

Press Release

Exchange Council welcomes plans for pan-European GO market

Paris, 9 December 2021. At the quarterly meeting of the EPEX SPOT Exchange Council, the members welcomed EPEX SPOT's plans to launch a pan-European market for the trading of Guarantees of Origin, together with its partners EEX and ECC. [The three companies announced their plans end of November](#). The GOs spot auctions will be held once a month and operated by EPEX SPOT, under the Exchange's membership and market rules. Clearing and settlement will happen through EEC, and EEX will ensure delivery through its GO registry. The Exchange Council approved the introduction of the European GO market in EPEX SPOT's Exchange Rules. "Market participants are pleased with this announcement" says Bernhard Walter, Chairman of the EPEX SPOT Exchange Council. "With a fully functioning primary market, this secondary market for exchange-based GO trading is a true novelty that will further drive forward the energy transition at a European level" he adds. The partners target a go-live of the pan-European GOs market in Q2 2022, subject to successful testing and market readiness.

The Exchange Council was also informed about EPEX SPOT's recent acquisition of a [Local Energy Market \(LEM\) platform from Centrica](#). With this acquisition, EPEX SPOT plans to boost its Localflex offer, a market destined to manage grid congestions. With the rise of renewable resources, electricity production can ramp up and down very quickly, depending on weather conditions. Therefore, the pressure on the electricity grid has grown and grid congestions become more frequent. Local flexibilities can be used to resolve these grid congestions. In practice, local flexibilities can be traded through an auction in a certain geographical area. System operators that encounter congestions on their grid in this very area can procure flexibility in order to resolve them. Localflex markets therefore have the capacity to unlock the potential of flexible assets and to use them in a way that is efficient for the grid. "This renders the energy transition more cost-efficient and increases social welfare" says

Ralph Danielski. “For EPEX SPOT, the acquisition of this LEM platform is the next logical step in developing our Localflex offer, to provide market-based solutions for the energy transition” he adds.

The fourth regular Exchange Council meeting of 2021 was held on 1 December 2021 and chaired by Bernhard Walter, Head of Market Design and Regulatory Affairs at EnBW AG.

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The Exchange Council of EPEX SPOT is an official body of the Exchange. 27 members and 4 permanent guests represent adequately the diversity of economic and corporate profiles that exists among the Exchange Members from various sectors: producers, power trading companies, transmission system operators, regional suppliers and financial service providers, as well as commercial consumers and academics. Its missions include in particular the adoption of the Exchange Rules and the Code of Conduct of EPEX SPOT and their amendments. The Exchange Council approves new trading systems as well as new contracts or market areas and approves the appointment of the Head of the Market Surveillance Office. It meets up quarterly.

The European Power Exchange EPEX SPOT SE and its affiliates operate physical short-term electricity markets in 13 countries: in Central Western Europe, the United Kingdom, Switzerland, the Nordics and in Poland. As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT is committed to the creation of a pan-European power market. Over 300 members trade electricity on EPEX SPOT. 49% of its equity is held by HGRT, a holding of transmission system operators. For more information, please visit www.epexspot.com.

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