



Day-Ahead Market Detailed Rules of Electricity Trading and Settlement

The Day-Ahead Market detailed rules of electricity trading and settlement approved by the Polish Power Exchange Management Board Resolution No 108/20/11 of 14th October 2011 come into force on 26th October 2011

Chapter 1. Definitions

1. Exchange Member – an entity that has got the Exchange Member status and that has been admitted to act on the DAM&IDM by the Exchange Management Board,
2. Delivery Day – a day on that the energy contracted on DAM on the Trading Day will be delivered or received,
3. Trading Day – a day on that DAM rates are fixed for given Delivery Day,
4. exchange – the Exchange Commodity Market run in accordance with the Exchange Regulations by the Power Exchange Joint Stock Company,
5. Exchange, POLPX – the Power Exchange Joint Stock Company.
6. Work Schedule – a program for electricity delivery or receiving for a single Scheduling Unit, for each hour of Delivery Day, including energy contracted on DAM as well as CDM,
7. block instrument – an instrument for delivery of electricity at the contract execution date determined in the instrument specification, longer than one hour on the delivery day,
8. hourly instrument – an instrument for delivery of electricity with the contract execution deadline equal to one hour on the delivery day,
9. Clearing House – the Warsaw Commodity Clearing House Joint Stock Company that runs the clearing and settlement house performing the function of the exchange clearing house, in accordance with the Financial Instruments Trading Act,
10. Scheduling Unit Made Available – the Scheduling Unit made available to the Power Company according to the rules established in the Exchange Regulations,
11. contract – an agreement concluded on DAM between the Exchange Members resulting in conveyance of property of the electricity from the seller to the purchaser,
12. price – a uniform price of 1 MWh of electricity at given hour of the Delivery Day, fixed on DAM,
13. private web site – a web site accessible only for given Exchange Member and for the Exchange,
14. TSO – the Transmission System Operator, a power company holding a license for transmission and distribution of electricity via transmission grid on a nation-wide basis i.e. PSE-Operator Joint Stock Company,
15. DSO – the Distribution System Operator, a power company holding a license for transmission and distribution of electricity via a distribution grid on a defined area of the country,
16. Portfolio – one generating or receiving facility or a group of such facilities, owned by the same Exchange Member, one Work Schedule has been worked out for that (which),
17. The Power Law Act – the Act dated on the day of April the 10th 1997 titled “The Power Law” (Journal of Law No 89/2006, item 625 with later amendments),
18. Power company – an entity that carries out business activity within the scope of generation, processing, storage, transmission and distribution of fuels or power or trading of the aforementioned (in accordance with Article 3 item 12 of the Power Law Act),
19. IDM – the Intraday Market separated within the framework of the DAM&IDM and run by the Exchange,
20. DAM – the Day-Ahead Market separated within the framework of DAM&IDM and run by the Exchange,
21. DAM&IDM – the Day-Ahead Market and the Intraday Market run by the Exchange
22. GM – the Gas Market run by the Exchange,
23. PRM – the Property Rights Market run by the Exchange,
24. CDM – the Commodity Derivatives Market run by the Exchange,

25. EAM – the Emission Allowance Market run by the Exchange,
26. the Exchange Regulations – the trading Regulations for the Exchange Commodity Market of the Power Exchange Joint Stock Company,
27. the exchange IT system – a set of hardware and software components, and especially the specialized computer software, trading on the DAM is conducted by means of that,
28. the Detailed Rules of Trading and Settlement – the present Day-Ahead Market Detailed Rules of Electricity Trading and Settlement,
29. transaction – an electricity sale contract closed on the exchange by the Exchange Members,
30. OTC deal – an electricity sale contract closed between Exchange Members outside DAM trading session,
31. Transaction Fee – a commission due to the Exchange from the Exchange Member by the right of the transactions the Exchange Member has entered into, reckoned in accordance with the Exchange Regulations,
32. Trading Rules – relevant trading Rules for the derivative instruments program for the electricity resolved by the Exchange Management Board in accordance with § 101 subparagraph 3 of the Exchange Regulations,
33. order – a purchase or sale offer submitted by the Exchange Member on DAM.
34. The Exchange Trade Balancing Volume – it composes amount of electricity the Exchange Members shall be obliged to purchase or sell on the exchange and then to deliver (or to receive) through the inter-system connection, corresponding to amount of transmission capacities being purchased by them and considered as the balancing offer of the Exchange, opposite to the orders of the Exchange Members, which determine direction of use of allocated transmission capacities and the electricity transmission through the inter-system connection.

Chapter 2. Trading rules

Section 1. Organization of trading and entering into OTC deals on the DAM market.

§1.

The DAM trading is run two days preceding the Delivery Date for instruments laid down in the specifications (Appendices No 1 and No 2).

§2.

At Official Time change dates in Poland, regulated by the Decree of the Prime Minister concerning the introduction and cancellation of Central European Summer Time the number of hours of the contract execution deadline is modified in compliance with the content of the Decree (i.e. 23 or 25 hours).

Section 2. The DAM quotation schedule.

§3.

1. The quotations of the hourly instruments specified in Appendix No 1 are carried out in accordance with the schedule specified below:

Time	Quotation phase
Till 6:30 p.m. 3 days before the Delivery Day	Collaterals update Entering of current collaterals.
From 07:15 a.m. 2 days before the Delivery Day till 2:30 p.m. 2 days before the Delivery Day	Continuous trading Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
Till 6:30 p.m. 2 days before the Delivery Day	Collaterals update Entering of current collaterals.
From 7:15 a.m. 1 day before the Delivery Day till 8:00 a.m. 1 day before the Delivery Day	A phase preceding fixed auction price system quotation Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
8:00 a.m. 1 day before the Delivery Day	Fixing of the First Fixed Auction Price Fixing of prices for all hours of the Delivery Day and publication of quotation results on private Web site.
From 8:01 a.m. 1 day before the Delivery Day till 10:15 a.m. 1 day before the Delivery Day	Continuous trading Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
From 10:15 a.m. 1 day before the Delivery Day till 10:30 a.m. 1 day before the Delivery Day	A phase preceding fixed auction price system quotation Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.

At 10:30 a.m. 1 day before the Delivery Day	Fixing of the Second Fixed Auction Price Fixing of prices for all hours of the Delivery Day and publication of quotation results on private Web site.
From 10:31 a.m. 1 day before the Delivery Day till 1:30 p.m. 1 day before the Delivery Day	Continuous trading Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
Till 1:50 p.m. 1 day before the Delivery Day or in accordance with the message	Updating of the Work Schedules by the Exchange Members
Till 2:30 p.m. 1 day before the Delivery Day	Submitting of the commercial transactions to the TSO
Till 5:00 p.m. 1 day before the Delivery Day	Publication of quotation results on the Public Web Site

2. Quotations of the hourly instruments specified in Appendix No 3 are carried out daily in accordance with the schedule specified below:

Time	Quotation phase
Till 6:30 p.m. 2 days before the Delivery Day	Collaterals update Introducing of current collaterals.
From 10:35 a.m. 1 day before the Delivery Day till 11:30 a.m. 1 day before the Delivery Day	A phase preceding fixed auction price system quotation Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
At hours specified in the message - 1 day before the Delivery Day	Fixing of the Clearing Price Fixing of prices for all hours of the Delivery Day and publication of preliminary (non-transaction based) as well as final (transaction based) quotation results on private Web site.
Till 1:50 p.m. 1 day before the Delivery Day or in accordance with the message	Updating of the Work Schedules by the Exchange Members
Till 2:30 p.m. 1 day before the Delivery Day	Submitting of the commercial transactions to the TSO
Till 5:00 p.m. 1 day before the Delivery Day	Publication of quotation results on the Public Web Site

§4.

Quotations of the block instruments specified in Appendix No 2 are carried out daily in accordance with the schedule specified below:

Time	Quotation phase
Till 6:30 p.m. 3 days before the Delivery Day	Collaterals update Introducing of current collaterals.
From 07:15 a.m. 2 days before the Delivery Day till 2:30 p.m. 2 days before the Delivery Day	Continuous trading Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
Till 6:30 p.m. 2 days before the Delivery Day	Collaterals update Introducing of current collaterals.
From 7:15 a.m. 1 day before the Delivery Day till 1:00 p.m. 1 day before the Delivery Day	Continuous trading Acceptance of orders; orders may be cancelled and modified; the orders are validated as regards the collateral status.
Till 1:50 p.m. 1 day before the Delivery Day or in accordance with the message	Updating of the Work Schedules by the Exchange Members
Till 2:30 p.m. 1 day before the Delivery Day	Submitting of the commercial transactions to the TSO
Till 5:00 p.m. 1 day before the Delivery Day	Publication of quotation results on the Public Web Site

Section 3. The DAM session orders.

§5.

The Exchange Members place orders with reference to the Portfolios. In the Exchange IT system the Portfolio is defined as an account.

§6.

In the Exchange IT system each Exchange Member has got as many Portfolios as many Scheduling Units is in its possession. The Exchange Members is entitled to have in its possession the Portfolios for the Scheduling Units Made Available.

§7.

To the Portfolio the Scheduling Unit is assigned.

§8.

The Exchange Member is entitled to place more than one order with reference to a given Portfolio.

§9.

Each Portfolio may be assigned only to one Exchange Member unless the Exchange Member has made available such Portfolio to another Exchange Member according to the principles specified in the Exchange Regulations.

§10.

1. Each Order of the Exchange Member being placed on DAM shall define in particular:
 - a) designation (ID) of the exchange commodity of given type that is subject of the order,
 - b) type of order (purchase / sale),
 - c) the Portfolio the order is being placed with reference to that,
 - d) amount of electricity being subject to given sale- or purchase order,

- e) price limit expressed in PLN/MWh accurate to PLN 0.01 or an instruction to execute the order without price limit,
 - f) the validity period,
 - g) conditions for execution of the order, specified in § 11,
 - h) designation (ID) of the Exchange Member issuing the order,
 - i) date and hour of issuing of the order,
 - j) the order No.
2. The Exchange Member placing its order in the fixed auction price quotation system shall determine the price limit and amount of electricity being subject of its order through specification of limit points determining the demand- or the supply curve for its order, in accordance with § 26 subparagraph 3.
 3. All points located on the straight line connecting two neighboring limit points for the supply- or demand curve determine the price limit and limit of electricity amount being subject of given order.
 4. Subject to subparagraph 5, on the day of Central European Summer Time cancellation, specified in §2, the Exchange accepts orders for instruments mentioned in Appendix No. 3 with execution time for 25 hours.
 5. Orders placed for an instrument mentioned in Appendix No. 3 with delivery in hour 3 are also treated as orders placed for an instrument marked as 2a – an additional hour on the day of Summer Time cancellation. The Exchange does not accept separate orders for an instrument marked 2a on that day. The remaining provisions of these Detailed Rules of Trading and Settlement are applied accordingly in such a situation. The Exchange does not provide information on transactions concluded in the 2a instrument separately in the exchange IT system.

§11.

1. The orders being introduced into the fixed auction price quotation system and the continuous trading system should include the execution terms and validity periods. Depending on execution terms and deadlines there are following types of orders:
 - a) The Rest of Day order – the order is valid on the day of transferring it on the exchange. It may be placed in any phase of the trading session. It may participate in continuous trading phase and in the fixed auction price phase. The part of the order that has not been executed during the fixed auction price phase is transferred to the continuous trading phase, and the part of the order that has not been executed during the continuous trading phase is transferred to the fixed auction price phase.
 - b) The Good Until Expiry order – the order is valid until the end of instrument quotation. It may be placed in any phase of the trading session. It may participate in continuous trading phase and in the fixed auction price phase. The part of the order that has not been executed during the fixed auction price phase is transferred to the continuous trading phase, and the part of the order that has not been executed during the continuous trading phase is transferred to the fixed auction price phase. The non-executed part of the order is transferred to another trading session the instrument is quoted during that.
 - c) The Good Until Date order – the order is valid until the date specified in the phase of placing of the order. It may be placed during any phase of trading session. It may participate in continuous trading phase and in the fixed auction price phase. The part of the order that has not been executed during the fixed auction price phase is transferred to the continuous trading phase, and the part of

the order that has not been executed during the continuous trading phase is transferred to the fixed auction price phase. The non-executed part of the order is transferred to another trading session the instrument is quoted during that. The order is quoted until the date when a set time limit expires.

- d) The Timed order – the order is valid on the day of placing it on the exchange until the date set in the phase of placing of the order. The order may participate only in the continuous trading phase.
 - e) The Call Auction order – the order is valid on the day of placing of it on the exchange and it may participate only in the fixed auction price phase and only in one auction. The non- executed part of the order is cancelled.
 - f) The Fill and Kill order – the order participates only in the continuous trading phase. It is valid until the first transaction is entered into (or first transactions if the order is executed in a few transactions simultaneously). The non-executed part of the order is cancelled. This order may be executed partially, en block or may be not executed at all. The order may be placed without a price limit.
 - g) The Fill or Kill order – the order participates only in the continuous trading phase. It is valid until the first transaction is entered into (or first transactions if the order is executed in a few transactions simultaneously), while the order has to be executed en block or not to be executed at all. If the order layout does not allow execution of the order en block the order is cancelled.
2. The orders participating in the fixed auction price phase shall remain valid till the moment of announcing of the Clearing Price for the transmission capacity auction of “implicit” type.

§12.

The Fill and Kill and Fill or Kill orders are not included in the order table. Once such orders have been placed the transaction is entered into or the orders are deleted.

§13.

The order may comprise an additional activation condition - Stop Loss function. By means of Stop Loss function the condition concerning the electricity price level the order appears on the market at that is defined. The order is activated on the market when the set condition is fulfilled.

§14.

The orders may be placed on the market (market orders) or locally (local orders). The local orders are not quoted.

§15.

The local orders may be placed on the market through activation. The market order may become a local order through suspension. The orders may be activated and suspended when quotations are carried out on the DAM.

§16.

The orders may be placed on the market only during the quotation phase on the DAM. Outside the quotation phase on the DAM the Exchange Member is entitled to place a local order.

§17.

1. Each purchase order, determined in § 10 and placed on the DAM is verified as regards financial cover through comparing the required collateral fixed as sum of values of the order being placed, the purchase orders previously placed on the market by the Exchange Member as well as the value of the purchase and sale

transactions, which have been entered into, with the transaction limit determined by the Clearing House according to the principles specified in "The detailed clearing rules for the markets being run by the POLPX".

2. The Exchange shall not execute purchase orders placed by the Exchange Member in relation to that the verification of the order shows that the amount of the fixed collateral is lower than amount of the required collateral.
3. Each day, before beginning of the session, the fixed collateral amount shall be updated basing on information delivered by the Clearing House.
4. Only the local orders are not checked as regards the collaterals.

§18.

1. The Exchange Members are entitled to modify their own orders. The following items may be modified:
 - a) offered electricity amount,
 - b) the price limit.

§19.

With the reservation for § 50a letter e) the orders may be modified during the quotation phase on the DAM. If during the modification the volume is reduced the time for placing of the order is not altered. In the other cases of modification (increasing of the volume and the price change) a new time of placing is assigned to given order.

§20.

The order placed on given market remains active until the modification process is completed or the order is cancelled.

§21.

In the case when quotations in given instruments have been suspended the orders must not be modified.

§22.

The orders may be cancelled during quotation phase on the DAM. The order may be cancelled by the Exchange Member before the order validity period expires. With the reservation for § 50a letter e) the orders being subject to the transactions, which have been entered into, must not be cancelled.

Chapter 3. Price fixing principles and execution of the orders.

Section 1. General rules of price fixing and execution of orders

§23.

The price is fixed with accuracy to PLN 0.01.

§24.

The price limit specified in the order must not be lower than the minimum price limit specified in the orders, determined by the Exchange, in accordance with § 26.

§25.

On the DAM there are no limitations of price fluctuations. In case, when the fixed auction price for given instrument differs significantly from previous fixed auction price the Management Board or an authorized clerk of the Exchange shall be entitled, after fixing of fixed auction price and before the continuous trading phase, to introduce additional trading phase for such instrument during which it will be allowed to place,

delete and modify orders without opportunity to enter into transactions. The duration of an additional trading phase shall not exceed 15 minutes. The Exchange Members shall be notified about the introduction of an additional trading phase by means of exchange IT system.

§26.

1. On the DAM market the maximum and minimum price limit in orders shall be obligatory. The minimum price amount and the maximum price amount shall be determined in accordance with the specification of the instruments presented in the Appendices to the Detailed Rules of Electricity Trading and Settlement .
2. In justified cases the Exchange Management Board shall be entitled to make changes of the minimum price and the maximum price.
3. During fixing the fixed auction price the supply and demand curve shall be determined in accordance with the rules specified below:
 - a) the supply curve shall be determined between the point for theoretical sale order with the price limit equal to the minimum price and with the volume equal to zero, the points resulted from the price and the volume of accepted sale orders as well as the point for the theoretical sale order with the price limit equal to the maximum price and the volume equal to aggregated volume for the highest price limit specified in the sale orders;
 - b) the demand curve shall be determined between the point of theoretical purchase order with the price limit equal to the maximum price and the volume equal to zero, the points resulted from the price and the volume of the accepted purchase orders and for the theoretical purchase order with the price limit equal to the minimum price and the volume equal to aggregated volume for the lowest price limit specified in the purchase orders;
 - c) the points for the theoretical sale order and the theoretical purchase order shall be assigned by the exchange IT system.

§27.

In the cases and within the scope, in which the Exchange is entitled (in accordance with the Detailed Rules of Trading) to close the position of given Exchange Member on the Commodity Derivatives Market, the Exchange shall be entitled to place orders on the DAM market in behalf of given Exchange Member.

Section 2. The principles of price fixing and execution of the orders in the fixed auction price system.

§28.

1. The fixed auction price is fixed with using in turn the following principles:
 - a) maximization of the trading volume.
 - b) lack of difference between the aggregated volume of electricity in purchase orders and in sale orders executable at a specified price.
2. In the cases when – as a result of making the transmission capacities on the inter-system connections, mentioned in § 49, accessible for the Exchange Members – the Exchange Trade Balancing Volume is higher than zero the Exchange shall not determine the Fixed Auction Price for the transactions being entered into. In such situation the Exchange shall determine conditions of execution of the orders after allocation of the transmission capacities (corresponding to the Exchange Trade

balancing Volume) for the Exchange Members, in accordance with the principles determined in the present Detailed Rules of Electricity Trading and Settlement.

§29.

1. With the reservation for § 28 subparagraph 2 the orders placed on the DAM in the fixed auction price system are executed in accordance with the following principles:
 - a) in case of purchase orders the orders with the highest price limit shall be executed in the first row,
 - b) in case of sale orders the orders with the lowest price limit shall be executed in the first row,
 - c) in case of orders with equal price limits they shall be executed according to the time of the order acceptance by the Exchange IT system (the orders accepted earlier shall be executed in the first row),
 - d) the sale orders placed with the price limit below the price of electricity shall be executed en block,
 - e) the purchase orders placed with the price limit above the price of electricity shall be executed en block,
 - f) purchase and sale orders placed with a price limit equal to price of electricity may be executed partially, en block or may be not executed at all,
 - g) the sale orders placed with the first the lowest price limit above the electricity price may be executed partially, en block or may be not executed at all,
 - h) the purchase orders, placed with the first the highest price limit below the electricity price may be executed partially, en block or may be not executed at all.

§30.

The sequence of execution of the orders placed with a price limit equal to the price of electricity, the sale orders placed with the first the lowest price above the electricity price as well as the purchase orders placed with the first the highest price limit below the electricity price is determined by the time of receiving of the orders in the exchange IT system .

§31.

The orders may be executed partially, while each partial transaction shall concern at least 0,1 MWh of electricity.

§32.

1. In case when there is no possibility for univocal fixing of the price in the limit point specified in § 10 subparagraph 2, the price shall be determined in the following manner:
 - a) there shall be determined the equation for the straight line between two the closest price limits in sale orders, for which the difference between the aggregated purchase volume and the aggregated sale volume is the lowest;
 - b) there shall be determined the equation for the straight line between two the closest price limits in purchase orders, for which the difference between the aggregated purchase volume and the aggregated sale volume is the lowest;
 - c) there shall be determined the point of intersection of the curves determined according to the principles described in letters a) and b); the coordinates of the point shall determine the price and the trading volume.

Section 3. The principles of price fixing and execution of the orders in the continuous trading system.

§33.

1. In the continuous trading system the transactions are entered into at the price equal to the price limit that was specified in the order introduced earlier, waiting in the order table for execution, in accordance with to the following principles:
 - a) in the first row the orders with the highest price limit in case of purchase orders, and with the lowest price limit in case of the sale orders shall be executed,
 - b) in case of orders with equal price limits they shall be executed according to the time of the order acceptance (the orders accepted earlier shall be executed in the first row).

§34.

The orders may be executed partially, while each partial transaction shall concern at least 0,1 MWh of electricity in accordance with the accuracy the nominal value of the instrument, determined in the instrument specification, is expressed with.

Section 4. Rules of electricity trading on the DAM through entering into OTC deals.

§35.

Orders concerning the OTC deals are introduced only with use of the exchange IT system.

§36.

The Exchange verifies only introduced and confirmed OTC deals.

§37.

The orders concerning the OTC deals may be introduced one day or two days before the Delivery Day. For given Delivery Day the orders are accepted after the period for placing of the orders expires: first time two days before the Delivery Day and second time one day before the Delivery Day.

§38.

The OTC deals may be submitted for the hourly instruments specified in Appendix No 1 and for the block instruments specified in Appendix No 2.

§39.

The schedule for placing of the orders and execution of the OTC deals:

Time	Quotation phase
Till 6:30 p.m. 3 days before the Delivery Day	Collaterals update Introducing of current collaterals.
From 7:15 a.m. 2 days before the Delivery Day till 2:30 p.m. 2 days before the Delivery Day	Placing of the orders Placing of the orders and confirming of the OTC deals. Not confirmed orders may be cancelled and modified. The orders are not validated as regards the collaterals status
From 2:30 p.m. 2 days before the Delivery Day till 3:30 p.m. 2 days before the Delivery Day	Verification and acceptance Verification of the placed and confirmed orders concerning the OTC deals as regards the collaterals status. Acceptance of the orders. The orders are not accepted if: the purchaser has not confirmed the order, the seller has not got appropriate collateral amount

Till 6:30 p.m. 2 days before the Delivery Day	Collaterals update Introducing of current collaterals.
From 8:01 a.m. 1 day before the Delivery Day till 10:15 a.m. 1 day before the Delivery Day as well as from 10:31 a.m. 1 day before the Delivery Day till 1:15 p.m. 1 day before the Delivery Day	Placing of the orders Placing of the orders and confirming of the OTC deals. Not confirmed orders may be cancelled and modified. The orders are not validated as regards the collaterals status
From 1:154 p.m. 1 day before the Delivery Day till 1:30 p.m. 1 day before the Delivery Day	Verification and acceptance Verification of the placed and confirmed orders concerning the OTC deals as regards the collaterals status. Acceptance of the orders. The orders are not accepted if: the purchaser has not confirmed the order, the seller has not got appropriate collateral amount
Till 1:50 p.m. 1 day before the Delivery Day or in accordance with the message	Updating of the Work Schedules by the Exchange Members
Till 2:30 p.m. 1 day before the Delivery Day	Submitting of the commercial transactions to the TSO
Till 5:00 p.m. 1 day before the Delivery Day	Publication of quotation results on the Public Web Site

§40.

The OTC deal price shall be fixed separately between the parties of the transaction. The price shall be determined with accuracy of 0,01 PLN.

§41.

Information pieces concerning the volume, the prices and the values of the OTC deals, which have been entered into shall be published for the Exchange Members on the private web site of the exchange IT system, specified by the Exchange.

Section 5. The exchange indices.

§42.

The Exchange makes public information about DAM quotations with a breakdown into delivery dates, prices, traded volume and values of indices. The IRDN, sIRDN), IRDN24 and IRDN8.22 indices are generated for hourly instruments (the block instruments shall not be included).

§43.

IRDN index is determined as the average trade-weighted price of all instruments with execution date one hour of the day from N-1 as well as N-2 markets for the same delivery date, that means:

$$IRDN = \sum P_i \times \left(\frac{V_i}{V} \right)$$

where :

- i – number of hours of the clearing day (23 to 25),
- P_i – the price fixed for the ith transaction,

- V_i – trading volume of the i^{th} transaction,
- V – trading volume on given day.

§44.

sIRDN index is determined as the average trade-weighted rate of all instruments with the execution date one hour of the day from 8.00 to 22.00 hours in N-1 and N-2 markets for the same delivery date, that means:

$$sIRDN = \sum P_i \times \left(\frac{V_i}{V} \right)$$

- where :
- i – number of hours from 8:00 to 22:00 (14 hours),
 - P_i – the price fixed for the i^{th} transaction,
 - V_i – trading volume of the i^{th} transaction,
 - V – trading volume during all hours from 8:00 to 22:00.

§45.

IRDN24 index is determined as the arithmetic mean of averages weighted by the price volume of transactions entered into during fixing and continuous trading at individual hours of the overall day on N-1 and N-2 markets for the same delivery date, that means:

$$IRDN24 = \sum_1^j \frac{M_j}{j}$$

where :

- j – number of hours of the clearing day (23 to 25),
- M_j – weighted average for the j^{th} hour, expressed by the formula:

$$M_j = \sum_1^i P_i \times \left(\frac{V_i}{V_j} \right),$$

- i – number of transactions for given hour,
- P_i – the price fixed for the i^{th} transaction,
- V_i – trading volume of the i^{th} transaction,
- V_j – trading volume for given hour.

§46.

IRDN8.22 index is determined as the arithmetic mean of averages weighted by the price volume of transactions entered into during fixing and continuous trading at individual hours of the period between 8:00 and 22:00 on N-1 and N-2 markets for the same delivery date, that means.

$$IRDN8.22 = \sum_1^j \frac{M_j}{j}$$

where :

j – number of hours of the period from 8:00 to 22:00,

M_j – weighted average for the j^{th} hour, expressed by the formula:

$$M_j = \sum_1^i P_i \times \left(\frac{V_i}{V_j} \right),$$

i – number of transactions for given hour,

P_i – the price fixed for the i^{th} transaction,

V_i – trading volume of the i^{th} transaction,

V_j – trading volume for given hour.

§47.

In case of the OTC deals the POLPX shall make public the following prices: minimum price, maximum price as well as total volume.

§48.

In case of the block contracts the POLPX shall make public the following prices: minimum price, maximum price, arithmetic average price as well as total volume.

Chapter 4. Allocation of transmission capacities in the inter-system trading.

Section 1. Publishing of information concerning available transmission capacities and allocation of the capacities to the Exchange Members

§49.

1. On the grounds of the agreement concluded between the Exchange and the Transmission System Operator the transmission capacities on the connections between the national power transmission system and the transmission systems of the neighboring countries (the inter-system connections) may be allocated to the Exchange Members basing on the electricity purchase- and sale orders accepted from the Exchange Members (auction of “implicit” type).
2. One day before the physical delivery of electricity the Exchange shall announce to the Exchange Members information about electricity available for commercial purposes for given inter-system connection (determined by the Transmission System Operator).
3. The information shall be published on the Exchange web site or send via email till 11:15 a.m..

§50.

The Exchange shall publish information about the amount of the Exchange Trade Balancing Volume after accomplishing of acceptance of orders for the Fixed Auction Price, mentioned in § 3 subparagraph 2. The Exchange offer, corresponding to the amount of the Exchange Trade Balancing Volume, shall participate in fixing of the transaction execution terms in accordance with § 53.

§ 50a

1. The Exchange shall publish results of auction of implicit type within the deadlines specified in § 3 subparagraph 2, maintaining the mode as specified below:
 - a) the Clearing Price fixed in accordance with the stipulations stated in the present Chapter shall be published as the preliminary price (non-transaction based) or the final price (transaction-based).
 - b) the Clearing Price may be published as the preliminary (non-transaction based) price if the entity, pointed out by the Transmission System Operator and the transmission system operator of a neighboring country for calculation of distribution of power available for commercial purposes (for given inter-system connection) between the domestic market and the neighboring country market, is obliged to use a complaint procedure, which entitles the Exchange or the entity running the market in the neighboring country to submit notification about an error in that calculation; subject to letter c) The Clearing Price may be the preliminary (non-transaction based price) only till the moment of completing of the complaint procedure, but not longer than within 90 minutes since the moment of publication of the Price by the Exchange
 - c) the preliminary (non-transaction based) Clearing Price shall become the final (transaction based) Clearing Price if after completing of the complaint procedure:
 - (i) the power available on given inter-system connection for the Exchange Members is not subject to any change, or
 - (ii) if, till the moment of completing the complaint procedure mentioned in letter b), but not longer than within 90 minutes since the moment of publication of the preliminary (non-transaction based) Clearing Price by the Exchange an error regarding the PLN/EUR exchange rate accepted for the calculation of the price limit mentioned in § 53 is not reported by the Exchange. In the event of the occurrence of the situations mentioned above, the Exchange shall re-fix (re-calculate) the Clearing Price, as specified in letters d) and e);
 - d) subject to letter e), if after completing of the complaint procedure the power available on given inter-system connection for the Exchange Members is subject to any change the Exchange shall publish information about the corrected Amount of the Exchange Trade Balancing Volume and it shall re-fix (re-calculate) the Clearing Price in accordance with the stipulations set forth in the present Chapter;
 - e) if, till the moment of completing the complaint procedure, but not longer than within 90 minutes since the moment of publication of the preliminary (non-transaction based) Clearing Price by the Exchange, the Exchange reports an error regarding the PLN/EUR exchange rate accepted for the calculation of the price limit mentioned in § 53, the Exchange shall publish information about the corrected Amount of the Exchange Trade Balancing Volume and it shall re-fix the Clearing Price in accordance with the stipulations set forth in the present Chapter
 - f) the Clearing Price fixed as result of the re-calculation shall be the final (transaction based) price.
 - g) the orders involved in the "implicit" type auction must not be modified or cancelled since the moment the preliminary (non-transaction based) Clearing Price is published on that; within the framework of the "implicit" type auctions shall be considered as entered into at the moment the final)transaction based) Clearing Price is fixed on that.

§51.

The offer corresponding to the Amount of the Exchange Trade Balancing Volume shall be introduced by the Exchange into the exchange IT system.

§52.

1. Along with the offer of the Exchange Trade Balancing Volume the following data shall be introduced:
 - a) direction of electricity flow (import / export),
 - b) date and hour of introducing of the offer of the Exchange Trade Balancing Volume as well as
 - c) consecutive number of entering of the Exchange Trade Balancing Volume into the system.

§53.

1. In order to determine the Exchange Trade Balancing Volume the Exchange shall convert into EUR the price limit for the aggregated supply curve and the aggregated demand curve, resulted from the orders accepted for the Fixed Auction Price, mentioned in § 3 subparagraph 2.
2. The conversion, mentioned in subparagraph 1, shall take place according to the PLN/EUR exchange rate, different for the aggregated supply curve and the aggregated demand curve, according to purchase rate for the aggregated supply curve and the sale rate for the aggregated demand curve – determined by the bank.
3. Depending on the direction of flow of the Exchange Trade Balancing Volume (import / export) the fixed Clearing Price may take the differences of the exchange rate, mentioned in subparagraph 2, into consideration.
4. The Clearing Price as well as the volume of the order execution shall be determined on the grounds stipulations of subparagraph 1 and subparagraph 2, taking into consideration rounding-off's connected with the process of conversion of the aggregated curves from PLN into EUR and from EUR into PLN.

Section 2. Execution of orders and fixing of the Clearing Price

§54.

1. The orders accepted on the DAM shall be executed within the framework of auctions of "implicit" type in accordance with the following principles:
 - a) in case of purchase orders the orders with the highest price limit shall be executed in the first row,
 - b) in case of sale orders the orders with the lowest price limit shall be executed in the first row,
 - c) in case of orders with equal price limits they shall be executed according to the time of the order acceptance by the Exchange IT system (the orders accepted earlier shall be executed in the first row),
 - d) the sale orders placed with the price limit below the Clearing Price shall be executed en block. In particular cases, resulted from the rate differences connected with making the transmission capacities on the inter-system connections, mentioned in § 53, available to the Exchange Members, the sale orders placed with the price limit below the Clearing Price may be executed partially or may be not executed at all,
 - e) the purchase orders placed with the price limit above the Clearing Price shall be executed en block. In particular cases, resulted from the rate differences connected with making the transmission capacities on the inter-system connections, mentioned in § 53, available to the Exchange Members, the purchase

orders placed with the price limit above the Clearing Price may be executed partially or may be not executed at all,

- f) purchase and sale orders placed with a price limit equal the Clearing Price may be executed partially, en block or may be not executed at all,
- g) the sale orders placed with the first the lowest price limit above the Clearing Price may be executed partially or may be not executed at all,
- h) the purchase orders placed with the first the Highest price limit below the Clearing Price may be executed partially or may be not executed at all,
- i) the sale orders other than those specified in letter g), placed with the price limit above the Clearing Price shall not be executed. In particular cases, resulted from the rate differences connected with making the transmission capacities on the inter-system connections, mentioned in § 53, available to the Exchange Members, the sale orders, mentioned in the present letter may be executed en block or partially,
- j) the purchase orders other than those specified in letter h), placed with the price limit below the Clearing Price shall not be executed. In particular cases, resulted from the rate differences connected with making the transmission capacities on the inter-system connections, mentioned in § 53, available to the Exchange Members, the sale orders, mentioned in the present letter may be executed en block or partially.

§55.

The sequence of execution of the orders placed with the f price limit equal to the Clearing Price, the sale orders placed with the first the lowest price above the Clearing Price as well as the purchase orders placed with the first the highest price limit below the Clearing Price is determined by the time of receiving of the orders in the exchange IT system.

§56.

In case when there is no possibility for univocal fixing of the Clearing Price in the limit point specified in § 10 subparagraph 2, the price shall be determined in the following manner:

- a) there shall be determined the equation for the straight line between two the closest price limits in sale orders, for which the difference between the aggregated purchase volume and the aggregated sale volume is the lowest,
- b) there shall be determined the equation for the straight line between two the closest price limits in purchase orders, for which the difference between the aggregated purchase volume and the aggregated sale volume is the lowest,
- c) There shall be determined the point of intersection of the curves determined according to the principles described in letters a) and b); the coordinates of the point shall determine the price and the trading volume.

Chapter 5. Rules of transaction execution

Section 1. Execution of physical delivery of electricity.

§57.

The exchange transactions entered into on the DAM market and within the framework of the “implicit” type auctions are submitted to TSO as a balance of session transactions and OTC deals, with a breakdown into Scheduling Units assigned by TSO.

§58.

1. The exchange transactions, which shall not be submitted in accordance with the schedule specified in § 3, § 4 as well as § 39, may be submitted to the Transmission System Operator in accordance with the Intraday Market Detailed Rules of Electricity Trading and Settlement. If as result of re-calculation of the Clearing Price, mentioned in § 50a letter d), the final (transaction based) price differs from the preliminary (non-transaction based) price Intraday Market Detailed Rules of Electricity Trading and Settlement states that only correction of transactions (corresponding to the difference as above) shall be submitted.
2. Updating of the Work Schedules by the Exchange Members for the transaction specified in subparagraph 1 above shall be conducted in accordance with the the Intraday Market Detailed Rules of Electricity Trading and Settlement.

§59.

The exchange transactions entered into by the Exchange Member for the Portfolios Made Available are submitted to the TSO as Portfolios of the Making-Available Entity, identification data of which have been presented in the declaration specified in § 11 subparagraph 4 of the Exchange Regulations.

§60.

Each Exchange Member when placing an order or during the confirmation of order concerning the OTC deal, declares the Portfolio to that the overall amount of electricity in the transaction entered into shall be assigned. The Exchange Member shall be entitled to update electricity volumes assigned to individual Scheduling Units in the Exchange IT system. The period for making such modifications is determined in the schedules mentioned in § 3, § 4 and § 39 - Work Schedule Update.

§61.

The Work Schedule of Exchange Members, one Scheduling Unit is assigned to which, contains the balance of purchased and sold electricity for given hour of the trading day.

§62.

Documents, by means of which the exchange transactions are submitted to the TSO, shall include the identification data as well as the commercial data. The standards for the documents have been specified in separate regulations, published by the TSO.

§63.

In case of changes of the identification data, mentioned in § 62 above, the Exchange Member shall be obliged to update them immediately. Default in fulfilling of the obligation, mentioned in previous sentence, shall result in immediate suspension of given Exchange Member activities on the DAM.

§64.

In case of changes of the identification data, mentioned in § 59 above, the Exchange Member shall be obliged to update them immediately. Default in fulfilling of the obligation, mentioned in previous sentence, shall result in immediate withdrawal of consent for activities of Exchange Member in the Portfolios made available on the DAM.

§65.

The transactions entered into on the CDM are submitted to the TSO together with the transactions entered into on the DAM in form of balance of the transactions. The transactions are submitted on the day preceding the day of execution of given forward contract, in accordance with "The derivative quotation and contract execution calendar on the CDM", specified for given derivative instrument by the Exchange Management Board.

Section 2. The course of action in case of suspending of the transmission service for the Exchange Member by the TSO

§66.

In case when the TSO provides the POLPX with information about suspending of rendering of transmission services for the Exchange Member within the scope of submitting of the electricity sale contracts for the Scheduling Unit the Exchange shall prevent (from the delivery date specified by PSE-Operator) submitting of the Work Schedules for given Scheduling Unit.

§67.

The Exchange Member that has entered into the exchange transaction on the Portfolio the Scheduling Unit, for which the TSO has suspend rendering of the transmission service, is assigned to, shall be obliged to close its position till 9:00 a.m. one day before the delivery date, with the reservation for § 70.

§68.

If the entity, mentioned in § 67, does not close the position till 9:00 a.m. one day before the delivery date the Exchange shall take actions – in behalf of the Exchange Member – aimed at closing of all opened positions. The costs resulted from the difference between the opening price and the closing price shall be borne by the Exchange Member.

§69.

The entity that uses the Scheduling Units Made Available shall be entitled to place the transactions, which have been entered into on the Portfolio, the Scheduling Unit for that the TSO has suspended rendering of the transmission service, has been assigned to, in the Work Schedules on the Scheduling Units Made Available.

§70.

If the entity, mentioned in 69, does not place the transactions, which have been entered into on the Portfolio, the Scheduling Unit for that the TSO has suspended rendering of the transmission service, has been assigned to, in the Work Schedules on the Scheduling Units Made Available till 12:15 the POLPX shall execute the operation at its own discretion.

Chapter 6. Rules of clearing.

§71.

Clearing as well as securing of the transactions entered into on the Day Ahead Market and within the framework of "implicit" type auctions outside the Day Ahead Market is executed according to the rules determined by the Clearing House in "The Detailed Rules for Clearings on the Markets Being Run by the POLPX".

Appendix No 1. Specification of RDN electricity hourly instruments.

ID	RDNk_DD-MM-RRRR_HGG, where: k – consecutive day of week (Monday –1), GG- hour of the day, DD- delivery day, MM- delivery month, RRRR- delivery year, GG is marked as the hour of the end of given time interval, that means 01 corresponds to the time period between 00:00:00 and 01:00:00; 02a means additional hour on the day of Summer Time cancellation.
Object of the trading	Electricity
Nominal value	1 instrument corresponds to 1 MWh of electricity
Price	Expressed as 1PLN/MWh with accuracy of 0.01 PLN.
Minimum price	The minimum price amounts to zero zloty
Maximum price	The maximum price amounts to 1.500 PLN
Value	The product of the Price and the Nominal Value
Quotation date	2 days preceding the Delivery Day
Execution time	One hour of the day specified in the instrument ID
Quotation unit	1 instrument
Clearing method	Physical delivery of the electricity

Appendix No 2. Specification of electricity block instruments.

ID	PEAK_DD-MM-RRRR , where: DD- delivery day, MM- delivery month, RRRR- delivery year.
Object of the trading	Electricity
Nominal value	Amount of electricity (MWh) expressed as the product of 1 MWh and number of hours of the execution time. 1 instrument corresponds to 15 MWh of electricity
Price	Expressed as 1PLN/MWh with accuracy of 0.01 PLN.
Minimum price	The minimum price amounts to zero zloty
Maximum price	The maximum price amounts to 1.500 PLN
Value	The product of the Price and the Nominal Value
Quotation date	2 days preceding the Delivery Day
Execution time	From 7:00 a.m. till 10:00 p.m. on the Delivery Day
Quotation unit	1 instrument
Delivery unit	1MWh for each hour of the contract execution.
Clearing method	Physical delivery of the electricity

ID	BASE_DD-MM-RRRR , where: DD delivery day, MM- delivery month, RRRR- delivery year.
Object of the trading	Electricity
Nominal value	Amount of electricity (MWh) expressed as the product of 1 MWh and number of hours of the execution time. 1 instrument corresponds to the electricity amount from 23 to 25 MWh
Price	Expressed as 1PLN/MWh with accuracy of 0.01 PLN.
Minimum price	The minimum price amounts to zero zloty
Maximum price	The maximum price amounts to 1.500 PLN
Value	The product of the Price and the Nominal Value
Quotation date	2 days preceding the Delivery Day
Execution time	From 00:00 till 12:00 p.m. on the Delivery Day
Quotation unit	1 instrument
Delivery unit	1MWh for each hour of the contract execution.
Clearing method	Physical delivery of the electricity

ID	OFFPEAK_DD-MM-RRRR , where: DD- delivery day, MM- delivery month, RRRR- delivery year.
Object of the trading	Electricity
Nominal value	Amount of electricity (MWh) expressed as the product of 1 MWh and number of hours of the execution time. 1 instrument corresponds to the electricity amount from 8 to 10 MWh
Price	Expressed as 1PLN/MWh with accuracy of 0.01 PLN.
Minimum price	The minimum price amounts to zero zloty
Maximum price	The maximum price amounts to 1.500 PLN

Value	The product of the Price and the Nominal Value
Quotation date	2 days preceding the Delivery Day
Execution time	From 00:00 till 7:00 a.m. and from 10:00 p.m. till 12:00 p.m. on the Delivery Day.
Quotation unit	1 instrument
Delivery unit	1MWh for each hour of the contract execution.
Clearing method	Physical delivery of the electricity

ID	MOR_DD-MM-RRRR , where: DD delivery day, MM- delivery month, RRRR- delivery year.
Object of the trading	Electricity
Nominal value	Amount of electricity (MWh) expressed as the product of 1 MWh and number of hours of the execution time. 1 instrument corresponds to the electricity amount from 5 to 7 MWh
Price	Expressed as 1PLN/MWh with accuracy of 0.01 PLN.
Minimum price	The minimum price amounts to 0 PLN (zero zloty)
Maximum price	The maximum price amounts to 1.500 PLN (one thousand five hundred zloty)
Value	The product of the Price and the Nominal Value
Quotation date	2 days preceding the Delivery Day
Execution time	From 00:00 till 6:00 p.m. on the Delivery Day
Quotation unit	1 instrument
Delivery unit	1MWh for each hour of the contract execution.
Clearing method	Physical delivery of the electricity

Appendix No 3. Specification of RDS electricity hourly instruments.

ID	RDSk_DD-MM-RRRR_HGG, where: k – consecutive day of week (Monday –1), GG- hour of the day, DD- delivery day, MM- delivery month, RRRR- delivery year, GG is marked as the hour of the end of given time interval, that means 01 corresponds to the time period between 00:00:00 and 01:00:00; 02a means additional hour on the day of Summer Time cancellation.
Object of the trading	Electricity
Nominal value	1 instrument corresponds to 1 MWh of electricity with accuracy of 0,1 MWh
Price*	Expressed as 1PLN/MWh with accuracy of 0.01 PLN.
Minimum price	The minimum price is equal to 2000 EUR, expressed in Polish zloty. The Exchange shall inform the Exchange Members about the minimum price before start of acceptance of the orders
Maximum price	The maximum price is equal to -200 EUR, expressed in Polish zloty. The Exchange shall inform the Exchange Members about the maximum price before start of acceptance of the orders
Value	The product of the Price and the Nominal Value
Quotation date	1 day preceding the Delivery Day
Execution time	One hour of the day specified in the instrument ID
Quotation unit	1 instrument
Clearing method	Physical delivery of the electricity

* In cases when – in accordance with the present rules the price is not fixed – the Clearing Price shall be adopted