



## **Guide for Access to and Participation in GME's Energy Efficiency Certificates Market**

(updated on 6 March 2009)

For additional information or clarifications, feel free to contact us at

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## 1. How do I trade GME's Energy Efficiency Certificates?

If you wish to buy and/or sell Energy Efficiency Certificates (TEE), you have two options:

- a) trading in the Energy Efficiency Certificates Market, which is organised and managed by GME;
- b) bilateral trading off the Energy Efficiency Certificates Market.

If you opt for trading in GME's market, you must file a prior application for registration with the Register of Energy Efficiency Certificates (TEE Register), which is organised and administered by GME. Your transactions in the Energy Efficiency Certificates Market must be recorded on such Register.

If you opt for bilateral trading (i.e. off the market organised and managed by GME), you must register with the TEE Register only.

## 2. How do I register with the TEE Register?

If you have a VAT number, you may register with the TEE Register. To do so, you must fill in the appropriate [form](#) by accessing GME's website ("GME's Markets" section) and selecting the "TEE Register" link ("Access to GME's Markets" section). For the registration process, refer to the "[Energy Efficiency Certificates Register User Guide](#)". At the end of the process, you may visualise and print your application for registration with the TEE Register.

You must complete your registration application with place, date and signature and send it - by registered letter with return receipt - to the following address:

Gestore dei Mercati Energetici SpA  
Gestione Mercati per l'Ambiente  
Largo Giuseppe Tartini, 3/4  
00198 Roma

Remember: if you are a legal person, you must enclose to your registration application [a self-certification stating your powers of representation](#), in accordance with Decree of the President of the Republic 445/00.

After receiving your application for registration with the TEE register (together with the above-mentioned self-certification stating your powers of representation, if you are a legal person), GME will check whether the data that you have supplied are correct and whether you have paid the [fees](#) due. Then, it will send a letter to the “Contact Person” specified in your application, confirming your registration with the TEE Register and notifying your “Market Participant’s Code” and “Ownership Account Code”.

The ownership account is a kind of “electronic portfolio”, where the number of TEE owned by each Market Participant is recorded.

You may access the TEE Register at any time and in real time in order to:

- check the status of your TEE portfolio;
- check the number of TEE (of each of the 3 types) in your ownership account;
- display the historical data concerning all the movements (issue, purchase, sale, redemption, etc.) that have occurred in your ownership account;
- display the TEE redeemed by AEEG (Autorità per l’Energia Elettrica e il Gas - Electricity & Gas Regulator) for the parties liable to the obligations set forth in the Ministerial Decrees of 20 July 2004).

Through the Register, you may also enter your bilateral transactions (see “[Energy Efficiency Certificates Register User Guide](#)”, in the “[GME’s Markets/Energy Efficiency Certificates/Register/How to Participate](#)” section).

Access via login and password will ensure the confidentiality and security of the data contained in the Register.

### **3. Who can access GME’s Energy Efficiency Certificates Market?**

If you wish to participate in the Energy Efficiency Certificates Market and you meet the following qualifications:

a) competency – i.e. you have adequate professional qualifications and are proficient in the use of Information Technology (IT) or Information Communication Technology (ICT)

systems and related security systems, or you have employees or assistants meeting such professional and proficiency qualifications (Art. 14, para. 14.1 of the “Rules of Operation of the Energy Efficiency Certificates Market” – the “Rules”);

b) integrity – i.e. you have never been convicted of agiotage, violation of the privacy of IT or ICT communications or computer fraud (Art. 14, para. 14.2 of the Rules),

then, you must priorly register with the TEE Register and file a Market Participation Application, together with a Market Participation Agreement and the required documentation.

At least on a two-year basis, GME will check whether Market Participants still qualify under the above-mentioned market participation requirements. To this end, GME may require Market Participants to submit additional documentation or to update the already submitted documentation (Art. 19, para. 19.2 of the Rules).

#### **4. How do I obtain and complete the Market Participation Application and the Market Participation Agreement?**

The [Market Participation Application](#) and [Market Participation Agreement](#) forms (“Annex 1” and “Annex 2” to the Rules, respectively) are available (in Word format) on GME’s website (“GME’s Markets/Energy Efficiency Certificates/Market/How to Participate/Forms” section). After filling in the parts of the forms reserved for Market Participants, sign them if you are applying as a natural person, or have them signed by the legal representative of your company or by a duly authorised person if you are applying as a legal person. In addition to completing the fields concerning the Market Participant’s data in both forms, do not forget the following points:

- in the [Market Participation Application](#), specify
  - surname, name and address (telephone number and e-mail address) of the contact person for GME’s notifications, if any;
  - surname, name, date and place of birth, tax payer’s number, address (telephone number and e-mail address) of the person/s that you wish to authorise to access GME’s information system on your behalf;

- as regards the Market Participation Agreement,
  - complete and sign two originals of the Agreement;
  - put your initials on each page of both originals;
  - specifically approve the vexatious clauses (as per articles 1341 and 1342 of the Italian Civil Code) listed on the last page of the Agreement, by putting a second signature after such clauses.
  - complete paras. 9.5 and 9.6 of the Agreement with your addresses.

Then, submit your Market Participation Application and Market Participation Agreement, duly completed and signed, together with the required documentation (see point 5. below), to the following address:

Gestore dei Mercati Energetici SpA  
Ufficio Legale e Regolazione  
Largo Giuseppe Tartini, 3/4  
00198 Roma

## 5. Which documents should I enclose?

If the Application and the Agreement are signed by yourself (you are applying as a natural person):

- and you are an Italian, EU or non-EU citizen residing in Italy: enclose a [self-certification](#) as per Decree of the President of the Republic 445/00 (form available on GME's website, in the "GME's Markets/Energy Efficiency Certificates/Market/How to Participate/Forms/Declaration of No Conviction" section), specifying that you qualify under the integrity requirements, i.e. that:
  - in Italy, you have never been sentenced (with a final judgement or with a judgment inflicting the penalty at the request of the parties, except in cases of extinction of the offence and notwithstanding the effects of rehabilitation/reinstatement of offenders) to imprisonment for agitation or violations of the privacy of IT or ICT communications or computer fraud;
  - abroad, you have never been subject to measures which would imply the loss of the above qualifications in the Italian legal system;

or

- if you are a non-EU citizen not residing in Italy: enclose a [certificate](#) issued by the appropriate authority of your country, stating that you have never been subject to measures corresponding to those mentioned above for Italian citizens and which would imply the loss of the integrity qualifications (Art. 14, para. 14.2). If such certificate is issued in a foreign language, you should obtain a sworn translation into Italian and ask the Italian Consulate of your country to certify it. If your country does not issue such a certificate, you should enclose a [legal opinion](#) issued by a lawyer of your country confirming such fact, as well as a [self-certification](#). In this case, too, if the two documents are not in Italian, you should obtain a sworn translation into Italian and ask the Italian Consulate of your country to certify them.

If the Application and the Agreement are signed by yourself, as legal representative of a legal person, or by a person duly authorised to represent the legal person:

- and you or the duly authorised person are Italian, EU or non-EU citizens residing in Italy: enclose a [self-certification as per Decree of the President of the Republic 445/00](#) (form available on GME's website, "GME's Markets/Energy Efficiency Certificates/Market/How to Participate/Forms/Declaration of No Conviction" section), specifying that you or the duly authorised person qualify under the integrity requirements, i.e. that:
  - in Italy, you have never been sentenced (with a final judgement or with a judgment inflicting the penalty at the request of the parties, except in cases of extinction of the offence and notwithstanding the effects of rehabilitation/reinstatement of offenders) to imprisonment for agiotage or violations of the privacy of IT or ICT communications or computer fraud;
  - abroad, you have never been subject to measures which would imply the loss of the above qualifications in the Italian legal system;

or

- you or the duly authorised person are non-EU citizens not residing in Italy: enclose a [certificate](#) issued by the appropriate authority of your country, stating that you have never been subject to measures corresponding to those mentioned above for Italian citizens. If such certificate is issued in a foreign language, you should obtain a sworn translation into Italian and ask the Italian Consulate of your country to certify it. If your country does not issue such a certificate, you should enclose a

legal opinion issued by a lawyer of your country confirming such fact, as well as a self-certification. In this case, too, if the two documents are not in Italian, you should obtain a sworn translation into Italian and ask the Italian Consulate of your country to certify them.

REMEMBER: you should submit the above documents for the General Manager (if your company has one) or Chief Executive Officer and for each person in charge of the management or Board Member of the company.

- if you are an Italian, EU or non-EU citizen residing in Italy: submit a self-certification as per Decree of the President of the Republic 445/00, stating your powers of representation of the legal person;

or

- if you are a non-EU citizen not residing in Italy: submit a certificate issued by the appropriate authority of your country, stating your powers of representation of the legal person. If such certificate is issued in a foreign language, you should obtain a sworn translation into Italian and ask the Italian Consulate of your country to certify it. If your country does not issue such a certificate, you should enclose a legal opinion issued by a lawyer of your country confirming such fact, as well as a self-certification. In this case, too, if the two documents are not in Italian, you should obtain a sworn translation into Italian and ask the Italian Consulate of your country to certify them.

If GME already holds the above documents, you should not re-submit them, but only specify such fact and the date of your previous submission (Art. 16 of the Rules).

The Energy Efficiency Certificates Market Participation Agreement will be effective as of the date of submission of the Market Participation Application.

## **6. When do I acquire the status of Market Participant?**

Within 15 calendar days from receipt of your Application, after checking your documentation and qualifications, GME will notify you of the acceptance or rejection of your Application (and the reasons for such rejection) by fax, followed by a registered letter with return receipt.

GME will suspend the above-mentioned time limit of 15 days, if it determines that the submitted documentation is irregular and/or incomplete. Therefore, the time limit of 15 days will restart as soon as GME receives the regular or complete documentation. The number of days that you have available to submit the required regular and/or complete documentation will be specified in GME's notification of suspension of the above time limit.

Upon admission, you will acquire the status of Market Participant. As such, you will be entered into the List of the Energy Efficiency Certificates Market Participants, posted on GME's website ("GME's Markets/Energy Efficiency Certificates/Market/List of Market Participants" section).

### **7. What should I not forget?**

As a Market Participant, you should notify GME of any event which may involve the loss or change of your market participation qualifications or which may result into a change of your data in the List of Market Participants. Such notification should be given to GME within 3 working days, at the latest, from the occurrence of such event (Art. 20, para. 20.1 of the Rules).

### **8. Does access to GME's Energy Efficiency Certificates Market involve any costs?**

Participation in the Energy Efficiency Certificates Market only involves the costs of the fees that are due for registration with and transactions through the Register. You may purchase and sell the certificates in a venue that is more secure and more efficient than bilateral trading, thanks to the sellers' and purchasers' protection system provided for in the Rules.

All parties wishing to make bilateral transactions and/or trade in the Energy Efficiency Certificates Market should priorly register with the TEE Register and pay the following fees:

- yearly fee of € 300 (excluding VAT), to be paid to GME upon registration with the TEE Register;
- variable fee of € 0.2 (excluding VAT), to be paid to GME for each TEE traded in the Energy Efficiency Certificates Market or through bilateral transactions.

GME will issue monthly invoices for this fee in compliance with the Technical Rules ([Technical Rule no. 04 MTEE](#), “Invoicing of Fees”).

The fees should be paid by bank transfer to GME’s account no. 000007200X26 with BANCA POPOLARE DI SONDRIO SOCIETA’ COOPERATIVA PER AZIONI – Viale Cesare Pavese, 336 – 00144 Rome (bank in charge of GME’s treasury services).

Bank details

ABI 05696

CAB 03211

CIN B

BBAN B0569603211000007200X26

IBAN IT19 B056 9603 2110 0000 7200 X26

Within 31 December of each year, GME will determine the amount of the fees for the following year in such a way as to ensure the economic and financial equilibrium of its operations. The amount of the fees will be published on GME’s website together with the parameters for their determination (Art. 6, para. 6.2 of the Rules).

## **9. How do I access the information system of GME’s Energy Efficiency Certificates Market?**

After receiving notification of admission to the market, you should access the information system of the Energy Efficiency Certificates Market through the Internet, by connecting to GME’s website (in “GME’s Markets”, select the “Access to GME’s Markets” link), and register as a user. You may register and directly access the information system or you may register and let other persons (that you may have specified in the Market Participation Application, see point 4 above) access the information system and trade in the Energy Efficiency Certificates Market on your behalf. You may register on line, using the appropriate [user registration form](#), as described in [Technical Rule no. 01 MTEE](#), “Access to Information System and Entry of Trading Orders”.

At the end of the registration process, you will receive a PIN for access to the market.

## 10. What is the order book?

The order book is an on-line listing of the trading orders that Market Participants have entered into the market information system. The orders are ranked by price and time of entry.

GME organises an [order book](#) (see [Technical Rule no. 01 MTEE](#), “Access to Information System and Entry of Trading Orders”) for each of the types of certificates identified by AEEG.

You may display the order book by accessing the “GME’s Markets” section (“Access to GME’s Markets/TEE Market/Energy Efficiency Certificates Market Sessions”).

Unregistered users may access the market in “viewer” mode, using the PIN **SA3634PKNMCD29IS**.

## 11. How does trading take place?

Trading in the market takes place on a continuous basis.

Each certificate represents one toe (one tonne of oil-equivalent). The minimum tradable amount is equal to one certificate.

During the trading session, Market Participants enter their trading orders into the order book, specifying the type of certificates to be traded, their number and their price with reference to one toe (see [Technical Rule no. 01 MTEE](#) “Access to Information System and Entry of Trading Orders”).

Trading orders (divided by purchase and sale orders) will give rise to lists for each type of certificates admitted to trading. The certificates in such lists will be ranked by price and, in case of identical price, by time of entry. Purchase orders will be ranked by decreasing price, whereas sale orders will be ranked by increasing price.

The order book will report the best purchase and sale orders.

Orders with zero price limit or negative price limit will be rejected.

Purchase or sale orders without price limit will be accepted only if sale or purchase orders with price limit are already present in the order book, respectively.

Market Participants may withdraw their orders by cancelling them directly from the order book, if such orders have not been automatically matched.

If orders have been partially matched, the cancellation will only apply to the unexecuted part.

Market Participants may also change the orders that they have entered into the market, if such orders have not been automatically matched in their entirety (Art. 26 of the Rules). Changed orders will lose the time priority that they have acquired.

The orders that have not been matched will be automatically cancelled upon the close of the trading session

REMEMBER: The price quoted in trading orders should exclude VAT.

At the end of the market session, the value of the transactions will be recalculated by applying VAT. The new values will be published in the confirmations that each Market Participant may visualise within 24 hours from the close of each market session ([Technical Rule no. 01 MTEE](#), “Access to Information System and Entry of Trading Orders”).

## 12. Under which criteria are purchase and sale orders rejected?

A **purchase order** is rejected if the number of certificates quoted therein exceeds the maximum number of certificates that the Market Participant may purchase (Art. 28, para. 28.3 of the Rules); such number will be decreased by the number of certificates that the Market Participant has already purchased in the same session or for which the Market Participant has already entered purchase orders that have not yet been matched.

A **sale order** is rejected if the number of certificates quoted therein exceeds the maximum number of saleable certificates (Art. 25, para. 25.3 of the Rules); such number will be increased by the number of certificates that the Market Participant has already purchased in the same trading session, at a price not exceeding the conventional price specified by the same Market Participant (Art. 28, para. 28.1 of the Rules).

A purchase or sale order entered by a Market Participant is rejected if it matches a sale or purchase order that is already present in the order book and that has been submitted by the same Market Participant.

### **13. When do the trading sessions take place?**

The trading sessions take place - from 09:00 to 12:00 - at least once a week in the period from February to May of each year and at least once a month in the remaining months (Art. 23 of the Rules). The days and hours of the market trading sessions are defined in [Technical Rule no. 05 MTEE](#) “Days and hours of the Energy Efficiency Certificates Market sessions”. You may check the dates set for the Energy Efficiency Certificates Market sessions on GME’s website (“[GME’s Markets/Energy Efficiency Certificates/Market/How to Operate](#)” section).

### **14. When should I make the cash deposit?**

Before submitting purchase orders during a given market session, you must post a security deposit in cash (“deposito in conto prezzo”), i.e. a minimum amount for each certificate that you wish to purchase. The amount of the security deposit is determined according to the modalities indicated in [Technical Rule no. 03 MTEE](#), “Modalities for determining the minimum conventional price”.

Before making the bank transfer for the cash deposit, you must notify GME of the amount of the cash deposit and of the conventional price that you have declared, by filling in the appropriate form available on GME’s website (“GME’s Markets” - “Access to GME’s Markets/TEE Market/Energy Efficiency Certificates Market Sessions” section).

However, such price cannot be lower than the minimum conventional price posted by GME at least 5 days before the opening of the same session (Art. 28, para. 28.1 of the Rules).

To facilitate GME’s verification of your payment, send a copy of the receipt of the bank transfer by fax to GME (+39-06 8012 4102).

Please transfer the cash deposit to GME’s account no. 000007250X76 with BANCA POPOLARE DI SONDRIO SOCIETA’ COOPERATIVA PER AZIONI – Viale Cesare Pavese, 336 – 00144 Roma ABI 05696 - CAB 03211 IT03 S056 9603 2110 0000 7250 X76 (bank in charge of GME’s treasury services), within 12:00 of the working day preceding the opening of the trading session.

If you decide to use the residual amount of the cash deposit for the next trading session, notify your decision to GME in accordance with the modalities indicated in the Technical Rules.

### **15. How many Energy Efficiency Certificates am I allowed to purchase and sell?**

The maximum number of Energy Efficiency Certificates that you are allowed to purchase in a single session is equal to the ratio (rounded to the lower integer) of the cash deposit (see point 13.) to the conventional price.

The maximum saleable number of Energy Efficiency Certificates, of each type, is equal to the number of certificates recorded in the Market Participant's ownership account, in the Energy Efficiency Certificates Register held by GME; this number is decreased by the number of certificates of the same type that the Market Participant has already sold in the same session or for which the Market Participant has already entered sale orders that have not yet been matched.

### **15. How should I pay for the Energy Efficiency Certificates purchased?**

Within 24 hours from the end of each session, GME will compare the amount that you have to pay for your purchase orders with the amount that you have paid for the cash deposit and will post on GME's website (in the section reserved for Market Participants) the instructions for payment ([Technical Rule no. 01 MTEE](#), "Access to Information System and Entry of Trading Orders").

If the amount to be paid (equal to the value of the transactions including VAT) for the purchased certificates is lower than or equal to the amount of the cash deposit, then GME will - on your behalf - pay the amount to each selling Market Participant and return to you the possible difference between the amount of your cash deposit and the amount paid on your behalf.

If the amount to be paid is higher than the cash deposit, then GME:

- a) for transactions whose price is lower than or equal to the conventional price that you have quoted, GME will - on your behalf - pay the amount to each selling Market Participant;
- b) for transactions whose price is higher than the conventional price that you have quoted, GME will notify you of the share of the amount of the transaction that is due to each selling Market Participant and that is not covered by the cash deposit, as well as the bank details of each selling Market Participant.

Remember that you should pay such amount within 2 working days and always with value date 2 working days from the sending of such notification and that, within the same time limit, you should fax to GME (+39-06-8012 4102) a copy of the receipt of your payment. GME will then pay to the seller the share of the price that is covered by the cash deposit (Art. 30 of the Rules).

### **17. What shall I do if I wish to be excluded from the Energy Efficiency Certificates Market?**

If you wish to be excluded from the Energy Efficiency Certificates Market, you must deliver an appropriate written application to GME, by hand or by registered letter with return receipt. In such application, you must specify the date from which you wish to be excluded. On-demand exclusion from the market will become effective from the date that you have indicated in your application or (if you have not specified any date) from the date of receipt of your application by GME.

On-demand exclusion from the market shall not relieve you of the obligations arising from commitments that you have made in the market (Art. 21 of the Rules).

If, during the period of suspension determined under Articles 33 and 34 of the Rules (suspension due to violations of the Rules and of the Technical Rules – Section IV, “Sanctions/penalties, complaints and disputes”), you decide to file an application for exclusion from the market, your readmission to trading will become effective only after the expiration of the suspension period.