

ACTE LE UTHOR IIA ONALEREGL EM ENTAR ENERGY

NATIONAL ENERGY REGULATOR

ORDIN

on the approval of the Regulation on the organisation and functioning of the organised electricity market administered by Bursa Română de Mărfuri - S.A.

In view of the provisions of Article 23 para. (2) letter b) of the Law on Electricity and Natural Gas no. 123/2012, as amended, under the provisions of Art. 5 para. (1) lit. c) i ale art. 9 alin. (1) lit. h) din Ordonan a de urgen ă a Guvernului nr. 33/2007 privind organizaão i func ionarea Autorită ii Na ionale de Reglementationarea în Domeniul Energiei, aprobată cu modifiche i compleările prin Legea nr. 160/2012, cu modifiche i compleările ulterioare,

The President of the National Energy Regulatory Authority issues the following order:

Art. 1 - The Regulation of the National Regulatory Authority for the organised electricity market, administered by the Energy Field Company, is hereby approved in order to comply with the provisions of the present Romanian Commodities Exchange - S.A., set out in the annex hereto.

part of this order.
operator of the electricity
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Art.4. - On the date of entry into force of this order, the market shall repeal Order president Autorită ii Na de Bursa Română de Mărfuri - S.A. shall carry out the provisions of Energy Regulation No. 117/2022 for this order and approval of the Regulation for the organisation and operation of the electricity forward contracts, organised by the Order, the operational procedures necessary for the implementation the company Bursa Română de Mărf - S.A., published in Monitorul

of the Regulation referred to in Article 1.

Official Journal of Romania, Part I, No 933 of 23 September 2022.

Art. 3. - Economic operators in the electricity sector Art. 5. - This Order shall be published in the Official Gazette and shall enter into force on the date of publication.

p. President of the National Energy Regulatory Authority,
Mircea Man

Bucharest, 29 March 2023.
No. 20.

ANNEX

REGULATION

de organizare i func ionare a pie ei organizate de energie electrica, administrată de Societatea Bursa Română de Mărfuri - S.A.

CHAPTER I

Purpose and scope

Art.1 - (1) This Regulation establishes the framework for the trading of electricity on the organised electricity market administered by the Romanian Stock Exchange - S.A. through electronic trading platforms administered by the Romanian Stock Exchange - S.A.

(2) Bursa Română de Mărfuri - S.A. organizes forward electricity markets, day-ahead markets and intra-day markets, in order to trade electricity under competitive conditions.

This Regulation lays down provisions on:

a) the organised market segments administered by Bursa Română de Mărfuri - S.A.;

b) the identification details of the entities assuming the role of counterparty in each of the standardised futures product markets and of the entities assuming the role of counterparty in each of the standardised futures product markets

the role of counterparty/clearing house in its market instruments derived energy electrical of the physical delivery settler;

c) description of the products to be traded within each organised market segment;

d) the mechanisms for guaranteeing, clearing, settlement of transactions concluded within each organised futures market;

e) the framework for the organisation and conduct of the trading meetings;

f) the trading mechanisms used;

g) informa iile publicate quotidiana.

Art. 3 - This Regulation shall apply:

a) participants in the organised market administered by the Romanian Commodities Exchange - S.A.;

b) Romanian Commodities Exchange - S.A., as operator of its organised market.

CHAPTER II

Defini ii i abbreviations

Art. 4 - (1) For the purposes of this Regulation, the terms below have the following meanings:

a) *Broker* - natural person acting on behalf of and for the account a participant in relation to the Bursa Romana de Mărfuri -

având ca principale atribu ii introducerea i entre inerea ordinelor (2) Defini iile prevăzute la alin. (1) shall be supplemented with during trading sessions/tenders, and which has the definitions provided for in the Law on Electricity and Gas the right to engage the liability of the participant that the natural no. 123/2012, with subsequent amendments and additions, represents inrela ia cu Bursa Română de Mărfii - S.A.;

b) *counterparty* - Bursa Română de Mărfuri - S.A., which AFt. 5. - The abbreviations used in this Regulation to ensure the role of counterparty in each of the markets have the following meanings:

standardised f u t u r e s products, such as market for derivative instruments in the energy sector electrice settled by physical delivery according to specific procedures and counterparty regulations. Bursa Română de Mărfuri - S.A. also assumes the role of clearing house, according to the specific procedures and regulations of the counterparty, for transactions carried out through the counterparty or which are accepted for post-transaction clearing;

c) *participation agreement* - standard agreement defined by Bursa Română de Mărfuri - S.A., concluded with a participant, which provides for the reciprocal rights and obligations of the parties regarding participation in the market, established following a public consultation process;

d) *order/offer to buy/sell* - an offer entered into by a participant, consisting of a pre-quantity pair and other specific attributes defined for each individual product and representing the participant's firm commitment;

e) *matching offer* - an offer of the same type as the initiating offer, with identical elements, i.e. the same quantity of electricity, the same daily delivery profile and the same duration of delivery, the same full/part transaction option, which is of the same meaning, i.e. sale or purchase, and implies adherence to the same type of contract as that proposed by the initiating participant;

f) *The Rules* - The General Rules on Organised Electricity Futures Markets, approved by Order of the President of the National Energy Regulatory Authority No 134/2022;

g) *initiating offer* - offer of electricity that initiates the trading process in accordance with the provisions of the Rules, of this Regulation, as well as of the own operational procedures of the Romanian Commodities Exchange;

h) *participant* - a natural or legal person who buys, sells or produces electricity, who is involved in aggregation or who is a dispatchable customer or an energy storage service operator, who has the right to pin the market according to Article 12(1). (1);

i) *transaction price* - the price at which the transaction took place, recorded and displayed by the trading system, expressed in RON/MWh or EUR/MWh;

j) *transaction report* - a statement issued by the trading systems of the Romanian Commodities Exchange - S.A. to each participant for its own transactions, containing complete data on the orders/offers placed and transactions concluded;

k) *counterparty rules* - a set of rules setting out the settlement and collateral arrangements and the rights and obligations of clearing members and counterparties in the counterparty trading process;

l) *trading systems* - information systems operated and managed by the Romanian Commodities Exchange - S.A. for the purpose of carrying out transactions, which apply a set of rules and mechanisms for bidding, trading and trading provided for in this Regulation;

m) *transaction* - an operation concluded in the trading system following the matching of a bid and a offer, according to the specific algorithms of the trading systems.

î3) ANRE - National Authority for the Regulation in the Energy Sector;

b) BRM - Bursa Română de Mărfuri - S.A.;

c) *Pia a* - shall mean, as the case may be, all, respectively each of the organised market segments administered by Bursa Romana de Mărfuri - S.A.

CHAPTER III

Her organised pie segments

Art. 6 - The organised electricity market administered by BRM comprises the following segments:

a) the market for standardised term products;

b) market for flexible term products;

c) market for physically settled electricity derivatives.

Art. 7 - Within the segments of the forward market, the BRM organizes market sections on the basis of operational procedures subject to public consultation dedicated to certain participants or to the fulfilment of certain legal obligations.

CHAPTER IV

Products of her organised pie

Art. 8 - The BRM organises trading sessions for standardised forward products with an electricity delivery period that may be:

a) a day, except for the day following the trading day;

b) multiple day, i.e. the entire period of at least 2 consecutive delivery days, starting at the earliest on the second calendar day following the day of the conclusion of a transaction and one week;

c) 1 weekend;

d) 1 week;

e) 1 month;

f) 1 quarter;

g) 1 semester;

h) 1 calendar year.

Art. 9 - The BRM shall organise trading sessions for flexible forward products, for which each initiator/co-originator participant shall define its own offer for the sale or purchase of electricity.

Art.10 - The BRM organises trading sessions for electricity derivatives settled by physical delivery, for any of the daily profiles of in-band constant power delivery/constant power delivery at peak load hours/constant power delivery at got load hours, with a delivery period of electricity that may be:

a) one day;

b) 1 week;

c) 1 month;

d) 1 quarter;

e) 1 calendar year.

Art.11 - The characteristics of the delivery duration, i.e. the starting date and the end date of delivery, the minimum power per settlement interval and the daily delivery profile of standardised forward products, flexible forward products and electricity derivatives settled by physical delivery shall be established by the procedures

contracts are published and in accordance with the provisions of the Rules. (4) The BRM supervises monitors the manner in which concluded in accordance with

CHAPTER V

Participation in transactions, guarantee, clearing and settlement mechanisms for transactions concluded within each pie is organised at the term

Art. 12 - (1) Participation in trading is allowed to participants who have registered on the market and demonstrate a fair and preventive market conduct in relation to the other market participants, according to the participation agreement and specific procedures.

(2) Participation in the market is voluntary.

(3) The BRM shall draw up specific procedures containing detailed provisions on the applicable trading mechanisms, the conduct of trading sessions, the stages of the trading process and how orders are matched, on the guarantee of transactions, on the conduct of market participants and other aspects of the regulation of trading under this Regulation, in compliance with the Rules, principles and requirements specific to organised forward electricity markets approved by ANRE, which shall be submitted for public consultation before they enter into force or are amended.

(4) For the standardised forward product market, participants may choose to trade products directly or through the counterparty. Transactions concluded directly shall be subject to the collateralisation, clearing and settlement of transactions provided for in the contracts concluded between the participants. For contracts concluded through the counterparty, the collateralisation, clearing and settlement of transactions shall be carried out in accordance with the rules, specific procedures and regulations of the counterparty, in relation to which the BRM shall assume the role of clearing house. Transactions on which the parties agree to this mode of post-transaction guarantee, clearing and settlement or in accordance with the provisions of the contract concluded directly may be accepted in the clearing house system.

(5) For the market for flexible futures products, transactions shall be concluded directly between participants. Transactions concluded directly shall be subject to the collateral, clearing and settlement arrangements for the transactions provided for in the contracts concluded between the participants.

(6) For the market for electricity derivatives settled by physical delivery, trades are concluded only through the central counterparty. The collateralisation, clearing and settlement of trades is carried out according to the rules of the specific procedures and regulations of the counterparty, in relation to which the BRM also assumes the role of clearing house.

Art. 13 - (1) Transactions confirmed by the trading system are firm and must be executed by one of the post-transaction methods provided for in the specific procedures.

(2) The closing and/or execution of transactions shall be financially guaranteed, under the conditions laid down by the specific procedures and by the counterparty's regulations, as the case may be, the provision of collateral being a condition of participation in the transaction.

(3) Subsequent to the conclusion of a transaction, participants shall ensure post-transaction operations through contracts according to the specific procedure.

including as regards the conformity of contractual clauses concluded with those of the contracts proposed before the trading session.

(5) The BRM may assume the role of counterparty to transactions under the conditions laid down in the specific procedures and counterparty regulations.

(6) The BRM has the right to collect and enforce the collateral provided by the participants for the purpose of the transaction, as set out in the specific procedures.

CHAPTER VI

Framework for the organisation and conduct of the trading meetings

Art. 14 - (1) Trading sessions shall be conducted through trading systems.

(2) For the market of standardized forward products, BRM organizes daily trading sessions every business day from Monday to Friday, according to a schedule published by BRM on its website. During the trading sessions, participants place orders by entering quantities and prices into the trading system and selecting the bid or offer direction, i.e. buy or sell, and trade them according to the mechanisms described in the BRM's specific procedures.

(3) For the market of flexible forward products, the BRM shall organise trading sessions on business days from Monday to Friday at the request of the initiating participants, for the accepted initial/quote bids or offers, after verification of their compliance with the applicable regulations, according to the specific procedures of the BRM.

(4) For the physically settled electricity derivatives market, the trading calendar will be published on the BRM's website and trading sessions will take place according to the established calendar, updated whenever necessary. During the trading sessions, participants enter orders by filling in the trading system with quantities and prices and selecting the bid or offer direction, i.e. buy or sell, and trade them according to the mechanisms described in the specific procedures of the BRM.

CHAPTER VII

Transaction mechanisms used

Art. 15 - (1) The transaction mechanisms used are the simple competitive mechanism (tender) and the double competitive mechanism (continuous negotiation). The operation of these mechanisms is described in the specific procedures developed by the BRM.

(2) For the market for standardised futures products, the BRM will use the simple competitive mechanism for trading auctions initiated by a participant and the double competitive mechanism for trading auctions organised for standardised products launched for trading by the BRM.

(3) For the flexible term products, BRM will use the simple competitive mechanism.

(4) For the auction of electricity derivatives settled by physical delivery, the BRM will use the dual competitive mechanism.

(5) The BRM shall establish through its own specific operational procedures the algorithm for pricing transactions within the trading systems for each trading mechanism.

Art. 16 - In situations of low liquidity or other conditions

The BRM may request the activation of the services of a liquidity provider under the following conditions, based on its own operational procedure subject to public consultation:

a) the liquidity provider undertakes to offer a certain quantity of electricity, defined by the BRM, both for sale and for purchase simultaneously within an agreed timeframe, in accordance with the terms set out in the specific agreement between it and the BRM;

b) the specific terms of the commitment to provide liquidity shall be set out in the specific agreement, which shall at least include obligations relating to the placing of bids and offers, specification of the type of product for which bids and offers are to be placed, the time for placing bids and offers on the market, the bid prices and quantities offered and the differences between the bid and offer prices offered simultaneously;

c) on the basis of the service offered, the liquidity provider may benefit from discounts on the fees/fees charged or other financial benefits for participation/market entry, as specifically agreed;

d) BRM will publish on its website at least the following information on the activity of liquidity providers: name of the provider, the product on which it operates, the minimum quantity offered, the minimum bidding period within a trading session, the maximum price difference between the bid and the offer placed simultaneously.

**CHAPTER VIII
Information published daily**

Art. 17 - The BRM shall publish transparently and unrestrictedly on its website, continuously and immediately, post-transaction information including at least the following:

- a) name of the traded product;
- b) the date of the trading session;
- c) award price;
- d) the powers/quantities corresponding to each registered award price;
- e) delivery period;
- f) power per settlement interval;
- g) daily delivery profile.

Art.18 - For transactions concluded on the market of flexible term products, the BRM shall publish on its website, in addition to the information provided for in Article 17, at least the following information after the end of each trading session:

a) characteristics of the initiating offer: name of the initiating participant, object of the offer, sale or purchase, and code of the initiating offer, quantity per settlement interval and daily profile of deliveries, full/part transaction option, delivery period, opening price, proposed contract;

b) the closing price of the auction;

c) for each transaction concluded, the name of the seller, the name of the buyer, the quantity per settlement interval and the total quantity of electricity transacted;

d) the final price and quantity of each tender, including those not offered.

Art.19 - For transactions concluded in the electricity derivatives market settled by physical delivery, the BRM shall publish daily on its website, at the end of the trading session, at least the following information:

- a) trading day;
- b) product name;

- , the settlement price;
- d) the last price recorded at the close of the daily session;
- e) the trading volume corresponding to the last price recorded at the close of the daily session;
- f) percentage change (increasing/decreasing) in the daily settlement price;
- g) the weighted average price and its total volume;
- h) number of transactions recorded;
- i) the number of participants in the trading session who have completed at least one transaction.

Art. 20 - For the attention of market participants, BRM shall ensure the continuous and immediate provision of the transaction report after the conclusion of a transaction in an electronic format, which shall be sent to brokers participating in the transaction and which shall contain at least the following elements:

- a) BRM report number;
- b) the date of the trading session;
- c) name of the traded product;
- d) power, expressed in MW;
- e) delivery period;
- f) the identification number of each transaction;
- g) the name of the other party to the transaction, as appropriate;
- h) the quality of the participants in the transaction (seller/buyer);
- i) the amount of electricity traded, expressed in MWh;
- j) transaction price;
- k) time stamp.

Art. 21 - (1) All market participants shall have the possibility to view in real time, on the basis of secure access through the trading system, the information on offers and transactions for each standardized product.

(2) The results of the trading session are published on the BRM's own website, www.brm.ro, in the section dedicated to trading on the electricity markets.

**CHAPTER IX
final provisions**

Article 22 - BRM shall apply this Regulation, specific procedures and counterparty regulations, where applicable, in accordance with their provisions and the participation agreement, in compliance with the Rules, principles and requirements specific to organised forward electricity markets approved by ANRE.

Art.23 - (1) For the activities and services performed, BRM has the right to charge the participants in the electricity forward contracts market tariffs and commissions as follows:

- a) annual registration fee (lei/participant/year);
- b) transaction fee according to the fee schedule, applied only to participants - party to the transaction.

(2) In the event of non-payment of the obligations referred to in par. (1) by the due date, the BRM shall have the right to suspend the participant's access to future trading sessions until the obligations have been paid.

(3) The fees and commissions charged are established on the basis of the decision of the BRM's Board of Directors and are published on the BRM's own website.