



NOTICE 06/2006

Rules for Determining Electricity Indexes

17.December.2013

Versions Index

30.June.2006

Initial Version

18.November.2008

Registration with The Portuguese Securities Market Commission (CMVM) on October 30th, 2008 as a MIBEL Derivatives Market Rule as a EU Regulated Market according to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments (MiFID)

17.December.2013

Included the IFTR E-P and IFTR P-E indexes

DISCLAIMER

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OMIP approves this Notice which sets the rules for determining electricity indexes.

General Definitions

1. For each calendar day, OMIP calculates and publishes the following indexes:
 - SPEL Base
 - PTEL Base
 - SPEL Peak
 - PTEL Peak
 - IFTR E-P Base
 - IFTR P-E Base
2. The indexes listed in the previous paragraph are calculated based on hour marginal prices formed on the daily market of the Spot Market managed by OMIE, to the Spanish and Portuguese zones of MIBEL, respectively:
 - Hour marginal price of the Spanish system
 - Hour marginal price of the Portuguese system
3. The time references included in this Notice refer to the official Spanish time, hereinafter referred to as HOES.

SPEL Index Calculation Methodology

4. For each calendar day, the “**SPEL Base**” index corresponds to the arithmetic mean of hour marginal prices of the Spanish system for the 24 (23 or 25) hours of a day (HOES), rounded two decimals. The respective calculation formula is the following:

$$\text{SPEL Base Index} = \frac{\sum_{i=1}^n \text{SMP}(e)^i}{n}$$

Considering that:

n = number of hours on a calendar day (24 hours, except on the last Sundays of March – 23 hours and October – 25 hours);

i = corresponds to each hour (HOES) of a calendar day for which the SPEL Base index is being calculated;

$\text{SMP}(e)^i$ = hour marginal price of the Spanish system for the hour i , defined in € per MWh with two decimals.

5. For each week day – Monday to Friday¹ - the “**SPEL Peak**” index corresponds to the arithmetic mean of hour marginal prices of the Spanish system, for the period comprised between 8:00 and 20:00 (HOES), and rounded to two decimals. The respective calculation formula is the following:

¹ This includes public holidays, from Monday to Friday.

$$\text{SPEL Peak Index} = \frac{\sum_{j=1}^n \text{SMP}(e)^j}{n}$$

Considering that:

n = number of “peak” hours on a business day (period comprised between 8:00 and 20:00 (HOES), equivalent to 12 hours);

j = corresponds to each “peak” hour (HOES) for the day the SPEL Peak index is being calculated;

$\text{SMP}(e)^j$ = hour marginal price of the Spanish system for the hour j , defined in € per MWh with two decimals.

PTEL Index Calculation Methodology

6. For each calendar day, the “**PTEL Base**” index corresponds to the arithmetic mean of hour marginal prices of the Portuguese system, for the 24 (23 or 25) hours of a day (HOES), rounded to two decimals, and with the following calculation formula:

$$\text{PTEL Base Index} = \frac{\sum_{i=1}^n \text{SMP}(p)^i}{n}$$

Considering that:

n = number of hours on a calendar day (24, except on the last Sundays of March - 23 and October - 25);

i = corresponds to each hour (HOES) of a calendar day for which the PTEL Base index is being calculated;

$\text{SMP}(p)^i$ = hour marginal price of the Portuguese system for the hour i , defined in € per MWh with two decimals

7. For each week day – Monday to Friday² - the “**PTEL Peak**” index corresponds to the arithmetic mean of hour marginal prices of the Portuguese system, for the period comprised between 8:00 and 20:00 (HOES), and rounded to two decimals. The respective calculation formula is the following:

$$\text{PTEL Peak Index} = \frac{\sum_{j=1}^n \text{SMP}(p)^j}{n}$$

Considering that:

n = number of “peak” hours on a business day (period comprised between 8:00 and 20:00 (HOES), equivalent to 12 hours);

² This includes public holidays, from Monday to Friday.

j = corresponds to each “peak” hour (HOES) of the calendar day, for which the PTEL Peak index is being calculated;

$SMP(p)^j$ = hour marginal price of the Portuguese system for the hour j , defined in € per MWh with two decimals.

IFTR Indexes Calculation Methodology

8. For each calendar day, the **"IFTR E-P" index** corresponds to the arithmetic mean of the differences, if positive, between the hour marginal prices of the Spanish system and the hour marginal price of the Portuguese system, for 24 (23 or 25) hours of the day (HOES), rounded to two decimals, and with the following calculation formula:

$$IFTR E - P Base Index = \frac{\sum_{i=1}^n \max((SMP(e)^i - SMP(p)^i); 0)}{n}$$

Considering that:

n = number of hours on a calendar day (24, except on the last Sundays of March - 23 and October - 25);

i = corresponds to each hour (HOES) of a calendar day for which the PTEL Base index is being calculated;

$SMP(e)^i$ = hour marginal price of the Spanish system for the hour i , defined in € per MWh with two decimals.

$SMP(p)^j$ = hour marginal price of the Portuguese system for the hour i , defined in € per MWh with two decimals.

9. For each calendar day, the **"IFTR P-E" index** corresponds to the arithmetic mean of the differences, if positive, between the hour marginal prices of the Portuguese system and the hour marginal price of the Spanish system, for 24 (23 or 25) hours of the day (HOES), rounded to two decimals, and with the following calculation formula:

$$IFTR P - E Base Index = \frac{\sum_{j=1}^n \max((SMP(p)^j - (SMP(e)^j); 0)}{n}$$

Considering that:

n = number of hours on a calendar day (24, except on the last Sundays of March - 23 and October - 25);

j = corresponds to each hour (HOES) of the calendar day, for which the PTEL Base index is being calculated;

$SMP(p)^j$ = hour marginal price of the Portuguese system for the hour j , defined in € per MWh with two decimals.

$SMP(e)^j$ = hour marginal price of the Spanish system for the hour j, defined in € per MWh with two decimals.

10. In case that, due to exceptional circumstances, OMIE does not disseminate any of the relevant hour marginal prices for determining the indexes as mentioned in the preceding numbers, OMIP adopts approximate values of the missing hour marginal prices, based on:
- a) Interpolation of hour marginal prices formed for another hours of the same session on the daily market managed by OMIE;
 - b) Extrapolation of hour marginal prices formed in preceding days on the daily market managed by OMIE;
 - c) Using hour marginal prices formed on the intra-day markets managed by OMIE;
 - d) Extrapolation of hour marginal prices of the same day formed in other European markets, taking into consideration the historical value of spreads formed with the daily market managed by OMIE.

Entry into Effect

This Notice has been registered with CMVM on December 12th, 2013 and enters into effect on December 17th, 2013.

The Board of Directors