opcom

electricity and natural gas market operator of ROMANIA

Registration No.:

_ _ _ _ _ _ _ _

Year _ _ _ _ _ _

Month _ _ _ _ _ _

Day _ _ _ _ _ _

Electricity and Natural Gas Market Operator "OPCOM" S.A.

16-18 Hristo Botev Blvd., Sector 3, Bucharest 030236, ROMANIA
Tel: +40(21)3071.450;
Fax: +40(21)3071.400;
www.opcom.ro
Joint-stock company registered with the Trade Register under No. J2000007542408
Sole Registration Code: 13278352
IBAN: RO71 RNCB 0074 0292 1737 0107
BCR sector 3

LRQA CERTIFIED ISO 9001 UKAS MANAGEMENT SYSTEMS 0001

LRQA CERTIFIED ISO/IEC 27001 UKAS MANAGEMENT SYSTEMS 0001

Market Rules for Operating the Volume Allocation at SDAC Price (Volume Allocation - VA) Mechanism in the Event of Decoupling of a NEMO Hub from the Romania Bidding Zone

Prepared by:

Electricity and Natural Gas Market Operator "OPCOM" S.A.

22 October 2026

REVISION CONTROL LIST

Document revised:

No.	Rev.	Date	The revision concerns amendments made in accordance with the provisions of:

CONTENTS

Table of Contents

1. Purpose 4
2. Introduction 5
3. Scope of Application 5
4. Reference Documents 5
5. Method 5
5.1. General Principles 5
5.2. Activation Conditions 6
5.3. Communication Prior to Decoupling 6
5.4. Informing Participants and Initiating the VA Mechanism **Error! Bookmark not defined.**
5.5. Order Cancellation 6
5.6. Establishing the Order Book for the VA Mechanism .... **Error! Bookmark not defined.**
5.7. Retrieval of SDAC Prices and Identification of Executable Orders 7
5.8. Allocation by Portfolio 8
5.9. Conversion of Results to 15-Minute Intervals **Error! Bookmark not defined.**
5.10. Determining the Volume Available for Pro-Rata Allocation 8
5.11. Priority Treatment of Block Orders 8
5.12. Application of the Pro-Rata Rule 8
5.13. Handling of Rounding ..... **Error! Bookmark not defined.**
5.14. Validation and Finalisation of Results 9
5.15. Publication and Transmission of Results 9
5.16. Performing the Settlement Process 9
ANNEX 1 – OPERATIONAL MILESTONES OF THE VOLUME ALLOCATION AT SDAC PRICE PROCESS 10

1. Background and Purpose

In view of the interpretation by the European Commission and ACER of the provisions of Regulation (EU) 2024/1747 of the European Parliament and of the Council of 13 June 2024, amending Article 7(2)(c) of Regulation (EU) 2019/943 by introducing a new point (ca) and amending point (c), the relevant provisions are reproduced below:

[…]

(c) „maximise the opportunities for all market participants to participate in cross-zonal and intra-zonal trading in a non-discriminatory manner and as close as possible to real time, across all bidding zones"

(ca) „be organised in such a way as to ensure that liquidity is shared between all NEMOs, at all times, for both cross-zonal and intra-zonal trading. For the day-ahead market, during the period from one hour before the gate closure time until the last moment at which day-ahead trading is permitted, NEMOs shall submit all orders for day-ahead products and products with the same characteristics to single day-ahead coupling, on one hand, and shall not organise trading in day-ahead products or products with the same characteristics outside single day-ahead coupling, on the other hand. For the intraday market, during the period from the gate opening time for single intraday coupling until the last moment at which intraday trading is permitted in a given bidding zone, NEMOs shall submit all orders for intraday products and products with the same characteristics to single intraday coupling, on the one hand, and shall not organise trading in intraday products or products with the same characteristics outside intraday coupling, on the other hand. These obligations shall apply to NEMOs and undertakings exercising direct or indirect control over a NEMO, as well as undertakings exercising direct or indirect control over, or controlled by, a NEMO".

[…]

Accordingly, on the understanding that there should be no more than one set of day-ahead market clearing prices for each bidding zone, discussions within the PCG, the Pentalateral Coordination Group comprising representatives of the European Commission, ACER, national regulatory authorities, NEMOs and TSOs, led to agreement on a solution applicable to the bidding zones of the CORE capacity calculation region, namely the allocation, at the SDAC price, of volumes traded by the NEMO that has been decoupled.

Consequently, for the Romania bidding zone, ANRE Decision No. 1242/03.06.2026 approved the document *First update of the arrangements concerning more than one NEMO in one bidding zone in accordance with Article 45 and 57 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management* was also revised.

Thus, the single set of DAM prices for each bidding zone where more than one NEMO operates, in the event of partial decoupling when one NEMO remains coupled, is the price established through the coupling mechanism.

This document establishes the local rules applied by the Electricity and Natural Gas Market Operator "OPCOM" S.A. for operating the Volume Allocation at SDAC Coupled Market Price (Volume Allocation - VA) mechanism in the situation where OPCOM NEMO Hub is decoupled from Single Day-Ahead Coupling.

The mechanism allows participants in the Day-Ahead Market operated by OPCOM to have at least part of their offered volumes accepted for trading, without organising a local auction, by using the SDAC Prices established for the Romania bidding zone through the NEMO Hub that remains coupled.

2. Introduction

As a NEMO, OPCOM is represented in SDAC by a NEMO Hub that manages the order book of its own participants. Participants' orders are managed under conditions of equal and non-discriminatory access.

Where the OPCOM NEMO Hub is decoupled while another NEMO Hub in the Romania bidding zone remains coupled, the Romania bidding zone continues to participate in the SDAC coupling process, and a set of market clearing prices is therefore provided as part of the coupled area. This set of prices is regarded as the single reference price applicable to the Romania bidding zone and is established through the NEMO Hub that remains coupled. In this partial decoupling situation, OPCOM applies the VA mechanism to its own order book.

The VA mechanism does not constitute a local auction and does not result in OPCOM determining another set of day-ahead prices. Accepted quantities are determined by reference to the relevant SDAC Prices and are balanced, for each 15-minute interval, between buy and sell sides.

In the event of total decoupling of the Romania bidding zone, when no NEMO Hub in Romania remains coupled to SDAC, the rules governing full decoupling set out in the *Operational Procedure on the Operation of the Day-Ahead Market* apply, and this mechanism is not used.

3. Scope of Application

This document applies to:

- Participants in the Day-Ahead Electricity Market operated by OPCOM;
- The Electricity and Natural Gas Market Operator "OPCOM" S.A.;
- Balance Responsible Parties.

4. Reference Documents

ANRE Decision No. 1242/03.06.2026 approving the document *First update of the arrangements concerning more than one NEMO in one bidding zone in accordance with Article 45 and 57 of the Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a Guideline on Capacity Allocation and Congestion Management* (AOR).

Operational Procedure on the Operation of the Day-Ahead Electricity Market, approved by the Advice of the President of the National Energy Regulatory Authority.

Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity, as amended by Regulation (EU) 2024/1747, Article 7(2)(ca), concerning liquidity sharing between nominated electricity market operators for cross-zonal and intra-zonal transactions within single day-ahead and intraday coupling.

5. Method

5.1. General Principles

The VA mechanism applies exclusively when NEMO Hub OPCOM is decoupled from SDAC and the Romania bidding zone remains coupled through the other NEMO Hub. OPCOM does not run a local auction or recalculate the clearing price for the Romanian bidding zone.

The process uses the order book of OPCOM's participants, as resulted after the end of the period granted for order cancellation, together with the Prices resulting from SDAC coupling at 15-minute, 30-minute and 60-minute resolutions, established through the NEMO Hub that remains coupled.

The allocation aims to maximise the total traded volume while ensuring equality between the quantities accepted on both buy and sell directions for each 15-minute interval, preserving the block-order condition and the proportional allocation rule applicable to the direction with the larger traded volume (sell or buy).

All time references in this document are expressed in Central European Time - CET.

5.2. Activation Conditions

In the event of technical malfunctions preventing OPCOM NEMO Hub from participating in the coupling process, other than those caused by a lack of cross-zonal capacity, OPCOM applies the SDAC procedural provisions.

At 13:00 CET, in accordance with the applicable operational timings, partial decoupling of OPCOM NEMO Hub is declared. From that moment, OPCOM initiates the activities required to operate the Volume Allocation at SDAC Price mechanism.

The mechanism applies provided that the other NEMO Hub in the Romanian bidding zone remains coupled and the SDAC coupling results are available, from which the set of SDAC prices required for the VA mechanism is available.

5.3. Communication Prior to Decoupling

Before decoupling is declared, OPCOM sends the operational messages descibed by the SDAC procedures to inform participants of the incident, the risk of decoupling and the progress of the coupling process until partial decoupling is declared at 13:00 CET, in accordance also with the *Operational Procedure on the regarding functioning of the Day-Ahead electricity Market* and *the Fallback Manual,* published on OPCOM's website.

Communications are sent through the available official channels (e-mail) and contain the operational information applicable to the situation at the time of notification.

Once the decoupling of OPCOM NEMO Hub has been declared, participants are informed without delay of the initiation of the VA mechanism. The information is communicated transparently, through the trading system and by e-mail, as applicable, to the contact persons registered at OPCOM S.A.

5.4. Order Cancellation

OPCOM will take into account all orders accepted in its own trading system.

Before operating the VA mechanism, OPCOM grants participants a limited period to express their intention to cancel orders recorded in its order book. Participants may cancel only one or both orders (if they have submitted orders in both directions), on all applicable resolutions. The period during which orders may be cancelled will be clearly communicated.

Requests shall be sent exclusively by e-mail to pzu@opcom.ro, from a contact address registered at OPCOM S.A., according to the officially declared records.

The request must contain the following information required to identify the order(s) to be cancelled for the following delivery day:

a) Name of the company (Participant) whose order(s) are to be cancelled;
b) Participant identification code;
c) Resolution of the order(s) (15min / 30min / 60min);
d) Order direction, specifying Sell orders, Buy orders or Both directions – ALL.

Cancellation applies to the entire quantity of the order, whether a step or block order, in the requested direction. The latest valid version entered in the trading system will always be taken into account.

Example table to be included in the cancellation notice sent to OPCOM S.A.:

Code of identification	Company name	Direction: V - Sell, C - Buy, ALL – Both directions	Delivery day	Resolution (15min/30min/60min)

WARNING: Requests containing incomplete or incorrect data, or received after the communicated deadline, will not be taken into account when establishing the final order book used to operate the VA mechanism.

5.5. Retrieval of SDAC Prices and Identification of Orders to Which the VA Mechanism Applies

At the end of the cancellation period, OPCOM processes the order withdrawal/cancellation requests received and establishes the final version of its order book. From that point onwards, the order book is closed to further changes and forms the sole calculation basis for the VA mechanism.

Once coupling results are available, OPCOM retrieves the Market Clearing Prices (PIP) and the average prices for granularities greater than 15 minutes, established under SDAC coupling for the Romania bidding zone through the NEMO Hub that remains coupled. Prices are retrieved separately for the 15-minute, 30-minute and 60-minute resolutions and converted into RON using the BNR exchange rate.[1]

For each resolution and trading interval, orders meeting the acceptance condition in relation to the SDAC Price (Market Clearing Prices (MCP) for the 15-minute granularity and average prices for granularities greater than 15 minutes) corresponding to the submitted resolution are identified and retained for the VA mechanism:

a) A sell step order is retained if its price is less than or equal to the SDAC Price for the relevant resolution and offered interval (i.e. it has a better price);

b) A buy step order is retained if its price is greater than or equal to the SDAC Price for the relevant resolution and offered interval (i.e. it has a better price);

c) A block order is retained if the average MCP over the block definition period is better than the block order price;

d) A sell block order will not be executed if its price is higher than the average market price resulting from the average MCP over the block definition period;

e) A buy block order will not be executed if its price is lower than the average market price resulting from the average MCP over the block definition period;

[1]To determine the quantities retained for application of the VA mechanism, the unrounded MCP resulting from SDAC coupling is taken for each granularity, multiplied by the exchange rate published by the BNR, and rounded to two decimal places.

f) Interdependent block orders, which may form part of a grandparent-parent-child chain, will be treated as independent block orders; accordingly, the provisions of points (c)–(e) above apply.

5.6. Portfolio Allocation

Conversion to 15-minute granularity

Portofolio Allocation under the VA mechanism is carried out by reference to the 15-minute trading interval and the corresponding 15-minute MCP. The allocation algorithm detailed below involves assessment and allocation for each 15-minute interval.

Orders with a price better than the SDAC Price, as determined by the checks described above, are considered for the application of the VA mechanism and have an equal right to be accepted for trading.

All orders, being block orders or step orders at 30-minute and 60-minute resolutions, are converted to 15-minute intervals.

Conversion is performed as follows: the quantity (expressed as average power over the interval [MW]) corresponding to a 30-minute order is transferred to the two relevant 15-minute intervals, while the quantity corresponding to a 60-minute order is transferred to the four relevant 15-minute intervals. As orders are submitted in terms of average power over the interval (in [MW]), the same average power will apply to each 15-minute interval of block orders or step orders at 30-minute and 60-minute resolutions.

After conversion, the total cleared quantities on both the buy and sell sides are available for each 15-minute interval.

Determination of the Total Volume Allocated to Sell and Buy Orders

For each 15-minute interval, the quantities cleared on both buy and sell directions are summed. The lower total quantity represents the total volume to be matched in that interval, while the pro-rata reduction principle is applied to the direction with the higher total quantity.

If the executable buy and sell volumes are equal, no pro-rata volume reduction is required for any interval. If either direction has no executable volume, no volume is allocated for that interval.

Treatment of Block Orders

To maximise the volumes allocated under the VA mechanism, block orders are treated so as to preserve their full quantities as far as possible when applying pro-rata allocation.

For each 15-minute trading interval, the blocks on the direction with the larger volume for the interval under calculation are initially considered with their full accepted quantity, provided that the accepted block volume is less than or equal to the total volume on the opposite direction.

If the volume on the opposite direction is lower than the volume of accepted blocks, pro-rata allocation is applied to block orders to ensure equal total volume on both sides. In this case, no volumes from step orders in the affected interval will be allocated, since the block orders have been sufficient to balance the traded interval.

Application of the Pro-Rata Rule to Stepwise Orders

After allocating blocks and stepwise orders in accordance with the steps described above, as applicable, the remaining available volume on the surplus side is distributed proportionally among all retained stepwise orders.

The calculation is performed independently for each 15-minute interval, and the mechanism allows to allocate a proportion to all orders for which prices are better or equal to MCP.

Validation of Results and Completion of the VA Process

Once the allocation process is completed, OPCOM validates the final results. Following validation, these are considered firm results accepted by participants and are made available to them in the form of schedule notifications required for post-trading processes.

In this specific situation, under the allocation mechanism:

- the quantity allocated to block orders may result in different power values ([MW]) across the 15-minute intervals within the block definition period;
- the quantity allocated to step orders at 30-minute or 60-minute resolutions may result in different power values ([MW]) across the 15-minute intervals corresponding to orders with a granularity greater than 15 minutes.

5.7. Publication and Transmission of Results

After finalising and validating the results of the VA mechanism, OPCOM provides participants with the schedule notification files corresponding to the allocated quantities exclusively by e-mail, at the contact addresses registered with OPCOM S.A.

OPCOM also generates and sends schedule notifications to Balance Responsible Parties, on its own behalf, if applicable, and all relevant files for the members assigned under the respective BRPs.

5.8. Performing the Settlement Process

Trades resulting from the VA mechanism constitute firm commitments by DAM participants from the moment trade confirmations are communicated. The confirmed quantities are included in the relevant delivery obligations and schedule notifications.

The trading results will be used in the settlement process, which is performed exclusively at 15-minute resolution, as in the coupling process, considering the 15-minute MCP in accordance with the SDAC coupling results.

All processes required for the settlement of trades process will be carried out in the same way as on a normal trading day, according to a schedule adapted to the specific partial decoupling situation.

ANNEX 1 – OPERATIONAL MILESTONES OF THE VOLUME ALLOCATION AT SDAC PRICE PROCESS

No.	Milestone/time CET	Activity	Responsible	Comm. Channel
1	Before 13:00	Sending the operational messages on the risk of decoupling, in accordance with SDAC procedures	OPCOM	LTS / e-mail
2	13:00	Declaration of partial decoupling of the OPCOM NEMO Hub for reasons other than a lack of CZC	OPCOM	LTS / e-mail
3	Immediately after decoupling	Informing participants of the initiation of the VA mechanism and the possibility of cancelling orders within the established period	OPCOM	LTS / e-mail
6	14:20	Latest time at which SDAC results may be published before total decoupling of the SDAC markets	SDAC	N/A
7	As soon as possible after publication of SDAC results	Running the VA mechanism	OPCOM	N/A
8	As soon as possible after item 7	Publication of results, transmission of schedule notifications to participants and BRPs, and performance of the settlement process	OPCOM	e-mail