



CROSS-BORDER INTRADAY IMPLICIT ALLOCATION (ID-IA) IT-SI

In accordance with the CACM regulation, the Italian and Slovenian TSOs and PXs (TERNA, ELES, GME and BSP) jointly announce the launch of a pilot project aimed at improving the ID capacity allocation process on the IT-SI electricity border (Cross Border Intra Day Implicit Allocation project ID-IA). Such ID-IA project, once in operation, will imply the substitution of the existing explicit intraday auctions operated by the Joint Allocation Office (JAO) on that border with an implicit market coupling auctions process.

The ID-IA project is a process of coupling Italian and Slovenian ID local auctions which can be repeated for more than one session. In particular, initially the Italian ID sessions of MI2 and MI5 will be coupled with correspondent sessions of the Slovenian ID auctions, which will be launched concurrently with the launch of ID-IA project and, in a further stage of development, it may be extended also to the other MI sessions.

The structure of the ID-IA project will be designed and implemented on the basis of principles and experiences already gained from the IBWT project and the previous Bilateral MC on IT-SI border. Timings for running implicit intraday auctions will directly derive from Italian Intra-Day market (MI) sessions. Market Participants will benefit of the possibility to trade with hourly products on existing trading platforms managed by both the Italian and Slovenian PXs.

The ID-IA project might be potentially extended to other Italian borders and, relying on an auction-based coupling mechanism, is therefore aimed to be a regional auction complementing cross-border implicit allocation mechanism based on continuous trading, according to the provision of art. 63 of CACM regulation.

ABOUT THE ID-IA PROJECT:

The project parties have successfully closed the Design Phase, with the signature of a tailored Cooperation Agreement and the relative technical annex "*High Level Business Process*", which have been successfully approved by both National Regulatory Authorities, thus officially enabling the launch of the following Implementation Phase. During the Implementation Phase the project parties will provide updated information on the status of the project as well as details on its planning and further technical information to support market participants.

The Go-Live window of the ID-IA project is currently foreseen in Q2 2016. The effective Go-Live date, subject to the confirmation by the national NRAs, will be set at the end of the positive

finalization of the tests with market participants, and it will be communicated duly in advance to stakeholders and relevant markets players.