Technical Rule no. 07 MPE

(under article 4 of the Integrated Text of the Electricity Market Rules,
approved by the Decree of the Minister of Production Activities of 19 December 2003,
as subsequently amended and supplemented)

Title   Assignment of Priority to Pre-Defined Offers/Bids

Reference Legislation   Article 34, para. 34.1, Integrated Text of the Electricity Market
                                         Rules

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1. Foreword

Article 34, para. 34.1 of the Integrated Text of the Electricity Market Rules provides that, for the purpose of defining the priority order of offers/bids, the coefficient of priority applied to pre-defined offers/bids with a view to determining the results of the MGP, shall be determined under a random mechanism to be defined in the Technical Rules.

2. Assignment of priority coefficients

MGP Participants may submit pre-defined offers/bids, i.e. offers/bids that the Electricity Market Information System (SIME[1]) uses in all the market sittings where, for the offer point and for the applicable period to which the offer/bid refers, no offers/bids have been submitted.

Price being equal, such offers/bids have a lower priority than those submitted during the market sitting.

Every Sunday morning, the information system assigns a priority to pre-defined offers/bids having the same offer price; such priority will be applied in the following week. The priority is assigned through a function of random generation of numbers, such as the one resident in the C++ language; the number assigned to such function and required for its activation is the time of activation of the same function.

Whenever a pre-defined offer/bid is submitted after the end of the process of generation of the random priority order, the information system assigns a lower priority to such offer/bid than the priority assigned to all the pre-defined offers/bids to which the random priority has been assigned.

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[1] *SIME*: "Sistema Informatico del Mercato Elettrico". It is the information system through which GME collects demand bids and supply orders, determines market results and makes available preliminary information and results.