

DECISION OF RAE UNDER NO. 661/2021

Regarding the access of the Participants to specific Order Types, the parameters for submitting them as well as the technical details as regards their content, in accordance with the provisions of subsection 4.1.3.1 of the Day-Ahead and Intra-Day Markets Trading Rulebook and article 18 par. 4 and 5 of L. 4425/2016, as in force

The Regulatory Authority for Energy

At its regular meeting, at its headquarters, **on the 26th of August 2021**

Taking into account:

1. The provisions of Chapter C' *"Stipulations coming under the competency of the Ministry for the Environment and Energy"* of L. 4425/2016 *"Urgent regulations of the Ministries of Finance, Environment and Energy, Infrastructure, Transport and Networks and the Ministry of Labor, Social Security and Social Solidarity, on the application of the agreement on fiscal targets and structural reforms and other stipulations"* (GG A' 185/30.09.2016), as applying and in particular article 18 par. 4 and 5 of this law.
2. The stipulations of L. 4001/2011 *"On the operation of Energy Markets for Electricity and Natural Gas, for Research, Production and Hydrocarbon transfer networks and other regulations"* (GG A' 179/22.08.2011), as applying.
3. The Day-Ahead and Intra-Day Markets Trading Rulebook, (Decision of RAE under the No. 1116/2018, (GG B' 5914/31.12.2018), as applying following its modification by the No. 820/2020 Decision of RAE, (GG B' 1941/21.05.2020), the No. 1228/2020 Decision of RAE, (GG B' 4124/24.09.2020), and the No. 610/2021 Decision of RAE, (GG B' 385/18.08.2021), and in particular the provisions of sub-section 4.1.3.1.
4. The provisions of the Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal electricity market (restatement) (EU L 158 dated as of 14.06.2019 p. 54).
5. The provisions of the Regulation (EC) 714/2009 of the European Parliament and of the Council of 13th of July 2009 on network access conditions for cross-border trading in electricity and repealing the Regulation (EC) No. 1228/2003 (EU L 211 dated as of 14.08.2009 p. 15).

6. The stipulations of the Regulation (EU) 2015/1222 of the Committee dated as of July 24th, 2015 establishing a guideline on capacity allocation and congestion management (EEL 197 dated as of 25.07.2015, p. 24 sqq.) (hereinafter "Regulation (EU) 2015/1222").
7. The No. 37/2020 Decision of ACER regarding products which shall be taken into account in the single coupling of the Day Ahead, in accordance with Article 40 of Regulation (EU) 2015 / 1222.¹
8. The No. 1298/2018 Decision of RAE *"Regarding the start day of the uncoupled operation of the Day Ahead Market and the Intraday Market according to provisions of articles 6 and 9 of law 4425/2016 (GG A '185), as applying, and the provisions of Chapter 7 of the Day Ahead Market & Intraday Market Trading Rulebook, as applicable."*(GG B' 4415/07.10.2020)
9. *The No. 1574/2020 Decision of RAE "Regarding the start day of the coupled operation of the Day Ahead Market at the Greek - Italian border, according to provisions of subsection 7.1.1 of Chapter 7 of the Day Ahead Market & Intraday Market Trading Rulebook, as applicable. (GG B' 5505/14.12.2020)*
10. The No. 369/2018 Decision of RAE *"Directions for drawing up the Energy Markets Rulebooks, as provided for in L. 4425/2016, as applying"*(GG B' 1880/24.05.2018).
11. The No. 1124/2019 Decision of RAE *"On defining the public limited company "HELLENIC ENERGY EXCHANGE S.A." and distinctive title "HEEx S.A." as "Nominated Electricity Market Operator/NEMO", in accordance with paragraph 2 of article 8 of L. 4425/2016 (GG A' 185/30.09.2016), as applying"*.
12. The No. 36/2020 Decision of RAE *"Approval, in accordance with par. 1 of article 9 of L. 4425/2016 and par. 1 of the article 117C of L. 4001/2011 as applying, of the operation of the public limited company operating under the name "HELLENIC ENERGY EXCHANGE S.A." and distinctive title "HEEx S.A." as Energy Exchange for the administration and operation of the Day-Ahead and Intra-Day Market"* (GG B'742/10.03.2020).
13. The No. 947/2020 Decision of RAE *"Regarding the access of the Participants to specific Order Types, the parameters for submitting them as well as the technical details as regards their content, in accordance with the provisions of subsection 4.1.3.1 of the Day-Ahead and Intra-Day Markets Trading Rulebook and article 18 par. 4 and 5 of L. 4425/2016, as in force"*(GG B' 3054/23.07.2020).
14. The No. 87/2021 Decision of RAE *"Regarding the access of the Participants to specific Order Types, the parameters for submitting them as well as the technical details as regards their content, in accordance with the provisions of subsection 4.1.3.1 of the Day-Ahead and Intra-Day Markets Trading Rulebook and article 18 par. 4 and 5 of L. 4425/2016, as in force"* (GG B' 640/18.02.2021).
15. The under Reg. No. RE I-298002/02.03.2021 letter of HEEx S.A. (No./DATE./HEEx: 256/01.03.2021) with the subject: *"Submission of Proposal regarding submission parameters and technical details of Orders according to the provisions of subsection 4.1.3.1 of the Day Ahead Market and Intraday Market Trading Rulebook"*.

16. The RAE Public Consultation on the aforementioned proposals of HEnEx S.A. (relevant document¹⁵), that took place from 24.03.2021 up until 31.03.2021¹ and about the under Reg. No. RAE I-299975/01.04.2021 letter of Public Power Corporation, which requested the non publication of the letter³.
17. The under Reg. No. O-87268/14.04.2021 electronic document of RAE to HEnEx S.A regarding the answering to the comments of the above Public Consultation of the Authority (relevant document 16) and the submission of opinions on them.
18. The under Reg. No. RAE I-301666/27.04.2021 letter of HEnEx S.A.(No./DATE/HEnEx: 258/27.04.2021), regarding the comments of the participants in the relevant document 16 Public Consultation of RAE.
19. RAE Public Consultation on the implementation plan with a timetable for adoption of measures to eliminate any regulatory distortions or weaknesses under State aid procedures in accordance with Article 20 of Regulation (EU) 2019/943, which took place from 16.07.2021 until 22.07.2021.⁴
20. The under Reg. No. RAE I-303856/04.06.2021 letter of HEnEx S.A. (No./DATE./HEnEx: 766 /02.06.2021) with the subject: *"Submission updated HEnEx S.A. proposal regarding submission parameters and technical details of Orders according to the provisions of the subsection 4.1.3.1 of the Day Ahead and Intraday Market Trading Rulebook "*.
21. The fact that in accordance with the provision of par. 4 of article 18 of L. 4425/2016, methodologies provided by the Market Rulebooks are decided by RAE and published in the Government Gazette.
22. The fact that the provisions hereof do not entail any charge on the State Budget.

Has come to the following conclusions:

Because, by the RAE Decision 1116/2018 (rel. 3) the Day-Ahead and Intra-Day Markets Trading Rulebook (hereinafter referred to as the "Rulebook") was approved, in accordance with articles 9, 10 and 18 of L. 4425/2016. The Rulebook was amended by the RAE Decisions 820/2020, 1228/2020 and 610/2021.

Because, in section 4.1.3 *"Products - Types of Orders"* of the Rulebook, the following are provided:

«1. Products admitted for trading on the Day-Ahead Market, in accordance with Chapter 2 (Section 2.5), for each Market Time Unit of Delivery Day are types of commercial contracts of electricity with physical delivery (injection or Offtake) within the Bidding Zones of the HTSO. The eligible Products, which are supported by the Price Coupling Algorithm, are defined in accordance with the provisions of

¹ <https://www.rae.gr/2021/03/24/%ce%b4%ce%b7%ce%bc%cf%8c%cf%83%ce%b9%ce%b1-%ce%b4%ce%b9%ce%b1%ce%b2%ce%bf%cf%8d%ce%bb%ce%b5%cf%85%cf%83%ce%b7-%cf%84%ce%b7%cf%82-%cf%81%ce%b1%ce%b5-%ce%b5%cf%80%ce%af-%cf%84%ce%b7%cf%82-%ce%b5%ce%b9-3/>

Article 40 of Regulation (EU) 2015/1222 by a joint proposal of NEMOs and are negotiated with the available types of Buy and Sell Orders.

2. The ETSS automatically generates the description of the Day-Ahead Market Products and makes them available for trading one hour before the Gate Opening Time for the Delivery Day.

3. The Market Time Unit of the Day-Ahead Market is equal to one (1) hour.

4. The Delivery Day comprises of twenty-four (24) Market Time Units.

5. On the short-clock change day in March (beginning of summer saving time), there will be twenty-three (23) Market Time Units.

6. On the long-clock change day in October (end of summer saving time), there will be twenty-five (25) Market Time Units."

Because, in sub-section 4.1.3.1 "**Orders**" of the Rulebook, the following are provided:

«1. The types of Orders that result from Day-Ahead Market Products and can be submitted by Participants in the Day-Ahead Market are as follows:

a) Hourly Hybrid Orders: Hourly Hybrid Orders are composed of step segments and/or linear interpolation segments, separately for each Market Time Unit of Delivery Day D. The specified curve is increasing for Sell Orders and decreasing for Buy Orders. [...]

b) Block Orders: A Block Order consists of the following: a fixed price limit (minimum price for Sell Block Orders and maximum price for Buy Block Orders), a Minimum Acceptance Ratio and an energy quantity for a number of Market Time Units within the Delivery Day. The energy quantity may vary in different Market Time Units. Block Orders cannot be accepted for a volume less than their Minimum Acceptance Ratio. The Minimum Acceptance Ratio is the same for all Market Time Units belonging to the Block Order.

c) Linked Block Orders: A Linked Block Order consists of individual Block Orders, with the attributes referred to in the Block Order, which are linked to each other by a parent-child relationship. A child Block Order can be accepted only when the parent Block Order, with which it is linked, is executed. Block Orders without linked child Block Orders are called leaf Block Orders.

d) Exclusive Group of Block Orders: An Exclusive Group consists of a set of Block Orders, for which the sum of the accepted ratios cannot exceed the unit (1). In the specific case where the individual Block Orders have a Minimum Acceptance Ratio of 1, then at most one of the Block Orders can be accepted.

2. The admission of new types of Orders and the suspension/deletion of existing types of Orders is subject to the procedure described in Section 2.5 of the Rulebook.

3. *The access of the Participants to specific Order Types, the parameters for submitting them as well as the technical details as regards their content can be specified by a RAE Decision, following a HEnEx proposal"*

Because, in article 18 "Preparation and amendment of the Regulations and Codes of the Markets" of L. 4425/2016, as applying, the following are provided:

"[...] 4. Methodologies, parameters and other special approvals provided by the Market Codes, are decided by RAE, following a suggestion of the Market Operators and are published in the Government Gazette.

5. In addition to the regulatory measures taken by RAE based on article 23 of L. 4001/2011, the Rulebooks may provide further measures aimed at the smooth operation of the electricity market and at promoting effective competition in it. These measures may relate to specific offset arrangements for any dominant influence on the electricity market, specific regulatory terms and conditions to ensure equal participation in the electricity market, arrangements for improving Market Liquidity, such as restrictions and rules that Participants' trading orders must comply with, [...]"

Because, in accordance with the provisions of subsection 4.1.3.1 of Day Ahead & Intraday Market Trading Rulebook and article 18 par. 4 and 5 of N. 4425/2016, as in force, with no. 947/2020 Decision of RAE (ref. 13), a restriction was adopted for the first quarter of operation of the Day Ahead Market in terms of Block Orders usage for the Day Ahead Market so that they can be submitted only by the Producers and only for the Thermal Production Units with which participate and the submission parameters and technical characteristics of the accepted Day Ahead Market Order Types for the first quarter Operation of the Day Ahead Market were adopted as follows:

Block Orders – general features	
Minimum amount of consecutive Market Time Units for a Block Order	1
Maximum amount of Block Orders per Thermal Plant	5
Minimum quantity of a Block Order	0.001 MWh
Maximum quantity of a Block Order	250 MWh
Minimum Acceptance Ratio	0%
Linked Block Orders	
Maximum amount of Linked families per Thermal Plant	2
Maximum amount of Block Orders for a Linked Family	5
Maximum amount of generations per Linked Family	3
Maximum amount of children per parent	4
Maximum amount of parent per child	1
Exclusive Block Order Group	
Maximum amount of Exclusive Block Order Groups per Thermal Plant	2
Maximum amount of Block Orders in an Exclusive Block Order Group	5

Because, based on the above decision 947/2020, HEnEx S.A had to make a suggestion to RAE, within ten (10) days from the end of the first month of operation of the Day Ahead Market, which includes an updated study that will explore the effect of the different Types of Orders, both in the price configuration and in the creation feasible Market Schedules, taking into account data from the actual operation of the new Market in the first month. In addition, this suggestion would re-examine the need to apply a restriction on the use of Block Orders and the parameters and characteristics of the accepted Order Types for the Day Ahead Market, so that they apply to all types of units / portfolios. It is noted that the adoption of the restriction on the use of Block Orders that may submitted depending on the type of units / portfolios was deemed a reasonable measure by RAE in the direction of improving the "liquidity" of the Hourly Hybrid Orders and smooth operation of the Day Ahead Market exclusively for the first period operation (i.e. valid for three (3) months).

Because, after the end of three (3) months from the beginning of its non-coupled operation Day-Ahead Market, the Authority decided in the above decision that the restriction on the use of Block Orders for the Day Ahead Market ceases to be valid, subject to any findings from the above update and accompanying study that demonstrate that widespread use of Block Orders may cause problems in the formation of the Market Clearing Price, a fact that will undermine its functionality Market, as well as achieving the original purpose of disposing of all types of orders (i.e. the achievement of feasible Purchase Programs as much as possible).

Because, with the no. 1298/2020 Decision (ref. 8), RAE, in accordance with the provisions of articles 6 and 9 of Law 4425/2016 and the provisions of Chapter 7 of the Rulebook, as apply, set November 1, 2020, as the Delivery Day D, of the non-coupled operation of the Day-Ahead Market and the Intraday Market.

Because, following the start of the new electricity markets, HEnEx S.A requested by the Authority the extension of the validity of no. 947/2020 Decision of RAE (ref. 13) for two (2) months, i.e. until 31.03.2021, in order to complete the necessary internal procedures for assessing the impact of existing arrangements and to submit updated relevant suggestion from the company.

Because, RAE, accepting the request of HEnEx S.A for the extension of its validity in relative document 13 Decision until 31.03.2021, issued the no. 87/2021 RAE decision, according to which, among others, HEnEx S.A had to complete its update relevant proposal and the elaboration of the relevant study for more than one month range of data from the actual operation of the Day Ahead Market and to submit them to RAE by 01.03.2021 (ref. 14).

Because, with the relevant document 15, HEnEx S.A submitted its initial recommendation to the Authority, in which the effect of the existing access of the participants is explored in Block Orders and consequently in the formation of the Day Ahead Market Clearing Price and in the creation of feasible Market Schedule, taking into account real data from the operation of the new Market during the period 01.11.2020 until 31.01.2021, where during the period 01.11.2020 until 15.12.2020

the Day-Ahead Market in non-coupled operation, while during the period 16.12.2020 until 31.01.2021 Day-Ahead Market operated in coupling with MRC through the Greece-Italy.

Because, based on the said suggestion of HEnEx S.A, in order to examine the effect of different Order Types in the formation of the Market Clearing Price, its quality is studied Clearing Price configuration during the time period in which the setting for access of Participants in Block Orders is active. In particular, the Consideration that there is a satisfactory Market Clearing Price configuration when there is a strong one correlation of the quality of the net load submitted to the Day-Ahead Market with the Clearing Price of the Day-Ahead Market. According to the results of the study, during the period under consideration it is observed that there is a strong correlation between the amount of net load and Day-Ahead Market Clearing Price and therefore, with the existing regulation access of the participants to the Block Orders achieves the goal of satisfactory Clearing Price configuration.

Because, in addition, in order to examine the effect of the different Types of Orders on creation of a feasible Market Schedule, a comparison of the result was made all Day-Ahead Market trades for each Production Unit for each Market Time Unit of the period 01.11.2020 until 31.01.2021 in relation to the Technical Minimum of each Production Unit. According to the results of the study, with the existing settings for accessing the Block Orders, participants have the possibility of configuring feasible programs, with a few exceptions, as well as from 42,592 trades of all Production Units examined, 196 of them concerned final Market Schedule with operation under the Technical Minimum (from 196 cases, 28 cases concerned Hydroelectric Units and the remaining 168 cases concerned thermal Units of Production). According to HEnEx S.A, even for the above cases of formation of an infeasible Market Schedule by Day Ahead Market, Producers had the opportunity to correct their Schedule in the First Local Intraday Auction, which will be replaced by the First Complementary Regional Intraday when coupling of the Intraday Market takes place scheduled for September 2021 (ref. 19). The first Local / Complementary Regional Intraday Auction precedes its time First Integrated Scheduling Process implemented by its HTS Operator and therefore, Producers have increased options to create feasible Market Schedules for their Production Units.

Because, the company, taking into account the conclusions of the study, from which it follows efficient operation of the Market Clearing Price configuration mechanism during the period under review, suggested maintaining the existing arrangements for at least six (6) months from the implementation date of the following three commitments concerning the Target Model, i.e. the coupling of the Day-Ahead Market with Bulgaria, the coupling of Intraday Market with the adoption of Complementary Regional Intraday (CRIDAs) and the implementation of the Continuous Intraday Trading (XBID). And that there is sufficient productive data for at least six months from implementation of the above commitments for the re -

examination and evaluation of the arrangements in final form of the wholesale electricity market, as it will have been shaped.

Because, RAE raised the relevant suggestion of HEnEx S.A. in Public Consultation by 24.03.2021 until 31.03.2021 (ref. 16). They were submitted in the context of the public consultation views from PPC indicating that it does not wish to make them public.

Because, in its letter of ref. 18, following a request from RAE (ref. 17), HEnEx S.A. submitted to the Authority its views on the Comments of the Participant in the above Public Consultation, as well as relevant documentation for their acceptance or not.

Because, the issue of Price configuration is fundamental to the smooth operation of the Market and for this purpose a sufficient number of billed Hours should be ensured Hybrid Orders in The Day Ahead Market. At the same time, the possibility of using all Orders Types from all Participants in order to avoid any discrimination between Participants, it is essential to help them develop strategies for formulating desired Market Schedules. It is also recognized that the structural changes that are expected to take place in the wholesale electricity market within of the next twelve months, i.e. the coupling of the Intraday Market with the adoption of Complementary Regional Intraday Markets (CRIDAs) and its implementation Continuous Intraday Trading (XBID) (note that the coupling of the Day-Ahead Market with Bulgaria already completed in May 2021), will significantly affect the participants' strategies and the use of different types of Orders, contributing positive to market liquidity. It is therefore important that they are completed on time and on the basis of the timetable included in the proposed implementation plan for the adoption of measures aimed at eliminating any regulatory distortions or weaknesses under State aid procedures pursuant to Rule 20 of the Decision (EU) 2019/943 (ref. 19) so as not to delay the review of existing regulations regarding Block Orders. For the above reasons, the Authority accepts its request HEnEx S.A. to maintain the usage of Block Orders for the Day-Ahead Market so that they can only be submitted by them Producers only for the Thermal Production Units with which they participate, for nine (9) months from the estimated date of implementation of the XBID, i.e. until 31.12.2022.

Because, as proposed by HEnEx S.A, it is considered appropriate to review the effect of the existing settings, but also of the widespread use of the Block Orders by them participants in both the configuration of Price and the creation of feasible Market Schedule with data from the actual operation of the Day Ahead Market after the above structural changes take place. For this purpose and taking into account the need existence of sufficient productive data, at least six (6) months from its implementation XBID, as well as the consultation time of the re-proposal of EXE SA with the corresponding accompanying study it is considered appropriate to submit them to RAE by 31.10.2022, in order to This major issue for the operation of the Market can be assessed by the Authority at whole. In the above study, in accordance with the relevant documents 18 and 20, should consider, inter alia, the use of Block

Orders with the same number restrictions to meet the planning needs of hydro pumping units, as well as the use of Block Orders from distributed RES Portfolios and Load Portfolios, since the latter will have been introduced for use on the Market by HTS Operator until March 2022, according to the schedule included in implementation plan (ref. 19).

Because, with regard to the submission parameters and technical characteristics of the recipients Day Ahead Market Orders, the Authority considers the HEnEx S.A proposal to be reasonable to increase the maximum quantity of a Block Order from 250 MWh to 300 MWh, as this was reflected in its final / updated proposal, in accordance with the relevant 18 document to meet the needs of multi-axis combined cycle units, as well as new units.

Decides:

Within the frame of its duties, subject to article 18, par. 4 and 5 of L. 4425/2016, and the provisions of sub-sections 4.1.3.1 of the Day-Ahead and Intra-Day Market Rulebook, as applying:

1. The extension of the validity of no. 947/2020 Decision of RAE (GG B '3054 / 23.07.2020) "Regarding the access of the Participants to specific Types of Orders, of submission parameters as well as the technical details concerning their content, in accordance with the provisions of subsection 4.1.3.1 of the Day Ahead Market and Intraday Rulebook and of article 18 par. 4 and 5 of Law 4425/2016, as in force "until 31.12.2022, regarding the adoption Restrict the Use of Block Orders for the Next Purchase Day so that they can be submitted only by the Producers only for the Thermal Production Units with which they participate.
2. The definition of the submission parameters and the technical characteristics of the accepted Order Types for the Day-Ahead Market for the first quarter of operation of the Day-Ahead Market as follows:

Block Orders – general features	
Minimum amount of consecutive Market Time Units for a Block Order	1
Maximum amount of Block Orders per Thermal Plant	5
Minimum quantity of a Block Order	0.001 MWh
Maximum quantity of a Block Order	300 MWh
Minimum Acceptance Ratio	0%
Linked Block Orders	
Maximum amount of Linked families per Thermal Plant	2
Maximum amount of Block Orders for a Linked Family	5
Maximum amount of generations per Linked Family	3
Maximum amount of children per parent	4
Maximum amount of parent per child	1
Exclusive Block Order Group	
Maximum amount of Exclusive Block Order Groups per Thermal Plant	2

3. The submission of a proposal to RAE by the company "Hellenic Energy Exchange S.A.", by 31.10.2022, which will include an updated study that will investigate the effect of different Types of Orders both in the formation of Price and in the creation of feasible Market Schedules, taking into account data from the actual operation of the new Market. In addition, this proposal will re-examine the need to apply a restriction on the use of Block Orders and will re-evaluate the parameters and features of the acceptable Order Types for the Day-Ahead Market, so that they apply to all types of units/portfolios.

This Decision is notified to the company "Hellenic Energy Exchange S.A.", posted on the official website of RAE and published in the Government Gazette (GG).

Athens, 26th of August 2021

The President of RAE

Dr. Athanasios Dagoumas