



POLISH
POWER EXCHANGE

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Principles for specifying the fixed rate on the Day-Ahead Market

Principles for building the supply and demand curve

- ✓ The minimum and maximum prices are set by the Polish Power Exchange.
- ✓ The price limit and volume specified in purchase orders are defined by the coordinates of points which linked by a straight line (linear interpolation) determinate the demand curve.
- ✓ The demand curve starts at the point for the theoretical purchase order with a price limit that equals the maximum price and "0" volume and finishes at a point for the theoretical purchase order with a price limit that equals the minimum price and a volume that equals the aggregated volume for the lowest price limit specified in the purchase orders.
- ✓ The price limit and volume given in sales orders are defined by the coordinates of points which linked by a straight line (linear interpolation) determinate the supply curve.
- ✓ The supply curve starts at the point for the theoretical sales order with a price limit that equals the minimum price and "0" volume and finishes at a point for the theoretical sales order with a price limit that equals the maximum price and a volume that equals the aggregated volume for the highest price limit specified in the sales orders.

Parameters of orders placed

Parameters of orders placed on the basis of which supply and demand curves as well as a fixed rate are determined:

1. Purchase orders

Order No. 1 – PLN 200/MWh @ 25 MWh;

Order No. 2 – PLN 175/MWh @ 25 MWh;

Order No. 3 – PLN 155/MWh @ 65 MWh.

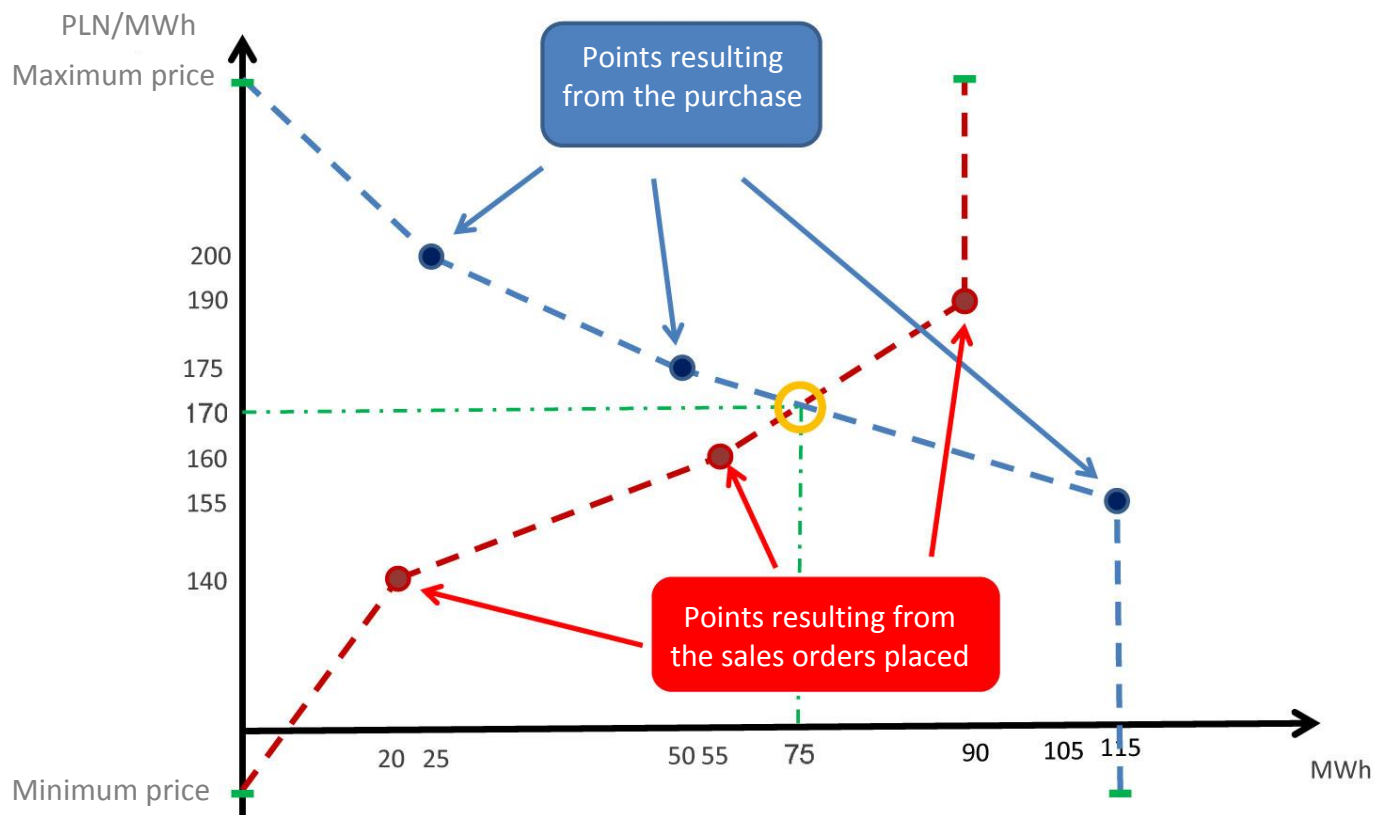
2. Sales orders

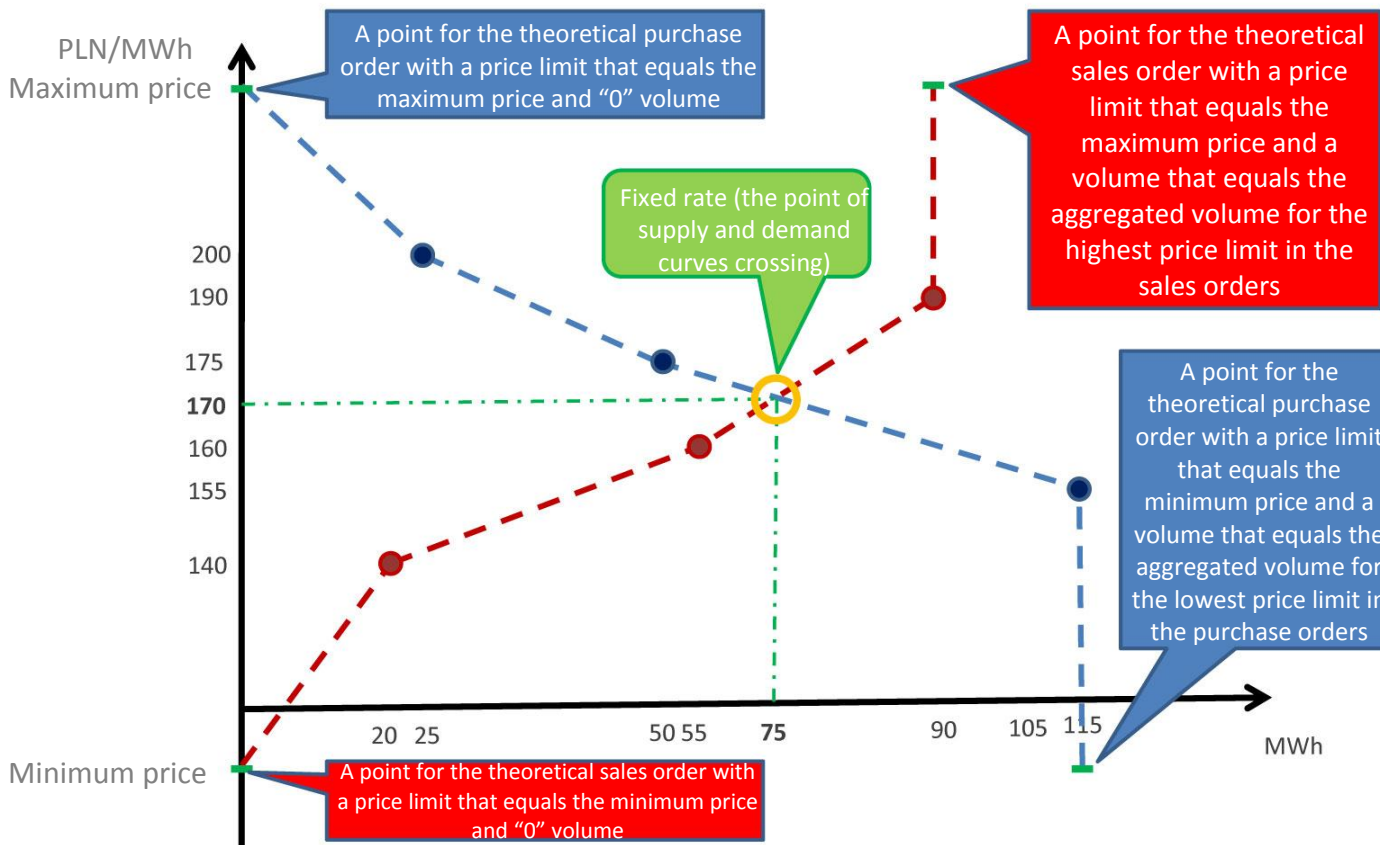
Order No. 4 – PLN 125/MWh @ 20 MWh;

Order No. 5 – PLN 140/MWh @ 35 MWh;

Order No. 6 – PLN 190/MWh @ 40 MWh.

The fixing algorithm on the DAM





Characteristics of fixing algorithm on the DAM

1. Supply and demand curves always cross at one price (rate).
2. The limit of orders is given to an accuracy of PLN 0.01.
3. The volume of orders is placed to an accuracy of 0.1 MWh.



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**Thank you for
your attention**