

Nord Pool Glossary

a collection of the most commonly used abbreviations and acronyms

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A

ACER – Agency for Cooperation of Energy Regulators

ACER, a European Union Agency, ensures among others to foster cooperation among the EU's energy National Regulatory Authorities (NRAs) and help ensure that a single European market for respectively electricity and gas functions well, and enforcement of common rules applied on EU level.

See more: [About ACER | www.acer.europa.eu](https://www.acer.europa.eu)

AESAG – ACER Electricity Stakeholder Advisory

An advisory (in 2015 replaced by MESC, see below) for European stakeholder association interaction with ACER, NRAs, and DG ENER (COMM) on issues linked to electricity directives, regulations, network codes & guidelines for forward (long-term) & spot markets & balancing mechanism.

Group API – Application Programming Interface

An interface that allows for different software to work together, which means that the user might for example only have to use one front-end system which allows the different back-end systems to work together.

ATC – Available Transmission Capacity

The amount of cross zonal (CZ) transmission capacity made available to markets after reducing already made CZ allocations from network transmission capacity (NTC). See further Transmission capacity, NTC).

B

BCM – Business Continuity Management

The process of creating systems of prevention and recovery to deal with potential threats to a company. In addition to prevention, the goal is to enable ongoing operations before and during execution of disaster recovery. For example Nord Pool has a BCM plan describing the policies and procedures in case of a crisis situation.

Bidding Area, Bidding Zone

A bidding zone (BZ) is the largest geographical area within which market participants are able to exchange energy without capacity allocation. BZs are defined in CACM GL, and including BZ review processes for possible re-configurations. The latter is currently on-going in 5 Member States and reporting by TSOs about possible future reconfigurations of BZs are due in Quarter 2-2025 in Sweden, Germany, the Netherlands, France and Italy.

C

CAB – Customer Advisory Board

Nord Pool's Customer Advisory Board in the Nordic and Baltic region.

CACM – Capacity Allocation and Congestion Management

An EU regulation (guideline) governing TSOs provision of capacity calculation and allocation via a Flow Based or (C)NTC CCM methodology in Day Ahead (SDAC) and Intra Day (SIDC) Markets where energy trades per Bidding Zone and utilization of cross-border (cross zonal) capacity are set simultaneously to reach overall optimized welfare and supply/demand equilibrium. CACM also facilitates a framework for opening of competition among Power Exchanges (PX) across Europe and rules for co-operation among such PXs to secure operation and development of the SDAC and SIDC MCO Function. CACM was introduced in summer of 2015 and is currently subject to revision based on an upcoming proposal from DG ENER in Q1/Q2-2025 for a CACM 2.0 to be assessed according to standard processes for amendments of EU regulations/guidelines. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R1222>

Capability

Ability to create/produce a desired outcome utilising/combining defined processes, information, technologies and organisation.

CASS – Clearing and Settlement System

Nord Pool's clearing and settlements services for e.g. the physical electricity markets it operates. The system gives customers access to all the data and information they require for (daily) settlement and clearing of their positions.

CCM – Capacity Calculation Method

In the EU electricity market meaning alternative methods by TSOs to calculate limits for cross zonal capacity made available for utilization in primarily the CACM Markets, i.e. SDAC and SIDC. It also can be applied in subsequent Balancing Mechanisms and, if applied, also for Forward Allocation (long-term) of CZ capacity. In basic terms there are 2 main alternative methods allowed in ELE REG 2019/943 as further elaborated in e.g. CACM GL, namely the so called Flow Based (FB) and NTC or more precisely CNTC (where C stands for Coordinated) methods.

CCP – Central counterparty clearing

The tasks of a CCP can be setup in different ways, e.g. power exchange in-house or outsourced, and be based on different regulatory frameworks depending on the markets the clearing is facilitated for. However, regardless of that one key role of a CCP is to stand in between buyers and sellers in an organized market, thus when buy and sell orders are matched between market participants, for example in Day Ahead spot markets (e.g. SDAC and SIDC), then the clearing and settlement of all such positions will be made between the CCP of the NEMO (PX) that the given market parties have a contract with, thus sellers will be paid by the CCP and the buyers will pay to the CCP, thus no direct interaction between market parties.

CEER – Council of European Regulators

Europe's national regulators of electricity and gas at EU and international level. Since the institutionalization of ACER as part of the 3rd Electricity package in 2009 the CEER is primarily an advisory body while formal powers lie with ACER.

CCR – Capacity Calculation Region

A set of countries as defined in e.g. ELE REG 2019/943 and more specifically in CACM GL that includes geographic areas in which a coordinated capacity calculation is applied by the concerned TSOs and coordinated via related RCC (Regional Coordination Center). Some examples of CCRs are the Nordic Region, the Baltic Region, the CORE Region. See more: [Capacity Calculation Regions](#)

Central grid

The electrical grid with high voltage level, e.g. 400/220 kV (in some MS' also 110 kV) lines capable of transmitting large amounts of power across long distances. The central grid typically is operated and invested in by a national monopoly TSO

Client

A client means a Nord Pool customer, entity, who in physical spot markets trade through another Nord Pool customer (a Client Representative) on the basis of a Client Agreement also signed with Nord Pool.

Client representative

This at Nord Pool means a Participant who trades on behalf of a Client.

CWE – Central West Europe

Region encompassing the Day-Ahead and Intraday Markets of France, Germany, Belgium, the Netherlands and Luxembourg (and Austria). Since a few years back and in the context of CCR (Capacity Calculation Region) the CWE region is part of the CORE region that also includes Eastern and South East continental EU countries except e.g. the Baltic States, Italy, Spain and Portugal. See further: [About Core CCR](#)

D

DBAG – Deutsche Börse AG

Deutsche Börse is the system provider to all NEMOs (and TSOs) of XBID, the system used in the European Single Intraday Coupling Continuous Market.

DECC – Department of Energy & Climate Change in the UK

E

EBGL – Electricity Balancing Guideline

The EU Regulation for Balancing Mechanisms. [COMMISSION REGULATION \(EU\) 2017/ 2195 – of 23 November 2017 - establishing a guideline on electricity balancing](#)

EC – European Commission

Elbas

Name used for the Nord Pool continuous implicit intraday market as well for the operational system used for the launch in 1999 of intraday trading in and between Sweden and Finland. It was in use also for much extended geographic scope until mid-2018, and until then served as a benchmark for the development of the common pan-EU intraday continuous market that

then was introduced via the SIDC Continuous XBID system and incorporated all of the countries previously operated by Nord Pool via the Elbas system.

Elspot

Old name for Nord Pool's day-ahead implicit auction ("Market Coupling") market across e.g. the Nordics. It was also used as the label for all data linked to this market, as well as in participant agreements for trading. However, the trading system and algorithm used was from early 1990s until 2007 the so called SAPRI system, which then was replaced by SESAM, which in 2014 in terms of the algorithm applied was shifted to PCR Euphemia.

EMCO – European Market Coupling Operator AS

Name of the legal entity within Nord Pool Group, managing market coupling and holding NEMO licenses. The name is not used externally as we use Nord Pool as our company name.

EMIR – European Market Infrastructure Regulation

European legislation for the regulation of on OTC derivatives, central counterparties and trade repositories. [Regulation \(EU\) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories](#)Text with EEA relevance

ENTSO-E

European Networks of Transmission System Operators.
<https://www.entsoe.eu/Pages/default.aspx>

EPAD – Electricity Price Area Differentials

In NASDAQ's and upcoming Nord Pool-Euronext Power Futures Market EPADs are defined as derivatives contracts based on the difference of a given SDAC Bidding Zone Price and the Nordic System Price, thus a contract that enables handling of the basis risk inherent when forward proxy hedging via Nordic System Price contracts while then physical exposed to SDAC Bidding Zone prices in specific single BZs in e.g. the Nordics.

EU ETS

The European Union Emission Trading System related to CO2 emissions.
For further info see: [What is the EU ETS? - European Commission](#)

Euphemia

The name of the PCR Co-Owner PX/NEMOs developed algorithm that is used to across Europe (now EU and Norway) simultaneously calculate spot prices, buy/sell volumes per bidding zone and utilization of CZ capacity between BZs in the SDAC market since 2014/2015 and since June 2024 also in the SIDC Intra Day Auctions.

Europex

Association of European Energy Exchanges. <http://www.europex.org/>.

Explicit auction

When the transmission capacity on a CZ interconnector is auctioned towards market participants by given TSOs on their own or via a single allocation platform. Such explicit rights either provides individual market parties the right to physical cross zonal capacity for e.g. next day, month, quarter or year or merely financial rights in relation to the difference between the auctioned price and the eventually realized spot (SDAC) price difference between given adjacent BZs. Since 5-10 years the vast majority of earlier explicit auctioning has either ceased to be offered due to application of implicit auctioning (e.g. via SDAC) or been transferred from so called PTR (physical transmission rights) to FTRs (financial transmission rights) and in some cases also been shifted from so called Options to Obligations. The rules for applying explicit auctions or abandonment in favour of implicit auction or Implicit continuous allocation are set in CACM GL, and the specific rules for explicit auction instruments (PTR/FTR) are given in the FCA GL and related HAR (Harmonised Allocation Rules) along with provisions for alternative instruments possible for TSOs to apply in case deemed needed to support hedging opportunities forward markets.

F

Feature

A service that fulfils a stakeholder need. It should fit in one increment, otherwise it needs to be split.

Flow

How much power can flow between the bidding zones resulting from the day-ahead (SDAC) price calculation and based on application of Flow Based or (C)NTC CCM limits.

G

GCT – Gate Closure Time

The time an order needs to be registered within a given market and trading system to be valid. For example in SDAC the GCT is via CACM GL set daily at 12:00 CET noon.

GO – Guarantees of Origin (AKA GoOs)



IIP – Inside Information Platform

Implicit auction

The Cross Zonal transmission capacity is used to integrate spot markets in different bidding zones across all coupled markets (bidding zones) by simultaneous matching of supply/demand energy orders per bidding zone and implicit utilization of CZ to achieve overall welfare maximized supply/demand equilibrium within CZ capacity constraints.

Intraday market (ID)

The common EU intraday market (SIDC) is mainly a continuous implicit traded market where trading takes place within and between bidding zones after closing of the day ahead market (SDAC) until at least one hour before delivery and in some EU MS permitted until delivery, and from 2026 to be applicable across EU for cross zonal capacity allocation and bidding zone trade until at least 30 minutes before delivery. Market Participants can adjust their power production or consumption plans or (bilateral) trade positions continually until close to delivery. In addition there is since June 2024 applied 3 daily SIDC IDA (Intra Day Auctions) across the same geographic scope as SIDC Continuous.



LIP – Local Implementation Projects

Local Implementation Projects within the European Single Intraday Coupling project.

Liquid market

A market with a lot of (power) orders provided and traded in and out, which leads to depth in the market and reliable index prices.

LTS – Local Trading Solution

A local intraday trading solution of a NEMO (power exchange) that is connected to the SIDC Continuous XBID Shared Order Book matching and that LTS continually feeds new/amended (anonymized) orders in to the XBID SOB. Also in SDAC and SIDC IDA markets NEMOs have their own LTS connected to the price calculation system, PCR Euphemia, via a cloud setup between each operational NEMOs LTS and the PCR PMB (Matcher-Broker) system utilized by NEMO's operating the MCO Function for SDAC and SIDC IDA respectively.

M

MAD – Market Abuse Directive

Market coupling

Two bidding zones (countries) or more that are integrated via an implicit auction to simultaneously optimise the energy supply/demand equilibrium per bidding zone and in total combined with utilization of cross zonal capacity between the markets.

MCO Function – Market Coupling Operations Function

The MCO Function covers the task of matching bids and orders from the day-ahead and intraday markets together with allocation of cross zonal capacities, and the MCO Function is in CACM GL and linked Methodologies setup as a common responsibility of all NEMOs, and in collaboration with all TSOs who provide available Cross Zonal Capacity and related limits on FB/CNTC basis.

Member

This means a Nord Pool customer, encompassing Participant, a Client or a Client Representative.

EMFIP – Electricity Market Fundamental Information

Platform MNA – Multi Nemo Arrangements

The arrangements that in CACM GL enable several Power Exchanges, in CACM defined as NEMOs, to operate SDAC/SIDC markets on behalf of their members in the same Bidding Zone, country. All countries where Nord Pool operate SDAC and SIDC markets today are subject to MNA and allows for multiple NEMOs, while several countries in South and South East Europe are still not open for multi-NEMO competition but based on designation of a monopoly NEMO.

MRC- The Multi-Regional Coupling

The Multi-Regional Coupling was an initiative among many PXs (now NEMOs) and TSOs across a big part of the European power system and it was dedicated to be a step towards integration of day-ahead markets across all of EU. The cooperation led to go-live in 2014, first full coupling across NWE in FEB and simultaneous operation of Iberia, and then re-labelled as MRC in MAY 2014 when also the interconnector between France and Spain became coupled implicitly. The MRC project relied on MCO Function processes and especially application of price coupling systems developed among PCR Co-Owner PXs (now NEMOs), namely the PCR Euphemia and PMB, that also today (in enhanced versions) are used to cover SDAC and SIDC IDAs. For further HL info see this link: <https://www.nordpoolgroup.com/en/message-center-container/newsroom/exchange-message-list/2014/Q2/No-212014---South-Western-and-North->

N

N2EX

Old name for Nord Pool's UK spot markets.

NEMO – Nominated Electricity Market Operator

A market operator designated by the competent authority of the European Union Member State to participate in single day-ahead or single intraday coupling. Nord Pool is nominated NEMO in 14 EU MS plus Norway and separately for UK. non-EU countries.

NRA – National Regulatory Authority

NTC – Net Transfer Capacity

The basis for commercial transmission capacity between bidding zones made available to the electricity wholesale markets, e.g. SDAC and SIDC. It is especially true when CNTC CCM (capacity calculation method) is applied while less directly when and where a Flow Based CCM is applied. See Transmission Capacity.

NWE or North-Western Europe Price Coupling – now MCR

A project between the Transmission System Operators and Power Exchanges of the countries in North-Western Europe to establish price coupling of the day-ahead wholesale electricity markets in the region.

NVE – Norges Vassdrags og Energidirektorat, the Norwegian Regulator

Each MS in the EU has a regulator for electricity wholesale markets and for ex. in Sweden EI "Energy Inspectorate" has similar roles as NVE and/or RME in Norway.

O

OFGEM – Office of Gas and Electricity markets in the UK – the UK regulator

Order

A Bid or Offer for a Product or several Products that is registered in a trading systems.

OTC – Over The Counter

Bilateral trading either directly between two companies/parties, or carried out via brokers that facilitate matching of bids and offers for a given product.

P

Participant

For example a Nord Pool customer - legal entity who has signed the participant agreement.

PCR – Price Coupling of Regions

The initiative initiated back in 2012 by six European Power Exchanges (APX, Belpex, EPEX, GME, Nord Pool and OMIE'; and later expanded with more PXs) to develop a single price coupling solution to be used to calculate electricity prices and volumes across Europe combined with CZ capacity utilization on a day ahead basis. The PCR systems developed have since then, starting via MRC in 2014, become used for Single Day-ahead Coupling (SDAC) across EU plus Norway and also since June 2024 used for SIDC IDAs.

PDI – Product Development and Innovation

PMB – (PCR) Price Matcher Broker

The PCR Asset used for operating the all NEMO coordinated MCO Function, e.g. the price calculation in SDAC and SIDC IDAs via the PCR Euphemia algorithm embedded in PMB, and communication of needed input data for the calculation and output results via a cloud solution towards operational NEMOs LTS connected to the PMB.

PPA – Power Purchasing Agreement

PPAT – Persons Professionally Arranging Transactions

PX Power Exchange – in CACM GL defined as NEMO

R

REMIT

Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency – the reporting of wholesale market transactions and other relevant data to ACER.

RES – Renewable Energy Sources

RRM – Registered Reporting Mechanism

A mechanism part of REMIT and Nord Pool is a RRM visa-vi ACER – meaning that market participants can report their orders and trades to ACER through Nord Pool.

S

Saga

Nord Pool's CRM (customer relations management) system.

Serviced market

Market in which Nord Pool operates market coupling and/or provides services to support the local PX, NEMO, operator. Nord Pool today linked to CACM markets and related MCO Function tasks service among others IBEX (Bulgaria), Cropex (Croatia) and BRM (Romania).

SDAC – Single Day Ahead Coupling as defined in CACM

SIDC – Single Intraday Coupling Continuous

(XBID) SOB – Shared Order Book

SPOC – Single Point of Contact

SYS

Nordic (Day Ahead) System Price calculated by Nord Pool and used as underlying reference to electricity derivatives.

T

Task

An enabler, it is not visible by end user, but it is required to complete the feature.

Transmission capacity

How much power that given certain conditions can be transported between e.g. bidding zones and also different nodes within BZs in e.g. the central (main) grid.

Transmission net – DSO network

The electrical grid with lower voltage levels providing also households with electricity, e.g. regional and local DSO (Distribution System Operator) networks on typically 110/70/10 kV level.

TSO – Transmission system operator

U

UMM – Urgent Market Messages

The UMM (Urgent Market Messages) system is a tool provided by Nord Pool to help members comply with the disclosure requirements in the Market Conduct Rules in Nord Pool's Rulebook and the European regulations REMIT and the Transparency Regulation.

User story

A small, independent behaviour that provide some value to user. It should fit in a sprint, otherwise it needs to be split.

XBID

The technical solution for delivering the European Single Intraday Coupling (SIDC) continuous implicit market on behalf of all NEMOs and TSOs.

Nord Pool Glossary

Find out more at www.nordpoolgroup.com