

National Energy Regulatory Authority - ANRE

**Order no. 117/2022 approving the Regulation on the organisation and functioning of the forward electricity contracts market organised by the Romanian Commodities Exchange - S.A.**

**It will enter into force on 1 October 2022**

Published in the Official Journal, Part I, No 933 of 23 September 2022. Form applicable from **1 October 2022**.

In view of the provisions of Article 23 para. (2) [letter b](#)) of the Law on Electricity and Natural Gas no. 123/2012, as subsequently amended and supplemented, as well as the provisions of art. 26 [letter a](#)) of the Annex to the Order of the President of the National Energy Regulatory Authority [no. 163/2015](#) for the approval of the General Licence Conditions for the activity of the electricity market operator, as subsequently amended and supplemented,

pursuant to the provisions of Article 5 para. (1) [lit. c](#)) and Art. 9 para. (1) [letter h](#)) of the Government Emergency Ordinance no. 33/2007 on the organization and functioning of the National Energy Regulatory Authority, approved with amendments and additions by Law [no. 160/2012](#), with subsequent amendments and additions, the President of the National Energy Regulatory Authority shall issue the following Order:

**Art.1 - The [Regulation](#)** for the organisation and functioning of the electricity futures market organised by the Romanian Commodity Exchange Company - S.A., as set out in the Annex, which is an integral part of this Order, is hereby approved.

**Art.2 -** The electricity market operator Bursa Română de Mărfuri - S.A. shall update, by 1 October 2022, the operational procedures necessary for the implementation of the regulation referred to in [Article 1](#).

**Art.3 -** The electricity market operator Bursa Română de Mărfuri - S.A. and the economic operators in the electricity sector shall carry out the provisions of this order, and the organizational entities within the National Energy Regulatory Authority shall ensure compliance with the provisions of this order.

**Art.4 -** On the date of entry into force of this Order, the Order of the President of the National Energy Regulatory Authority [no. 79/2022](#) approving the Regulation on the organisation and functioning of the electricity futures market organised by the Romanian Stock Exchange - S.A., published in the Official Gazette of Romania, Part I, no. 567 of 10 June 2022, shall be repealed.

This Order shall be published in the Official Gazette of Romania, Part I, and shall enter into force on 1 October 2022, with the exception of [Article 2](#), which shall enter into force on the date of publication.

p. President of the National Energy Regulatory Authority,

Zoltan Nagy-Bege

Bucharest, 21 September 2022.

No. 117.

## REGULATION

### **for the organization and functioning of the forward electricity contracts market, organized by Bursa Romana de Mărfuri - S.A.**

National Energy Regulatory Authority - ANRE

Regulation on the organization and functioning of the forward electricity contracts market, organized by the Romanian Stock Exchange - S.A., from 21.09.2022

Part of [Order 117/2022](#)

It will enter into force on 1 October 2022

Published in the Official Journal, Part I, No 933 of 23 September 2022. Form applicable from **1 October 2022**.

## **CHAPTER I**

### **Purpose and scope**

**Art.1** - This Regulation establishes the framework for the trading of electricity on the forward electricity contracts market, through electronic trading platforms managed by Bursa Romana de Mărfuri - S.A.

This Regulation lays down provisions on:

- (a) specific requirements for participation in the electricity futures market;
- b) products available for trading;
- (c) transparency of the electricity futures market.

**Art. 3** - This Regulation shall apply:

- (a) participants in the forward electricity contract market;
- b) the Romanian Commodities Exchange - S.A., as operator of the forward electricity contracts market.

## **CHAPTER II**

### **Definitions and abbreviations**

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

- a) broker - a natural person acting in the name and on behalf of a participant in the relationship with Bursa Romana de Mărfuri - S.A., whose main duties are to enter and maintain orders during trading sessions/tenders, and who has the right to engage the liability of the participant he represents in the relationship with Bursa Romana de Mărfuri - S.A.;

- b) counterparty - Bursa Română de Mărfuri - S.A., which acts as counterparty on the market according to the specific procedures and regulations of the counterparty; the counterparty interposes itself, from a financial point of view, between the seller and the buyer, becoming buyer for the seller, respectively seller for the buyer, in order to ensure the settlement process of the transaction concluded on the market, on their behalf;
- c) participation agreement - a standard agreement defined by Bursa Romana de Mărfuri - S.A., concluded with a participant, which provides for the mutual rights and obligations of the parties regarding market participation, established after a public consultation process;
- d) standard contract - a sale/purchase contract specific to electronic trading, representing the total quantity of electricity in MWh of a sale/purchase order for the entire delivery period and delivery profile of a standardised product, resulting from multiplying the average delivery power over a settlement interval by the number of settlement intervals in the delivery period of that standardised product;
- e) order/offer to buy/sell - an offer made by a participant, consisting of a price-quantity pair and other specific attributes defined for each individual product and representing a firm commitment by the participant;
- f) participant - a natural or legal person who buys, sells or produces electricity, who is involved in aggregation or who is a dispatchable consumer or an energy storage service operator, who has the right to participate in the market in accordance with [Article 8\(8\). \(1\)](#);
- g) transaction price - the price at which the transaction took place, recorded and displayed by the trading system, expressed in RON/MWh or EUR/MWh;
- h) standard product - a product defined within the trading system of the Romanian Commodities Exchange - S.A., according to the provisions of [Article 6](#);
- i) trading report - statement issued by the trading systems of the Romanian Commodities Exchange - S.A. to each participant for its own transactions, containing complete data on orders/offers placed and transactions concluded;
- j) Counterparty Rules - a set of rules that establish the settlement and collateral arrangements and the rights and obligations of clearing members and the counterparty in the trading process through the counterparty;
- k) 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 dealing provided for in this Regulation;
- l) trade - an operation concluded in the trading system following the matching of a bid and offer according to the specific algorithms of the trading systems.

(2) The definitions set out in [paragraph 1 shall apply. \(1\)](#) shall be supplemented by the definitions laid down in the Law on Electricity and Natural Gas [No 123/2012](#), as amended.

**Art. 5** - The abbreviations used in this Regulation have the following meanings:

- a) ANRE - National Energy Regulatory Authority;
- b) BRM - Romanian Commodities Exchange - S.A.;
- c) Market - the forward electricity contract market.

## CHAPTER III

### Standard products

**Art. 6** - (1) The BRM organizes trading sessions for standard products with regard to the following characteristics:

a) the daily profile of deliveries:

(i) in-band delivery (offers at average power per constant settlement interval in all hours of the day);

(ii) delivery at average power per constant settlement interval during peak load hours;

(iii) delivery at average power per constant settlement interval during off-load hours;

b) average power per settlement interval per contract: 0,1 MW or multiple of 0,1 MW.

c) the period of delivery of electricity, which may be:

(i) day multiple, i.e. the entire period of at least 2 consecutive delivery days starting at the earliest on the second calendar day following the day on which a transaction is concluded; the product is tradable only with tape delivery;

(ii) 1 week; the product is tradable only with tape delivery;

(iii) the balance of the month, i.e. the period consisting of the remaining delivery days in a current calendar month, starting on the second calendar day following the day on which a transaction is concluded; the product is tradable only with tape delivery;

(iv) 1 month;

(v) 1 quarter;

(vi) 1 semester;

(vii) 1 calendar year;

(d) the date of commencement and the date of completion of delivery;

(e) the quantity of electricity traded under a contract, expressed in MWh;

f) the price at which the quantity of electricity traded under a contract is offered, which is the price of electricity offered by the trading participant, including the Tg component of the transmission tariff, excluding VAT.

(2) The description and coding of each product, with the code under which they are available in the trading system, are set out in the Annex which forms an integral part of this Regulation.

(3) The BRM shall determine the number and type of products available for trading at any given time from among those set out in the Annex to this Regulation.

**Art. 7** - The standard products referred to in Art. 6 para. (1) have the following characteristics:

(a) the delivery of electricity shall be based on the trading report issued by the BRM's trading systems;

b) the object of the transaction is a standard contract or a multiple of standard contracts, and the elements that can be changed by the participant/broker during trading sessions are the price per standard contract and the number of standard contracts traded;

(c) the price and number of standard contracts relating to a concluded transaction shall remain fixed for the duration of the contract. The price and quantity traded, as resulting from the trading report issued by the BRM, shall be compulsorily stipulated in the contract concluded between the seller and the buyer, which contract shall

be concluded in materialised or dematerialised form, as the case may be, depending on the post-trading method agreed by the parties to the transaction.

## **CHAPTER IV**

### **Participation in trading, execution and collateralisation of transactions**

**Art.8** - (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 arrangements, the conduct of trading sessions, the stages of the trading process and how orders are matched, on the collateralisation of transactions, on the conduct of market participants and other aspects of the regulation of trading under this Regulation, which shall be subject to public consultation before they enter into force or are amended.

**Art. 9** - (1) Trades confirmed by the trading system are firm and must be executed by one of the post-trade methods provided for in the specific procedures.

(2) The closing and/or execution of trades shall be financially collateralised, under the conditions laid down in the specific procedures and regulations of the counterparty, as the case may be, collateralisation being a condition of participation in trading.

(3) Subsequent to the conclusion of a transaction, participants shall ensure post-trade operations by means of contracts (BRM standard, counterparty, contract proposed by the initiating participant or EFET type) according to the specific procedure.

(4) The BRM shall supervise and monitor the manner in which contracts are concluded in accordance with specific procedures, including the compliance of the contractual terms concluded with those of the contracts proposed prior to the trading session.

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

(6) The BRM shall have the right to collect and enforce collateral provided by participants for trading purposes, as set out in the specific procedures.

## **CHAPTER V**

### **Market transparency**

**Art.10** - (1) The BRM shall publish on the BRM website, in a transparent and unrestricted manner, continuously and immediately, post-trade information including at least the following: name of the traded product, date of the trading session, name of the seller and buyer, price and volume traded, delivery period.

(2) For the benefit of market participants, the BRM shall ensure the continuous and immediate provision of the trading report after the conclusion of a transaction in an electronic format, which shall be sent to the brokers participating in the transaction and shall contain at least the following elements:

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

(3) All market participants shall be able to view real-time bid and offer and trade information for each standardised product on a secure access basis through the trading system.

(4) The results of the trading session shall be published on the BRM's own website, [www.brm.ro](http://www.brm.ro), in the section dedicated to trading on electricity markets.

**Art. 11** - The BRM shall apply these Rules, specific procedures and counterparty regulations, as applicable, in accordance with their provisions and the participation agreement.

**Art.12** - (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 [paragraph 1. \(1\)](#) 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 settled.

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

## ANNEX to the Regulation

### Tradable products

Coding	Product description
BRM_power_base_phfm_mm-yyyy	Term contract for electricity delivered in-band (00.00-24.00 CET Monday to Sunday) for a period of one calendar month. The name of the instrument contains data on the name of the month of the year (mm) and the year of delivery (yyyy).
BRM_power_peak1_phfm_mm-yyyy	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Friday) for a period of one calendar month. The name of the instrument includes data on the name of the month of the year (mm) and the year of delivery (yyyy).
BRM_power_peak2_phfm_mm-yyyy	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Sunday) for a period of one calendar month. The name of the instrument includes data on the name of the month of the year (mm) and the year of delivery (yyyy).
BRM_power_offpeak_phfm_mm-yyyy	Term contract for electricity delivered during off-peak hours (00.00-6.00, 22.00-24.00 CET Monday to Friday and 00.00-24.00 CET Saturday and Sunday) for a period of one month. The name of the instrument includes data on the name of the month of the year (mm) and the year in which the delivery takes place (yyyy).
BRM_power_base_phfq_qn-aaaa	Term contract for electricity delivered in-band (00.00-24.00 CET Monday to Sunday) for a period of one calendar quarter. The name of the instrument contains data on the quarter number of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_peak1_phfq_qn-aaaa	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Friday) for a period of one calendar quarter. The name of the instrument contains data on the quarter number of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_peak2_phfq_qn-aaaa	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Sunday) for a period of one calendar quarter. The name of the instrument contains data on the quarter number of the year (n) and the year in which the delivery takes place (yyyy).

BRM_power_offpeak_phfq_qn-aaaa	Term contract for electricity delivered during off-load hours (00.00-6.00, 22.00-24.00 CET Monday to Friday and 00.00-24.00 CET Saturday and Sunday) for a period of one calendar quarter. The name of the instrument contains data on the quarter number of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_base_phfs_sn-yyyy	Term contract for electricity delivered in-band (00.00-24.00 CET Monday to Sunday) for a period of one calendar semester. The name of the instrument contains data on the number of the half-year of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_peak1_phfs_sn-yyyy	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Friday) for a period of one calendar semester. The name of the instrument contains data on the number of the half-year of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_peak2_phfs_sn-yyyy	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Sunday) for a period of one calendar semester. The name of the instrument contains data on the number of the half-year of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_offpeak_phfs_sn-yyyy	Term contract for electricity delivered during off-load hours (00.00-6.00, 22.00-24.00 CET Monday to Friday and 00.00-24.00 CET Saturday and Sunday) for a period of one calendar semester. The name of the instrument contains data on the semester number of the year (n) and the year in which the delivery takes place (yyyy).
BRM_power_base_phfy-aaaa	Term contract for electricity delivered in-band (00.00-24.00 CET Monday to Sunday) for a period of one year. The name of the instrument includes the year of delivery.
BRM_power_peak1_phfy-aaaa	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Friday) for a period of one year. The name of the instrument includes the year of delivery.
BRM_power_peak2_phfy-aaaa	Term contract for electricity delivered during peak load hours (6.00-22.00 CET Monday to Sunday) for a period of one year. The name of the instrument includes the year of delivery.
BRM_power_offpeak_phfy-aaaa	Term contract for electricity delivered during off-peak hours (00.00-6.00, 22.00-24.00 CET Monday to Friday and 00.00-24.00 CET Saturday and Sunday) for a period of one year. The instrument name includes the year of delivery.



BRM_power_base_phfwk_nn_yyyy	Term contract for electricity delivered in-band (00.00-24.00 CET Monday to Sunday) for a period of one calendar week. The name of the instrument contains data on the number (nn) of the week of the year in which the delivery starts (yyyy).
BRM_power_base_phfD_dd-mm-yyyy_dd-mm-yyyy	Forward contract for electricity delivered in band (00.00-24.00 CET from Monday to Sunday) for a period consisting of at least 2 consecutive calendar days starting on a certain day (dd) within a month or year and ending on a different day (dd) within a month or year. The name of the instrument includes data on the name of the month of the year (mm) and the year (yyyy) in which the delivery starts and ends.
BRM_power_base_phfBoM_dd-mm-yyyy	Term contract for electricity delivered in-band (00.00-24.00 CET Monday to Sunday) for a period consisting of the rest of the calendar month starting on a certain day (dd) within the current month. The name of the instrument includes data on the name of the month of the year (mm) and the year in which the delivery takes place (yyyy).