Borzen, operater trga z elektriko, d. o. o.

ADDITIONAL INSTRUCTIONS
(Unofficial consolidated text)

Process of Recording of Contracts and Operational Forecasts and Imbalance Settlement process

1 January 2023

WARNING: The unofficial consolidated text of the regulation shall only represent an informative working aid and, in this regard, the company, Borzen, operater trga z elektriko, d. o. o., shall not be liable for any damage or otherwise.

These instructions have been prepared and published in accordance with the **Rules on the operation of the electricity market** (Official Gazette of the RS, No. 163/2022; hereinafter: the Rules).

1. RECORDING OF CLOSED CONTRACTS AND OPERATIONAL FORECASTS

With the delivery date of 1 January 2021, the recording of closed contracts and operational forecasts will only be possible in a 15-minute resolution. This means that **96** accounting intervals must be recorded for an individual closed contract or operational forecast and in the case of the daylight saving time, 92 or 100 accounting intervals must be recorded. The values of the quantities recorded in closed contracts and operational forecasts **must be given in MW and rounded to three decimal places.**

2. REVIEW OF DATA OF THE IMBALANCE SETTLEMENT AND PROVIDING COMMENTS ON THE IMBALANCE SETTLEMENT

Reviewing the imbalance settlement data and commenting on the imbalance settlement is possible exclusively through the **Portal OT**, which is available at https://ot.borzen.si/en. To access the private part of the Portal OT, the user must first register with the Market Operator.

3. CALCULATION OF THE MARKET PLAN FOR THE PURPOSE OF IMBALANCE SETTLEMENT

The market plan is a plan of an individual balance scheme member's position on the electricity market for each accounting interval and is the result of all closed contracts concluded by a balance scheme member and hierarchically inferior balance scheme members. The plan is made by the Market Operator based on the concluded closed contracts.

Since the recording of closed contracts is done in **MW** and the imbalance settlement is performed in **MWh**, it is necessary to convert the market plan from **MW to MWh** for the purpose of the imbalance settlement calculation. The conversion of the **final market plan** units is made at the level of each 15-minute accounting interval for each member of the balance scheme. The market plan of the entire balance group represents the sum of the rounded market plans of the balance scheme members that belong to a certain balance group.

For the purpose of imbalance settlement, the final value of the market plan in MWh at each 15-minute interval is taken into account, rounded to **three decimal places**.

Rounding rule:

- If the digit after the rounding point is 5, 6, 7, 8 or 9, the third digit to the right of the decimal point is rounded up by one number.

- If the digit after the rounding point is 0, 1, 2, 3 or 4, the third digit to the right of the decimal point does not change.

Example of calculation of the market plan for the purpose of Imbalance Settlement (IS):

15-minute accounting interval					
Balance Scheme Member 1 (BSM1)	**1**	**2**	**…**	**95**	**96**
Market Plan in MW	130.854	130.854	130.854	130.854	130.854
Market Plan in MWh	32.71350	32.71350	32.71350	32.71350	32.71350
Market plan for the purpose of IS in MWh	**32.714**	**32.714**	**32.714**	**32.714**	**32.714**

15-minute accounting interval					
Balance Scheme Member 2 (BSM2)	**1**	**2**	**…**	**95**	**96**
Market Plan in MW	5.897	5.897	5.897	5.897	5.897
Market Plan in MWh	1.47425	1.47425	1.47425	1.47425	1.47425
Market plan for the purpose of IS in MWh	**1.474**	**1.474**	**1.474**	**1.474**	**1.474**

15-minute accounting interval					
Balance Group (BG)	**1**	**2**	**…**	**95**	**96**
Market Plan BSM1 in MW	32.714	32.714	32.714	32.714	32.714
Market Plan BSM2 in MWh	1.474	1.474	1.474	1.474	1.474
Market plan BG for the purpose of IS in MWh	**34.188**	**34.188**	**34.188**	**34.188**	**34.188**

4. METHOD OF CONSIDERING AND ROUNDING THE INPUT DATA ON REALIZED CONSUMPTION AND SUPPLY IN THE IMBALANCE SETTLEMENT PROCESS

The market operator receives data on the realized consumption and supply of each member of the scheme from the system operators in the following way:

- The data on the realized consumption and supply for the delivery points on the transmission network are rounded to three decimal places and are provided in MWh. The data is used in the same form in the imbalance settlement and then shown in the final reports of the imbalance settlement for each member. We receive the data of the delivery points that have multiple affiliations to three decimal places, then divide them among the suppliers by multiplying by a coefficient and rounding to three decimal places. They are then used in the calculation of realization.

- The Market Operator receives data on realized consumption and supply in distribution areas and closed distribution systems (hereinafter referred to as CDS) in kWh, separately for each balance scheme member (supplier) for the corresponding metered consumption and metered supply and unmetered consumption and unmetered supply. The market operator then converts the values into MWh and uses them to the nearest five decimal places in the realization calculation process. Please note that it is not a matter of rounding to the fifth decimal place, but of writing the value with the mentioned number of decimal places, without taking into account the value of further digits. To

calculate the realization of an individual member, all the mentioned values (metered and unmetered supply and consumption) in all distribution areas are added accordingly, and the final value is rounded to three decimal places in the MWh unit.

We further explain that in the imbalance settlement report the total realization (of an individual member) is shown on the first sheet, the realizations in individual distribution areas and CDS are shown on the second sheet, and the realization on the transmission network is shown on the third sheet. Realization in the individual distribution area and CDS is rounded to three decimal places and is given in MWh. At the same time, it should be noted that the sum of realizations from distribution areas and CDS (second sheet) and the transmission network (third sheet), as calculated and shown on the report, are not necessarily the same as the total realization on the first sheet, because in the calculation of the latter, rounding is performed according to the sum of all unrounded realization values from distribution areas, CDS and the transmission network.

In the case of balance groups that also have hierarchically lower members (subgroups), the rounded values of the total realization of individual members (i.e. subgroups) of the balance group are used to calculate the total realization.

At the same time, it should also be noted that the values that are available to suppliers on the CEEPS portal (https://ceeps.informatika.si/login) and refer to the data of the five distribution areas and CDS Talum, are prepared and given with a larger number of decimal places. In order to properly compare these values with the values used in the imbalance settlement, the method of rounding and calculation described above must be taken into account.

5. PAYMENT FOR RECORDING OF CLOSED CONTRACTS

In accordance with the second indent of the first paragraph of the Article 95 of the Electrcitiy Supply Act (Official Gazette of the Republic of Slovenia, No. 172/21; hereinafter referred to as 'ZOEE'), the members of the members of the balance scheme acting on the supply side (i.e. a seller in a closed contract) are obliged to pay for the recording of closed contracts. The public utility service providers referred to in Articles 45, 69 and 94 of the ZOEE and the energy exchanges are exempted from this requirement. The payments of the balance scheme members depend on the volume of the recorded closed contracts, excluding closed contracts for electricity imports, and are calculated on the basis of the recorded quantities in MWh.

The quantities for the calculation of recorded closed contracts are calculated as the sum of all values of all accounting intervals in MW. The final value calculated in **MW** is converted to **MWh**. The final value in **MWh**, rounded to **three decimal places**, is relevant for the calculation of quantities for the payment of the recording of closed contracts. Rounding to three decimal places is performed only on the total, final value in the accounting period (month), and not in each 15-minute interval separately, as in the market plan for the purpose of imbalance settlement.

6. RECORDING OF CLOSED CONTRACTS AND OPERATIONAL FORECASTS FOR THE BALANCING SERVICE PROVIDERS

1. **Instructions regarding the recording of closed contracts (CC) and operational forecasts (OF) in the event that the Balancing Service Provider (BSP) provides balancing service to the TSO through the delivery / metering points affiliated to its own balance group.**

   a. The procedure for recording of CC and OF in the case of activated and realized balancing energy aFRR:

   In case of aFRR activation, the amount of activated balancing energy is **not** recorded at the Market Operator. The amount of activated aFRR is corrected as part of the imbalance settlement calculation based on the data received from the TSO. Changes in the records of closed contracts or the market plan is carried out for BSP and TSO in the amount of activated aFRR.

   b. The procedure for recording of ZP and ON in the case of activated and realized balancing energy mFRR:

   In the case of mFRR activation, the amount of activated balancing energy is recorded at market operator in the form of a closed contract between BSP and TSO. In this case, the **two-sided** recording of closed contracts applies. In case of mismatch, Article 51 of the Electricity Market Rules shall apply.

2. **Instructions regarding the recording of CC and OF in the event when BSP provides balancing services to the TSO with delivery/metering points that belong to another member of the balance scheme.**

   a. The procedure for recording of CC and OF in the case of activated and realized balancing energy **aFRR:**

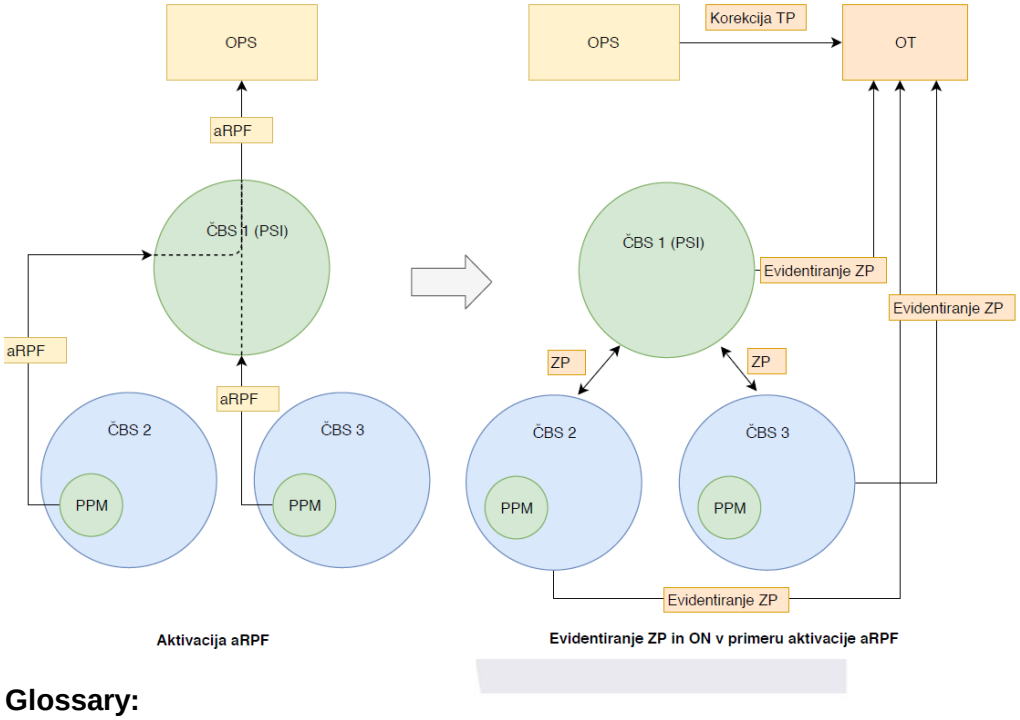
   Example of activation description: The system operator (TSO) activates aFRR provided by a member of the balancing scheme (BRP 1) and acting as a balancing system provider (BSP). BRP 1 provides balancing service with the help of delivery/metering points (PPM) belonging to other members of the balancing scheme (BRP 2 and BRP 3).

   Procedure for recording of CC and OF: The amount of activated aFRR energy **is not recorded** in the form of a CC between TSO and BSP. The amount of activated aFRR is corrected as part of the imbalance settlement calculation based on the data received from the TSO. Changes in the records of closed contracts or the market plan is carried out for BSP and TSO in the amount of activated aFRR.

   The amount of activated balancing energy can be recorded to the market operator in the form of a closed contract between BSP and BRP 2 and PSI and BRP 3. In this case, the **two-sided** recording of closed contracts applies. In case of mismatch, Article 51 of the Electricity Market Rules shall apply. In addition to recording closed contracts, BRP 2 and BRP 3 must also appropriately adjust the operational forecast of the delivery points that were used in the activation of the balancing

energy of the aFRR. Deadlines for recording closed contracts and operational forecasts are in accordance with the Rules and instructions published on the website of the market operator.

An Example of a Schematic Display:



Glossary:

- OPS = TSO
- OT = Market Operator
- ČBS 1 (PSI) = BSP
- ČBS 2 and ČBS 3 = BRP (Balance Responsible Party or Balance Scheme Member)
- aRPF = aFRR
- ZP = Closed Contract
- PPM = delivery/metering point
- Evidentiranje ZP = Recording of CC
- Korekcija TP = Correction of Market Plan in the process of Imbalance Settlement Calculation.

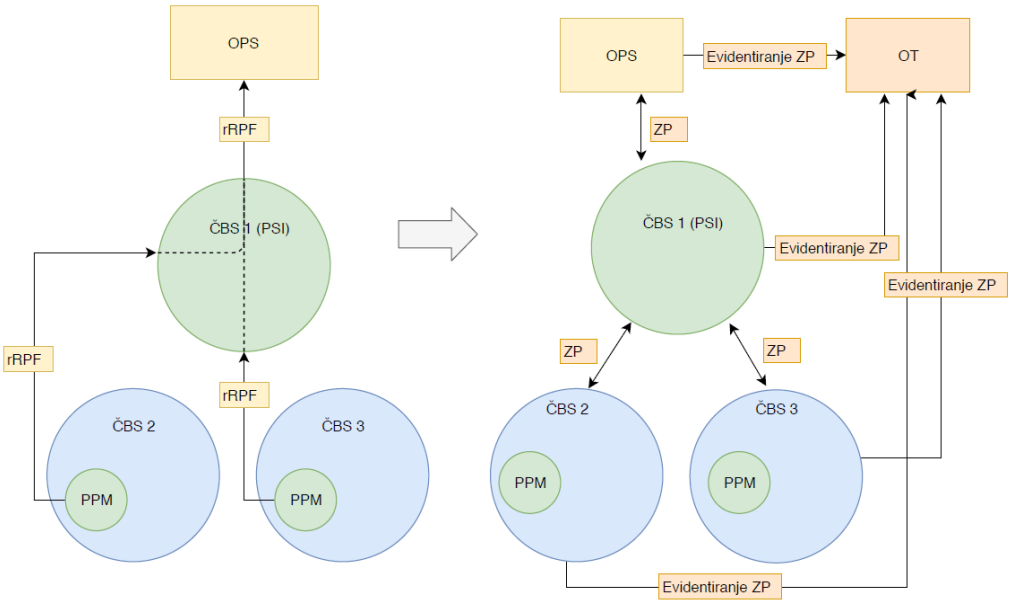
b. The procedure for recording of CC and OF in the case of activated and realized balancing energy **mFRR:**

Example of activation description: The system operator (TSO) activates aFRR provided by a member of the balancing scheme (BRP 1) and acting as a balancing system provider (BSP). ČBS 1 provides balancing service with the help of delivery/metering points (PPM) belonging to other members of the balancing scheme (BRP 2 and BRP 3).

Procedure for recording of CC and OF: The amount of activated balancing energy can be recorded to the Market Operator in the form of a closed contract between BSP and BRP 2 and PSI

and BRP 3. In this case, the **two-sided** recording of closed contracts applies. In case of mismatch, Article 51 of the Electricity Market Rules shall apply.

In addition to recording closed contracts, BRP 2 and BRP 3 must also appropriately adjust the operational forecast of the delivery points that were used in the activation of the balancing energy of the aFRR. Deadlines for recording closed contracts and operational forecasts are in accordance with the Rules and instructions published on the website of the market operator.



Aktivacija rRPF **Evidentiranje ZP in ON v primeru aktivacije rRPF**

Glossary:

- OPS = TSO
- OT = Market Operator
- ČBS 1 (PSI) = BSP
- ČBS 2 and ČBS 3 = BRP (Balance Responsible Party or Balance Scheme Member)
- rRPF = mFRR
- ZP = Closed Contract
- PPM = delivery/metering point
- Evidentiranje ZP = Recording of CC