Technical rule no. 14 MPE

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

Title	Defining the results of the MGP

Reference Legislation	Article 42, Paragraph 42.2, Integrated Text of the Electricity Market Rules

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1. Foreword

Article 42, Paragraph 42.2, of the Electricity Market Rules states that the GME finds a solution of the MGP by using the PCR algorithm, according to the procedures and criteria specified in the Technical Rules.

Furthermore, Article 42, Paragraph 42.2, of the Electricity Market Rules states that the GME finds the solution of the MGP among all the solutions developed by the PCR algorithm within the time limits for processing it, shared within the PCR context and shown in the Technical Rules. The solution of the MGP must be that where the net value of the resulting transactions, on a daily basis on all energy markets involved in the Market Coupling, is maximum and meets other requirements specified in that Paragraph.

Finally, Article 42, Paragraph 42.2 e), states that the balance arising from the difference between the total countervalue of the purchase offers accepted on offer points for withdrawal belonging to geographical areas valued at the price referred to in Subparagraph c) of the same Paragraph (i.e. PUN) and their countervalue valued at the zonal price, referred to in Subparagraph b) of that Paragraph, does not exceed the minimum and maximum limits shown in the Technical Rules.

2. Criteria and procedures to define the results of the MGP used by the PCR algorithm

As part of the *Market Coupling* process, the GME defines the results of the MGP, using the PCR algorithm, within the process to define the results of all European markets involved in said process.

In addition to the requirements shown in Article 42 of the Electricity Market Rules and valid for the Italian market, the result is that the PCR algorithm ensures that the solution found for the MGP is part of a set of solutions to be applied to the other European markets involved in the *Market Coupling* that, in turn, comply with the requirements of these markets.

The description of all the rules implemented by the PCR algorithm for the detection of the results on the European markets involved in the *Market Coupling* is described in the document titled "EUPHEMIA Public Description - PCR Market Coupling Algorithm, published on the GME's website:

https://gme.mercatoelettrico.org/Portals/0/Documents/it-it/20201012EuphemiaPublicDescription.pdf

3. Time limits for processing the results of the MGP shared within the PCR

The algorithm within the PCR has a maximum processing time of 10 minutes to find the set of one or more solutions, among which, after this period, it is detected the solution on the results of the market to be implemented for all markets involved in the *Market Coupling,* according to the criteria shown in the Electricity Market Rules as well as in the document mentioned in Paragraph 2. Only if no solution is found within 10 minutes, the PCR extends the time for processing the PCR algorithm for a further 10 minutes.

In case of problems and in order to safeguard the proper functioning of the relevant markets, the PXS of the PCR reserve the right to extend the maximum processing time of the PCR algorithm.

4. Minimum and maximum limits of the balance arising from the difference between the total countervalue of the offers/bids accepted in the MGP

For each hour subject to a sitting of the MGP, the difference between the total countervalue of the offers/bids accepted on offer points for withdrawal belonging to geographical areas and valued at the PUN and their countervalue valued at zonal price ranges from a maximum of 5 € to a minimum of –1 €.