Annex 8 to the harmonised Allocation Rules to Forward Capacity Allocation

Border specific annex for the border Hungary - Romania

Article 1

Subject-matter and scope

1. In accordance with Article 4 of the Allocation Rules regional or border specificities may be introduced for one or more Bidding Zone borders. For the Bidding Zone border Hungary and Romania specific rules in derogation to the respective Articles shall be applied as listed in this annex:

   a) for the designation of the Allocation Platform (Chapter 1 – Article 3);

   b) for Requirements and process for participation in Auctions and Transfer (Chapter 2) with regard to submission of information (Article 9);

   c) for Collaterals (Chapter 3 – Articles 20, 21 and 24);

   d) for Use and remuneration of Long Term Transmission Rights (Chapter 7) – General Principles - with regard to the reservation of Physical Transmission Rights for the exchange of balancing energy (Article 45);

   e) for the Invoicing and Payment (Chapter 10 – Article 65) and

   f) for the Notices (Chapter 11 – Article 74).

2. Wherever the Allocation Rules contains reference to these Articles the rules described in this annex shall be considered accordingly with regard to the Bidding Zone border Hungary and Romania.

3. This annex is effective at the date of entry into force of the Allocation Rules subject to an approval of relevant National Regulatory Authorities. This annex may be reviewed based on request of the relevant National Regulatory Authorities. In case this annex needs to be amended based on a decision of the relevant National Regulatory Authorities, Article 68 of the Allocation Rules shall apply.

Article 2

Allocation Platform

1. This Article 2 supplements Article 3 of the Allocation Rules.

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2. The Allocation Platform on the Bidding Zone border Hungary and Romania shall be MAVIR, the Hungarian TSO.

Article 3

Submission of information

3. This Article 3 replaces Article 9 paragraph 1 letter h) of the Allocation Rules.

4. h) financial contact person for collaterals, invoicing and payment issues, and their contact details (email, facsimile, ***postal address*** and telephone number) for notifications where required in these Allocation Rules in accordance with Article 74; and

Article 4

Form of cash deposit

5. This Article 4 supplements Article 20 of the Allocation Rules.

6. ***The Registered Participant shall provide the collaterals in the form of a cash deposit in a dedicated Business Account at least four (4) Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.***

Article 5

Form of Bank guarantee

1. This Article 5 replaces Article 21 paragraphs 3 and 5 of the Allocation Rules.

2. The Registered Participant shall submit the Bank Guarantee at least ***four (4)*** Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.

3. The Allocation Platform shall confirm the acceptance of the Bank Guarantee or send a refusal note to the Registered Participant, at the latest, ***four (4)*** Working Days after the receipt of the original of the Bank Guarantee. The confirmation or refusal note shall be sent via email to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 9. The refusal note shall include reasoning for refusal.

Article 6

Modification of the collaterals

1. This Article 6 replaces Article 24 paragraph 5 of the Allocation Rules.

2. The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the latest, ***four (4)*** Working Days after the receipt of the request. The confirmation or refusal note shall be sent via email to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 9. The refusal note shall include reasoning for refusal

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Article 7

Use and remuneration of Long Term Transmission Rights

General Principles

1. This Article 7 supplements Article 45 of the Allocation Rules.

2. ***The possibility and any other necessary information related to the reservation of the Physical Transmission Rights for the exchange of balancing energy shall be announced by the Allocation Platform in the Auction Specification referred to in Article 29. The introduction of the possibility of the reservation of the Physical Transmission Rights for the exchange of balancing energy shall be consulted upon and approved by the relevant National Regulatory Authorities, where applicable.***

Invoicing and payment conditions

Article 8

1. This Article 8 replaces Article 65 paragraph 4 of the Allocation Rules.

2. The Allocation Platform shall send the original invoice by post and a copy of it by e-mail to the Registered Participant at the postal address and e-mail address of the financial contact person submitted in accordance with Article 9(h).

Article 9

1. This Article 9 replaces Article 65 paragraph 5 of the Allocation Rules.

2. In the cases of curtailment of Long Term Transmission Rights, return of Long Term Transmission Rights according to Article 40 or remuneration of Long Term Transmission Rights according to Article 48, the invoices shall take into account any payments to be credited to the Registered Participant. ***The payments to be credited to the Registered Participant shall be settled:***

   a) in case the compensation in respect of curtailment is to be paid for first (original) holder of Long Term Transmission Right by a modified or corrected invoice issued by the Allocation Platform;

   b) in case the compensation in respect of curtailment is to be paid for the new holder of Long Term Transmission Right after the transfer by an invoice issued by the Registered Participant based on settlement notification of Allocation Platform;

   c) in case the remuneration in respect of return or resale is to be paid for the holder of Long Term Transmission Right by an invoice issued by the Registered Participant based on settlement notification of Allocation Platform .

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Article 10

1. This Article 10 replaces Article 65 paragraph 7 of the Allocation Rules.

2. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the Registered Participant to the Allocation Platform, the Registered Participant shall settle this balance within seven (7) Working Days after the date of ***issuance*** of the ***original*** invoice.

Article 11

1. This Article 11 replaces Article 65 paragraph 8 of the Allocation Rules.

2. Payments by the Registered Participant as set forth in paragraph 7 of Article 65 of the Allocation Rules shall be collected in a way that the Registered Participant shall ensure payment through a non-automated transaction to the account of the Allocation Platform specified on the invoice by indicating the invoice reference.

Article 12

1. This Article 12 replaces Article 65 paragraph 9 of the Allocation Rules.

2. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the Allocation Platform to the Registered Participant, the Allocation Platform shall pay this balance within seven (7) Working Days after the:

   a) ***date of issuance of the corrected invoice issued by the Allocation Platform; or***

   b) date of receipt of the original invoice issued by the Registered Participant

   to the bank account as announced during the accession process in accordance with Article 9 paragraph 1(g) by the Registered Participant who is entitled to the payments at the due date.

Article 13

Notices

1. This Article 13 replaces Article 74 paragraph 3 of the Allocation Rules.

2. All notices or other communications shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:

   (a) the conclusion of the Participation Agreement in accordance with Article 6;

   (b) the suspension and termination according to Article 72 and Article 71;

   (c) the submission of the bank Guarantee in accordance with Article 21 paragraph 3 and

   (d) the original invoices in accordance with Article 8 and Article 9 of this annex.

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