

The transactions concluded on the markets operated by OPCOM for the first half year 2015***The short term markets – Day-Ahead Market (DAM) and Intraday Market (IDM)***

A number of 214 participants were active on DAM platform in June 2015, contributing to establish a monthly average of the hourly traded volume of 2,703.7 MWh/h.

The half year historical data indicates an increase of the trading volume on this time horizon from 1.9 TWh in 2006 to 11.7 TWh in 2015, and in hourly average values from 443.2 MWh/h in 2006 to 2,689.6 MWh/h in 2015, in percent of domestic electricity consumption this last value represents 44.06%.

Compared to 2014, the amount of 11.7 TWh traded on DAM increased with 1.03 TWh (9.67%).

At the level of the first half year of 2015, the participants number that have submitted at least one offer was 230 representing a rate for interest of 80.99% if compared with the 284 companies registered at the market at the end of June 2015. All 230 participants concluded transactions, the hourly volumes varying in a range between 1,547.0 MWh/h and 4,170.5 MWh/h. Set in all intervals without exception, the hourly trades reached 2,500 MWh/h in 61% of the cases, while the trades' volume was lower than 2,000 MWh/h (equivalent of 41% from the hourly average consumption) in only 292 of the 4,343 hourly intervals.

The average price corresponding to the concluded transactions registered a variation of about 1%, rising from 143.92 lei/MWh (32.23 EUR/MWh) in January - June 2014 to 145.02 lei/MWh (32.59 EUR/MWh) in January - June 2015. The average price of spot transactions in the first half year of 2015 is within the range of average prices established on the European spot markets (24 EUR/MWh; 57 EUR/MWh), being at 17 percent under the European average, assessed based on the available data at 39 EUR/MWh.

On the DAMs that are operating coupled with DAM administrated by OPCOM since November 2014, the prices established for the first half year of 2015 were 36.13 EUR/MWh (HUPX), 30.98 EUR/MWh (OKTE) and 30.35 EUR/MWh (OTE).

The Intraday Market

At the end of the 2015 first half year, the number of the Intraday Market participants registers a number of 111, of which less than 50% were active on this market that is designed to facilitate for the market trading the intradaily variations, thus contributing to a better management of the potential imbalances and to maintaining a balance of generation and consumption. The traded volume in the first six months of 2015 (30,074.117 MWh with a weighted average price of 129.82 lei/MWh meaning 29.22 EUR/MWh) but remains low compared to the expected indicator, given that in the first half year of 2015 the participation of renewable sources in the mix of generation increased with over 80% compared with the same period of 2014.

It is expected that acting on this market to be intensified in the light of the expected next years' development that will take into consideration the cross-zonal capacities in the process of establishing the trading algorithm results as well.

The Term Markets - The Centralized Market for Bilateral Contracts for electricity: Public Auctions Mechanisms (CMBC), with continuous negotiation (CMBC-CN), and with double continuous negotiation (CM-OTC)

Starting with January 1, 2015 there were implemented new trading mechanisms based on the regulations established by the Regulatory Authority (Order no. 78/2014) regarding the ways of concluding electricity

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bilateral contracts by extended auction (CMBC-EA), continuous negotiation (CMBC-CN) and by processing contracts (CMBC-PC).

The Centralized Market for Bilateral Contracts for electricity - Extended Auction Mechanism (CMBC-EA)

All those 125 participants that expressed interest on using the product within their own contracting strategies in 2015, representing 39.56% of the 316 companies registered on the market at the end of June 2015. There were concluded 298 contracts, at a weighted average price of 159.84 lei/MWh (35.93 EUR/MWh), totalling a volume of 10.7 TWh.

The analysis shows that through the concluded trades, 2015 assures deliveries for the following year of 4.6 TWh, volume representing a share of around 8.77% from consumption. The weighted average price for the electricity traded on CMBC-EA in the first half year of 2015, with delivery in 2016, was of 159.55 Lei/MWh (35.88 EUR/MWh), respectively 173.56 lei/MWh (39.09 EUR/MWh) with delivery in 2017 for a volume of 0.01 TWh.

The deliveries contracted for 2015 represent a share of 11.43% from consumption, the related weighted average price being 159.98 Lei/MWh (35.95 EUR/MWh).

The Centralized Market for Bilateral Contracts for electricity - with Continuous Negotiation (CMBC-CN)

A number of 71 participants have expressed interest for this trading mechanism of the 115 companies registered on this market at the end of June 2015, in the first half year of 2015 being concluded a number of 5,942 contracts, at a weighted average price of 154.28 lei/MWh (34.68 EUR/MWh), totalling a volume of 3.6 TWh.

The deliveries contracted for 2015 have totaled 2.9 TWh, representing a share of 5.55% from consumption, the weighted average price being of 158.80 Lei/MWh (35.68 EUR/MWh), while the deliveries contracted for 2016 are totalling 0.6 TWh, representing a share of 1.20% from consumption, the weighted average price being of 132.48 Lei/MWh (29.87 EUR/MWh).

The Centralized Market for Bilateral Contracts for electricity with double continuous negotiation (CM-OTC)

In the first half year of 2015 there were concluded by the 45 active participants on CM-OTC, representing 63% of the 71 participants registered on this market at the end of June 2015, an electricity volume of 8,9 TWh at a related weighted average price of 157.52 lei/MWh (35.47 EUR/MWh).

The deliveries contracted for 2015 totalled 12.5 TWh, respectively a share of 23.63% from 2015 consumption, the related weighted average price being of 161.98 Lei/MWh (36.49 EUR/MWh).

For 2016 the contracted deliveries total 1.3 TWh, respectively a share of 2.41% of consumption, the related weighted average price being of 163.63 lei/MWh (36.97 EUR/MWh).

Centralised Market for Universal Service (CMUS)

In February this year, based on regulations established by Regulatory Authority (Order 65/2014), the mechanism that allows a transparent and competitive electricity purchasing on the wholesale market by last resort suppliers, was launched in order to cover the consumption billed at CPC tariff (competitive market component) to final customers served under universal service regime.

The number of active participants in the two auctions organised in the first half year of 2015 reached the value of 22, that compared to the total number of the registered companies on this market indicate a participation rate of 81.48%.

The deliveries contracted for 2015 totalled 3.0 TWh, the related weighted average price being of 168.16 lei/MWh (37.65 EUR/MWh).

The Certificates Markets - The Centralized Market for Green Certificates (CMGC), The Centralized Market for Bilateral Contracts of Green Certificates (CMBCGC) and The Trading Platform for greenhouse gases Emission Certificates (TPEC)

The Centralized Market for Green Certificates

In the first six months of 2015, there have been traded centralized by the 246 active participants from 791 registered on the green certificates market at the end of June 2015, 35,875 green certificates at a weighted average price of 130.95 lei/green certificate (29.36 EUR/green certificate, calculated at the exchange rate used for establishing the traded values of green certificates on the green certificates market for 2014 and 2015).

The Centralized Market for Bilateral Contracts of Green Certificates

During January 1 – June 30, 2015, there have been traded by the 381 active participants on CMBCGC, a number of 5,772,438 green certificates at a weighted average price of 131.00 lei/green certificate (29.37 EUR/green certificate, calculated at the exchange rate used for establishing the traded values of green certificates on the green certificates market for 2014 and 2015).

The transactions concluded in the first half year of 2015, cumulated on the two markets, summarize a number of 5,808,313 certificates, representing the obligations assumed by the contract partners for deadlines reaching up to 13 years.

The Trading Platform for greenhouse gases Emission Certificates

From the total of 12 companies registered at the end of June 2015 on the Trading Platform for greenhouse gases Emission Certificates, none of them was active, so that transactions with greenhouse gases emission certificates were not concluded on the Platform in the first half year of 2015.

Markets for Natural Gas - Centralized Market for Natural Gas where contracts are assigned by a combined auctions and negotiation process (CMNG-AN)

Centralized Market for Natural Gas

At the end of June 2015 the participants' number registered on this market was 16.

The Settlement

The electricity value traded on Day-Ahead Market totalled 1,779.1 mill. lei (399.7 mill.Euro), the payments made in two banking days reached 1,700.2 mill. lei (381.9 mill. Euro), the difference of 78.9 mill. lei (17.8 mill. Euro) representing the payment obligations value of DAM participants to OPCOM that have been offset either by issuing orders of compensation, either by issuing payment orders.

The electricity value traded on the Intra-Day Market totalled 3.9 mill. lei (878.7 thousands Euro), the payments made in two banking days reached 3.8 mill. lei (848.8 thousands Euro), the difference of 0.1 mill. lei (29.9 thousands Euro) representing the payment obligations value of IDM participants to OPCOM that have been offset either by issuing orders of compensation, either by issuing payment orders.

Besides the accomplishment of the responsibilities deriving from the counterparty role assumed by OPCOM in the electricity spot trading process, the settlement activity supposed, in the first half year of 2015 also, the

fulfilment of the responsibilities derived from the process of setting the volumes, respectively the collection rights/payment obligations for:

- The trades on the Centralized Market for Green Certificates, in amount of 4.7 mill. Lei (1.1 mill. EUR), corresponding to the Green Certificates traded during January 1 – June 30, 2015;
- The trades on the Balancing Market administered by C.N.T.E.E. Transelectrica S.A., in amount of 364.4 mill. Lei, corresponding to the upward balancing energy and, respectively 13.1 mill. Lei for downward balancing energy (for the period January-June 2015);
- The notification imbalances for Dispatchable Units, in amount of 132.9 mill. Lei (for the period January-June 2015);
- The imbalances of the Balance Responsible Parties, amounting 11.1 mill. Lei corresponding to the positive imbalances and respectively 343.9 mill. Lei corresponding to the negative imbalances (for the period January-June 2015).

There were also monthly determined and reallocated the amounts of supplementary costs derived from the system balancing, values that totalled 17.5 mill. Lei.

The volumes contracted for delivery in 2015 on the markets administered by OPCOM, totalled an electricity quantity of 63 TWh, result that represents the expression of centralized and transparent electricity trading in Romania with beneficial effects on the market and on the indicators that characterize its operation: traded volumes, active participation, concentration degree and the level of wholesale electricity prices.

Additional to the electricity trades, over 6 million Green Certificates were contracted centralized in the first half year of 2015 on the platform administered by OPCOM.