Joint statement of the TSOs regarding the public consultation comments on the drafts of the Long-Term and Day-Ahead Allocation Rules for the Bidding Zone Border Serbia-Montenegro (RS-ME)

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EMS, CGES

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19/11/2025

On behalf of the TSOs (EMS and CGES), JAO organised the public consultation between the 8th October and 7th November 2025 on the following documents:

- '*Rules for Explicit Daily Capacity Allocation on Bidding Zone border serviced by JAO*' and its '*Border specific annex for Serbia-Montenegro*'
- '*Harmonised Allocation Rules*' and its '*Border Specific Annex for the Bidding Zone border Montenegro-Serbia*'

This report presents the comments received from market participants during the consultation period, along with the corresponding responses from the TSOs.

Public consultation comment #1

MP's comment:

"Dear all,
With reference to Annex 1 (Serbia–Montenegro) to the Rules for Explicit Daily Capacity Allocation on bidding-zone borders serviced by the Joint Allocation Office (JAO), we note that the current draft sets:
publication of the Auction Specifications no later than 09:30 Central European Time (CET) on D-1, and
a Bidding Period from 09:30 to 10:00 CET on D-1 for the Serbia–Montenegro border.
We respectfully propose to keep the existing Bidding Period at 09:00–09:30 CET on D-1 for the Serbia–Montenegro border, as currently used when the auction is organized by Crnogorski Elektroprenosni Sistem (CGES).
The reasoning is that there is a regional interconnection, Montenegro–Italy, organized by the South East Europe Coordinated Auction Office (SEE CAO), whose day-ahead explicit auction runs from 09:30 to 10:00 CET (D-1). If the Serbia–Montenegro auctions were shifted to 09:30–10:00 CET D-1, market participants would have to place bids for the Montenegro–Italy auction without knowing their firm daily capacity allocations on Serbia–Montenegro border. This creates an unnecessary financial risk of potentially overpaying for cross-border capacity that cannot be used, because on the Italian day-ahead power exchange participants can submit bids only if they hold the required assets, in this case the appropriate capacities for import or export of electricity to/from Italy.
Since Montenegro is a smaller market than Serbia, and Serbia generally serves as a regional energy hub, the most logical route from the Balkan region to Italy runs through Serbia, with Montenegro serving as a transit country. If market participants cannot first import/export their electricity into/from Montenegro to be subsequently exported/imported (transited)

to/from Italy, cross-border capacities on the Montenegro–Italy interconnection cannot be fully utilized.
Thus, our proposal is to keep the Serbia–Montenegro Bidding Period at 09:00–09:30 CET (D-1). This enables market participants to receive allocation results immediately after gate closure at 09:30 CET (D-1), so they can bid efficiently in the Montenegro–Italy 09:30–10:00 CET (D-1) daily auction window. This timing preserves continuity across adjacent borders, supports prudent bidding strategies, and helps avoid inefficient outcomes for the day-ahead market.
Thank you for your consideration.. …"

Response of TSOs:

We appreciate your feedback and can confirm that it will be taken into consideration during the finalisation of the rules, reflecting the following revised timings for the RS<>ME daily auctions:

- **Auction Specification publication: no later than 8:50**
- **Bidding period: 8:50-9:20**
- **Auction results in case of postponement: no later than 9:50**

Public consultation comment #2

MP's comment:

"Dear JAO consultation team,
we would like to raise a concern regarding the recently announced changes to the gate closure times for daily capacity bidding.
Please find below a comparison table outlining the current and new gate closure times, along with the corresponding power exchange (PX) closure times:

Border	Current Gate Closure	New Gate Closure	PX Closure
ME<>RS	09:30	10:00	MEPX at 10:15
ME<>IT	10:00	10:05	MEPX at 10:15
MK<>RS	09:30	10:35	MEMO at 10:35

Our concern stems from the fact that the updated gate closure times are scheduled very close to the respective power exchange closure times. This significantly reduces the time available for market participants to adjust and finalize their bids, which may impact the efficiency and reliability of the bidding process.
In light of this, we would appreciate clarification on whether there are any plans to adjust the PX gate closure times accordingly to ensure sufficient time remaining between the capacity allocation results and the closure of the power exchanges.
Thank you for your attention to this matter. We look forward to your response. …"

<u>Response of TSOs:</u>

We appreciate your feedback and can confirm that it will be taken into consideration during the finalisation of the rules, reflecting the following revised timings for the RS<>ME daily auctions:

Auction Specification publication: no later than 8:50
Bidding period: 8:50-9:20
Auction results in case of postponement: no later than 9:50

Public consultation comment #3

<u>MP's comment:</u>

"Dear all,
Thank you for sharing the updated timings. We would like to understand the reasoning behind setting slightly different bidding periods for the new MK-RS and ME-RS borders compared to other Serbian borders already organized by JAO, which currently run between 09:00 and 09:30.
Introducing these minor deviations could lead to confusion and potential opportunity costs for market participants. Would it be possible to align the new timings with the existing schedule to ensure consistency and simplify operations?
Looking forward to your clarification. …"

<u>Response of TSOs:</u>

Thank you for your question.
The new timings were defined to address market participants' concerns while ensuring the robustness and optimal performance of JAO's allocation tool.
We appreciate your understanding.