

## Exchange Council: Power market needs forward-facing development of regulatory framework

Upon the leakage of the EU Commission's draft for a review of the Guideline on Capacity Allocation and Congestion Management (CACM), also referred to as "CACM 2.0", the members of the EPEX SPOT Exchange Council discussed the contents of this first proposal in their quarterly meeting.

CACM is the underlying framework that governs cross-border electricity trading in the European Union. Even though only part of the draft has been disclosed at the Electricity Cross-Border Committee (ECBC) meeting in May 2025, EPEX SPOT was able to provide a first assessment to Exchange Council Members. The Council sees it critical that the draft seems to be a missed opportunity to acknowledge that electricity is gradually turning into a commodity with high potential, becoming better storable, managed in an increasingly decentralised way, driven by the market. Facing a changing and even disruptive environment, regulation shall offer flexibility to innovate and encouragement to meet the forthcoming challenges.

Jonas Törnquist, Chief Operational Officer of EPEX SPOT, comments: "Regulation should set a long-term vision. The details of how to obtain optimal solutions are delivered by expert-led initiatives and the market. While the partial picture we have of the CACM 2.0 draft doesn't yet address the challenges generated by the energy transition, such as innovation and flexibility, we stand ready to contribute to the conversation in order to obtain a regulatory framework that secures a future-proof interconnected power market in Europe."

A further regulatory topic discussed by the Exchange Council is related to co-optimisation. Co-optimisation, as proposed by ACER, refers to the simultaneous trading and clearing of electricity and balancing capacity. This would imply a significant redesign of the framework of the Single Day-Ahead Coupling (SDAC). The Exchange Council members received a preview of an in-depth study conducted by Consentec assessing such fundamental changes via quantitative and qualitative methods and discussed the findings. It concludes that savings generated via co-optimisation would be significantly lower than estimated by ACER in their assessment mandated to the Universities of Athens and Louvain.

Furthermore, according to the Consentec analysis, there is significant doubt about the realistic efficiency gains that could come from co-optimisation, especially since it would increase complexity and result in a first step towards unit-based bidding. "From a market perspective, the study shows that this rather academic concept does not lead to real benefits and we urge policy makers to refocus on other market integration projects which do generate social welfare," says Bernhard Walter, Chairman of the EPEX SPOT Exchange Council.

### Market launch in Baltic region

Additionally, the Exchange Council was informed about the upcoming market launch in the Baltic region: EPEX SPOT plans to extend its offering of Intraday continuous trading to the Baltic area in Q4 2025, with Day-Ahead and Intraday auctions to follow in 2026. "We welcome this upcoming new offering," says Bernhard Walter. "The experience, for instance in the Nordics, has shown that competition brings a new and welcome innovation dynamic, and market participants benefit from this." EPEX SPOT launched its Nordic market offering five years ago, and the region has seen an overall increase in traded volume ever since.

The second Exchange Council meeting of 2025 was held on 25 June 2025 in Leipzig and was chaired by Bernhard Walter, Head of Market Design & Regulatory Affairs at EnBW.

-ENDS

**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** operates physical electricity markets for the largest trading community in Europe, with over 400 companies connected to our platforms. Committed to innovation, we deliver a full range of services across the value chain of electricity trading, with the highest standards of performance. Our gateway of market solutions includes Day-Ahead, Intraday and After-market power trading, Capacity and Guarantees of Origin (GOs) auctions, Local Flexibility and Data services.

Building on its unique expertise as a co-creator of the Internal Energy Market for electricity, EPEX SPOT's services span over 19 countries: From power trading across Central Western Europe, the United Kingdom, Switzerland, the Nordics, and Poland to Market Operation services in Ireland, Hungary, Montenegro, North Macedonia, Serbia, and Slovenia. In the environmental market, EPEX SPOT's Pan-European GOs auctions cover a scope of 22 countries.

As part of EEX Group, a group of companies serving international commodity markets, EPEX SPOT enables a price-responsive power system, to achieve a competitive and climate neutral Europe. 49% of its equity is held by a holding of major European Transmission System Operators.

For more information, please visit [www.epexspot.com](http://www.epexspot.com)

#### **CONTACT**

EPEX SPOT SE  
T +33 (0) 1 73 03 61 33  
[press@epexspot.com](mailto:press@epexspot.com)

#### **More information:**

[www.epexspot.com](http://www.epexspot.com)  
[www.eex-group.com](http://www.eex-group.com)