



Why in the demand and supply curves on Day Ahead Market there is a congestion of many equal volume points with different price steps?

The trading platform, which every single market participant uses for submitting buy/sell orders on the Day Ahead Market, is checking whether the order is logical or not. If it is not, the system does not allow saving it.

EXAMPLE 1:

Type	Hourly								
Exported At	05/01/2017 08:17 CET								
Date	06/01/2017								
Time Zone	CET								
Member	Generation Company EAD								
Portfolio	BG-Gcom-BG								
Area	Bulgaria								
Currency	EUR								
Price Steps	10,0	10,1	35,0	35,1	43,0	43,1	55,0	55,1	
Hour 1	0,0	-50,0	-50,0	-30,0	-30,0	-150,0	-150,0	-200,0	
Hour 2									
Hour 3									
Hour 4									

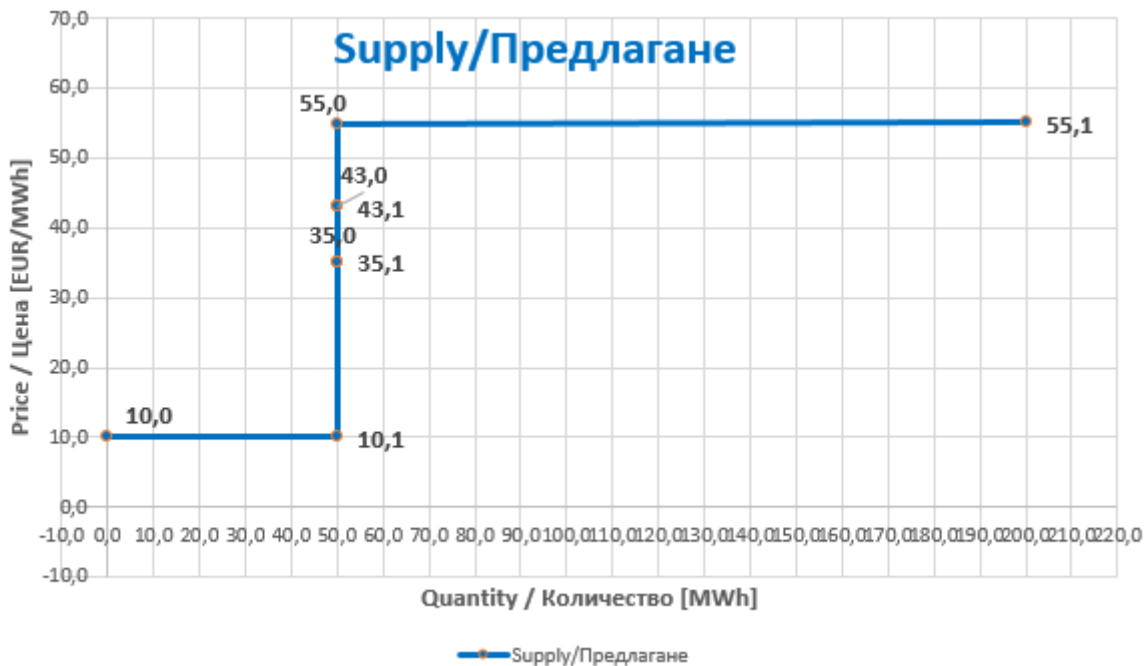
The order in the above example (Example 1) is not logical and the system would not accept it, because the market participant, is willing to sell 50 MWh if the price is higher than 10 EUR/MWh and only 30 MWh if the price goes over 35 EUR/MWh, i.e. **the seller is willing to sell less if the price goes up**, which is illogical.

EXAMPLE 2:

Type	Hourly								
Exported At	05/01/2017 08:17 CET								
Date	06/01/2017								
Time Zone	CET								
Member	Generation Company EAD								
Portfolio	BG-Gcom-BG								
Area	Bulgaria								
Currency	EUR								
Price Steps	10,0	10,1	35,0	35,1	43,0	43,1	55,0	55,1	
Hour 1	0,0	-50,0	-50,0	-50,0	-50,0	-50,0	-50,0	-200,0	
Hour 2									
Hour 3									
Hour 4									

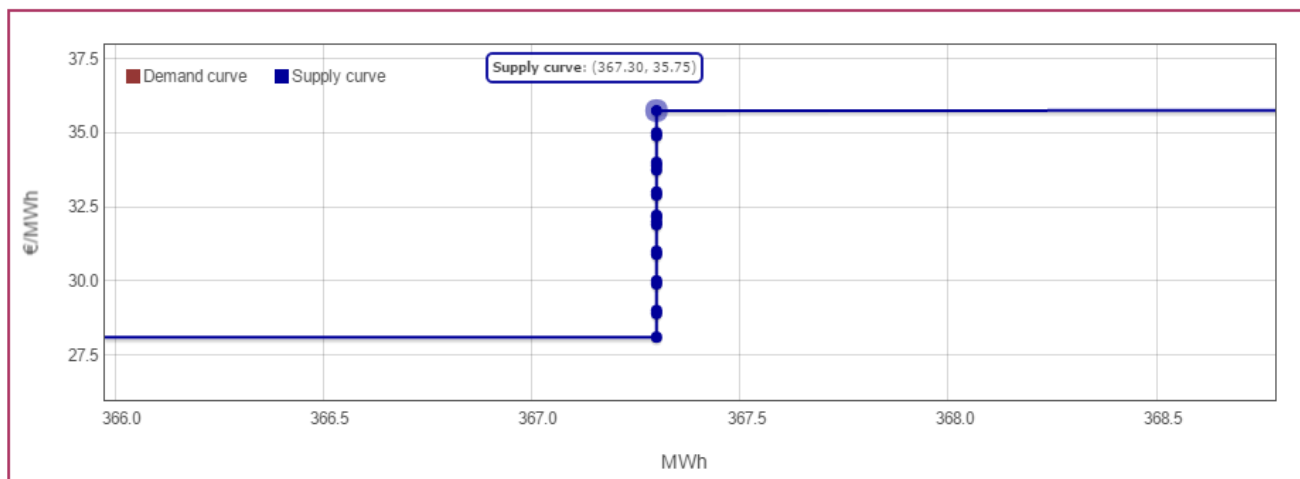
The trading platform accepts orders with many price steps and equal volumes, if the orders are correct and logical. In Example 2, the market participant is willing to sell 50 MWh if the price is above 10 EUR/MWh and 200 MWh if the price is above 55 EUR/MWh, i.e. the participant actions are logical and he will sell the same quantity or more on higher price.

The useless price steps, probably left from a previous trade day, are not a problem for the system and the algorithm, and graphically they will look like this:



Because of the above mentioned reasons, on the aggregated curves section on IBEX website, there are often congestions of many different price steps with same volumes:

Цена: 19.68€/MWh Количество: 204.8MWh



Similarly is the situation with the purchase offers and the demand curves.