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INSTRUCTION 3/2025

IMPLEMENTATION OF CORRECTIVE MEASURES IN THE DAY-AHEAD MARKET: ELIMINATION OF THE PRODUCT "EXCLUSIVE GROUP OF SIMPLE BLOCKS".

15 of October 2025

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1. PREAMBLE

Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (hereinafter referred to as the CACM Regulation) establishes the regulatory framework for the single coupling of electricity markets in Europe, defining common rules for capacity allocation and congestion management in the day-ahead and intraday markets. Its main objective is to ensure a more efficient, integrated and competitive European electricity market.

In this context, the **CACM** establishes in Articles 37, 38, 39 and 40, the regulatory basis that defines and orders the **methodology of the matching algorithm** in the European single daily market. **(*Methodology for the price coupling algorithm, the continuous trading matching algorithm and the intraday auction algorithm*).** In accordance with the provisions of the CACM Regulation, the **algorithm methodology**, which defines and develops the **Corrective Actions**, was approved in its latest version by **Decision No 11/2024 of the European Union Agency for the Cooperation of Energy Regulators (ACER)** of 23 September 2024.

In Article 3.4 of Annex I to this Decision(ACER Decision 11-2024 - Annex I), The following is specified:

> *The SDAC and SIDC algorithms shall support products listed in the Terms and conditions on SDAC products and SIDC products and all DA and ID algorithm requirements. However, if such support leads to a deterioration of the algorithm performance, all NEMOs may apply, through the procedures for corrective measure and/or change requests:*
>
> *a) limitations to specific products or their usage in specific bidding zones; and/or*
>
> *b) limitations to specific algorithm requirements or their usage, if these requirements are specified in a way that excessively impacts the algorithm performance.*

When applying those limitations, all NEMOs shall respect the rules referred to in Article 12 of this Algorithm methodology.

Due to the increase in complexity introduced into the algorithm as a result of the different implementations that have taken place in recent years, the SDAC (Single Day Ahead Coupling) project has foreseen a series of corrective measures that would be applied in case of detecting a prolonged degradation of the performance of the matching algorithm.

The purpose of this Instruction is to communicate the details of activation and implementation of one of the corrective measures in the MIBEL, consisting of the elimination of the product "Exclusive Group of Simple Blocks".

2. ACTIVATION OF CORRECTIVE ACTIONS

The performance of the algorithm is considered to be in a prolonged situation of degradation of its performance if one of the following situations occurs, analyzing the times taken to obtain the first solution on a daily basis:

- Case 1: The time to first solution exceeds the threshold of 85% of the calculation time allowed three days out of the last seven days.
- Case 2: The time to first solution exceeds the threshold of 150% of the calculation time allowed two days out of the last seven days.

If the above cases detect that the times used by the matching algorithm to obtain the first solution exceed the defined thresholds, the SDAC project could recommend the application of one or more Corrective Measures.

In accordance with the algorithm's methodology, the activation or deactivation of Corrective Actions will be communicated to market participants and national regulators and ACER, at least one week in advance of their activation. Information in this regard will be published on the NEMO Committee and ENTSO-E websites. In addition, in the case of MIBEL Market participants, the Iberian market operator will communicate this information via email and through the message platform on the market website.

If after eight months of application of the Corrective Measure, the degradation in the performance of the algorithm persists, the NEMOs must develop a proposal to modify the algorithm methodology or the methodology of available bidding products for the day-ahead and intraday markets.

3. IMPLEMENTATION OF THE CORRECTIVE MEASURE ELIMINATION OF THE PRODUCT "EXCLUSIVE GROUP OF SIMPLE BLOCKS" IN THE IBERIAN MARKET

If the SDAC project decides to apply the corrective measure related to the elimination of the product "Exclusive Group of Simple Blocks", the Iberian market operator will carry out the necessary actions for the implementation of this corrective measure before the session is held with a negotiation horizon where it is applied.

From that moment on, access to the market website will be disabled, interrupting the trading of the continuous intraday market to allow the market operator to carry out the following actions according to the type of market:

- Daily market:

  Complex orders received prior to the start of maintenance tasks containing the "Exclusive Group of Simple Blocks" product will be treated as follows:

  - All normal complex offers incorporating it will be "eliminated" for all future sessions, being invalid from that moment forward.
  - All complex default offers that incorporate it will be "withdrawn", being invalid from that moment forward.

- Continuous intraday market:

  Trading will be interrupted for the duration of the maintenance. All active bids previously submitted to the continuous intraday market will be hibernated.

- IDA Auction Intraday Market:

  It will not be affected by this maintenance.

Once the maintenance is completed, access to the market web platform will be enabled and trading on the continuous intraday market will resume. Market participants should take into account the following:

- Daily market:

  From that moment on, the insertion of simple and complex orders (both normal and default) that do not incorporate the "Exclusive Group of Simple Blocks" product will be enabled for the daily markets with a trading horizon from that date onwards.

- Continuous intraday market:

  Market participants will be able to reactivate their hibernated offers if they deem it necessary.

Market participants will be duly informed of the maintenance details through messages on the market web platform.