

**Yearly and Monthly Allocation Rules**  
**for the**  
**Coordinated Allocation of Cross Zonal Capacities at the Border between the Bidding Zones**  
**of**

**C.N.T.E.E. TRANSELECTRICA S.A.**

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and

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(Serbian TAX identification number: SR103921661)

-hereinafter “**EMS**”-

- for the year 2021 -

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## PREAMBLE

The demand for capacity at the border between TRANSELECTRICA and EMS is usually much higher than the ATC. In order to obtain maximum transparency in the allocation of the ATC and to avoid discrimination in allocating the ATC, auctions shall be held. The Yearly and Monthly Allocation Rules are construed in accordance with the regulations set out by EU law and Energy Community Treaty, in particular by the EU-Regulation, in accordance with Romanian and Serbian laws and in accordance with regulations issued by the Romanian and the Serbian Regulatory Authorities. In order to correspond with these legal requirements, the auction is used for the reservation of the yearly and monthly ATC. The auctioning for the reservation of the Yearly and Monthly ATC aims at providing a transparent method of congestion management.

## 1. DEFINITIONS / TERMS

In these Yearly and Monthly Allocation Rules (including any of its Annexes) the terms defined in this article (where appropriate in plural) shall, for all purposes of these Yearly and Monthly Allocation Rules, have the meanings specified in this article (unless the context requires otherwise).

**Allocation Office:** stands for TRANSELECTRICA, as the entity executing the Yearly and Monthly allocation procedures.

**Already Allocated Capacity (“AAC”):** the part of the Net Transfer Capacity which already was allocated in the previous auctions..

**Allocation Platform (“DAMAS Platform”):** an internet based platform by which the Yearly and Monthly capacity auctions are held; technically hosted by DAMAS system and operated by Allocation Office and which can be accessed at: <https://markets.transelectrica.ro>.

**Auction Price:** the price determined at each auction to be paid by all Registered Participants for each MW and hour of acquired PTRs in that period/subperiod, in case the total amount of the requested reservation of network capacity exceeds the Offered Capacity.

**Available Transmission Capacity (“ATC”):** the part of the Net Transfer Capacity which is offered by EMS and TRANSELECTRICA on the respective border between Bidding Zones and on one direction for further commercial activity and which shall be offered in the further auction procedures ( $ATC = NTC - AAC$ ).

**Bank Guarantee:** Guaranteeing instrument, directly enforceable and irrevocable, valid for a limited period of time, waiving any exceptions or set-offs. This term also covers any amendment of the initial Bank Guarantee, duly signed, approved by the Allocation Office, when filed by the Registered Participant, in order to comply with the obligations arising from results of the auctions or in order to extend the validity of the initial Bank Guarantee or in order to perform all obligations arising from the Yearly and Monthly Allocation Rules.

**Bid:** an offer by a Registered Participant to purchase PTRs, submitted in an auction pursuant to and in compliance with these Yearly and Monthly Allocation Rules; such an offer consists of two values per product (capacity per direction): a requested Capacity over each hour of the year/month (bid quantity) in MW and a Bid Price in EUR per MW per hour.

**Bid Price:** the highest price which a Registered Participant is willing to pay for 1 MW of requested Capacity per hour.

**Bidding Zone:** means the largest geographical area within which market participants are able to exchange energy without Capacity Allocation..

**BRP (Balance Responsible Party):** a market participant recognized by TSOs as nomination validators for the nomination of PTRs. It must be identified by a unique EIC-Code. On both TRANSELECTRICA and EMS side, it is the market participant with a valid and effective balancing responsibility contract.

**Calendar Day:** Calendar day includes the Working and non-Working Days.

**Capacity Agreement Identification:** An identification code that uniquely identifies PTRs awarded to a Registered Participant in a specific auction or gained by transfer.

**Capacity Allocation** means the attribution of Cross Zonal Capacity..

**Countertrading:** means a cross zonal exchange initiated by System Operators between two Bidding Zones to relieve physical congestion.

**Cross Zonal Capacity (“Capacity”):** means the capability of the interconnected system to accommodate energy transfer between Bidding Zones of TRANSELECTRICA and EMS..

**Curtailment:** the reduction of PTRs attributed to the Registered Participants, by the Allocation Office (based on the request of EMS and/or TRANSELECTRICA). Curtailment of PTRs shall only be used in case of Emergency Situations/Force Majeure when a TSO must act in an expeditious manner and Redispatching or Countertrading is not possible. Any such procedure shall be applied in a non-discriminatory manner.

**Cut-Off Time (“COT”):** is a specified time providing a deadline for correction of nominated schedules in mismatch by using agreed rules between EMS and TRANSELECTRICA.

**EIC-Code:** Energy identification code serving to clear the identification of Registered Participants in a cross zonal trade (see [https://www.entsoe.eu/fileadmin/user\\_upload/edi/library/eic/cds/area.htm](https://www.entsoe.eu/fileadmin/user_upload/edi/library/eic/cds/area.htm)).

**Emergency Situation:** the situation referred to by Article 16 of Regulation 943/2019/EC where a TSO must act in an expeditious manner and Redispatching or Countertrading is not possible.

**EMS (EMS AD Beograd):** company with registered office at Beograd, Kneza Miloša 11, Serbia and incorporated in the Serbian Business Register with the Company Identification No.20054182.

**ENTSO-E (European Network of Transmission System Operators for Electricity):** an association of European TSOs.

**EU-Regulation:** Regulation (Eu) 943/2019 of The European Parliament and of the Council of 5 June 2019 on the internal market for electricity.

**Force Majeure:** any unforeseeable or unusual event or situation beyond the reasonable control of a Party and/or the relevant TSOs, and not due to a fault of the Party and/or the relevant TSOs, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the Party and/or the relevant TSOs, which has actually happened and is objectively verifiable, and which makes it impossible for the Party and/or the relevant TSOs to fulfil, temporarily or permanently, its obligation.

**Gate-Closure Time (“GCT”):** is a specified time providing a deadline for submission of Schedules by BRP for matching purposes.

**Monthly ATC:** the quota of ATC which is offered to the Registered Participants in monthly auctions.

**Net Transfer Capacity (“NTC”):** the maximum exchange program between two Bidding Zones compatible with security standards applicable in both Bidding Zones and taking into account the technical uncertainties on future network conditions.

**Offered Capacity (“OC”):** means Cross Zonal Capacity offered by the Allocation Office in an Auction..

**Party/ Parties:** means the Allocation Platform and/or a Registered Participant referred to individually as Party or collectively as Parties;

**Physical Transmission Right (“PTR”):** a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time between two Bidding Zones in a specific direction..

**PTR Holder:** the Registered Participant which has obtained a PTR in a Yearly or Monthly Auction or via transfer.

**PTR Transfer:** mechanism by which a PTR Holder may transfer a PTR to another Registered Participant, in accordance with these Allocation Rules.

**Redispatching:** means a measure activated by one or several system operators by altering the generation and/or load pattern in order to change physical flows in the transmission system and relieve a physical congestion.

**Registered Participant:** means a market participant, with a unique EIC code, which has concluded a Cross Border Capacity Allocation Contract with the Allocation Office. The Registered Participants have to complete and sign a Registration Form (Annex 1) for participation in long term auctions confirmed by TRANSELECTRICA and must have concluded a Cross Border Capacity Allocation Contract with TRANSELECTRICA.

**Schedule:** the notification of the use of PTRs.

**Subperiod(s):** number of continuous days of month with the same harmonized NTC; for each Subperiod an auction will be organized.

**TRANSELECTRICA (C.N.T.E.E. TRANSELECTRICA S.A.):** Romanian Transmission System Operator, with registered office at 33 Magheru Blvd, Bucharest – 010325, Romania and with the number of the commercial register No: J40/8060/2000. Address for correspondence: 2-4 Olteni Street, RO-030786, Bucharest–3.

**Transmission Reliability Margin (“TRM”):** is the reserve cross zonal transmission capacity maintained in case of possible emergency events and due to uncertainty as to the accuracy of data used in determining of TTC value. These values are calculated according to the ENTSO-E rules.

**TSO:** means a natural or legal person responsible for operating, ensuring the maintenance of, and, if necessary, developing the transmission system in a given area and where applicable its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the transmission of electricity.

**Total Transfer Capacity (“TTC”):** the maximum exchange programs between two Bidding Zones compatible, on a given technical profile, with operational security standards applicable at each system if future network conditions, generation and load patterns were perfectly known in advance.

**UIOSI (“Use It Or Sell It”):** an automatic application by which the underlying Cross Zonal Capacity of the non-nominated PTRs is made available to the daily Capacity Allocation process and whereby PTR Holders that do not nominate to use their rights receive a pay-out corresponding to the non-nominated PTRs sold in that daily auction at the daily Auction Price.

**Working Day:** every day except for Saturdays, Sundays and any official holiday in Romania as listed in Annex 6.

**Yearly ATC:** ATC which is offered to the Registered Participants in the yearly auction, in form of PTRs.

**Yearly and Monthly Allocation Rules:** the regulations set out in this document applicable to the allocation of Cross Zonal Capacities between Bidding Zones of TRANSELECTRICA and EMS.

The headings in these Yearly and Monthly Allocation Rules are intended solely as a matter of convenience and for reference and shall be given no effect in the construction or interpretation of these Yearly and Monthly Allocation Rules.

## **2. SCOPE OF THE YEARLY AND MONTHLY ALLOCATION RULES**

This document contains the terms and conditions for allocation of Yearly and Monthly ATC at the border between the Bidding Zones of EMS and TRANSELECTRICA that are jointly offered by EMS and TRANSELECTRICA.

Auctions for Yearly ATC and Monthly ATC are held in order to ensure that reservations of ATC will be valid for each side of the border.

Auctions for Yearly ATC and Monthly ATC will be conducted by the Allocation Office.

These Yearly and Monthly Allocation Rules in particular are handling the reservations of Yearly ATC and Monthly ATC, in the direction from Romania to Serbia and in the direction from Serbia to Romania, conducted by TRANSELECTRICA.

The valid version of the Yearly and Monthly Allocation Rules will be published on the website of TRANSELECTRICA ([www.transelectrica.ro](http://www.transelectrica.ro)) and of EMS (<http://www.ems.rs>). TRANSELECTRICA and EMS reserve the right to amend and/or change the Yearly and Monthly Allocation Rules consistent with the approval by the relevant National Regulatory Authorities. These changes which will be applied in the forthcoming yearly and monthly allocation will be published at least 10 days before the deadline for publishing of Yearly ATC for the respective auction.

TRANSELECTRICA and EMS will fully accept the results of the individual auction procedures held by the Allocation Office.

## **3. THE ALLOCATION OFFICE**

The Allocation Office is responsible for the allocation of Yearly ATC and Monthly ATC to Registered Participants through auction proceedings in these Yearly and Monthly Allocation Rules.

The Allocation Office prepares and conducts the yearly and monthly auctions and shall serve as a point of contact and source of information for all Registered Participants.



Auction proceedings may be interrupted temporarily by the Allocation Office at any time without prior notice, in case of technical failures. Such temporary discontinuance will not affect the rights and obligations which have arisen as a consequence of yearly and monthly auctions having taken place under these Yearly and Monthly Allocation Rules, prior to such interruption.

Receipt of Bids at the Allocation Office is the decisive criterion in meeting the time limit.

#### **4. THE ALLOCATION OFFICE WEBSITE**

The Yearly ATC and Monthly ATC for each auction period/Subperiod(s) will be published on the Allocation Office website ([www.transelectrica.ro](http://www.transelectrica.ro)) according to the dates set out in Annex 3 and Annex 4. In particular, the following information will be published on the Allocation Office ([www.transelectrica.ro](http://www.transelectrica.ro)) website:

- a) These Yearly and Monthly Allocation Rules (valid release);
- b) Additional information on the auction proceedings;
- c) Facsimile and telephone number, e-mail address, contact persons of the Allocation Office;
- d) Forms to be used by Registered Participants;
- e) Auction Specifications (border direction, deadline of entering Bids, currency, reservation period, Subperiod(s), TTC, TRM, NTC, AAC, ATC);
- f) Summary of the results of the yearly and monthly auctions (border direction, currency, reservation period, Subperiod(s), TTC, TRM, NTC, AAC, ATC, total requested capacity, total allocated capacity, non-allocated capacity, Auction price, winners` name, winners` EIC, allocated capacity per participant);
- g) Frequently asked questions and answers;
- h) Cross Border Capacity Allocation Contract (framework contract between the Allocation Office and Registered Participant);
- i) "DAMAS User's Guide";
- j) Other relevant information (e.g. description of reasons and effects of curtailment).

#### **5. GENERAL PROVISIONS**

The Yearly ATC and Monthly ATC are offered for reservation by TRANSELECTRICA through the use of the internet-based auction "DAMAS" system at the following link: <https://www.markets.transelectrica.ro>. The document "DAMAS User's Guide" contains detailed rules for using the "DAMAS" system. This document and the Yearly and Monthly Allocation Rules are published on the website of TRANSELECTRICA: [www.transelectrica.ro](http://www.transelectrica.ro).

By accessing the "DAMAS" system, the Registered Participant has to fully accept the regulations set out in the Yearly and Monthly Allocation Rules and in the "DAMAS User's Guide" published on the website of TRANSELECTRICA([www.transelectrica.ro](http://www.transelectrica.ro)), without any reservation.

If the "DAMAS User's Guide" is in conflict with the Yearly and Monthly Allocation Rules, the Yearly and Monthly Allocation Rules take priority.

##### **5.1. Violation of the Yearly and Monthly Allocation Rules**

Prior to, during and after an auction, the Registered Participant shall refrain from any action or behavior which adversely affects or threatens competition in the auction proceedings, which aims

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

In case of violation of these Yearly and Monthly Allocation Rules, the Registered Participant may be excluded from further auctions as set forth in article 7.2.

## **5.2. Separation of Auction price and Fees for Grid Use**

A successful Bid which leads to PTRs creates a contractual obligation between the Allocation Office and the Registered Participant under which TRANSELECTRICA/EMS is to provide the Registered Participant with an option to use PTR on the border and the Registered Participant is obliged to pay the respective Auction Price. By fulfilling the payment conditions in accordance with the Yearly and Monthly Allocation Rules, PTRs are guaranteed by TRANSELECTRICA/EMS with the exception for cases described in Article 13 and Article 17. The payment determined covers only the right for the PTRs at the border. This option does not include any use of the transmission system to and from the interconnectors. Said use of the transmission system, including corresponding fees, if any, must be agreed separately with TRANSELECTRICA on the Romanian side of the border and with EMS on the Serbian side.

## **5.3. Curtailment**

Should it become necessary to reduce the PTRs or Schedules, before or after the COT for matching process, EMS and TRANSELECTRICA will apply the curtailment procedure in a non-discriminatory way, by proportionally curtailing all PTRs or Schedules, irrespective of the auction in which they were obtained, according to Article 13 and the Registered Participant will be reimbursed for the amount of the price paid for the curtailed PTRs or for reduced Schedules.

## **5.4. Acceptance of Yearly and Monthly Allocation Rules**

Furthermore, with the submission of a correctly filled, signed Registration Form (Annex 1) and by signing the Cross Border Capacity Allocation Contract with TRANSELECTRICA, the Registered Participant accepts the auction regulations set out in these Yearly and Monthly Allocation Rules and undertakes to comply with the Yearly and Monthly Allocation Rules without any reservation. If the Registered Participant does not conform to these Yearly and Monthly Allocation Rules, the Registered Participant shall be expressly banned from the participation in further auctions and the Bids shall not be accepted by the Allocation Office.

## **5.5. Avoiding of Dominant Market Positions**

To avoid problems related to the potential use of dominant position of a market participant, the relevant authorities of both countries may adopt joint decision for restrictions in general or on an individual company on account of market dominance. The Allocation Office reserves the right to introduce such restrictions in the course of the year, upon approval by the relevant authorities.

## **5.6. Payment**

If the Registered Participant does not fulfill or only partially fulfills any obligation resulting from the Cross Border Capacity Allocation Contract in due time, especially if the Registered Participant does not pay the full amount of the Invoices for PTRs within the time limits set out in the Yearly and Monthly Allocation Rules, TRANSELECTRICA and EMS are entitled to enforce the termination of the contract and hold the Registered Participant liable for the total amount of the

invoices for PTRs , interests, charges and expenses arising from the enforcing of the termination of the contract and for the total damage resulting from the termination, such as, but not limited to fees, expenses and deficiencies caused by lower Auction Prices in the event of a re-auctioning of the Capacity. The Registered Participant shall not be entitled to offset and/or withhold any debts arising in connection with obligations resulting from an auction to any claim against TRANSELECTRICA and/or EMS whether or not arising out of an auction. The detailed payment conditions are described in Article 11.

## **6. PARTICIPATION IN AUCTIONS**

### **6.1. Registration requirements**

In order to qualify for participation in yearly and/or monthly Auctions, the market participant must comply with all requirements set forth in these Yearly and Monthly Allocation Rules, including the requirements set out in "DAMAS User's Guide".

For participation in yearly and/or monthly allocations, the market participant must send the filled and signed Registration Form (see Annex 1) to the Allocation Office, before concluding the Cross Border Capacity Allocation Contract.

With the delivery of the Registration Form, the market participant declares legally binding and irrevocably that:

- he is a business company or entrepreneur operating and incorporated under law and is not subject to bankruptcy or liquidation proceedings;
- he will send the necessary documents for concluding the Cross Border Capacity Allocation Contract (EIC code, fiscal certificate, etc.);
- he has full and complete knowledge of the actually applicable Yearly and Monthly Allocation Rules, which are published on the website of the Allocation Office ([www.transelectrica.ro](http://www.transelectrica.ro));
- he accepts and undertakes to comply without any reservation/restriction with these actually applicable Yearly and Monthly Allocation Rules;
- there are no court or other proceedings in progress against him that would threaten the fulfillment of the conditions set out in these Yearly and Monthly Allocation Rules;
- he does not have any outstanding debts to TRANSELECTRICA or EMS.

In case the market participant does not meet any of the above requirements, he shall not be registered, thus being prevented from participating in the auctions.

### **6.2. Registration**

By submitting the duly signed and completed Registration Form (Annex 1) to the Allocation Office, the market participant confirms that he has read, understood and accepted the present Yearly and Monthly Allocation Rules and that he will follow any and all instructions given by the Allocation Office, EMS and/or TRANSELECTRICA.

By signing and submitting the Registration Form to the Allocation Office, the market participant authorizes the Allocation Office to verify the market participant's respective statements. The

market participant shall be informed by the Allocation Office about the admission or rejection within four (4) Working Days after receiving the Registration Form. In case of rejection of its registration request, the Allocation Office shall inform the market participant on the reasons for the rejection.

After the admission, the market participant will sign the Cross Border Capacity Allocation Contract with TRANSELECTRICA and after that he shall become Registered Participant and will be added in the Allocation Office's "Register of Participants". This document shall be published on the Allocation Office website and will be updated when necessary.

Subject to all existing requirements being fulfilled, the original countersigned copy of the Cross Border Capacity Allocation Contract will be sent to the Registered Participant. To access the capacity auction system "DAMAS", the Registered Participant shall apply for a token and/or for a password and a user ID. The password and user ID shall be received personally or through authorized person.

The password shall be kept with particular care and may under no circumstances be passed to others or made accessible in any other way (including non-authorized representatives of the Registered Participant). Responsibility for all transactions authorized using the password shall be borne by the Registered Participant.

### **6.3. Notification of Changes**

The requirements for participation set forth in these Yearly and Monthly Allocation Rules must be fulfilled at all times when participating in Yearly and/or Monthly auction proceedings. As a consequence, the Registered Participant shall promptly inform the Allocation Office in writing of any changes affecting fulfillment of the requirements concerned.

Changes concerning the Registered Participant's contact data and statements set forth in the Registration Form submitted by the Registered Participant shall be notified to the Allocation Office in writing, as soon as the change is known by the Registered Participant.

## **7. DEREGISTRATION AND EXCLUSION OF REGISTERED PARTICIPANTS**

### **7.1. Deregistration**

If the Registered Participant does not wish to participate in any further auctions (yearly and monthly), he may submit a written request for deregistration to the Allocation Office. The request will be accepted on condition that:

1. the Registered Participant no longer possesses any PTRs awarded in yearly and/or monthly auctions and
2. the Registered Participant has fulfilled all its obligations towards EMS and/or TRANSELECTRICA.

Registered Participants who have been deregistered may apply for readmission by completing the registration process pursuant to Article 6.

## 7.2. Exclusion

If the Registered Participant, in any manner:

- a) infringes these Yearly and Monthly Allocation Rules,
- b) declares bankruptcy,
- c) is in default of any payment to TRANSELECTRICA or EMS,
- d) does not increase the amount of the collaterals (Bank Guarantee or the cash deposit with certificate of coverage) within five (5) Working Days after the allocation to the Registered Participant of the Yearly PTRs in order to cover 2/12 of the total amount corresponding to the PTRs allocated for the whole year, in case the already submitted collaterals is less,,
- e) does not restore within five (5) Working Days the amount of the Bank Guarantee or the cash deposit (with certificate of coverage) to the initial value, after the execution,

then the Registered Participant can be excluded from further yearly and monthly auctions by the Allocation Office without delay. The ban shall promptly be notified to the Registered Participant by facsimile transmission or e-mail and then by registered mail (with acknowledgement of receipt) and shall be in effect on the date of acknowledgement of receipt or on the date specified in the notification, if any. Exclusion does not free the Registered Participant from its payment obligations, so the Registered Participant shall be obligated to pay for already invoiced PTRs.

The Registered Participant shall be obligated to pay any remaining invoices or claims of TRANSELECTRICA within a period of five (5) Working Days after notification of its exclusion by Allocation Office.

When the Registered Participant is excluded from the yearly and montly auctions, he loses any rights to take part in the daily capacity auctions, intraday capacity auctions and also loses the right to nominate Schedules.

Yearly and Monthly PTRs acquired by the excluded Registered Participant will become available for the monthly/daily auctions and in case there are any unpaid invoices, the Allocation Office will claim under the Bank Guarantee of the excluded Registered Participant or the money in the deposit account that were placed for the benefit of the Allocation Office for such situations.

Registered Participants who have been excluded by the Allocation Office may apply for new registration after paying any remaining debts to TRANSELECTRICA and EMS.

## 8. YEARLY AUCTION PROCEDURE

Separate yearly auctions shall be held for the reservation of capacity in each of both directions:

**Auction RS-RO:** deals with the direction from Serbia to Romania;

**Auction RO-RS:** deals with the direction from Romania to Serbia.

Yearly auctions take place on the dates mentioned in Annex 3.

### 8.1. Deadlines for Yearly Auctions

For the yearly auctions the following deadlines are valid and the respective dates are set out in Annex 3:

**Deadline Y1:**deadline for publishing of Yearly ATC at 18:00 (CET) on the date set out in Annex

3;

**Deadline Y2:** deadline for Bid submission for allocation of Yearly ATC at 12:00 (CET) on the date set out in Annex 3;

**Deadline Y3:** deadline for publication of yearly auction results at 18:00 (CET) on the date set out in Annex 3.

## **8.2. Determination and Publication of Yearly ATC**

The yearly NTC is determined by EMS and TRANSELECTRICA in accordance with the EU-Regulation, respecting the published dedicated methodologies, particularly in accordance with the applicable rules published by ENTSO-E and other applicable laws and regulations.

The Yearly ATC will be published on the website of the Allocation Office ([www.transelectrica.ro](http://www.transelectrica.ro)), according to the dates set out in Annex 3.

In case of planned disconnections of critical network components, the allocated PTRs from yearly auction shall be modified (reduced) to match the monthly operational planning. This situation will not be considered as Emergency Situation. For this situation the reduced allocated PTRs will not be invoiced. The Registered Participants will be informed about the reduction period with 15 calendar days before that period, at latest, by publishing the NTC and ATC, on the TRANSELECTRICA's website ([www.transelectrica.ro](http://www.transelectrica.ro)).

## **8.3. Bidding for Yearly ATC**

The Bids for allocation of Yearly ATC in the respective direction shall be submitted using the electronic platform "DAMAS", in accordance with the "DAMAS User's Guide". Only the Bids that are delivered in the accepted format and in time will be considered by the DAMAS platform.

Registered Participants shall submit the Bids to the Allocation Office through the electronic platform "DAMAS", on the following website: <https://www.markets.transelectrica.ro>.

Each Registered Participant shall submit his Bids for the yearly auction in the time interval of 08:00 to 12:00 (CET) in day Y2 (Annex3). The Bids delivered to the Allocation Office shall be binding for the relevant yearly auction and cannot be withdrawn or modified after deadline Y2.

The Registered Participant is obliged to pay the Auction Price for his awarded PTRs.

For further consideration, each Bid must contain the following unambiguous and legible specifications:

1. The specification of the relevant direction and yearly auction (Auction RO-RS or Auction RS-RO);
2. The value of the Bid in EUR/MW in each hour (max. two decimals) – the Bid Price– it has to be bigger than zero. Bid Price shall be equal in each hour;;
3. The amount of the capacity requested to be reserved, in MW, without decimals. The minimum amount of a single Bid is 1MW or multiple of it and the maximum amount of a single bid is 100% of the Yearly ATC. The Registered Participant accepts that he cannot request more than the published Yearly ATC per auction. Requested capacity shall be equal in each hour.

The offered price of each Bid is the highest price the Registered Participant is willing to pay.

For each auction, several Bids (maximum 10 Bids) may be submitted. Such submitted Bids are valid independent of each other.

Bids which do not fulfill the above requirements will not be considered in the allocation procedure. The Registered Participant shall be responsible for the evidence of the timelines of the delivery of the Bids to the Allocation Office.

In case the yearly auction cannot be performed because of failure of the DAMAS platform, the Allocation Office will reschedule the auction.

#### **8.4. Allocation of Yearly ATC**

The Allocation Office reviews and collects all Bids received in the time interval of 08:00(CET) and 12:00(CET) in the day Y2. After the deadline Y2, all valid Bids are listed by the Allocation Office in order of Bid Price, from the highest to the lowest.

The details of the allocation process of Yearly Offered Capacity to the bidding Registered Participants are described in Annex 2.

#### **8.5. Notification on the Results of Yearly Auction**

The Allocation Office will provide each Registered Participant with the following data at the deadline for publication of yearly auction results (deadlineY3):

1. Specification of the relevant yearly auction,
2. Period of reservation,
3. Amount of PTRs for the Registered Participant in MW for each hour,
4. Auction Price,
5. CapacityAgreement Identification for scheduling nomination.

The above mentioned data is made available for the Registered Participant in the DAMAS system.

The overall results of the yearly auction will be published on the website of the Allocation Office ([www.transelectrica.ro](http://www.transelectrica.ro)) no later than deadlineY3. The results will include the following:

- Total amount of awarded yearly PTRs, in MW per hour;
- Auction Price;
- the name and EIC of the winners and the quantity of awarded PTRs to each of them;
- total requested capacity;
- non-allocated capacity, if it is the case.

### **9. MONTHLY AUCTION PROCEDURE**

Separate monthly auctions shall be held for the allocation of Capacity in each direction:

**Auction RO-RS:** deals with the direction from Romania to Serbia;

**Auction RS-RO:** deals with the direction from Serbia to Romania.

Monthly auctions are organized on the dates mentioned in Annex 4.

### **9.1. Deadlines for Monthly Auctions**

For the monthly auctions, the following deadlines are valid and the respective dates are set out in Annex 4:

**Deadline M1:** deadline for Publishing of Monthly ATC and Subperiod(s) at 18:00 (CET) on the date set out in Annex 4;

**Deadline M2:** deadline for Bid submission for allocation of Monthly ATC at 12:00(CET) on the date set out in Annex 4;

**Deadline M3:** deadline for publication of monthly auction results at 18:00 (CET) on the date set out in Annex 4.

### **9.2. Determination and Publication of Monthly ATC**

The monthly NTC is determined by TRANSELECTRICA and EMS in accordance with the EU-regulation, respecting the published dedicated methodologies, particularly in accordance with the applicable rules published by ENTSO-E and other applicable laws and regulations. If relevant events are expected to last less than the entire month, NTC shall be determined distinctively for each relevant Subperiod of the month.

The relevant Monthly ATC and the Subperiod(s) will be published on the website of the Allocation Office ([www.transelectrica.ro](http://www.transelectrica.ro)) according to the dates set out in Annex 4.

### **9.3. Bidding for Monthly ATC**

The Bids for allocation of Monthly ATC in the respective direction shall be submitted using the electronic platform “DAMAS”. Only the Bids that are delivered in the accepted format and in time will be considered by the “DAMAS” platform.

Bids from Registered Participants are to be sent to the Allocation Office through the electronic platform “DAMAS”, at the following address: <https://www.markets.transelectrica.ro/>.

In case the monthly auction cannot be performed because of failure of the DAMAS platform, the Allocation Office will reschedule the auction.

Each Registered Participant shall deliver his Bids for the monthly auction in the time interval of 08:00(CET) to 12:00 (CET) in day M2 (Annex 4). The Bids delivered to the Allocation Office shall be binding for the relevant monthly auction and cannot be withdrawn or modified after the deadline of the day M2.

Each Registered Participant is obliged to pay the Auction Price for his awarded PTRs.

For further consideration each Bid must contain the following unambiguous and legible specifications:



1. The specification of the relevant direction and monthly auction (Auction RO-RS or Auction RS-RO);
2. The value of the Bid in EUR/MW in each hour (max. two decimals) – the Bid Price—it has to be bigger than zero. Bid Price shall be equal in each hour;
3. The amount of the capacity requested to be reserved in MW for each hour, without decimals. The minimum amount of a single Bid is 1MW or multiple of it and the maximum amount of a single Bid is 100% of the Monthly ATC. The Registered Participant accepts that he cannot request more than the published Monthly ATC per auction. Requested capacity shall be equal in each hour.

The offered price of each Bid is the highest price the Registered Participant is willing to pay.

For each auction, several Bids (maximum 10 Bids) may be submitted. Such submitted Bids are valid independent of each other.

Bids which do not fulfill the above requirements will not be considered in the allocation procedure. The Registered Participant shall be responsible for the evidence of the timeline of the delivery of the Bids to the Allocation Office.

#### **9.4. Allocation of Monthly ATC**

The Allocation Office reviews and collects all Bids received in the time interval of 08:00 (CET) and 12:00 (CET) in the day M2. After the deadline M2, all valid Bids are listed by the Allocation Office in order of Bid Price, from the highest to the lowest.

The details of the allocation process of Monthly ATC to the bidding Registered Participants are described in Annex 2.

#### **9.5. Notification on the Results of Monthly Auctions**

The Allocation Office will provide each Registered Participant with the following data at the deadline for publication of monthly auction results (deadline M3):

1. Specification of the relevant monthly auction,
2. Period or Subperiod(s) of reservation,
3. Amount of PTRs for the Registered Participant in MW for each hour,
4. Auction Price,
5. Capacity Agreement Identification for Scheduling nomination.

The above mentioned data is made available for the Registered Participant in the DAMAS system.

The overall results of a monthly auction will be published on the website of the Allocation Office ([www.transelectrica.ro](http://www.transelectrica.ro)) no later than deadline M3. The results will include, for each Subperiod(s), the following:

- total amount of awarded monthly PTRs, in MW per hour;
- Auction Price;
- the name and EIC of the winning Registered Participants and the quantity of awarded PTRs to each of them;

- number of bidders;
- total requested Capacity;
- non-allocated Capacity, if it is the case.

## **10. EXCEPTIONAL CIRCUMSTANCES**

Exceptional circumstances shall be serious disturbances to the functioning of the IT System(s) or devices used by Allocation Office.

Exceptional circumstances may be the reason for suspending and postponing the date of an auction. In case of exceptional circumstances, the Allocation Office shall inform all Registered Participants via e-mail about the cancellation of the relevant auction(s) and shall inform the Registered Participants about the new date of the auction. TRANSELECTRICA will also publish information on its website.

In case an auction is suspended and postponed, all Bids already submitted to the Capacity Allocation Platform are deemed as invalid and must be submitted again.

## **11. ACCOUNTING, LOSING OF PTRs**

The payment and accounting of the PTRs will be handled by the Allocation Office.

Payment from yearly auctions will be settled in advance on a monthly basis and before the use of PTRs. The PTR Holder is expected to pay the PTRs value in twelve (12) installments, following a receipt of the respective invoices issued by TRANSELECTRICA.

Payment for the yearly PTRs shall be done against a monthly invoice issued prior to the month of the PTRs use, corresponding to the number of hours in the respective month and to the amount of PTRs for each hour that are invoiced. The deadline for issuing invoices (date of performance) shall be no later than the tenth (10<sup>th</sup>) calendar day of the preceding month before the use of PTRs. Payment for the monthly PTRs shall be done against a monthly invoice issued prior to the month of the PTRs use. The deadline for issuing invoices (date of performance) shall be no later than the twentieth (20<sup>th</sup>) day of the preceding month before the use of capacity right.

The issued invoice will be sent by the Allocation Office to the Registered Participant via e-mail.

### **Account information:**

**Name of the bank: BRD – Sucursala ACADEMIEI**

**Account No.: SV18545934100**

**IBAN: RO14BRDE410SV18545934100**

**SWIFT code: BRDEROBU**

The Registered Participant shall credit the invoiced payment to the Allocation Office onto its account stated above.

The invoice will mature within 5 Working Days of its receipt date. According to EU and Romanian tax law, value added tax (VAT) will be charged to the payment obligation and will be shown separately on the invoice.

The Registered Participant must send the payment confirmations by e-mail to the Allocation Office as soon as the payment is done but no later than the maturity date stated on the invoice, to the following address: [contracte.alocare@transelectrica.ro](mailto:contracte.alocare@transelectrica.ro).

In case the Registered Participant declares its VAT registration in an EU Member State, the mode of the “Reverse charge mechanism” is applied. In this mode, the Registered Participant must provide to the Allocation Office its EU VAT Number and is obliged to settle the VAT with the respective national tax office.

All bank fees related to the payment shall be borne by the Registered Participant. The date of payment is the date upon which the given amount is credited to the stated account of the Allocation Office. Invoices have to be fully paid not later than on the maturity date stated on the invoice and without deduction and/or offsetting (receipt of payment at the account of the Allocation Office).

If such a time limit expires on a public holiday, payment should be received the latest on the preceding Working Day. Should the time limit expire on a Sunday or a public holiday following a Sunday, payment should be received the latest on the following Working Day.

Pursuant to the General Provisions set out in Article 5 of the Yearly and Monthly Auction Rules, the Registered Participant is not entitled to offset any debts that arise in connection with an Auction to any claim against TRANSELECTRICA or EMS, whether or not arising out of the Auction. Transmission fees, if applicable, will be charged independently from the payment for cross zonal PTRs.

In case of delayed payment, the Allocation Office is entitled to charge default rates on a due amount for each day of delay. The default interest rate is calculated daily on the basis of yearly amount of the Effective Base Rate of the National Bank of Romania plus 8 percent/annum. Effective Base Rate is defined as the interest rate of the National Bank of Romania. Its value is specified and published on the website [www.bnr.ro](http://www.bnr.ro) by the National Bank of Romania. When the Guarantee Bank will be executed, in order to cover the invoice value, the default interest rate will be calculated for the period between the maturity date of the invoice and the date of settlement in TRANSELECTRICA’s account.

In case the payment is not settled until the day indicated on the invoice and the value of the invoice is greater than the value of the collateral provided as in Article 24, the Allocation Office is entitled to withdraw from the obligations resulting from the Yearly and Monthly Allocation Rules and from the Cross Border Capacity Allocation Contract. As a consequence, the Registered Participant loses his PTRs obtained in auction and shall be liable pursuant to the General Provisions of the Yearly and Monthly Allocation Rules.

In case the payment is not settled until the day indicated on the invoice and the invoiced value is less than the value of the collateral, the Allocation Office is entitled to execute the collateral provided in Article 24 with the invoiced value. The Registered Participant does not lose the PTRs obtained in auction, but must submit a new collateral as per the conditions set out in Article 24.

## **12. USE OF PTRs**

General grid access for the use of PTRs is not covered by the scope of the Yearly and Monthly Allocation Rules.

TRANSELECTRICA and EMS will carry out the transmission services according to the respective auction results in compliance with the legal requirements of grid access in each Bidding Zone and applicable market rules of TRANSELECTRICA and of EMS.

With the exception of Emergency Situations or Force Majeure, TRANSELECTRICA and EMS commit themselves to ensure that the PTRs are operationally feasible for the Registered Participant or the new holder of PTRs, upon reservation of capacity in the course of an auction or upon transfer of PTRs.

The use of PTRs operates via the delivery of fixed and binding Schedules to TRANSELECTRICA and EMS in compliance with the legal requirements of grid access in each Bidding Zone and applicable market rules of TRANSELECTRICA and EMS. The PTRs are used on the basis of the Schedules notification respecting the principle “M:N”. This means that nomination of Schedule by using allocated PTR could be realized in one or more cross-border electricity exchanges in one direction with several cross-border partners where one cross-border partner has to be BRP who has PTRs.

The use of PTRs from yearly and/or monthly auctions is done via the delivery of fixed and binding Schedules to EMS and TRANSELECTRICA for each hour of the following day, which must be received by gate closure time (GCT) for long term nominations, which is 8:00 (CET).

If there is a mismatch between nominated Schedules at GCT, involved market parties will send corrections of already submitted Schedules to their respective TSO until 08:30 (CET), which is the cut-off time (COT) for long term acceptance gate.

If there is a mismatch at COT, the TSOs shall modify the involved Schedules in accordance with the following rules:

- i. when values are different, the lower value is considered,
- ii. when there is no counterpart or the directions are not correct, zero values are taken into account.

Modifications of Schedules after COT are not possible. Use is based on the principle UIOSI (“Use It Or Sell It”). This means that PTRs which are not (entirely) used by submitting fixed Schedules by COT, will be made available in the daily allocation procedures, and the PTR Holder which did not nominate its PTRs is entitled to a remuneration, at the daily Auction Price at which its respective amount of non-nominated PTRs has been sold in the daily auction.

TRANSELECTRICA and EMS set the following prerequisites for using PTRs and for using their transmission networks:

- i) On EMS’s side – to be BRP on EMS’s side.
- ii) On TRANSELECTRICA’s side – to be BRP on TRANSELECTRICA’s side.

### **13. CURTAILMENT**

Before COT for the long term Schedules matching process, the curtailment of PTRs may be applied in Emergency Situations when TSOs must act in an expeditious manner and Redispatching or Countertrading is not possible or in situation of Force Majeure.

The curtailment of Schedules may be applied after COT for the long term Schedules matching process only in Emergency Situations when TSOs must act in an expeditious manner and Redispatching or Countertrading is not possible or in situation of Force Majeure.

TSO which requests the curtailment shall issue a description of reasons and effects of curtailment for solving network or system problems and that will be published by both TSOs.

PTR curtailments or reduction of submitted Schedules shall have as reference a time-period multiple of an hour.

PTR Curtailment and/or reduction of submitted Schedules shall be done in a non-discriminatory manner, meaning that yearly and monthly PTRs (including the submitted Schedules) shall be curtailed/reduced in the same way as daily and intraday PTRs.

In case of curtailment, the Registered Participant will be reimbursed according to the rules given in articles 13.1 and 13.2.

### **13.1. Curtailment before the COT for the long term Schedules matching process**

Before the COT for the long term Schedules matching process, the PTRs shall be curtailed by the Allocation Office based on the request of EMS and/or TRANSELECTRICA according with these Yearly and Monthly Allocation Rules.

Both yearly PTRs and monthly PTRs shall be curtailed in the same way, on a pro-rata basis, by applying to each Registered Participant's PTRs, the ratio between the amount of PTRs that remain after the curtailment triggering event and the sum of total allocated PTRs.

The Allocation Office informs the Registered Participants about the amount of curtailed yearly and monthly PTRs. The Registered Participants have to submit their Schedules to EMS and to TRANSELECTRICA limiting them by taking into consideration the curtailed PTRs.

In case of curtailment of PTRs from an yearly and/or monthly auction before the COT for the long term Schedules matching process, the Registered Participants whose PTRs have been curtailed shall be reimbursed by the Allocation Office for the curtailed PTRs. The value for reimbursement is calculated as curtailed PTRs in MW multiplied by hours of the curtailment multiplied by the initial Auction Price.

### **13.2. Curtailment after the COT for the long term Schedules matching process**

After the COT for the long term Schedules matching process, curtailment of Schedules shall be done by EMS and TRANSELECTRICA according with these Yearly and Monthly Allocation Rules.

Curtailment shall be done on a pro-rata basis, by applying the ratio between the amount of PTRs that remain after the curtailment triggering event and the sum of all PTRs, as follows:

- to both nominated PTRs from yearly and monthly auctions (long term Schedules) and to not-nominated PTRs, if the curtailment occurs before the publication of daily auction results;
- to both nominated PTRs from yearly and monthly auctions (long term Schedules) and to PTRs from daily auction, if the curtailment occurs between the time of publication of daily auction results and the COT for daily Schedules matching process;
- to both long term Schedules and nominated PTRs from daily auctions (daily Schedules), if the curtailment occurs between the COT for daily Schedules matching process and the publication of intraday auction results;
- to long term Schedules, daily Schedules and PTRs allocated in intraday auction process, if the curtailment occurs between the publication of intraday auction results and the COT for intraday Schedule matching process;

- to long term Schedules, daily Schedules and intraday Schedules, if the curtailment occurs after the COT for intraday Schedules matching process.

In case of curtailment of PTRs from an yearly and/or monthly auction after the COT for the long term Schedules matching process, the Registered Participants whose PTRs have been curtailed shall be reimbursed by the Allocation Office as follows:

- for the amount of PTRs curtailed, both nominated and not nominated, if the curtailment occurs before the publication of daily auction results;
- for the amount of nominated PTRs curtailed, if the curtailment occurs after the publication of daily auction results.

The value for reimbursement is calculated as curtailed PTRs in MW which have not been available for usage multiplied by hours of the curtailment multiplied by the initial Auction Price. To this purpose, the curtailed PTRs are deemed to have been bought by each Registered Participant in both Yearly and Monthly auctions in proportion to the total PTRs awarded to that participant in each of these auctions.

#### **14. TRANSFER OF PTRs**

PTRs awarded in yearly and/or monthly auctions can be transferred by Registered Participants to other interested Registered Participants under the following conditions:

- It is allowed to transfer PTRs bought in the course of the yearly and monthly auction to Registered Participants;
- The number of transferable PTRs can be 1 MW or integer multiple of 1MW. The transferable volume should not exceed the volume of PTRs (gained in auction);
- The PTRs can be transferred on a daily basis within one month;
- The nomination of the transfer has to be done at the latest 3 (three) calendar days (D-3), 12:00 CET before the use of transferred PTR;
- The PTRs Holder has paid to the Allocation Office the invoiced PTRs over the respective period which he wants to transfer.

The transfer is performed electronically by the Registered Participants through the use of the internet-based "DAMAS" system, operated by the Allocation Office. Also, the Registered Participants have to submit the Transfer Form (Annex 5), for each transfer of yearly/monthly capacities, to the Allocation Office, by e-mail: [contracte.alocare@transelectrica.ro](mailto:contracte.alocare@transelectrica.ro).

The Allocation Office shall not be liable for an uninterrupted provision of the "DAMAS" system.

The rules and regulations for the transfer of PTRs obtained in course of yearly and monthly auctions are laid down in these Yearly and Monthly Allocation Rules and operational procedures are specified in the "DAMAS User's Guide" published on the website of TRANSELECTRICA: [www.transelectrica.ro](http://www.transelectrica.ro). All detailed instructions concerning the requirements for the accessing to the "DAMAS" system and the handling of the transfer procedure in the "DAMAS" system are laid down in the "DAMAS User's Guide".

By accessing the "DAMAS" system, the Registered Participant shall be obliged to accept the regulations set out in the Yearly and Monthly Allocation Rules and in the "DAMAS User's Guide" published on the website of TRANSELECTRICA, [www.transelectrica.ro](http://www.transelectrica.ro), without any reservation.

The transfer of PTRs is allowed only between Registered Participants registered in “DAMAS” system.

The transfer becomes effective by confirmation of both the old and the new holder of transferred PTRs. After confirmation of the transfer, only the new holder of the PTRs shall be entitled to use the transferred PTRs. In case the transfer does not comply with the Yearly and Monthly Allocation Rules or the Registered Participant announces to transfer more PTRs than he has obtained in an auction or as result of transfer, the whole transfer shall not be valid. Any disputes arising from disagreements between the old and the new holder of the PTRs do not affect the validity of the transfer after it becomes effective.

The old holder of the PTRs is obliged to impose and assign all obligations resulting from the participation in the auction procedures to the new holder of the transferred PTRs.

This regulation is also applicable in case of several transfers.

The new holder of the transferred PTRs will become beneficiary of UIOSI remuneration and curtailment compensation.

## **15. WAIVER OF RIGHT TO COMPENSATE**

The Registered Participant is not entitled to offset and/or withhold any debts that arise in connection with a yearly and/or monthly auction to any claim against TRANSELECTRICA and/or EMS, whether or not arising out of a yearly and/or monthly auction.

## **16. NOTICES**

Except where these Yearly and Monthly Allocation Rules provide otherwise, any notice given under these Yearly and Monthly Allocation Rules must be in writing between the Allocation Office and each Registered Participant and addressed to the Allocation Office as follows:

C.N.T.E.E.TRANSELECTRICA S.A.  
Energy Markets Division  
Allocation Office  
2-4 Olteni Street, Bucharest 030786, Romania  
E-mail: [contracte.alocare@transelectrica.ro](mailto:contracte.alocare@transelectrica.ro)  
Phone: 004021 303 5963  
Facsimile transmission: 004021 303 5847

## **17. LIMITATION OF LIABILITY**

TRANSELECTRICA and/or EMS shall not be liable for any damage caused by slight negligence. Claims for damages arising out or related to the Yearly and Monthly Allocation Rules and/or the Cross Border Capacity Allocation Contract are limited to the damages typical and foreseeable, unless TRANSELECTRICA and/or EMS have acted willfully or by gross negligence. In no event shall TRANSELECTRICA and/or EMS be liable for any loss of profit, loss of business, or any other indirect incidental, special or consequential damages of any kind. In any case the liability of

TRANSELECTRICA and/or EMS for damages arising out or related to the Yearly and Monthly Allocation Rules shall be limited for each Registered Participant to € 5000- in total, per year.

TRANSELECTRICA and EMS undertake to carry out the provisions set out in the Yearly and Monthly Allocation Rules with the diligence of a careful businessman and control area manager in compliance with the applicable regulations set out by EU law, respectively by the EU-Regulation, and by Romanian and Serbian primary and secondary legislation.

Liability for a breach of these rules which had as a consequence: damaging life, physical well-being, or health that has been caused either willfully, or by gross negligence, or by a felony offense cannot be validly excluded.

## **18. FORCE MAJEURE**

TRANSELECTRICA and/or EMS shall not be held liable for non-performance, defective performance or delayed performance of obligations arising from these Yearly and Monthly Allocation Rules if and to the extent that said non-performance, defective performance or delayed performance is due to circumstances over which TRANSELECTRICA and/or EMS has no influence, including but not limited to Force Majeure or other circumstances the relevant party is not responsible for and which cannot be solved by measures which, from a technical, financial and/or economic point of view, can reasonably be taken by TRANSELECTRICA and/or EMS.

## **19. MISCELLANEOUS**

Notwithstanding special provisions set out in these Yearly and Monthly Allocation Rules, no modification of the contract between the Allocation Office on the one hand and the Registered Participant on the other hand shall take effect unless it is in writing, by fax or e-mail confirmed, executed and delivered by the Allocation Office.

If any part or provision of the Yearly and Monthly Allocation Rules and/or its Annexes 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.

## **20. CONFIDENTIALITY**

By operation and performance under Yearly and Monthly Allocation Rules, TRANSELECTRICA and/or EMS and its affiliates, if any, may receive or have access to Registered Participant's confidential information. Confidential information shall include all information delivered in writing and designated as "Confidential", or disclosed other than in writing, information as to which the person to whom such information is disclosed, prior to or essentially concurrent with such disclosure, is made aware that confidential information may be or is being disclosed. TRANSELECTRICA and EMS agree to hold the confidential information in confidence and not to disclose or make such confidential information available, in any form, to any third person or to use such confidential information for any purpose other than the compliance to the provisions of these Yearly and Monthly Allocation Rules except to public authorities.



The provisions of this article shall not apply to any information disclosed to TRANSELECTRICA and EMS as contemplated by said article if:

- a. before such disclosure it was public knowledge or, after such disclosure, becomes public knowledge through no fault of TRANSELECTRICA and EMS;
- b. it was known to TRANSELECTRICA and EMS before that disclosure;
- c. after that disclosure the same information is received by TRANSELECTRICA and EMS from a third party owing no obligation of secrecy to the respective Registered Participant in respect to such information.

## **21. AMENDMENTS**

Any amendments to these Yearly and Monthly Allocation Rules, included after their coming into force and having been approved by the respective National Regulatory Authorities, shall be notified to the Registered Participants by means of publication of the respective new version of these Yearly and Monthly Allocation Rules on the websites of TRANSELECTRICA and of EMS, with minimum 15 days before coming into force. Such notification shall include reference to the articles amended and the date on which the new version of these Yearly and Monthly Allocation Rules enters into force. Each version of these Yearly and Monthly Allocation Rules shall bear its specific number. Unless stated in the respective new version of Yearly and Monthly Allocation Rules, no new registration is required and Registered Participants accept the new Yearly and Monthly Allocation Rules by further taking part in the yearly and monthly allocation process.

## **22. APPLICABLE LAW AND DISPUTES**

These Yearly and Monthly Allocation Rules shall be governed by and construed in accordance with the Romanian laws without recourse to Romanian private international law as well as with EU-Regulation. For the avoidance of doubt, the application of the UN Convention on the International Sale of Goods shall be excluded.

In case any dispute or differences arise from the Yearly and Monthly Allocation Rules and its Annexes or their violation, termination or becoming null or void, the Allocation Office and Registered Participant concerned shall endeavour to reach an amicable settlement. The claimant is obliged to describe and present its claim in detail including the identification of the respective article/paragraph of the Yearly and Monthly Allocation Rules. However, in the event that such a settlement is not reached within thirty (30) calendar days of the first notification of the reason for the disputes, then all disputes arising from or in connection to the Yearly and Monthly Allocation Rules shall be resolved by the competent court at the registered seat of the Allocation Office.

To avoid any doubt, all disputes arising from these Yearly and Monthly Allocation Rules shall be settled according to the provisions in Article 22. The application of clauses of any other contract concluded by TRANSELECTRICA and a Registered Participant (e.g contract for transmission or access to the networks, etc.) shall be excluded.

The place of performance of all obligations of the Registered Participant resulting from the Capacity Allocation held in accordance with these Yearly and Monthly Allocation Rules and its Annexes shall be the registered seat of the Allocation Office.

## **23. COMPLAINT PROCEDURE**

Should the Registered Participant come to a conclusion that the Yearly and Monthly Allocation Rules have been breached by an incorrect calculation, incorrect output from data check, or incorrect evaluation, the Registered Participant is entitled to initiate through its representative, an examination procedure. The Complaint must be delivered to the contacts of Allocation Office, by e-mail or via registered mail, within 2 (two) Working Days from receiving the invoice or other relevant document, and must contain:

- date,
- identification of Registered Participant,
- name, e-mail address and telephone of contact person,
- brief description of the situation – i.e., the subject matter,
- detailed description of the situation,
- well-founded means of proof (downloads from logs, communication records, etc.).

The Allocation Office will confirm the receipt of such a complaint via e-mail.

If the Allocation Office and Registered Participant could not reach an agreement within 30 working days from the day of the irregularity occurred, the Registered Participant may refer a complaint to the relevant National Regulatory Authority.

The TSOs are obliged to give all information to the Regulatory Authority for its proceeding, which is necessary to handle the complaint in due time, according to the law.

The above described initiative shall not have suspensive effect on the results of the relevant yearly or monthly auction.

## **24. PROVISION OF COLLATERALS**

As a prerequisite for participation in the yearly and monthly auctions executed by TRANSELECTRICA, the Registered Participant has to fill the request to provide a collateral, as follows:

### **24.1. Collaterals for Yearly Auctions**

Each Bank Guarantee submitted to TRANSELECTRICA is subject to Romanian law and shall be issued by a solvable Bank, legally operating in a member state of the European Union, Switzerland, or in Serbia (Annex 10). This credit institution shall not be the Registered Participant itself or shall not control this Registered Participant or be controlled by the Registered Participant under the meaning of corporate law. The wording of the Bank Guarantee is presented in Annex 8. Each Bank Guarantee is submitted in sealed envelopes, which shall clearly bear the identification details of the Registered Participant, as per the registration requirements of these Yearly and Monthly Allocation Rules.

TRANSELECTRICA provides the possibility for the Registered Participant to deposit the amount equivalent to the Bank Guarantee to an account opened at a bank which fulfills the same requirements as specified in first paragraph of Article 24.1. In this case, all parts of the Article 24.1

of these Yearly and Monthly Allocation Rules that have a reference to the filing of a Bank Guarantee will be replaced by the cash deposit (with certificate of coverage). TRANSELECTRICA accepts separately handled blocked cash deposits (with certificate of coverage), opened by the Registered Participant at a banking institution, with the beneficiary being TRANSELECTRICA, with the following conditions:

- a) The bank which issues the certificate of coverage fulfills all the requirements as the ones specified for the Bank Guarantee;
- b) The certificate of coverage states a specified sum, in Euro (EUR);
- c) The beneficiary is exclusively TRANSELECTRICA;
- d) It is with fixed term, with the due date being at least 27<sup>th</sup> December 2021;
- e) It contains the account number (IBAN), on which the deposit is blocked by the respective bank;
- f) As a notice, it contains that the placement of the cash deposit is the provision of a security instrument for participating in the auction process.

The Registered Participant shall instruct the credit institution to fully or partially block the account, pointing out that he wishes to place a deposit in connection with participating in the auction process.

If the certificate of coverage accepted by TRANSELECTRICA expires within fifteen (15) Working Days from the due date, the Registered Participant is obliged to ensure the prolongation of the certificate of coverage, or the proper substitution of it, if the Registered Participant wishes to participate in the auction process even after the due date.

Unlocking of an account may be initiated at TRANSELECTRICA by the account owner, the Registered Participant. In this case, unlocking of the collateral may be performed through the handing back of the certificate of coverage and the Registered Participant is excluded from the auction process.

The Registered Participant is obliged to ensure that the acceptance value of the collaterals registered by the credit institution continuously meets the actual requirements of these Yearly and Monthly Allocation Rules.

In case of a financial default, TRANSELECTRICA submits its claim in a formal, duly signed request to the credit institution regarding the cash deposit to be exercised. Of this exercised deposit, TRANSELECTRICA has free disposal until the amount of its claims.

Registered Participants have to submit to TRANSELECTRICA, at least two (2) Working Days before the Yearly Auction, a Bank Guarantee or a cash deposit (with certificate of coverage), in respect of participation in the Yearly Auction for the year 2021. The minimum amount is 20,000 (Twenty Thousand) Euros. The expiration date cannot be earlier than 27<sup>th</sup> of December 2021.

The Registered Participant who obtained the PTRs from the Yearly Auction has to increase the amount of the Bank Guarantee or of the Cash Deposit (with Certificate of coverage) within five (5) Working Days after the allocation to the Registered Participant of the Yearly PTRs, in order to cover 2/12 of the total amount corresponding to the PTRs allocated for the whole year, in case the already submitted collateral is less. In case that the Registered Participant does not increase the amount of the collateral within the above mentioned deadlines, TRANSELECTRICA has the right to claim the collateral. In such case the provisions of Article 7.2 and Article 11 will apply, until the collateral with the amount requested is filed to TRANSELECTRICA and all other pending financial obligations, if any, have been paid.

In case the advance payment for the yearly auction is not executed on the due date according to the invoice, the collateral is forfeited to the amount of the due payment. Furthermore the PTR Holder will be charged by the Allocation Office with any additional costs, expenses arising out of the demand for payment made under collateral, and also will be subject to the rules of Article 7.2 and Article 11.

If the collateral is forfeited, the provisions of Article 7.2 and Article 11 will apply, until the collateral with the amount requested is filed and all other pending financial obligations, if any, have been paid.

In case the collateral is not restored within five (5) Working Days or other pending financial obligations are not paid as specified above, the provisions of Article 7.2 will apply. The Yearly PTRs, if any, which were allocated to the Registered Participant and were referring to future periods starting with next day, are considered by TRANSELECTRICA and EMS as capacity available for allocation in the next daily auctions.

#### **24.2. Collaterals for Monthly Auctions**

Each Bank Guarantee submitted to TRANSELECTRICA is subject to Romanian law and shall be issued by a solvable Bank, legally operating in a member state of the European Union, Switzerland, or in Serbia (Annex 10). This credit institution shall not be the Registered Participant itself or shall not control this Registered Participant or be controlled by the Registered Participant under the meaning of corporate law. The wordings of the Bank Guarantee are presented in Annex 8. The Bank Guarantee is submitted in sealed envelopes which shall clearly bear the identification details of the Registered Participant as per the registration requirements of these Yearly and Monthly Allocation Rules.

TRANSELECTRICA provides the possibility for the Registered Participant to deposit the amount equivalent to the Bank Guarantee, to an account opened at a bank which fulfills the same requirements as specified in first paragraph of Article 24.2. In this case, all parts of the Article 24.2 of these Yearly and Monthly Auction Rules that have a reference to the filing of a Bank Guarantee will be replaced by the Cash Deposit (with certificate of coverage). TRANSELECTRICA accepts separately handled blocked cash deposits (with certificate of coverage), opened by the Registered Participant at a banking institution, with the beneficiary being TRANSELECTRICA, with the following conditions:

- a) The bank which issues the certificate of coverage fulfills all the requirements as the ones specified for the Bank Guarantee;
- b) The certificate of coverage states a specified sum, in Euro (EUR);
- c) The beneficiary is exclusively TRANSELECTRICA;
- d) It is with fixed term, with the due date being at least 27<sup>th</sup> December 2021;
- e) It contains the account number (IBAN), on which the deposit is blocked by the respective bank;
- f) As a notice, it contains that the placement of the cash deposit is the provision of a security instrument for participating in the auction process.

The Registered Participant shall instruct the credit institution to fully or partially block the account, pointing out that he wishes to place a deposit in connection with participating in the auction process.

If the certificate of coverage accepted by TRANSELECTRICA expires within fifteen (15) Working Days from the due date, the Registered Participant is obliged to ensure the prolongation of the certificate of coverage, or the proper substitution of it, if the Registered Participant wishes to participate in the auction process even after the due date.

Unlocking of an account may be initiated at TRANSELECTRICA by the account owner, the Registered Participant. In this case, unlocking of the collateral may be performed through the handing back of the certificate of coverage and the Registered Participant is excluded from the auction process.

The Registered Participant is obliged to ensure that the acceptance value of the collaterals registered by the credit institution continuously meets the actual requirements of these Allocation Rules.

In case of a financial default, TRANSELECTRICA submits its claim in a formal, duly signed request to the credit institution regarding the cash deposit to be exercised. Of this exercised deposit, TRANSELECTRICA has free disposal until the amount of its claims.

Registered Participants have to submit to TRANSELECTRICA a collateral for the Monthly Auction in respect of participation in the monthly auctions during the year 2021. The minimum amount is 20,000 (twenty thousand) Euros. The expiration date cannot be earlier than the 27<sup>th</sup> of December 2021.

If the Registered Participant already submitted a Bank Guarantee or a cash deposit in TRANSELECTRICAs account in order to participate in the yearly auction process, a new one for the monthly auctions won't be needed in order for him to participate in the monthly auctions, but that Bank Guarantee or cash deposit will also be subject to the rules stated in Article 24.2.

The collateral has to be presented to TRANSELECTRICA at least two (2) Working Days before the first Monthly Auction (Annex 4) in which the Registered Participant wants to participate. In case the collateral is not provided up to the required deadline, the Registered Participant shall not be permitted to participate in the auction.

In case the advance payment for the monthly auction is not executed on the due date according to the invoice, the collateral is executed to the amount of the due payment. Furthermore, the PTR Holder will be charged by the Allocation Office with any additional costs, expenses arising out of the demand for payment made under the collateral, and also will be subject to the rules of Article 7.2 and Article 11.

When the collateral is forfeited, the provisions of Article 7.2 and Article 11 will apply, until the collateral with the amount requested is filed and all other pending financial obligations have been paid.

In case the collateral is not restored within five (5) Working Days or other pending financial obligations are not paid as specified above, the provisions of Article 7.2 will apply. The Monthly PTRs, if any, that were allocated to the Registered Participant and were referring to the next period of the month starting with the next day are considered by TRANSELECTRICA and EMS as capacity available for allocation in the next daily auctions.

## **25. Use it or Sell It (UIOSI)**

### **25.1. General Principles**

Physical Transmission Rights shall be subject to the “*Use it or Sell It*” (UIOSI) principle.

For each day, all non-nominated yearly and monthly PTRs, if paid according to Article 11, are automatically considered in the ATC for the daily auction, and they are refunded to the PTRs Holders, in accordance with Article 25.2.

## **25.2. Financial arrangements**

The remuneration of the long-term PTR Holders for the non-nominated yearly and monthly PTRs is calculated as the difference between the sum of yearly and monthly PTRs and the final nominations (Schedules at COT for the long term Schedules matching process, accepted by EMS and TRANSELECTRICA), multiplied by the daily Auction Price at which that yearly and monthly PTRs was reallocated at daily auction for the concerned hour. Daily Auction Price is defined in the respective daily auction rules between TRANSELECTRICA and EMS.

TRANSELECTRICA shall send a Settlement Notification for remuneration to PTRs Holders (Annex 9), concerning the PTRs which were not nominated and were sold on the daily auctions and the total amount of EUR to be remunerated, according to the UIOSI principle, to the respective PTRs Holder. This Settlement Notification is to be sent no later than the last calendar day of a month and will concern the PTRs and remuneration rights for the previous month to that in which it was sent.

After receiving the Settlement Notification but after no more than five (5) Working Days, the respective PTR Holder shall issue an invoice to TRANSELECTRICA regarding the owed amount. The invoice will be sent on the issue date via e-mail to the following address: [contracte.alocare@transelectrica.ro](mailto:contracte.alocare@transelectrica.ro). The maturity date is seven (7) Working Days from the receipt of the e-mail. No later than the due date of the respective invoice, TRANSELECTRICA will credit the bank account of the PTR Holder with the respective amount. Remuneration of the PTRs shall be done non-discriminatory (proportional with the non-nominated yearly and monthly PTRs) in the limit of the collected amounts from EMS and implicitly, as far as EMS has collected the respective amounts from the Registered Participants that bought the PTRs in the daily auction.

In case that TRANSELECTRICA hasn't received the entire amount of money from EMS in order to fully remunerate the PTRs Holders according to the UIOSI principle, the remuneration will be realized on a pro-rata basis, proportionally with total amount of the non-nominated PTRs of each PTRs Holders.

As soon as the pending payment is received from the EMS, TRANSELECTRICA will submit to the respective PTRs Holder a new Settlement Notification for the remaining payment under UIOSI principle.

The Registered Participant will provide TRANSELECTRICA, via an official signed letter or via e-mail, with a valid bank account number (IBAN) in which the money shall be paid to or to state if it prefers that the amounts to be paid in the bank account mentioned on the invoice that the Registered Participant issues to TRANSELECTRICA.

The Registered Participant is responsible for paying all bank fees which occur due to this remuneration of non-nominated yearly and monthly PTRs via the UIOSI principle.

If, for any reason, the IT System or devices used by TRANSELECTRICA and/or EMS and/or the website of TRANSELECTRICA and/or EMS is interrupted and/or suspended having as effect the impossibility to sell the non-nominated yearly and monthly PTRs in the daily auction, UIOSI principle cannot be applied and the PTRs Holders will receive for non-nominated yearly and monthly PTRs, the reimbursement equal with non-nominated yearly and monthly PTRs multiplied by Auction Price of the initial yearly/monthly auction in which they were obtained.

If curtailment occurs due to Emergency Situations or Force Majeure, after COT for the long term Schedules matching process and before the publication of the results of the daily auction, the non-nominated yearly and monthly PTRs which will not be the subject of curtailment will be remunerated according to UIOSI principle.

## **26. Language**

The reference language for these Yearly and Monthly Allocation Rules shall be English. For the avoidance of doubt, where TSOs need to translate Yearly and Monthly Allocation Rules into their national language(s), in the event of inconsistencies between the English version published by TSOs and any version in another language, the relevant TSO shall be obliged to dispel any inconsistencies by providing a revised translation of Yearly and Monthly Allocation Rules to its relevant national regulatory authority.

## **27. Notices**

Except where these Yearly and Monthly Allocation Rules provide otherwise, any notice given under these Yearly and Monthly Allocation Rules must be in writing and addressed to the addresses given in Annex 7.

## **28. List of Annexes**

**Annex 1 - Registration Form**

**Annex 2 - Auction Procedure**

**Annex 3 - Scheduled dates of the Yearly Auction for the year 2021 (indicative)**

**Annex 4 - Scheduled dates of the Monthly Auctions for the year 2021 (indicative)**

**Annex 5 - Transfer Form**

**Annex 6 - National Romanian Holidays**

**Annex 7 - Contact List**

**Annex 8 - Bank Guarantee**

**Annex 9 - Settlement Notification for remuneration to PTR Holders**

**Annex 10 - List of Serbian banks accepted by Allocation Office.**

## Annex 1 – Registration Form

### Applicant's data

Company Name:

EIC Code:

Headquarters address:

Tax registration number:

Trade registration number:

Bank name, IBAN:

### **Contact data:**

Phone:

Fax:

E-mail:

Website:

### **Applicant's legal representatives:**

Name:

Phone:

E-mail:

### **Contact persons:**

Name:

Phone:

E-mail:

Name:

Phone:

E-mail:

The applicant declares that he has read the provisions of the procedure and of its annexes, as well as the regulations in force regarding the allocation of the interconnection capacities of the Romanian Power System and fully understands and accepts them.

*Legal representative signature/stamp*

### **The Balancing Responsible Party assuming the balancing responsibility for the applicant**

Company Name:

Headquarters:

Phone:

Fax:

E-mail:

EIC code of the BRP:

*BRP signature/stamp*



## **Annex 2 – Auction Procedure**

The Allocation Office accepts all electronic Bids submitted through the DAMAS platform which are received before the deadline - see article 8.1 for yearly auction and article 9.1 for monthly auction deadlines. In case of failure of the electronic platform DAMAS, the auction will be postponed.

If the total amount of the requested reservation of Offered Capacity is smaller than the Offered Capacity or equals the Offered Capacity for the specific auction, payment for PTRs will be zero, i.e. each Registered Participant will receive the PTRs in the amount specified in his Bid and free of charge at the border.

If the total amount of the requested reservations of Offered Capacity exceeds the Offered Capacity for the specific auction, the price for the reservation of PTRs shall be determined by the Bid with the lowest Bid price accepted by the Allocation Office in the allocation process of the auctioned Offered Capacity (“Auction Price”), acceptance being done in order of Bid Price, from the highest to the lowest.

If two or more delivered Bids offer the same price per MW and they cannot be all fully accepted respecting the above procedure, those offers will be listed by order of the time stamp and the offer that came earlier will have priority.

Auction Price shall be the price of the Bid with the lowest Bid Price that was fully or partially accepted by the Allocation Office using the above procedure in the allocation process of the auctioned ATC.

This Auction Price shall be paid by all Registered Participants receiving a PTR. All Registered Participants receiving a PTR shall be deemed to have purchased the PTR.

**Annex 3 – Scheduled dates of the Yearly Auction for the year 2021 (indicative)**

<b>Y1</b>	16.11.2020	<i>Publication</i> of the Yearly ATC for 2021
<b>Y2</b>	23.11.2020	<i>Deadline</i> for bidding in the Yearly Auction for 2021
<b>Y3</b>	24.11.2020	<i>Information</i> of the Yearly Auction Results for 2021

**Annex 4 – Scheduled dates of the Monthly Auctions for the year 2021 (indicative)**

<b>Monthly Auction JANUARY 2021</b>	
10.12.2020 (M1)	<i>Publication of the Monthly ATC for January</i>
15.12.2020 (M2)	<i>Deadline for bidding monthly auction January</i>
16.12.2020 (M3)	<i>Information of results of monthly auction January</i>
<b>Monthly Auction FEBRUARY 2021</b>	
14.01.2021 (M1)	<i>Publication of the Monthly ATC for February</i>
19.01.2021 (M2)	<i>Deadline for bidding monthly auction February</i>
20.01.2021 (M3)	<i>Information of results of monthly auction February</i>
<b>Monthly Auction MARCH 2021</b>	
12.02.2021 (M1)	<i>Publication of the Monthly ATC for March</i>
17.02.2021 (M2)	<i>Deadline for bidding monthly auction March</i>
18.02.2021 (M3)	<i>Information of results of monthly auction March</i>
<b>Monthly Auction APRIL 2021</b>	
12.03.2021 (M1)	<i>Publication of the Monthly ATC for April</i>
17.03.2021 (M2)	<i>Deadline for bidding monthly auction April</i>
18.03.2021 (M3)	<i>Information of results of monthly auction April</i>
<b>Monthly Auction MAY 2021</b>	
14.04.2021 (M1)	<i>Publication of the Monthly ATC for May</i>
19.04.2021 (M2)	<i>Deadline for bidding monthly auction May</i>
20.04.2021 (M3)	<i>Information of results of monthly auction May</i>
<b>Monthly Auction JUNE 2021</b>	
12.05.2021 (M1)	<i>Publication of the Monthly ATC for June</i>
17.05.2021 (M2)	<i>Deadline for bidding monthly auction June</i>
18.05.2021 (M3)	<i>Information of result of monthly auction June</i>

<b>Monthly Auction JULY 2021</b>	
14.06.2021 (M1) 17.06.2021 (M2) 18.06.2021 (M3)	<i>Publication of the Monthly ATC for July</i> <i>Deadline for bidding monthly auction July</i> <i>Information of results of monthly auction July</i>
<b>Monthly Auction AUGUST 2021</b>	
12.07.2021 (M1) 15.07.2021 (M2) 16.07.2021 (M3)	<i>Publication of the Monthly ATC for August</i> <i>Deadline for bidding monthly auction August</i> <i>Information of results of monthly auction August</i>
<b>Monthly Auction SEPTEMBER 2021</b>	
12.08.2021 (M1) 17.08.2021 (M2) 18.08.2021 (M3)	<i>Publication of the Monthly ATC for September</i> <i>Deadline for bidding monthly auction September</i> <i>Information of results of monthly auction September</i>
<b>Monthly Auction OCTOBER 2021</b>	
13.09.2021 (M1) 16.09.2021 (M2) 17.09.2021 (M3)	<i>Publication of the Monthly ATC for October</i> <i>Deadline for bidding monthly auction October</i> <i>Information of results of monthly auction October</i>
<b>Monthly Auction NOVEMBER 2021</b>	
11.10.2021 (M1) 14.10.2021 (M2) 15.10.2021 (M3)	<i>Publication of the Monthly ATC for November</i> <i>Deadline for bidding monthly auction November</i> <i>Information of results of monthly auction November</i>
<b>Monthly Auction DECEMBER 2021</b>	
10.11.2021 (M1) 15.11.2021 (M2) 16.11.2021 (M3)	<i>Publication of the Monthly ATC for December</i> <i>Deadline for bidding monthly auction December</i> <i>Information of results of monthly auction December</i>

## Annex 5 – Transfer Form

### TRANSFER OF THE RIGHT OF USAGE OF PTRs

The scanned copy of this form shall be delivered to the following e-mail addresses: [schedule@ems.rs](mailto:schedule@ems.rs), [tsoplan@transelectrica.ro](mailto:tsoplan@transelectrica.ro) and [contracte.alocare@transelectrica.ro](mailto:contracte.alocare@transelectrica.ro)

	INITIAL OWNER OF THE PTR	NEW OWNER OF THE PTR
COMPANY NAME/NAME		
CONTACT PERSON		
PHONE		
FAX		
E-MAIL		
EIC CODE		
BORDER		
DIRECTION		
TRANSFERRED PTR [MW]		
TRANSFER PERIOD		
SIGNATURE AND STAMP		
DATE		

## **Annex 6 – National Romanian Holidays**

<b>No.</b>	<b>Date</b>	<b>Name of holiday</b>
1	01.01.2021	New Year's Day
2	02.01.2021	New Year's Day
3	24.01.2021	The Union Day
4	30.04.2021	Easter Friday
5	01.05.2021	Labor Day
6	02.05.2021	Easter Day
7	03.05.2021	Easter Second Day
8	01.06.2021	Child Day
9	21.06.2021	Penticost second day
10	15.08.2021	St. Maria Day
11	30.11.2021	St. Andrei Day
12	01.12.2021	Romanian National Day
13	25.12.2021	Christmas Day
14	26.12.2021	Christmas Second Day

## **Annex 7 – Contact List**

### **TRANSELECTRICA**

#### **OPERATIONAL OFFICE (Scheduling, confirmation of capacity):**

Tel.: 004 021 303 5638

Fax: 004 021 303 5699

E-mail: [tsoplan@transelectrica.ro](mailto:tsoplan@transelectrica.ro)

#### **Mr. ANTON Mircea**

Tel.: 004 021 303 5678

E-mail : [mircea.anton@transelectrica.ro](mailto:mircea.anton@transelectrica.ro)

#### **Mrs. CONDOVICI Mihaela**

Tel.: 004 021 303 5854

E-mail : [mihaela.condovici@transelectrica.ro](mailto:mihaela.condovici@transelectrica.ro)

#### **ALLOCATION OFFICE (Commercial Contact):**

Tel: 004 021 303 5963

Fax: 004 021 303 5847

E-mail : [contracte.alocare@transelectrica.ro](mailto:contracte.alocare@transelectrica.ro)

#### **Mr. BUSCOVEANU Costel**

Tel: 004 021 303 5898

E-mail: [costel.buscoveanu@transelectrica.ro](mailto:costel.buscoveanu@transelectrica.ro)

#### **Mrs. TUCEAC Monica**

Tel: 004 021 303 5963

E-mail: [monica.tuceac@transelectrica.ro](mailto:monica.tuceac@transelectrica.ro)

#### **Mrs. MATEI Elena**

Tel: 004 021 303 5807

E-mail: [elena.matei@transelectrica.ro](mailto:elena.matei@transelectrica.ro)

## Annex 8 – Bank Guarantee

Payable on First Demand No..... of Euro .....

To : CNTEE TRANSELECTRICA SA (TRANSELECTRICA)

Blvd. General Gh. Magheru 33, s. 1, Bucharest

Correspondence address: 2-4 Olteni street, s.3, Bucharest 030786

Sirs,

1. We hereby guarantee expressly, irrevocably, unconditionally and unreservedly, to yourselves (CNTEE TRANSELECTRICA SA hereinafter called TRANSELECTRICA), waiving all rights of objection and division and excussion (beneficium excussionis) for our part only, the full and prompt payment to you by the company with the name ....., the registered office of which are at ..... (hereinafter called the Client), with tax registration number ....., free of any set off or counterclaim of up to euro [.....at least 20.000 euros], which we undertake to pay to you (TRANSELECTRICA) immediately on demand being made by you, in the event of a failure by our Client to perform any of its obligations under the terms described in Yearly and Monthly Allocation Rules for the Coordinated Allocation of Cross Zonal Capacities at the Border between the Bidding Zones of TRANSELECTRICA and EMS for the year 2021 (hereinafter called the Yearly and Monthly Allocation Rules), mutually agreed by the Serbian and Romanian Transmission System Operators, independently of the validity of the legal effects of the Statement of Acceptance, signed by our Client in accordance with the Yearly and Monthly Allocation Rules.
2. We agree as an independent and primary obligation to indemnify and keep indemnified yourselves for all losses, liabilities, costs and expenses incurred as a result of
  - (1) the Client's failure to perform or discharge any of its payment obligations when due, or
  - (2) the unenforceability, invalidity or illegality of any of the Client's payment obligations in respect of the Yearly and Monthly Allocation Rules, in any case our obligations not exceeding in total the amount of [.....at least 20.000 euros]. We agree as an independent and primary obligation to pay within 3 business days of demand by yourselves any amounts due in respect of the Yearly and Monthly Allocation Rules, not exceeding euro [.....at least 20.000 euros]. Any amount due under this paragraph will be recoverable from ourselves as though the obligation had been incurred by us as sole or principal debtor.
3. This guarantee and indemnity is valid until such time as our Client honors in full all its obligations arising under the Yearly and Monthly Allocation Rules as regards our Client's participation, as described in the Yearly and Monthly Allocation Rules, until the twenty seventh (27<sup>nd</sup>) day of December 2021.
4. We hereby promise and undertake to pay immediately to you (TRANSELECTRICA) upon receipt of your simple written demand, without contesting it or raising any objections, set off, or counter-claim, whatsoever, any amount up to the maximum of (.....), and which you have determined is owed to you (TRANSELECTRICA), in the event of any failure by our Client to perform all or any of its obligations under the Yearly and Monthly Allocation Rules.
5. TRANSELECTRICA's written demand for payment for the purpose of authentication must be presented to the Bank through the intermediary of BRD – Groupe Societe Generale confirming that the signatures on it are legally binding upon TRANSELECTRICA. If in this respect, BRD – Groupe Societe Generale (SWIFT: BRDEROBU) will make use autenticated swift message to our address .....(Bank Swift), it will have to transmit in any case the full wording of TRANSELECTRICA's



demand for payment and to confirm at the same time that the originals of these documents have been forwarded to us by special courier service, to our address: (Address of Bank).

6. Your demand for payment, presented in conformity with the terms and conditions of this present guarantee, shall be obligatory for ourselves and we hereby undertake to pay immediately on you, any stipulated sum or sums not exceeding the aggregate amount of (\_\_\_\_\_), free from interest, costs and ancillary charges, or set off or counterclaim, as per your instructions, without demanding our Client's authorization, consent or any other action, and without having the right to take into consideration any opposition, objection or exception raised by our Client.
7. This present guarantee and indemnity is valid until its expiration date, namely 27.12.2021, at which point it shall lapse but without prejudice to our obligations hereunder in respect of any liability to yourselves incurred prior to that date which shall remain in full force and effect until discharged in full.
8. Modification or termination of factual or legal relations or links that may exist between us and our Client, will not release us from the present guarantee. Our obligations arising by this present guarantee and indemnity will remain valid and we will not be released from our obligations arising from this guarantee and indemnity if our Client is declared bankrupt, or is in liquidation or is dissolved, or in case of compulsory administration or any other relevant procedure or if our Client is granted any benefits or sets off any claim against you (TRANSELECTRICA). All the provisions of the present guarantee and indemnity will retain their full effect, irrespective of any change in the financial or legal status of our Client.
9. The present guarantee and indemnity is an autonomus letter of gurantee in accordance with article 2321 of Romanian Civil Code and all matters arising from it are subject to Romanian law. Any dispute arising out of or in connection with this guarantee shall be submitted for judgment to the competent court of Bucharest, Romania.
10. In case of demand for payment being made under this guarantee and indemnity, if the amount payable by us is subject to any government taxes or fees, these are to be paid by our Client. Reasonable and duly justified costs relative to the present guarantee will be borne by our Client.
11. By this present we hereby declare that the amount of the present guarantee does not exceed the limit set by the law for our bank.
12. This gurantee has to be returned to us, (Name of Bank), (Address of Bank), once it has expired.

IN WITNESS WHEREOF the present guarantee was signed on ..... 20...

Issuer's signature.....

(Authorised signatures of the bank) (Name of the Bank)

**NOTE: As a payment guarantee TRANSELECTRICA accepts the above mentioned wording. If the Bank wants meaningful changes in the text, you have to approve it first with TRANSELECTRICA.**

## **Annex 9 – Settlement Notification for remuneration to PTR Holders**

### **Settlement Notification – UIOSI remuneration**

**TO:** Name of Registered Participant

**Ref No...../Date**

**Subject:** Settlement Notification for remuneration via UIOSI principle for the month of ..... 2021

Please be informed that your non-nominated PTRs that were sold on the daily auctions, for the month of ..... 2021, are the following:

Border Direction	Non-nominated PTR (MWh)	Non-nominated PTR Value (EURO)	Curtailed PTR (MWh)	Curtailed PTR Value (EURO)	Total remunerated value (EURO)

At request of the Registered Participant, a detailed report will be submitted to the Registered Participant which will contain: Name of Participant, EIC Code, total non-nominated PTRs (yearly and monthly) per hour, curtailed PTRs per hour, Auction Price of the initial auction and Auction Price of a daily auction, total of the reimbursed value.

Sincerely Yours,

Name

Position

## **Annex 10 – List of Serbian bank accepted by Allocation Office**

As collaterals, TRANSELECTRICA accepts bank guarantees issued by the following Serbian financial institutions in English language only for companies registered in Serbia:

SOCIETE GENERALE BANKA SRBIJA

BANCA INTESA BEOGRAD

ERSTE BANK

RAIFFEISEN BANKA A.D. BEOGRAD

UNICREDIT BANK