



# **GME Marketplace for Energy Efficiency Certificates**

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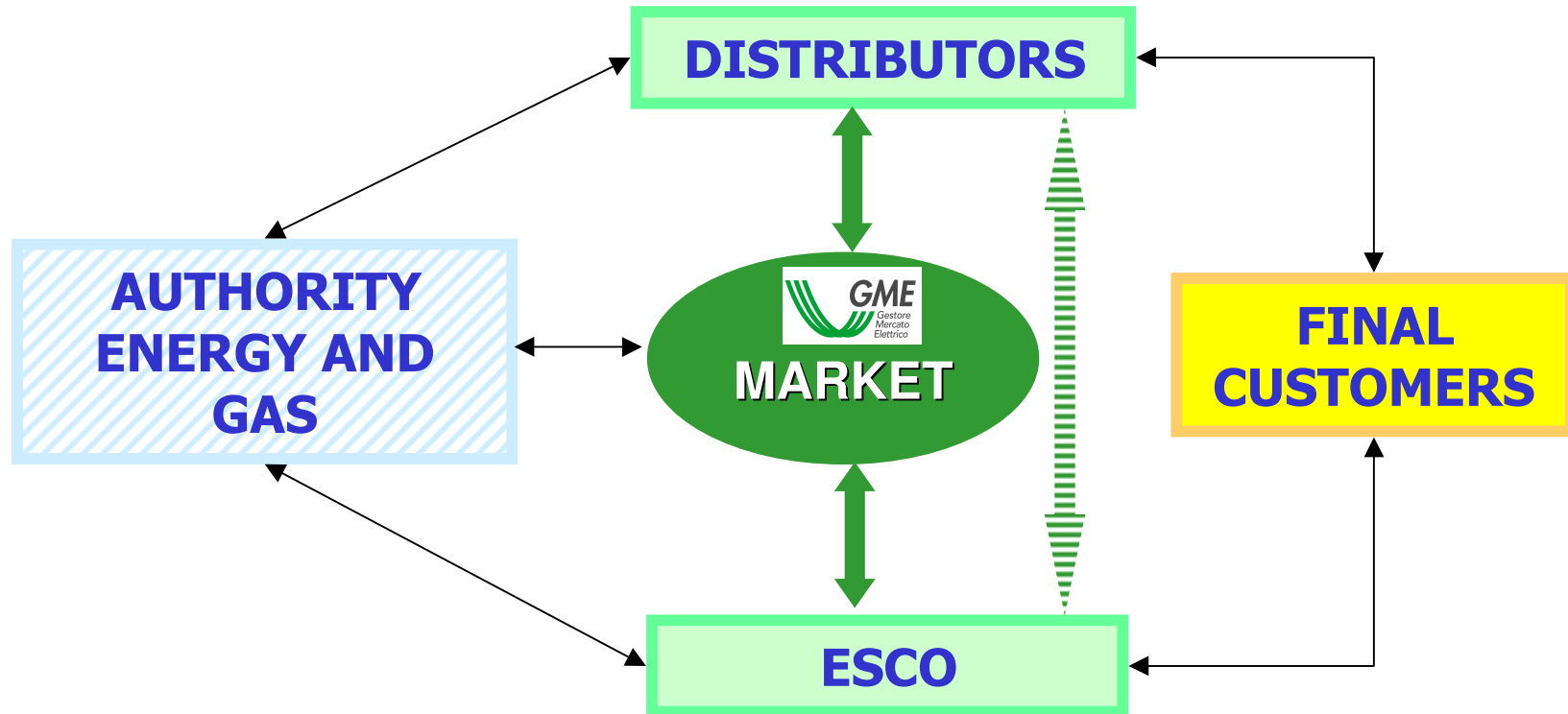
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## GME role in Energy Efficiency Certificates Market

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- ❑ GME is incharged of organizing and managing a marketplace for Energy Efficiency Certificates;
- ❑ GME and Authority for Energy and Gas will jointly decide the Market Rules;
- ❑ Green Certificates market, launched in March, 2003, will be choosen as the market model to start from.



## Activities for Market mechanism

**AUTHORITY  
ENERGY AND  
GAS**

- **Projects evaluation**
- **Projects approval**
- **Communication to GME (certificates issuing)**
- **Verification of distributors annual obligation**



- **Register**
- **Certificates issuing**
- **Market sessions**
- **Bilateral contracts in to Register**
- **Communication of market results to Authority**

## Market cycle

### Pre-market phase

- ❑ Authority: Projects examination and approval
- ❑ GME: Register organization, Certificates Issue (after Authority communication)

### Market phase

- ❑ GME: Market sessions (plus OTC bilateral contracts)

### Post-market phase

- ❑ GME: Register update for market based and bilateral transactions

### Verification phase

- ❑ GME: Communication of register situation to the Authority
- ❑ Authority: Verification procedure (sanctions for those who not comply)

### □ Main features of marketplace:

- ✓ Continuous trading
- ✓ One trading book for each type of Energy Efficiency Certificate (electricity, gas, primary energy)
- ✓ Guaranteed deposit requested to buyers
- ✓ Real-time link with Register

## Trading example (1)

*Trading Book*

BID		OFFER	
QUANTITY	PRICE	PRICE	QUANTITY
50	180	185	40
30	175	189	60
70	172	194	20

Bid with price limit: **Buy 50 @ 190**

*Trading Book*

BID		OFFER	
QUANTITY	PRICE	PRICE	QUANTITY
50	180	189	50
30	175	194	20
70	172		

## Trading example (2)

*Trading Book*

BID		OFFER	
QUANTITY	PRICE	PRICE	QUANTITY
50	180	185	40
30	175	189	60
70	172	194	20

Bid without price limit: Buy 50 @ market

*Trading Book*

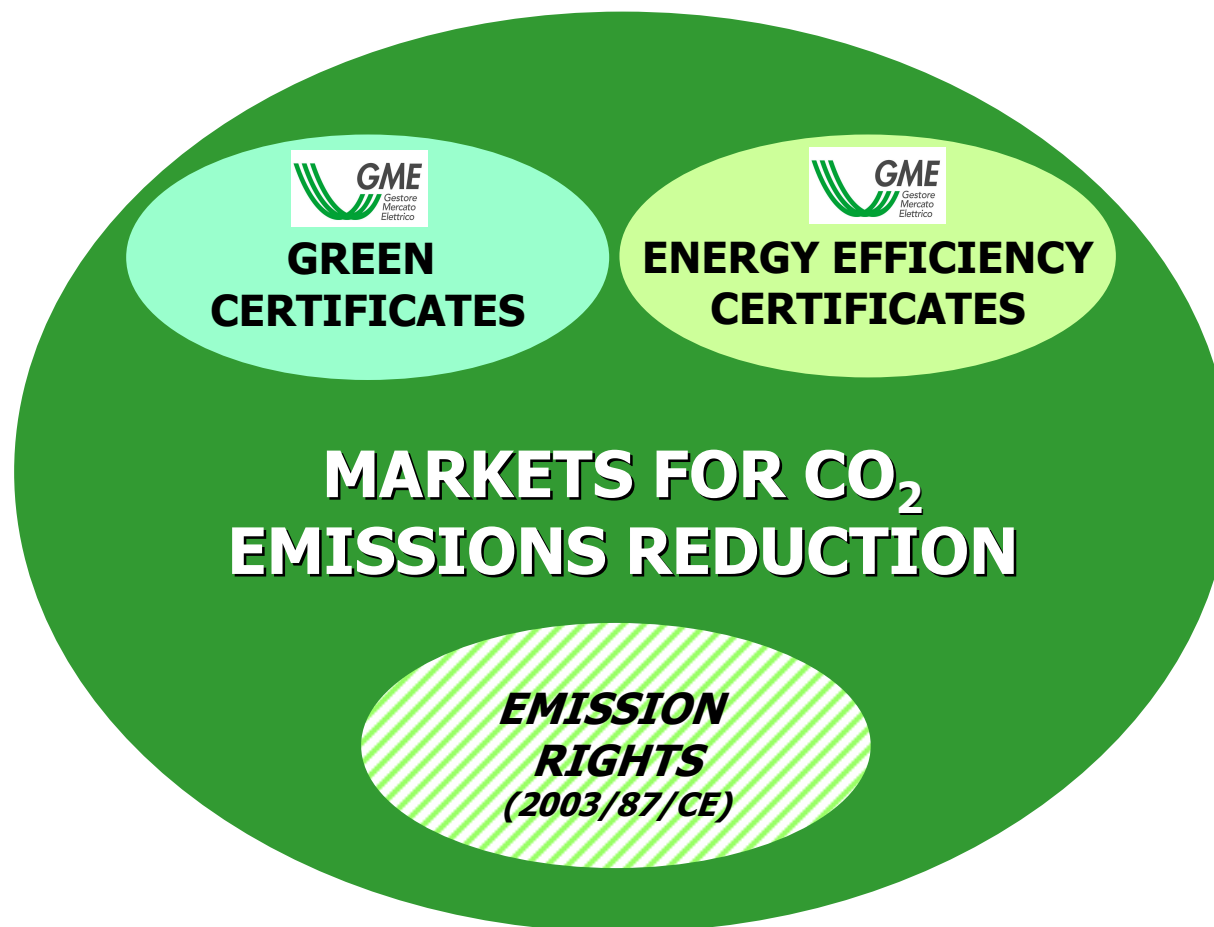
BID		OFFER	
QUANTITY	PRICE	PRICE	QUANTITY
10	185	189	60
50	180	194	20
30	172		



## Electricity efficiency targets and avoidable emissions

Year	National target (Mtpe)	Reduced consumption in MWh (*) (1 kWh=0,22*10 <sup>-3</sup> tpe)	Mtpe CO <sub>2</sub> avoided (Hp:1 kWh=0,5 kg CO <sub>2</sub> )
2002	0,1	454.545	0,23
2003	0,5	2.272.727	1,14
2004	0,9	4.090.909	2,05
2005	1,2	5.454.545	2,73
2006	1,6	7.272.727	3,64

(\*) Hp: the whole target is satisfied by reducing electricity consumption



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