Eurelectric comments on flow-based in IDAs

03 December 2025

Market European Stakeholder Committee

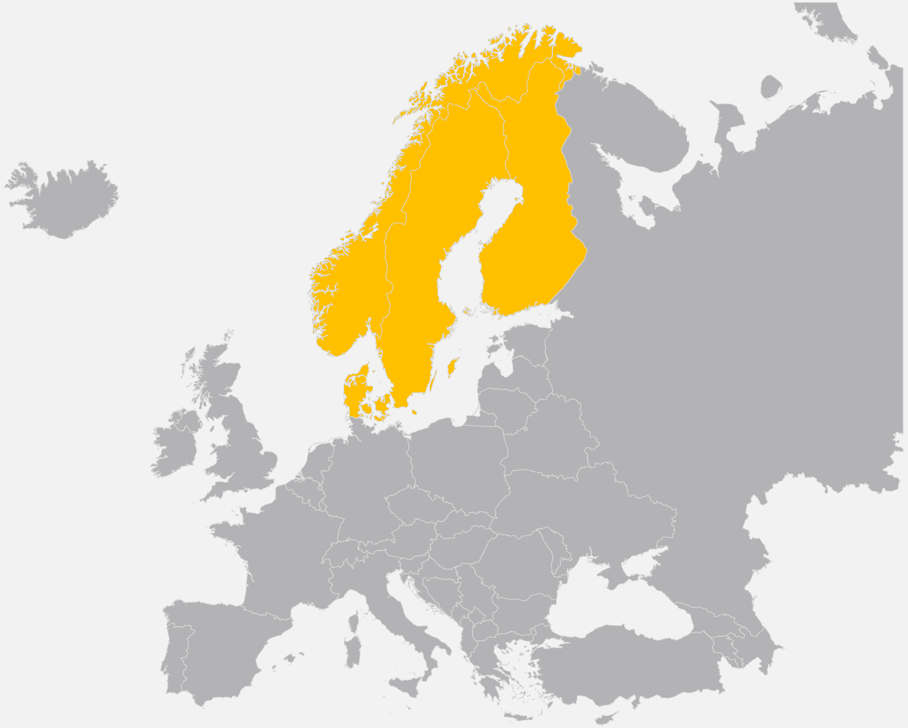
Short term: address challenges in Nordic CCR following DA flow-based go-live

The Nordic region has been subject to illiquid and volatile intraday and balancing markets over the course of 2025. MPs have observed the following issues:

- **Cross-zonal capacity is low or non-existing after day-ahead**, pushing imbalances towards the balancing timeframe, causing high imbalance prices.
- **Lack of opportunities to adjust trading positions** makes BRPs' task more difficult and causes MPs to curtail renewable generation assets.

Issues stemming from the inefficiency of intraday ATC extraction in a set-up using flow-based for day-ahead can be mitigated with short-term measures:

- **Recalculation of flow-based domain after DA** might result in higher ID capacities made available (implemented in Core CCR).
- **Investigate minRAM for intraday** (see Core CCR discussions).
- **Nordic balancing market design (mFRR AOF) can be adapted** to smoothen operations:
    - Address shortcomings in the mFRR AOF and make it more flexible (e.g., elastic demand).
    - Ensure netting possibilities between bidding zones to avoid activations in opposite directions.



Medium term: address uncertainties in relation to the extension of flow-based market coupling to IDAs

Eurelectric acknowledges the social welfare benefits of flow-based market coupling in the day ahead timeframe and supports efforts to extend FB allocation to the intraday timeframe.

More information is needed about the practical implementation steps and challenges in implementing flow-based capacity calculation and allocation in the intraday timeframe (both IDAs and CT).

Communicate on lead times

Latest timelines communicated by the MCSC regarding FB in IDAs should be justified :

- What are the reasons for delays ?
- What are the cost implications ?

Preserve continuous trading

Implementation of flow-based in IDAs should not come at the expense of continuous trading:

- Interruptions of SIDC CT should remain below 10 minutes.

Many cases with negative socio-economic effects

Case: NO4 and SE2 March 24th

- Export from NO4 to SE2 (see Fig. 2)
- Flow locked after DA – no capacity in either direction in ID and balancing markets
- More wind than forecasted in SE2
    - All MPs want to sell surplus
    - Not possible to trade across BZs
    - Wind curtailed
    - Downregulated – low imbalance price (Fig. 1)
- NO4 is upregulated (Fig. 1)
- Earlier TSOs netted imbalances by reducing export - not possible due to locked flow after DA
- Results in socio-economic losses

Figure 1: Imbalance and day-ahead prices for NO4 and SE2 24. March 2025

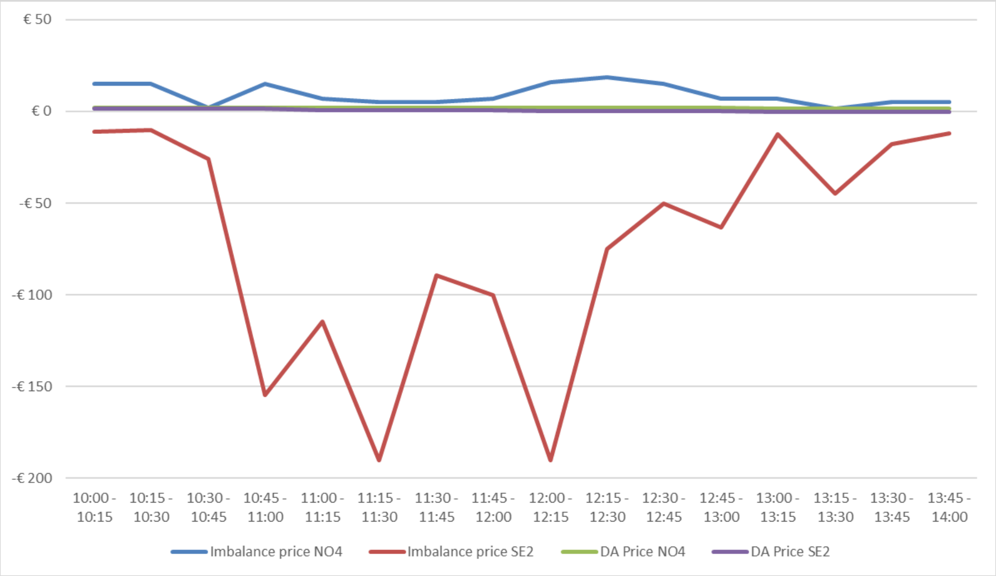


Figure 2: Scheduled flow [MW] from NO4 to SE2 24. March 2025