



## **INTEGRATED TEXT OF THE ELECTRICITY MARKET RULES**

approved with the Ministerial Decree of 19 December  
2003, as subsequently amended and supplemented

Version of 31/12/2024

*(\*) Please note that this translation is provided for convenience only. In case of discrepancies, the Italian text shall govern.*

# CONTENTS

<i>INTEGRATED TEXT OF THE ELECTRICITY MARKET RULES</i>	1
<i>TITLE I</i>	7
<i>GENERAL PROVISIONS</i>	7
<b>Article 1 Text and Annexes</b>	7
<b>Article 2 Definitions</b>	7
<b>Article 3 General Principles and Amendments to the Rules</b>	16
<b>Article 4 Technical Rules</b>	17
<b>Article 5 Units of Measurement and Rounding off</b>	17
<b>Article 6 Access to GME's Information System</b>	18
<b>Article 7 Fees for Services Provided by GME</b>	18
<b>Article 9 Communication and Publication of Data and Information</b>	19
<b>Article 10 Security of Access</b>	19
<i>TITLE II</i>	19
<i>ADMISSION TO THE MARKET</i>	19
<b>Article 11 Requirements for Admission to the Market</b>	19
<b>Article 12 Market Participation Application and Market Participation Agreement</b>	20
<b>Article 13 Documents to Be Enclosed to the Market Participation Application</b>	20
<b>Article 14 Admission Procedure</b>	21
<b>Article 15 Admission of Terna, of Gestore dei Servizi Energetici-GSE SpA, and of Acquirente Unico to the Market</b>	21
<b>Article 16 Register of Market Participants</b>	22
<b>Article 17 Data and Information for Participation in the Market</b>	22
<b>Article 18 Verifications</b>	24
<b>Article 19 Notification Obligations</b>	24
<b>Article 20 Exclusion from the Market on Request</b>	25
<i>TITLE III</i>	26
<i>OPERATION OF THE ELECTRICITY MARKET (ME)</i>	26
<b>Article 21 Electricity Market Structure, Market Time Interval, and Imbalance Settlement Period</b>	26
<b>Article 22 Definitivity of Transactions</b>	26
<i>SECTION I</i>	27
<i>OPERATION OF THE DAY-AHEAD MARKET (MGP), THE INTRA-DAY MARKET (MI), THE NOMINATION PLATFORM (PN), AND THE BALANCING AND REDISPATCHING MARKET (MSD)</i>	27
<b>Article 23 Geographical Zones and Virtual Zones</b>	27
<b>Article 24 Data and Information on Units</b>	27
<b>Article 25 Solar Time and Daylight-Saving Time</b>	28
<b>Article 26 Products, Portfolios, Demand Bids, Supply Offers and Technical Limits of Bids/Offers</b>	28
<b>Article 27 Bid/Offer Submission</b>	29
<b>Article 28 Minimum Contents of Bids/Offers</b>	30
<b>Article 29 Validation of Bids/Offers</b>	30
<b>Article 30 Technical Adequacy of Bids/Offers</b>	31
<b>Article 31 Unavailability of Power Grid Assets</b>	31
<b>Article 32 Suspension of the MGP, MI, PN, and MSD</b>	31
<b>Article 33 Emergency Condition Procedures in the MGP, MI, PN, and MSD</b>	32

<i>SUBSECTION I</i>	32
<i>DAY-AHEAD MARKET (MGP)</i>	32
<b>Article 34 Purpose of the MGP</b>	<b>32</b>
<b>Article 35 Periods for Submission of Bids/Offers</b>	<b>33</b>
<b>Article 36 Preliminary Market Information</b>	<b>33</b>
<b>Article 37 Demand Bids and Supply Offers</b>	<b>33</b>
<b>Article 38 Priority Order of Bids/Offers for the Same Product</b>	<b>33</b>
<b>Article 39 Step-Up and Step-Down Margins for the MGP</b>	<b>34</b>
<b>Article 40 Technical Adequacy Requirements of Bids/Offers Submitted into the MGP</b>	<b>34</b>
<b>Article 41 Results of the MGP</b>	<b>35</b>
<b>Article 42 Reference Price of Electricity under Article 13 of Legislative Decree 210/2021 – PUN Index GME</b>	<b>37</b>
<b>Article 43 Compensatory Component in the MGP</b>	<b>37</b>
<b>Article 44 Notification of Results and of Commercial Portfolio Positions Resulting from the MGP</b>	<b>38</b>
<b>Article 45 Bids/offers on Forward Accounts Submitted via the Forward Account Registration Platform (PCE)</b>	<b>38</b>
<b>Article 46 Valuing of Grid and Market Constraints in the MGP</b>	<b>39</b>
<i>SUBSECTION II</i>	39
<i>INTRA-DAY MARKET (MI)</i>	39
<b>Article 47 Purpose of the MI</b>	<b>39</b>
<b>Article 48 Periods for Submission of Bids/Offers</b>	<b>40</b>
<b>Article 49 Preliminary Market Information</b>	<b>40</b>
<b>Article 50 Demand Bids and Supply Offers</b>	<b>41</b>
<b>Article 51 Priority Order of Bids/Offers in Respect of the Same Product</b>	<b>41</b>
<b>Article 52 Step-Up and Step-Down Margins for the MI</b>	<b>41</b>
<b>Article 53 Technical Adequacy Requirements of Bids/Offers in the MI</b>	<b>42</b>
<b>Article 54 Results of the MI-A and Execution of the MI-XBID</b>	<b>43</b>
<b>Article 55 Notification of Results and of Commercial Portfolio Positions Resulting from the MI</b>	<b>46</b>
<b>Article 56 Valuing of Grid and Market Constraints in MI-A auctions</b>	<b>47</b>
<b>Article 57 Valuing of Non-Arbitrage Fees in the MI</b>	<b>48</b>
<i>SECTION III</i>	48
<i>NOMINATION PLATFORM</i>	48
<b>Article 58 Purpose of the PN</b>	<b>48</b>
<b>Article 59</b>	
<b>Article 60 Step-Up and Step-Down Margins for Registration of Nominations</b>	<b>49</b>
<b>Article 61 Validation of Requests for Registration of Nominations</b>	<b>49</b>
<b>Article 62 Verification of the Adequacy of Registrations of Nominations</b>	<b>50</b>
<b>Article 63 Determination and Communication of Injection or Withdrawal Nominations on the PN</b>	<b>51</b>
<b>Article 66 52</b>	
<i>SUBSECTION III</i>	52
<i>BALANCING AND REDISPATCHING MARKET (MSD)</i>	52
<b>Article 67 Purpose of the MSD</b>	<b>52</b>
<b>Article 68 Periods for Submission of Bids/Offers</b>	<b>53</b>
<b>Article 69 Demand Bids and Supply Offers</b>	<b>53</b>
<b>Article 70 Results of the MSD</b>	<b>53</b>
<b>Article 71 Publication of Data and Notifications to Market Participants</b>	<b>53</b>
<i>SECTION II</i>	54
<i>OPERATION OF THE DAILY PRODUCTS MARKET (MPEG)</i>	54
<b>Article 72 Purpose of the MPEG</b>	<b>54</b>
<b>Article 73 Products tradable in the MPEG</b>	<b>54</b>

<b>Article 74 Market Sessions</b>	<b>54</b>
<b>Article 75 Procedures for the Conclusion of Trades</b>	<b>55</b>
<b>Article 76 Trading Offers</b>	<b>55</b>
<b>Article 77 Booking of Margins for Forward Accounts on the PCE</b>	<b>55</b>
<b>Article 78 Validation and Adequacy Verifications of Bids/Offers in the MPEG</b>	<b>56</b>
<b>Continuous Trading</b>	<b>56</b>
<b>Article 80 Registration of Net Positions on the PCE</b>	<b>57</b>
<b>Article 81 Information and Results</b>	<b>57</b>
 <i>SECTION III</i>	 <i>57</i>
 <i>OPERATION OF THE FORWARD ELECTRICITY MARKET (MTE)</i>	 <i>57</i>
<b>Article 82 Purpose of the MTE</b>	<b>57</b>
<b>Article 83 Types of Tradable Contracts</b>	<b>58</b>
<b>Article 84 Market Sessions</b>	<b>58</b>
<b>Article 85 Conclusion of Contracts</b>	<b>58</b>
<b>Article 86 Bids/Offers</b>	<b>59</b>
<b>Article 87 Validation and Adequacy Verifications in the Trading Period</b>	<b>59</b>
<b>Article 88 Continuous Trading</b>	<b>60</b>
<b>Article 89 Cascading</b>	<b>61</b>
<b>Article 90 Registration of the Net Delivery Position on the PCE</b>	<b>61</b>
<b>Article 91 Information and Results</b>	<b>62</b>
 <i>TITLE IV</i>	 <i>63</i>
 <i>BILLING AND INVOICING OF PAYABLES AND RECEIVABLES ARISING IN THE ME</i>	 <i>63</i>
 <i>SECTION I</i>	 <i>63</i>
 <i>BILLING OF PAYABLES AND RECEIVABLES ARISING IN THE ME</i>	 <i>63</i>
<b>Article 92 Billing of Accepted Bids/Offers</b>	<b>63</b>
<b>Article 93 Daily Billing in the MPE</b>	<b>64</b>
<b>Article 94 Payables and Receivables Pertaining to Terna</b>	<b>64</b>
 <i>SECTION II</i>	 <i>64</i>
 <i>INVOICING OF PAYABLES AND RECEIVABLES ARISING IN THE ME</i>	 <i>64</i>
<b>Article 95 Invoicing Period</b>	<b>64</b>
<b>Article 96 Invoicing</b>	<b>64</b>
<b>Article 97 Invoice Contents</b>	<b>65</b>
<b>Article 98 Application of Fees for Services Provided by GME</b>	<b>66</b>
 <i>TITLE V</i>	 <i>67</i>
 <i>GUARANTEE SYSTEMS, SETTLEMENT OF PAYMENTS, AND DEFAULT</i>	 <i>67</i>
 <i>SECTION I</i>	 <i>67</i>
 <i>GUARANTEE SYSTEMS</i>	 <i>67</i>
<b>Article 99 Treasury Services</b>	<b>67</b>
<b>Article 100 Financial Guarantees of Market Participants</b>	<b>67</b>
<b>Article 101 Amount of the Guarantee</b>	<b>69</b>
<b>Article 102 Available Amount of the Guarantee for Purposes of Adequacy Verification</b>	<b>70</b>
 <i>SECTION II</i>	 <i>72</i>
 <i>SETTLEMENT OF PAYMENTS</i>	 <i>72</i>
<b>Article 103 Clearing</b>	<b>72</b>
<b>Article 104 Payments from Market Participants to GME</b>	<b>73</b>
<b>Article 105 Payments from Market Participants to Terna</b>	<b>73</b>

<b>Article 106 Payments of Fees</b>	<b>73</b>
<b>Article 107 Payments from GME to Market Participants</b>	<b>73</b>
<b>Article 108 Payments from Terna to Market Participants</b>	<b>74</b>
 <i>SECTION III</i>	 74
 <i>DEFAULT</i>	 74
<b>Article 109 Cases of Default by the Market Participant</b>	<b>74</b>
<b>Article 110 Management of Default</b>	<b>74</b>
<b>Article 111 Suspension of the Market Participant</b>	<b>75</b>
<b>Article 112 Default Interest and Penalties</b>	<b>76</b>
<b>Article 113 Default by the Bank Issuing the Guarantee</b>	<b>76</b>
<b>Article 114</b>	
<b>Closing of the Positions of the Market Participant</b>	<b>76</b>
 <i>TITLE VI</i>	 77
 <i>DISCIPLINARY MEASURES, COMPLAINTS, AND DISPUTES IN THE MARKET</i>	 77
 <i>SECTION I</i>	 77
 <i>BREACHES AND DISCIPLINARY MEASURES</i>	 77
<b>Article 115 Breaches of the Rules and Technical Rules</b>	<b>77</b>
<b>Article 116 Disciplinary Measures</b>	<b>77</b>
<b>Article 117 Graduation of Disciplinary Measures</b>	<b>78</b>
<b>Article 118 Suspension for Non-Fulfilment of Notification Obligations and Non-Payment of Fees</b>	<b>79</b>
<b>Article 119 Publication of Disciplinary Measures</b>	<b>79</b>
<b>Article 120 Challengin Denial of Admission to the ME and Disciplinary Measures</b>	<b>80</b>
 <i>SECTION II</i>	 80
 <i>COMPLAINTS PERTAINING TO THE MARKET AND TO THE NOMINATION PLATFORM</i>	 80
 <i>SUBSECTION I</i>	 80
 <i>COMPLAINTS PERTAINING TO THE MPE AND TO THE PN</i>	 80
<b>Article 121 Submission Formalities and Minimum Contents of Complaints about the Outcome of the Validity Check, the Adequacy Verification, the Market Results, and the Billing Procedures</b>	<b>80</b>
<b>Article 122 Complaints about Results of Validation and Technical Adequacy Verification of Bids/Offers, as well as Requests for Registration of PN nominations</b>	<b>80</b>
<b>Article 123 Complaints about Market Results</b>	<b>81</b>
<b>Article 124 Complaints about Billing Procedures</b>	<b>81</b>
<b>Article 125 Complaints about Invoicing and Settlement Procedures</b>	<b>81</b>
<b>Article 126 Complaint Resolution</b>	<b>82</b>
 <i>SUBSECTION II</i>	 83
 <i>COMPLAINTS PERTAINING TO THE MTE</i>	 83
<b>Article 127 Submission Formalities and Minimum Contents of Complaints about the Outcome of the Validity Check, the Adequacy Verification, the Results of the MTE, and the Billing Procedures</b>	<b>83</b>
<b>Article 128 Complaints about Results of Validation and Technical Adequacy Verification of Bids/Offers</b>	<b>83</b>
<b>Article 129 Complaints about the Results of the MTE</b>	<b>83</b>
<b>Article 130 Complaints about Billing Procedures</b>	<b>83</b>
<b>Article 131 Complaints about Invoicing and Settlement Procedures</b>	<b>84</b>
<b>Article 132 Complaints Resolution</b>	<b>84</b>
 <i>SECTION III</i>	 85

<i>DISPUTES IN THE MARKET</i>	85
<b>Article 133 Court of Arbitration</b>	<b>85</b>
<b>Article 134 Settlement of Disputes</b>	<b>85</b>
<i>TITLE VII</i>	86
<i>FORWARD CONTRACTS AND DERIVATIVES</i>	86
<b>Article 135 Forward Contracts and Derivatives</b>	<b>86</b>
<i>TITLE VIII</i>	86
<i>TRANSITORY AND FINAL PROVISIONS</i>	86
<i>SECTION I</i>	86
<i>TRANSITORY PROVISIONS</i>	86
<b>Article 136 Transitory Provisions on Settlement of Payments</b>	<b>86</b>
<i>SECTION II</i>	86
<i>FINAL PROVISIONS</i>	86
<b>Article 137 Functioning of the Information System</b>	<b>86</b>
<b>Article 138 Awardees of Contracts for Provision of Services for the Market</b>	<b>87</b>
ANNEXES	
Annex 1	“Modello di domanda di ammissione al mercato” (Market Participation Application)
Annex 2	“Contratto di adesione al mercato” (Market Participation Agreement)
Annex 3	“Modello di Fideiussione integrata senza scadenza” (Integrated Bank Guarantee with no expiration)
Annex 4	“Modello di lettera di aggiornamento della fideiussione di cui all’Allegato 3” (Updating of Bank Guarantee referred to in Annex 3)
Annex 5	“Modello di Fideiussione integrata con scadenza” (Integrated Bank Guarantee with expiration)
Annex 6	“Modello di lettera di aggiornamento della fideiussione di cui all’Allegato 5” Updating of Bank Guarantee referred to in Annex 5

## TITLE I GENERAL PROVISIONS

### **Article 1 Text and Annexes**

- 1.1 These Electricity Market Rules (hereafter the “Rules”) and the documents attached hereto, which are an integral and essential part hereof, contain the rules governing the operation of the Electricity Market, adopted in accordance with Article 5 of Legislative Decree no. 79 of 16 March 1999, Law no. 2 of 28 January 2009, Article 30 of Law no. 99 of 23 July 2009, and Annex A to Resolution 345/2023/R/EEL of *Autorità di Regolazione per Energia, Reti e Ambiente* (ARERA).

### **Article 2 Definitions**

- 2.1 For the purposes of these Rules:
- a) *Acquirente Unico* (AU - Single Buyer) shall mean the company referred to in Article 4 of Legislative Decree 79/99;
  - a.bis) ACER shall mean the European Union Agency for the Coordination of Energy Regulators, i.e. the agency that is mandated, *inter alia*, to monitor the trading activity of the wholesale energy products “to detect and prevent market manipulation and trading based on inside information”;
  - b) Regulatory Authority (or ARERA) shall mean *Autorità di Regolazione per Energia, Reti e Ambiente* (Italian Regulatory Authority for Energy, Networks and Environment), which was set up in compliance with Law no. 481 of 14 November 1995;
  - c) Order Book shall mean the online summary where orders entered by Market Participants into the market information system are listed and ranked by price and time of entry;
  - d) BRP shall mean a Balance Responsible Party, i.e. a party that entered into a contract for the dispatching service with Terna, as defined in the Dispatching Rules;
  - e) BSP shall mean a Balance Service Provider, i.e. a party that entered into a contract for the provision of global national ancillary services with Terna, as defined in the Dispatching Rules;
  - f) Wholesale Customer shall mean a party buying and selling electricity, without carrying out activities of electricity generation, transmission and distribution;
  - g) Identification Code of the Market and of the Market Sitting shall mean the alphanumerical code which uniquely identifies a market and a market sitting;
  - h) Identification Code of the Unit shall mean the alphanumerical code which uniquely identifies a unit;
  - i) Identification Code of the Market Participant shall mean the alphanumerical code which uniquely identifies a Market Participant in view of participation in the market;
  - j) Identification code of the zonal portfolio shall mean the alphanumerical sequence which uniquely identifies a zonal portfolio;
  - k) Forward Contracts shall mean the contracts admitted to trading in the market and concerning the trading of future supplies of electricity;
  - l) CSEA shall mean *Cassa per i servizi energetici e ambientali* (Fund for Energy and Environmental Services);

- m) Demand Curve shall mean a segment of a line on the quantity/unit price plane, which refers to a market time interval and which is obtained by cumulating technically adequate bids, ranked in order of non-increasing unit price;
- n) Supply Curve shall mean a segment of a line on the quantity/unit price plane, which refers to a market time interval and which is obtained by cumulating technically adequate supply offers, ranked in order of non-decreasing unit price;
- o) ARERA Resolution 247/2023/R/EEL shall mean the resolution of the Regulatory Authority of 6 June 2023 concerning criteria and conditions for the operation of the system for forward procurement of electricity storage capacity, under Article 18 of Legislative Decree no. 210 of 8 November 2021;
- p) ARERA Resolution 345/2023/EEL shall mean the resolution of the Regulatory Authority of 25 July 2023 approving *Testo Integrato del Dispacciamento Elettrico* (Integrated Text of Electricity Dispatching Rules – TIDE), repealing ARERA Resolution 111/06, as subsequently amended and supplemented;
- q) ARERA Resolution 350/2019/R/EEL shall mean the resolution of the Regulatory Authority of 30 July 2019 concerning Instructions to Terna and to GME for joining the European Intra-Day Market;
- r) Legislative Decree 79/99 shall mean Legislative Decree no. 79 of 16 March 1999 implementing Directive 96/92/EC concerning common rules for the internal market in electricity, published in *Gazzetta Ufficiale* no. 75 of 31 March 1999;
- s) Legislative Decree 210/21 shall mean Legislative Decree no. 210 of 8 November 2021. implementing Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU), and laying down provisions to align the national legislation with Regulation (EU) 2019/943 on the internal market for electricity and Regulation (EU) 2019/941 on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC, as amended by Article 19 of Law-Decree no.181 of 9 December 2023, as amended and converted into Law no. 11 of 2 February 2024, published in *Gazzetta Ufficiale* no. 31 of 7 February 2024;
- t) Ministerial Decree of MASE of 18 April 2024 shall mean the Decree of the Minister of Environment and Energy Security implementing the provisions referred to in Article 13 of Legislative Decree 210/21;
- u) Decoupling shall mean the non-performance of market coupling on one or more cross-border interconnectors where market coupling is operational;
- v) Dispatching Rules (*Regole di Dispacciamento*) shall mean the rules laid down by ARERA for the transmission and dispatching service in compliance with Article 3, para. 3 of Legislative Decree 79/99, and the dispatching rules laid down by Terna pursuant to Article 3, para. 6 of the same Decree;
- w) MGAS Rules shall mean the natural gas market rules referred to in Article 30 of Law no. 99 of 23 July 2009, implementing the provisions referred to in article 32, paragraph 2 of Legislative Decree no. 93 of 1 June 2011;
- x) Dispatching shall mean the activity consisting in giving instructions for the utilisation and coordinated operation of power plants, of the transmission grid, and of ancillary services;
- y) Exclusion from the Market shall mean the definitive loss of the status of Market Participant;
- z) Nomination phase shall mean the time interval during which units are nominated for each imbalance settlement period on the Nomination Platform (PN);
- aa) Guarantee Fund shall mean the fund established at CSEA, referred to in Opinion 4/2013/I/GAS of ARERA and in ARERA Resolutions 365/2013/R/gas and 502/2016/R/ GAS, as subsequently amended by ARERA with a specific provision;

- bb) Working day shall mean one day from Monday to Friday, with the exception of those recognised as public holidays by the State for all civil purposes, as well as those indicated in the Technical Rules;
- cc) GME shall mean *Gestore dei Mercati Energetici*, the company (*società per azioni*) responsible for the economic management of the Electricity Market under Article 5 of Legislative Decree 79/99;
- dd) *Gestore dei Servizi Energetici-GSE SpA* shall mean the company (*società per azioni*) which was set up under Article 3, para. 4 of Legislative Decree 79/99 and Article 1, paras. 1 a), b), and c), and 3 of the Decree of the President of the Council of Ministers of 11 May 2004, published in *Gazzetta Ufficiale, Serie Generale* no. 115 of 18 May 2004;
- ee) Unavailability of a power grid asset shall mean the condition where a given asset of the power grid cannot be used by the relevant operator for its own activities;
- ff) Market time interval shall mean the period of time to which bids/offers in the MGP and MI are referred and whose duration may correspond to one or more imbalance settlement periods, as defined in the Technical Rules;
- gg) Minimum market time interval shall mean the market time interval having the shortest duration among those to which bids/offers for tradable products in the MGP and MI are referred;
- hh) Multiple market time intervals shall mean a plurality of market time intervals of different duration, in respect of which bids/offers may be entered into the MGP, MI-A or MI-XBID;
- ii) Law 02/2009 shall mean the law converting Law-Decree 185/2008 on urgent measures for supporting families, work, employment, and business and redesigning the national strategic framework to combat the crisis;
- jj) Law no. 99 of 23 July 2009 shall mean the law concerning provisions on development and internationalisation of companies, as well as on energy matters;
- kk) Technical limit of the bid/offer shall mean the technical limit, maximum or minimum, as defined by the relevant European legislation, within which the unit prices specified in demand bids and supply offers must be included;
- ll) Billing shall mean the determination of the value of payables or receivables;
- mm) Step-Up Margin shall mean the maximum capacity that may be specified in supply offers in respect of the same zonal portfolio, for the purpose of verifying the technical adequacy of offers submitted in a market session;
- nn) Step-Down Margin shall mean the maximum capacity that may be specified in demand bids in respect of the same zonal portfolio, for the purpose of verifying the technical adequacy of bids submitted in a market session;
- oo) Market Coupling shall mean the mechanism which – through the coordinated operation of the energy markets of two or more interconnected areas – implicitly allocates cross-border interconnection capacity and, at the same time, defines prices in the respective energy markets. This mechanism is implemented by GME, in compliance with Regulation (EU) 2015/1222 and with the remaining regulatory framework applicable from time to time, through the determination of the results of the day-ahead market (MGP) and of the intra-day market (MI), respectively; this determination is carried out simultaneously and in coordination with the determination of the results of the corresponding day-ahead and intra-day energy markets operated by market operators involved in market coupling;
- pp) Market shall mean the electricity market organised and managed by GME;
- qq) Daily Products Market (MPEG) shall mean the venue for the trading of demand bids and supply offers for daily products;

- rr) Day-Ahead Market (MGP - Mercato del Giorno Prima) shall mean the venue where electricity demand bids and supply offers for the imbalance settlement periods of the next day are traded;
- ss) Intra-Day Market (MI - *Mercato Infragiornaliero*), consisting of the MI-A and the MI-XBID sessions, shall mean the venue where electricity demand bids and supply offers are traded in view of adjusting the commercial positions of injection and withdrawal defined in the MGP;
- tt) Natural-Gas Market shall mean the gas market organised and managed by GME (MGAS), divided into the spot gas market (MP-GAS) and the forward gas market with delivery and withdrawal obligation (MT-GAS);
- uu) Balancing and Redispatching Market (MSD – *Mercato per il bilanciamento e il ridispacciamento*) shall mean the integrated scheduling process, i.e. the venue where Terna procures resources for its balancing and redispatching service and consisting of the sessions defined in the Dispatching Rules;
- vv) Energy Markets shall mean the Day-Ahead Market (MGP), the Intra-Day Market (MI), the Daily Products Market (MPEG), and the Forward Electricity Market (MTE);
- ww) Electricity Market (ME – *Mercato Elettrico*) shall mean the Spot Electricity Market (MPE) and the Forward Electricity Market (MTE);
- xx) Forward Electricity Market with delivery and withdrawal obligation (MTE – *Mercato Elettrico a Termine dell'Energia Elettrica con obbligo di consegna e ritiro*) shall mean the venue where forward contracts are traded;
- yy) Spot Electricity Market (MPE – *Mercato Elettrico a Pronti*) shall mean the market consisting of the MGP, MPEG, MI, and MSD;
- zz) Netting Markets shall mean the set consisting of the netting markets of the ME and the netting markets of the MGAS, considered as a whole for the purposes of verification of the available amount of guarantees, clearing, settlement of payments, and default;
- aaa) Netting Markets of the ME shall mean the MGP and MI;
- bbb) Netting Markets of the MGAS shall mean the markets included in the MP-GAS;
- ccc) Product Methodologies shall mean the methodologies approved by ACER in its Decisions 37/2020 and 05/2020, as subsequently amended or supplemented;
- ddd) MI-A shall mean the auction trading session of the MI, within which the interconnection capacities between all the zones of the Italian market and the interconnection capacity on the borders involved in market coupling are allocated;
- eee) MI-XBID shall mean the continuous trading session of the MI, carried out in the XBID, within which the interconnection capacities between all the zones of the Italian market and the interconnection capacity on the borders on which the XBID is active are allocated;
- fff) Auction trading shall mean the trading method that entails the insertion, modification, and cancellation of trading proposals in a given time interval, in order to conclude contracts at a single subsequent moment;
- ggg) Portfolio trading shall mean the conclusion of transactions in the MGP and MI following the submission of bids/offers by zonal portfolio;
- hhh) Unit trading shall mean the conclusion of transactions in the MSD following the submission of bids/offers by unit;
- iii) Continuous Trading shall mean the trading based upon automatic matching of demand bids with supply offers (or buy orders with sell orders), with continuous entry of new bids/offers (or orders) during the trading sessions;
- jjj) PN nomination shall mean the quantity of energy in injection or withdrawal referring to one or more units registered on the PN for the scheduling, on such

units, of the commercial positions determined through the MGP and/or MI, for each imbalance settlement period;

- kkk) Definitive PN nomination shall mean the PN nomination for injection or withdrawal that is registered at the end of the corresponding nomination phase;
- lll) Implicit PN nomination shall mean the PN nomination in injection or withdrawal that is carried out automatically by GME in respect of the units for which the BRP and BSP coincide and for which the Market Participant has not registered any nomination;
- mmm) Provisional PN nomination shall mean the PN nomination in injection or withdrawal that is registered during the corresponding nomination phase;
- nnn) European legislation shall mean, *inter alia*, Regulation (EU) 2015/1222, the EU Plan for implementation of the market coupling operator function (MCO Plan), ACER Decisions 04/2017 and 05/2017, containing the definition and updating procedures for the "maximum and minimum clearing prices for single day-ahead and intraday coupling", Directive (EU) 2019/944 of 5 June 2019 on common rules for the internal market for electricity, and Regulation (EU) 2019/943 of 5 June 2019 for the internal market for electricity, as well as any further EU Regulation, Guidelines, Methodologies, and European Common Rules connected with, consequent upon, and/or relating to the implementation and management of the Single Day-Ahead Coupling (SDAC) and Single Intraday Coupling (SIDC);
- ooo) Accepted Bid/Offer shall mean a technically adequate bid/offer for which the Market Participant acquires the right to receive the requested service and the obligation to supply the offered service, at prices established in accordance herewith;
- ppp) Bid/offer on a forward account (CET – *Conto Energia a Termine*), or CET bid/offer, shall mean a demand bid or supply offer entered into the MGP and corresponding to the conversion of the commercial position of a forward account on the PCE (schedules);
- qqq) Multiple Bid/Offer shall mean a bid/offer consisting of a set of simple bids/offers submitted by the same Market Participant for the same simple product, for the same market time interval, and relating to the same zonal portfolio;
- rrr) Paradoxically rejected bid/offer shall mean a supply offer or demand bid for simple products, relating to market time intervals whose duration is longer than the minimum market time interval, or for block products, which is rejected, although the related price is lower or higher, respectively, than the price of valuing defined in the process of determination of market results;
- sss) Bid/offer by portfolio shall mean the method of submitting bids/offers into the MGP and MI which involves the presentation of offers referring to a given zonal portfolio;
- ttt) Bid/offer by unit shall mean the method of submitting bids/offers into the MSD which involves the presentation of bids/offers relating to a single unit;
- uuu) Simple bid/offer shall mean:
  - in the energy markets, a bid/offer that specifies the quantities of energy offered for purchase or sale and a unit purchasing or selling price, as well as any other information as specified herein, and that refers to a zonal portfolio, a market, a simple product or a block product, and to a market time interval or multiple time intervals having the same duration, respectively;
  - in the MSD, a bid/offer that specifies a quantity of energy offered for purchase or sale at a unit purchasing or selling price, as well as any other information as defined in the Dispatching Rules, and that refers to a unit and to an imbalance settlement period;

- vvv) Valid Offer shall mean a valid bid/offer which has been presented successfully as prescribed herein;
- www) Technically Adequate Bid/Offer shall mean a valid bid/offer which has been verified successfully as prescribed herein;
- xxx) Balanced Bids/Offer shall mean simple supply offers at a price equal to the minimum technical limit and simple demand bids at a price equal to the maximum technical limit submitted in each sitting of the MI-A also by different Market Participants, provided that they refer to the same market time interval and to zonal portfolios belonging to the same bidding zone and that their quantities balance out and are identified as mutually balanced by an appropriate alphanumeric code chosen by Market Participants;
- yyy) Predefined bid/offer shall mean a simple or multiple bid/offer considered as submitted by a Market Participant in each sitting of the Day-Ahead Market (MGP) and of the Balancing and Redispatching Market (MSD) in which GME does not receive bids/offers from the same Market Participant;
- zzz) Market Participant shall mean a natural (individual) or legal person (organisation), including a PA Participant, that is admitted to trading in the Electricity Market;
- aaaa) BRP Participant shall mean the BRP admitted to trading in the Electricity Market;
- bbbb) BSP Participant shall mean the BSP admitted to trading in the Electricity Market;
- cccc) PA Participant means the administration referred to in Article 1, paragraph 209 of Law no. 244 of 24 December 2007;
- dddd) Merit Order shall mean the priority order of a set of demand bids or supply offers that is determined on the basis of the offered price and, this being equal, on the basis of other reference parameters as defined herein;
- eeee) Delivery Period shall mean the period during which the electricity underlying the daily products or underlying the forward contracts is injected/withdrawn;
- ffff) Trading Period shall mean the period during which the daily products and the forward contracts are traded;
- gggg) Reference Billing Period shall mean the period of time taken as a reference for billing payables and receivables resulting from market sessions that are held within the same period;
- hhhh) Imbalance settlement period/s (ISP/s) shall mean the minimum period/s of time in respect of which nominations may be registered, as defined in the Technical Rules;
- iiii) Forward Account Registration Platform (PCE – *Piattaforma dei Conti Energia a Termine*) shall mean the venue for registering transactions and forward schedules that is organised and managed by GME under Article 17, Annex A, to ARERA Resolution 111/06, as updated under Annex A to ARERA Resolution 345/2023/R/EEL;
- jjjj) Nomination Platform (PN) shall mean the platform organised and managed by GME pursuant to ARERA Resolution 345/2023/R/EEL to allow the nomination on units of the commercial positions resulting from the MGP and MI;
- kkkk) Zonal portfolio shall mean either a physical zonal portfolio or a commercial zonal portfolio;
- llll) Physical zonal portfolio shall mean either a physical zonal injection portfolio or a physical zonal withdrawal portfolio;
- mmmm) Commercial zonal portfolio shall mean either a commercial zonal withdrawal portfolio or a commercial zonal storage portfolio;

- nnnn) Commercial zonal withdrawal portfolio shall mean a portfolio assigned to a Market Participant for each bidding zone and comprising the commercial withdrawal unit (UCP) assigned to the same Market Participant in such bidding zone;
- oooo) Commercial zonal storage portfolio shall mean a portfolio assigned to a Market Participant for each bidding zone and comprising the commercial storage unit (UCS) assigned to the same Market Participant in such bidding zone;
- pppp) Physical zonal injection portfolio shall mean a portfolio assigned to each Market Participant for each bidding zone and comprising (under the criteria set forth herein) one or more physical injection units, or import/export units, in respect of which the Market Participant is a BRP or has been delegated to operate for such units by the corresponding BRP;
- qqqq) Physical zonal withdrawal portfolio shall mean a portfolio assigned to each Market Participant for each bidding zone and comprising (under the criteria set forth herein) one or more physical withdrawal units, in respect of which the Market Participant is a BRP or has been delegated to operate for such units by the corresponding BRP;
- rrrr) Net Delivery Position shall mean the sum of the quantities of electricity calculated with reference to each of the hours included in the delivery period of the purchase and sale contracts that the Market Participant has concluded in the MTE;
- ssss) Commercial position of physical portfolios shall mean, for each imbalance settlement period and for each zone, the commercial position of physical portfolios of either injection or withdrawal;
- tttt) Commercial position of physical injection portfolios shall mean the difference, in absolute value, for each imbalance settlement period and each zone, between the quantities covered by supply offers and demand bids traded in the MGP and MI and related to the physical zonal injection portfolios held by each Market Participant and to which one or more units of the same BRP refer;
- uuuu) Commercial position of physical withdrawal portfolios shall mean the difference, in absolute value, for each imbalance settlement period and each zone, between the quantities covered by demand bids and supply offers traded in the MGP and MI and related to the physical zonal withdrawal portfolios held by each Market Participant and to which one or more units of the same BRP refer;
- yyyy) Commercial position of commercial zonal storage portfolios shall mean the difference, in absolute value, for each imbalance settlement period and each zone, between the quantities covered by supply offers and demand bids traded in the MGP and MI and related to the commercial zonal storage portfolios held by each Market Participant and to which one or more units of the same BRP refer;
- wwww) Commercial position of commercial zonal withdrawal portfolios shall mean the difference, in absolute value, for each imbalance settlement period and each zone, between the quantities covered by demand bids and supply offers traded in the MGP and MI and related to all the commercial zonal withdrawal portfolios held by each Market Participant and to which one or more units of the same BRP refer;
- xxxx) Commercial buy position shall mean the commercial position of physical injection portfolios, physical withdrawal portfolios, commercial withdrawal portfolios, and commercial storage portfolios that results from the positive difference between the quantities covered by demand bids and supply offers traded in the MGP and MI;

- yyyy) Commercial sell position shall mean a commercial position of physical injection portfolios and commercial storage portfolios that results from the positive difference between the quantities covered by supply offers and demand bids traded in the MGP and MI;
- zzzz) Contractual Positions shall mean the set of purchase and sale transactions that the Market Participant has concluded in the MTE and involving the same type of contracts;
- aaaaa) MPEG check price shall mean the parameter determined by GME for the purposes of the adequacy verifications in the MPEG and whose definition criteria are identified in the Technical Rules;
- bbbbb) Price of the MPEG product shall mean the price specified by the Market Participant during submission of offers/bids and corresponding to:
  - in the case of the "unit price differential" product, the expression of the incremental or decremental unit value with respect to the average of prices, referred to in Article 42 hereof, which will be set in the hours included in the type of daily product being offered in the MPEG;
  - In the case of the "full unit price" product, the expression of the minimum or maximum unit value at which the Market Participant is willing to sell or buy the corresponding product;
- ccccc) Check Price of the MTE shall mean the price determined by GME for the purposes of the adequacy verifications in the MTE;
- dddd) Conventional Price shall mean the unit electricity price, as defined in the Technical Rules, at which bids/offers can be conventionally valued in order to verify the adequacy of financial guarantees;
- eeee) MPEG product settlement price shall mean:
  - in the case of the "unit price differential" product, the algebraic sum of the product price and the average of prices, referred to in Article 42 hereof, which will be set in the hours included in the daily product type being offered in the MPEG;
  - In the case of the "full unit price" product, the price of the product itself;
- ffff) Reference Price shall mean the average price per MWh of all transactions made during a market session, weighted for the corresponding quantities;
- ggggg) Price Coupling of Regions (PCR) shall mean the cooperation between European market operators for the operational management of market coupling between the respective day-ahead energy markets;
- hhhhh) Product shall mean each type of product tradable in the MGP and MI, as defined in the Product Methodologies and indicated in the Technical Rules;
- iiii) Daily products shall mean the types of products listed in the MPEG relating to the trading of electricity whose delivery is carried out in each hour belonging to the trading day and included in the delivery profile of the daily product traded;
- jjjjj) Simple product shall mean a product pertaining to a market time interval;
- kkkkk) Block product shall mean a product pertaining to multiple market time intervals having the same duration;
- lllll) Delivery profile shall mean the base-load or peak-load profile that characterises the daily product listed in the MPEG;
- mmmmm) Basic schedule shall mean the schedule of units (to be nominated under the Dispatching Rules) resulting from activities of registration on the PN;
- nnnnn) Movement schedule shall mean the schedule determined by Terna for units participating in the MSD and made available to the related BSP at the same time as the publication of the results of the MSD itself, as set forth in the Dispatching Rules;

- ooooo) Final schedule shall mean the schedule determined by Terna for each unit and made available to the related BRPs and BSPs at the same time as the publication of the results of the MSD, as laid down in the Dispatching Rules; it shall correspond to the sum of the basic schedule and of the movement schedule;
- ppppp) PUN Index GME shall mean the reference price of electricity traded in the MGP that GME calculates under Article 13 of Legislative Decree 210/21, as subsequently amended and supplemented, in accordance with the procedures indicated in Article 1, para. 2 of the Ministerial Decree of MASE of 18 April 2024, as subsequently amended and supplemented;
- qqqqq) Minimum acceptance share shall mean the minimum share of energy, expressed as a percentage of the overall energy covered by a bid/offer for a block product, which must be accepted to determine the acceptance of the same bid/offer;
- rrrrr) PCE Rules (*Regolamento della PCE*) shall mean the rules governing the organisation and operation of the Forward Account Registration Platform (PCE), adopted by GME under Annex A to ARERA Resolution 111/06 and updated pursuant to Annex A to ARERA Resolution 345/2023/R/EEL;
- sssss) Regulation (EU) 2015/1222 shall mean Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management;
- ssss.bis) REMIT shall mean Regulation (EU) No. 1227/2011 of the European Parliament and the Council of 25 October 2011 on wholesale market integrity and transparency, as subsequently amended and supplemented, *inter alia*, by Regulation (EU) 2024/1106.
- ttttt) Power Grid shall mean the set of the national transmission grid (RTN) and the other power grids having third-party access obligation and directly connected with the national transmission grid;
- uuuuu) RTN (*Rete di Trasmissione Nazionale*) shall mean the national transmission grid as identified in the Decree of 25 June 1999 of the Minister of Industry, Trade and Handicraft, published in *Gazzetta Ufficiale, Serie Generale, Supplemento Ordinario* no. 151 of 30 June 1999 and in subsequent development programmes;
- vvvvv) Sitting shall mean a period of time within which bids/offers shall be submitted in order to be considered as valid;
- wwwww) Market Session shall mean the set of activities directly related to receiving and processing bids/offers, as well as determining the corresponding market results;
- xxxxx) Settlement shall mean the payment process of transactions concluded;
- yyyyy) Suspension from the Market shall mean the temporary prohibition for a Market Participant to submit bids/offers into the market;
- zzzzz) Terna shall mean *Terna – Rete Elettrica Nazionale SpA*, i.e. the company (*società per azioni*) resulting from the process of merger of ownership and management/operation of the national transmission grid under Art. 1 of the Decree of the President of the Council of Ministers of 11 May 2004; Terna carries out activities of electricity transmission and dispatching, including the unified management/operation of the national transmission grid;
- aaaaa) TIDE shall mean *Testo Integrato del Dispacciamento Elettrico* (Integrated Text of Electricity Dispatching Rules), referred to in ARERA Resolution 345/2023/R/EEL, as subsequently amended and supplemented;
- bbbbbb) Type shall mean each of the types into which physical generation and withdrawal units, as well as commercial units, can be classified under the Dispatching Rules;
- cccccc) Unit shall mean a physical unit, a commercial unit, or an import/export unit;

- dddddd) Physical injection or withdrawal unit shall mean the physical or virtual point, representing national points of interconnection for injection and/or withdrawal, to which injections into and withdrawals from the power system may be referred, as defined by Terna for participation in the energy markets and in the MSD under the Dispatching Rules;
- eeeeee) Import/export unit shall mean the point of interconnection for cross-border trade of electricity, to which injections into and withdrawals from the power system may be referred, as defined by Terna for participation in the energy markets and in the MSD under the Dispatching Rules;
- ffffff) Commercial withdrawal unit (UCP) shall mean a withdrawal unit, as defined by Terna for participation in the energy markets under the Dispatching Rules, to which no injections into and withdrawals from the power system can be referred;
- gggggg) Commercial storage unit (UCS) shall mean a storage unit, as defined by Terna for participation in the energy markets under the Dispatching Rules, resulting from the bidding procedures referred to in Legislative Decree 210/21.
- hhhhh) XBID (Cross Border Intraday) shall mean the common platform, defined as part of the cooperation project between European market operators and European transmission system operators, for the operational management of the sessions of the intraday markets with continuous trading, organised and managed by European market operators participating in the XBID;
- iiiiii) Bidding Zone shall mean a set of geographical zones and/or virtual zones having the same zonal electricity price in accordance herewith;
- jjjjjj) Geographical Zone shall mean a portion of the power grid, as defined in the Dispatching Rules;
- kkkkkk) Virtual Zone shall mean a zone representing a cross-border interconnector, as identified by the Dispatching Rules.

- 2.2 For the purposes of these Rules, reference shall be made, where applicable, to the definitions of Article 2, para. 2.2 of the PCE Rules and of Article 2, para. 2.1 of the MGAS Rules.

### **Article 3**

#### **General Principles and Amendments to the Rules**

- 3.1 GME shall exercise its functions in an open and non-discriminatory way.
- 3.2 GME shall put in place an organisational structure suitable for preventing real or potential conflicts of interest and use procedures for monitoring compliance both with these Rules and with the Technical Rules.
- 3.3 In their activities in the market, Market Participants are required to conform to common principles of honesty and good faith.
- 3.4 GME may propose amendments to these Market Rules and notify them to all parties concerned by posting them on its website or by other suitable means, allowing at least fifteen days for the submission of comments, if any. Taking into account the comments received, GME shall then submit the proposed amendments (and their rationale) to the approval of the Minister of Environment and Energy Security, who shall decide after hearing the opinion of the Regulatory Authority.

- 3.5 The procedure referred to in para. 3.4 above shall not apply to urgent amendments to these Rules having the purpose of safeguarding the proper functioning of the market, or in the case of amendments to these Rules to comply with the applicable legislation. Any such amendment proposed by GME shall have effect as of the date of its publication on GME's website and promptly submitted to the approval of the Minister of Environment and Energy Security, who shall decide after hearing the opinion of the Regulatory Authority. In case of non-approval, the amendment shall cease to have effect as of the date of notification of the Minister's decision to GME. GME shall timely notify the outcome of the approval procedure to Market Participants by posting it on its website.

#### **Article 4** **Technical Rules**

- 4.1 The implementing and procedural provisions of the Rules shall be set out in the Technical Rules (DTF – *Disposizioni Tecniche di Funzionamento*). In formulating the Technical Rules, GME shall adopt criteria of neutrality, transparency, objectivity and competitiveness between or among Market Participants.
- 4.2 The Technical Rules shall be posted on GME's website and become effective as of the date of their publication.
- 4.3 GME may also make a draft version of the Technical Rules available to interested parties, setting a date by which such parties may submit their comments and suggestions.

#### **Article 5** **Units of Measurement and Rounding off**

- 5.1 For the purposes of the market:
- a) for electricity, the unit of measurement shall be the MWh, with the specification of the number of decimals as indicated in the Technical Rules;
  - b) for capacity, the unit of measurement shall be the MW, with the specification of the number of decimals as indicated in the Technical Rules;
  - c) for monetary quantities, the unit of measurement shall be the Euro, specified with two decimals;
  - d) for the unit price of electricity, the unit of measurement shall be the Euro/MWh, specified with two decimals.
- 5.2 The prices referred to in Article 41, para. 41.2 below may be expressed with more than two decimals.
- 5.3 For the purposes of the market, figures shall be rounded off according to the mathematical criterion. In particular, figures shall be rounded up or down to the nearest last decimal allowed and, if the result is halfway, they shall be rounded up.

**Article 6**  
**Access to GME's Information System**

- 6.1 Access to GME's information system shall take place:
- a) through the Internet;
  - b) by any other means as defined in the Technical Rules.

**Article 7**  
**Fees for Services Provided by GME**

- 7.1 For services provided by GME in its energy markets and in the MSD, Market Participants shall pay an access fee, a yearly fixed fee, and a fee for the MWh traded; for services provided by GME on the PN, they shall pay a fee for the MWh registered on the PN. Participants in the Electricity Market (ME) shall also pay to GME specific fees for the services provided under Article 8, para. 8.4 below.
- 7.2 On a yearly basis, GME shall determine the extent of the access fee, the yearly fixed fee, and the fee for the MWh traded or registered referred to in para. 7.1 above, with effect as of 1 January of the following year, in such a way as to ensure the economic and financial equilibrium of its operations. The fees shall be published on GME's website.
- 7.4 The structure, extent, and effective date of the fees referred to in para 7.1 above for the services provided under Article 8, para. 8.4, below shall be published on GME's website.

**Article 8**  
**Market Information**

- 8.1 The aggregated market data and results shall be of public domain and published on GME's website. Market Participants shall have access to the data and market information that directly concern them.
- 8.2 Unless laws, regulations or other instruments issued by authorities require the disclosure of information:
- a) GME shall hold the data of bids/offers submitted into the MPE confidential until the seventh day following the last day of the sitting of submission of the same bids/offers and anyway, in the case of the MSD, not before Terna has defined the final results of such market. After the expiration of the above time limit, GME shall publish the available data on the date, the imbalance settlement period, the submitted price, the accepted price, the submitted quantity, the accepted quantity, the Market Participant, the unit or the zonal portfolio, and the identification code of the submitted bids/offers;
  - b) GME shall publish the data of bids/offers accepted in the MTE in anonymous form seven days after the last day of trading of the contract to which the same bids/offers refer.
- 8.3 GME shall only transmit to Terna the information that is necessary for the proper functioning of the activities for which it is responsible.

- 8.4 Under the provisions of REMIT, GME shall transmit to ACER the data and information concerning the operations made by Market Participants in the Electricity Market.

**Article 9**  
**Communication and Publication of Data and Information**

- 9.1 Unless otherwise stated, the communication and publication of data and information provided for herein shall be carried out electronically. In particular:
- a) communication to a Market Participant shall take place by making available data and information in the section of GME's information system whose access is restricted to that Market Participant;
  - b) publication shall take place by making available data and information in the section of GME's information system whose access is non-restricted.
- 9.2 Bids/offers and requests for registration submitted by Market Participants shall be deemed to have been received on the date and at the time recorded by GME's information system. Any other communication shall be deemed to be received:
- a) on the day and at the time of receipt, if it arrives between 08:00 and 17:00 of a working day;
  - b) at 08:00 of the first working day following the day of receipt, if it arrives between 17:00 and 24:00 of a working day, or between 00:00 and 24:00 of a non-working day;
  - c) at 08:00 of the day of receipt, if it arrives between 00:00 and 08:00 of a working day.
- 9.3 For the purpose of determining the time of receipt, the time shall be obtained from GME's records. For electronic communications, the time shall be obtained from GME's information system.

**Article 10**  
**Security of Access**

- 10.1 Market Participants shall have access to the market through special procedures defined in the Technical Rules. Such procedures shall guarantee the identification of Market Participants and authenticate their transactions.
- 10.2 Market Participants shall treat their access codes and any other data or device required to access GME's information system as confidential.

**TITLE II**  
**ADMISSION TO THE MARKET**

**Article 11**  
**Requirements for Admission to the Market**

- 11.1 Parties applying for admission to the market shall have adequate experience and competence in the use of information technology or information

communication technology systems and related security systems or have employees or assistants with such experience and competence.

- 11.2 The following parties shall not be admitted to the market:
- a) applicants that have been convicted, with a final judgement (except in cases of rehabilitation/reinstatement) or with a judgement applying the penalty at the request of the parties (except in cases of extinction of the crime), to imprisonment for the crime referred to in Article 501 of the Italian Criminal Code or for one of the violations of the privacy of electronic communications referred to in Articles 617 *quater*, *quinquies*, *sexies* of the Criminal Code, or for computer fraud as per Article 640 *ter* of the Criminal Code, or for fraud against the State or other public body as per article 640, para. 2, no. 1 of the Criminal Code, as well as for income-tax and value-added-tax crimes as per Legislative Decree no. 173 of 5 November 2024;
  - b) parties that have been excluded from the market, during the sixty months preceding the submission of the new application form, except as provided in subparagraph c), and except in cases of exclusion referred to in Article 20;
  - c) parties that have been excluded from the market in respect of which, at the date of submission of the new application, GME still has an outstanding claim on the same market.
- 11.3 If the party applying for market admission is a legal person, the requirements stated in para. 11.2 above shall refer to the owner, legal representative or duly authorised person.
- 11.4 In the cases where reference is to be made, wholly or in part, to foreign legal systems, GME shall verify compliance with the admission requirements mentioned in paras. 11.2 and 11.3 above based on a substantial equivalence evaluation.

## **Article 12**

### ***Market Participation Application and Market Participation Agreement***

- 12.1 The party intending to participate in the market must submit to GME (in accordance with the procedures and within the time limits established in the Technical Rules):
- a) a market participation application (*Domanda di ammissione al mercato*) in the format enclosed hereto (Annex 1) together with the documents indicated in Article 13 below;
  - b) a signed copy of the market participation agreement (*Contratto di adesione al mercato*) in the format enclosed hereto (Annex 2).

## **Article 13**

### ***Documents to Be Enclosed to the Market Participation Application***

- 13.1 The market participation application, duly signed by the applicant, shall be accompanied by:
- a) a declaration in compliance with Decree no. 445 of the President of the Republic of 28 December 2000 stating that the party applying for admission to the market or, if such party is a legal person, the parties referred to in Article 11, para. 11.3 above, have not been subject in Italy to measures implying the loss of the qualifications mentioned in Article 11, para. 11.2 a) above, or abroad

to measures corresponding to those which would imply the loss of the same qualifications in Italy, or other equivalent documents based on which GME shall carry out a substantial equivalence evaluation;

- b) if the market participation application is signed by the legal representative or other duly authorised party, a declaration in compliance with Decree no. 445 of the President of the Republic of 28 December 2000, certifying its powers of representation, or other equivalent documents based on which GME shall carry out a substantial equivalence evaluation.

- 13.2 If the documents referred to in paras. 13.1 above are already held by GME, the applicant shall be exempted from submitting them, but it shall submit a declaration indicating this fact and specifying the date when the documents had been originally presented to GME and certifying that the content of such documents is still current.

#### **Article 14** **Admission Procedure**

- 14.1 GME shall notify the applicant of its admission to the market or of the rejection of its application accompanied by the reasons for such rejection within fifteen calendar days of receipt of the application, after verifying fulfilment of the requirements stated in Article 11 above, as well as the validity of the submitted documents. Such notification shall be made in accordance with the modalities and time limits that are defined in the Technical Rules.
- 14.2 For the purpose of verifying fulfilment of the requirements referred to in Article 11.1 above, GME may ask the applicant to provide appropriate documents.
- 14.3 Upon admission, the applicant shall acquire the status of Market Participant.
- 14.4 In the case of incomplete or irregular documents, GME shall - under the modalities and within the time limits defined in the Technical Rules - communicate to the applicant the steps necessary to complete or regularise the documents, as well as the date by which it shall do so. Such notification shall suspend the time limit referred to in para. 14.1 above, which shall run again from the date upon which GME receives the completed or regularised documents.

#### **Article 15** **Admission of Terna, of Gestore dei Servizi Energetici-GSE SpA, and of Acquirente Unico to the Market**

- 15.1 With exception to Article 14 above, Gestore dei Servizi Energetici-GSE SpA, Terna and Acquirente Unico (AU) are by right attributed the status of Market Participants.
- 15.2 Appropriate agreements between Terna and GME, between Gestore dei Servizi Energetici-GSE SpA, as well as between AU and GME, may provide for specific modalities to guarantee the fulfilment of the obligations arising from participation of Terna, Gestore dei Servizi Energetici SpA and AU in the Electricity Market (ME), as alternatives to the guarantees set forth in Article 100 below and having the same effect as said guarantees.

**Article 16**  
**Register of Market Participants**

- 16.1 The parties admitted to the market as per Articles 14 and 15 above shall be entered into an appropriate Register of Market Participants (*Elenco degli operatori ammessi al mercato*). The Register shall be created and held by GME in compliance with EU Regulation 679/2016, as subsequently amended and supplemented.
- 16.2 The Register of Market Participants shall include the following data for each Market Participant:
- a) identification code of the Market Participant;
  - b) full name, registered name or company name, place of residence and domicile if different from the place of residence or registered office, taxpayer's code, VAT number, telephone number, e-mail addresses, and the person to whom communications shall be sent and related contact details;
  - c) status of the Market Participant: admitted, active, suspended, pending request for exclusion, excluded;
  - d) identification code of the units that the Market Participant – as a BRP or its delegated agent – is entitled to include in its zonal portfolios in view of submitting bids/offers into the MGP and MI and, where provided for in the Dispatching Rules, in view of registering nominations on the PN;
  - e) identification code of the units in respect of which the Market Participant – as a BSP – is entitled to submit bids/offers into the MSD and, where provided for in the Dispatching Rules, to register nominations on the PN;
  - f) identification code of the forward accounts (*Conti Energia*) on which the Market Participant is entitled to register proposals and transactions of purchase and sale of forward contracts in accordance with the PCE Rules;
  - g) bank details of the Market Participant;
  - h) amount of financial guarantees posted in favour of GME;
  - i) taxation scheme applied to the Market Participant;
  - j) identification codes of the zonal portfolios to which the Market Participant can refer bids/offers by zonal portfolio;
  - k) ACER code.
- 16.3 GME shall make publicly available the following data and information about Market Participants: full name, registered name or company name, place of residence or registered office.
- 16.4 Each Market Participant may have access to its own data and information contained in the Register of Market Participants.

**Article 17**  
**Data and Information for Participation in the Market**

- 17.1 The insertion of the data and information referred to in Article 16, para. 16.2 d) and e) above, relating to the identification codes of the units for which the Market Participant is a BRP or BSP, shall be made by GME on the basis of what has been communicated by Terna under Article 24, para. 24.1 below.

- 17.2 Each Market Participant shall request GME to enter the data and information referred to in Article 16, para. 16.2 g) above into the Register of Market Participants according to the modalities indicated in the Technical Rules, as well as the data and information referred to in Article 16, paragraph 16.2, subpara i).
- 17.3 The insertion of the data and information referred to in Article 16, para. 16.2 h) above shall be made following the communications referred to in Article 100, paras. 100.4, 100.12, and 100.15, as well as Article 101, paras. 101.5, 101.9, and 101.10 below.
- 17.4 The insertion of the data and information referred to in Article 16, para. 16.2 d) above, concerning the units for which the Market Participant is not a BRP, shall be made following a specific request from the Market Participant which, for this purpose, shall attach a declaration issued by the BRP of the unit and certifying that the requesting Market Participant is entitled to include such unit into its zonal portfolios and to carry out the related nominations on the PN, if the registration of nominations for such units falls under the responsibility of the BRP.
- 17.5 The declaration mentioned in para. 17.4 above shall include at least the following indications:
- a) identification code of the unit covered by the request for insertion;
  - b) date from which the requesting Market Participant is entitled to include such unit into its own zonal portfolios, and to carry out the related nominations on the PN;
  - c) date until which the requesting Market Participant is entitled to include such unit into its own zonal portfolios, and to carry out the related nominations on the PN.
- 17.6 If the terms referred to in para. 17.5 b) and c) above are subsequently modified, the requesting Market Participant shall submit to GME a declaration with the new terms. This declaration shall include:
- a) identification code of the unit covered by the modification;
  - b) new date from which the requesting Market Participant is entitled to include such unit into its own zonal portfolios, and to carry out the related nominations on the PN; and/or
  - c) new date until which the requesting Market Participant is entitled to include such unit into its own zonal portfolios, and to carry out the related nominations on the PN; or
  - d) date from which the requesting Market Participant is no longer entitled to include such unit into its own zonal portfolios, and to carry out the related nominations on the PN.
- 17.7 If the modifications covered by para. 17.6 above are notified to GME by the BRP, GME shall - even failing the declaration of the requesting Market Participant - give effect to the notification.
- 17.8 As regards the units for which the declaration referred to in para. 17.5 above has been issued and for its entire period of validity and effectiveness, BRPs shall not include such units into their zonal portfolios and carry out the related nominations on the PN, or issue additional declarations as per para. 17.4 above in favour of other Market Participants.

- 17.9 On receipt of the requests referred to in para. 17.2 above, GME shall update the Register of Market Participants. The requested modification shall take effect within the second working day following receipt of the request by GME. For the requests referred to in paras. 17.3, 17.4 and 17.6 and the notification referred to in para. 17.7 above, the modification shall take effect within the second working day following receipt of the requests and anyway not prior to the date referred to in paras. 17.5 b) and 17.6 b) above, respectively.
- 17.10 To the request for insertion of data and information as per Article 16, para. 16.2 i) above, the Market Participant shall enclose a statement declaring its VAT taxation scheme, in accordance with the provisions of the Technical Rules.
- 17.11 To the request for insertion of data and information referred to in Article 16, para. 16.2 g) above, the Market Participant shall attach - for the purpose of submitting bids/offers into the market - a declaration authorising GME to directly withdraw the amounts owed to GME from its bank account, held with financial institutions offering the SEPA Direct Debit Business to Business payment scheme, as provided in the Technical Rules.
- 17.12 With a view to submitting bids/offers into the market, Market Participants shall communicate the data referred to in Article 16, para. 16.2 k) above in accordance with the provisions of the Technical Rules. If such data has already been communicated to GME, Market Participants shall be exempted from communicating it, as indicated in the Technical Rules.

### **Article 18** **Verifications**

- 18.1 GME shall monitor compliance with the Market Rules and Technical Rules with a view to ensuring the proper functioning of the market according to principles of neutrality, transparency, objectivity, and competitiveness between or among Market Participants. To this end, GME may request information or documents concerning the transactions carried out by Market Participants in the market and also convene them for a hearing.
- 18.2 GME shall monitor, on time and in a manner defined by it, the maintenance by the participants of the requirements for admission to the market. To this end, it may require additional documentation or the updating of the documents already submitted.

### **Article 19** **Notification Obligations**

- 19.1 Market Participants are required to notify GME promptly - and in any case within three working days - of the occurrence of any change in circumstances that may involve the change of any of the data and information referred to in Article 16, para. 16.2 b), g), h), i) and k) above, that they have declared and have been entered into the Register of Market Participants.
- 19.2 GME shall update the Register of Market Participants taking into account any of the changes mentioned in para. 19.1 above.

**Article 20**  
**Exclusion from the Market on Request**

- 20.1 For the purposes of exclusion from the market, Market Participants shall – under the modalities and within the time limits defined in the Technical Rules – deliver or send to GME’s registered office an appropriate written request indicating the date from which exclusion is requested.
- 20.2 Exclusion from the market on request shall run from the later of the following dates:
- a) the second working day following receipt by GME of the request referred to in para. 20.1 above;
  - b) the date indicated in the request referred to in para. 20.1 above.
- 20.3 If, on the date indicated in para. 20.2 above, the Market Participant has open contractual positions in the MTE, then the date of exclusion shall run from the working day following the one on which the Market Participant has closed the above positions.
- 20.4 Without prejudice to the provisions of the above paragraphs, the exclusion from the market on request shall not exempt the Market Participant from fulfilling obligations arising from commitments made in the market.
- 20.5 During the period of suspension from the market, the participant cannot request the exclusion under this article.

**TITLE III  
OPERATION OF THE ELECTRICITY MARKET (ME)**

**Article 21  
Electricity Market Structure, Market Time Interval,  
and Imbalance Settlement Period**

- 21.1 The Electricity Market (ME) shall consist of the Spot Electricity Market (MPE) and the Forward Electricity Market with delivery and withdrawal obligation (MTE).
- 21.2 The MPE shall consist of:
- a) the Day-Ahead Market (MGP), where electricity is traded through the submission of supply offers and demand bids. The MGP takes place in a single session relative to the next day;
  - b) the Intra-Day Market (MI), where changes in the electricity quantities negotiated in the MGP are traded through the submission of supply offers and demand bids. The MI consists of the MI-A sessions and of the MI-XBID;
  - c) the Balancing and Redispatching Market (MSD), where resources for balancing and redispatching services are procured;
  - d) the Daily Products Market (MPEG), which relates to the electricity trading, through sale and purchase bids/offers. The MPEG may take place in sessions related to each delivery day.
- 21.3 Within the market, GME manages the PN through which the nomination on units of the commercial positions resulting from the MGP and MI is carried out.
- 21.4 The purpose of the MTE is the trading of future supplies of electricity through the submission of supply offers and demand bids.
- 21.5 The reference time interval for trading in the MGP and MI shall be the market time interval.
- 21.6 The reference time interval for trading in the MPEG and MTE shall be the hour.
- 21.7 The reference time interval for registering nominations on the PN and for trading in the MSD shall be the imbalance settlement period.

**Article 22  
Definitivity of Transactions**

- 22.1 Electricity transactions concluded in the MGP, MI and MSD shall be definitive and binding - also for the purposes of the guarantee, clearing, billing, and of settlement of the relative payables and receivables and of the consequent related obligations, as of the time at which demand bids and supply offers are accepted or matched in the bidding system under Articles 41 and 54 below.
- 22.2 Electricity transactions concluded in the MPEG are considered final and binding - also for the purposes of the guarantee, of clearing, billing, and settlement of the relative payables and receivables, as well as obligations arising therefrom – as of time at which

demand bids and supply offers are matched in the bidding system pursuant to Article 79 below.

- 22.3 Forward electricity transactions concluded in the MTE shall be definitive and binding – also for the purposes of the guarantee, clearing, billing, and settlement of the relative payables and receivables, as well as obligations arising therefrom – as of the time at which bids/offers are matched in the bidding system under Article 88 below.

**SECTION I**  
**OPERATION OF THE DAY-AHEAD MARKET (MGP), THE INTRA-DAY MARKET (MI),**  
**THE NOMINATION PLATFORM (PN), AND**  
**THE BALANCING AND REDISPATCHING MARKET (MSD)**

***Article 23***  
***Geographical Zones and Virtual Zones***

- 23.1 Terna shall notify GME of the bidding zones characterising the MGP, MI, and MSD. GME shall post such zones on its website.

***Article 24***  
***Data and Information on Units***

- 24.1 GME shall receive from Terna at least the following data and information concerning the units in respect of which zonal portfolios may be created to submit bids/offers into the MGP and MI, bids/offers may be submitted into the MSD, and nominations may be registered on the PN:
- a) identification code of the unit;
  - b) authorisations, if any, for submitting bids/offers in respect of a given unit into the markets,
  - c) identity of the BRP for the unit;
  - d) identify of the BSP for the unit;
  - e) priority order, as defined in the Dispatching Rules;
  - f) type of unit;
  - g) identify of the party authorised to register nominations on the PN, as defined in the Dispatching Rules;
  - h) specification of whether the unit is involved in registrations of residual nominations of injection or withdrawal for the related BRP.
- 24.2 For the purpose of submitting bids/offers into the MGP, MI. and MSD, and registering nominations on the PN, the data and information referred to in para. 24.1 above shall take effect within the second working day following receipt.
- 24.3 In the Technical Rules, GME shall publish the list of units or sets of units, specifying, for each of them, at least the following information under the Dispatching Rules:
- a) the units or sets of units that can be included into physical injection or withdrawal portfolios, or commercial portfolios, in view of participation in the MGP and MI;
  - b) the units or sets of units that are admitted to participate in the MSD;
  - c) the type of party entitled to register nominations;
  - d) the type of party entitled to notify margins.

**Article 25**  
**Solar Time and Daylight-Saving Time**

- 25.1 The procedures for defining the market time interval and the imbalance settlement period during the passage from solar time to daylight-saving time and from daylight-saving time to solar time shall be described in the Technical Rules.

**Article 26**  
**Products, Portfolios, Demand Bids, Supply Offers,  
and Technical Limits of Bids/Offers**

- 26.1 In the MGP, MI, and MSD, quantities and related unit prices shall refer to electricity.
- 26.2 In the MGP and MI, bids/offers shall be submitted by zonal portfolio.
- 26.3 In the MSD, bids/offers shall be submitted by unit, whether single or as a part of a set.
- 26.4 In the MGP and MI, GME shall assign to each Market Participant a predefined zonal injection or withdrawal portfolio for each of the units in respect of which such Participant is entitled to refer portfolio bids/offers. In the Technical Rules, GME may define additional procedures for building zonal portfolios by aggregating one or more injection or withdrawal units, having the same BRP, while satisfying the criteria defined in the Dispatching Rules.
- 26.5 Supply offers express the willingness to sell a quantity of electricity not exceeding the quantity quoted in the offer at a unit price not lower than the offer price. Demand bids submitted into the MGP and MI express the willingness to purchase a quantity of electricity not exceeding the quantity quoted in the bid at a unit price not exceeding the bid price.
- 26.6 The products to which bids/offers may refer in the MGP and MI shall be those defined in the Product Methodologies and identified in the Technical Rules.
- 26.7 The quantities of electricity specified in demand bids and supply offers shall take only values higher than or equal to zero. The unit prices specified in demand bids and supply offers must be included within the technical limits indicated in the Technical Rules in compliance with the relevant European legislation.
- 26.8 Injection and withdrawal schedules shall refer to units.
- 26.9 In the MSD, each demand bid or supply offer submitted by unit must be consistent with the injection or withdrawal capability of the unit to which the bid/offer refers and must correspond to the actual willingness to inject or withdraw electricity into or from such unit.

**Article 27**  
**Bid/Offer Submission**

- 27.1 Bids/offers may be submitted into the MGP and MI-A by:
- a) completing the appropriate forms available in GME's information system;
  - b) sending a file, via GME's information system, in the format that is defined in the Technical Rules.
- 27.2 In the MSD, bids/offers may be submitted in accordance with the modalities stated in para. 27.1 b) above.
- 27.3 If, during a sitting of the MGP and MI-A, GME receives a valid bid/offer from a Market Participant in accordance with the modalities indicated in para. 27.1 a) above, in respect of a given zonal portfolio and a product, such bid/offer shall replace all bids/offers submitted by the same Market Participant in respect of the same zonal portfolio, of the same product, and of the same market time interval that GME has previously received during the same market sitting, including - only in the MGP - any predefined bid/offer submitted in respect of the zonal portfolio. By submitting bids/offers in accordance with the modalities referred to in paras. 27.1 b) and 27.2 above, Market Participants may replace or integrate their bids/offers submitted in respect of the same zonal portfolio or of the same unit, and of the same market time interval or imbalance settlement period, respectively, that GME has previously received during the same market sitting, including - only in the MGP and MSD - any predefined bid/offer submitted in respect of the zonal portfolio and of the unit, respectively.
- 27.4 A valid bid/offer submitted by a Market Participant pursuant to the previous paras 27.1 and 27.2 above may be replaced by a new bid/offer until the end of the corresponding sitting of the MGP, MI-A or MSD. For the purpose of defining the priority order, reference shall be made to the time of submission of the last modification received.
- 27.5 A valid bid/offer submitted by a Market Participant pursuant to the previous paras 27.1 and 27.2 above may be revoked until the end of the market sitting for which it has been submitted. The revocation of a predefined bid/offer shall also have effect in all the markets whose sittings are still open.
- 27.6 Bids/offers in the MI-XBID sessions can be submitted by filling in the appropriate forms available in GME's information system, as well as according to the procedures set out in the Technical Rules.
- 27.7 Market Participants can submit trading offers in the MI-XBID sessions according to the methods indicated in the Technical Rules.
- 27.8 Consistently with the method chosen pursuant to paragraph 27.7 above, Market Participants may modify or cancel their bids/offers that are valid and adequate, but not yet matched. Modified bids/offers lose the time priority previously acquired.

**Article 28**  
**Minimum Contents of Bids/Offers**

- 28.1 Bids/offers entered into the MGP, MI, and MSD shall contain at least following data:
- a) identification code of the Market Participant submitting the bid/offer;
  - b) identification code of the market and of the market sitting or session to which the bid/offer refers;
  - c) identification code of the unit to which the bid/offer refers (for bids/offers entered into the MSD) or of the zonal portfolio to which the bid/offer refers (for bids/offers entered into the MGP and MI) ;
  - d) type of product to which the bid/offer refers (for bids/offers entered into the MGP and MI);
  - e) market time interval for simple products, or market time intervals for block products (for bids/offers entered into the MGP and MI);
  - f) imbalance settlement period to which the bid/offer refers (for bids/offers entered into the MSD);
  - g) type of bid/offer (demand bid/supply offer);
  - h) where applicable, whether the bid/offer is a predefined or balanced bid/offer;
  - i) offered quantity;
  - j) unit price for the offered quantity.
- 28.2 The maximum number of simple bids/offers of the MGP, MI-A, and MSD making up a multiple bid/offer, and the maximum number of bids/offers in respect of block products that can be submitted in each market session shall be defined in the Technical Rules. For the purpose of determining the market results, each multiple bid/offer shall be considered as a set of simple bids/offers.

**Article 29**  
**Validation of Bids/Offers**

- 29.1 Within the timeframe established by the Technical Rules, GME shall check the validity of each bid/offer and notify the Market Participant involved of the outcome of the validation and of the reasons for a possible negative outcome.
- 29.2 Any bid/offer shall be considered as valid if it satisfies the following requirements:
- a) the Market Participant has not been suspended at the time of receipt of the bid/offer;
  - b) for bids/offers submitted by unit, the Market Participant is entitled to submit bids/offers for the unit;
  - c) for bids/offers submitted by portfolio, the Market Participant is entitled to submit bids/offers for the zonal portfolio indicated;
  - d) the bid/offer has been submitted, depending on the market to which it refers, in compliance with the modalities referred to in Article 27 above;
  - e) the bid/offer carries, depending on the market to which it refers, all the data referred to in Article 28 above;
  - f) the bid/offer has been received in the MGP, MI-A, and MSD within the time period defining the duration of the market sitting;
  - g) the unit is authorised for the market to which the bid/offer refers;
  - h) for bids/offers submitted into the MGP and MI, the quoted price is within the technical limits indicated in Article 26, para. 26.7 above;
  - i) in the case of bids/offers submitted into the MSD, any checks referred to in the Dispatching Rules have been successful;

- j) in the case of offers submitted into the MI-XBID, if the bid/offer submitted by the Market Participant cannot be matched with other bids/offers submitted by the same Market Participant in relation to the same zonal portfolio.

**Article 30**  
**Technical Adequacy of Bids/Offers**

- 30.1 GME shall verify the technical adequacy of valid bids/offers and shall communicate to the Market Participant concerned the outcome of the adequacy check and the reasons for any negative outcome:
  - a) for bids/offers submitted in the MGP, MI-A and MSD, at the end of the market session;
  - b) for offers submitted for the MI-XBID session, after the positive outcome of the previous adequacy checks referred to in Article 29 above.
- 30.2 A valid bid/offer shall be technically adequate if it satisfies the following requirements:
  - a) for the bids/offers submitted into the MGP, MI-A and MSD, the Market Participant has not been suspended;
  - b) the bid/offer is guaranteed as specified in Article 102 below;
  - c) the bid/offer fulfils the requirements specified for the individual markets and the individual types of bids/offers referred to in Articles 40 and 53 below, respectively;
  - d) in the case of bids/offers submitted into the MSD, the bid/offer has been possibly validated as provided in the Dispatching Rules.
- 30.3 For the purpose of verifying compliance with the specific requirements referred to in Articles 40 and 53 below, GME shall use the step-up and step-down margins notified for each unit under Articles 39 and 52 below.
- 30.4 The margins in respect of units shall be notified according to the same procedures as those referred to in Article 27 above.

**Article 31**  
**Unavailability of Power Grid Assets**

- 31.1 Market Participants shall retain the rights and obligations that they have acquired in the MGP, MI or MSD, even in the event of unavailability of power grid assets due to actions of grid operators, owners or third parties or to orders of public authorities or *force majeure*.

**Article 32**  
**Suspension of the MGP, MI, PN, and MSD**

- 32.1 In the event of any exceptional circumstances as defined in the Dispatching Rules, GME shall, at the request of Terna, suspend the MGP, MI, PN, and MSD.

- 32.2 GME shall notify the Regulatory Authority and the Ministry of Environment and Energy Security of any suspension of the MGP, MI, PN, and MSD.

**Article 33**  
***Emergency Condition Procedures in the MGP, MI, PN, and MSD***

- 33.1 Emergency conditions shall be the following:
- a) the case where GME is not able to publish the preliminary information referred to in Article 36, para. 36.1, subpara. a) or Article 49, para. 49.1 below;
  - b) the case where GME is not able to receive the bids/offers submitted by Market Participants according to the modalities referred to in Article 27, paras. 27.1, 27.2, and 27.6 above, or receive the registrations of PN nominations according to Article 59 below, due to malfunctioning of its telecommunications systems;
  - c) the case where GME is not able to determine the results of a market session owing to, among others, malfunctioning of its information system;
  - d) the case where GME is not able to communicate to Terna and to Market Participants the results of a market session, or the definitive PN nominations, owing to, among others, malfunctioning of its information system or telecommunication systems.
- 33.2 If the case referred to in para. 33.1 b) above occurs, GME shall notify Market Participants and Terna of the occurrence of the emergency condition and, where applicable, of the new closing time for the market sitting or of the nomination phase as well as any alternative methods for sending requests for registration of nominations; such time shall not exceed the time limit defined in the Technical Rules. If, by the new closing time for the market sitting, the emergency condition persists, GME shall suspend the market and the provisions laid down in the Dispatching Rules shall apply. If the emergency condition persists by the new deadline for closing the nomination phase, the provisions of the Dispatching Rules shall apply.
- 33.3 If the cases referred to in para. 33.1 c) and d) above occur, GME shall - in accordance with the modalities stated in the Technical rules - suspend transactions in the MGP, MI, on the PN or in the MSD, notify Terna and Market Participants of the occurrence of the emergency condition, and the provisions laid down in the Dispatching Rules shall apply.
- 33.4 The communication procedures to be adopted by GME in the case referred to in para. 33.1 a) above shall be defined in the Technical Rules.

**SUBSECTION I**  
**DAY-AHEAD MARKET (MGP)**

**Article 34**  
***Purpose of the MGP***

- 35.1 GME shall be the counterparty of Market Participants in the electricity purchase and sale contracts made in the MGP.

- 35.2 In the MGP, electricity demand bids and supply offers shall be selected on products related to market time intervals of the calendar day following the one on which the market sitting closes.

**Article 35**  
**Periods for Submission of Bids/Offers**

- 35.1 The MGP sitting shall:
- a) open at least nine calendar days before the day to which bids/offers refer;
  - b) close on the calendar day preceding the day to which bids/offers refer.
- 35.2 The opening and closing hours of the MGP sitting shall be defined in the Technical Rules.
- 35.3 After the close of the sitting of a session of the MGP, GME reserves the right to reopen the sitting in the case of decoupling or in other cases identified in the Technical Rules.
- 35.4 GME shall announce the reopening of the sitting referred to in paragraph 35.3 above to Market Participants as defined in the Technical Rules.

**Article 36**  
**Preliminary Market Information**

- 36.1 Within thirty minutes before the closure of the MGP sitting, GME shall receive from Terna and publish at least the following data:
- a) admissible electricity transmission capacity limits between the bidding zones in which the units communicated by Terna to GME and included in zonal portfolios are located;
  - b) estimated electricity demand by geographical zone.
- 36.2 The data and information mentioned in para. 36.1 above shall refer to the overall values of the system.

**Article 37**  
**Demand Bids and Supply Offers**

- 37.1 Market Participants may submit simple, multiple, or predefined bids/offers into the MGP.
- 37.2 For the purpose of determining the market results as set forth in Article 41 below, the quantities specified in supply offers or demand bids may also be partially accepted.

**Article 38**  
**Priority Order of Bids/Offers for the Same Product**

- 38.1 Supply offers for each product shall be ranked in non-decreasing price order from the lowest-priced offers to the highest-priced ones. Demand bids for each product

shall be ranked in non-increasing price order starting from those with the highest price to those with the lowest ones.

- 38.2 If supply offers for the same product have the same price, the priority order referred to in Article 24, para. 24.1 e) above shall apply.
- 38.3 For the sole purpose of carrying out the adequacy verifications referred to in Article 40 below, the priority order of bids/offers for block products shall be determined on the basis of their price. For the sole purpose of carrying out the above-mentioned adequacy verifications, if, as a result of the application of paras. 38.1 and 38.2 above, bids/offers for simple products have equal priority, then:
- a) predefined bids/offers shall have a lower priority than bids/offers submitted during the market sitting. The priority order among the predefined bids/offers is the chronological order of receipt of bids/offers;
  - b) for bids/offers submitted during a market sitting, the priority order shall correspond to the chronological order of receipt of bids/offers.

;

### **Article 39** **Step-Up and Step-Down Margins for the MGP**

- 39.1 Before the closure of the MGP sitting, GME shall acquire the step-up and step-down margins for the MGP, in respect of each imbalance settlement period:
- a) from Terna, for the units in respect of which, under the Dispatching Rules, the margins are to be communicated by Terna;
  - b) from the BRP or its delegated agent, for all other units.
- 39.2 If the BRP, its delegated agent, or Terna fail to provide the data referred to in para. 39.1 above, respectively, then GME shall use the latest values of the step-up and step-down margins for the MGP that it has received.
- 39.3 If the BRP, its delegated agent, or Terna have never provided the data referred to in para. 39.1 above, respectively, then GME shall assign the values of the step-up and step-down margins for the MGP in accordance with the procedure specified in the Technical Rules.
- 39.4 The step-up and step-down margins of each zonal portfolio shall be obtained by adding up the step-up and step-down margins of the units making up the same portfolio, respectively.

### **Article 40** **Technical Adequacy Requirements of Bids/Offers Submitted into the MGP**

- 40.1 For the purposes of Article 30, para. 30.2 c) above, the technical adequacy requirements shall be verified at the end of the MGP sitting by processing i) first the bids/offers for simple products pertaining to market time intervals having a minimum duration, ii) then those pertaining to simple products pertaining to market time intervals having a longer duration, and iii) finally bids/offers for block products, by applying the provisions contained in this article and in the Technical Rules.

- 40.2 A supply offer submitted into the MGP in respect of a zonal portfolio shall be regarded as technically adequate if the offered quantity does not exceed the step-up margin of the portfolio in each imbalance settlement period included in each of the market time intervals to which the offer refers; such margin shall be further decreased by the sum of the quantities specified in other supply offers that have been submitted in respect of the same portfolio and of market time intervals including such imbalance settlement period and that have already been verified to be technically adequate.
- 40.3 A demand bid submitted into the MGP in respect of a zonal portfolio shall be regarded as technically adequate if the offered quantity does not exceed the step-down margin of the portfolio in each imbalance settlement period included in each of the market time intervals to which the offer refers; such margin shall be further decreased by the sum of the quantities specified in other demand bids that have been submitted in respect of the same portfolio and of market time intervals including such imbalance settlement period and that have already been verified to be technically adequate.
- 40.4 If a bid/offer submitted in respect of a simple product and of a minimum market time interval does not meet the requirements specified in paras. 40.2 and 40.3 above, then such bid/offer shall be considered to be technically adequate, but only for a quantity equal to the step-up or step-down margin, as calculated under paras. 40.2 and 40.3 above.
- 40.5 If a bid/offer submitted in respect of a simple product and of a market time interval whose duration is longer than the minimum market time interval, or if a bid/offer submitted in respect of a block product does not meet the requirements specified in paras. 40.2 and 40.3 above, then such bid/offer shall be considered to be technically inadequate.

#### **Article 41** **Results of the MGP**

- 41.1 The provisions of this Article shall apply to each market time interval within which bids/offers for available products are accepted in the MGP.
- 41.2 GME shall identify a market solution related to the accepted bids/offers as well as the corresponding prices of valuing by using the PCR algorithm, according to the procedures and criteria defined in the Technical Rules. In particular, it is identified a market solution among all the solutions developed by the PCR algorithm within the time limits for its processing, shared within the PCR and shown in the Technical Rules. The solution detected is that where the net value of the resulting transactions, on a daily basis in all the energy markets involved in market coupling is maximum and ensures that:
- a) energy flows between bidding zone comply with the transmission constraints between the same zones;
  - b) the amount of electricity covered by accepted supply offers is equal to the amount of electricity covered by accepted demand bids, taking also into account imports and exports from/to neighbouring markets with which market coupling is active;
  - c) the price of valuing of electricity in each bidding zone and in each market time interval is equal to the arithmetic average of the prices of the corresponding

market time intervals having a shorter duration and such that the following bids/offers are accepted or rejected:

- accepted in full: all supply offers or demand bids for a simple product whose offer price is lower (sale) or higher (purchase) than the price of valuing. If bids/offers for simple products and pertaining to multiple market time intervals can be submitted, some of the bids/offers for products pertaining to market time intervals having a duration longer than the minimum market time interval may be paradoxically rejected;
- accepted in full or in part, or rejected: all supply offers or demand bids for a simple product and whose offer price is equal to the price of valuing;
- rejected: all supply offers or demand bids for a simple product and whose offer price is higher (sale) or lower (purchase) than the price of valuing;
- accepted in full or in part, subject to the minimum acceptance share: supply offers or demand bids for a block product and whose offer price is lower than or equal to (sale) or higher than or equal to (purchase) the average of prices of valuing of the market time intervals making up the block, weighted for the quantities accepted in each market time interval included in the block. Bids/offers in respect of block products may be paradoxically rejected;
- rejected: all supply offers or demand bids pertaining to a block product and whose offer price is higher (sale) or lower (purchase) than the average price of valuing of the market time intervals making up the block, weighted for the quantities offered in each market time interval included in the block;

d) except as provided in subpara. c) above, if one or more bids/offers for simple products have been submitted at a price equal to the price of valuing in respect of zonal portfolios pertaining to the same bidding zone and the same market time interval, then the priority order of bids/offers mentioned in Article 38, para. 38.2 above shall be satisfied, consistently with the other provisions laid down in this article. If such bids/offers have the same priority, then, if necessary, the accepted quantities may be allocated on a *pro quota* basis.

41.3 With a view to determining the results referred to in para. 41.2 above, consideration shall also be given to sale and purchase quantities covered by bids/offers on forward accounts (CET). These bids/offers shall be regarded as supply offers and demand bids with the quantities and prices that have been submitted into the MGP, in accordance with the PCE Rules.

41.4 For the purposes of the provisions of para. 41.2 above, in the case of market coupling, consideration shall be given to demand bids and supply offers relating to the energy markets involved in market coupling, and the cross-border interconnection capacity made available by Transmission System Operators, as well as, limited to such bids/offers, to the rules of determination of results adopted in the corresponding energy markets. In the event of a risk of non-performance of market coupling (decoupling), or if decoupling with one or all of the energy markets involved in market coupling is confirmed, GME shall inform Market Participants of that fact, as specified in the Technical Rules.

41.5 For the purposes of para. 41.2 above, the net value of transactions is defined as the difference between the overall value of accepted demand bids and the overall value of accepted supply offers. Such overall values shall be determined by valuing the

amount of electricity specified in each accepted bid/offer, or the accepted amount in case of partial acceptance of a bid/offer, at the price specified in that bid/offer.

- 41.6 Within the time limit defined in the Technical Rules, GME shall identify the accepted bids/offers and the corresponding prices of valuing in accordance with the modalities specified in this article, and define:
- a) the prices of valuing of electricity, determined without taking into account transmission capacity constraints between bidding zones;
  - c) the prices of valuing, in each zone, of accepted supply offers in each bidding zone, and of accepted demand bids.
- 41.7 At the end of trades in the MGP, GME shall determine, for each Market Participant, each imbalance settlement period, and each zone:
- a) the commercial positions of physical zonal injection portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding up the corresponding demand bids and supply offers accepted in the MGP;
  - b) the commercial positions of physical zonal withdrawal portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding up the corresponding demand bids and supply offers accepted in the MGP;
  - c) the commercial positions of commercial zonal storage portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding up the corresponding demand bids and supply offers accepted in the MGP;
  - d) the commercial positions of commercial zonal withdrawal portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding up the corresponding demand bids accepted in the MGP.

#### **Article 42**

#### **Reference Price of Electricity under Article 13 of Legislative Decree 210/2021 – PUN Index GME**

- 42.1 GME shall calculate the reference price of the electricity traded in the MGP, for each minimum market time interval, as the average of zonal prices, weighted for the quantities purchased in respect of zonal withdrawal portfolios in each geographical market zone. For weighting, account shall be taken of the quantities covered by demand bids that have been accepted in all the market time intervals and of those covered by blocks including the minimum market time interval in respect of which the reference price is calculated, as indicated in the Technical Rules.

#### **Article 43**

#### **Compensatory Component in the MGP**

- 43.1 For each demand bid accepted in the MGP sessions and pertaining to withdrawal portfolios that belong to a geographical market zone, GME shall determine the compensatory component that the Market Participant submitting such bid is required to pay, if negative, or to receive, if positive, equal to the product between the accepted quantity and the difference between the related price referred to in Article 41, para. 41.2

c) above and the price referred to in Article 42 above.

**Article 44**  
**Notification of Results and of Commercial Portfolio Positions**  
**Resulting from the MGP**

- 44.1 Within the time limit referred to in Article 41, para. 41.6 above, GME shall publish the following data and information:
- a) the prices mentioned in Article 41, para 41.6 a) and b) above;
  - b) the reference price referred to in Article 42 above;
  - c) for each bidding zone, the overall quantities of electricity covered by the accepted supply offers and demand bids;
  - c) the demand curve and the supply curve for each bidding zone.
- 44.2 Within the time limit referred to in Article 41, para. 41.6 above, GME shall communicate to each Market Participant that has submitted bids/offers into the MGP and only in respect of such bids/offers:
- a) the commercial positions referred to in Article 41, para. 41.7 above;
  - b) the accepted bids/offers, specifying the accepted electricity quantity;
  - c) the bids/offers that have been rejected as being technically inadequate as a result of the verifications made under Article 30, para. 30.2 above, with an explanation of the reasons for such rejection;
  - d) the billed payables and receivables as per Article 92, para. 92.1 a) below.
- 44.3 Within the time limit referred to in Article 41, para. 41.6 above, GME shall communicate to each BRP the commercial positions of the zonal portfolios consisting of one or more units of which the same is the BRP, as determined under Article 41, para. 41.7 above.
- 44.4 Within the time limit referred to in Article 41, para. 41.6 above, GME shall notify each Market Participant, whose demand bids have been accepted in the MGP, of the compensatory component referred to in Article 43 above. With a view to assigning the compensatory component under Article 43, para. 43.1 above, such component shall be verified to be financially adequate in accordance with Article 102 below. If such component is not financially adequate, Terna shall become the counterparty of GME for such compensatory component.
- 44.5 GME shall communicate to Terna the commercial positions of commercial zonal portfolios, as determined under Article 41, para. 41.7 c) and d) above.

**Article 45**  
**Bids/offers on Forward Accounts Submitted**  
**via the Forward Account Registration Platform (PCE)**

- 45.1 Without prejudice to the provisions of paras. 45.2 and 45.3 below, the physical balance arising on each forward account under the PCE Rules shall correspond to:
- a) a purchase from the MGP by the Participant holding the account, if the physical balance is lower than zero;

- b) a sale in the MGP by the Participant holding the account, if the physical balance is greater than zero.
- 45.2 In accordance with para. 45.1 a) above, in order to assign a purchase to a Participant holding a forward account and also being an Electricity Market Participant, such purchase shall be verified to be financially adequate in accordance with Article 102 below. If the purchase is not financially adequate, Terna shall become the counterparty of GME for such purchase.
- 45.3 If a physical balance other than zero arises on a forward account whose holder is not an Electricity Market Participant, Terna shall become the counterparty of GME for the related purchase or sale, as specified in para. 45.1 above.
- 45.4 Bids/offers accepted under paras. 45.1, 45.2, and 45.3 above shall be valued at the price specified in Article 42 above.
- 45.5 The fee per MWh traded, which is referred to in Article 7, para. 7.1 above, shall be applied to bids/offers accepted under paras. 45.1, 45.2, and 45.3 above.
- 43.6 The procedures and time limits for the invoicing of payables and receivables and for the settlement of payments in respect of bids/offers accepted in accordance with the above paragraphs shall be defined in the Technical Rules.

**Article 46**  
***Valuing of Grid and Market Constraints in the MGP***

- 46.1 Where the MGP has been split into two or more zones, GME shall pay Terna, if positive, and Terna shall pay GME, if negative, the net margins deriving from the difference between the amounts debited to purchasing Market Participants and those credited to selling Market Participants.

**SUBSECTION II**  
**INTRA-DAY MARKET (MI)**

**Article 47**  
***Purpose of the MI***

- 47.1 GME shall be the counterparty of Market Participants for electricity purchase and sale contracts made in the MI.
- 47.2 In the MI, electricity demand bids and supply offers shall be traded in respect of products related to the market time intervals of the calendar day of trading, according to the provisions of the Technical Rules.

- 47.3 Trading in the MI shall take place through the holding of:
- a) three MI-A auction sessions during which, at the same time as the trading of purchase and sale offers, the intra-day interconnection capacity is allocated between all the zones of the Italian market and the other geographical zones interconnected with them and involved in market coupling;
  - b) a continuous MI-XBID trading session, divided into three phases, within which, within the XBID context, at the same time as the trading of purchase and sale offers, the intra-day interconnection capacity is allocated between all the zones of the Italian market and the other geographical zones interconnected with the same and active in the XBID.
- 47.4 For each day of flow subject to trading, the MI-A auction sessions and the three trading phases of the MI-XBID session take place in a sequential and non-overlapping manner, according to the following order:
- a) MI-A auction session (MI-A1);
  - b) continuous trading phase of the MI-XBID session (I phase MI-XBID);
  - c) MI-A auction session (MI-A2);
  - d) continuous trading phase of the MI-XBID session (II phase MI-XBID);
  - e) MI-A auction session (MI-A3);
  - f) continuous trading phase of the MI-XBID session (III phase MI-XBID).
- 47.5 For the entire duration of an MI-A auction session, the intra-day interconnection capacity between all areas of the Italian market and the other geographical zones interconnected with the same and involved in market coupling shall not be available within the XBID.
- 47.6 The market time intervals, relating to each day of flow subject to trading in the MI, tradable in each auction session of the MI-A and in each continuous trading phase of the MI-XBID session referred to in paragraph 47.4 above, *are* defined in the Technical Rules.

**Article 48**  
***Periods for Submission of Bids/Offers***

- 48.1 The opening and closing times of each sitting of the MI-A auction and of the continuous trading phases of the MI-XBID session shall be defined in the Technical Rules.

**Article 49**  
***Preliminary Market Information***

- 49.1 Upon the closure of each sitting of the MI-A, GME shall receive from Terna and publish the electricity transfer margins, with respect to the admissible transmission capacity limits between bidding zones, which remain available upon the closing of the MGP or in the previous session of the MI-A and/or of the previous continuous trading phases of the MI-XBID session, as possibly updated by Terna itself.
- 49.2 The data mentioned in para. 49.1 above shall refer to the overall values of the system.

**Article 50**  
**Demand Bids and Supply Offers**

- 50.1 In each sitting of the MI-A auction, Market Participants may submit simple, multiple, and balanced bids/offers.
- 50.2 A same multiple bid/offer may specify both supply offers and demand bids.
- 50.3 For the purpose of determining the results in accordance with Article 54 below, demand bids and supply offers may also be partially accepted or matched.

**Article 51**  
**Priority Order of Bids/Offers in Respect of the Same Product**

- 51.1 For the bids/offers submitted in the sittings of the MI-A auction, if prices are equal, priority shall be given to bids/offers that Market Participants have specified as balanced bids/offers.
- 51.2 Without prejudice to what is stated in para. 51.1 above, in the MI-A, where two or more supply offers or demand bids have the same price in respect of the same product, they shall be ranked according to the priority order specified in Article 38 above.
- 51.3 The bids/offers presented by the Market Participant during the MI-XBID sessions, verified as valid and adequate pursuant to the preceding Articles 29 and 30, enter into the order book and are ordered on the basis of the price, in descending order for the purchase offers and in ascending order for the sales offers, according to the criteria specified in Article 54 below. At the same price, the time priority for placing the bid/offer prevails.

**Article 52**  
**Step-Up and Step-Down Margins for the MI**

- 52.1 Before the closure of each sitting of the MI-A, and for each session of the MI-XBID, GME shall receive for the MI and for each imbalance settlement period:
  - a) from Terna: the step-up and step-down margins for the units whose margins are to be defined by Terna under the Dispatching Rules, and the feasibility intervals contributing to determining such margins;
  - b) from the BRP or its delegated agent: the step-up and step-down margins for all other units.
- 52.2 If the BRP, its delegated agent, or Terna fail to provide the data indicated in para. 52.1 above, GME shall assign the values of the step-down margins according to the criteria specified in the Technical Rules.
- 52.3 The step-up and step-down margins of each zonal portfolio shall be obtained by adding up the step-up margins and step-down margins, respectively, of the units making up the same portfolio.

**Article 53**  
**Technical Adequacy Requirements of Bids/Offers in the MI**

- 53.1 For the purposes of Article 30, para. 30.2 c) above, the technical adequacy requirements shall be verified by applying the provisions of this article and the Technical Rules:
- a) at the end of each sitting of the MI-A, by processing i) first the bids/offers for simple products pertaining to market time intervals having a minimum duration, ii) then those for simple products pertaining to market time intervals having a longer duration, and iii) finally bids/offers for block products;
  - b) upon receiving bids/offers in each trading phase of the MI-XBID session.
- 53.2 A supply offer submitted in each MI-A auction sitting, in respect of a zonal portfolio, shall be regarded as technically adequate if the offered quantity does not exceed the step-up margin of the portfolio, for each imbalance settlement period included in each of the market time intervals to which the bid/offer refers; such margin shall be further decreased by the sum of the quantities specified in other supply offers that have been submitted for the same portfolio, pertaining to market time intervals comprising such imbalance settlement period, and that have already been verified to be technically adequate.
- 53.3 A demand bid submitted in each sitting of the MI-A auction, in respect of a zonal portfolio, shall be regarded as technically adequate if the offered quantity does not exceed the step-down margin of the portfolio, for each imbalance settlement period included in each of the market time intervals to which the bid refers; such margin shall be further decreased by the sum of the quantities specified in other demand bids that have been submitted for the same portfolio, pertaining to market time intervals comprising such imbalance settlement period, and that have already been verified to be technically adequate.
- 53.4 A supply offer submitted in each trading phase of the MI-XBID session, in respect of a zonal portfolio, shall be regarded as technically adequate if the offered quantity does not exceed the step-up margin for each imbalance settlement period included in each of the market time intervals to which the offer refers; such margin shall be modified in the following order:
- a) decreased by the sum of quantities of supply offers that have been matched in the same trading phase of the MI-XBID session and pertaining to market time intervals comprising such imbalance settlement period;
  - b) increased by the sum of quantities of demand bids that have been matched in the same trading phase of the MI-XBID session and pertaining to market time intervals comprising such imbalance settlement period;
  - c) decreased by the sum of quantities of supply offers that have already been verified as adequate and pertaining to market time intervals comprising such imbalance settlement period.
- 53.5 A demand bid submitted in each trading phase of the MI-XBID session, in respect of a zonal portfolio, shall be regarded as technically adequate if the offered quantity does not exceed the step-down margin for each imbalance settlement period included in each of the market time intervals to which the bid refers; such margin shall be modified in the following order:

- a) increased by the sum of quantities of demand bids that have been matched in the same trading phase of the MI-XBID session and pertaining to market time intervals comprising such imbalance settlement period;
- b) decreased by the sum of quantities of supply offers that have been matched in the same trading phase of the MI-XBID session and pertaining to market time intervals comprising such imbalance settlement period;
- c) increased by the sum of quantities of demand bids that have already been verified as adequate and pertaining to market time intervals comprising such imbalance settlement period.

53.6 In each sitting of the MI-A auction, each set of balanced bids/offers, identified by the same alphanumerical code chosen by Market Participants, shall be considered as technically adequate if:

- a) the single bids/offers satisfy the requirements set forth in paras. 53.2 and 53.3 above;
- b) the single bids/offers refer to the same market time interval and the same bidding zone;
- c) the sum of quantities specified in supply offers is equal to the sum of quantities specified in demand bids.

53.7 If one or more bids/offers in the set of balanced bids/offers are found to be technically inadequate, such inadequacy shall apply to the entire set of balanced bids/offers.

53.8 In each sitting of the MI-A auction, if a bid/offer submitted in respect of a simple product and pertaining to a minimum market time interval does not meet the requirements specified in paras. 53.2 and 53.3 above, then such bid/offer shall be considered to be technically adequate, but only for a quantity equal to the step-up or step-down margin, as calculated under paragraphs 53.2 and 53.3 above.

53.9 In each sitting of the MI-A auction, if a bid/offer submitted in respect of a simple product and pertaining to a market time interval whose duration is longer than the minimum market time interval, or if a bid/offer submitted in respect of a block product does not meet the requirements specified in paras. 53.2 and 53.3 above, then such bid/offer shall be considered to be technically inadequate.

53.10 In each trading phase of the MI-XBID, if a bid/offer does not comply with the requirements referred to in paragraphs 53.4 and 53.5 above, it shall be considered as inadequate.

#### **Article 54** **Results of the MI-A and Execution of the MI-XBID**

54.1 The provisions stated in this article shall apply to each market time interval within which bids/offers are accepted in respect of the products available in the MI-A or bids/offers are matched in respect of the products available in the MI-XBID.

54.2 In each session of the MI-A auction, GME shall identify a market solution related to accepted offers/bids and the corresponding valuing prices by relying on the PCR algorithm in accordance with the procedures and criteria defined in the Technical

Rules. In particular, among all the solutions processed by the PCR algorithm (within the processing time limits that are shared within the PCR framework and indicated in the Technical Rules), the market solution identified is the one at which the net value of daily transactions in all the energy markets involved in market coupling is maximum and which guarantees that:

- a) electricity flows between bidding zones respect the transmission constraints between the same zones;
- b) the amount of electricity specified in accepted supply offers is equal to the amount of electricity specified in accepted demand bids, taking into account imports and exports from/to neighbouring markets with which market coupling is active;
- c) the price of valuing of electricity in each bidding zone and in each market time interval is equal to the arithmetic average of the prices of the corresponding time intervals of shorter duration and is such that the following bids/offers are accepted or rejected:
  - accepted in full: all supply offers or demand bids for a simple product whose offer price is lower (sale) or higher (purchase) than the price of valuing. If bids/offers for simple products and pertaining to multiple market time intervals can be submitted, some of the bids/offers for products pertaining to market time intervals having a duration longer than the minimum market time interval may be paradoxically rejected;
  - accepted in full or in part, or rejected: all supply offers or demand bids for a simple product and whose offer price is equal to the price of valuing;
  - rejected: all supply offers or demand bids for a simple product and whose offer price is higher (sale) or lower (purchase) than the price of valuing;
  - accepted in full or in part, subject to the minimum acceptance share: supply offers or demand bids for a block product and whose offer price is lower than or equal to (sale) or higher than or equal to (purchase) the average of prices of valuing of the market time intervals making up the block, weighted for the quantities accepted in each market time interval included in the block. Bids/offers in respect of block products may be paradoxically rejected;
  - rejected: all supply offers or demand bids pertaining to a block product and whose offer price is higher (sale) or lower (purchase) than the average price of valuing of the market time intervals making up the block, weighted for the quantities offered in each market time interval included in the block;
- d) except as provided in subpara. c) above, if one or more bids/offers for simple products have been submitted at a price equal to the price of valuing in respect of zonal portfolios pertaining to the same bidding zone and the same market time interval, then the priority order of bids/offers mentioned in Article 51, para. 51.2 above shall be satisfied, consistently with the other provisions laid down in this article. If such bids/offers have the same priority, then, if necessary, the accepted quantities may be allocated on a *pro quota* basis.

54.3 For the purposes of the provisions of paragraph 54.2 above, consideration shall be given to the offers/bids related to the energy markets involved in market coupling and to the cross-border interconnection capacity made available by Transmission System Operators, as well as, limited to such offers/bids, the rules for determining the results adopted in the corresponding energy markets. In the event of a risk related to non-performance of market coupling (decoupling), or if decoupling with one or all of the

energy markets involved in market coupling is confirmed, GME shall inform Market Participants of that fact, as specified in the Technical Rules.

- 54.4 For the purposes of para. 54.2 above, the net value of transactions shall mean the difference between the overall value of accepted demand bids and the overall value of accepted supply offers. Such overall values shall be determined by valuing the quantity of electricity specified in each accepted bid/offer, or the accepted quantity in case of partial acceptance of the bid/offer, at the price specified in the bid/offer itself.
- 54.5 For each session of the MI-A and within the time limit defined in the Technical Rules, GME shall identify the accepted offers and the corresponding valuing prices in accordance with the modalities indicated in this article, and it shall define:
- a) the prices of valuing of electricity, determined without taking into account transmission constraints between bidding zones;
  - b) the prices of valuing, in each zone, of supply offers accepted in each bidding zone and of accepted demand bids.
- 54.6 For each phase of continuous trading of the MI-XBID and for each available product, GME shall organise an order book broken down by bidding zones. Each book displays all the bids/offers submitted in the MI-XBID, as well as those submitted by Market Participants in other markets connected with the XBID, which can be matched with each other on the basis of the intra-day interconnection capacity available, ordered according to the order of priority defined pursuant to the previous Article 51, paragraph 51.3.
- 54.7 The bids/offers referred to in paragraph 54.6 above are displayed in the relevant order book anonymously or without indication of the proposing Market Participant, and without indication of the reference zone.
- 54.8 The conclusion of transactions in the order book referred to in paragraph 54.6 above takes place through the automatic matching of bids/offers of opposite sign, present in the same order book.
- 54.9 In the MI-XBID sessions:
- a) a demand bid determines the matching (until it is exhausted) with one or more supply offers having a price lower than or equal to that of the entered bid;
  - b) a supply offer determines the matching (until it is exhausted) with one or more demand bids having a price higher than or equal to that of the entered offer;
  - c) for each transaction concluded, the price is that of the bid/offer having time priority;
  - d) consistently with the execution method chosen pursuant to the previous Article 27, paragraph 27.7, the partial execution of a bid/offer results in, for the unexecuted quantity, the creation of a bid/offer which remains displayed in the book with the price and time priority of the original bid/offer;
  - e) bids/offers submitted by the Market Participant during each trading phase of the MI-XBID and not matched are deleted from the order book at the end of the same trading phase.
- 54.10 Following the matching of bids/offers, pursuant to the previous paragraph 54.9, the intra-day interconnection capacity available for allocation is automatically updated according to the methods and criteria provided for in the Dispatching Rules and in the relevant European legislation.

54.11 At the end of trades in each session of the MI-A and in each phase of the MI-XBID, GME shall determine, for each Market Participant, each imbalance settlement period, and each zone:

- a) the commercial positions of zonal injection portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding to the commercial position referred to in Article 41, para. 41.7 above the corresponding demand bids and supply offers accepted in the MI;
- b) the commercial positions of zonal withdrawal portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding to the commercial position referred to in Article 41, para. 41.7 above the corresponding demand bids and supply offers accepted in the MI;
- c) the commercial positions of commercial zonal storage portfolios held by each Market Participant and to which one or more units of the same BRP refer; these positions shall be determined by adding to the commercial position referred to in Article 41, para. 41.7 above the corresponding demand bids and supply offers accepted in the MI;
- d) the commercial positions of commercial zonal withdrawal portfolios held by each Market Participant and to which a unit of the same BRP refers; these positions shall be determined by adding to the commercial position referred to in Article 41, para. 41.7 above the corresponding demand bids and supply offers accepted in the MI.

54.12 For each demand bid accepted in the MI-A sessions or matched in the MI-XBID session, in respect of withdrawal portfolios belonging to a geographical market zone, GME shall determine the non-arbitrage fee that the Market Participant submitting such bid shall pay, if negative, or receive, if positive; such fee shall be equal to the product between the accepted quantity and the difference between the related price indicated in Article 41, para. 41.2 c) above and the price indicated in Article 42 above.

54.13 For each supply offer accepted in the MI-A sessions or matched in the MI-XBID session, in respect of withdrawal portfolios belonging to a geographical market zone, GME shall determine the non-arbitrage fee that the Market Participant submitting such offer shall pay, if positive, or receive, if negative; such fee shall be equal to the product between the accepted quantity and the difference between the related price indicated in Article 41, para. 41.2 c) above and the price indicated in Article 42 above.

**Article 55**  
**Notification of Results and of Commercial Portfolio Positions**  
**Resulting from the MI**

55.1 Within the time limit referred to in Article 54, para. 54.5 above and for each MI-A auction session, GME shall publish the following data and information:

- a) the prices of valuing referred to in Article 54, para. 54.5 a) and b) above;
- b) for each bidding zone, the overall electricity quantities covered by accepted demand bids and supply offers;
- d) the demand curve and the supply curve for each bidding zone.

- 55.2 Within the time limit referred to in Article 54, para. 54.5 above, and for each session of the MI-A auction, GME shall communicate the following data to each Market Participant that has submitted bids/offers in the MI-A auction and only in respect of such bids/offers:
- a) the commercial positions referred in Article 54, para. 54.11 above;
  - b) the accepted bids/offers, specifying the amount of electricity accepted;
  - c) the bids/offers which have been rejected as being technically inadequate as a result of the verifications set forth in Article 30 above, with the reasons for such rejection;
  - d) the billed payables and receivables as per Article 92, para. 92.1 b) below.
- 55.3 Within the time limit referred to in Article 54, para. 54.5 above and for each MI-A auction session, GME shall notify each BRP of the commercial positions of zonal portfolios consisting of one or more units of which the same is the BRP, as determined in accordance with Article 54, para. 54.11 above.
- 55.4 During each phase of the MI-XBID session as well as at the end of the session, GME, following the concluded trades, shall make at least the following information available to each Market Participant:
- a) matched bids/offers, specifying the quantity of electricity and the related matching price;
  - b) the commercial positions referred to in Article 54, paragraph 54.11 above;
  - c) bids/offers rejected as not being adequate as a result of the checks referred to in Article 30 above, indicating the reason;
  - d) the billed payables and receivables pursuant to Article 92, paragraph 92.1 b) below.
- 55.5 During each phase of the MI-XBID session as well as at the end of it, following the concluded trades, GME shall provide each BRP with the commercial positions of zonal portfolios consisting of one or more units of which the same is the BRP as referred to in Article 54, paragraph 54.11 above.
- 55.6 At the end of each phase of the MI-XBID trading session, GME shall publish at least the following data and information for each geographical and/or virtual zone and for each available product:
- a) minimum price and maximum price of the session;
  - b) volume traded in the session.
- 55.7 GME shall notify Terna of the commercial positions of commercial zonal portfolios, as determined under Article 54, para. 54.11 c) and d) above.

**Article 56**  
***Valuing of Grid and Market Constraints in MI-A auctions***

- 56.1 Where the MI-A has been split into two or more zones, GME shall pay Terna the net margins deriving from the difference between the amounts debited to purchasing Market Participants and the amounts credited to selling Market Participants (fees for the assignment of transmission capacity).

**Article 57**  
**Valuing of Non-Arbitrage Fees in the MI**

- 57.1 GME shall pay Terna, if the amount is positive, or Terna shall pay GME, if the amount is negative, the net margins resulting from the difference between the amounts debited and the amounts credited to Market Participants as set forth in Article 54, paras. 54.12 and 54.13 above.

**SECTION III**  
**NOMINATION PLATFORM**

**Article 58**  
**Purpose of the PN**

- 58.1 On the PN, nominations of commercial positions resulting from the MGP and MI are carried out for each imbalance settlement period and each unit.
- 58.2 The opening and closing times of the nomination phase are defined in the Technical Rules.

**Article 59**  
**Registration of Nominations by Market Participants**

- 59.1 The registration of nominations on the PN shall be carried out in accordance with the procedures defined in this article and in the Technical Rules.
- 59.2 Nominations for each unit on the PN shall be carried out by the party identified in the Dispatching Rules, as communicated by Terna to GME under Article 24, para. 24.1 above, or by a party entitled to do so under Article 17, para. 17.4 above, which has acquired the status of Market Participant.
- 59.3 Registration requests can be submitted by:
- a) the compilation of specific forms available in the IT system of the PN;
  - b) sending a file, through the IT system of the PN, in the format defined in the Technical Rules.
- 59.4 The request for registration of each nomination on the PN must contain at least the following information, in addition to any other information indicated in the Technical Rules:
- a) the identification code of the unit to which it refers;
  - b) the day of flow;
  - c) the imbalance settlement period;
  - d) the type of nomination (injection/withdrawal);
  - e) the quantity of energy covered by the nomination.

- 59.5 If a portfolio consists of a single unit for which, based on what has been communicated by Terna under Article 24 above, the BRP and BSP coincide, or the nomination on the PN is to be carried out by the BRP, then GME shall automatically assign to such unit an implicit nomination on the PN; failing further communications by the party in charge of registering nominations, such implicit nomination shall be equal, in each imbalance settlement period, to the commercial position calculated on the corresponding portfolio.

#### **Article 60**

##### ***Step-Up and Step-Down Margins for Registration of Nominations***

- 60.1 By the end of the nomination phase, GME shall acquire from Terna, for each imbalance settlement period, the data concerning the step-up and step-down margins, as well as the feasibility intervals defined by Terna that contribute to determining such margins, for the purpose of registration of PN nominations for each unit.
- 60.2 If Terna fails to provide the data referred to in the previous paragraph, GME shall determine the values of the step-up and step-down margins relating to the nomination phase according to the criteria defined in the Technical Rules.

#### **Article 61**

##### ***Validation of Requests for Registration of Nominations***

- 61.1 Following a request for registration of a PN nomination received pursuant to the previous Article 59, GME shall check its validity. Each request is considered valid if:
- a) for requests of registration referred to in Article 59, para. 59.2 above, the Market Participant requesting registration of the PN nomination is not suspended;
  - b) for requests of registration referred to in Article 59, para. 59.5 above, the Market Participant to which GME assigns the implicit nomination is not suspended;
  - c) for requests of registration referred to in Article 59, para. 59.2 above, it reports all the information referred to in Article 59, para. 59.4 above;
  - d) for requests of registration referred to in Article 59, para. 59.2 above, it was received within the terms set out in Article 58, para. 58.2 above;
  - e) the unit indicated in the registration request referred to in Article 59, para. 59.2 above is available to the Market Participant pursuant to the previous Article 16, paragraph 16.2 d);
  - f) for requests of registration referred to in Article 59, para. 59.2 above, it was submitted in accordance with the procedures referred to in Article 59 above.
- 61.2 If the request for registration of a PN nomination is not valid, GME, according to the procedures defined in the Technical Rules, shall communicate the result to the Market Participant, indicating the reason for the negative outcome of this verification.

## **Article 62**

### **Verification of the Adequacy of Registrations of Nominations**

- 62.1 Within the terms and according to the procedures defined in the Technical Rules, GME shall check the adequacy of the registrations of PN nominations referred to in Article 58 above, in the following way:
- a) for each unit: it shall ensure that the injection or withdrawal nomination complies with the step-up and step-down margins of the unit referred to in Article 60 above. If this check gives a negative result, GME shall adjust the quantity being registered, decreasing or increasing it in line with the margins of the unit;
  - b) for the set of all the physical zonal injection portfolios consisting of units of the same BRP and having an overall commercial sell position: in the first place, it shall ensure that the sum of injection nominations is higher than the sum of withdrawal nominations; and, in the second place, it shall ensure that the sum of injection nominations, decreased by the sum of withdrawal nominations, is not higher than the commercial sell position. If this check gives a negative result, GME shall adjust the quantities being registered, in accordance with the priority criteria defined in the Dispatching Rules and with the Technical Rules, until reaching the commercial sell position, while complying with the margins of each unit;
  - c) for the set of all the physical zonal injection portfolios consisting of units of the same BRP and having an overall commercial buy position: in the first place, it shall ensure that the sum of withdrawal nominations is higher than the sum of injection nominations; and, in the second place, it shall ensure that the sum of withdrawal nominations, decreased by the sum of injection nominations, is not higher than the commercial buy position. If this check gives a negative result, GME shall adjust the quantities being registered, in accordance with the priority criteria defined in the Dispatching Rules and with the Technical Rules, until reaching the commercial buy position, while complying with the margins of each unit;
  - d) for the set of all the physical zonal withdrawal portfolios consisting of units of the same BRP and having an overall commercial buy position: it shall ensure that the sum of withdrawal nominations on such units is higher than the sum of injection nominations; and it will ensure that the sum of withdrawal nominations, decreased by the sum of injection nominations, is not higher than the commercial buy position. If this check gives a negative result, GME shall adjust the quantities being registered, in accordance with the priority criteria defined in the Dispatching Rules and with the Technical Rules, until reaching the commercial buy position, while complying with the margins of each unit;

- e) it shall ensure that the additional criteria established in the Technical Rules, including any feasibility intervals defined by Terna, are satisfied.

**Article 63**  
***Determination and Communication of***  
***Injection or Withdrawal Nominations on the PN***

- 63.1 During the nomination phase, within the deadlines set out in the Technical Rules, GME shall determine the provisional injection or withdrawal nominations on the PN for each unit. It shall do so for each Market Participant that has entered requests for registration, or to which it has assigned implicit nominations under Article 59, para. 59.5 above, for each bidding zone and each imbalance settlement period, on the basis of the checks and any adjustments made pursuant to the previous Article 62.
- 63.2 At the end of the nomination phase, within the deadlines set out in the Technical Rules, GME shall determine the definitive injection or withdrawal nominations on the PN for each unit. It shall do so for each Market Participant that has entered requests for registration of nominations, or to which it has assigned implicit nominations under Article 59, para. 59.5 above, for each bidding zone and each imbalance settlement period, on the basis of the checks and any adjustments made pursuant to the previous Article 62.

**Article 64**  
***Registration of Residual Nominations by GME***

- 64.1 GME shall register residual nominations, for each imbalance settlement period and each bidding zone, in respect of the injection or withdrawal units communicated by Terna under Article 24 above for each BRP, under the criteria defined in this article and in the Technical Rules.
- 64.2 After determining the definitive nominations as indicated in Article 63, para. 63.2 above, for each BRP having a commercial sell or buy position in respect of physical zonal injection portfolios, GME shall determine the corresponding residual nomination, to be registered on the injection unit communicated by Terna under Article 24 above, in such a way that:
  - a) for a commercial sell position, the difference between all injection nominations and withdrawal nominations, including the residual nomination, is equal to zero;
  - b) for a commercial buy position, the difference between all withdrawal nominations and injection nominations, including the residual nomination, is equal to zero.
- 64.3 After determining the definitive nominations as indicated in Article 63, para. 63.2 above, for each BRP having a commercial buy position in respect of physical zonal withdrawal portfolios, GME shall determine the corresponding residual nomination, to be registered on the withdrawal unit communicated by Terna under Article 24 above,

in such a way that the difference between all the withdrawal nominations and injection nominations, including the residual nomination, is equal to zero.

**Article 65**  
**Communication of Nominations**

- 65.1 The provisional injection or withdrawal nominations on the PN referred to in Article 63, para. 63.1 above and the definitive injection or withdrawal nominations referred to in Article 63, para. 63.2 above shall be communicated by GME to:
- a) the party responsible for the nomination, as communicated by Terna to GME under Article 24, para. 24.1 above, and the BRP or the Market Participant entitled pursuant to the previous Article 17, para. 17.4;
  - b) Terna.
- 65.2 The residual nominations referred to in Article 64 shall be communicated by GME to:
- a) the BRP and the Market Participant entitled pursuant to the previous Article 17, para. 17.4 above;
  - b) Terna.

**Article 66**  
**Definition of Basic Schedules**

- 66.1 After receiving the communication of the definitive nominations mentioned in Article 65, para. 65.1 above, Terna shall determine the basic schedule for each unit.

**SUBSECTION III**  
**BALANCING AND REDISPATCHING MARKET (MSD)**

**Article 67**  
**Purpose of the MSD**

- 67.1 In the MSD, Terna shall enter into purchase and sale contracts for the purpose of procuring resources for its balancing and redispatching service, as well as for global ancillary services.
- 67.2 The MSD may consist of multiple sessions, as set forth in the Dispatching Rules.
- 67.3 In the MSD, supply offers and demand bids shall be submitted and selected under the criteria defined in the Dispatching Rules. For the purposes of injection and withdrawal of electricity as a result of the acceptance of bids/offers, the provisions laid down in the Dispatching Rules shall apply.
- 67.4 In the MSD, the imbalance settlement period shall be defined in the Dispatching Rules.

**Article 68**  
**Periods for Submission of Bids/Offers**

68.1 The timetable for the activities pertaining to the sessions of the MSD shall be specified in the Technical Rules in accordance with the provisions of the Dispatching Rules.

**Article 69**  
**Demand Bids and Supply Offers**

69.1 In the MSD, bids/offers may be submitted only in respect of enabled units and only by the respective BSPs.

69.2 In the MSD, predefined bids/offers are submitted under the procedures specified in the Dispatching Rules.

**Article 70**  
**Results of the MSD**

70.1 GME shall notify Terna of the bids/offers received in the MSD for each unit and each imbalance settlement period.

70.2 Terna shall notify GME of the accepted bids/offers and of any other information as provided in the Dispatching Rules.

**Article 71**  
**Publication of Data and Notifications to Market Participants**

71.1 When the results of the MSD are known, GME shall publish at least the following data and information for each geographical zone and for each imbalance settlement period;

- a) the overall quantities of accepted demand bids and supply offers;
- b) the average value of the prices of accepted demand bids and supply offers, as well as the price of the lowest-priced demand bid and the price of the highest-priced supply offer that have been accepted.

71.2 When the results of the MSD are known, GME shall notify the following data to each Market Participant that has submitted bids/offers and only in respect of such bids/offers:

- a) the accepted bids/offers, specifying at least the accepted quantity;
- b) the billed payables and receivables, as set forth in Article 92, para. 92.1 c) below.

71.3 GME shall notify each Market Participant of any other information as provided in the Dispatching Rules.

**SECTION II**  
**OPERATION OF THE DAILY PRODUCTS MARKET (MPEG)**

**Article 72**  
***Purpose of the MPEG***

- 72.1 In the MPEG, Participants buy and sell daily products with the obligation of delivery of electricity.
- 72.2 GME is the counterparty of Market Participants for transactions concluded in the MPEG.
- 72.3 GME, as a qualified market participant in accordance with Annex A to ARERA Resolution 345/2023/R/EEL, holds a forward account on the PCE through which it registers onto the PCE the net delivery position corresponding to the purchase and sale transactions concluded in the MPEG, in the manner defined in this section.

**Article 73**  
***Products tradable in the MPEG***

- 73.1 In the MPEG, the following daily products may be listed:  
a) "unit price differential" product;  
b) "full unit price" product.  
The price associated with bids/offers submitted for each of the two products is equivalent to the price defined in the previous Article 2, para. 2.1, bbbbb) above.
- 73.2 For each of the daily products tradable in the MPEG, GME may list the following delivery profiles:  
a) Base-load, listed for all calendar days, whose underlying is the electricity to be delivered in all the hours belonging to the trading day;  
b) Peak-load, listed for the days from Monday to Friday, whose underlying is the electricity to be delivered in the hours, from the ninth to the twentieth, belonging to the trading day.
- 73.3 GME shall identify in the Technical Rules the daily products and the corresponding delivery profiles that can be traded in the MPEG.
- 73.4 The duration of the trading period of each product referred to in this article is defined in the Technical Rules.
- 73.5 The amount of electricity underlying each daily product is set by GME equal to 1 MW multiplied by the number of hours underlying the same product.

**Article 74**  
***Market Sessions***

- 74.1 GME shall publish on its website the calendar of the days and times of the market sessions. GME may change such hours, also in relation to specific types of contracts, in order to ensure orderly trading, giving timely information to Participants.

74.2 GME reserves the right to terminate or suspend the market sessions, notifying Participants thereof.

**Article 75**  
**Procedures for the Conclusion of Trades**

75.1 Trading in the market takes place on a continuous basis.

75.2 GME shall organise an order book for each listed daily product and for each delivery profile.

75.3 The minimum tradable quantity is equal to 1 (one) product, as defined in Article 73, paragraph 73.5 above.

**Article 76**  
**Trading Offers**

76.1 The trading offers shall be submitted in the manner defined in the Technical Rules and contain at least the following information:

- a) the delivery profile of the product;
- b) the number of products;
- c) the type of operation (purchase or sale);
- d) the price.

76.2 Market Participants must submit demand bids and supply offers with the price indication with reference to:

- a) for the "unit price differential " products, the minimum and the maximum price limit published before the opening of each session;
- b) for the "full unit price" products, the price limits defined in the Technical Rules.

76.3 Market Participants may not submit offers without price indication.

76.4 In each order book, offers/bids are listed, on the basis of their price, in descending order for demand bids and in ascending order for supply offers. For the same price, the time priority of placing the bid/offer shall apply.

76.5 The trading offers shall be sent based on one of the categories shown in the Technical Rules.

76.6 During the market session, Participants can change or cancel offers/bids not yet matched. Modified offers/bids lose the time priority previously acquired.

76.7 Offers/bids shall be posted in the book without specifying the proposing Participant, thus ensuring anonymity.

**Article 77**  
**Booking of Margins for Forward Accounts on the PCE**

77.1 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.

- 77.2 Margins booked under the previous paragraph 77.1 are updated following the submission of the trading offers referred to in Article 76 above, as well as at the conclusion of transactions in compliance with Article 79 below, according to the procedures provided in the Technical Rules.
- 77.3 Margins booked under the previous paragraph 77.1 and not yet committed for offers/bids submitted or transactions already completed during the session may be modified or revoked by Market Participants as specified in the Technical Rules.

### **Article 78**

#### ***Validation and Adequacy Verifications of Bids/Offers in the MPEG***

- 78.1 Any bid/offer shall be considered valid and adequate if it satisfies the following requirements:
- a) the Market Participant is not suspended from the ME or from the PCE;
  - b) the bid/offer contains all the information referred to in Article 76, para. 76.1 above;
  - c) the price indicated in the bid/offer is within the limits referred to in Article 76, paragraph 76.2 above;
  - d) the quantity of the bid/offer is less than or equal to the value of the margins booked and not yet committed as per Article 77 above;
  - e) the bid/offer is guaranteed in accordance with Article 102 below.
- 78.2 GME's information system returns the results of the validation and adequacy checks of bids/offers referred to in paragraph 78.1 above. and:
- a) in case of failure, it rejects the placing of offers/bids in the related order book;
  - b) in the case of success, it enters the offers/bids in the order book.

### **Article 79**

#### ***Continuous Trading***

- 79.1 During continuous trading, the conclusion of transactions takes place via automatic matching of demand bids and supply offers, already checked as valid and adequate under the previous Article 78, present in the book and ranked under the priority criteria referred to in paragraph 76.4 above.
- 79.2 A demand bid will be matched (until it is exhausted) with one or more supply offers having a price lower than or equal to the one of the entered bid,
- 79.3 A supply offer will be matched (until it is exhausted) with one or more demand bids having a price higher than or equal to the one of the entered offer.
- 79.4 Consistently with the procedures for submission of offers/bids referred to in Article 76, paragraph 76.5 above, the partial execution of the offer/bid turns into the creation of an offer/bid for the non-executed quantity that shall remain posted in the book with the price and time priority of the original bid/offer.

- 79.5 Bids/offers will never be matched, if they are submitted by the same Participant.
- 79.6 For each transaction concluded under paras. 79.2 and 79.3 above, the matching price is the one of the offer/bid having time priority.

**Article 80**  
**Registration of Net Positions on the PCE**

- 80.1 At the end of each trading MPEP session, GME shall determine, for each Participant, the net delivery position on the PCE, for all the hours included in the related daily product traded.
- 80.2 For each hour, the net delivery position is the sum of the purchase and sale transactions concluded in the MPEP.
- 80.3 For the purpose of calculating the net delivery position, purchase transactions are considered to have a negative sign and sale transactions to have a positive sign.
- 80.4 The net delivery position for each hour belonging to the day of delivery shall be registered by GME on the PCE in the manner and within the time limits defined in the Technical Rules.
- 80.5 Registration of transactions onto the PCE under this article involves that Participants holding forward accounts and the BRPs of the units making up the portfolios associated with forward accounts acquire the rights and obligations referred to in the PCE Rules.

**Article 81**  
**Information and Results**

- 81.1 At the end of each trading session of the MPEP, GME shall publish, for each delivery profile of the daily traded products, at least the following data and information:
- a) the minimum and maximum price;
  - b) the reference price of the session;
  - c) the volume traded in the session.

**SECTION III**  
**OPERATION OF THE FORWARD ELECTRICITY MARKET (MTE)**

**Article 82**  
**Purpose of the MTE**

- 82.1 In the MTE, Participants purchase and sell forward electricity contracts with delivery obligation.
- 82.2 GME is the counterparty of Market Participants for transactions concluded in the MTE.

82.3 As a qualified market participant in accordance with Annex A to ARERA Resolution 345/2023/R/EEL, GME shall hold a forward account on the PCE, through which it shall register onto the PCE the net delivery position, corresponding to the purchase and sale transactions that the Market Participant has concluded in the MTE, according to the modalities defined in this section.

### **Article 83** **Types of Tradable Contracts**

- 83.1 The types of tradable contracts shall be as follows:
- a) Base-load: the underlying of this contract is the electricity to be delivered in all the hours of the days belonging to the delivery period;
  - b) Peak-load: the underlying of this contract is the electricity to be delivered in the hours from the ninth to the twentieth day of the days belonging to the delivery period, excluding Saturdays and Sundays.
- 83.2 The tradable contracts shall have a delivery period equal to the calendar month, the quarter, and the year.
- 83.3 The duration of the trading period for each contract mentioned in the above paragraph shall be defined in the Technical Rules.
- 83.4 With reasonable advance, GME shall publish a calendar with the types of tradable contracts and the related trading and delivery periods.
- 83.5 The quantity of electricity underlying each contract determined by GME shall be equal to 1 MW multiplied by the hours underlying the same contract.

### **Article 84** **Market Sessions**

- 84.1 GME shall publish the calendar of the days and hours of the market sessions on its website. GME may change such hours taking into account, *inter alia*, the specificity of some types of contracts with a view to ensuring an orderly trading activity. GME shall timely notify Market Participants of such changes.
- 84.2 GME reserves the right to close or suspend the market sessions, notifying Market Participants thereof.

### **Article 85** **Conclusion of Contracts**

- 85.1 Trading in the market shall take place on a continuous basis.
- 85.2 GME shall organise an order book for each type of contract and each delivery period.
- 85.3 The minimum tradable quantity shall be equal to 1 (one) contract, as defined in Article 83, para. 83.5 above.

**Article 86**  
**Bids/Offers**

- 86.1 Bids/offers shall be submitted in accordance with the modalities defined in the Technical Rules. They shall contain at least the following data:
- a) type and period of delivery of the contract;
  - b) number of contracts;
  - c) type of transaction (purchase or sale);
  - d) price.
- 86.2 Market Participants may also submit bids/offers without a price limit.
- 86.3 Market Participants shall not:
- a) submit bids/offers with a price limit equal to zero or with a negative price limit;
  - b) submit demand bids or supply offers without a price limit, if supply offers or demand bids with a price limit are present in the order book, respectively.
- 86.4 In each order book, demand bids shall be ranked in decreasing price order and supply offers in increasing price order. If bids/offers have the same price, they shall be ranked by time of entry. Bids/offers without a price limit shall have a maximum price priority.
- 86.5 During the market session, Market Participants may modify or cancel the bids/offers that have not yet been matched. The modified bids/offers shall lose the time priority that that they have previously acquired.
- 86.6 Bids/offers shall be posted in the order book without specifying the proposing Market Participants, thereby ensuring their anonymity.

**Article 87**  
**Validation and Adequacy Verifications in the Trading Period**

- 87.1 A demand bid/supply offer shall be deemed to be valid and adequate, if it meets the following requirements:
- a) the Market Participant is entitled to register transactions on the forward accounts that it holds on the PCE;
  - b) the Market Participant has not been suspended from the ME or from the PCE;
  - c) the price limit and the quantities specified in the bid/offer fall within the limits identified in the Technical Rules. GME may modify such limits in order to ensure an orderly trading activity, notifying Market Participants thereof;
  - d) it is guaranteed in compliance with Article 102 below.
- 87.2 For the purposes of the verification referred to in para. 87.1 d) above, if a bid/offer is submitted without a specified price, its price shall be deemed to be equal to the price of the best proposals of opposite sign that are present in the order book, until the bid/order is exhausted.
- 87.3 GME's information system shall return the results of the validation and technical adequacy verifications of the bids/offers referred to in para. 87.1 above and:

- a) in case of negative outcome, it shall reject the entry of bids/offers into the order book, specifying the reasons for such rejection;
- b) in case of positive outcome, it shall enter the bids/offers into the order book.

**Article 88**  
**Continuous Trading**

- 88.1 During continuous trading, contracts shall be concluded through automatic matching of bids/offers already verified to be adequate and of opposite sign that are present in the order book and ranked under the priority criteria referred to in Article 86, para. 86.4 above.
- 88.2 The entry of a demand bid with a price limit shall determine the matching of the bid (until it is exhausted) with one or more supply offers having a price lower than or equal to the one of the entered proposal.
- 88.3 The entry of a supply offer with a price limit shall determine the matching of the offer (until it is exhausted) with one or more demand bids having a price higher than or equal to the one of the entered offer.
- 88.4 The entry of a bid/offer without a price limit shall determine the matching of the bid/offer until it is exhausted with one or more bids/offers of opposite sign that are present in the order book upon entry of such bid/offer.
- 88.5 If a bid/offer with a price limit is partially executed, its non-executed part shall create a bid/offer that shall remain posted in the order book with the same price and time priority as the original bid/offer. The partial execution of a bid/offer without a price limit shall cause the cancellation of the bid/offer limited to its non-executed quantity.
- 88.6 Bids/offers of opposite sign shall not be matched, if they are submitted by the same Market Participant.
- 88.7 For each contract concluded under paras. 88.2 and 88.3 above, the price shall be the one of the bid/offer having time priority.
- 88.8 GME may allow each Market Participant to register in the market the forward contracts that it has concluded off the market, under the modalities and within the time limits established in the Technical Rules.
- 88.9 The bids/offers mentioned in para 88.8 above shall be valid if they meet all the requirements of Article 87 above, as well as any additional requirements as may be specified in the Technical Rules.
- 88.10 At the end of the continuous trading period, GME may determine a reference price, as well as a closing price in accordance with the modalities indicated in the Technical Rules.
- 88.11 Non-matched bids/offers shall be deleted from the order book at the end of the market session, unless otherwise specified by the Market Participant.

**Article 89**  
**Cascading**

- 89.1 Forward contracts of a duration of more than one month shall - at the end of their trading period - be governed by the cascading mechanism, in accordance with the modalities and time limits indicated in the Technical Rules.
- 89.2 The cascading mechanism shall not apply to monthly contracts, which are governed by the provisions of Article 90 below.

**Article 90**  
**Registration of the Net Delivery Position on the PCE**

- 90.1 At the end of the last trading session of monthly contracts, GME shall determine the net delivery position of each Market Participant for all the hours of the month included in the delivery period of such contracts.
- 90.2 The Market Participant may - under the procedures and within the time limits established in the Technical Rules - request the registration of the net delivery position on the PCE even earlier than the time limit referred to in the above paragraph.
- 90.3 For each hour, the net delivery position shall be given by the sum of purchase and sale transactions concluded in the MTE.
- 90.4 For the purpose of computing the net delivery position, purchase transactions shall be considered to have a negative sign, while sale transactions shall be considered to have a positive sign.
- 90.5 GME shall register onto the PCE the net delivery position for each hour belonging to the month of delivery, under the modalities and within the time limits defined in the Technical Rules.
- 90.6 The registration of the net delivery position shall be allowed if the following requirements are met:
- a) the Market Participant has not been suspended from the ME or from the PCE;
  - b) it is guaranteed in compliance with Article 102 below;
  - c) the Market Participant is entitled to register transactions on the forward accounts that it holds on the PCE;
  - d) it satisfies the adequacy verifications referred to in Article 35 of the PCE Rules.
- 90.7 GME's information system shall return the results of the validation and adequacy verifications referred to in para. 90.6 above, and:
- a) in case of negative outcome: *i)* the registration of the net delivery position is rejected, specifying the reasons; *ii)* the available amount of the guarantee may be reduced pursuant to Article 102, paragraph 102.4 e) below; *iii)* the procedure covered by para. 90.8 below shall be activated; *iv)* for each MWh of the net delivery position not registered on the PCE, a 2 euro/MWh penalty is applied, according to the modalities and within the time limits defined in the Technical Rules. In

compliance with the rules established by the Regulatory Authority with a specific resolution, GME shall transfer the amounts deriving from the application of this penalty to the Guarantee Fund;

- b) in case of positive outcome, it shall permit the registration of the net delivery position, causing the registration on the PCE of corresponding transactions on the forward accounts indicated by the Market Participant and having GME as a counterparty.

90.8 In case of failed (partial or total) registration of the net delivery position on the PCE, GME shall - at the end of the delivery period - assign to the Market Participant a transaction of opposite sign in the MTE; this transaction shall have:

- a) a quantity equal to the electricity that has not been registered onto the PCE;
- b) a price equal to the average of the prices, referred to in Article 42 above, of the market time intervals belonging to the month of delivery, weighted for the quantities that have not been registered onto the PCE in each market time interval.

90.9 The registration of transactions on the PCE under this article shall cause the Market Participants holding forward accounts and the BRPs holding the portfolios associated with forward accounts to acquire the rights and obligations covered by the PCE Rules.

#### **Article 91** **Information and Results**

91.1 For each trading session and each contract, GME shall publish at least the following data and information:

- a) minimum and maximum prices;
- b) reference price of the session;
- c) volume traded in the session.

**TITLE IV**  
**BILLING AND INVOICING OF PAYABLES AND RECEIVABLES ARISING IN THE ME**

**SECTION I**  
**BILLING OF PAYABLES AND RECEIVABLES ARISING IN THE ME**

**Article 92**  
***Billing of Accepted Bids/Offers***

- 92.1 At the end of each session of the markets making up the ME, GME shall determine the payables and receivables pertaining to each accepted bid/offer. In particular, GME shall determine the values of:
- a) the commercial positions of injection or withdrawal resulting from the MGP;
  - b) the changes to the commercial positions of injection or withdrawal resulting from the MI;
  - c) the bids/offers accepted in the MSD pursuant to Article 70, para. 70.2 above;
  - d) the bids/offers accepted in the MTE pursuant to Article 88 above.
  - e) the settlement price determined on the basis of the bids/offers matched in the MPEG and described in Article 79, paragraph 79.6 above exclusively for the "full unit price" products. Regarding the "unit price differential" products, the settlement price is determined at the closure of the corresponding session of the MGP.
- 92.2 At the end of each session in the MPE, GME shall determine, for each imbalance settlement period and separately for the set of portfolios or units held by each Market Participant:
- a) the sum of payables for all bids/offers accepted in the MGP and the MI;
  - b) the sum of payables for all bids/offers accepted in the MSD;
  - c) the sum of receivables for all bids/offers accepted in the MGP and the MI;
  - d) the sum of receivables for all bids/offers accepted in the MSD.
- 92.3 At the end of each session of the MTE, GME shall determine the following payables and receivables, increased by VAT (where chargeable), and notify each Participant thereof:
- a) the purchases concluded under Article 88 above;
  - b) the sales concluded under Article 88 above;
  - c) the purchases concluded by GME under Article 114 below;
  - d) the sales concluded by GME under Article 114 below.
- 92.4 At the end of each session of the MPEG exclusively for the "full unit price" products, or at the end of the corresponding session of the MGP for the "unit price differential" products, GME shall determine the corresponding settlement price and shall inform each Participant about the following payables and receivables, increased by VAT, where chargeable:
- a) purchases concluded under Article 79 above;
  - b) sales concluded under the Article 79 above.
- 92.5 At the end of each invoicing period, GME shall determine the value of the purchases and sales attributed to each Market Participant by GME itself under Article 114 below and notify each Market Participant thereof.

**Article 93**  
**Daily Billing in the MPE**

- 93.1 For each day, after valuing the amounts and sums referred to in Article 92 above, increased by VAT (where chargeable), GME shall determine for each Market Participant and separately for the set of portfolios or units:
- a) the sum, for all the imbalance settlement periods, of the amounts referred to in Article 92, para. 92.2 a) above;
  - b) the sum, for all the imbalance settlement periods, of the amounts referred to in Article 92, para. 92.2 b) above;
  - c) the sum, for all the imbalance settlement periods, of the amounts referred to in Article 92, para. 92.2 c) above;
  - d) the sum, for all the imbalance settlement periods, of the amounts referred to in Article 92, para. 92.2 d) above.
- 93.2 On a daily basis, GME shall notify the Market Participant of the amounts referred to in para. 93.1 above.

**Article 94**  
**Payables and Receivables Pertaining to Terna**

- 94.1 For each imbalance settlement period, GME shall determine the payables and receivables pertaining to Terna and notify Terna thereof. In particular, GME shall determine the values of:
- a) the net margins referred to in Article 46 above for the MGP;
  - b) the net margins referred to in Article 56 above for the MI.

**SECTION II**  
**INVOICING OF PAYABLES AND RECEIVABLES ARISING IN THE ME**

**Article 95**  
**Invoicing Period**

- 95.1 The invoicing period for the billed payables and receivables arising in the ME shall be specified in the Technical Rules.

**Article 96**  
**Invoicing**

- 96.1 For each invoicing period, according to the modalities and within the time periods specified in the Technical Rules, GME shall:
- a) issue invoices for the amounts specified in Article 93, para. 93.1 a), Article 92, para. 92.3 a), para. 92.4 a), and para. 92.5 above to each Market Participant in debit towards GME, for all the imbalance settlement periods included in the invoicing period;
  - b) notify each Market Participant in credit towards GME of the amounts referred to in Article 93, para. 93.1 c) and Article 92, para. 92.3 b), para. 92.4 b), and para. 92.5 above, for all the imbalance settlement periods included in the invoicing period;

- c) notify Terna of the amounts relative to the margins referred to in Article 94 above for all the imbalance settlement periods included in the invoicing period, for invoicing purposes;
  - d) issue invoices to each Market Participant for the fees due for the MWh traded and registered on the PN as per Article 7, para. 7.1 above.
- 96.2 Following the notifications covered by para. 96.1 b) above, Market Participants shall issue invoices to GME for the specified amounts.
- 96.3 The time periods and formalities for issuing invoices to GME, as set forth in para. 96.2 above, for the purposes of the provisions of Article 103 below, shall be specified in the Technical Rules.
- 96.4 The invoices and notifications referred to in paras. 96.1 and 96.2 above shall be provided to Market Participants by electronic means according to the modalities set forth in the Technical Rules.
- 96.5 The time limits and modalities of invoicing concerning the defaulting Market Participant under Article 109, para. 109.3 a) below shall be defined in the Technical Rules.

### **Article 97** **Invoice Contents**

- 97.1 For each imbalance settlement period included in the invoicing period and for each session of the markets making up the MGP, MI and MSD, the invoices and notifications referred to in Article 96, paras. 96.1 and 96.2 above shall include at least the following data, where applicable:
- a) the quantities of electricity relative to accepted bids/offers;
  - b) the price at which the quantities mentioned in subpara. a) above are valued;
  - c) the type of contract traded;
  - d) the taxes applied;
  - e) the total amount.
- 97.2 For each applicable delivery period included in the invoicing period and for each session of the MTE and the MPEG, the invoices and notifications referred to in Article 96, paras. 96.1 and 96.2 above shall include at least the following data, where applicable:
- a) the type of traded contracts;
  - b) the quantities of electricity pertaining to the transactions concluded;
  - c) the price at which the contracts mentioned in subpara. a) above are valued;
  - d) the taxes applied;
  - e) the total amount.
- 97.3 The provisions of paras. 97.1 and 97.2 above shall not apply to the invoices mentioned in Article 96, para. 96.1 d) above.
- 97.4 The invoices referred to in Article 96, para. 96.1 d) above shall include at least the following data:
- a) the quantities of electricity relative to accepted bids/offers;
  - b) the fees applied for the MWh traded and registered on the PN;

- c) the taxes, where applied;
- d) the total amount.

**Article 98**  
***Application of Fees for Services Provided by GME***

- 98.1 The access fee, referred to in Article 7, para. 7.1 above, shall be invoiced in accordance with the modalities and within the time limits defined in the Technical Rules, increased by VAT, where chargeable.
- 98.2 The yearly fixed fee, referred to in Article 7, para. 7.1 above, shall be invoiced in accordance with the modalities and within the time limits defined in the Technical Rules and increased by VAT, where chargeable.
- 98.3 The fees for the services provided under Article 8, para 8.4 above, referred to in Article 7, para. 7.4 above shall be invoiced in accordance with the modalities and within the time limits defined in the Technical Rules, and increased by VAT, where chargeable.

**TITLE V**  
**GUARANTEE SYSTEMS, SETTLEMENT OF PAYMENTS, AND DEFAULT**

**SECTION I**  
**GUARANTEE SYSTEMS**

***Article 99***  
***Treasury Services***

99.1 GME shall entrust its treasury services to a leading bank or financial institution.

***Article 100***  
***Financial Guarantees of Market Participants***

100.1 In order to cover the obligations that they intend to take on the energy markets, Market Participants shall post financial guarantees which may be cumulated with one another, in the form of first-demand bank guarantees in accordance with the provisions of paragraph 100.2 below, according to:

- a) Annex 3 hereto, if they intend to operate in the netting markets of the ME, MPEG, and MTE;
- b) Annex 5 or, alternatively or cumulatively, according to Annex 3 hereto, if they intend to operate in the netting markets of the ME and MPEG.

100.2 First-demand bank guarantees must be issued by banking institutions which are members of the bank register ("Albo") referred to in Article 13 of Legislative Decree 1 September 1993, no. 385, and which have a long-term rating, attributed by at least one of the following rating companies: Standard & Poor's Rating Services, Moody's Investor Service, Fitch and DBRS. The rating shall not be lower than BBB- of the Standard & Poor's scales or Fitch or Baa3 of the scale of Moody's Investor Service or to BBB low of the DBRS scale.

100.3 Alternatively to or cumulatively with the guarantees posted in the form of a bank guarantee, Participants may post guarantees in the form of a non-interest bearing cash deposit to be paid into the bank account held by GME at the treasury institute in accordance with the provisions of the Technical Rules. PA Participants shall post guarantees exclusively in the form of a non-interest-bearing cash deposit to be paid into the bank account held by GME at the treasury institute referred to in Article 99 above in accordance with the provisions of the Technical Rules.

100.4 Market Participants that have posted guarantees in the form of bank guarantees or in the form of a deposit shall allocate the amount of such guarantees under the modalities defined in the Technical Rules.

100.5 If the Market Participant is also a participant of the PCE, in order to cover the obligations arising from the submission of registration applications on the PCE, it may use a share of the guarantees referred to in paragraphs 100.1 and 100.3 above, according to the allocations communicated pursuant to paragraph 100.4 above.

100.6 If the Market Participant is also an MGAS participant:

- a) the share of the guarantees posted pursuant to paragraphs 100.1 and 100.3 above, intended to cover the obligations taken in the netting markets of the ME, according to the allocations notified pursuant to paragraph 100.4 above, is automatically considered also to cover the obligations in the netting markets of the MGAS;
- b) the share of the guarantees posted in accordance with Annex C and/or Annex E, as well as in the form of a non-interest bearing cash deposit, as per the MGAS Rules, intended to cover the obligations taken in the netting markets of the MGAS, according to the allocations notified pursuant to the MGAS Rules are automatically considered also to cover the obligations in the netting markets of the ME;
- c) it may allocate part of the guarantees referred to in paragraph 100.1 a) above (Annex 3 hereto) and paragraph 100.3 above, according to the allocations referred to in paragraph 100.4 above, to cover obligations arising in the MTGAS;
- d) it may allocate part of the guarantees posted according to Annex C, as well as in the form of a non-interest-bearing cash deposit, as per the MGAS Rules to cover the obligations arising in the MPEG and MTE, according to the modalities and terms indicated in the Technical Rules of the MGAS Rules related to the allocation of guarantees;
- e) it may allocate part of the guarantees posted according to Annex E, as well as in the form of a non-interest-bearing cash deposit, as per the MGAS Rules to cover obligations arising in the MPEG, according to the modalities and terms indicated in the Technical Rules of the MGAS Rules concerning the allocation of guarantees.

100.7 In the case of a bank guarantee, if the bank issuing the guarantee is subject to control as per Art. 2359, paras. 1 and 2 of the Italian Civil Code and does not meet the requirements set forth in para. 100.2 above, then the guarantee issued by such bank shall be supported by a statement issued by its controlling company. In such statement, the controlling company, which shall meet the requirements specified in paras. 100.2 above, shall undertake the following obligations:

- a) if a change takes place in the structure of the company and such change is such as to involve the loss of control as per art. 2359, paras. 1 and 2 of the Italian Civil Code, then the company shall timely notify GME thereof;
- b) if, when receiving a request for enforcing the bank guarantee, the issuing bank is in default or in the position referred to in subpara. a) above, then the company shall guarantee the fulfilment of the obligation undertaken by its controlled company.

100.8 If the bank issuing the guarantee or the controlling company that has issued the statement mentioned in para. 100.7 above no longer meets one or both of the requirements specified in para. 100.2 above, or if the controlling company loses the control of the bank issuing the bank guarantee as per art. 2359, paras. 1 and 2 of the Italian Civil Code, then the bank guarantees issued by such bank shall remain valid until the end of the time period specified in the Technical Rules.

100.9 The bank guarantee and the statement mentioned in para. 100.7 above shall be submitted to the treasury institute referred to in Article 99 above.

100.10 By the end of the working day following the one on which the bank guarantee and the statement mentioned in para. 100.7 above have been submitted, the treasury institute

shall verify whether the guarantee is complete and conforms to the format attached hereto, whether it has been issued by a bank meeting the requirements specified in para. 100.2 above and whether the statement issued by the controlling company has the content referred to in paras. 100.7 a) and b) above.

- 100.11 Within the time period specified in para. 100.10 above, the treasury institute shall notify the Market Participant and GME of any deficiencies noted upon the verification of the submitted bank guarantee or of the statement mentioned in para. 100.7 above.
- 100.12 If the verification has a positive outcome, the treasury institute shall notify GME, within the time period specified in para. 100.10 above, of the amount covered by the bank guarantee and of the start of the period of validity of the guarantee and of the statement mentioned in para. 100.7 above.
- 100.13 The Market Participant may dispute the results of the verification carried out by the treasury institute by filing an appeal with the Court of Arbitration pursuant to Article 133 below.
- 100.14 The amount covered by the bank guarantee and by the statement referred to in para. 100.7 above shall be valid and effective within the second working day following the day on which GME has received the notification referred to in para. 100.12 above.
- 100.15 The amount guaranteed by the non-interest-bearing cash deposit shall be valid and effective within the second working day following the one on which such deposit has been credited to GME's bank account with the treasury institute. The deposit shall be deemed to have been credited to GME's bank account on the date and at the time recorded by the information system of GME's treasury institute.

### **Article 101** **Amount of the Guarantee**

- 101.1 The amount of the guarantee (whether a bank guarantee or a non-interest-bearing cash deposit taken into consideration for the adequacy verification is determined by the Market Participant based on the bids/offers it wishes to submit.
- 101.2 The Market Participant that has posted bank guarantees in accordance with Annex 3 may at any time request the modification of the guaranteed amount, by submitting an updating letter in the format of Annex 4 hereto or a new bank guarantee to the treasury institute. The Market Participant that has posted bank guarantees in accordance with Annex 5 may at any time request the modification of the guaranteed amount or of the period of validity and effect of the guarantee, by submitting an updating letter compliant with Annex 6 hereto or a new bank guarantee to the treasury institute.
- 101.3 By the end of the working day following the presentation of the letter updating the bank guarantee, the treasury institute shall verify whether the letter conforms to the specified format.
- 101.4 Within the time limit specified in para. 101.3 above, the treasury institute shall notify the Market Participant and GME of any deficiencies noted upon the verification of the submitted updating letter.

- 101.5 If the verification has a positive outcome, the treasury institute shall notify GME, within the time limit referred to in para. 101.3 above, of the new guaranteed amount and of the date from which the new value shall apply.
- 101.6 The new bank guarantee and the updating letter shall be verified according to the provisions contained in Article 100 above.
- 101.7 Without prejudice to para. 101.8 and 101.9 below, the modification of the guaranteed amount shall take effect within the second working day following that on which GME receives the notification referred to in paragraph 101.5 above; or from the date specified by the Market Participant in the notification referred to in paragraph 101.5 above, provided that such date falls after the second working day following that on which GME receives such notification.
- 101.8 If the request for modification referred to in para. 101.2 above concerns a reduction of the amount guaranteed, or the advance of the period of validity and effect thereof, in the case of bank guarantees submitted in the format of Annex 5 hereto, the acceptance of such request shall be subject to a verification by GME. GME shall verify whether the requesting Market Participant is in debit towards GME. If the Market Participant is not in debit, GME shall notify the Market Participant of the immediate validity of the requested modifications for the purposes of the adequacy verifications.
- 101.9 The Market Participant may at any time request the return of the bank guarantee posted pursuant to the provisions of this Rules. The acceptance of this request is subject to GME's positive verification of the amounts for which the requesting Market Participant is a debtor. If the verification is positive, GME shall notify the Market Participant of the immediate validity of the requested modifications for the purposes of the adequacy verifications. GME shall return the bank guarantee in accordance with the procedures provided for in the Technical Rules.
- 101.10 The Market Participant may at any time request the modification (increase or decrease) of the amount of the guarantee posted in the form of a cash deposit. The Market Participant may ask for refund (even partial) of the deposited amount provided that, through this modification, the Market Participant's position is entirely guaranteed. If the verification is positive, the reduction of the guaranteed amount will be immediately valid for the purposes of adequacy verifications. GME will refund the deposit as provided for in the Technical Rules. If the Market Participant requests an increase of the amount of the guarantee, it shall deposit the related amount into the account held by GME with the treasury institute, according to the modalities described in the Technical Rules. After verifying whether the Market Participant's deposit has been credited to its bank account, GME shall modify the guaranteed amount with validity and effect within the second working day following the one on which such deposit has been credited. The amount so credited shall be deemed to have been received on the date and at the time recorded by the information system of the treasury institute.

## **Article 102**

### ***Available Amount of the Guarantee for Purposes of Adequacy Verification***

- 102.1 GME shall determine and update the available amount of the guarantee, considering the allocation made by the Market Participant pursuant to Article 100, paragraphs 100.4

and 100.6 above, in accordance with the modalities and time limits defined in the Technical Rules.

- 102.2 If the guarantee, updated under the modalities indicated in the Technical Rules, is not sufficient, the Market Participant shall adjust the guaranteed amount in accordance with the modalities and within the time limits defined in the Technical Rules. Pending the adjustment of the guaranteed amount, the Market Participant:
- a) shall not be allowed to conclude trades which determine the increase in the Market Participant's exposure towards GME, as per the Technical Rules.
- 102.3 If the Market Participant does not adjust the guaranteed amount as per para. 102.2 above, GME shall apply the default procedure referred to in Section III below.
- 102.4 GME shall determine and update the available amount of the guarantee and carry out the adequacy verifications in accordance with the modalities defined in the Technical Rules, under the following principles:
- a) in order to establish an adequate maintenance margin, the amount of the guarantees is reduced by an amount determined according to the modalities and terms defined in the Technical Rules;
  - b) the bids/offers submitted into the MGP, MI and MPEG are adequate if the guarantees totally cover the payables arising therefrom;
  - c) the demand bids and supply offers submitted into the MTE are adequate if the guarantees partially cover the payables/receivables arising therefrom, as indicated in the Technical Rules;
  - d) if the registration of the net delivery position on the PCE concerns a purchase, it is adequate if the guarantees totally cover the related value;
  - e) if the net delivery position cannot be registered onto the PCE as per Article 90, para. 90.6 above, GME may decrease the available amount of the guarantee;
  - f) if the Market Participant operates in the netting markets, the available amount of the guarantee considered for the adequacy verifications of bids/offers submitted into the MGP and MI is determined by taking into account, as a whole, also the operations in the MPGAS pursuant to the MGAS Rules.
- 102.5 For the purposes of the technical adequacy verifications in the MTE, GME may define:
- a) the relevant check price for each contract traded in the MTE; this price is daily determined on the basis of bids/offers submitted and/or concluded in the MTE; GME may determine the MTE check price also on the basis of procedures that involve Market Participants;
  - b) a parameter  $\alpha$ , which is determined on the basis of the volatility of the prices of the traded contracts;
  - c) a parameter  $\beta$ , which is determined on the basis of the correlation between the prices of the baseload and peakload contracts;
  - d) a parameter  $\gamma$ , which is determined on the basis of the correlation of prices between the different delivery periods.
- 102.6 For the purposes of the adequacy verifications in the MPEG, GME defines the check price parameter.
- 102.7 The values of the parameters  $\alpha$ ,  $\beta$  and  $\gamma$  shall be defined in the Technical Rules.

102.8 The amounts referred to in the above paragraphs, which shall be taken into consideration upon the technical adequacy verification, shall not include the fees specified in Article 7, para. 7.1 above.

## **SECTION II SETTLEMENT OF PAYMENTS**

### ***Article 103 Clearing***

103.1 The settlement period is defined by GME in the Technical Rules.

103.2 For each settlement period and each Market Participant, GME shall determine, in accordance with the modalities and within the time limits specified in the Technical Rules, the following separate net financial positions of debit or credit towards GME, relating to:

- a) the balance of payables or receivables arising from purchase and sale transactions concluded in the MGP and MI or in netting markets if the Participant is also admitted to the MGAS;
- b) the balance of payables or receivables arising from purchase and sale transactions concluded in the MPEG;
- c) the balance of payables or receivables arising from purchase and sale transactions concluded in the MTE.

103.3 GME shall communicate to each Market Participant, according to the formalities and within the time periods specified in the Technical Rules, the results of the determination of the amounts referred to in para. 103.2 above, which form the basis for making payments according to the provisions and within the time limits specified in Articles 104 and 107 below.

**Article 104**  
**Payments from Market Participants to GME**

- 104.1 As a result of the determinations referred to in Article 103 above:
- a) non-PA Market Participants, debtors of GME, shall settle with GME's treasury institute the amounts due to GME, notified by GME under Article 103, para. 103.3 above, according to the procedures and within the time limits specified in the Technical Rules;
  - b) GME shall satisfy its receivables from debtor PA Market Participants in accordance with the procedures and within the time limits defined in the Technical Rules by utilising their available cash deposit provided as per Article 100, para.100.3 above, until reaching the amount of such receivables.
- 104.2 If the payment of the amount due is not settled with GME's treasury institute in accordance with the modalities referred to in para. 104.1 above, Market Participants qualifying as debtors towards GME may pay the amount due, after adding to such amount the default interest to be determined under the criteria indicated in Article 112 below and a penalty equal to one per cent of the amount due, according to the provisions and within the time periods specified in the Technical Rules. In compliance with the provisions established by the Regulatory Authority, GME shall transfer the amounts deriving from the application of the default interest and the penalty referred to above to the guarantee fund.
- 104.3 If the payment of the amount due in accordance with the modalities set out in para. 104.2 above is not totally settled, GME shall apply the default procedure referred to in Section III below.

**Article 105**  
**Payments from Market Participants to Terna**

- 105.1 Payments from Market Participants that qualify as debtors towards Terna shall be made under the procedures and within the time limits established by Terna itself.

**Article 106**  
**Payments of Fees**

- 106.1 The amounts specified in Article 96, para. 96.1 d) and Article 98 above shall be paid in accordance with the procedures and within the time limits specified in the Technical Rules.

**Article 107**  
**Payments from GME to Market Participants**

- 107.1 Payments to Market Participants that qualify as creditors towards GME as a result of the determinations referred to in Article 103 above, shall be made according to the provisions of this article.
- 107.2 After receiving the payments referred to in Article 104, para. 104.1 above, GME shall make payments to Market Participants that qualify as creditors towards GME after the determinations referred to in Article 103 above, in accordance with the modalities and within the time limits established in the Technical Rules.

- 107.3 After receiving the payments referred to in Article 104, para. 104.2 above, GME shall make payments to Market Participants that qualify as creditors towards GME after the determinations referred to in Article 103 above, in accordance with the modalities and within the time limits established in the Technical Rules.
- 107.4 After receiving the payments referred to in Article 104, para. 104.3 above, GME shall make payments to Market Participants that qualify as creditors towards GME after the determinations referred to in Article 103 above, in accordance with the modalities and within the time limits established in the Technical Rules.
- 107.5 If, by its own fault, GME fails to make payments to creditor Market Participants within the time periods provided for in this Article, GME shall pay interest to such Market Participants at the rate posted on GME's website.

**Article 108**  
**Payments from Terna to Market Participants**

- 108.1 Payments in favour of Market Participants that are creditors towards Terna shall be made according to the procedures and within the time periods established by Terna itself.

**SECTION III**  
**DEFAULT**

**Article 109**  
**Cases of Default by the Market Participant**

- 109.1 A Market Participant of the MGP and MI or netting markets shall be in default, if it:
- a) does not adjust the guarantee as per Article 102 above;
  - b) has not made the payments to GME in accordance with Article 104, para. 104.3 above.
- 109.2 The Market Participant of the MPEG, shall be in default if it:
- a) does not adjust the guarantee as per Article 102 above;
  - b) has not made payments to GME, in accordance with Article 104, paragraph 104.3 above.
- 109.3 A Market Participant of the MTE shall be in default, if it:
- a) has not adjusted the guarantee as per Article 102 above;
  - b) has not made payments to GME as per Article 104, para. 104.3 above.

**Article 110**  
**Management of Default**

- 110.1 In the cases of default referred to in Article 109 above, GME
- a) shall suspend the Market Participant from the ME and MGAS, if it is also admitted to the MGAS;
  - b) shall enforce the guarantees posted under Section I of this Title;
  - c) shall close all the contractual positions of the defaulting Market Participant in the MTE under Article 114 below, as well as the contractual positions in the

MGAS, according to the provisions of the MGAS Rules, if the defaulting Market Participant is also an MGAS participant;

- d) may register the net delivery position onto the PCE even for the hours in respect of which the delivery has not yet been made under Article 90 above.

110.2 If the guarantees enforced in compliance with para. 110.1 b) above are insufficient to cover the debit of the defaulting Market Participant or if the bank issuing the guarantee defaults on its obligations under Article 113 below, or under the MGAS Rules, GME shall contribute to covering the debits of the defaulting Market Participants or the default by the bank issuing the guarantee by utilising, in the following order:

- a) the Guarantee Fund, according to the modalities and time limits defined in the Technical Rules;
- b) its own funds, up to a maximum amount to be established on a yearly basis and allocated for such purpose. This amount shall be established by the Minister of Environment and Energy Security at the proposal of GME and posted on GME's website.

110.3 If the amounts utilised by GME as per para. 110.2 above are insufficient to cover the debits of the defaulting Market Participants or the default by the bank issuing the guarantee, GME shall - for the uncovered portion - resort to the risk pooling mechanism defined by the Regulatory Authority. In this case, GME will grant payments to Market Participants for the part of the credit not satisfied pursuant to Article 107, paragraph 107.4 above, only once the amounts arising from the application of the aforementioned risk pooling mechanism have been collected. Creditors may not claim any rights or make any claims against GME for the part of the credit not yet satisfied.

110.4 GME shall initiate the ordinary judicial proceedings needed to recover the amounts due by the defaulting Market Participant or by the bank issuing the guarantee. The possibly recovered amounts shall be allocated to restore the amounts used by GME to cover debits according to the following order:

- a) the amounts used through the risk pooling mechanism referred to in paragraph 110.3 above;
- b) own funds as per the previous paragraph 110.2 b) above;
- c) the amounts withdrawn from the Guarantee Fund referred to in paragraph 110.2 a) above.

110.5 Without prejudice to the provisions of the specific agreements referred to in Article 15, paragraph 15.2 above, in the event of default by the Market Participants by right pursuant to Article 15 above, GME shall use, according to the procedures and time limits laid down by the Regulatory Authority in a specific provision, the Guarantee Fund or, in the event of insufficiency of the latter, the risk pooling mechanism defined by the same Authority.

### **Article 111** **Suspension of the Market Participant**

111.1 Without prejudice to paragraph 111.2 below, GME revokes the suspension of the Market Participant referred to in Article 110, para. 110.1 above, if the cause for the related suspension ceases to exist.

111.2 Six months after the suspension of the Market Participant, GME shall exclude the same Participant from the ME and the MGAS, if the same Participant is also admitted to the MGAS.

**Article 112**  
**Default Interest and Penalties**

112.1 In case of enforcement of the guarantees, the amount owed by the Market Participant in debit shall be increased by a penalty equal to one per cent, by default interest as specified in para. 112.2 below, as well as by the related enforcement fees, if the guarantee has been posted in the form of a bank guarantee.

112.2 Default interest shall be determined by applying the legal interest rate to the amount owed by the Market Participant for a number of days equal to:

- a) the number of days of late payment, if the Market Participant pays within the time limits specified in Article 104, para. 104.2 above;
- b) the number of days elapsing from the deadline specified in Article 104, para. 104.1 above to the day on which the bank issuing the guarantee pays GME the amount of the enforced guarantee if the bank guarantee is enforced.

112.3 The payment of the penalty of one percent shall not apply to the Market Participants specified in Article 15, in the cases of late payment referred to in Article 104, para. 104.2 above, or of failure to make the payment.

**Article 113**  
**Default by the Bank Issuing the Guarantee**

113.1 If the guarantee has been posted in the form of a bank guarantee and, after receiving a request for enforcement of the bank guarantee, the bank issuing the guarantee fails to make the consequent payment within the time limit indicated therein, such bank guarantee as well as the other bank guarantees issued by the same bank shall remain valid until the time limit established in the Technical Rules.

113.2 If, after receiving a request for enforcement of the bank guarantee, the bank issuing the guarantee fails to make the consequent payment within the time limit indicated therein, GME shall not accept any new bank guarantee issued by the same bank for the purposes of Article 100 above. If the bank issuing the guarantee fulfils its guaranteed obligation after the time limit indicated therein, GME may not accept the new bank guarantees issued by the same bank for the purposes of Article 100 above, up to a maximum period of twelve months from the date of the late fulfilment.

**Article 114**  
**Closing of the Positions of the Market Participant**

114.1 In the case of default referred to in Article 109, paras. 109.3 a) and b) above, GME shall close all the contractual positions of the defaulting Market Participant through transactions of opposite sign with the same Participant and conclude transactions in the MTE or MGP, in accordance with the modalities and time limits defined in the Technical Rules.

**TITLE VI**  
**DISCIPLINARY MEASURES, COMPLAINTS, AND DISPUTES IN THE MARKET**

**SECTION I**  
**BREACHES AND *DISCIPLINARY MEASURES***

***Article 115***  
***Breaches of the Rules and Technical Rules***

- 115.1 The following behaviours shall be considered as breaches of the Rules and of the Technical Rules:
- a) negligence, imprudence and unskilfulness in the use of the systems of communication and submission of bids/offers;
  - b) vexatious use of the complaint procedures defined in Section II below of this Title;
  - c) disclosure to third parties of confidential information related to the Market Participant or third Market Participants, in particular as regards the codes of access to GME's information system, any other data pertaining to such access and the contents of bids/offers submitted by third Market Participants to GME, except in the fulfilment of obligations arising from laws, regulations or decisions of competent authorities;
  - d) any attempt to access restricted areas of GME's information system;
  - e) any use for fraudulent purposes of the systems of communication and submission of bids/offers;
  - f) any other conduct contrary to common principles of honesty and good faith referred to in Article 3, para. 3.3 above.

***Article 116***  
***Disciplinary Measures***

- 116.1 If the breaches referred to in Article 115 above are shown to exist, GME may - respecting the principles of impartiality and equality of treatment and bearing in mind the seriousness of the breach and any previous occurrences - impose the following penalties on Market Participants on the basis of the scale referred to in Article 117 below:
- a) a private written notice of the violation;
  - b) a financial penalty;
  - c) the suspension of the Market Participant from the market;
  - d) the exclusion of the Market Participant from the market.
- 116.2 Where the disciplinary measure of the pecuniary penalty is applied and the Market Participant does not pay the penalty within the six months following the date of notice of such disciplinary measure, GME may suspend the Market Participant from the market until payment of the previously applied pecuniary penalty.
- 116.3 In case of suspension or exclusion from the market, the Market Participant involved may - under the supervision of GME - close any transaction still in progress and carry out any other transaction unavoidably connected with the same.
- 116.4 If a breach is identified, GME shall serve a notice to the Market Participant. The notice shall include:
- a) a description of the alleged breach;

- b) a deadline of at least ten days for the Market Participant to possibly submit pleadings and documents and request a hearing.
- 116.5 If the Market Participant requests a hearing or if GME deems it necessary, GME shall set the date of the same and promptly notify the Market Participant thereof. If the Market Participant does not appear at the hearing and the hearing is not postponed to another date for justified reasons, GME shall make a decision on the basis of the collected evidence. In case of postponement of the hearing, this cannot in any case take place after the tenth day following the date originally set for the same.
- 116.6 Based on the collected evidence, GME shall impose a penalty or dismiss the case within thirty days from the hearing or if the latter has not been requested or has not been deemed necessary by GME, within thirty days from the notice referred to in paragraph 116.4 above.
- 116.7 Where the alleged breaches are such as to seriously threaten the proper operation of the market, GME shall, on a precautionary basis, suspend the Market Participant from the market for the period of time necessary to examine the case.
- 116.8 The disciplinary measure and the reasons for it, or the decision to dismiss the case shall be notified to the Market Participant concerned. The possible disciplinary measure adopted shall be notified to the Ministry of Environment and Energy Security.

### **Article 117** **Graduation of Disciplinary Measures**

- 117.1 Where the breaches are due to the fault of the Market Participant, GME may adopt impose the following disciplinary measures:
- a) a private written notice of the violation;
  - b) suspension from the market for a minimum period of five days and a maximum period of one month. In case of recurrence of the violation, the suspension from the market shall be of one month.
- 117.2 If the breaches mentioned in para. 117.1 above have caused disturbances to the proper functioning of the market, GME may suspend the participant from the market for a minimum period of one month and a maximum period of one year. In case of recurrence of the violation, the suspension from the market shall be of one year.
- 117.3 If the breach is due to the intentional wrongdoing of the Market Participant, GME may apply the following disciplinary measures:
- a) suspension from the market for a minimum period of six months and a maximum period of eighteen months. In case of recurrence of the violation, the suspension from the market shall be of eighteen months.
  - b) exclusion from the market.
- 117.4 If the breaches mentioned in para. 117.3 above have caused disturbances to the proper functioning of the market, GME may apply the following disciplinary measures:
- a) suspension from the market for a minimum period of eighteen months and a maximum period of three years. In case of recurrence of the violation, the suspension from the market shall be of three years.
  - b) exclusion from the market.

- 117.5 As an alternative to the suspension from the market referred to in paras. 117.1 a), 117.2, 117.3 a), and 117.4 a), GME may impose a financial penalty of a minimum of fifty thousand/00 Euro and of a maximum of one hundred million/00 Euro, determined based on the size and severity of the damage resulting from the breach. If the participant has failed to make the payment of the penalty within six months from the date of notice of such disciplinary measure, GME may also suspend the Participant from the market until the date of payment of the penalty previously implemented.

**Article 118**  
***Suspension for Non-Fulfilment of Notification Obligations***  
***and Non-Payment of Fees***

- 118.1 Apart from the cases provided for in Articles 111 and 117 above, GME shall suspend the Participant from the market or impose the financial penalty referred to in Article 117, para. 117.5 in the following cases:
- a) where the Market Participant does not fulfil its obligation of notification as per Article 19, para. 19.1 above or the information disclosed pursuant to Article 19, paragraph 19.1 does not allow GMW to find the Participant or the latter does not supply the information or the documents required pursuant to Article 18, paragraph 18.2 above. The suspension shall have effect until the date on which GME receives the notice in Article 19, paragraph 19.1 above or the information or document in Article 18, paragraph 18.2 above or until the date on which the participant can be found based on the information disclosed pursuant to Article 19, paragraph 19.1 above;
  - b) where the Market Participant fails to pay the fees specified in Article 7, para. 7.1 above, according to the provisions of Article 96, para. 96.1 d), and Article 98 above. The suspension shall have effect until the date on which the Market Participant fulfils such obligation and, anyway, for a period not exceeding six months; if, upon the expiration of such period, the Market Participant has not paid the fees, the Market Participant shall be suspended from the market.
- 118.2 At the request of Terna, GME shall suspend the Market Participant from the market, if the same Market Participant defaults towards Terna.
- 118.3 Article 118, para. 118.1 b) shall not apply to the Market Participants referred to in Article 15 above.

**Article 119**  
***Publication of Disciplinary Measures***

- 119.1 GME shall announce in anonymous form the adoption of the disciplinary measures referred to in Article 116, paragraph 116.1, subparagraphs b), c) and d) above, by publishing the same, with the exception of confidential parts, on its website, after at least thirty days from the notification of the disciplinary measure to the Participant concerned, unless the case has been brought before the Court of Arbitration. In the latter case, the implementation of the disciplinary measures is made public only if confirmed by the Court of Arbitration.

## **Article 120**

### ***Challenging Denial of Admission to the ME and Disciplinary Measures***

- 120.1 Without prejudice to Article 134 below, the applicant or Market Participant may file an appeal with the Court of Arbitration against the denial of admission to the market or the disciplinary measures applied under Article 116, para. 116.1 above. The arbitration procedure shall - under penalty of lapse - be initiated within thirty days of the related notice of denial or disciplinary measure.

## **SECTION II**

### **COMPLAINTS PERTAINING TO THE MARKET AND TO THE NOMINATION PLATFORM**

#### **SUBSECTION I**

#### **COMPLAINTS PERTAINING TO THE MPE AND TO THE PN**

### **Article 121**

#### ***Submission Formalities and Minimum Contents of Complaints about the Outcome of the Validity Check, the Adequacy Verification, the Market Results, and the Billing Procedures***

- 121.1 Complaints relating to the outcomes of the verifications referred to in Articles 29 and 30 above, respectively, to the results of each of the MPE markets, as well as to the billing procedures referred to in Article 92, paragraphs 92.1, 92.2, 92.4 and 92.5, and Article 93 above, shall be submitted, under penalty of inadmissibility, in electronic form within the time limits set forth in this section and using the appropriate forms available in GME's information system.
- 121.2 The complaints relating to the results of the validation and verifications referred to in Articles 61 and 62 above, relating to requests for registration and registrations of PN nominations, respectively, shall be sent, under penalty of inadmissibility, electronically, within the terms indicated in this section and using the specific forms available in GME's IT system.
- 121.3 All complaints shall include, under penalty of inadmissibility, the following elements:
- a) identification code of the bid/offer, or the request for registration of the PN nomination, or the registration of PN nominations being disputed, as assigned by GME's information system;
  - b) decision of GME which is being disputed;
  - c) concise description of the grounds for the complaint.

### **Article 122**

#### ***Complaints about Results of Validation and Technical Adequacy Verification of Bids/Offers, as well as Requests for Registration of PN nominations***

- 122.1 The Market Participant may dispute the results of the validation and verifications referred to in Articles 29 and 30 above, by sending a notification to GME;

- a) by 16:00 of the second working day following the one on which such results are notified to the Market Participant, if the complaints concern the MGP, the MI-A sessions and the MSD
  - b) within 60 minutes of GME's decision if the complaints relate to the continuous trading of the MI-XBID.
- 122.2 The Market Participant may dispute the results of the validations and verifications referred to in the previous Articles 61 and 62, respectively, by sending a communication to GME within 60 minutes of GME's decision.
- 122.3 The Participant may dispute the results of the checks and verifications referred to in Article 78 above, by sending a notification to GME within 60 minutes from the decision of GME.

**Article 123**  
**Complaints about Market Results**

- 123.1 The Market Participant may dispute the results of the MGP, of the MI-A sessions and of the MSD, namely the results of the process of acceptance of bids/offers and of determination of the prices at which they have been valued, by sending a notification to GME by 16:00 of the second working day following the one on which such results are notified to the Market Participant.
- 123.2 The Market Participant may dispute the result of the MI-XBID continuous trading sessions, in relation to the outcomes of the process of accepting offers and determining the prices at which these offers are valued, by sending a communication within 60 minutes of GME's actual decision.
- 123.3 The Market Participant may dispute the outcome of the MPEG, namely the results of the process of acceptance of bids/offers and those determining the unit price differentials at which such offers/bids are valued, by sending a notice within 60 minutes from the decision of GME.

**Article 124**  
**Complaints about Billing Procedures**

- 124.1 The Market Participant may dispute the results of the billing process referred to in Title IV, Section I above, by sending a notification to GME by 16:00 of the second working day following the one on which such results are notified to the Market Participant.

**Article 125**  
**Complaints about Invoicing and Settlement Procedures**

- 125.1 The Market Participant may dispute the results of the invoicing procedures referred to in Title IV, Section II, or the settlement determinations referred to in Title V, Section II, by sending a notification to GME, under penalty of inadmissibility, according to the modalities and within the time limits defined in the Technical Rules.
- 125.2 In the case referred to in paragraph 125.1 above, GME shall undertake the actions specified in the Technical Rules in accordance with the procedures and within the time limits indicated therein. Default interest shall be paid on the amounts payable after complaint resolution; the extent of the interest shall be calculated according to the provisions of Article 112 above.

**Article 126**  
**Complaint Resolution**

- 126.1 GME shall notify the Market Participant concerned of the outcome of the verifications of the complaints specified in Articles 122, 123, 124, and 125 above, by 16:00 of the second working day following the deadline for submission of such complaints.
- 126.2 Where the Market Participant brings a complaint as specified in Articles 122 and 123 above, in respect of a bid/offer that has been deemed to be invalid, inadequate or rejected in the MGP or in the MI-A sessions, and such complaint is upheld because GME is responsible for errors or omissions, and such bid/offer would have been accepted in the absence of GME's disputed decision, then GME shall only pay to such Market Participant a compensation equal to the product, if positive, between the quantity specified in the bid/offer and:
- a) the difference between the balancing-up charges, determined under the applicable provisions, and the price resulting from the market to which the bid/offer refers, if the complaint refers to a demand bid;
  - b) the difference between the price resulting from the market to which the bid/offer refers and the balancing-down charges, determined under the applicable provisions, if the complaint refers to a supply offer and for a maximum amount of EUR one hundred thousand/00.
- 126.3 Where a complaint brought as specified in Articles 122 and 123 above, in respect of a bid/offer that has been deemed to be invalid, inadequate or rejected in the MSD, is upheld because GME is responsible for errors or omissions, and such bid/offer would have been accepted in the absence of GME's disputed decision, then GME shall only pay to the Market Participant concerned a compensation equal to the damage actually incurred and adequately documented by the Market Participant. Anyway, the compensation shall not exceed five per cent of the additional amounts that would have accrued from such bid/offer in the Electricity Market in the absence of such errors or omissions and for a maximum amount of EUR one hundred thousand/00.
- 126.4 If a complaint as referred to in Articles 122 and 123 above, relating to an offer/bid deemed to be invalid or inadequate, or not accepted in the MPEG or MI-XBID sessions or relating to the PN registration is accepted because GME's disputed decision appears to have been vitiated by error or omission due to GME, GME itself acknowledges the Participant concerned a sum by way of compensation equal to a maximum of ten thousand euro.
- 126.5 The acceptance of GME's compensation pursuant to paras. 126.2, 126.3, and 126.4 above shall imply the Market Participant's waiver of the dispute settlement remedies referred to in Section III below of this Title.
- 126.6 The compensation limits specified in paras. 126.2, 126.3, and 126.4 above shall apply not only to the complaints indicated therein and to any dispute arising therefrom, but also to the decisions resulting from the arbitration procedures referred to in Articles 133 and 134, para. 134.2 below.

- 126.7 If a complaint brought as specified in Article 124 above is upheld, then GME shall make the related adjustments.
- 126.8 In the event that a complaint as per Article 125 above is accepted, GME shall make the consequent adjustments according to the provisions of the Technical Rules.
- 126.9 The acceptance of a complaint shall not modify the result of the market session to which it refers.

## **SUBSECTION II COMPLAINTS PERTAINING TO THE MTE**

### ***Article 127***

#### ***Submission Formalities and Minimum Contents of Complaints about the Outcome of the Validity Check, the Adequacy Verification, the Results of the MTE, and the Billing Procedures***

- 127.1 Complaints relating to the outcomes and the verifications referred to in Article 87 above, to the results of the MTE, as well as the billing procedures referred to in Article 92, paragraphs 92.1 and 92.3 above, shall be notified, under penalty of inadmissibility, in electronic form within the time limits set forth in this Subsection.
- 127.2 All complaints shall include, under penalty of inadmissibility, the following elements:
- a) identification code of the disputed bid/offer, as assigned by GME's information system;
  - b) decision of GME which is being disputed;
  - c) concise description of the grounds for the complaint.

### ***Article 128***

#### ***Complaints about Results of Validation and Technical Adequacy Verification of Bids/Offers***

- 128.1 The Market Participant may dispute the results of the validation and verifications referred to in Article 87 above, by sending a notification to GME within 60 minutes of GME's decision.

### ***Article 129***

#### ***Complaints about the Results of the MTE***

- 129.1 The Market Participant may dispute the results of the MTE, namely the results of the process of acceptance of bids/offers and of determination of the prices at which they have been valued, by sending a notification to GME within 60 minutes of GME's decision.

### ***Article 130***

#### ***Complaints about Billing Procedures***

- 130.1 The Market Participant may dispute the results of the billing process referred to in Title IV, Section I above, by sending a notification to GME by 16:00 of the second working day following the one on which such results are notified to the Market Participant.

**Article 131**  
**Complaints about Invoicing and Settlement Procedures**

- 131.1 The Market Participant may dispute the results of the invoicing procedures referred to in Title IV, Section II, or Title V, Section II, by sending a notification to GME according to the modalities and within the limits defined in the Technical Rules.
- 131.2 In the case referred to in paragraph 131.1 above, GME shall undertake the actions indicated in the Technical Rules in accordance with the procedures and within the time limits specified therein. Default interest shall be paid on any possible amounts payable to the Participant after complaint resolution. The extent of the interest shall be calculated according to the provisions of Article 112 above.

**Article 132**  
**Complaints Resolution**

- 132.1 GME shall notify the Market Participant concerned of the outcome of the verifications of the complaints specified in this Subsection by 16:00 of the second working day following the deadline for submission of such complaints.
- 132.2 Where the Market Participant brings a complaint as specified in this Subsection and such complaint is upheld because GME is responsible for errors or omissions, then GME shall only pay to such Market Participant a compensation equal to a maximum of ten thousand euro.
- 132.3 The acceptance of GME's compensation pursuant to para. 132.2 above shall imply the Market Participant's waiver of the dispute settlement remedies referred to in Section III below of this Title.
- 132.4 The compensation limit specified in para. 132.2 above shall apply not only to the complaints indicated therein and to any dispute arising therefrom, but also to the decisions resulting from the arbitration procedures referred to in Section III below.
- 132.5 If a complaint brought as specified in Article 130 above is upheld, then GME shall make the related adjustments.
- 132.6 In the event that a complaint as per Article 131 above is accepted, GME shall make the consequent adjustments as provided for in the Technical Rules.
- 132.7 The acceptance of a complaint shall not modify the results of the market session to which it refers.

## **SECTION III DISPUTES IN THE MARKET**

### ***Article 133 Court of Arbitration***

- 133.1 Without prejudice to the provisions of Article 134, para. 134.1 below, any dispute arising between GME and Market Participants over the interpretation and application of these Rules and the Technical Rules shall be settled by a Court of Arbitration.
- 133.2 The Court of Arbitration shall be composed of three members: one appointed by GME, one appointed by the Market Participant and a third member, acting as President, appointed jointly by the members appointed by the parties or, in case of disagreement, by the President of the Court of Rome, under Article 810 of the Italian Civil Procedure Code.
- 133.3 The Court of Arbitration shall render its decisions in accordance with the applicable laws and the arbitration procedure shall take place in compliance with Article 806 and subsequent Articles of the Civil Procedure Code.
- 133.4 The Court of Arbitration shall be based in Rome at GME's registered office.
- 133.5 If the participant does not accept the result of verification of the complaints referred to in Articles 126 and 132 above, it may file an appeal with the Court of Arbitration. In such cases and also against the verification of the financial guarantees referred to in Article 100, paragraph 100.13 above, or against the outcome of the verification of the updating letter referred to in Article 101, paragraph 101.6 above, the arbitration proceedings shall be instituted, under penalty of forfeiture, within 30 days of the notification of the outcome of the checks being disputed.

### ***Article 134 Settlement of Disputes***

- 134.1 In addition to the cases referred to in Article 110, para. 110.4 above, disputes concerning failure to make payments, including partial payments, for the following items shall be subject to the exclusive jurisdiction of Italian judges:
- a) fees referred to in Article 7, paras. 7.1 above;
  - b) amounts referred to in Article 116, para. 116.1 b) above;
  - c) amount referred to in Article 117, para. 117.5 above.
- 134.2 Without prejudice to the provisions of para. 134.1 above, on request of one of the interested parties, disputes between GME and Market Participants and between Market Participants shall be settled through arbitration procedures in accordance with the provisions of the Regulatory Authority.

**TITLE VII  
FORWARD CONTRACTS AND DERIVATIVES**

***Article 135  
Forward Contracts and Derivatives***

- 135.1 GME may promote the development of the trading of financial derivatives on the price of electricity.

**TITLE VIII  
TRANSITORY AND FINAL PROVISIONS**

**SECTION I  
TRANSITORY PROVISIONS**

***Article 136  
Transitory Provisions on Settlement of Payments***

- 136.1 Until further notice, the settlement of payments by debtors as referred in Article 104, para. 104.1 a) above is transiently made through an urgent SEPA Credit Transfer or equivalent procedure, according to the modalities and within the terms established in the Technical Rules.
- 136.2 During the transitional period mentioned in the previous paragraph:
- a) the provision of Article 17, paragraph 17.11 above does not apply;
  - b) the amounts of default interest and penalties due by debtors in favour of GME for delayed payments shall be paid to GME creditors in the cases provided by the Technical Rules, according to the modalities and within the terms defined therein, with exception to the provisions established by the previous Article 104, paragraph 104.2 above.

**SECTION II  
FINAL PROVISIONS**

***Article 137  
Functioning of the Information System***

- 137.1 GME may suspend, postpone, or close in advance a market sitting or session in case of malfunctioning of its information system.
- 137.2 With a view to guaranteeing and safeguarding the proper technical functioning, as well as an efficient use of GME's information system and, in general, the proper functioning of the market, GME may impose limits to the submission, cancellation and modification of bids/offers or trading orders, as well as to the number of logons of each Market Participant or of specific categories of Market Participants to GME's information system.

**Article 138**

***Awardees of Contracts for Provision of Services for the Market***

- 138.1 Parties holding service and/or supply contracts for the implementation of GME's information system for the market shall not be admitted to such market for a period a three years running from the later of the following dates:
- a) the date of GME's take-over of the responsibilities specified in Article 1, para. 3 of Legislative Decree 79/99;
  - b) the date of awarding of the contract.



***Annex 1***

***Market Participation Application***

**Market Participation Application Form**  
**under art. 12, para. 12.1 a), Integrated Text of the Electricity Market Rules**

I, the undersigned...  
(*name and surname*)  
born in...on.....  
residing in...,  
(*address*)  
taxpayer's code..., VAT number...  
telephone number...,  
certified e-mail address  
e-mail address...

*or*

The company.../other...  
(*company name or registered name*)  
having its registered office in ...  
(*address*)  
taxpayer's code..., VAT number...  
telephone number...,  
certified e-mail address...  
e-mail address...  
represented by... in his/her capacity as...  
(*legal representative or duly authorised person*)

**WHEREAS**

- the organisation, management and operation of the Electricity Market are governed by the Integrated Text of the Electricity Market Rules, approved by the Decree of the Minister of Industry, Trade and Handicraft of 9 May 2001, published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale*, no. 127 of 4 June 2001, as amended by the Decree of the Minister of Productive Activities of 19 December 2003, published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale*, no. 301 of 30 December 2003, as subsequently amended and supplemented (hereinafter referred to as the "Electricity Market Rules");
- the Technical Rules, referred to in article 4 of the Electricity Market Rules, are posted on GME's website and enter into force upon the date of their publication;

**NOW, THEREFORE,**

I, the undersigned...  
*or*  
the company... /other....

represented by... in his/her capacity as...  
(legal representative or duly authorised person)

### APPLY/APPLIES

for admission to the Electricity Market under article 12 of the Electricity Market Rules<sup>1</sup> in accordance with the procedure referred to in article 14 of the Electricity Market Rules.

For this purpose, I, the undersigned.../the company... /other... enclose/encloses the documents mentioned in article 13 of the Electricity Market Rules, which shall be an integral part hereof, as well as a signed copy of the Market Participation Agreement referred to in article 12, 12.1 b) of the Electricity Market Rules in the format enclosed thereto.

I, the undersigned ...

or

the company...../other...

represented by... in his/her capacity as...

(legal representative or duly authorised person)

- 1) declare/s that I/it have/has read and understood the Electricity Market Rules and the Technical Rules and accept/s to be bound thereby without any condition or reservation;
- 2) declare/s that I/it am/is proficient in the use of information and communication (ICT) technologies and related security systems or that I/it rely/relies on ICT-proficient employees or assistants;
- 3) designate/s the following person as a contact person for notifications, if any:  
; Mr./Mrs....., phone number..., e-mail address....
- 4) designate/s the following persons to access GME's Information System on my/its behalf:

**for the Spot Electricity Market (MPE)**

a. Mr. /Mrs...,taxpayer's code/passport number (\*)..., date of birth....., nationality (\*\*), ...phone number....., mobile phone number....e-mail address....

b. ...

c. ...

**for the Forward Electricity Market (MTE)**

a. Mr. /Mrs...,taxpayer's code/passport number (\*)..., date of birth....., nationality (\*\*), ...phone number....., mobile phone number ....e-mail address....

b. ...

c. ...

- 5) (where applicable) declare/s that my/its identification code, assigned by *Terna*, is as follows: ....

(\*) The passport number may be specified as alternative to the taxpayer's code only for foreign nationals not residing in Italy and not having a taxpayer's code.

(\*\*) Mandatory field only for the persons for whom the passport number has been specified

---

<sup>1</sup> Admission to the electricity market involves the payment of the fees referred to in Article 7, paragraph 7.1 of the Electricity Market Rules.

\*\*\*

\*

In accordance with Regulation (EU) 2016/679, as subsequently amended and supplemented (GDPR), the personal data contained in this application shall be processed by electronic means in order to fulfil obligations arising from the same and from the Electricity Market Rules. The electronic means used shall safeguard the privacy and security of such personal data, in accordance with the data privacy statement issued under articles 13 and 14 of the GDPR and posted on GME's website ([Privacy Policy \(mercatoelettrico.org\)](http://mercatoelettrico.org)). The applicant has read and understood the above-mentioned privacy statement and gives its consent to the processing of and transfer of its personal data to third parties under the procedures and for the purposes indicated in the same privacy statement in compliance with the applicable legislation.

*Place and date*

....

Signature

.....



***Annex 2***

***Market Participation Agreement***

**Market Participation Agreement Form,  
under article 12, para. 12.1 b), Integrated Text of the Electricity Market Rules**

BETWEEN

*Gestore dei Mercati Energetici S.p.A.*, with registered office in Viale Maresciallo Pilsudski, 122-124, 00197 Rome, Italy, taxpayer's code and VAT number 06208031002 (hereinafter referred to as "GME"),

AND

(*name and surname*) ... *the company/other* ... (*company name or registered name*),  
residing in/with registered office in ... (*address*),  
taxpayer's code ..., VAT number ...,  
represented by ..., in his/her capacity as ..., (hereinafter referred to as the "Contracting Party");

GME and the Contracting Party, hereinafter defined individually as the "Party" and jointly as the "Parties",

WHEREAS

- A) GME is the company (*Società per Azioni*) which was set up in accordance with article 5, para. 1 of Legislative Decree no. 79 of 16 March 1999 (hereinafter referred to as Legislative Decree 79/99) and vested with the economic management of the Electricity Market;
- B) *Terna-Rete Elettrica Nazionale S.p.A.* (hereinafter referred to as "Terna") is the company (*Società per Azioni*) which was set up as a result of the merger of ownership and management/operation of the national power transmission grid in accordance with article 1 of the Decree of the President of the Council of Ministers of 11 May 2004, published in *Gazzetta Ufficiale, Serie Generale*, no. 115 of 18 May 2004, and which exercises the activities of transmission and dispatching of electricity, including the unified management and operation of the national power transmission grid;
- C) *Gestore dei Servizi Energetici-GSE S.p.A.* is the company (*Società per Azioni*) which was set up in accordance with article 3, para. 4 of Legislative Decree 79/99 and of article 1, paras. 1 a), b) and c) and 3 of the above-mentioned Decree of the President of the Council of Ministers;
- D) *Acquirente Unico S.p.A.* is the company, established pursuant to art. 4, paragraph 1 of Decree no. 79/99;
- E) Pursuant to article 5, para. 1 of Legislative Decree 79/99 and after hearing the opinion of *Autorità per l'Energia Elettrica e il Gas* (AEEG), now *Autorità di Regolazione per Energia, Reti e Ambiente* (Regulatory Authority for Energy, Networks and Environment - ARERA), the Minister of Industry, Trade and Handicraft approved the Integrated Text of the Electricity Market Rules with his Decree of 9 May 2001, published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale*, no. 127, dated 4 June 2001 (hereinafter referred to as "Ministerial Decree of 9 May 2001");
- F) Pursuant to article 2, para. 2.3 of the Integrated Text of the Electricity Market Rules referred to in the Ministerial Decree of 9 May 2001 and after hearing the opinion of AEEG, now ARERA, the Minister of Productive Activities approved the amendments to the Integrated Text of the Electricity Market Rules with his Decree of 19 December 2003, published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale*, no. 301 of 30 December 2003 (hereinafter referred to as the "Electricity Market Rules");
- G) Pursuant to article 12, para. 12.1 b) of the Electricity Market Rules, a party wishing to participate in the market shall submit to GME a signed copy of *Contratto di adesione al mercato* (Market Participation Agreement, hereinafter referred to as the "Agreement");
- H) The Technical Rules referred to in article 4 of the Electricity Market Rules shall be published on the website of GME and become effective as of the date of their publication;
- I) For the purposes and effects of the Electricity Market Rules, GME shall be the counterparty of Market Participants in the energy markets;

- J) For the purposes and effects of the Electricity Market Rules, Terna shall be the counterparty of Market Participants in the Balancing and Redispatching Market (MSD);

NOW, THEREFORE,

the Parties agree as follows:

**Article 1**  
**Scope of the Agreement and Validity of the Whereas**

- 1.1 This Agreement defines:
- a) the Contracting Party's rights and obligations towards GME;
  - b) the terms and conditions on which GME shall provide its services in connection with transactions in the Electricity Market (hereinafter referred to as the "Services").
- 1.2 The Whereas shall be an integral and essential part hereof.

**Article 2**  
**Obligations of the Contracting Party**

- 2.1 The Contracting Party declares that it is aware of and accepts, without condition or reservation, the rules of the Electricity Market (hereinafter jointly referred to as the "Market") as they result from the applicable legislation. The Contracting Party also declares that it fully understands GME's information system (hereinafter referred to as the System) in its present configuration or that, in any case, it undertakes to do so.
- 2.2 The Contracting Party undertakes:
- a) to comply with the Electricity Market Rules and the Technical Rules and to keep itself updated with any amendments thereto. It is understood that, where the Contracting Party does not intend to accept any amendments to the Electricity Market Rules or to the Technical Rules, it may withdraw herefrom, giving notice according to the procedures and to the address specified in article 9, para. 9.6 below. However, the withdrawal shall have effect only after the Contracting Party has carried out transactions of opposite sign in order to close its contractual positions in the Forward Electricity Market existing upon submission of the request for withdrawal and, in any case, only after the Contracting Party has fulfilled obligations arising from participation in the Market. Fifteen days after the legal publication of such amendments, where the Contracting Party has not given notice of its intent to withdraw herefrom, such amendments shall be assumed to have been tacitly accepted. Except for transactions made to give effect to the withdrawal, any transaction carried out in the Market before the end of the above period shall be understood as tacit acceptance of the new terms and conditions. In no case may such amendments constitute a valid reason for the Contracting Party to default on obligations acquired in the Market;
  - b) to adopt technological systems that are suitable for trading and compatible with the System, as well as to update them as a result of any modification as GME may make to the same System;
  - b *bis*) to adopt technological systems suitable for issuing invoices for the transactions made in the Market, compatible with the System and ensuring a correct, timely and secure exchange of the data and information transmitted electronically, under the procedures and within the time limits specified in the Electricity Market Rules and in the Technical Rules;
  - c) to employ staff with adequate professional skills and competence in the use of the technological systems referred to in subpara. b) above;
  - d) to join the service of settlement of payments and the guarantee systems specified in Title V of the Electricity Market Rules;

- e) to notify GME timely and, where possible, in good time for GME to make any necessary corrective actions for the purposes of guaranteeing the proper functioning of the Market, of any problem or operational malfunction of a technical nature or any other event which has resulted or might result in the failure to provide or incorrect provision of the Services. In particular, the Contracting Party shall notify GME with the maximum speed and according to the procedures specified in article 9, para. 9.6 below, of the occurrence of any event even potentially dangerous for the integrity and security of the System (including but not limited to the theft of confidential documents regarding access to the System or unauthorised access to the Contracting Party's premises where such documents are kept);
- f) to co-operate with GME or with third parties designated by the same, also permitting access of their employees or assistants to the Contracting Party's premises for carrying out any operations on the Contracting Party's hardware and software as may be necessary to ensure the proper functioning of the Market. It is understood that, pursuant to article 2049 of the Italian Civil Code, GME shall be liable for any damage caused upon such operations;
- g) to respect GME's rights of ownership on the data transmitted through the System and on the trademarks registered or used by the same, as well as GME's or third-party suppliers' rights of ownership on the software programmes used for the carrying out of the Services;
- h) to maintain confidentiality and privacy as regards the devices referred to in article 4, para. 4.1 below or permit their use by specifically designated parties solely for access to and trading in the Market. The Contracting Party shall thus be liable for unauthorised access to the Market by third parties and hold GME harmless against any damage or danger to the integrity or security of the System that may result from the negligence of the Contracting Party or of its staff in the safekeeping of such devices.
- i) to timely ask GME to disable the devices referred to in subpara. h) above and to assign new or different devices in all cases where the Contracting Party has reason to believe that unauthorised parties may make an improper use thereof;
- j) to hold GME harmless against any damage or cost as GME may incur, also as a result of actions of third parties, caused by the actions or conduct of the Contracting Party, as well as of its staff members, assistants or consultants, if any, in violation of this Agreement, of the Electricity Market Rules and of the Technical Rules and of any other legislative provisions or regulations, or instruments and provisions issued by GME or competent authorities.

### **Article 3 Services of GME**

- 3.1 The Services shall be supplied by GME to the Contracting Party in compliance with this Agreement, the Electricity Market Rules and the Technical Rules. The obligations of GME as regards the supply of the Services shall constitute "obligations of means".
- 3.2 GME shall give the Contracting Party the necessary co-operation for access to the System, namely in accordance with what is specified in the Technical Rules. It is understood that the carrying out of activities and the provision of the necessary means of access shall be the exclusive responsibility and at the sole expense of the Contracting Party.
- 3.3 GME may modify technical, functional, operational, and administrative procedures for the supply of the Services, as a result of amendments to the Electricity Market Rules or Technical Rules.
- 3.4 Without prejudice to what is provided for in the Electricity Market Rules and Technical Rules, if the supply of the Services is interrupted, suspended, delayed or subject to malfunctions caused by technical problems with the System, GME shall do whatever is necessary to overcome such disservices. It is understood that if the aforesaid events result from technical problems with the hardware or software used by the Contracting Party to access the System, the Contracting Party shall eliminate the relative causes with the maximum speed. GME and the Contracting Party shall co-operate within the scope of their responsibilities to identify the causes of interruptions, suspensions, delays, or malfunctions and to restore the proper functioning of the System as soon as possible.

- 3.5 GME shall be responsible for the correct management and transmission of data and information entered by third parties into the System or resulting from the Market. GME and the Contracting Party agree that GME's obligations shall not include the checking of the truthfulness, accuracy and completeness of data and information provided by third parties and made available to the Contracting Party as part of the provision of the Services.
- 3.6 GME and the Contracting Party agree that GME is not responsible for non-functioning or malfunctioning of lines of communication (for example, telephone lines), as well as of access to the Internet.
- 3.7 The Contracting Party agrees that GME may make use of third parties designated by GME for the supply of the Services, while it is understood that in every case, the contractual relationship shall be exclusively between the Contracting Party and GME.
- 3.8 GME undertakes to respect the Contracting Party's rights of ownership on the data transmitted through the System and on the trademarks registered or used by the Contracting Party and made known to GME.
- 3.9 GME shall hold the Contracting Party harmless against any damage or cost as the Contracting Party may incur, also as a result of actions of third parties, caused by the actions or conduct of GME or of its staff members, assistants or consultants in the management and supply of the Services which are in violation of this Agreement, the Electricity Market Rules or Technical Rules, as well as of any other legislative provision or regulation applicable hereto.

**Article 4**  
**Means of access to the System**

- 4.1 For the purpose of accessing the System, the Contracting Party shall use the technical security devices indicated by GME, such as, for example, the user code together with password, smart card or other means of strong authentication.
- 4.2 Access to the System shall take place in compliance with the provisions specified in the Technical Rules.

**Article 5**  
**Consideration**

- 5.1 For the Services supplied in accordance herewith, the Contracting Party shall pay the fees determined by GME under article 7 of the Electricity Market Rules and the procedures referred to in articles 96 and 98 thereof.
- 5.2 Where the System is totally disabled and such as to prevent the Contracting Party from carrying out transactions in the Market, the fees referred to in para. 5.1 above shall be reduced proportionally to the period in which such disabling has occurred.

**Article 6**  
**Limitation of liability, force majeure, and fortuitous events**

- 6.1 Notwithstanding the provisions of the Electricity Market Rules, GME shall, in carrying out the Services, be liable for damages of a contractual and extra-contractual nature, exclusively when they constitute the immediate and direct consequence of wilful or serious misconduct and, in the latter case, are foreseeable upon the date of the signing of this Agreement. The Parties agree that there shall be no obligation of compensation or indemnity for damages that are an indirect or unpredictable consequence of the conduct of GME, including but not limited to damages resulting from the loss of business opportunities, customers or profits.
- 6.2 The Contracting Party shall notify GME, under penalty of lapse of time limit, of any claim to compensation relating to the supply of the Services within and not later than fifteen working days from the day on which the Contracting Party has come to know or should have known, using proper diligence, of the occurrence of the damaging event, providing a detailed report of the circumstances of the damaging event and of the damages so produced. The relative documentation in support of the claim

shall be transmitted to GME within and not later than twenty working days from the day on which the Contracting Party has come to know or should have known, using proper diligence, of the occurrence of the damaging event.

- 6.3 GME and the Contracting Party shall not be liable for default due to force majeure, fortuitous cases, or events beyond their control, including but not limited to wars, uprisings, earthquakes, floods, fires, strikes, interruptions in electricity supply or in operation of the data transmission lines which are part of the System, when such interruptions are exclusively the fault of third parties.
- 6.4 GME may, in cases of force majeure or fortuitous events, and, in general, in all cases where the operations of the Contracting Party may potentially damage the integrity or security of the System, suspend access to the System without the necessity of prior notification of the circumstances giving rise to the suspension.

#### **Article 7 Duration**

- 7.1 This Agreement shall be deemed executed upon signature of the same by the Contracting Party and subsequent receipt by GME of such original signed document. The Agreement shall have unlimited duration. The effectiveness of the Agreement shall be subject to and conditional upon the successful verification by GME of the completeness and regularity of the documents submitted by the Contracting Party, and of the fulfilment by the Contracting Party of the requirements for admission to the market. GME shall notify the Contracting Party of the outcome of such verifications pursuant to Article 14 of the Electricity Market Rules.
- 7.2 This Agreement will cease to have validity and effect upon the occurrence of one of the following events:
- a) exclusion of the Contracting Party from the Market;
  - b) total disabling of the System as a result of amendments to the applicable rules;
  - c) Contracting Party's withdrawal herefrom.
- 7.3 The dissolution of the Agreement under this Article shall not impair any other right of either party under the Agreement or under the applicable legislation, and any right or obligation of either party that has already arisen upon the date of dissolution.

#### **Article 8 Termination**

- 8.1 Any loss for whatever reason of the status of Market Participant, as acquired in accordance with article 14 of the Electricity Market Rules, shall constitute reason for *de jure* termination of this Agreement pursuant to article 1456 of the Italian Civil Code, without prejudice to the right of GME to withhold the fixed fee specified in article 7, para. 7.1 of the Electricity Market Rules by way of indemnity and any other further right to compensation for any additional damages.

#### **Article 9 General Clauses**

- 9.1 The invalidity or nullity of one or more of the clauses of this Agreement shall not affect the validity of the remaining clauses, which shall retain in every case their full force and effect.
- 9.2 This Agreement and the rights and obligations for the Parties resulting therefrom shall not be assigned to third parties unless otherwise specified herein.
- 9.3 Subject to the provisions of article 6, para. 6.2 above, failure or delay by either Party to exercise the rights arising herefrom shall not represent a waiver of such rights.
- 9.4 Without prejudice to Article 2, para. 2.2 a) above, any amendment to this Agreement shall be made in writing.

9.5 For the purposes of this Agreement, the Parties elect domicile at the following addresses:  
- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski, 122-124, 00197 Rome, Italy  
- ....  
(address)

9.6 Every communication or notification to be made in accordance herewith shall be made in writing and delivered by hand, even by courier, or sent by registered letter with return receipt, or by e-mail with acknowledgment of receipt, or by certified e-mail to the following addresses:  
- Gestore dei Mercati Energetici S.p.A., Viale Maresciallo Pilsudski, 122-124, 00197 Rome, Italy, e-mail address [info@mercatoelettrico.org](mailto:info@mercatoelettrico.org); gme@pec.mercatoelettrico.org;  
- ..... (address)  
certified e-mail address ....., e-mail address .....

9.7 Communications shall be deemed to have been received upon the date of signature of their receipt of delivery, if delivered by hand, or when they reach the receiver's address, if sent by registered letter with return receipt, or upon the date of receipt of the acknowledgement of receipt, if sent by e-mail, or upon the date of receipt of the delivery message, if sent by certified e-mail.

**Article 10  
Governing Law**

10.1 This Agreement is governed by the Italian law.

**Article 11  
Disputes**

11.1 Any dispute arising between GME and the Contracting Party in connection herewith shall be settled in accordance with the provisions contained in Title VI of the Electricity Market Rules, which shall be deemed to be integrally referenced and transcribed herein.

the Contracting Party

....

.....

For the purposes and effects of Articles 1341 and 1342 of the Italian Civil Code, I hereby specifically approve the following clauses of the Agreement: Article 2.2 (a) (Electricity Market Rules, Technical Rules, and Amendments thereto); Article 2.2 (j) (Hold Harmless Obligation); Articles 3.5 and 3.6 (Limitations of Liability); Article 6 (Limitation of Liability, Lapse of Time Limit, Suspension of the Service); Article 7.2 (Termination of the Effects of the Agreement); Article 8 (Termination); Article 9.2 (No Assignment); Article 10 (Governing Law); and Article 11 (Disputes).

the Contracting Party

.....

Rome, (date)



***Annex 3  
to the Integrated Text of  
the Electricity Market  
Rules***

***Integrated Bank Guarantee  
with no expiration  
(Netting markets, MPEG,  
MTE, MTGAS, PCE)***

**Bank Guarantee Form,  
under article 100, para. 100.1 a),  
Integrated Text of the Electricity Market Rules**

Gestore dei Mercati Energetici S.p.A.  
Viale Maresciallo Pilsudski, 122-124,  
00197 Rome, Italy

(place) ..., (date) ...

Bank guarantee (ref. no. ...)

The Bank ..., branch of ..., with registered office in ..., taxpayer's code ..., VAT number ..., listed at no. ... of the Register of Companies (*Registro delle Imprese*) and at no. ... of the Register of Banks (*Albo delle Banche*), capital stock Euro ..., represented by its legal representatives ... (hereinafter referred to as the "Bank"),

WHEREAS

- ... (*surname and name/company name or registered name*), .....(*date and place of birth*), ..... (*place of residence and, if different, domicile/registered office*)  
taxpayer's code.....,VAT number .....capital stock Euro ..., of which ... (*subscribed*), of which ... (*paid-up*), registered with .... (hereinafter referred to as the "Market Participant" or "Applicant"), is a Market Participant or wishes to become qualified as a Market Participant in one or more of the following markets, following the:
  - acceptance, pursuant to Article 12, paragraph 12.1, subpara b), of the Integrated Text of the Electricity Market Rules - approved by the Decree of the Minister of Industry, Trade and Handicraft of 9 May 2001 and published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale*, no. 127 of 4 June 2001, as amended by the Decree of the Minister of Productive Activities of 19 December 2003, published in *Supplemento Ordinario, Gazzetta Ufficiale, Serie Generale*, no. 301 of 30 December 2003, as subsequently amended and supplemented (hereinafter referred to as the "ME Rules") -,the Electricity Market (ME) Participation Agreement, in the format attached to the aforesaid ME Rules, undertaking, towards *Gestore dei Mercati Energetici S.p.A* (hereinafter referred to as "GME") all the financial obligations in the Day-Ahead Market (MGP), Intra-Day Market (MI) (hereinafter jointly referred to as netting markets of the ME), Daily Products Market (MPEG) and Forward Electricity Market (MTE), (hereinafter jointly defined as the "energy markets");
  - acceptance, pursuant to article 18, paragraph 18.1, subpara b), of the Forward Account Registration Platform (PCE) Rules - positively verified by the Director of Markets of the Regulatory Authority for Energy, Networks and Environment with Resolution of 7 February 2007 (hereinafter: PCE Rules) - of the PCE Participation Agreement, according to the form defined in the Rules, undertaking, as a result, toward GME the pecuniary obligations relating to the PCE with reference to which GME is the counterparty of the Market Participant;
  - acceptance, pursuant to article 13, paragraph 13.1, subpara b), of the Natural-Gas Market Rules - approved, pursuant to art. 30, paragraph 1, of Law 99/09, with Decree of the Minister of Economic Development of 6 March 2013, as subsequently amended and supplemented (hereafter: MGAS) - of the natural gas market (MGAS) participation agreement, undertaking, as a result, towards GME all pecuniary obligations relating to the spot market (hereinafter: netting markets of the MGAS) and to the forward gas market (MTGAS) (hereinafter jointly referred to as the Gas Market);

- pursuant to article 100, paragraphs 100.1 a), 100.5, and 100.6, of the ME Rules, for the coverage of the obligations that they intend to take on the netting markets of the ME and of the MGAS (hereinafter jointly referred to as: netting markets), on the MPEG, on the MTE, on the MTGAS or on the PCE, the market participants may post a bank guarantee provided by the banks having the requirements specified in Article 100, paragraph 100.2;
- the above-mentioned bank guarantee shall be submitted to the bank in charge of GME's treasury services (as set forth in article 99 of the ME Rules), which shall verify the bank guarantee;
- the Market Participant has submitted a formal request for the issuance of the above-mentioned bank guarantee for a maximum amount of Euro ..... to cover all prior and future obligations towards GME, in connection with its participation in the netting markets, MPEG, MTE, MTGAS and PCE, in whatever form (including accessory obligations), except those arising from failure to pay the fees referred to in article 7, para. 7.1 of the ME Rules and MGAS Rules, and article 7, paragraph 7.1 of the PCE Rules (hereinafter referred to as "prior and future obligations");
- "prior obligations" shall mean all those obligations - even if they are not yet liquid and/or payable - that have already been acquired, pursuant to one or more participation agreements mentioned above, at the time of effect of this bank guarantee; "future obligations" shall mean all those obligations acquired, pursuant to one or more participation agreements mentioned above, after such date.

NOW, THEREFORE,

the Bank issues this guarantee in favour of GME on the terms and conditions indicated below and, anyway, in accordance with and pursuant to the provisions set forth in the ME Rules, MGAS Rules and in the PCE Rules to guarantee all prior and future obligations arising or will arise from the Market Participant towards GME, in relation to its participation in the netting markets, in the MPEG, in the MTE, in the MTGAS and in the PCE, in any capacity, even accessory, except those arising from the non-payment of the fees referred to in Article 7, paragraph 7.1, of the ME Rules and of the MGAS Rules and Article 7, paragraph 7.1, of the PCE Rules. The bank declares that it knows and accepts the provisions set forth in the ME Rules, in the MGAS Rules, in the PCE Rules, in the Technical Rules in force from time to time and all the obligations of the Market Participant deriving from the signature of one or more participation agreements mentioned above.

**Article 1**  
**(Validity and effect of the bank guarantee)**

The bank guarantee shall be valid and effective from ..... and not subject to any condition, provided that the verification conducted by the bank in charge of treasury services under article 100, para. 100.10 of the ME Rules has had a positive outcome.

**Article 2**  
**(Waiver of preventative enforcement)**

The Bank shall – irrevocably, unconditionally and formally waiving the benefit of preventative enforcement as specified in article 1944 of the Italian Civil Code - guarantee the fulfilment of all of the Market Participant's "prior obligations" and "future obligations" towards GME in relation to the participation in the energy markets, in the gas Market and in the PCE.

**Article 3**  
**(No assessment of the Market Participant's credit worthiness)**

The Bank agrees and declares that, as the obligations mentioned in article 2 above arise from participation in the energy Markets, in the gas Market and in the PCE, they do not involve GME's prior assessment of the Market Participant's credit worthiness, notwithstanding that this letter also represents a special authorisation granted by the Bank to GME for the purposes and effects of article 1956 of the Italian Civil Code.

**Article 4**  
**(Substitution in the bank guarantee contract during the transitional period)**

If GME is guaranteed by other guarantees that the Market Participant has previously posted in favour of GME to cover obligations acquired in the energy Markets, in the gas Market and in the PCE and that have been issued in formats other than the present one, then this bank guarantee may substitute the previous guarantees, provided that: i) the guarantee is posted for an amount at least equal to the amount of the “prior obligations”; and ii) the Market Participant submits an appropriate application to GME and to the bank in charge of treasury services upon the submission of this bank guarantee. The substitution shall relieve the previous bank guarantee issuer of its obligations.

Otherwise, this bank guarantee shall not impair the validity and effect of the previous guarantees. In this case, the prior guarantees and this bank guarantee issued to GME shall merely cumulate, without relieving the guarantors of their obligations, notwithstanding the fact that GME may preliminarily enforce the prior guarantees. Moreover, this bank guarantee shall cover the “prior obligations” and the “future obligations” even in case of guarantees preceding this bank guarantee.

**Article 5**  
**(Substitution and succession of bank guarantees over time)**

The provisions on substitution and succession of the guarantees over time, referred to in Article 4 above, shall also apply to the cases of multiple bank guarantees that are posted in this format. However, the subsequent guarantor shall waive the benefit of preventative enforcement of the previous guarantor.

**Article 6**  
**(Extension of the Bank’s liability)**

Without prejudice to the provisions of Article 1 above, where the Bank loses one of the qualifications required by the applicable legislation and by the ME Rules for issuing and maintaining the bank guarantees, or if the Bank, in the event of enforcement of the guarantee provided respectively pursuant to article 100 of the ME Rules, fails to pay the guaranteed amount, this guarantee shall be valid until the deadline set in the ME Rules and in the related Technical Rules in force at the time when the Bank loses one of the requirements identified above or in force at the time the Bank, in the event of enforcement of the bank guarantee, fails to pay the guaranteed amount. The Bank will continue to be liable, in addition to all the obligations acquired by the Market Participant until that time, also for any other obligation, connected to this bank guarantee, which may subsequently arise, until the same Market Participant replaces this bank guarantee with another appropriate guarantee.

**Article 7**  
**(First-demand payment)**

As an effect of the provisions of Article 2 above, the Bank shall – irrevocably, unconditionally and without delay - pay any amount, without examining the reasons for the request for payment and without raising any exception and/or objection and in spite of any exception, complaint or objection made by the Market Participant and/or third parties (including other guarantors of the same Market Participant) in connection therewith, upon the submission of a mere written request by GME, up to a maximum total amount of Euro ...

**Article 8**  
**(Modalities of payment by the Bank)**

After receiving the request referred to in Article 7 above, to be sent by registered letter with return receipt, preceded by a fax to fax no... or by e-mail with acknowledgement of receipt, or by certified e-mail to....., the Bank shall pay the amount in Euro indicated in the request for payment within ten days of the date of receipt of the registered letter with return receipt or of the PEC and with value date on the same day, by means of bank transfer (Sepa Credit Transfer with Priority former: *bonifico di importo rilevante [BIR]*) or equivalent procedures. Where the date of payment falls on a holiday, the deadline shall be postponed to the following first working day.

**Article 9**  
**(Derogation from the provisions of Article 1957 of the Italian Civil Code)**

The Bank hereby explicitly relieves GME of the obligation to act in accordance with the provisions of article 1957 of the Italian Civil Code, notwithstanding that, by way of derogation from such article, the Bank shall remain bound by its obligations, even if GME has not submitted a request to the Market Participant or has not diligently persisted in such request.

**Article 10**  
**(Partial enforcement)**

This guarantee may also be partially enforced, but it shall remain valid and effective for the residual amount.

**Article 11**  
**(Autonomy of the bank guarantee)**

By way of derogation from article 1939 of the Italian Civil Code, this guarantee shall be valid and effective even if the Market Participant's principal obligation towards GME is declared invalid or ineffective or if it is modified in any form, even unilaterally only, by GME.

**Article 12**  
**(Waiver of the rights covered by Articles 1945, 1947 and 1955 of the Italian Civil Code)**

The Bank hereby explicitly and irrevocably waives its rights in accordance with Articles 1945, 1947 and 1955 of the Italian Civil Code.

**Article 13**  
**(Waiver of claims or actions)**

The Bank explicitly waives any defence, exception, right to compensation, claim or action towards GME in connection with the obligations arising herefrom, including but not limited to any defence, exception, compensation, claim or action that the Applicant may in any way institute against GME.

**Article 14**  
**(Delegation of the rights covered by this bank guarantee)**

The Bank hereby accepts that GME's rights of enforcement of this guarantee be exercised by GME or a party specially authorised in writing by GME.

**Article 15**  
**(Waiver of the bank guarantee by GME)**

GME may at any time and in its sole judgement waive this bank guarantee, by notifying the Bank and the Market Participant's thereof and with effect from 24:00 of the working day on which the Bank receives such notification. In this case, the Bank shall be liable for all the obligations acquired by the Market Participant until that time.

**Article 16**  
**(Unilateral withdrawal by the Bank)**

The Bank may withdraw from this bank guarantee, by notifying GME and the bank in charge of GME's treasury services thereof by registered letter with return receipt or by registered mail (PEC). The withdrawal from the bank guarantee shall have effect and the bank guarantee shall cease ten days after receipt of the notification by GME or from the date of receipt of delivery, if made by PEC, without prejudice to the provisions of article 17.

**Article 17**  
**(Effects of withdrawal)**

GME shall notify the Bank of the amount of obligations, even if they are not yet liquid and/or payable, contracted until the time of effect of the withdrawal, specifying the related reference period.

The bank shall be liable for all obligations, even if they are not yet liquid and/or payable, contracted until the time of effect of the withdrawal, if the Market Participant does not submit to GME a guarantee to cover such obligations.

**Article 18**  
**(Notifications)**

Notwithstanding the provisions of Article 8 above, all communications or notifications shall be made by registered letter with return receipt or by e-mail with acknowledgment of receipt or by fax or by registered mail (PEC) to the following addresses:

.... (surname and name/company name or registered name), ...(address)

e-mail address

certified e-mail

address.....

.....

Communications or notifications shall be deemed to have been received upon their arrival at the receiver's address, if sent by registered letter with return receipt, or upon the date of acknowledgement of receipt, if sent by e-mail, or upon the date of the message of confirmation, if sent by fax or on the date of receipt of delivery, if sent by certified e-mail.

**Article 19  
Applicable  
Law and  
Jurisdiction**

This bank guarantee is governed by the Italian Law.

The Court of Rome shall have exclusive jurisdiction over any dispute arising herefrom.

Registered Name of the Bank

Signatures of its Legal Representatives

For the purposes and effects of articles 1341 and 1342 of the Italian Civil Code, the Bank hereby specifically approves the clauses and conditions specified in Articles 2 (*Waiver of preventative enforcement*), 4 (*Substitution in the bank guarantee contract during the transitional period*), 5 (*Substitution and succession of bank guarantees over time*), 6 (*Extension of the Bank's liability*), 7 (*First-demand payment*), 9 (*Derogation from the provisions of Article 1957 of the Italian Civil Code*), 10 (*Partial enforcement*), 11 (*Autonomy of the bank guarantee*), 12 (*Waiver of the rights specified in Articles 1945, 1947 and 1955 of the Italian Civil Code*) , 13 (*Waiver of claims or actions*) and 19 (*Applicable Law and Jurisdiction*) of this bank guarantee.

The Bank

N.B.: *the signatures of the proxy holders shall be certified in accordance with the applicable legislation.*



***Annex 4***  
***to the Integrated Text of Electricity Market Rules***

***Updating of Bank Guarantee submitted according to  
the Form referred to in Annex 3***

**Letter for Updating the Amount of Bank Guarantees,  
under article 101, para. 101.2,  
Integrated Text of the Electricity Market Rules**

Gestore dei Mercati Energetici S.p.A.  
Viale Maresciallo Pilsudski, 122-124,  
00197 Rome, Italy

(place) ... (date) ...

Letter updating the bank guarantee issued on ... , ref. no. ...

The bank ..., branch of ..., with registered office in ..., taxpayer's code ..., VAT number ..., listed at no. .... of the Register of Companies (*Registro delle Imprese*) and at no. .... of the Register of Banks (*Albo delle banche*), with capital stock of Euro ..., represented by its legal representatives ... (hereinafter the Bank),

GRANTS

to ... (*Market Participant*)

- the modification of the maximum amount guaranteed by the bank guarantee issued on ..., ref. no. ..., to take effect from ... (*date*). As a result, the amount guaranteed by the aforesaid bank guarantee shall be equal to Euro ...

The terms and conditions stated in the bank guarantee letter issued on ... , ref. no. ..., shall remain valid.

Registered Name of the Bank  
Signatures of its Proxy Holders

*N.B.: the signatures of the proxy holders shall be certified in accordance with the applicable legislation.*



***Annex 5  
to the Integrated Text  
of the Electricity  
Market***

***Integrated Bank  
Guarantee with  
expiration  
(Netting markets,  
MPEG, PCE)***

**Bank Guarantee Form,  
under article 100, para. 100.1 b),  
Integrated Text of the Electricity Market Rules**

Gestore dei Mercati Energetici S.p.A.  
Viale Maresciallo Pilsudski, 122-124,  
00197 Rome, Italy

(place) ..., (date) ...

Bank guarantee (ref. no. ...)

The Bank ..., branch of ..., with registered office in ..., taxpayer's code ..., VAT number ..., listed at no. ... of the Register of Companies (*Registro delle Imprese*) and at no. ... of the Register of Banks (*Albo delle Banche*), capital stock Euro ..., represented by its legal representatives ... (hereinafter referred to as the "Bank"),

WHEREAS

- ... (*surname and name/company name or registered name*), ... (*date and place of birth*), ... (*place of residence and, if different, domicile/registered office*)  
taxpayer's code....., VAT number ...  
capital stock Euro ..., of which ... (*subscribed*), of which ... (*paid-up*), registered with .... (hereinafter referred to as the "Market Participant" or "Applicant"), is Market Participant or wishes to become qualified as Market Participant in one or more of the following markets, following the:
  - acceptance, pursuant to article 12, para. 12.1 b) of the Electricity Market Rules -, approved by decree of the Minister for Productive Activities on 19 December 2003, published in the ordinary integration to the Official Journal no. 301 of 30 December 2003, General Series, and subsequent amendments and additions (hereafter: ME Rules) - of the Electricity Market (ME) Participation Agreement, according to the form defined in the ME Rules, acquiring, towards Gestore dei Mercati Energetici SpA (hereinafter: GME), the pecuniary obligations relating to the day-ahead energy market and to the intra-day market (hereinafter referred to as: netting markets of the ME) and to the daily products market (MPEG), (hereinafter jointly defined as: "MPE markets");
  - acceptance, pursuant to article 18, paragraph 18.1, subpara b), of the Forward Account Registration Platform (PCE) Rules - positively verified by the Director of Markets of the Regulatory Authority for Energy, Networks and Environment with Resolution of 7 February 2007 (hereinafter: PCE Rules) - of the PCE Participation Agreement, according to the form defined in the Rules, undertaking, as a result, toward GME the pecuniary obligations relating to the PCE with reference to which GME is the counterparty of the Market Participant;
  - acceptance, pursuant to article 13, paragraph 13.1, subpara b), of the Natural-gas market Rules - approved, pursuant to art. 30, paragraph 1, of Law 99/09, with Decree of the Minister of Economic Development of 6 March 2013, as subsequently amended and supplemented (hereafter: MGAS Rules) - of the market participation agreement, according to the form provided in the MGAS Rules, undertaking towards GME all pecuniary obligations relating to the spot market (hereinafter: netting markets of the MGAS);
- as per article 100, para. 100.1 b), 100.5, and 100.6 of the ME Rules, for the purpose of covering obligations that they wish to acquire in the netting markets of the ME and MGAS (hereinafter jointly referred to as netting markets), in the MPEG or PCE, Market Participants are required to post a bank guarantee issued by banks meeting the requirements specified in the same article 100, para. 100.2;
- the above-mentioned bank guarantee shall be submitted to the bank in charge of GME's treasury services (as set forth in article 99 of the ME Rules), which shall verify the bank guarantee;
- the Market Participant has submitted a formal request for the above-mentioned bank guarantee for a maximum amount of Euro ..... to cover all obligations towards GME, in connection with its participation in the netting markets, MPEG and PCE, in whatever form (including accessory obligations), except those

arising from failure to pay the fees referred to in article 7, para. 7.1 of the ME Rules and MGAS Rules and referred to in article 7 , paragraph 7.1 of the PCE Rules.

NOW, THEREFORE,

the Bank issues this guarantee in favour of GME on the terms and conditions indicated below and, anyway, in accordance with and pursuant to the provisions set forth in the ME Rules, MGAS Rules and in the PCE Rules to guarantee all the obligations arising or deriving from the Market Participant towards GME, in relation to its participation in the netting markets, in the MPEG and in the PCE, in any capacity, even accessory, except those arising from the non-payment of the fees referred to in Article 7, paragraph 7.1, of the ME Rules and of the MGAS Rules and Article 7, paragraph 7.1, of the PCE Rules. The bank declares that it knows and accepts the provisions set forth in the ME Rules, in the MGAS Rules, in the PCE Rules, in the Technical Rules in force from time to time and all the obligations of the Market Participant deriving from the signature of one or more participation agreements mentioned above.

1. The bank guarantee shall be valid and effective from ..... to.....
2. The Bank shall - irrevocably, unconditionally and formally waiving the benefit of preventative enforcement as specified in article 1944 of the Italian Civil Code - guarantee the fulfilment of all of the Market Participant's obligations towards GME arising from its participation in the netting markets, in the MPEG and in the PCE, in whatever form (including accessory obligations), except those arising from failure to pay the fees referred to in article 7, para. 7.1 of the ME Rules and MGAS Rules and referred to in article 1, paragraph 7.1 of the PCE Rules in the period of validity and effect of this bank guarantee.
3. Without prejudice to the provisions of point 1 above, where the Bank loses one of the qualifications required for issuing bank guarantees or where the Bank - in case of enforcement of the bank guarantee issued under article 100, para. 100.1 of the ME Rules – fails to pay the guaranteed amount, this guarantee shall be valid until the deadline set in the ME Rules and in the related Technical Rules in force at the time when the Bank loses one of the requirements identified above or in force at the time the Bank, in the event of enforcement of the bank guarantee, fails to pay the guaranteed amount. It is understood that the Bank shall be liable not only for all the Applicant's obligations acquired until such date but also for any other obligation which may be connected with this bank guarantee and which may subsequently arise.
4. As an effect of the provisions of point 2 above, the Bank shall – irrevocably, unconditionally and without delay - pay any amount, without examining the reasons for the request for payment and in spite of any exception, complaint or objection made by the Market Participant (and/or third party) in connection therewith, upon the submission of a mere written request by GME, up to a maximum total amount of Euro .....
5. After receiving the request referred to in point 4 above, to be sent by registered letter with return receipt, preceded by a fax to fax no..... or by e-mail message with acknowledgement of receipt, or by certified e-mail to.....the Bank shall pay the amount in Euro indicated in the request for payment within ten days of the date of receipt of the registered letter with return receipt or of the certified e-mail and with value date on the same day, by means of bank transfer (Sepa Credit Transfer with Priority) or equivalent procedures. Where the date of payment falls on a holiday, the deadline shall be postponed to the following first working day.
6. The Bank hereby explicitly relieves GME of the obligation to act in accordance with the provisions of article 1957 of the Italian Civil Code, notwithstanding that, by way of derogation from such article, the Bank shall remain bound by its obligations, even if GME has not submitted a request to the Market Participant or has not persisted in such request.
7. This guarantee may also be partially enforced, but it shall remain valid and effective for the residual amount.
8. By way of derogation from article 1939 of the Italian Civil Code, this bank guarantee shall be valid and effective even if the Market Participant's principal obligation towards GME is declared invalid.
9. The Bank hereby explicitly and irrevocably waives its rights in accordance with Articles 1945, 1947 and 1955 of the Italian Civil Code.

10. The Bank explicitly waives any defence, exception, right to compensation, claim or action towards GME in connection with the obligations arising herefrom, including but not limited to any defence, exception, compensation, claim or action that the Applicant may in any way institute against GME.

11. The Bank hereby accepts that GME's rights of enforcement of this bank guarantee be exercised by GME or a party specially authorised by GME.

12. Without prejudice to the provisions of point 5 above, all communications or notifications shall be made by registered letter with return receipt or by e-mail with acknowledgment of receipt or by fax or by certified e-mail to the following addresses:

.... (surname and name/company name or registered name), ...(address)

e-mail address ... fax no.....

certified e-mail address

Communications or notifications shall be deemed to have been received upon their arrival at the receiver's address, if sent by registered letter with return receipt, or upon the date of acknowledgement of receipt, if sent by e-mail, or upon the date of acknowledgement of receipt, if sent by fax or on the date of receipt of delivery, if made by certified e-mail.

13. This bank guarantee is governed by the Italian Law. The Court of Rome shall have exclusive jurisdiction over any dispute arising here from.

Registered Name of the Bank

Signatures of its Legal Representatives

For the purposes and effects of articles 1341 and 1342 of the Italian Civil Code, the Bank hereby specifically approves the clauses and conditions specified in points 2 (*Waiver of preventative enforcement*), 3 (*Extension of the Bank's liability*), 4 (*First-demand payment*), 6 (*Derogation from the provisions of Article 1957 of the Italian Civil Code*), 7 (*Partial enforcement*), 8 (*Derogation from validity*), 9 (*Waiver of the rights specified in Articles 1945, 1947 and 1955 of the Italian Civil Code*), 13 (*Waiver of claims or actions*) and 13 (*Applicable Law and Jurisdiction*) of this bank guarantee.

The Bank

N.B.: *the signatures of the legal representatives shall be certified in accordance with the applicable legislation.*



***Annex 6***  
***to the Integrated Text of the Electricity Market Rules***  
***Updating of Bank Guarantee submitted according to***  
***the form referred to in Annex 5***

**Letter for Updating the Amount of Bank Guarantees,  
under article 101, para. 101.2.  
Integrated Text of the Electricity Market Rules**

Gestore dei Mercati Energetici S.p.A.  
Viale Maresciallo Pilsudski, 122-124,  
00197 Rome, Italy

(place) ... (date) ...

Letter updating the bank guarantee issued on ... , ref. no. ...

The bank ..., branch of ..., with registered office in ..., taxpayer's code ..., VAT number ..., listed at no. .... of the Register of Companies (*Registro delle Imprese*) and at no. .... of the Register of Banks (*Albo delle banche*), with capital stock of Euro ..., represented by its legal representatives ... (hereinafter the Bank),

GRANTS

to ... (*Market Participant*)

- the modification of the maximum amount guaranteed by the bank guarantee issued on ..., ref. no. ...., to take effect from ... (*date*). As a result, the amount guaranteed by the aforesaid bank guarantee shall be equal to Euro ...

and/or

- the modification of the period of validity and effectiveness referred to in point 1 of the same bank guarantee. As a result, the bank guarantee shall be valid and effective until.....

The terms and conditions stated in the bank guarantee letter issued on ... , ref. no. ...., shall remain valid.

Registered Name of the Bank  
Signatures of its Legal Representatives

*N.B.: the signatures of the legal representatives shall be certified in accordance with the applicable legislation.*