

Disclaimer: This is an unofficial translation, which merely represents a working tool for information purposes, in respect of which the company, Borzen, operater trga z elektriko, d. o. o., accepts no liability for damages or any other liability.

In accordance with the second indent of the fourth paragraph of Article 94 of the Electricity Supply Act (Official Gazette of the Republic of Slovenia, No. 172/21) and the consent of the Energy Agency No. 411-23/2022/5 of 15 December 2022, Borzen, d.o.o. issues the following

R U L E S

on the organisation of the Market Operator's platform for balancing energy (Unofficial translation)

I. GENERAL PROVISIONS

Article 1

(Scope)

The Rules on the organization of the Market Operator's platform for balancing energy (hereinafter: the Rules) govern the method for implementation of the of the Market Operator's platform for balancing energy, namely:

- the organisation of the platform for balancing energy,
- the membership on the platform for balancing energy,
- the manner of participation on the platform for balancing energy,
- the notification and reporting on the platform for balancing energy and
- the clearing and financial settlement of transactions concluded on the platform for balancing energy.

Article 2

(Definitions)

(1) The terms used in these Rules shall have the following meanings:

– **Balancing of imbalances** is the act of balancing as defined in Article 10(2) of Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) (OJ No L 158, 14.6.2019, p. 54);

– **Clearing Agent** is the Market Operator or other legal entity to which the Market Operator transfers the performing of clearing and financial settlement of claims and liabilities arising from the platform for balancing energy;

– **Accounting interval** is the electricity exchange interval to which buy and sell bids of electricity refer and in which the delivery and acceptance of electricity is realised between two persons who concluded a transaction on the platform for balancing energy;

– **Clearing rules** are the rules adopted and published by the Clearing Agent which inter alia include provisions relating to the clearing and financial settlement of transactions concluded on the platform for balancing energy and are published by the Market Operator on its website;

– **Trading application for the implementation of the platform for balancing energy** is the software on which trading on the platform for balancing energy is carried out;

– **Intra-day trading** is organised real-time trading that takes place on an ongoing basis for the day ahead and closes before the start of the accounting interval for which the trading takes place.

(2) Other terms used in these Rules, which are not defined in these Rules, shall have the same meanings as set out in:

- the Electricity Supply Act,
- the system operating instructions issued by the System Operator,
- the terms and conditions for balance service providers on the ELES balancing market and
- the Rules for the operation of the electricity market.

II. PLATFORM FOR BALANCING ENERGY

Article 3

(Market Operator)

(1) The Market Operator organises the platform for balancing energy in the Republic of Slovenia as the public service provider of activity of market operator whereby its basic functions are the setting up the rules on the organization of the platform for balancing energy according to the public authorisation and the implementation of the platform for balancing energy in a transparent and economically efficient manner.

(2) The Market Operator shall ensure effective communication with the members of the platform for balancing energy. In this regard, the Market Operator may invite the members to jointly discuss specific matters relating to the platform for balancing energy.

Article 4

(Platform for balancing energy)

(1) The platform for balancing energy is a technologically supported organised form of collecting and engaging bids for the sale and purchase of balancing energy with the aim of settling imbalances in the electricity system in a transparent and economically efficient manner.

(2) The trading on the platform for balancing energy shall be implemented through a trading application which enables the collection of buy and sell bids for electricity through which the System Operator purchases and sells electricity intended for the settlement of imbalances in the electricity system.

(3) The platform for balancing energy shall be implemented as a real-time market.

(4) The participants in the platform for balancing energy are the Market Operator, the System Operator and the members of the platform for balancing energy.

Article 5

(Actions on the platform for balancing energy)

(1) The members of the platform for balancing energy must act in compliance with valid regulations and the Rules throughout their operations on the platform for balancing energy.

(2) The members of the platform for balancing energy must act as good professionals in accordance with good business practice.

(3) Upon a written request from the Market Operator, the members of the platform for balancing energy must submit all information or documentation relevant for the provision of uninterrupted operation of the platform for balancing energy and risk management of the platform for balancing energy as a whole as soon as possible.

Article 6

(Purchase obligation of the System Operator on the platform for balancing energy)

The System Operator purchases balancing energy from the replacement reserve (hereinafter referred to as RR) for the purpose of releasing aFRR and mFRR regulation volumes on the platform for balancing energy for the needs of the regulation area of the Republic of Slovenia.

Article 7

(Trading application)

(1) Trading on the platform for balancing energy shall be carried out on a trading application that allows for the collection of bids and offers for the purchase and sale of electricity by the members of the platform for balancing energy and the participation of the System Operator.

(2) All transactions concluded on the platform for balancing energy are deemed to be concluded for the purpose of system balancing. Transactions concluded by the System Operator for the purpose of buying or selling energy for covering losses in the network or other transactions connected with its balance group must be carried out within a separate trading account in cases when the platform for balancing energy is implemented jointly with another intra-day trading.

(3) Each member of the platform for balancing energy must provide its own adequate technical equipment for smooth use of the trading application. In case of technical difficulties, member of the platform for balancing energy may authorise the platform for balancing energy provider to remove all its active bids from the market or to enter bids in the name of member of the platform for balancing energy which were submitted on time and in an appropriate format.

(4) In the event of technical problems or other disruptions which prevent the normal operation of the platform for balancing energy, trading shall be suspended and the members of the platform for balancing energy shall be informed immediately by e-mail.

(5) The trading application must be reliable. It must have an adequate on-call service to ensure that any errors are resolved as soon as possible.

(6) In the event of a prolonged outage of the trading application, the System Operator may buy and sell balancing energy bilaterally with suppliers. In doing so, the System Operator shall respect the principles of transparency and economy.

III. MEMBERSHIP ON THE PLATFORM FOR BALANCING ENERGY

Article 8

(Membership on the platform for balancing energy)

(1) Any natural or legal person fulfilling the conditions set out in these Rules may become a member of the platform for balancing energy.

(2) A balance scheme member becomes a member of the platform for balancing energy after signing an agreement for membership on the platform for balancing energy.

(3) The System Operator is a member of the platform for balancing energy with a special status.

(4) The Market Operator shall publish the list of members of the platform for balancing energy on its website and update it regularly.

Article 9

(Conditions for obtaining membership on the platform for balancing energy)

(1) Membership on the platform for balancing energy shall be conditioned by the status of a member of the balance scheme.

(2) The market operator shall decide on the membership on the platform for balancing energy on the basis of the membership application.

(3) In the application for membership, the applicant shall provide the business entity registration details, contact details, financial settlement details and other information necessary for the operation on the platform for balancing energy.

(4) Upon the application, it is deemed that documents submitted by the balance scheme member for the membership in the balance scheme are also valid for membership on the platform for balancing energy.

(5) The member of the balance scheme shall also accompany the application with any other supporting documents required by the Market Operator.

(6) In the application for membership on the platform for balancing energy, the member of the balance scheme shall also indicate persons who will be responsible for signing the agreement and for executing the trading on the platform for balancing energy. At the same time, the member of the balance scheme shall

indicate the persons responsible for financial settlement on the platform for balancing energy and for receiving requests for the submission of financial guarantees submitted by the Clearing Agent.

Article 10

(Agreement for the membership on the platform for balancing energy)

(1) In the agreement for the membership on the platform for balancing energy, the member of the platform for balancing energy shall in particular regulate the following aspects with the Market Operator:

- membership on the platform for balancing energy,
- duration of the agreement,
- termination of membership,
- manner of participation on the platform for balancing energy,
- manner of participation in the Clearing Agent's settlement system.

(2) The member of the balance scheme shall be provided with the agreement for the membership on the platform for balancing energy for signature within 15 days of receipt of a complete membership.

(3) The member of the platform for balancing energy shall regularly inform the Market Operator of any changes to the data it has submitted when joining the platform for balancing energy.

(4) The member of the platform for balancing energy is obliged to sign the agreement for participation in the settlement system of the Clearing Agent within 8 days after signing the agreement for the membership on the platform for balancing energy.

Article 11

(Termination of membership and cancellation of the agreement for the membership on the platform for balancing energy)

(1) Membership on the platform for balancing energy shall be terminated in the following cases and in the following ways:

- by terminating the agreement for the membership on the platform for balancing energy in writing,
- with the termination of the membership in the Balance Scheme or by exclusion from the Balance Scheme,
- with the termination of the membership in the Clearing Agent's settlement system or
- if the member of the platform for balancing energy fails to submit the required financial guarantees in due time.

(2) The Market Operator may cancel the agreement for the membership on the platform for balancing energy with a member of the platform for balancing energy:

- on the basis of a substantiated cancellation of the agreement for the membership on the platform for balancing energy without a notice period,

– if the member of the platform for balancing energy fails to enable the review of documentation relating to transactions concluded on the platform for balancing energy,

– if the member of the platform for balancing energy fails to fulfil its obligations or

– if the member of the platform for balancing energy violates these Rules in any other way.

(3) The Market Operator shall publish the termination and the cancellation of the agreement for the membership on the platform for balancing energy on its website.

Article 12

(Temporary technical prevention from trading on the platform for balancing energy)

(1) The Market Operator may temporarily technically prevent a member of the platform for balancing energy from trading:

– if the member of the platform for balancing energy fails to submit the required financial guarantees within the deadline,

– if the member of the platform for balancing energy delays the payment of financial obligations to the Market Operator or another legal entity to which the Market Operator has transferred certain tasks,

– in the event that the Market Operator temporarily makes it technically impossible for a member of the Balance Scheme to operate on the electricity market in accordance with the rules that govern the operation of the electricity market or

– at the request of the Energy Agency.

(2) The temporary technical prevention from trading on the platform for balancing energy shall last until the reasons referred to in the preceding paragraph have been resolved.

Article 13

(Duty of care by the member of the platform for balancing energy)

(1) For the purpose of the platform for balancing energy, i.e. the provision of energy for balancing the electricity system, all members of the platform for balancing energy shall ensure that this purpose is fulfilled in their operations.

(2) The members of the platform for balancing energy shall refrain from any practices that may cause or result in the inability to provide energy for the balancing of the electricity system.

(3) The reporting of forecasted imbalances in the same accounting interval as a member's transaction on the platform for balancing platform, whereby the member has not delivered balancing energy, shall also be deemed to be an impermissible practice referred to in the preceding paragraph, unless the member proves that the forecasted imbalance is not due to transactions related to the platform for balancing energy.

(4) In the event of suspicion that a member of the platform for balancing energy is acting contrary to this Article, the Market Operator shall inform the Energy Agency, which shall act in accordance with its powers.

Article 14

(Warnings in the case of inadmissible action by a member of the platform for balancing energy)

In the event that a member of the platform for balancing energy breaches its obligation under the preceding Article, the Market Operator shall warn the member of such conduct and inform the Energy Agency thereof.

IV. PRODUCTS AND BIDS ON THE PLATFORM FOR BALANCING ENERGY

Article 15

(Products on the platform for balancing energy)

The products which are traded on the platform for balancing energy are determined by the Market Operator after a prior harmonisation with the System Operator. The list of products is published by the Market Operator on its website, together with the explanatory notes. The Market Operator must inform the members of the platform for balancing energy about the change of the range of trading products by publishing the list on its website at least thirty days before the change becomes effective. The members of the platform for balancing energy have the option to provide comments to the Market Operator on the proposed changes within ten days of the publication of the list. In the event that the list is amended after the harmonisation with the System Operator, the Market Operator reiterates the publication; otherwise, the change becomes effective on the date specified in the notice.

Article 16

(Bids on the platform for balancing energy)

(1) The System Operator shall enter buy and sell bids of electricity for the purpose of balancing the electricity system.

(2) The bids submitted by the members of the platform for balancing energy within the intra-day trading system may be accepted by the System Operator as bids submitted on the platform for balancing energy.

(3) All transactions concluded with the bids of the System Operator for the purpose of balancing the electricity system shall be deemed as transactions on the platform for balancing energy.

(4) The System Operator may invite the members of the platform for balancing energy to submit their bids through the trading application in the case of a shortage of bids on the platform for balancing energy.

(5) Bids of members of the platform for balancing energy are anonymous.

Article 17

(Bid content)

(1) The bid must contain the following elements when entered into the application:

– the product,

- the type of bid, which can be a purchase or a sale bid,
- the type of restriction on the execution of the bid and the type of bid referred to in Article 18 of these Rules,
- the electricity price,
- the quantity of electricity and
- the validity of the bid.

(2) Bid limits, such as maximum price, minimum price, maximum quantity, minimum quantity, bid price increment and bid quantity increment, shall be set by the Market Operator after prior coordination with the System Operator and published on its website. The Market Operator must inform the members of the platform for balancing energy about the change of the bid limits by publishing them on its website at least thirty days before the change becomes effective. The members of the platform for balancing energy have the option to provide comments to the Market Operator on the proposed changes within ten days of the publication of the bid limits. In the event that the limits are amended after the harmonisation with the System Operator, the Market Operator reiterates the publication; otherwise, the change becomes effective on the date specified in the notice.

(3) A bid may only be accepted for the full length of the interval.

Article 18 (Types of bid execution and bid types)

Different types of restriction in bid execution shall be available for the products that are determined by the Market Operator after prior harmonisation with the System Operator and shall be published on the Market Operator's website. The Market Operator must inform the members of the platform for balancing energy about the change of the restriction types by publishing them on its website at least thirty days before the change becomes effective. The members of the platform for balancing energy have the option to provide comments to the Market Operator on the proposed changes within ten days of the publication of the list. In the event that the restriction types are amended after the harmonisation with the System Operator, the Market Operator reiterates the publication; otherwise, the change becomes effective on the date specified in the notice.

Article 19 (Acceptance period and sequence of bids)

(1) The acceptance period of a bid on the platform for balancing energy shall be the time designation allocated by the platform for balancing energy upon the entry or a change of the bid.

(2) The bid shall remain valid in the platform for balancing energy until it is fully accepted within the transaction, removed by the bidder or when its validity expires.

(3) The sequence in the order book shall be determined by the 'price/time designation' criterion, which means that the bids with higher prices shall have precedence in the execution of buy bids or the bids with the lowest prices shall have precedence in the execution of sell bids. If several bids have the same price, the bids with the lowest time designation shall have precedence.

Article 20

(Timeframe for submission of bids and conclusion of transactions)

(1) The bids may be delivered or the existing bids may be changed on the platform for balancing energy until the start of the interval to which these bids refer.

(2) The bidding on the platform for balancing energy can be carried out twenty-four hours a day, seven days a week. Detailed schedules for trading shall be determined by the Market Operator after a prior harmonisation with the System Operator and shall be published on the Market Operator's website. The Market Operator must inform the members of the platform for balancing energy about the change of the schedules for trading by publishing them on its website at least thirty days before the change becomes effective. The members of the platform for balancing energy have the option to provide comments to the Market Operator on the proposed changes within ten days of the publication of the schedules. In the event that the schedules are amended after the harmonisation with the System Operator, the Market Operator reiterates the publication; otherwise, the change becomes effective on the date specified in the notice

Article 21

(Bid activation on the platform for balancing energy)

The System Operator may accept the existing bids or may enter bids at any time prior to the beginning of an interval to which the bids refer.

Article 22

(Physical settlement)

(1) Upon the acceptance of the bid by the System Operator for the purpose of imbalance settlement in the electricity system, a transaction shall be concluded between the System Operator and the bidder on the platform for balancing energy.

(2) A concluded transaction is reported in the form of a closed contract to the Market Operator in accordance with the Rules on the Operation of the Electricity Market.

V. NOTIFICATION AND REPORTING

Article 23

(Notification)

The member of the platform for balancing energy is informed about the concluded transactions via the trading application. If necessary, the market operator shall also inform the Balancing Energy Platform participant over the telephone.

Article 24

(Public publication of the results)

The Market Operator publishes the results relating to trading on the platform for balancing energy on its website. The Market Operator shall publish at least the information related to the products, quantities and prices of concluded transactions.

Article 25

(Reports regarding the platform for balancing energy)

(1) The Market Operator shall publish the following reports on the platform for balancing energy on its website:

- daily reports on trading results, particularly the quantities and transaction prices of trading on the platform for balancing energy,
- monthly reports on trading on the platform for balancing energy,
- periodic reports,
- a registry of the members of the platform for balancing energy.

(2) The Market Operator shall report regularly to the Energy Agency and the System Operator on the results and implementation of the platform for balancing energy.

VI. CLEARING AND FINANCIAL SETTLEMENT OF TRANSACTIONS CONCLUDED ON THE PLATFORM FOR BALANCING ENERGY

Article 26

(Clearing and financial settlement)

(1) The Clearing Agent carries out the clearing and financial settlement of claims and liabilities arising from the platform for balancing energy.

(2) The clearing and financial settlement of transactions executed on the platform for balancing energy shall be carried out in accordance with the rules of the Clearing Agent.

(3) The member of the platform for balancing energy becomes a financial settlement participant in the platform for balancing energy after signing the agreement on participation in the settlement system of the Clearing Agent.

(4) In the procedure of clearing and financial settlement in the platform for balancing energy, the Clearing Agent is liable for the fulfilment of financial liabilities for transactions concluded on the platform for balancing energy in the scope of submitted and redeemable financial guarantees.

Article 27

(Financial guarantees)

(1) The financial settlement participant is obliged to submit and maintain financial guarantees as insurance for fulfilling the liabilities arising from the participation on the platform for balancing energy in the amount, form and deadlines determined by the Clearing rules and these Rules.

(2) The System Operator as the public service provider of activity of the transmission System Operator is not obliged to submit financial guarantees.

Article 28

(Market disorder, inability to perform and force majeure)

The liability, measure and procedures relating to market disorder, inability to perform and force majeure are determined in the clearing rules of the Clearing Agent.

VII. TRANSITIONAL AND FINAL PROVISIONS

Article 29

(Possibility of withdrawal from the agreement for the membership on the platform for balancing energy)

The members of the platform for balancing energy may withdraw from the agreement for the membership on the platform for balancing energy within fifteen days after these Rules come into force.

Article 30

(Termination of validity)

The Rules on the balancing of the electricity market (Official Gazette of the Republic of Slovenia No. 97/14 and 28/17) shall cease to apply as of the date of entry into force of these Rules.

Article 31

(Entry into force)

These rules enter into force on 1 January 2023.

No. 2022/ENP/Pr-PIT/03

In Ljubljana, on 16 December 2022

EVA 2022-2430-0115

Borut Rajer, MSc
General Manager