existing problems and future key challenges

Aim: ensure market development plans are clear, credible and beneficial

- **Consistent implementation** of regulation remains a key challenge. While the target model is broadly accepted, recurring debates on relatively minor issues and shifts in priorities delay the full implementation even further.
- **The timelines of market integration projects** are often overly ambitious. Greater stakeholder involvement at an earlier stage could help improve both feasibility and delivery. Greater transparencies can make parties more accountable.
- **The prioritisation of market integration projects** does not always reflect their value to market participants. Decision-makers (EU and Member States) and NRAs/ACER should focus on measures that deliver the greatest welfare benefits.



Market rules



Aim: improve rules and their implementation to unlock capacity for the market

- We support harmonisation and integration across Europe when it creates value. Regionalisation can be enacted only when EU harmonisation destroys value.
- Capacity calculation is identified as an important topic for further discussion – and potential inter-regional harmonisation.
- A long-lasting and politically acceptable cost-sharing solution must be agreed – it is the key to unlock transmission capacity
- More effective enforcement is needed to prevent Member States and TSOs from circumventing the intent of European legislation and regulations. NRAs should set up incentives for TSOs/NEMOs implementing regulation early and in the "right way".

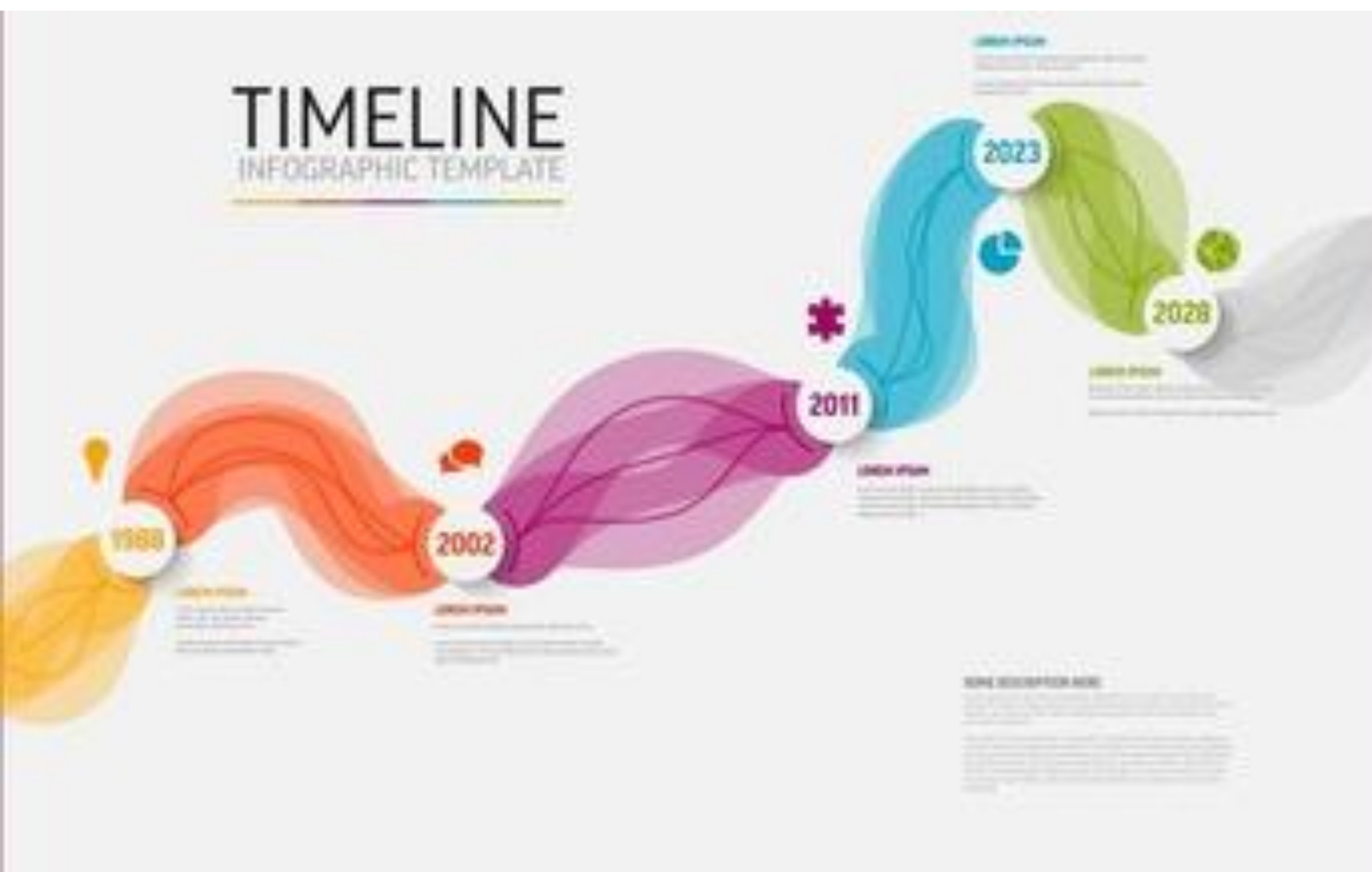
Access rules



Aim: include more participants from more markets, on a level-playing field

- Pre-qualification requirements for market participation should be harmonised across Europe with balance between reliability and easy access for new entrants.
- Licensing and excessive red tape can be an obstacle. See our obstacles to trading in SEE as an example. A plug and play approach to licensing across Europe is needed.
- Expand the internal energy market (GB, CH, Energy Community) with concrete implementation plans to kickstart once political agreements are reached.

Timelines



Aim: make timelines-setting an inclusive process that takes account of project interactions

- Timelines need to be developed in close cooperation with market participants before legal or methodological options are narrowed down.
- Overly ambitious deadlines can result in poor prioritisation and welfare and/or confidence losses, as resources are allocated to projects with the shortest deadlines rather than those delivering the greatest value to market.
- MESC should become an early-warning, co-design and implementation-review mechanism, linked to concrete legislative and methodological workstreams and supported by transparent evidence

Spot markets



Aim: preserve market coupling, improve its capacity to optimise, and ensure its long-term resilience

- Preserve:
 - No ad-hoc national/European interventions into pricing
 - Clarify the role of market-based redispatch (or congestion services in general) in relation to wholesale markets
- Improve:
 - Cross-zonal intraday gate closure time should be as close to real time as possible.
 - Strengthen transparency and phase-out derogations to reach the minimum 70% cross-zonal capacity requirement,
 - Uniform specifications for the API interfaces connecting to the exchanges
- Create resilience:
 - SDAC fallback solution for full decoupling scenario should be setup
 - IDAs performance issues need to be fixed. Shorter and harmonised suspension periods for SIDC continuous trading.
 - Systems (both XBID and Euphemia) shall be prepared to manage increasing flows & complexity

Forward markets



Aim: focus regulation on the fundamental risk management function of forward markets

- Forward markets function well but long-term liquidity is limited in some EU markets. Reason for this and the gap should be identified before market design is overhauled.
- Debate on Forward markets (FCA 2.0) is a good example that need better stakeholder dialogue
- Product design aligned with actual market-participant hedging needs rather than centrally imposed procurement.
- Focus on preserving liquidity in existing hubs and improving the design of zone-to-zone transmission rights to facilitate hedging on the efficient natural hubs that exist today.

Balancing market



Aim: give more space for the market to act, increase transparency and harmonisation

- Progressively align TSO balancing philosophies, preferably towards a more reactive approach where BRPs are allowed to balance their portfolios before TSOs intervene.
- Increase harmonisation of communication infrastructure towards TSOs, prequalification and flexibility of scheduling deadlines
- Promote transparency from TSO in real-time balancing market status to provide a better price signal
- PICASSO/MARI integration should be complemented by monitoring of national implementation differences. The objective should be operational convergence, not platform connection alone.

Demand response, flexibility and congestion management



Aim: allow the wholesale market to play its role, and keep interactions (or separations) clear

- Greater transparency regarding TSO's redispatch actions in continuous electricity trading
- Improve TSO–TSO and TSO–DSO coordination.
- Develop technology-neutral, competitive procurement of congestion-management flexibility.
- Enable cross-zonal participation where technically and legally appropriate.
- Improve market-based redispatch, constraint and capacity-calculation transparency.
- Improved locational signals in support schemes, capacity remuneration mechanisms and tariffs.

Governance, compliance and enforcement

Aim: consult early, develop in cooperation, make EU decision-making more effective.

- Strengthening the decision-making powers of central institutions should be prioritised over individual stakeholders to block progress.
- Regulators, TSOs and NEMOs should have greater flexibility to suggest improvements to regulatory frameworks following implementation, allowing lessons learned to be incorporated.
- Early feasibility assessments and consultations with market participants, before legislative proposals, could help avoid regulations that are impractical or lack market insights.
- Regional stress-testing of EU market-design proposals, especially for peripheral markets (SEE, Nordics, Italy or SWE). Market design is often lead by CWE/Core.



Conclusions

Earlier stakeholder involvement is valuable only if it is early enough to shape the problem definition, analytical assumptions and design of solutions.

The MESC can shape design and implementation with clear mandates and timelines. This is essential if Europe wants market integration and system-cost reduction to be mutually reinforcing rather than developed in separate regulatory silos.

