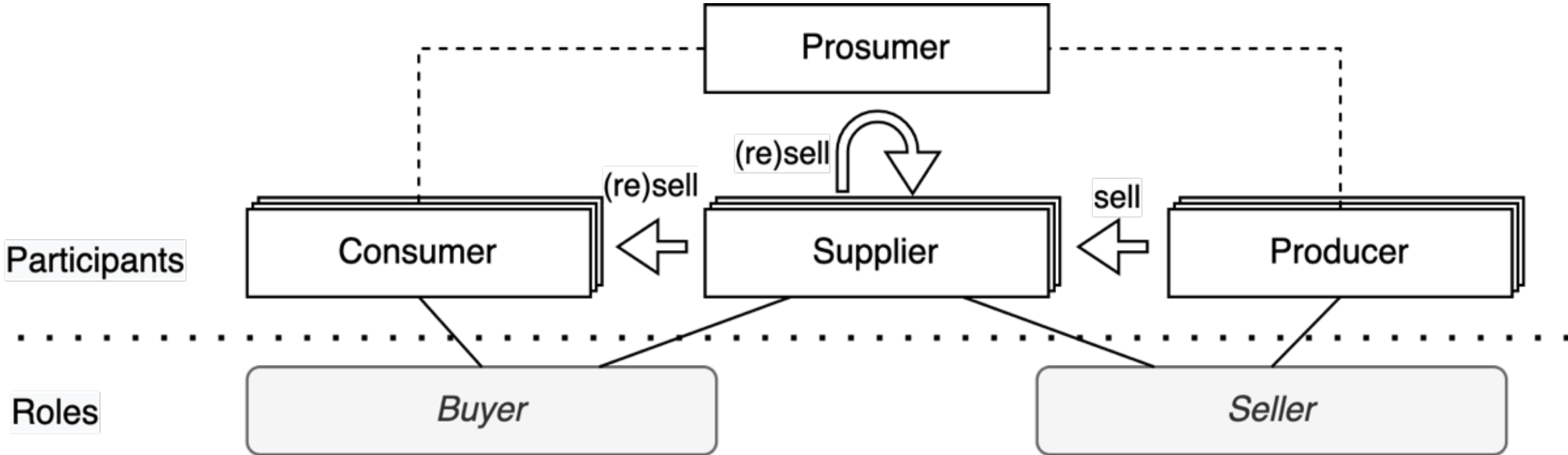


■ Electricity market

- Participants and their roles
- Basic division of markets

Electricity market – participants and their roles



■ Electricity market – basic division of markets

- **Wholesale (trading)** is a business carried out on a larger scale and to secure other business transactions between individual business entities in the market (Business to Business, B2B), ie. is not primarily intended for the end consumer. It can be a trade between producers and other traders or a trade between traders themselves.
- **Retail (“sale”)** is a trade carried out to ensure the consumption of the end consumer. It can be trade between producers and end consumers, traders and end consumers, or two traders, one of which focuses on deliveries to end consumers.

Wholesale market

- **Long-term product markets** are markets where transactions with the supply of electricity for a period of one month or more are carried out. It can be also called **forward market**.
- **Short-term markets** are markets where transactions with the supply of electricity are carried out in the range of several hours to several days, but for a maximum period of one week. It can be also called **spot market**.
- **The regulatory energy market** is a market where trades are carried out to resolve imbalances between contractually secured and actually realized electricity supply and consumption in the electricity system.

■ Wholesale market – trading methods

- **Bilateral trading** direct or using broker platform. When used directly, an European standard is EFET contract. Usually, the subject of trading is electricity delivery according to agreed consumption schedule (diagrams).
- **Trading using exchange** Trading can be long-term based or short-term (spot). E.g. Slovak and Czech short term markets are done using spot exchanges (OKTE, OTE). Long term trading organizes e.g. POWER EXCHANGE CENTRAL EUROPE (www.pxe.cz)