Annex 5 to the harmonised Allocation Rules

Border specific annex for France-Spain

Article 1

Subject-matter and scope

1. In accordance with Article 4 of the Allocation Rules for Forward Capacity Allocation, regional or border specificities may be introduced for one or more Bidding Zone borders. Rules described in this border specific annex apply to the borders France-Spain.

2. This annex is effective at the date of entry into force of the Allocation Rules subject to an approval 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.

3. If there is an inconsistency between any of the provisions in the main body of the Allocation Rules and this annex, the provisions in this annex shall prevail. The capitalised terms used in this annex are defined in the harmonised Allocation Rules to which this annex is attached.

Article 2

Return of Long Term Transmission Rights

1. In deviation to Article 38.2, Returned Long Term Transmission Rights shall be either a constant band of whole MW(s) over the specific timeframe of the subsequent Auction or a constant value of whole MW(s) during the days out of the Reduction Period(s). This second case applies only if the Long Term Transmission Rights to be returned at a subsequent Auction contain exactly the same Reduction Period(s) as the ones of the subsequent Auction itself.

Article 3

Compensation for curtailments to ensure operation remains within Operational Security Limits before the Day Ahead Firmness Deadline

1. In deviation to Article 59.2, the cap shall be determined as the total amount of Congestion Income for long term timeframe and the day-ahead timeframe collected by the concerned TSOs on the respective Bidding Zone border in a calendar year, deducting all remunerations paid according to Articles 40 and 48 and compensations paid according to Articles 60 and where applicable Article 61. This Article will not be applicable as from the delivery year following the effective implementation of the continuous intraday coupling mechanism on the concerned border.

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Article 4

Invoicing and payment conditions

1. In deviation to Article 65.6, where compensations are due to the Registered Participant in respect of curtailment of Long Term Transmission Rights and are subject to a cap set forth in Article 3 of this Annex, such compensations shall be settled with the first invoice to be issued after the end of the relevant month and subject to a cap determined as the total amount of Congestion Income for long term timeframe and the day-ahead timeframe collected by the concerned TSOs on the Bidding Zone border in the relevant month, deducting all remunerations paid according to **Error! Reference source not found.** and **Error! Reference source not found.** and compensations paid according to **Error! Reference source not found.** and where applicable **Error! Reference source not found.** for the considered month. The total amount of Congestion Income in one month is defined as the sum of a twelfth of the revenues raised at yearly Auction on the concerned Bidding Zone Border and the revenues generated by the monthly Auction and Congestion Income from day-ahead timeframe which occurred during this month on the concerned Bidding Zone border. This Article will not be applicable as from the delivery year following the effective implementation of the continuous intraday coupling mechanism on the concerned border.

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