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This unofficial translation of draft rules in public consultation was prepared by Borzen, operater trga z elektriko, d. o. o.

RULES ON THE ORGANIZATION 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:

- organisation of platform for balancing energy,
- membership on the platform for balancing energy,
- method of cooperation on the platform for balancing energy,
- reporting and informing about the platform for balancing energy, and
- clearing and financial settlement of transactions concluded on the platform for balancing energy.

Article 2 (Meaning of terms)

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

- **balancing:** is the act of balancing as stipulated in Article 2(10) of Regulation 2019/943/EU;
- **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 an accounting 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 software through which trading on the platform for balancing energy is implemented;
 - **intra-day trading:** is organised real-time trading carried out a day in advance and completed before the beginning of the accounting interval for which the trading takes place.
- (2) Other terms used in these Rules shall have meanings as stipulated in:
- the Electricity Supply Act,
 - the System operating instructions for the electricity transmission network, and
 - the Terms and conditions for balance service providers on the ELES balancing market
 - 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)

(3) The Market Operator shall be responsible for efficient communication with the members of the platform for balancing energy. In this regard, the Market Operator may invite the members to jointly address specific issues relating to the platform for balancing energy.

Article 4 (The 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 professionally and in compliance with good business practices and must not violate their obligations as per Article 14 of these Rules when operating on the platform for balancing energy.

(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)

(1) The System Operator buys replacement reserve (hereinafter referred to as RR) on the platform for balancing energy for the purpose of releasing automatic frequency restoration reserve (hereinafter referred to as the "aFRR") and manual frequency restoration reserve (hereinafter referred to as the "mFRR") for the needs of regulation area of the Republic of Slovenia.

Article 7

(Trading application)

(1) Trading on the platform for balancing energy is carried out through trading application which enables the collection of buy and sell bids for electricity by the members of the platform for balancing energy and the cooperation of the System Operator as a member with a special status.

(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 case of technical difficulties or other disruptions which prevent normal functioning of the platform for balancing energy, trading is temporarily terminated. The members of the platform for balancing energy shall be immediately informed thereof via email.

(5) The trading application must be reliable. A support service team responsible for prompt elimination of possible errors shall be organised for its smooth operation.

(6) In the case of longer interruption of operation of the trading application, the System Operator may conclude bilateral agreements to buy and sell balancing energy with bidders. In doing so, the System Operator shall observe 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 balance scheme member of the electricity market that complies with 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 a 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 publishes and regularly updates a list of members of platform for balancing energy on its official website.

Article 9

(Conditions for obtaining membership)

- (1) A condition for the membership on the platform for balancing energy is the status of a balance scheme member.
- (2) The Market Operator decides regarding the membership on the platform for balancing energy on the basis of a membership request.
- (3) In addition to a membership request, the applicant must also submit data on the registration of the business entity, contact data, data necessary for financial settlement and other data of the member of the platform for balancing energy necessary for functioning 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) A balance scheme member is obliged to submit other supporting documents required by the Market Operator in addition to the membership request.
- (6) In the request for membership on the platform for balancing energy, the balance scheme member must also specify persons who will be responsible for signing the agreement and execution of trading on the platform for balancing energy. The balance scheme member must also state persons responsible for financial settlement in the platform for balancing energy and for the receipt of 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) An agreement for the membership on the platform for balancing energy is a legal deal by which a member of the platform for balancing energy and the Market Operator or another legal entity specified in the second paragraph of Article 3 of these Rules set out in particular:
 - membership on the platform for balancing energy,
 - duration of the agreement,
 - termination of membership,
 - method of cooperation on the platform for balancing energy,
 - method of cooperation in the settlement system of the Clearing Agent.
- (2) An agreement for the membership on the platform for balancing energy is submitted to the balance scheme member within 15 days of the receipt of the complete membership request.
- (3) The member of the platform for balancing energy must regularly inform the Market Operator on all changes of the data submitted at entry into the platform for balancing energy.
- (4) The member of the platform for balancing energy is obliged to sign the agreement on cooperation 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) The agreement for the membership on the platform for balancing energy is terminated:
 - by written cancellation of the agreement for the membership on the platform for balancing energy,

- with the termination of the membership in, or the exclusion from, the balance scheme,
 - with the termination of the membership in the settlement system of the Clearing Agent,
 - 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,
 - 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 prevents trading of the member of the platform for balancing energy:
- if the member of the platform for balancing energy fails to submit the required financial guarantees on time until the required guarantees are submitted or the membership on the platform for balancing energy is terminated,
 - if the member of the platform for balancing energy delays the payment of financial liabilities to the Market Operator or another legal entity to which the Market Operator transferred certain tasks until the member settles all due liabilities or until the membership on the platform for balancing energy is terminated,
 - in the event that the Market Operator temporarily technically prevents Balance Scheme member from operating on the electricity market in accordance with the Rules on the Operation of the Electricity Market, for the duration of the temporary technical prevention,
 - at the request of the Energy Agency.
- (2) Temporary technical prevention from trading on the platform for balancing energy shall be in force until reasons as per the preceding paragraph are eliminated.

Article 13

(Due care of members 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 must take due care during their transactions that this purpose is realised.
- (2) The members of the platform for balancing energy must refrain from any practices which cause or may cause the inability to provide energy for balancing the electricity system.
- (3) Inadmissible action under the preceding paragraph of this Article shall be deemed to include the reporting of forecasted imbalances in the same accounting interval in which the member of the platform for balancing energy concluded a transaction on the platform for balancing energy and did not implement a supply of balancing energy except in the case when the member of the platform for balancing energy proves that the forecasted imbalance did not result from the transactions relating to the platform for balancing energy.

(4) If it is assumed that the member of the platform for balancing energy acts contrary to this Article, the Market Operator is obliged to inform the Energy Agency thereof which acts according to its authorisations determined by law.

Article 14

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

If a member of the platform for balancing energy violates its obligation as per the preceding Article, the Market Operator shall warn the relevant member about 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)

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. 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) Upon entry in the application, a bid shall contain the following elements:
 - product,
 - bid type which may be buy or sell,
 - type of restriction in bid implementation and bid type as per Article 19 of these Rules,
 - electricity price,
 - electricity quantity, and
 - bid validity.

(2) Bid limits, e.g., the maximum price, minimum price, maximum quantity, minimum quantity, bid step for price and quantity are determined by the Market Operator after prior harmonisation with the System Operator and are published by the Market Operator 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. 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) The bid may only be accepted for a whole interval length.

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. 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 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

(Time frame of bidding and concluding 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. 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
(Actual 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. NOTIFYING AND REPORTING

Article 23
(Notification about the transaction and the demand)

The participants of the platform for balancing energy are notified about concluded transactions through the trading application. If necessary, the Market Operator also notifies the participants of platform for balancing energy via the telephone.

Article 24
(Publication of 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
(Preparation of reports of implementation of 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 quantities and transaction prices of trading on the platform for balancing energy,
- monthly reports on trading on the platform for balancing energy,
- periodical reports,
- register 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 concluded on the platform for balancing energy is implemented as per the clearing 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 cooperation 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 cooperation 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

(Cessation of application)

The Rules for the operation of the electricity balancing market (Official Gazette of the Republic of Slovenia, no. 97/14) and Rules concerning amendment and supplement of the rules for the operation of the electricity balancing market (Official Gazette of the Republic of Slovenia, no. 28/17) cease to be valid on the day these Rules come into force.

Article 31
(Introduction of Rules)

These Rules shall come into force on _____.”

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