Annex 4 to the Harmonised Allocation Rules for Forward Capacity Allocation

Border specific annex for the border Germany-Switzerland

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 border Germany-Switzerland.

2. This annex is effective at the date of entry into force of the Allocation Rules subject to an approval or notification 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. All rights and responsibilities of National Regulatory Authorities, as stated within the Allocation Rules, shall also apply to the equivalent authority in Switzerland.

4. 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.

5. The capitalised terms used in this annex are defined in the Allocation Rules to which this annex is attached unless otherwise specified below.

Article 2

Triggering events and consequences of curtailment on Long Term Transmission Rights

1. Article 56 paragraph 3 of the Allocation Rules shall not apply.

Article 3

Compensation for curtailments to ensure operations remain within Operational Security Limits

1. In deviation to Article 59 of the Allocation Rules, curtailments to ensure operations remain within Operational Security Limits and due to Emergency Situation are compensated as described in this Article.

ENTSO-E AISBL • Avenue Cortenbergh 100 • 1000 Brussels• Belgium• Tel +32 2 741 09 50 • Fax +32 2 741 09 51

2. The compensation for each affected hour and Registered Participant shall be calculated as the Long Term Transmission Rights in MW per hour corresponding to the difference between the allocated Long Term Transmission Rights held or the nominated Physical Transmission Rights by the Registered Participant before and after the curtailment multiplied by the following terms:

   (a) in case of curtailment of the allocated Long Term Transmission Rights held, the Marginal Price of the initial Auction where the curtailed Long Term Transmission Rights were allocated, or

   (b) in the case of curtailment of the nominated Physical Transmission Rights, the weighted average Marginal Prices of yearly and monthly auctions where the curtailed Physical Transmission Rights were allocated to a market participant, and

   (c) a coefficient of 110%.

3. With reference to Article 48 paragraph 2 of the Allocation Rules, the compensation for the non-nominated Long Term Transmission Rights which are not reallocated at the relevant daily allocation shall be calculated according to Article 3 paragraph 2 of this annex.

4. The compensations calculated according to paragraph 2 of this Article which occurred within one calendar moth shall be further subject to a cap. The cap shall be determined as the sum of the part of the yearly Auction revenues corresponding to that month (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 other long term timeframes which occurred during this month on the concerned Bidding Zone border, deducting all remunerations paid according to Articles 40 and 48 and compensations paid according to Articles 60 and where applicable Article 61.

Article 4

Compensation for curtailments due to Force Majeure or Emergency Situation

1. In deviation to Articles 60 and 61 of the Allocation Rules, curtailments due to Force Majeure or Emergency Situation are compensated as described in this Article.

2. In the event of Force Majeure or Emergency Situation, irrespective of the moment of curtailment, holders of curtailed Long Term Transmission Rights shall be entitled to receive a reimbursement multiplied by the following terms:

   (a) in case of curtailment of allocated Long Term Transmission Rights held, the Marginal Price of the initial Auction where the curtailed Long Term Transmission Rights were allocated, or

   (b) in case of curtailment of nominated Physical Transmission Rights, the weighted average Marginal Prices of yearly and monthly auctions where the curtailed Physical Transmission Rights were allocated to a Registered Participant, and

   (c) a coefficient of 100%.

ENTSO-E AISBL • Avenue Cortenbergh 100 • 1000 Brussels• Belgium• Tel +32 2 741 09 50 • Fax +32 2 741 09 51