

# Rules for Intraday Capacity Allocation by Explicit Auctions

Version 2.0

on

North Italian Borders



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## **Section I. Introduction**

### **Article 1.01 General context**

In accordance with Regulation (EC) n° 714/2009 of the European Parliament and of the Council, on conditions for access to the network for cross-border exchanges in electricity and for the Swiss Borders in accordance with the relevant Swiss law (in particular Federal Electricity Supply Act of 23 March 2007 and Electricity Supply Directive of 14 March 2008), these Intraday Auction Rules set the terms and conditions governing the Intraday Allocation of Available Transmission Capacities via Auctions in both directions of the Country Borders on North Italy in a transparent and non-discriminatory manner.

Available Intraday Transfer Capacity is allocated by the Joint Auction Office in the form of Physical Transmission Rights of electrical energy on an intraday basis.

The Intraday Auction is in respect of Capacity only. Participants can invoke no other rights. Capacity is made available to them in accordance with the provisions set out in these Intraday Auction Rules.

### **Article 1.02 Intraday Auction Rules**

These Intraday Auction Rules describe, among other aspects, the requirements that Participants must fulfil to participate in an Intraday Auction, the Intraday Auction proceedings and the Allocation of Capacities.

In the event of any inconsistency between these Intraday Auction Rules and the specific agreements for Nominating the Capacities, for matters relating to the implementation of Intraday Auctions on the respective Country Borders, the Intraday Auction Rules shall prevail.

### **Article 1.03 The Joint Auction Office**

The TSOs have decided to outsource parts of their tasks of Capacity Allocation to a Joint Auction Office, which shall, on behalf of the TSOs but in its own name, perform the registration process, handle necessary financial risk management, prepare and conduct the Intraday Auctions, provide all necessary information to the Participants and the TSOs and collect payments and/or pay according to Section VII of these Intraday Auction Rules.

CASC.EU S.A. is jointly appointed by the TSOs as the Joint Auction Office. The Available Transmission Capacity provided by the concerned TSOs is Allocated by the Joint Auction Office in the form of Physical Transmission Rights.

For the sake of clarity, the Joint Auction Office hereby enters into a contractual relationship with the Participants.

For the usage of Programming Authorizations, the Participants have to obey the respective agreements within the relevant country.

### **Article 1.04 Intraday Auctions**

Intraday Auctions concern only Offered Capacity on an intraday basis. They are explicit closed auctions comprising a single round. Intraday Auction payment is made according to a Marginal Price.

The TSOs are required to provide the Participant with the Capacity corresponding to the Allocated Capacity and the Participant is required to pay the amount resulting from the Intraday Auction. The Participant thus acquires Physical Transmission Rights which it may exercise with the concerned TSOs under the conditions set out in the present Intraday Auction Rules and the respective agreements for Nominating the Capacities within each country.

#### **Article 1.05 Access to the Information System**

To receive Results and the Programming Authorizations and to send Bids the Participant accesses the Information System and uses the applications made available in accordance with the conditions defined by the Joint Auction Office, in the IS Rules.

The Participant will designate in the "Trader & Contact" form, of which a specimen is supplied in the IS Rules, all persons authorized to act in its name and on its behalf in each application to which it has access. The Joint Auction Office will grant an access to the Information System by providing a username and password as set forth in the IS Rules.

#### **Article 1.06 Fallback**

In case of failure of the Intraday Auction, a Fallback Mode will not be organized.

#### **Article 1.07 Recovery of Payments**

The importance of interconnections for the liberalization of the European electricity market requires strict rules, in particular with regard to the collection of payments and default consequences. Therefore payments in respect of the Allocated Capacities will be collected automatically in accordance with Article 7.03.

The Joint Auction Office has a mandate from the concerned TSOs to recover Intraday Auctions payments.

If such payment is due, the Participant is officially released from its obligations once it has credited the Business Account with the appropriate amount and the Joint Auction Office has collected it from the Business Account.

A claim made by a Participant against the Joint Auction Office and/or a TSO does not relieve such a Participant from the obligation to settle Intraday Auction payments owed to the Joint Auction Office. No set-off may be made between the amounts owed by/to the Participant and the amounts owed by/to the Joint Auction Office.

No set-off may be made between the amounts owed by/to the Participant by/to the TSOs on the one hand and the amounts owed by/to the Participant by/to the Joint Auction Office on the other hand.

#### **Article 1.08 Entry into force and consequences**

The present Intraday Auction Rules apply to the intraday Capacity Allocations for the PTRs starting from XXXX..

## Section II. General

### Article 2.01 Definitions and interpretation

The terms used in the Intraday Auction Rules and which begin with a capital letter have the meaning attributed to them below.

#### (a) Definitions

Allocated Capacity	The Capacity (MW) that a Participant acquired by Notification of the Auction Results and when the Contestation Period is closed if existing.
Allocation or Allocate	The process by which the Joint Auction Office attributes Capacities to the Participants.
Article	An article of the Intraday Auction Rules.
Auction or Auctioning	The mechanism used to Allocate Capacity via explicit Auctions.
Auction Specification	The specific characteristics of an Auction , the Day of the Auction, the conditions that Bids must meet in order to be accepted, the conditions for Notifying the Results of the Auction , the deadlines for contestation and the Auction session opening and closing times.
Auction Tool	The IT system used by the Joint Auction Office to receive Bids from Participants, process them and return the Auction Results. A description of the Auction Tool is provided in the documentation available on the Joint Auction Office's Website.
Available Transmission Capacity (ATC)	The Capacity made available jointly by the respective TSOs for an Auction and which they offer under the terms of the Intraday Auction Rules.
Bid	A pair (Bid Volume, Bid Price) offered by a Participant for a Product.
Bid Price	The financial part of the Bid made by the Participant, expressed in Euros/MWh.
Bid Value	The product of the Bid Volume, Bid Price and the duration of the concerned Product in Hours, expressed in Euros.
Bid Volume	The Capacity part of the Bid made by the Participant, expressed in MW.
Business Account	The dedicated business account opened by the Joint Auction Office on its own name and for its own account from which the valuation amounts related to the Allocated Capacities will be automatically collected by the Joint Auction Office, after having been credited by the Participant.
Capacity	A Physical Transmission Right of electricity, defined by a value, expressed in whole Megawatts (MW) over a Country Border in one direction.
Capacity Holder	A Participant which Holds Capacity.

CET/CEST	Central European Time/ Central European Summer Time.
Country Border	<p>A set of power lines interconnecting two (2) countries. The Intraday Auction Rules cover the following Country Borders:</p> <ul style="list-style-type: none"> <li>• France – Italy Border (FR&lt;&gt;IT);</li> <li>• Italy – Switzerland Border (IT&lt;&gt;CH);</li> <li>• Austria – Italy Border (AT&lt;&gt;IT);</li> <li>• Italy – Slovenia Border (IT&lt;&gt;SI);</li> </ul> <p>The abbreviation XX&gt;YY can be used to designate the Country Border in a specific direction, from country XX to country YY.</p>
Contestation Period	The time given after the publication of the Auction Results to the Participant to send a contestation to the Joint Auction Office and the time for the Joint Auction Office to answer.
Credit Limit	The disposable balance on the Business Account of the Participant, being the funds in the Business Account minus the aggregate amount of debts payable to the Joint Auction Office, as blocked by the Joint Auction Office in accordance with Article 7.02, and released in accordance with Article 7.03(a) regardless whether or not these debts have been invoiced yet.
Day	A calendar day of a Period of twenty-four (24) Hours, beginning at 0:00:00 and ending at 23:59:59. The Days upon which the legal time changes (daylight saving time) will be composed of either twenty-three (23) Hours or twenty-five (25) Hours.
Declaration of Acceptance for Intraday or DoAI	The declaration by which a legal entity undertakes to comply with the terms and conditions contained in the Intraday Auction Rules. The standard declaration form can be found in APPENDIX 1.
EIC Code	ENTSO-E Energy identification code, known by the Joint Auction Office and the TSOs.
Entitlement or Entitled	The right to participate in Intraday Auctions under the terms of Article 3.03.
Exchange Program	Exchange Schedule accepted by the concerned TSOs on a specific Country Border.
Exchange Schedule	An exchange declaration established by a Nomination Agent in accordance with the Programming Authorisation and that specifies the power, expressed in Megawatts (MW) per Hourly Period, exchanged over a Country Border in one direction or the other.
Functional Acknowledgement of Receipt	An electronic message sent by the Auction Tool to indicate that the information has been correctly received by the Joint Auction Office.
Force Majeure	Has the meaning set forth in Article 8.09.
Gross Negligence	An act or omission in disregard of due care to a severe degree.
Held Capacity	Capacities at a given moment in time acquired at the Intraday Auctions.
Hour	CET/CEST official time or a Period of 60 minutes.

Information System or IS	The Joint Auction Office's computer environment, which can be accessed by the Participant.
Intraday Auction	The Auctioning by the Joint Auction Office of Capacity ruled by the Intraday Auction Rules. For each delivery day, two (2) Intraday Auction are foreseen: <ul style="list-style-type: none"> <li>• XBID1 in D-1 dealing with 00:00 to 24:00 period</li> <li>• XBID2 in D dealing with 16:00 to 24:00 period</li> </ul>
Intraday Auction Rules	The present document.
IS Rules	The rules for access to the Information System and use of the applications of the Joint Auction Office, including their appendices and definitions as published on the Joint Auction Office's Website.
Joint Auction Office	The entity in charge, among other activities, of allocating the Offered Capacity, namely: <ul style="list-style-type: none"> <li>• CASC.EU SA Capacity Allocation Service Company S.A., the Joint Auction Office having its registered office L-1273, Luxembourg Hamm, 2, Rue de Bitbourg, Luxembourg.</li> </ul>
Joint Auction Office's Website	The internet site of the Joint Auction Office.
Marginal Price	The lowest Bid Price selected for a Product at an Auction.
Net Transfer Capacity or NTC	Maximum exchange between two control areas compatible with security standards applicable in both areas and taking into account the technical uncertainties on future network conditions.
Nomination or Nominate	The Exchange Schedule sent by a Participant and/or a Nomination Agent, to one of the two concerned TSOs, relating to the power, expressed in MW that it wishes to use under a Programming Authorization.
Nomination Agent	A legal entity which is entitled to Nominate an Exchange Schedule in a specific country by holding the relevant agreement(s) listed in Article 3.03.
Notification or Notify	The transmission of information between the Participant and the Joint Auction Office under the conditions set out in Article 10.02.
Offered Capacity	Capacity offered in an Auction which is the Available Transmission Capacity provided by the concerned TSOs and Capacities withdrawn from suspended or excluded Participants.
Participant	A legal entity which has signed a Declaration of Acceptance and is registered with the Joint Auction Office.
Participant's Financial Agreement or PFA	The agreement between the Joint Auction Office and a Participant, setting forth their respective rights and obligations concerning the Business Account.
Party or Parties	Designates the Joint Auction Office and/or a Participant.
Period	A given length of time.



Physical Transmission Rights	Right to use Country Border Capacity for electricity transports expressed in MW.
Product	The available Intraday Capacity offered in an Auction with reference to a specific period of time.
Programming Authorization	The Programming Authorization is a document that specifies the amount, for each Country Border and for each Hour of a given Day, of the Physical Transmission Rights that the Participant can nominate.
Reduction	The reduction in Held Capacities or Exchange Programs as referred to in Article 2.06 and Article 2.06.
Results	The Capacity selected per Auctioned Product and the Marginal Price of each Product.
TSO	A Transmission System Operator. See list of TSOs below.
Working Hour	From 7.30am to 5.00pm on Working Days; From 7.30am to 2.30pm on Non Working Days.

#### List of the TSOs

Name	Address
APG	Austrian Power Grid AG, the Austrian TSO, having its registered office in A-1220 Wien, Wagramerstraße 19, IZD-Tower, Austria.
ELES	Elektro-Slovenija, d.o.o., the Slovenian TSO, having its registered office in Hajdrihova 2, 1000 Ljubljana, Slovenija.
RTE	RTE Réseau de transport d'électricité, the French TSO, having its registered office at Tour Initiale, 1, terrasse Bellini, TSA 41 000, 92919 La Défense Cedex, France.
Swissgrid	swissgrid AG, the Swiss TSO, having its registered office at Werkstrasse 12, 5080 Laufenburg, Switzerland.
TERNA	TERNA S.p.a., the Italian TSO, having its registered office at Viale Egidio, Galbani 70 00156 Roma, Italy.

#### **(b) Interpretation**

The titles and headings of the present Intraday Auction Rules are given for reference only, and in no way express the intentions of the Parties. They shall not be taken into account when interpreting the stipulations contained in the present Intraday Auction Rules.

#### **Article 2.02 Intraday Auctions**

Intraday Auctions are implemented on all Country Borders, in each direction in order to Allocate the Offered Capacities in accordance with Section IV.

The Offered Capacities to be allocated and Capacities Allocated to Participants are expressed in units of one (1) MW with a minimum of one (1) unit.

The following Intraday Auctions are run:

Country Border concerned	Name of the Intraday Auction	Delivery Hours concerned
FR<> IT, CH<>IT, AT<>IT, and IT<>SI	XBID1	From 00:00 till 24:00 CET
	XBID2	From 16:00 till 24:00 CET

### **Article 2.03 Available Transmission Capacities**

The Available Transmission Capacities are determined jointly by the concerned TSOs of a Country Border, taking into account the operational situations of the entire European electricity transmission system.

The Available Transmission Capacities take into account the net values of the Exchange Programs of the previous timeframe.

Participants are informed on the Joint Auction Office's Website of the Offered Capacities for each Intraday Auction.

### **Article 2.04 Secondary market**

There is no possibility to transfer or resale the Intraday capacity allocated. Thus, there is no secondary market.

### **Article 2.05 Firmness of Held Capacities**

**On all Country Borders except in case of Force Majeure**, Capacities Allocated via Intraday Auctions are firm. Intraday Programming Authorizations for Nominating to TSOs will be equal to Intraday Allocated Capacities.

**On all Country Borders, in case of Reduction due to Force Majeure**, the Joint Auction Office shall, as soon as possible, Notify the Participant, by electronic message, of the Reduced Capacities. Reduction of Capacities shall lead to the reimbursement as described in Article 7.01(b) and as stated in Article 8.03, the liability of the Joint Auction Office shall not be triggered by any damages caused to Participants due to the Reduction of Capacities.

### **Article 2.06 Firmness of Exchange Programs**

#### **(a) Introduction**

The Joint Auction Office being in charge of refunding the possible reduction of Exchange Programs done in the framework of the Capacities Allocated under the present Intraday Auction Rules, the present Article describes the firmness of Exchange Programs managed on TSOs side according to each respective set of rules dealing with Nomination.

## **(b) Cases of Reduction**

On all Country Borders, the intraday Exchange Programs are firm except in case of Force Majeure.

The Reduction applies on the Exchange Programs listed below when existing on a pro rata basis on the sum of:

- Nominations made in the framework of the Programming Authorization related to the Yearly and Monthly Capacities issued by the Joint Auction Office;
- Nominations made in the framework of the Programming Authorization related to the Daily Capacities Allocated by the Joint Auction Office or Exchange Programs resulting from Market Coupling when existing depending on the daily Allocation mechanism used;
- All Intraday Exchange Programs.

## **(c) Reimbursement and Compensation of Exchange Programs Reduction**

Reduction in case of Force Majeure shall lead to the reimbursement as described in the Article 7.01(c).

As stated in Article 8.03, the liability of the Joint Auction Office shall not be triggered by any damages caused to Participants due to the Reduction of Exchange Programs.

## **Article 2.07 Publication**

On the Joint Auction Office's Website, the following publications are made available:

- The present Intraday Auction Rules, and any amendments thereof;
- Announcements pursuant to these Intraday Auction Rules;
- Intraday Auction specifications;
- Names, fax and telephone numbers, e-mail addresses of Joint Auction Office;
- Formats of documents related to the Intraday Auction to be downloaded and used by Participants;
- Intraday Auction Results (bidding curve, Marginal Price, Allocated quantity for all Products);
- Number of Participants with successful Bids and overall number of Participants having taken part in the Intraday Auction;
- All information related to Reductions;
- Registration documents;
- IS Rules;
- All other relevant information.

## **Article 2.08 Conduct of Participants**

Prior to, during and after an Intraday Auction, Participant(s) must refrain from any action or behavior which adversely affects or threatens to adversely affect competition in the bidding

proceedings or which aims at gaming or which in any other way disrupts or threatens to disrupt the Intraday Auction proceedings, or the transparency, cost-effectiveness or fairness thereof.

The Joint Auction Office shall report data to the TSOs so they can inform competent authorities and take appropriate measures against those who act or behave or have acted or behaved in violation of the previous paragraph, who misuse any right or position obtained pursuant to an Intraday Auction or who do not comply with any other provision of the Intraday Auction Rules.

The Participant shall closely monitor the Intraday Auctions. In case of any other irregularities occurring that have no impact on the Intraday Auction Results, the Participant may communicate these irregularities to the Joint Auction Office within the deadline as set out in Article 5.03.

### **Article 2.09 Currency**

All financial information, are expressed in Euro (€).

### **Article 2.10 Timing**

All timings set in the Intraday Auction Rules make reference to the Central European Time (CET) and Central European Summer Time (CEST) respectively.

## **Section III. Participation Requirements**

### **Article 3.01 Registration requirements**

#### **(a) Declaration of Acceptance for Intraday Allocations**

At the latest two (2) weeks before the first participation in an Intraday Auction, the legal entity wishing to participate, shall register with the Joint Auction Office, by submitting two (2) duly completed and signed copies of the Declaration of Acceptance for Intraday (DoAI). The Declaration of Acceptance for Intraday Allocations will then be returned to the applying legal entity, countersigned by the Joint Auction Office, thereby certifying that the legal entity is registered as a Participant.

A legal entity identified by one EIC code and wishing to adhere to the Intraday Auction Rules may not hold more than one (1) DoAI.

#### **(b) Participant Commitments**

By signing a DoAI, the Participant shall comply with all the provisions of the Intraday Auction Rules. The Participant shall keep the information contained in its DoAI, up to date, and Notify the Joint Auction Office of any changes in this information no later than five (5) Working Days before they take effect.

### **Article 3.02 Financial guarantees**

For each entity seeking for Entitlement to participate in Intraday Auctions on North Italian Borders, a dedicated Business Account is opened at the bank selected by the Joint Auction Office, allowing the Joint Auction Office to withdraw money in respect of the Allocated Capacities directly from that Business Account. The Business Account remains the property of the Joint Auction Office.

If the Participant is also participating in yearly, monthly and daily allocation governed by the "Rules for Capacity Allocation by Explicit Auctions", the same Business Account is used.

At all times, the Business Account shall contain a positive disposable balance. The disposable balance (Credit Limit) is the funds in the Business Account minus the aggregate amount of debts payable to the Joint Auction Office, as blocked by the Joint Auction Office in accordance with Article 7.02 and with the provisions of the "Rules for Capacity Allocation by Explicit Auctions" for the Day-ahead Auctions.

The Participant must credit the appropriate amount on the Business Account in accordance with Article 7.02. Any bank charges or interests relative to the Business Account are to be borne by or credited to the Participant on the Business Account.

As indicated in more detail in the Participant's Financial Agreement, which sets forth all of the rights and obligations of the Parties with respect to the Business Account, the funds on the Business Account are blocked, which means that the Participant shall make a request to the Joint Auction Office if the Participant wishes to withdraw money from the Business Account. The agreement of the Joint Auction Office following such request depends in particular on the disposable balance of the Participant.

The Participant's Financial Agreement is available on the Joint Auction Office's Website.

### Article 3.03 Entitlement

In order to be Entitled to participate in the Intraday Auctions, the Participant shall:

- meet the conditions set out in Article 3.01 and Article 3.02;
- not be suspended under other agreements concluded with the Joint Auction Office
- comply with the specific provisions per Country Border as listed below:

Per Country Borders	Agreements needed with the concerned TSOs or other legal entities depending on the relevant national legislation to be entitled		
FR<>IT	Import/Export Rules with RTE	and	Contratto di Dispacciamento with TERNA <b>and</b> Congestion Management Rules on Italian Interconnections
AT<>IT	Datenübermittlungsvertrags-Paar with APG and a BGV-Vertrag with APCS which together result in a valid Genehmigungsbescheid from Energie-Control Austria	and	Contratto di Dispacciamento with TERNA <b>and</b> Congestion Management Rules on Italian Interconnections with TERNA
CH <>IT	Balance Group Contract with Swissgrid	and	Contratto di Dispacciamento with TERNA <b>and</b> Congestion Management Rules on Italian Interconnections with TERNA
SI<>IT	Balance Group Contract signed with Slovenian Market Operator <b>or</b> Contract for settlement of imbalances with the Balance Responsible Party in Slovenia.	and	Contratto di Dispacciamento with TERNA <b>and</b> Congestion Management Rules on Italian Interconnections with TERNA

- sign the Participants Financial Agreement, as set forth in Article 3.02, and
- have an EIC Code; and
- undertake to behave as a professional, preventing from any action which may lead to the damaging or reduction in effectiveness of the Auction Tool and/or Information System (it being understood that such an action is deemed to happen in case of any behavior that can be assimilated to an attack on the Information System such as, but not limited to, deny of service, spam, virus, brute forcing, trojan horse attack, DoS attack, ping of death attack, sniffing and spoofing, dictionary attack, ...); and
- not be under a Payment Incident as set out in Article 7.03(d).

Within the registration process, the Joint Auction Office checks if the Participant has signed the agreement(s) as specified above.

Entitlement is effective on the date indicated in the DoAI countersigned by the Joint Auction Office. Entitlement is granted for an undefined Period and may be suspended or withdrawn in accordance with the provisions of Article 3.04.

### **Article 3.04 Suspension and withdrawal of Entitlement**

#### **(a) Suspension of Entitlement by the Joint Auction Office (temporary)**

##### **(i) General procedure**

The Participant's Entitlement may be suspended by the Joint Auction Office, at the end of a suspension procedure as described in this paragraph, without prejudice to immediate suspension in case of violation of essential contractual obligations, as stated in paragraph (ii) of the present Article.

When a Participant fails to comply with one or more of its contractual obligations, the Joint Auction Office notifies in writing by registered letter or by fax with acknowledgment of receipt, to the Participant, the obligation to remedy to any breach or non-compliance of its contractual obligations.

This Notification indicates:

- the reasons for the launch of the general procedure of suspension and,
- the necessary action(s) that should be taken by the Participant to remedy to the breach and/or non-compliance of its contractual obligations which is (are) the reason(s) for launching the general procedure of suspension and,
- a deadline of minimum ten (10) Working Days, starting on the date of receipt of the Notification, within which these action(s) should be taken; and
- the possibility for the Participant, upon its request in writing to answer to this Notification and/or to discuss orally the reason(s) of the Notification with the Joint Auction Office.

The Participant has the right to discuss the reason(s) for the launch of the general procedure of suspension with the Joint Auction Office in order to address any contradictory information and to defend its position. If the Participant intends to request for such meeting and contradictory

discussion, the Participant shall request for it to the Joint Auction Office and the meeting shall be held within the abovementioned deadline within which the Participant should take any action to remedy to the situation.

Without prejudice of the outcome of the meeting, if the Participant does not take the requested action(s) to remedy the situation, within the abovementioned deadline, the Participant's Entitlement may be suspended by the Joint Auction Office. This decision of suspension shall be taken within minimum five (5), and maximum ten (10), Working Days starting at the end of the abovementioned deadline. The Joint Auction Office Notifies in writing and confirmed by registered letter and/or by fax with acknowledgment of receipt, to the Participant, the suspension of its Entitlement.

This Notification of suspension indicates:

- the reasons for the suspension of the Participant's Entitlement; and
- the date and time of the suspension of Entitlement; and
- the consequences of the suspension.

Suspension of Entitlement takes effect immediately on the date and time indicated in the Notification of the suspension of Entitlement, unless the Participant has remedied the situation that causes the suspension.

Any suspension of a Participant's Entitlement will be communicated by the Joint Auction Office to the TSOs in order to enable them to fulfil any obligations of information towards the relevant competent authorities. This communication will enclose a copy of the Notification to the Participant.

#### **(ii) Immediate suspension in limited cases**

Notwithstanding the abovementioned suspension procedure, the Participant's Entitlements may be immediately suspended by the Joint Auction Office only in the following limitative cases of violation of an essential contractual obligation imposed to the Participant:

- the necessary agreement(s) as required in Article 3.03 is (are) suspended or withdrawn, during the time they are not replaced by another valid agreement; and/or
- the Participant is under a Payment Incident (as as set out in Article 7.03(d)); and/or
- of an urgency, in the course of which the Participant jeopardizes the proper functioning of the Joint Auction Office or in case of any behavior that can be assimilated to an attack on the Information System.

Such a suspension is Notified by registered letter and by fax with acknowledgment of receipt by the Joint Auction Office to the Participant and shall take effect immediately.

Any suspension of a Participant's Entitlement will be communicated by the Joint Auction Office to the TSOs in order to enable them to fulfil any information obligations towards the relevant competent authorities. This communication will enclose a copy of the Notification to the Participant.

#### **(iii) Consequences of suspension**

The following provisions are applicable to any suspension decision taken in application of the general procedure of suspension (i) or in application of an immediate suspension (ii).

In case of suspension, the Participant may no longer take part in Intraday Auctions.



In case the conditions listed in Article 3.03 are not fulfilled, the Participant may no longer take part in Intraday Auctions on the concerned Country Border.

The Participant shall be Entitled again on the Day after the Working Day on which the Joint Auction Office observes before 15:00, that the conditions set out in Article 3.03 have once again been met.

If the suspension of the Entitlement lasts more than six (6) months, the Entitlement will be withdrawn by the Joint Auction Office without further Notice.

**(b) Withdrawal of Entitlement by the Joint Auction Office (definitive exclusion)**

A Participant's Entitlement is withdrawn by the Joint Auction Office:

- in the event of bankruptcy, liquidation or dissolution of the Participant; or
- following receipt by the Joint Auction Office of a decision by the European Commission or another competent authority stating that the Participant has committed a misusing or fraudulent act with regard to the Allocation of Capacities on one of the Borders and requesting for the withdrawal of Entitlement; or
- in the event of a persistent and/or intentional breach of the Intraday Auction Rules following the prior Notification thereof to the Participant.

The withdrawal of Entitlement takes effect on the date indicated in the Notification of the withdrawal of Entitlement, which also indicates the reasons for the withdrawal.

If the Joint Auction Office withdraws a Participant's Entitlement, the said Participant may no longer take part in Intraday Auctions.

Withdrawal of Entitlement does not exonerate the Participant from its payment obligations in accordance with Section VII, including Capacities of which it loses the benefit. The Participant may not claim any indemnity as a result of the application of the present stipulation. If Entitlement is withdrawn, the DoAI is automatically terminated.

The Participant which Entitlement has been withdrawn at the initiative of the Joint Auction Office may not claim status as a Participant at a later date.

**(c) Withdrawal of Entitlement by the Participant**

The Participant may request the withdrawal of Entitlement at any time, in order to terminate its participation in the Intraday Auction Rules.

Any such request must be made by registered mail with acknowledgement of receipt.

The withdrawal of the Participant's Entitlement takes effect ten (10) Days after the Joint Auction Office receives Notification of the request for withdrawal by the Participant.

If Entitlement is withdrawn at the request of the Participant, it may no longer take part in Intraday Auctions.

Withdrawal of Entitlement does not exonerate the Participant from its payment obligations in accordance with Section VII, including Capacities of which it loses the benefit. The Participant may not claim any indemnity as a result of the application of the present stipulation. If Entitlement is withdrawn, the DoAI is automatically terminated.

However, if the Participant considers that the Joint Auction Office has not fulfilled one or more of its essential contractual obligations and wishes to withdraw its Entitlement:

- it shall send a notice of default to the Joint Auction Office by Notification, demanding that the essential contractual obligations be fulfilled;
- if there is no response to this notice of default within ten (10) Days, the Participant may request the withdrawal of its Entitlement by Notification with immediate effect from the time of receipt by the Joint Auction Office. This Notification will state the reasons for the request for withdrawal.

If the Joint Auction Office has not fulfilled its essential contractual obligations, the Entitlement is withdrawn and the amount for acquisition of the Capacity is not due from the date of withdrawal of Entitlement onwards.

In either of these cases where Entitlement is withdrawn at the Participant's initiative, the DoAI is automatically terminated.

The Participant who's Entitlement has been withdrawn at its own initiative and under the terms of the present Article may again claim Participant status by following the Intraday Auction Rules procedure.

## Section IV. Intraday Auctions

### Article 4.01 Intraday Auctions Specification

Before each Intraday Auction the Joint Auction Office publishes on its Website the Intraday Auction Specifications.

The Intraday Auction Specifications consist of information regarding:

- Products made available for Intraday Auctions:

Hourly blocks as specified in Article 2.02;

- Gate openings and closures;
- Timeframe for the publication of Intraday Auction Results;
- Deadline to contest Intraday Auction Results in accordance with Article 5.03;
- Other additional information.

### Article 4.02 Intraday Auctions

Intraday Auctions shall be performed by the Joint Auction Office.

For each concerned Country Border and each direction, the Intraday Offered Capacity is equal to the Intraday ATC calculated by TSOs. The ATC is calculated based on the NTC and the Exchange Programs.

The Intraday Auction Specification is published on the Joint Auction Office's Website as follows:

Country Border concerned	Name of the Intraday Auction	Deadline for publishing the Intraday Auction Specification
FR<> IT, CH<>IT, AT<>IT, and IT<>SI	XBID1	15:40 in D-1
	XBID2	10:35 in D

Pre-bidding is possible as soon as the Intraday Auction is created in the Auction Tool. During the Pre-Bidding period, Participants may submit Bids (i.e. pre-bids) but the following checks will not be performed until the bidding gate opens:

- Sum of Bid volumes are not checked against Offered Capacity as Offered Capacity may still change during the pre-bidding phase;
- Financial guarantees are not checked.

Bids must have been Notified to the Joint Auction Office before the following timing:

Country Border concerned	Name of the Intraday Auction	Gate closure of the Intraday Auction
FR<> IT, CH<>IT, AT<>IT, and IT<>SI	XBID1	15:55 in D-1
	XBID2	10:50 in D

Bids submitted by Participants in accordance with Article 4.03 are taken into account on the Intraday Auction.

Each Participant is informed of the Results of its Bids, in accordance with Article 5.02, no later than thirty (30) minutes after the Intraday Auction has closed. Data resulting from the Intraday Auction are published on the Joint Auction Office's Website no later than thirty (30) minutes after closure of the Intraday Auction.

However, in exceptional circumstances, the Joint Auction Office may announce on its Website Intraday Auction dates and Intraday Auction Specifications which deviate from the above for all or some of the Country Borders. Justification of such modification will be published on the Joint Auction Office's Website.

## **Article 4.03 Submitting Bids**

### **(a) Format of Bids**

Bids must be submitted in accordance with the formats defined in the documentation available on the Joint Auction Office's Website. Bids not submitted in the required format will not be taken into account.

Bids will be considered as unconditional and irrevocable after the Intraday Auction session closing time, as defined in the Intraday Auction Specification.

Bids are subject to Functional Acknowledgement of Receipt. If the Joint Auction Office does not issue a Functional Acknowledgement of Receipt for a Bid, such Bid is deemed not to have been submitted.

### **(b) Auction Tool**

The Auction Tool enables Participants to submit Bids for a given Intraday Auction.

The Participant accesses the Auction Tool according to the conditions set out in the documentation available on the Joint Auction Office's Website.

### **(c) Limitation**

Participants may submit a maximum of twenty (20) Bids per product for an Intraday Auction.

Bids Volumes contain whole MW units, and Bid Prices in Euros per MWh expressed to a maximum of two (2) decimal places.

If one Bid submitted (or several Bids submitted for the same Period) by a Participant for a specific Intraday Auction causes the total Bid Volume to exceed the Offered Capacity for a given Intraday Auction, then this Bid (or these Bids) will be completely rejected.

## **Article 4.04 Intraday Auction cancellation**

In the event of unavailability or technical difficulties with the Auction Tool or the Information System, on the Joint Auction Office may be forced to cancel an Intraday Auction:

- before and during the course of the Intraday Auction itself: Participants are informed by a message that appears directly on the Auction Tool, on the Joint Auction Office's Website and/or by an email;

- after the Intraday Auction Results have been sent, in the event of erroneous Results: Participants are informed on the Auction Tool, on Joint Auction Office's Website and/or by an email. The Results of the Intraday Auction are thereupon cancelled.

Financial settlements of the Intraday Auction cancellation are detailed in Article 7.01(b).

The Joint Auction Office Notifies the Participants as soon as possible of the reasons which caused the Intraday Auction cancellation. Additionally, the Joint Auction Office publishes on its Joint Auction Office's Website, as soon as possible, the reasons which caused the Intraday Auction cancellation.

## **Section V. Determination of Intraday Auction Results**

### **Article 5.01 Awarding of Capacities**

The Intraday Auction Results are determined according to the following principles:

- If the total Capacity for which valid Bids have been submitted is equal to or lower than Offered Capacity for the Intraday Auction in question, the Marginal Price is zero (0) Euro/MWh.
- If the total Capacity for which valid Bids have been submitted exceeds the Offered Capacity for the Intraday Auction in question, the Marginal Price is equal to the lowest Bid Price selected in full or in part.

The Intraday Auction Results are obtained using the resolution algorithm described below for each Product. This resolution algorithm is the one used by the Auction Tool.

1. First, for each Intraday Auction Product, the Joint Auction Office ranks the Bid Prices in decreasing order;
2. Only Bids that comply with the terms of Article 4.03 are taken into account in this ranking;
3. The highest Bid(s) received for a Capacity requested which does(do) not exceed the Offered Capacity is (are) selected. The residual Offered Capacity is then Allocated to the Participant(s) which has (have) submitted the next highest Bids Price, if the Capacity requested does not exceed the residual Offered Capacity; this process is then repeated for the rest of the residual Offered Capacity;
4. If the Capacity requested under the next highest Bid Price is equal to or greater than the residual Offered Capacity, the Bid is selected either in full, or partially up to the limit of the residual Offered Capacity. The price of this Bid constitutes the Marginal Price;
5. If two (2) or more Participants have submitted valid Bids with the same Bid Price, for a total requested Capacity which exceeds the residual Offered Capacity, the residual Offered Capacity is Allocated in proportion to the Capacity requested in the Bids by these Participants, in units of at least one (1) MW. The Capacities attributed are rounded down to the nearest MW. The price of these Bids constitutes the Marginal Price.

Capacity is deemed to have been Allocated to a Participant from the moment the Participant has been informed of the Results and the Contestation Period is closed. In case the Intraday Auction was not successfully performed, Article 4.04 applies.

For the Intraday Auctions, all Bids submitted by a Participant for a specific Intraday Auction, in which the sum of the Bid Values, for all concerned Country Borders, exceeds the Credit Limit of the Participant will be completely rejected.

The resolution algorithm may lead to the last Bid selected for the Block being split, so as to ensure that the Capacity put up for sale is Allocated in full. Consequently, the Participant acknowledges and accepts that its Bid may be split according to the conditions described above.

The Capacity Holder is not obliged to use the Capacity allocated in an Intraday Auction; the Capacity Price, however, must be paid at any rate once the Capacity has been allocated.

### **Article 5.02 Notification of Intraday Auction Results**

After each intraday Auction, each Participant is informed of its Intraday Auction Results by an email and/or on the Auction Tool.

The Joint Auction Office Notifies the Intraday Auction Results file to the Participant, specifying the Capacity selected and the Marginal Price, according to the format defined in the documentation available on the Joint Auction Office's Website. If the Information System or the Auction Tool is unavailable, Participants are informed of the Intraday Auction Results via other means of communication.

### **Article 5.03 Contestation Period**

The Participant may contest the Intraday Auction Results no later than thirty (30) minutes after the Results have been Notified to the Participant.

The Participants' Contestation has to be marked as "contestation" and it has to be Notified by fax and confirmed by letter to the Joint Auction Office.

The Joint Auction Office shall reply to the Participant, no later than forty-five (45) minutes after the Results have been Notified.

If the Participant does not contest the Intraday Auction Result within the deadline and under the condition specified above, the Participant shall be irrevocably deemed to renounce to any contestation.

## **Section VI. Capacity usage rules**

### **Article 6.01 Programming Authorizations**

Intraday Programming Authorizations are sent after the Contestation Period (Article 5.03).

The Joint Auction Office Notifies by email and via the Auction Tool, the Programming Authorization to the Participant indicating the Capacities acquired, for each Hour, at Intraday Auctions. The Programming Authorizations identifies clearly for each Capacity the Participant and the Country Border.

#### **(a) Portfolio information**

The Participant has access to the Held Capacities via the Auction Tool.

Additionally, the Participant may ask to the Joint Auction Office at any time by electronic message, in accordance with the format defined in the documentation available on the Joint Auction Office's Website, the present status of its Held Capacities in the framework of a Yearly or a Monthly or a Daily or a Intraday Product or a CWE and ITVC Shadow Auctions Product.

### **Article 6.02 Nomination Agents**

Nomination Agents are legal entities entitled to Nominate an Exchange Schedule under Programming Authorizations. They must have signed the agreement(s) listed in Article 3.03 with the corresponding TSOs or competent entities for the Nomination within each country.

The Nomination principle applied for Intraday Capacity is "A to A": the Participant A shall be the Nomination Agent on both sides of the concerned Country Border.

### **Article 6.03 Exchange Schedules**

Following Intraday Auctions the Nomination Agent(s), as long as it(they) has(have) the appropriate agreement(s) with the concerned TSOs or other legal entity depending on the relevant national legislation, may Nominate their Exchange Schedules.

These Exchange Schedules must, in particular, comply with the Programming Authorization referred to in Article 6.01, as communicated to the respective TSOs by the Joint Auction Office based on the unique EIC Code of the respective Nomination Agent as mentioned in the Declaration of Acceptance.

### **Article 6.04 Use It Or Lose It (UIOLI)**

The non-Nominated Programming Authorizations for Intraday Capacities after the Nomination deadline are not financially compensated or refunded to the Participant.



## **Section VII. Financial provisions**

### **Article 7.01 Valuation of amounts for financial transfers**

The valuations of the different elements listed below are exclusive of tax. They will be increased to include the taxes and levies in force.

#### **(a) Valuation of Allocated Capacities at Intraday Auctions**

Participants are required to pay the valuation amounts of Allocated Capacities at Intraday Auctions to the Joint Auction Office. The gross pre-tax valuation of an Allocated Capacity at an Intraday Auction is equal to the sum, by Hourly Period, of the products of:

- the Intraday Auction Marginal Price;
- the Allocated Capacity as it results from the Intraday Auction.

#### **(b) Valuation of Reductions in Held Capacities**

For the avoidance of any doubt, all costs which arise by guaranteeing the compensations to Participants for Reductions of Held Capacities are fully covered by the congestion revenues used as described in article 16.6 of Regulation (EC) No 714/2009 of the European Parliament and of the council of 13<sup>th</sup> July 2009 on conditions for access to the network for cross-Border exchanges in electricity and repealing Regulation (EC) No 1228/2003, as implemented respectively in national regulatory validation process, if any or in the case of Switzerland as described in Federal Electricity Supply Act.

The monthly valuation of all Reductions in Held Capacities, as defined in Article 2.055, and which affect a Held Capacity during the course of the month M, is equal to the sum, by Hourly Period, on the month M, of the products of:

- the Marginal Price of the initial Auction at which this Capacity was Allocated; and
- the energy in MWh corresponding to the difference between the Held Capacity before and after Reduction, for the considered Hourly Period.

#### **(c) Valuation of Reductions in Exchange Programs**

For the avoidance of any doubt, all costs which arise in case of compensations or reimbursements to Participants for Reductions of Exchange Programs are fully covered by the congestion revenues used as described in article 16.6 of Regulation (EC) No 714/2009 of the European Parliament and of the council of 13<sup>th</sup> July 2009 on conditions for access to the network for cross-Border exchanges in electricity and repealing Regulation (EC) No 1228/2003, as implemented respectively in national regulatory validation process, if any or in the case of Switzerland as described in Federal Electricity Supply Act.

In case of Force Majeure on one or more Country Borders as foreseen in Article 2.066 the monthly valuation of the reimbursement of all the Reductions in Exchange Programs, and which affect an Exchange Program on the affected Country Borders during the course of month M is equal to the sum, by Hourly Period, on the month M, of the products of:

- the Marginal Price, for the considered hourly Period at which the Capacity corresponding to the Exchange Program was Allocated; and
- the energy in MWh corresponding to the difference between the initial Exchange Program and the Reduced Exchange Program, for the considered Hourly Period.

## **Article 7.02 Payment deposits**

All amounts referred to in this Article will have to be increased to include the taxes and levies in force if needed (not taxes and levies if the Participant is not located in Luxembourg and Luxembourgish taxes and Levies if the Participant is located in Luxembourg).

Prior to an Intraday Auction, the Participant must credit the appropriate amount to the Business Account in order to avoid limitations in accordance with Article 5.01.

For Allocated Capacities at Intraday Auctions, the entire valuation amounts, as calculated in Article 7.01(a) will be blocked by the Joint Auction Office from the moment the corresponding Capacity, in accordance with Article 5.01, is deemed to have been Allocated to the Participant and the Credit Limit will be immediately reduced in accordance.

## **Article 7.03 Invoicing and payment conditions**

### **(a) Invoice and payment conditions**

All amounts referred to in this Article will be increased to include the taxes and levies in force.

The valuation amounts of Allocated Capacities in the Intraday Auctions for use during the month M will be invoiced to the Participant on a monthly basis no later than on the fifth (5<sup>th</sup>) Working Day of month M+1 and collected automatically from the Business Account on the fifth (5<sup>th</sup>) Working Day of the month M+1. As soon as this amount has been collected from the Business Account by the Joint Auction Office, it is no longer blocked.

#### Reimbursement and Compensation:

The monthly valuation amounts of:

- Reductions in Exchange Programs within the month M,
- Reductions in Held Capacities within the month M,

will be sent via a self billing (i.e., the mechanism where the Joint Auction Office issues invoices in the name and on behalf of the Participant) to the Participant on a monthly basis no later than on the fifth (5<sup>th</sup>) Working Day of month M+1 and paid by the Joint Auction Office on the Participants' bank account no later than on the tenth (10<sup>th</sup>) Working Day of the month M+1.

Any bank charges relative to the settlement of the invoice are to be borne by the Participant.

### **(b) Issuance of Invoices and self billing**

No later than the fifth (5<sup>th</sup>) Working Day of each month M+1, the Joint Auction Office shall send to the Participant an invoice/self billing including the amounts due for:

- Intraday Auctions' Allocated Capacities for use during month M;
- Reductions in Exchange Programs applied during month M;
- Reductions in Held Capacities within the month M,

The charges are all invoiced all at once and grouped together on a single line per Intraday Auction. The unit prices indicated on the invoice are therefore average prices provided as an indication only.

Invoices and self billings are Notified to the Participant at the address indicated in the Declaration of Acceptance.

The Participant Notifies the Joint Auction Office of any changes in its invoicing address. Such change will take effect on the first (1<sup>st</sup>) Day of month M+1, on condition that Notification of the change has been received at least five (5) Working Days before the end of Month M.

**(c) Claim related to an invoice**

To be admissible, any claims made relating to an invoice must be Notified by registered letter with acknowledgement of receipt to the Joint Auction Office, within thirty (30) Days of the invoice's date of issue. Beyond this period, the invoice will be deemed to have been accepted by the Participant. The above-mentioned registered letter must contain a precise and detailed description of the reasons for the objection to the invoice.

A claim in no way relieves the Participant from the obligation to pay the invoice in accordance with the terms of paragraph (a) of the present Article.

If the claim proves to be justified, reimbursement will be made, including interest. The rate of interest, determined on the Day on which the invoice is sent, is equal to the interest rate applied by the European Central Bank to its most recent refinancing operation, plus seven (7) percentage points. The interest is applied from the first (1<sup>st</sup>) Day following the date of payment by the Participant of the unjustified amounts up to the date of payment by the Joint Auction Office of the reimbursement of the unjustified amounts. This interest will be increased to include any applicable taxes and levies.

**(d) Payment incident**

On the first (1<sup>st</sup>) Working Day of the Month M, the balance of the Business Account shall cover all credits due pursuant to Article 7.02 not collected pursuant to Article 7.03, and other credits due to other agreements concluded with the Joint Auction Office (like monthly installments blocked or payable and not collected regarding Allocated Capacity at a Yearly Auction; amounts blocked and not collected regarding Allocated Capacity at Monthly Auctions; amounts blocked and not collected regarding Allocated Capacity at Daily Auctions; amount due for the Allocated Capacity at CWE and ITVC Shadow Auctions for use of Month M-1; amount blocked and not collected regarding Allocated Capacity at Intraday Auctions, etc).

Otherwise, the Joint Auction Office Notifies the Participant of the lack of credit in accordance with Article 7.02 on the first (1<sup>st</sup>) Working Day of the Month M. If the corresponding payment is not done in full within five (5) Working Days after the Notification, the Joint Auction Office will register this and Notify by registered letter with acknowledgment of receipt and/or registered e-mail the Participant of a Payment Incident.

As a consequence of the Payment Incident, the Participant's Entitlement will be suspended pursuant to Article 3.04.

Interest for late payments are charged and invoiced to the Participant without further notice on all amounts due and not paid by it at the due date for payment. Such interest will be at the rate of seven (7) percentage points per annum above the base lending rate of European Central

Bank plc, and apply from the date due for payment until the date of actual payment. The minimum amount to be charged for late payment is 140 Euros. Interests are increased to include taxes and levies in force. The Payment Incident will run until the Participant pays on the Business Account (or on the Joint Auction Office's Bank Account) all overdue amounts and all interests for late payments pursuant to this Article.

The same disposition applies to the Joint Auction Office in case of late payment.

If the Auction Participant does not fulfil or only partially fulfils payment obligations resulting from Yearly Auction in time, the Joint Auction Office is entitled to enforce the completion of the obligations and hold the Auction Participant liable for the Auction price, interests, charges and expenses including attorney's fees, arising from the enforcing of the completion of the obligations. The Auction Participant shall not be entitled to offset and/or withhold any debts arising in connection with obligations resulting from an Auction to any claim of the Joint Auction Office.

## **Section VIII. Miscellaneous**

### **Article 8.01 Applicable law and language**

The Intraday Auction Rules are governed by Luxembourgish law.

Notwithstanding any translations that may be made, whether certified or not, the sole applicable language for questions of interpretation or application of the Intraday Auction Rules is English.

### **Article 8.02 Notification**

All Notifications made under the Intraday Auction Rules must be sent to the address specified in the Declaration of Acceptance or to any other address specified by one Party to the other Party, subject to the provisions of Article 7.03(b).

All Notifications shall be made by registered mail with acknowledgement of receipt, or by any other specific form required under the Intraday Auction Rules, or, if no specific form is required by the Intraday Auction Rules, by any other means that enables the date of receipt by the receiving Party to be certified.

### **Article 8.03 Liability**

As a legal consequence of the fact that the Joint Auction Office is, pursuant to Article 1.03, acting on behalf of the TSOs but in its own name under the present Intraday Auction Rules, the Joint Auction Office bears a contractual liability towards the Participants, whereas TSOs can only be held liable in tort towards the Participants.

This Article applies to damages resulting from a breach of any provision of the Intraday Auction Rules. This Article does not apply to the cancellation of an Auction after the end of the deadlines for contestation, to the Reduction in Held Capacities or in Exchange Programs in the event of Force Majeure in accordance to Article 2.05, Article 2.06 and Article 4.04 for which the respective compensation mechanisms are described in Article 7.01. The application of these compensation mechanisms is strictly limited to the cases described in said Articles and does not extend to any breach of any provision of the Intraday Auction Rules.

The Joint Auction Office shall only be liable for damage caused to Participants if it is the result of willful misconduct or Gross Negligence.

No indemnification will be due unless the Party proves specifically that the damage suffered resulted directly from the breach and that the Party took reasonable steps to mitigate the damages suffered.

The Participant shall only be liable for damage caused to the Joint Auction Office if it is the result of willful misconduct or Gross Negligence.

Neither the TSOs nor the Joint Auction Office are responsible for the timely arrival of Bids or if the Joint Auction Office is unable to contact the Participants via the channels foreseen in accordance with these Intraday Auction Rules.

#### **Article 8.04 Transfer of rights and obligations arising from the Declaration of Acceptance for Intraday**

Neither Party may transfer, in any way, any of the rights and obligations arising from the Declaration of Acceptance for Intraday without the prior written consent of the other Party.

In the event of a change in the Participant's legal status, such as a merger or a takeover or a change in the company name, the Participant shall Notify the Joint Auction Office of the change by sending a registered letter with acknowledgement of receipt, as soon as possible, and in any event at least fifteen (15) Days before the date on which the change takes effect.

#### **Article 8.05 Intellectual property**

The signature of a Declaration of Acceptance does not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one Party to the other under the terms of the Intraday Auction Rules.

#### **Article 8.06 Confidentiality**

In compliance with the relevant statutory and regulatory provisions in the countries within the Central West Europe, Central South Europe regions as well as Switzerland, the Declaration of Acceptance for Intraday and any other information exchanged relating to its preparation and application, are confidential.

Moreover, each Party will determine by all means available any other information of any type or on any support, which it considers confidential, without prejudice to application of the Articles of the present Intraday Auction Rules concerning publications which are made by the Joint Auction Office.

Without prejudice to the aforementioned statutory and regulatory provisions, the Party which receives such confidential information may only use it within the framework of the application of the Declaration of Acceptance for Intraday. The confidential information may not be disclosed to a third party without the other Party's prior and expressed consent and subject to the strict condition that the Party has given assurance that such third party observes the same undertakings of confidentiality as those set out in the present Article.

These conditions shall not prejudice:

- the obligations to communicate to any competent authorities that might request such communication in relation to the exercise of their missions;
- the obligations to communicate to any court of law and arbitrators that might request such communication;
- the transmission by the TSOs and/or the Joint Auction Office of information for the purpose of accomplishing their missions or in relation to the contracts and/or rules with the foreign transmission system operators;
- the transmission by the TSOs and/or the Joint Auction Office of information to consultants (such as, legal, technical or other advisers), so long as they are not producers, suppliers, intermediaries or companies linked or associated therewith and that such consultants do work for the TSOs, the Joint Auction Office and/or one of the institutions mentioned above;
- the communication of information essential for technical or safety reasons;

- the obligation to publish data in accordance to the applicable law or as foreseen in the present Intraday Auction Rules;

so long as, in each of these circumstances, the Party has given assurance that the recipient of the information observes the same undertakings of confidentiality as those set out in the present Article.

Moreover, the obligations arising from the present Article are not applicable:

- if the Party which receives the information can prove that at the time of disclosure, such information was already publicly available;
- if the receiving Party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;
- to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market player can be deduced;
- to information whose publication is explicitly provided for by the present Intraday Auction Rules.

Each Party undertakes to take all the measures necessary to ensure compliance with the present obligation to confidentiality by its staff.

Each Party shall Notify the other Party without delay of any violation of the obligations arising from the present Article.

The Parties shall comply with the present confidentiality obligation throughout the Entitlement period and for a period of five (5) years after Entitlement is withdrawn or suspended for whatever reason.

### **Article 8.07 Severability**

If any part or provision of the Intraday Auction Rules and/or its Appendices are or become invalid, illegal, void and/or unenforceable, the remaining part(s) shall continue to be valid and enforceable and shall not be affected thereby. Any invalid, illegal, void and/or unenforceable part(s) or provision(s) shall be replaced by valid, legal and/or enforceable part(s) or provision(s) in order to achieve the intended economic and legal effect as far as possible.

### **Article 8.08 Settlement of Disputes**

In the event of a dispute regarding the interpretation or execution of the Intraday Auction Rules, the Parties and TSOs undertake to meet to look for an amicable solution. To this end, the requesting Party or TSO shall send Notification to the other Party or TSO indicating:

- the Declaration of Acceptance for Intraday reference; and
- the reason for the dispute; and
- a proposal for a future meeting with a view to settling the dispute amicably.

If no agreement is reached or no response received within a Period of thirty (30) days from the date of the aforementioned Notification, either Party or TSO may refer the matter to the Commercial Court in whose jurisdiction the Joint Auction Office is domiciled.

Should any related dispute arise in relation to the dispute opposing the Parties or TSOs, these disputes may be consolidated or joined into one single trial in accordance with Luxembourgian procedural law.

All disputes in connection with the Intraday Auction Rules can also be settled by way of arbitration in accordance with the rules of arbitration of the International Chamber of Commerce (ICC), by three (3) arbitrators. The place of arbitration shall be Luxembourg. The language to be used in the arbitral proceedings shall be English. The claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each Party or TSO shall nominate the chairman of the arbitral tribunal within three business (3) days from the confirmation of the appointment of the second arbitrator by the ICC. If the nominated arbitrators by each Party or TSO cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration decision is a final decision. Each Party or TSO acknowledges that it will be bound by the choice of the court (i.e. arbitral or commercial) made by the initial claimant. This Court shall be the only one competent to settle the dispute opposing the Parties or TSOs. Any other related disputes between the Parties and TSOs shall also be settled by the court to which the initial dispute is submitted.

Should any related dispute arise with third parties in relation to the dispute opposing the Parties or TSOs, the Parties and TSOs expressly agree that these disputes may be consolidated in or joined into one single arbitration. The ICC Court will be requested by any interested Party or TSO or third party to take a decision within one (1) month of request for consolidation or joinder, and order consolidation or joinder of the disputes if such serves the interest of justice and efficiency. If the ICC Court so decides, the Parties and TSOs agree to the competency of the first appointed arbitral tribunal to handle the joined or consolidated proceedings, and to the jurisdiction of such existing arbitral tribunal on parties joined or consolidated to the proceedings. The first appointed arbitral tribunal shall therefore remain unchanged, except in case of conflict of interest as defined under ICC rules of arbitration. Disputes are related where they are so closely connected that it is expedient to hear and determine them together to avoid the risk of irreconcilable judgments resulting from separate proceedings.

Nothing in this Article shall preclude the Parties and TSOs from applying for injunctive relief in summary proceedings ("procédure en référé") before the Commercial Court in whose jurisdiction the Joint Auction Office is domiciled.

### **Article 8.09 Force Majeure**

Force Majeure means any unforeseeable event or situation beyond the reasonable control of a Party and/or a TSO, and not due to a fault of such Party and/or a TSO, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial and/or economic point of view, reasonably possible for the claiming Party and/or TSO, which has actually happened and is objectively verifiable, and which makes it impossible for such Party and/or a TSO to fulfill temporarily or definitively, its obligations hereunder in accordance with the terms of the Intraday Auction Rules.

The Party, which invokes Force Majeure, shall send the other Party Notification describing the nature of Force Majeure and its probable duration.

The affected obligations, duties and rights of a Party subject to the Force Majeure, shall be suspended from the beginning of the Force Majeure. Allocated Capacities that have been paid for and which become subject to a Force Majeure are reimbursed for the period of that Force Majeure.



The Party can in no circumstances be held responsible or held liable to pay any compensation for damage suffered, due to the non-performance or faulty performance of all or part of its obligations, when such non-performance or faulty performance is due to an event of Force Majeure.

The Party which invokes Force Majeure shall make every possible effort to limit the consequences and duration of the Force Majeure.

If a Force Majeure event lasts for more than thirty (30) Days, the Joint Auction Office may suspend Entitlement of the Participant and/or the Participant may request the withdrawal of its Entitlement by sending Notification by registered mail with acknowledgement of receipt, with due explanation. The withdrawal or suspension of Entitlement will take effect on the date of receipt of the said Notification.

### **Article 8.10 Duration and Amendment of Intraday Auction Rules**

The Intraday Auction Rules are valid for an indefinite duration but may be modified jointly, entirely or by chapter, by the TSOs, with the aim of clarifying them or supplementing them. These Intraday Auction Rules are subject to the technical and legal conditions at the time they take effect.

In case of material changes in these conditions, particularly following legal requirements, government action or rules jointly imposed by regulatory authorities, or if improvements are made to the Auction process, the Intraday Auction Rules will be modified at any time as appropriate.

The Intraday Auction Rules are amended according to the following procedure:

- a. Amendments: TSOs may at any time change the Intraday Auction Rules and Appendices. Participants are entitled to propose amendments to the Intraday Auction Rules. Every proposal shall be sent to the Joint Auction Office, as a single point of contact for all TSOs, by registered post with acknowledgement of receipt, containing a clear description of the proposed amendment and its motivation. Once a decision is taken about the proposed amendment(s), both the Participants and the respective national competent authorities shall be informed about the acceptability of the proposal, providing a justification for the decision taken.
- b. Consultation: Before submitting any significant amendment(s) of the Intraday Auction Rules to the respective competent authorities, the TSOs will organize for Participants the opportunity, and in any event not less than fifteen (15) Working Days, to review and give written comments on the proposed amendment(s). The definitive version of the amendment(s) to the Intraday Auction Rules takes into account, as much as possible, the results of the Participants consultation.
- c. Approval: The amended version of the Auction Rules, as well as any relevant information related to the Participants consultation and a report of Participants consultation, are submitted to the relevant national regulatory authorities for approval and/or advise as the case may be.

Amendments of the Intraday Auction Rules have no impact on the validity of the Declaration of Acceptance for Intraday signed by the Participant. This Declaration of Acceptance for Intraday continues to be in force and includes acceptance of the modifications made to the Intraday Auction Rules, without prejudice to the Participant's right to deregistration in accordance with Article 3.04.

## **APPENDIX 1 Declaration of Acceptance (DoAI) of the Rules for Intraday Capacity Allocation by Explicit Auctions within Italian borders**

**Declaration of Acceptance for Intraday N° \_\_\_\_\_ [Filled in by CASC.EU]**

### **FOR**

\_\_\_\_\_, a company [give company form], with capital of \_\_\_\_ €, having its registered offices at \_\_\_\_\_ [give full address], registered under the number \_\_\_\_\_ [Trade and Business Register n° and Town] and with the intra-community VAT n° \_\_\_\_\_ represented by \_\_\_\_\_ acting in the capacity of \_\_\_\_\_, here after referred to as "Participant",

### **Article 1 Definitions**

All the words or groups of words used in the present Declaration of Acceptance for Intraday, whose first letter is a capital letter, have the meaning that has been given to them in the Intraday Auction Rules, as published on the Joint Auction Offices Website.

### **Article 2 Object**

By signing this Declaration of Acceptance for Intraday, the Participant declares that it is aware of and commits to abide by the Intraday Auction Rules, including any subsequent version thereof enacted in accordance with their Article 8.10.

### **Article 3 Prerequisites**

By signing this Declaration of Acceptance for Intraday, the Participant declares that it has signed the following contractual document(s) (tick the appropriate box(es)):

- a Participation Agreement for the Import/Export Rules with RTE, and/or
- a Contratto di Dispacciamento and to be compliant with Congestion Management Rules on the Italian Interconnection with TERNA; and/or
- a Datenübermittlungsvertrags-Paar with APG; and a BGV-Vertrag with APCS which together result in an valid Genehmigungsbescheid from Energie-Control Austria; and/or
- a Balance Group Contract signed with Slovenian Market Operator or signed a Contract for settlement of imbalances with the Balance Responsible Party in Slovenia; and/or
- a Balance Group Contract with Swissgrid.

**Article4 Designation of the Country Border(s) on which the Participant shall be registered.**

Please refer to Article 3.03 of the Intraday Auction Rules to check if the prerequisites for Participation are met.

- France – Italy Border:  in both directions
- Switzerland – Italy Border:  in both directions
- Austria – Italy Border:  in both directions
- Slovenia – Italy Border:  in both directions

**Article5 Access to the Information System (IS)**

By signing this Declaration of Acceptance for Intraday, the Participant acknowledges that it has read and understood the IS Rules and undertakes to abide by them.

**Article 9 Participant's contact details**

<b>EIC CODE:</b>	
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The present EIC Code identifies in particular the Participant, as the case may be, in respect with the modalities mentioned in the Article of the present Intraday Auction Rules relative to the use of Programming Authorizations.

**Invoicing and credit notes**

(Please indicate a single invoicing telephone number, fax number and e-mail)

Contact:	
Address:	
Telephone number:	
Fax number:	
E-mail:	

**Operational contact**

(Please indicate a single operational telephone number, fax number and e-mail)

Contact:	
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Address:	
Telephone number:	
Fax number:	
E-mail:	

**All correspondence**

Contact:	
Address:	
Telephone number:	
Fax number:	
E-mail:	

**Article 10 Joint Auction Office's contact details**

Contact:	CASC.EU – Operations Team
Address:	2, rue de Bitbourg L-1273, Luxembourg-Hamm
Telephone number:	+352 27 62 38 38
Fax number:	+352 27 61 66 05
E-mail:	operations@casc.eu

**Article 11 Bank details**

All payments made by the Joint Auction Office to the Participant will be made to the following Payment Account:

Bank: \_\_\_\_\_

Agency: \_\_\_\_\_

Account Holder: \_\_\_\_\_

Account N°: \_\_\_\_\_

SWIFT Code: \_\_\_\_\_

IBAN Code: \_\_\_\_\_

**Article 12 Changes to information**

The Participant undertakes to Notify the Joint Auction Office of any changes in the information provided by the Participant in the present Declaration of Acceptance for Intraday, no later than five (5) Working Days before such changes take effect.

**Article 13 Effective date**

The present Declaration of Acceptance for Intraday will be effective as from \_\_\_\_\_<sup>1</sup>

The Declaration of Acceptance for Intraday will expire in accordance with the Intraday Auction Rules.

For the Participant:

For the Joint Auction Office:

Name and position of the legal representative:

Name and position of the legal representative:

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Signature:

Signature:

\_\_\_\_\_

\_\_\_\_\_

<sup>1</sup> Completed by the Joint Auction Office upon confirmation of Entitlement

## APPENDIX 2    **Modification of the Country Borders on which the Participant shall be registered**

Form to be sent to the Joint Auction Office:

Address:

Fax number:

Declaration of acceptance for Intraday n°:

Under the terms of the Intraday Auction Rules, \_\_\_\_\_ informs the Joint Auction Office of the modification of its designation of the Country Borders on which it shall participate to Intraday Auctions, from \_\_\_\_\_<sup>2</sup> on, as follow (tick the appropriate box(es)):

Please refer to Article 3.03 of the Intraday Auction Rules to check if the prerequisites for Participation are met.

- |                             |                          |                    |
|-----------------------------|--------------------------|--------------------|
| France – Italy Border:      | <input type="checkbox"/> | in both directions |
| Switzerland – Italy Border: | <input type="checkbox"/> | in both directions |
| Austria – Italy Border:     | <input type="checkbox"/> | in both directions |
| Slovenia – Italy Border:    | <input type="checkbox"/> | in both directions |

Name and capacity of signatory:

\_\_\_\_\_

Signature:

\_\_\_\_\_

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<sup>2</sup> The Notification of the modification must be made to the Joint Auction Office at the latest seven (7) Working Days before the Day to which the Capacity relates.