



RS-HU Market coupling LIP

Athens Electricity Forum, 5-6 May 2024

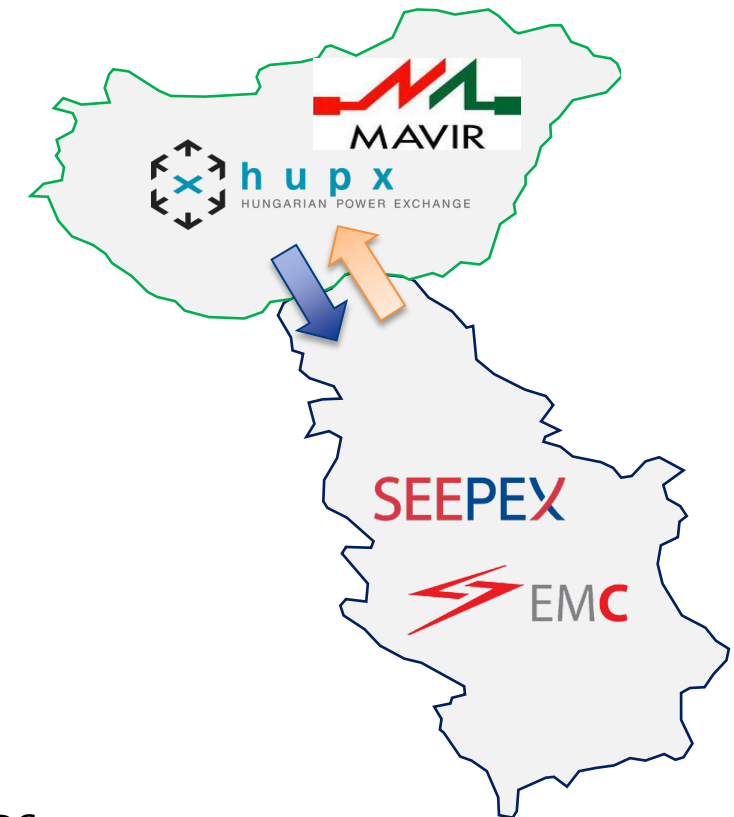


RS–HU Market coupling Project

- Result of the ADEX cooperation/synergy: MAVIR, EMS, HUPX and SEEPEX
- Strong RS-HU political support in place
- Kick-off meeting held in Budapest, February 2024
- MoU document signed, May 2024
- Project Initiation Document completed → project ongoing
- LIP* is nominated within JET** (EnC WB6 initiative)
- Expected Go-live Q4 2025/Q1 2026

Legal/Contractual framework

- Precondition for the realization of the project → full CACM transposition in the Serbian legal/regulatory framework – expected in Q3 2024
- SEEPEX NEMO designation fully compliant with CACM → completed in 2022, to be fine tuned (if needed) within provisions of the new Energy Law by Q3 2024
- MAVIR and HUPX present/active in all EU business/technical bodies dealing with the pan-European coupling projects, EMS and SEEPEX admitted as observers in MCSC, NEMO Committee, SDAC and SIDC



*LIP – Local Implementation Project

**JET – Joint Expert Team

Business framework

- ADEX Synergy – in-house knowledge and experience with best EU practice in place → EPEX SPOT Euphemia platform, ECC clearing & settlement solution (including shipping agent role for both SDAC and SIDC markets), Market coupling experience of other ADEX shareholders – MAVIR, HUPX, ELES and BSP
- Day-Ahead Market coupling of two liquid CSEE spot markets → Products to include linear and block orders
- Harmonized trading platform:
 - HUPX and SEEPEX are both using the EPEXSPOT' "state-of-the-art" ETS trading system for DAM, M7 trading system for IDM
- Harmonized clearing and settlement solution:
 - European Commodity Clearing (ECC) is a CCP responsible for clearing and settlement on all ADEX markets → Hungary, Slovenia and Serbia
- EPEXSPOT to play a role of MCO*
- Shipping function :
 - to be handled by TSOs (MAVIR/EMS) or by ECC → under discussion

Market Coupling Benefits

- Optimization of cross-zonal capacity
- Increase of Social welfare
- Formation of the regional referent electricity price
- Common capacity regional model
- Common market rules & Products
- Increasing the investments and integration of renewable sources → fully in line with green agenda and precondition for energy transition
- One stop shop for all market players → common admission procedure → trading licenses
- HU-RS Market coupling boosts and completes pan-European electricity market model