

Technical Rule no. 19 rev. 01 MPE

(pursuant to Article 4 of the Integrated Text of the Electricity Market Rules, approved by the Minister of Productive Activities on 19 December 2003, as subsequently amended and supplemented)

Title	Booking of margins for forward accounts on the PCE and registration of net delivery positions
Reference Legislation	Article 77 and Article 80, para. 80.4, Integrated Text of the Electricity Market Rules

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1. Foreword

Article 77 of the Integrated Text of the Electricity Market Rules (hereafter “ME Rules”) states that:

- for the submission of offers/bids in the MPEG, the Market Participant that is enabled to register transactions on the PCE on its energy accounts makes the reservation of the margins of the PCE forward accounts via the computer system of the electricity market, according to procedures specified in the Technical Rules;
- booked margins are updated following the submission of bids/offers, as well as at the conclusion of transactions, in the manner provided in the Technical Rules;
- booked margins not yet committed for offers/bids submitted or for transactions already completed during the session may be modified or revoked by the Participant in the manner specified in the Technical Rules.

Article 80, paragraph 80.4 of the ME Rules provides that the net delivery position, for each hour belonging to the day of delivery, is registered by GME onto the PCE, in the manner and within the time limits defined in the Technical Rules.

2. Booking of margins for forward accounts on the PCE

The reservation of the margins for forward accounts on the PCE must be made by the Market Participant for each MPEG trading session. The value of the margins to be booked is determined by the Market Participant on the basis of the transactions that it intends to carry out in the MPEG.

At the end of each session, GME cancels the margins or the portion of the same that has not been committed to the transactions concluded during the same trading session.

The booking of margins for forward accounts on the PCE or the change or revocation of margins already booked for tradable products in a given session can be carried out from the close of the previous trading session to the end of the last session for which such products are tradable.

The modification or revocation of the margins can be carried out only for the portion not yet committed to offers/bids submitted or transactions already completed.

To this end, in the appropriate section of the market information system, the Participant must:

- select the reference day (the day of delivery on the PCE in relation to which it wishes to book or modify or revoke the margins of the PCE forward accounts);
- indicate the value of the margins for:
 - each of the delivery profiles of the daily products tradable in the market;
 - purchase or sale transactions;
- the order in which GME should allocate, on the forward accounts of the PCE, the net delivery position resulting from transactions concluded in each session of the MPEG.

It is pointed out that, for the purpose of trading in the MPEG, the margins booked in respect of products with base-load delivery profile can also be used for trading products with peak-load profile, if the margins booked in respect of the latter products are insufficient.

3. Updating of margins for forward accounts on the PCE

The forward account margins booked by the Participant are updated as a result of transactions in the MPEG:

- downwards as a result of:
 - the submission of an offer/bid for an amount equal to the quantity covered by the offer/bid;
 - the matching of offers/bids having the same sign as the margins booked¹, for an amount equal to the quantity covered by matched offers/bids;
- upwards as a result of:
 - revocation of offers/bids submitted and not matched, for an amount equal to the quantity covered by revoked offers/bids;
 - matching of offers/bids having a sign opposite to the one of booked margins², for an amount equal to the quantity covered by matched bids/offers;

¹ The matching of a supply offer determines a decrease in the selling margins of the Participant. Likewise, the matching of a demand bid determines a decrease in buying margins of the Participant.

² The matching of a demand bid determines an increase in the selling margins of the Participant. Likewise, the matching of a supply offer determines an increase in the buying margins of the Participant. It follows that, where a Participant has initially booked only selling (buying) margins and has not booked buying (selling) margins, the matching of a supply offer (demand bid) simultaneously results in a decrease of the selling margin and an increase in the buying margin by an amount equal to the amount of energy covered by the matched offer/bid.

4. Registration of net delivery positions

At the end of each session, GME shall determine, for each Participant, the net delivery position for each hour belonging to the day of delivery and registers it onto the PCE, following the order of allocation of the quantity on the forward accounts of the PCE that the Participant has defined when booking the margins.

Upon the change from solar time to daylight saving time and vice versa, the hours belonging to the day of delivery are defined as established in Technical Rule no. 01 MPE and subsequent amendments referred to in the ME Rules.