

# **Market Coupling Consultative Group**

## **MESC input 09/03/2023**

Joint statement of TSOs, NEMOs and Market Participants

## **TSOs, NEMOs and Market parties joint statement on the prioritization exercise**

### **Importance to make this a joint exercise**

TSOs, NEMOs, and Market Participants (MPs) share a broad consensus that the implementation of the IEM should be completed. Therefore we are absolutely convinced of the need of the prioritization exercise that has been initiated. Unfortunately we have not seen an open debate around this topic. For us it is essential to make this a joint effort. In our view an open, constructive and collaborative discussions between all relevant parties on the prioritization is the best way to manage the complexity of this exercise.

### **Why NEMOs/TSOs and Market Parties see this exercise as very important?**

TSOs/NEMOs and MPs would suggest following points to take into account in this exercise (among others):

- A regulatory target model with stable timeline and priorities which are not frequently shifted are essential for all parties involved in this exercise to ensure right commitment to the development of the projects.
- It is crucial to consider market needs and technical interdependencies between projects while setting priorities.
- We suggest focusing on a stable timeline and certainty on scope for the next 3 years and an indicative timeline & scope for the following 3 years to make the exercise more manageable and relevant.
- NEMOs/TSOs and MPs want to highlight that the pipeline of projects is already full for the years 2023-2025 with overload on TSOs, NEMOs and also MPs resources.

### **Conclusion**

As a way forward we would like to emphasize that this should be a joint exercise where all parties must be involved. We believe that our collective views, expertise and experience can contribute to make this exercise a success. The shared goal should be a more efficient and stable project pipeline, ensuring transparency to all, with the right focus and priorities to obtain successes for the implementation of the IEM.

## **TSOs, NEMOs and Market parties joint statement on co-optimization**

TSOs, NEMOs and MPs want to share their concerns on the requested developments by ACER on the co-optimization project. They see (among others) following issues:

- R&D pipeline of TSO/NEMO is already full until at least mid 2025 and therefore not able to support demanding activities for co-optimisation
- Further projections of how co-optimization would influence bidding in the DA market and balancing capacity tenders are essential and must take place before any further research or development can be done. This is however not feasible in the near future by MPs/TSOs & NEMOs
- Development is very complex with huge and numerous challenges which will impact resources of MPs, TSOs & NEMOs that otherwise can focus on other projects

**Therefore TSOs, NEMOs and Market Parties jointly advocate to deprioritize and put on hold the co-optimization project development and to focus the available resources on other projects.**