



# NEWSLETTER

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## APEX Objective

To facilitate the development and communication of ideas and practices in the operation of global competitive electricity markets. One of its primary intentions is to provide a platform for the sharing of information between its members.

## IN THE SPOTLIGHT



**Ante Mikulic**

APEX Board Member

### Energy transition in support of evolution of the European Power Markets

#### Introduction

Since 1<sup>st</sup> October 2025 European Single Day Ahead Market Coupling (SDAC) has achieved a major milestone with a switch from 60-minute Market Time Unit (MTU) to 15-minute MTU. This change means that Nominated Electricity Market Operators, or Power Exchanges will now calculate 96 different power prices for each day in comparison to 24 prices published prior to 1<sup>st</sup> October 2025. The price calculation based on the marginal pricing model using demand and supply curves is maintained in the same way as for 60-minute MTU.

As CEO of the Croatian Power Exchange (CROPEX), operating at the intersection of national priorities and the integrated European energy landscape, I often reflect on how profoundly our markets have evolved — and how that evolution continuously shapes us as professionals and as people.

Over the past two decades, Europe's power markets have transformed from largely national, vertically structured systems into a highly interconnected, algorithm-driven, and increasingly renewable ecosystem. Through mechanisms such as EUPHEMIA and the Single Day-Ahead and Intraday Coupling frameworks, electricity no longer stops at borders. It flows where it is valued most, reflecting real-time supply, demand, and network constraints across dozens of countries.

# SAVE THE DATES



## APEX 2026 CONFERENCE

OCTOBER 21-23, 2026  
ATHENS - GREECE

Join us in Athens, for a unique three-day event hosted by EnExGroup. Senior APEX Member representatives, sponsors, and industry participants from all over the world will come together to share information, network, and plan for the future of electricity markets.

**Ante Mikulic**

APEX Board Member

## Continued – Director's Column

For a relatively young exchange like CROPEX, this integration has never been a passive process. It has required constant adaptation — regulatory alignment with evolving EU frameworks, technological upgrades to ensure seamless coupling, and operational resilience in a market environment defined by volatility. The European perspective is essential here: while each country maintains its specific energy mix and national policy objectives, the market itself functions as a shared platform of trust, transparency, and competition.

An additional layer of complexity — and maturity — has emerged from Europe's decision to introduce competition between Power Exchanges. Unlike many other regions globally, the EU model allows multiple Nominated Electricity Market Operators (NEMOs) to operate within the same bidding zones. This competitive framework enhances efficiency, fosters innovation, and prevents monopolistic stagnation. However, it also increases operational, technical, and strategic complexity especially for small markets. Competition between exchanges requires harmonized joint procedures, interoperable systems, and strict neutrality in access to cross-zone capacity allocation. It demands continuous investment in technology, cybersecurity, client services, and product development. In such an environment, cooperation and competition coexist — a uniquely European model that challenges us to raise our standards continuously.

The energy crisis of recent years demonstrated both the fragility and the strength of this system. Extreme price signals, geopolitical tensions, and accelerated decarbonization targets tested our institutions. Yet they also accelerated innovation. Intraday liquidity deepened. Cross-zonal capacities became more dynamic. Market participants refined risk management strategies. And exchanges like ours strengthened cooperation with transmission system operators, market operators, regulators, and regional partners.

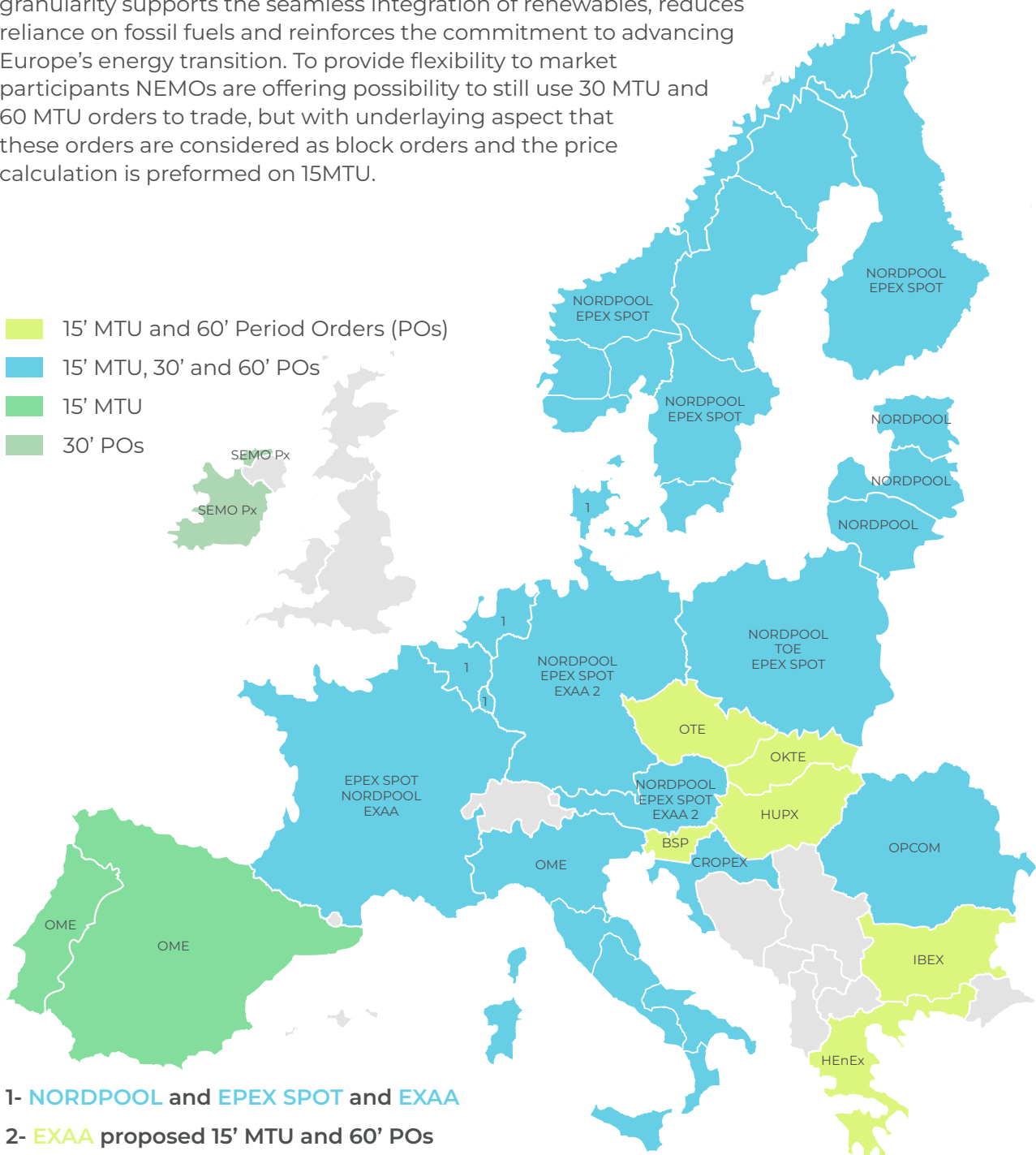
This dynamic environment fosters not only institutional growth but personal and professional development. Leading a power exchange today requires more than operational oversight. It demands strategic foresight, regulatory fluency, technological understanding, and the ability to build consensus across cultures and jurisdictions.

Looking ahead, the trajectory is clear: deeper integration, higher shares of renewables, increased digitalization, and stronger cross-border coordination. Flexibility markets, storage participation, hydrogen integration, and demand-side response will reshape price formation and market behavior. Each development will require further adaptation — technically, regulatorily, and culturally.

The evolution of energy markets is not slowing down. Nor should we.

## Continued – Energy transition in support of evolution of the European Power Markets

The transition to 15-minute MTU in Europe’s electricity markets marks a significant advance in market efficiency and flexibility. This milestone enhances the precision of supply and demand matching, which is increasingly vital as renewable generation introduces greater variability. By enabling more dynamic responses to short-term fluctuations, the new granularity supports the seamless integration of renewables, reduces reliance on fossil fuels and reinforces the commitment to advancing Europe’s energy transition. To provide flexibility to market participants NEMOs are offering possibility to still use 30 MTU and 60 MTU orders to trade, but with underlying aspect that these orders are considered as block orders and the price calculation is preformed on 15MTU.

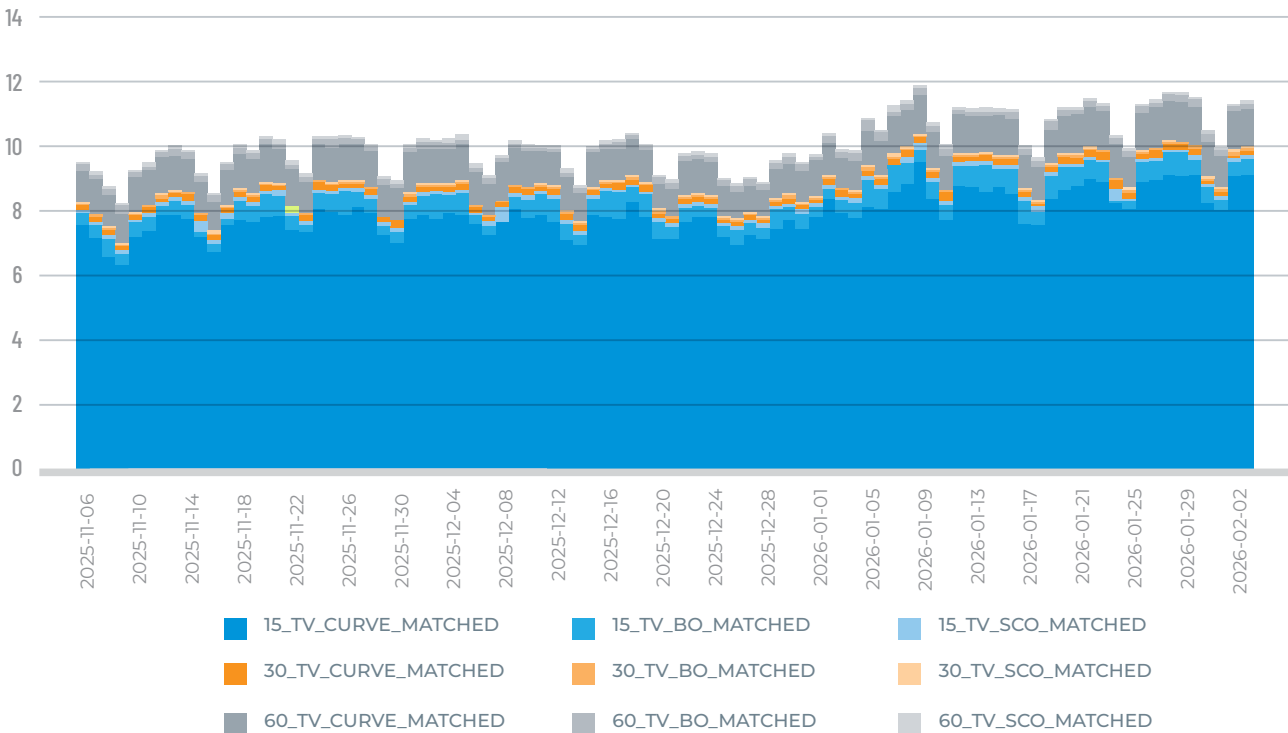


**Picture 1.** Products Offered by European NEMOs

## Continued – Energy transition in support of evolution of the European Power Markets

### MATCHED VOLUME (= DEMAND + SUPPLY)

Volume (TWh)

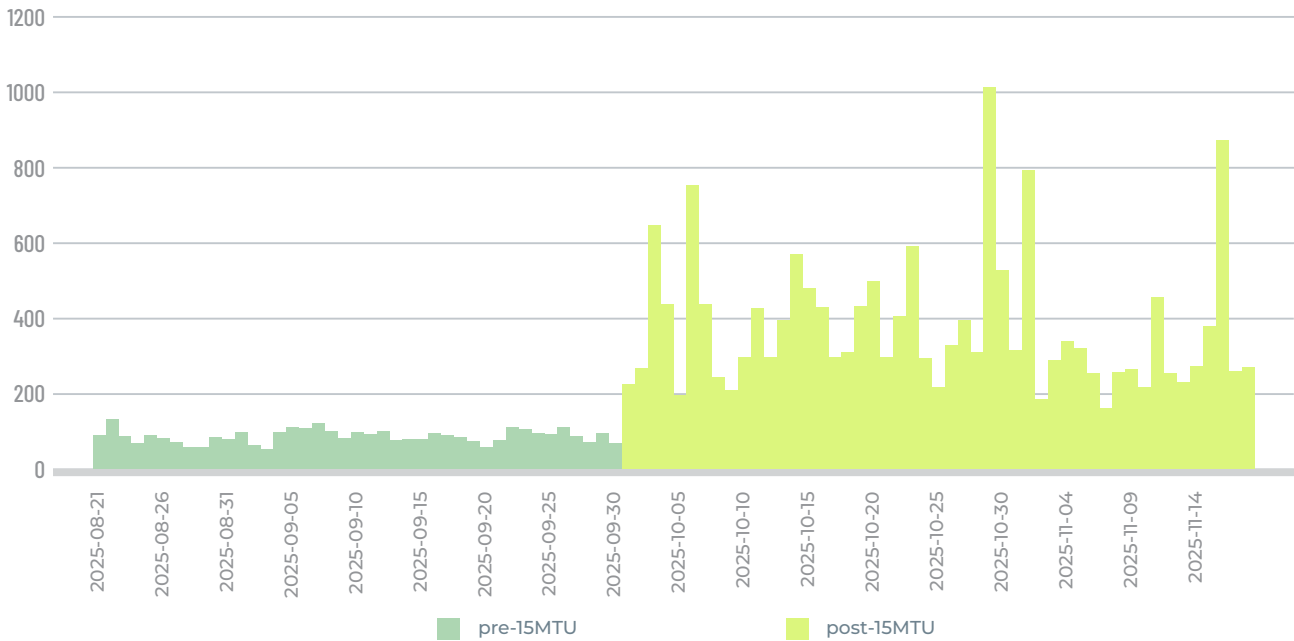


**Picture 2.** 15 MTU Matched Volume vs 60 MTU Matched Volume

Day Ahead Power Prices and allocation of Cross Zonal capacity in the Market Coupling process is still preformed by the EUPHEMIA algorithm which for this change has been granted additional operational time needed to preform such complex calculation and problem solving with increase of maximum time for the calculation in SDCA from 17 minutes to 30 minutes. On average the first acceptable solution is found in 7 minutes and 35 seconds. With four time increase in the complexity and the data management the central system and algorithm developed by the NEMOs and TSOs have proven its reliability and performance as there was no decoupling incidents.

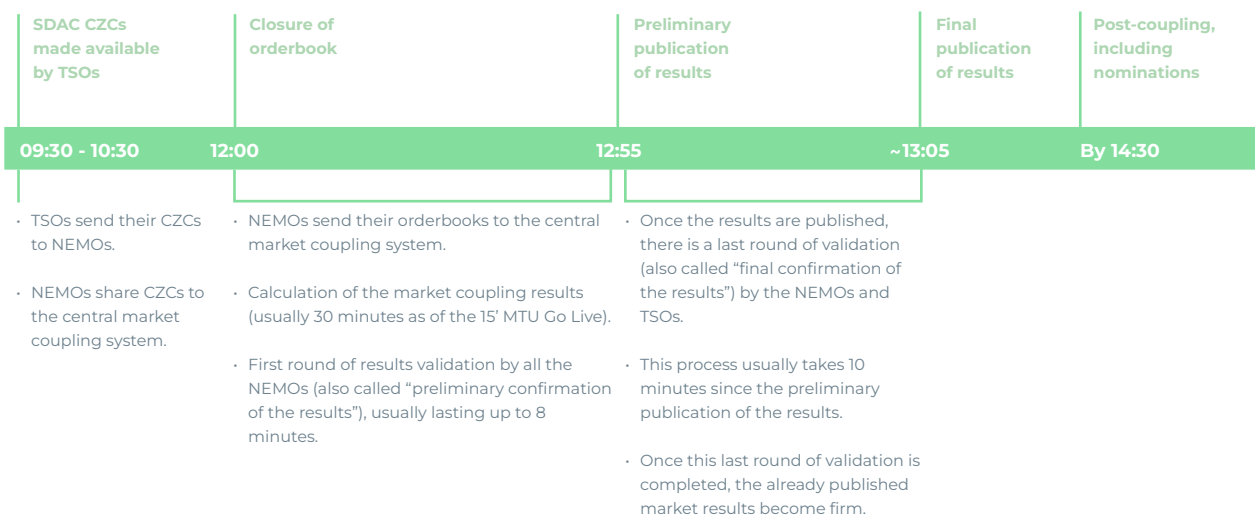
## Continued – Energy transition in support of evolution of the European Power Markets

### TIME TO FIRST SOLUTION (S)



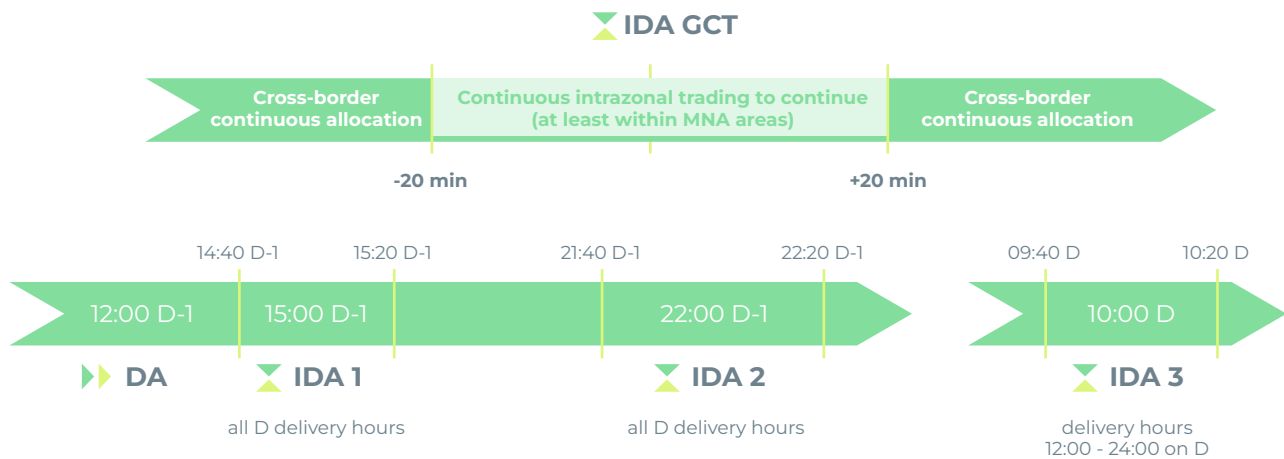
**Picture 3.** EUPHEMIA Algorithm Performance

### SDAC Normal Day Timeline



**Picture 4.** Day Ahead Market Timeline

## Continued – Energy transition in support of evolution of the European Power Markets

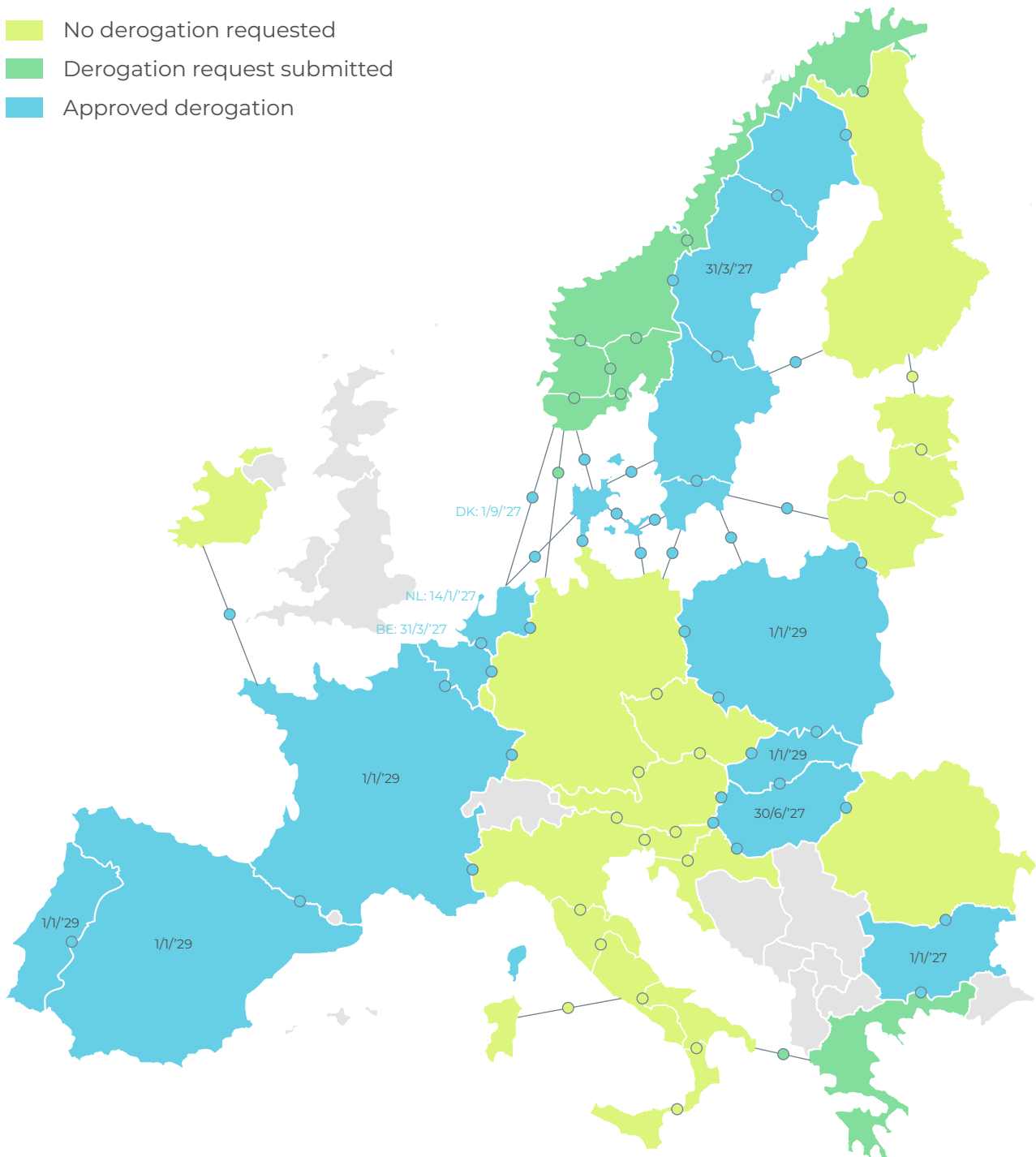


**Picture 5.** Intraday Market Timeline

For a well-functioning interconnected Market it is also important to make available the cross zonal capacities as close as possible to the delivery time. This is highly complex process that needs to be coordinated with the process of cross zonal matching of TSOs with the maintenance of the security of supply. In early 2026 EU SIDC Intraday Markets have decided to implement the opening of cross zonal capacities until 30 minutes prior to the delivery to enhance market liquidity of individual markets and offer market participants more options to optimize their portfolios. The implementation is planned in stepwise approach with the planned implementation showed on the picture below.

## Continued – Energy transition in support of evolution of the European Power Markets

- No derogation requested
- Derogation request submitted
- Approved derogation



**Picture 6.** Intraday Cross Zonal Gate Closure Time



# APEX

Association of Power Exchanges

## JOIN US

*If you're interested in contributing to the development and communication of ideas in the operation of global competitive electricity markets, apply to become a member today!*



To have your member company featured "In theSpotlight," please send an email to:

**[Katrina.Zarczynski-Magee@pjm.com](mailto:Katrina.Zarczynski-Magee@pjm.com)**

*Association of Power Exchanges*

*2750 Monroe Blvd., Audubon, PA 19403 Phone: (610) 666-8925 Website: [www.theapex.org](http://www.theapex.org)*

*Stu Bresler, APEx Chairman*

*Email: [stu.bresler@pjm.com](mailto:stu.bresler@pjm.com)*