2. Special column – power market reform

"1+6" basic rules framework for a national unified power market system initially established

In 2015, China launched a new round of power system reform. As rules serve as the foundation for the effective operation of the market, over the following decade, the central government has continuously revised and formulated basic rules for the power market. During the *13th Five-Year Plan* period (2016-2020), mid-to-long-term contracts continued to dominate, and the government revised the *Basic Rules for Mid-to-Long Term Electricity Transactions* twice (2020-08 Newsletter). Entering the *14th Five-Year Plan* (2021-2025) period, provincial spot and ancillary service market pilots have been launched. However, market rules vary from region to region, and unified guidance is urgently needed. The release of the *Basic Rules for the Operation of the Power Market* (2024-06 Newsletter) in 2024 established the general principles for a unified national power market system.

At the same time, with the market-based renewable power transaction expansion and the emergence of emerging market players such as energy storage, the government issued three basic rules for the spot market (2024-10 Newsletter), the green power market (2024-09 Newsletter) and the ancillary services market (2025-06 Newsletter) in 2023, 2024 and 2025 respectively, clarifying the trading rules for short-term products and green power products specifically and achieving full coverage of market types. To further standardise market management and clarify responsibilities, the government also issued three basic management rules between 2024 and 2025: market information disclosure (2024-04 Newsletter), market registration (2024-10 Newsletter), and market metering and settlement (2025-09 Newsletter). By August 2025, the "1+6" basic rules framework for a national unified power market system had been initially established.

The timeline to issue the "1+6" Basic Rule Framework of the National Unified Power Market System

The Basic Rules for Power Market Metering and Settlement released

This is the last of the "1+6" power market basic rules. Metering refers to the measurement, recording, and provision of data, such as energy and power, to meet the settlement needs of the power market. It is one of the core elements supporting the stable operation of the power market. In 2020, the government revised the *Methods for Calculating Electricity Tariffs for Power Generation Enterprises and Grid Enterprises* (CHN: 电企业与电网企业电费计算办法), effectively standardising electricity bill settlement. However, with the full entry of new energy and industrial and commercial users into the power market, national standardisation of metering rules becomes necessary. To this end, the NDRC and the NEA jointly compiled the *Basic Rules for Power Market Metering and Settlement* (CHN: 电力市场计量结算基本规则), which set clear and unified requirements for metering, settlement, supervision, and management. The regulations will take effect on October 1, 2025, and will remain in effect for five years.[6]

[6] "国家发展改革委 国家能源局关于印发《电力市场计量结算基本规则》的通知, 发改能源规〔2025〕976号," National Development and

- Standardisation of metering data management, that is, to install metering devices that must meet the minimum settlement units: 1) Electricity volume: megawatt-hour (three decimal places) or kilowatt-hour (integer); 2) Electricity tariff: RMB (two decimal places); 3) Electricity price: RMB/megawatt-hour (three decimal places) or RMB/kilowatt-hour (six decimal places);
- Definition of the rights and responsibilities of key entities, clarifying the rights and obligations of market operators, power trading institutions, power dispatching organisations, power grid enterprises, and other market participants in settlement. For the first time, it is clarified that power grid enterprises are responsible for verifying the basis for settlement;
- The spot market should be cleared daily and settled monthly, while the non-spot power market should be settled on a monthly basis. Ancillary services and retail markets should be cleared according to their own rules and settled on a monthly basis. The national power market should adopt a unified settlement cycle and process;
- Unified electricity bill payment and collection procedures, to standardise the processes and management requirements for signing electricity settlement agreements between end-users and grid enterprises, as well as for issuing VAT invoices.

Reform Commission, National Energy Administration, 18 July 2025, accessed at https://www.ndrc.gov.cn/xxgk/zcfb/ghxwj/202508/t20250806_1399686_ext.html; "《电力市场计量结算基本规则》正式印发 将于10月实施," xinhuanet.com, 6 August 2025, accessed at https://www.xinhuanet.com/energy/20250806/0ddc3e4e0dc34d6a845a3c30e8420d1a/c.html; "国家能源局有关负责同志就《电力市场计量结算基本规则》答记者问," National Energy Administration,8 August 2025, accessed at https://www.nea.gov.cn/20250808/871cf106a938418e9fcf76c32c353e15/c.html.