

Electricity Market Rules

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Chapter One General provisions

Art. 1. (1) (Amended - SG 39 /2014) These Electricity market rules, hereinafter referred to as the "rules", regulate:

1. the structure of the electricity market;
2. the terms and conditions for participation in the electricity market;
3. (amended - SG 39/2014) the rules for conclusion of transactions for electricity at regulated and freely negotiated prices through bilateral contracts;
4. the rules for conclusion of transactions on the organized day ahead market;
5. the rules for registration of balance responsible parties, suppliers of ancillary services and balancing energy providers;
6. (amended - SG 39/2014) the procedures for registration of hourly schedules and settlement between the market participants and the independent transmission operator;
7. the requirements for the submission of data for metered electricity quantities to the independent transmission operator and balance responsible parties;
8. the requirements for data exchange between the market participants;
9. the rules for organisation of the balancing energy market;
10. the rules for organisation of the reserve and ancillary services market;
11. the rules for settlement, the principles of balancing and the methodology for determination of the balancing energy prices;
12. the rules for supply from end suppliers/public providers;
13. the rules for allocation of cross-border capacities;
14. the procedure for switch off the electricity supplier;
15. the procedure for switch off the balance responsible party;
16. electricity market monitoring.

(2) (Amended - SG 39/2014) Market participants, within the meaning of these rules, are the electricity producers, the electricity traders, the end consumers, the public supplier, the public providers, the independent transmission operator, the operator of the organized market, the operators of the distribution networks, the suppliers of last resort and the distribution companies of traction power.

Chapter two. ELECTRICITY MARKET STRUCTURE

Section I. Types of markets

Art. 2. (1) The electricity market includes the following interrelated elements:

1. electricity market through bilateral contracts;

2. electricity organized day ahead market;
3. balancing energy market;
4. reserve and ancillary services market;
5. cross-border capacity allocation market.

(2) (Amended - SG 39/2014) Subject of the transactions according these rules are:

1. electricity for realisation on the market under bilateral contracts;
2. electricity for realisation on the organized day ahead market;
3. electricity for realisation on the balancing market;
4. availability for participation in primary and secondary regulation;
5. cold reserve availability;
6. cross-border capacity;
7. ancillary services;
8. service "access to the grid, including system services";
9. service "electricity transmission and other network services";
10. "balancing responsibility".

Art. 3. (amended - SG 39/2014) The market participants shall acquire right to register transactions with electricity after registration, in accordance with the requirements of these rules, by the relevant network operator who operates the network where the sites are connected to.

Section II

Electricity market through bilateral contracts

Art. 4. (1) The market participants under art. 1 para 2 shall conclude transactions with electricity at freely negotiated prices and/or at regulated prices for each delivery period, equal to one hour.

(2) The notification of the schedules to the independent transmission operator as in regards to the transactions under para 1 shall be on the day preceding the day of delivery (day ahead) and/or within the day of delivery (intraday).

(3) (Amended - SG (2014) The independent transmission operator and the operators of distribution networks shall purchase electricity only for the coverage of the technological losses in the networks for each separate delivery period.

Section III.

Electricity organized day ahead market

Art. 5. (1) (amended and suppl. - SG 39/2014) The market participants registered for participation in the organized day ahead market can conclude transactions with electricity on the electricity organized market in accordance with chapter four of these rules.

(2) (Amended - SG 39/2014) The transactions under para 1 shall be concluded at market clearing price determined for each delivery period by the operator of the organized market, licensed for the electricity organized market administration.

(3) (repealed - SG 39/2014)

Section IV.

Balancing energy market

Art. 6. (1) The independent transmission operator shall conclude transactions for purchase and/or sale of electricity with market participants who owe dispatched generating and/or consuming sites for coverage of the imbalances within the national market area.

(2) (suppl. - SG 38/2014) The market participants under para 1, registered on the balancing energy market as suppliers of balancing energy, as a result from participation in secondary regulation, shall provide available capacity (range) for upward regulation. The range shall be determined by the independent transmission operator and shall be indicated in the contracts under art. 131, para 2 of the rules. It shall be updated on a monthly basis and within this range the market participants shall not be entitled to conclude market transactions through bilateral contracts or on the electricity organized day ahead market.

(3) (amended and suppl. - SG 39/2014) The market participants under para 1, registered on the balancing energy market as suppliers of balancing energy, as a result from participation in secondary regulation, shall be obliged to provide their available ranges for downward regulation and shall pay the unproduced electricity at prices indicated in the contracts under art. 131, para. 2 of the rules.

(4) (Amended - SG 39/2014) The market participants under para 1, registered for participation in the balancing energy market as energy suppliers for tertiary regulation, shall be obliged to provide to the balancing energy market, in the form of bids for upward regulation, the total gross capacity which they haven't contracted on the market through bilateral contracts and/or at the electricity organized day ahead market.

(5) (New- SG 39/2014) The market participants under para 1, registered for participation in the balancing energy market as energy suppliers for tertiary regulation, shall be obliged to provide to the balancing energy market, in the form of bids for downward regulation, the total gross capacity till the technical minimum of the aggregates.

(6) (Previous para 5 - SG 39/2014) The independent transmission operator shall activate balancing energy sources to keep the balance of the EPS, and provision of reliable and safe operation of the power grid.

(7) (Previous para 6, amended - SG 39/2014) The balance responsible parties shall bear the financial responsibility towards the independent transmission operator for the realised imbalances in balancing groups.

(8) (Previous para 7, amended - SG 39/2014) The market participants under art. 1, para 2 shall share the financial responsibility towards the balance responsible parties in accordance with the contracts for participation in the balancing group.

Art. 7. (1) The balancing energy market shall be administrated by the independent transmission operator.

(2) The independent transmission operator shall be party on the balancing energy transactions with the balancing energy providers and the balance responsible parties.

Section V. Reserve and ancillary services market

Art. 8. (1) (Amended - SG 39/2014) For the purpose of provision of secure and reliable electricity supply to the end consumers, the independent transmission operator shall conclude transactions for ancillary services with producers registered for participation in the ancillary services market, in accordance with the requirements of the Grid Code and these rules.

(2) The participation of the producers in the transactions under para 1 shall be in

accordance with the provisions of chapter nine.

Art. 9. (amended - SG 39/2014) The independent transmission operator shall conclude transactions for cold reserve with producers in accordance with the provisions of the Energy Law, the Grid Code and these rules.

Section VI Capacity Allocation Market

Art. 10. (1) The independent transmission operator shall organise auctions for allocation of cross-border transmission capacity in accordance with the requirements of Regulation (EC) 714/2009 in coordination with the system operators of the neighbouring countries pursuant to the Auction Rules, approved by SEWRC and published on the internet site of the independent transmission operator.

(2) In case agreement is not reached for the execution of bilateral coordinated auctions with any of the neighbouring system operators, the independent transmission operator shall apply temporary rules for allocation of 50 % of the transmission capacity on the relevant border. The rules shall be approved by SEWRC and shall be published on the internet site of the independent transmission operator.

Chapter Three ELECTRICITY MARKET CONTRACTS

Section I. Types of contracts

Art. 11. The electricity market contracts are:

1. contract for access to the electricity transmission network and provision of system services;
2. contract for electricity transmission through the electricity transmission network;
3. contracts for access and electricity transmission through the electricity distribution network;
4. contract for sale of electricity;
5. contract for provision of cold reserve;
6. contract for provision of ancillary services;
7. contract for participation in the balancing market with balancing energy providers;
8. balancing contract with balance responsible parties;
9. contract for participation in balancing group;
10. combined services contract;
11. contract for participation in the electricity organized market;
12. contract with market maker providing liquidity of the electricity organized market;
13. framework contract;
14. (amended - SG 39/2014) contract for settlement of the electricity exchange in regards to the participation of producers of electricity from renewable sources and high-efficiency co-generation (CHP) in combined balancing group;
15. contract for data exchange for the metering data;
16. contract under art. 100, para 4 of the Energy Law.

Section II

Parties and subject of the contract

Art. 12. (1) Subject of the contracts under art. 11, p. 1 is the provision of the service "access to the transmission network" and system services.

(2) The contracts under para 1 shall be concluded between the independent transmission operator, on one side, and:

1. end consumers connected to the transmission network;
2. producers connected to the transmission network;
3. operators of distribution networks;
4. electricity traders and producers who conclude import and export transactions;

Art. 13. (1) Subject of the contracts under art. 11, p. 2 is the provision of the service "transmission of electricity through the transmission network".

(2) The contracts under para 1 shall be concluded between the transmission company, on one side, and:

1. end consumers connected to the transmission network;
2. producers connected to the transmission network;
3. operators of distribution networks;
4. (amended - SG 39/2014) electricity traders and producers who conclude import and export transactions;

(3) (repealed - SG 39/2014)

Art. 14. (1) (Amended - SG 39/2014) Subject of the contracts under art. 11, p. 3 is the provision of the services "access to the distribution network" and "electricity transmission through the distribution network".

(2) The contracts under para 1 shall be concluded between the operator of the electricity distribution network, on one side, and:

1. (suppl. - SG 39/2014) end consumers connected to the electricity distribution network under general terms and conditions;
2. producers connected to the electricity distribution network;
3. (repealed - SG 39/2014)
4. (repealed - SG 39/2014)

(3) (Amended - SG 39/2014) The operator of the electricity distribution network and the end supplier/public provider shall settle their financial relations in regards to the payment of the network services through a contract.

Art. 15. (1) The contracts for sale of electricity under art. 11, p.4 shall be concluded at regulated prices, freely negotiated prices, prices under the approved by SEWRC methodology and under long-term contracts for purchase of electricity and availability.

(2) The contracts at regulated prices shall be concluded between:

1. (amended - SG 39/2014) the producers, within the availability determined under art. 21, para 1, p. 21 of the Energy Law, on one side, and the public supplier;
2. the public supplier, on one side, and:

a) the public providers, for the quantities of electricity determined by SEWRC on the grounds of art. 21, para 1, p. 21 of the Energy Law;

b) (amend. - SG 39/2014) the independent transmission operator (for technological losses);

c) the operators of electricity distribution networks (for technological losses);

3. the public providers, on one side, and household and non-household end consumers - for sites connected to the electricity distribution network at low voltage level, provided these consumers haven't switch off the supplier;

4. the producers who generate electricity from renewable sources and co-generation, on one side, and:

a) the public supplier;

b) the public providers.

(3) The contracts at freely negotiated prices shall be concluded between:

1. the producers, on one side, and:

a) the electricity traders;

b) end consumers registered on the market at freely negotiated prices;

c) (amended - SG 39/2014) the public supplier, in the cases provided for in the Energy Law;

d) other electricity producers.

2. (amended - SG 39/2014) the public supplier, on one side, and:

a) (suppl. - SG 39/2014) the public providers, in the cases provided for in the Energy Law;

b) (amend. - SG 39/2014) suppliers of last resort;

c) electricity traders;

3. the electricity traders, on one side, and:

a) end consumers registered on the market at freely negotiated prices;

b) other electricity traders.

(4) The contracts at prices determined under approved by SEWRC methodology shall be concluded between the suppliers of last resort and end consumers who haven't switch off the supplier or have no supplier.

Art. 16. (1) Subject of the contracts under art. 11, p. 5 and 6 shall be the provision of ancillary services and cold reserve.

(2) The contracts under para 1 shall be concluded between the independent transmission operator, on one side, and:

1. producers who meet the requirements of the Grid Code;

2. the public supplier.

Art. 17. (1) Subject of the contracts under art. 11, p. 7 is the provision of balancing energy to the independent transmission operator from secondary, tertiary and activated cold reserve.

(2) The contracts under para 1 shall be concluded between the independent transmission operator, on one side, and:

1. producers, registered as balancing energy providers;

2. end consumers, registered as balancing energy providers;

3. the public supplier.

Art. 18. (1) Subject of the contracts under art. 11, p. 8 is the physical and financial settlement of the imbalances for the metering points which form the virtual metering point, determined for the relevant balancing group.

(2) The contracts under para 1 shall be concluded between the independent transmission operator, on one side, and the balance responsible parties or market participants who are responsible for the imbalances of their own sites, on the other side.

Art. 19. (1) Subject of the contracts under art. 11, p. 9 are the conditions for participation in balancing group, the transfer of balancing responsibility and the methodology for allocation of the total imbalance within the balancing group between the separate members of the balancing group.

(2) The contracts under para 1 shall be concluded between the coordinator and the members of the balancing group.

(3) (suppl. - SG 39/2014) The contracts under para 1 between the public providers, in their capacity of coordinators of special balancing groups, and the household and non-household end consumers at low voltage level, provided they haven't switch off the supplier, shall be concluded under the general terms and conditions approved by SEWRC.

(4) (Amended - SG 39 /2014) The contracts under para 1 shall be concluded between coordinators of special balancing groups or coordinators of combined balancing groups, on one side, and the producers of electricity energy from renewable sources and from co-generation, for which they bear the balancing responsibility.

(5) The contracts under para 1 between the suppliers of last resort, in their capacity of coordinators of balancing groups, and end consumers who haven't switch off the electricity supplier or have no supplier, shall be concluded under general terms and conditions approved by SEWRC.

Art. 20. (1) (Amended - SG 39/2014) Subject of the contracts under art. 11, p.10 is the sale of electricity and the payment of some or all of the following services: "access to the network", "electricity transmission" and "balancing responsibility". The contracts shall regulate the relationships in regards to the payment of the sums due for network services for the relevant price period.

(2) The contracts under para 1 can be concluded between:

1. suppliers of last resort and end consumers who haven't switch off the electricity supplier or they don't have supplier;
2. electricity trader, on one side, and end consumer.
3. (repealed - SG 39/2014)

Art. 21. (amended - SG 39/2014) (1) Subject of the contract under art. 11, p. 11 are the conditions for participation in the organized day ahead market.

(2) The contract under art. 11, p, 11 shall be concluded between the operator of the organized market, on the one side, and the market participant according chapter four of these rules, in accordance with the requirements of the operator of the organized market.

Art. 22. (1) (Amended - SG 39/2014) Subject of the contract under art. 11, p.12 are the

rights and the obligations in regards to the participation of a market participant providing liquidity on the electricity organized market (market maker).

(2) (Amended - SG 39/2014) The contract under art.11, p.12 shall be concluded between the operator of the organized day ahead market or another electricity market operator, on one side, and one or several market makers, on the other side.

Art. 23. (1) (Amended - SG 39/2014) Subject of the framework contract under art. 11, p. 13 is the settlement of the financial relations related to network services for end consumers who have concluded "combined services contract" with suppliers of last resort or with an electricity trader.

(2) The framework contract shall be concluded between the operator of the electricity distribution network, on one side, and a supplier of last resort/trader who have concluded contract with end consumer according art. 11, p. 10.

Art. 24. (1) (Amended - SG 39/2014) Subject of the contract under art. 11, p.14 is the settlement of the relations in regards to the difference between the produced quantity of electricity by producers of electricity from renewable sources and from co-generation, and the registered schedules for each settlement period.

(2) (Amended - SG 39/2014) The contract under para 1 shall be concluded between a coordinator of combined balancing group, for sites of producers of electricity from renewable sources and from co-generation connected to the electricity transmission network, on one side, and the public supplier, on the other side.

(3) (New- SG 39/2014) The contract under para 1 shall be concluded between a coordinator of combined balancing group, for sites of producers of electricity from renewable sources and co-generation connected to the electricity distribution network, on one side, and the public supplier, on the other side.

Art. 25. (1) Subject of the contract under art. 11, p. 15 is the provision of hourly data from the electricity metering devices, the validation and the aggregation per balancing groups, the deadlines for provision and the format of the files.

(2) The contract under para 1 shall be concluded between the independent transmission operator, on one side, and the operators of the electricity distribution networks, on the other side.

Art. 26. (amended - SG 39/2014) Subject of the contract under art. 11, p. 16 is the payment to the public supplier by all traders and producers who conclude transactions, at freely negotiated prices, with end consumers connected to the power grid of the Republic of Bulgaria, of an approved by the SEWRC price for "obligation to the public" in BGN for MWh consumed electricity energy.

Section III. Network services contracts

Art. 27. (1) The contracts under art. 11, p. 1, 2, 5, 6 and 7 between the independent transmission operator and producers connected to the transmission network can be

incorporated.

(2) The contracts for transmission and access between the independent transmission operator, on one side, and the public supplier and the operators of electricity distribution networks, on the other side, shall contain provisions for the form and the amount of the guarantee security under them.

Art. 28. (1) (Amended - SG 39 /2014) Household and non-household end consumers of the public providers shall pay all network services for the relevant price period to the public providers.

(2) (Amended - SG 39/2014) The end supplier/the supplier of last resort shall collect and pay to the operator of the electricity distribution network sums for transmission, access, other network services, for the relevant price period, for the whole invoiced by the end supplier/the supplier of last resort quantity of electricity energy.

(3) (Amended - SG 39/2014) The operator of the electricity distribution network shall pay to the independent transmission operator the network services, relevant to the electricity transmission network, for the whole quantity of electricity energy transmitted to end consumers connected to the relevant electricity distribution network.

(4) (repealed - SG 39/2014)

Art. 29. (1) (Amended - SG 39/2014) The network services shall be paid by consumers and producers on the basis of the invoiced quantities active electricity energy in accordance with the readings of the electricity metering devices, determined in accordance with the Electricity metering rules and the contracts under art. 11, p.1, 2 and 3, at the prices approved by SEWRC.

(2) (Amended - SG 39/2014) Consumers and producers connected to the electricity transmission network shall owe prices, approved by SEWRC, for access to the electricity transmission network, for transmission through the electricity transmission network and other network services for the relevant price period, and they shall be paid to the independent transmission operator.

(3) (Amended - SG 39/2014) Consumers and producers connected to the electricity distribution network shall owe prices, approved by the SEWRC, for access to the electricity transmission network, for transmission through the electricity transmission network, for access and transmission through the electricity distribution network and other network services for the relevant price period, and they shall be paid to the operator of the electricity distribution network and/or the supplier of last resort. For these consumers and producers the price for access to the electricity transmission network and the price for transmission through the electricity transmission network shall be paid by the distribution company to the independent transmission operator, in accordance with the contracts under art. 12 and 13.

(4) Producers who supply energy to their own sites through networks which are not ownership of the transmission or the distribution company do not owe price for transmission through the relevant network.

Art. 30. (1). For the determination of the quantities of electricity with origin Bulgaria, according to a cross-border exchange schedules, the market participants shall send declarations according template approved by the independent transmission operator.

(2) The market participants under para 1 shall pay price for network services through the transmission network for the quantities according the validated cross-border exchange

schedules with respect of the declarations under para 1.

(3) The transactions for transit of electricity through the power grid of Bulgaria can be realized only within one balancing group.

Art. 31. (1) Consumers registered on the market at freely negotiated prices, who conclude contract for combined services under art. 11, p.10, shall pay the sums due for network services to the relevant trader or supplier of last resort.

(2) The traders and the suppliers of last resort shall pay the sums due for network services to the relevant network operator regardless of the fact whether they have received payment from the consumer.

(3) (Amended - SG 39/2014) All traders and producers who conclude transactions at freely negotiated prices with end consumers, connected to the power grid of the Republic of Bulgaria, shall pay to the public supplier price for "obligation to the public" in BGN for MWh consumed electricity energy.

Chapter Four. ELECTRICITY ORGANIZED DAY AHEAD MARKET

Section I. General provisions

Art. 32. (amended - SG 39 /2014) The organized day ahead market operator shall administrate all transactions at the electricity organized day ahead market.

Art. 33. (1) (Amended - SG 39/2014) The market participants who conclude transactions at freely negotiated prices shall be entitled to participate in the electricity organized market organised by the day ahead market operator within the market area of the Republic of Bulgaria, or to participate in an electricity organized market organised by another transmission or market operator in the region, or jointly by two or more operators, in compliance with the provisions of the rules for the functioning of the organised electricity market published on the site of the operator.

(2) (Amended - SG 39/2014) The transactions realised by the market participants on the electricity organized market shall be notified automatically through trade platform for spot trading, as nominations for exchange between the relevant market participants and the balancing group of the organized day ahead market operator.

(3) (New- SG 39/2014) The transactions concluded on the electricity organized market shall be notified to the independent transmission operator by the day ahead market operator till 02.00 p.m. on D-1.

Art. 34. (1) The electricity market rules provide for additional option for purchase and sale of electricity by the participants registered on the electricity organized market in Bulgaria, realised in compliance with the principle of the competitive market equilibrium.

(2) The electricity organized market aims at:

1. Creation of conditions for formation and operation of electricity energy market in a competitive, transparent and non-discriminatory environment.

2. Preventing exercise of market power.
 3. Determination of market clearing and reference prices of the electricity according the demand and the supply, which shall serve as a basis for other transactions on the wholesale market.
 4. Optimal usage of the limited cross-border transmission capacities with the neighbouring countries through coordinated allocation and implicit daily and intraday auctions through the organized market.
- (3) (Amended - SG 39/2014) In accordance with these market rules, participation in the organized market is allowed to market participants.

Art. 35. (1) (Amended - SG 39/2014) The transactions on the organized market shall be concluded for each interval of delivery.

(2) For each single interval of delivery (one hour) within the delivery day, separate, independent from each other transactions for electricity delivery shall be concluded, in accordance with the hourly products for organized day ahead trading.

(3) (Amended - SG 39/2014) Certain set of block products can be provided as products for organized day ahead trading. They are combination of certain hourly products additionally published by the organized day ahead market operator on his internet page.

(4) The transactions concluded on the organized day ahead market shall represent firm commitment of the relevant market participant for electricity supply, in case of accepted bid for sale or obligation for acceptance of electricity supply in case of accepted bid for purchase, in accordance with the specifics of the relevant transaction.

(5) Each transaction shall be bound to one delivery day, one delivery interval and one market area.

(6) (Amended - SG 39/2014) The transactions shall be deemed closed at realisation of the physical supply, on the day of delivery of the electricity energy in the power grid of Bulgaria, including the delivery to a border with neighbouring country.

(7) Each day of execution (delivery) shall be consisted of twenty four (24) consecutive delivery intervals, each of them equal to one hour, the first delivery interval starting from 12:00 p.m. on the day of execution. On the days of transition from summer- to winter time or vice versa, the delivery day shall have 25, respectively 23 delivery intervals.

(8) (Amended - SG 39/2014) The organized day ahead market operator can conclude a contract under art.11, p.12, with registered trade participant (market maker) who shall acquire the responsibility for providing liquidity on the electricity auction market through daily participation, with preliminary determined quantities for purchase and sale of electricity energy, in accordance with the provisions of the concluded contract.

(9) (Amended - SG 39/2014) The conditions for liquidity on the electricity organized day ahead market shall be determined by the day ahead market operator, and the market participant, in the capacity of market-maker, shall accept the terms and conditions and shall be obliged to comply them by signing a contract under art.11, p.12.

Section II

Conditions for participation and registration in the organized market

Art. 36. (1) (Amended - SG 39/2014) Market participants registered by an organized day ahead market operator, for participation in the electricity organized market, shall be entitled to submit bids for sale and bids for purchase of electricity energy.

(2) (Amended - SG 39/2014) Participants in the electricity organized day ahead market can be:

1. electricity producers, who have acquired right to access to the relevant network and are registered on the electricity market;
2. electricity traders, registered on the electricity market;
3. the public supplier;
4. suppliers of last resort;
5. end consumers, direct members of a balancing group;
6. participants, who haven't transferred the balancing responsibility to a balance responsible party and are responsible for the imbalances of their sites in accordance with art. 57, para 1, p. 2 of the rules.

(3) (repealed - SG 39/2014)

Art. 37. (amended - SG 39/2014) (1) The market participants under art.36, para 2 shall submit application for validation of the conditions for participation and registration in the electricity organized market, according template approved by the organized day ahead market operator.

(2) The organized day ahead market operator shall develop a contract for participation in the electricity day ahead market, which shall regulate the rights and the obligations of the organized day ahead market operator, on one side, and the market participant in the organized market, on the other side.

(3) With the conclusion of the contract under para 2 and the provision of the required guarantee security, the participant in the electricity organized day ahead market shall be entered in the register under art. 38 and shall be entitled to send bids for sale and bids for purchase in accordance with these rules.

Art. 38. (1) (Amended - SG 39 /2014) The organized day ahead market operator shall maintain updated register of the participants in the electricity organized market.

(2) The register under para 1 shall contain at least the following information for each participant:

1. Full name, headquarters (according the registration) and representatives of the company.
2. Contract for participation in the organized day ahead market, number and date.
3. ID code for participation in the electricity organized market.
4. Date of registration, date of withdrawal, date of suspension.

(3) (Amended - SG 39 /2014) The market participant, registered at the electricity organized market, shall be obliged to notify immediately the organized day ahead market operator of any change in the circumstances related to his registration.

Section III.

Conditions for withdrawal and suspension from the electricity organized day ahead market

Art. 39. (1) (Amended - SG 39 /2014) The market participant in the electricity organized day ahead market shall be entitled to withdraw from this market on the grounds of a written application sent at least 10 working days before the date at which the organized day ahead

market operator is to terminate the registration.

(2) (Amended - SG 39 /2014) The organized day ahead market operator shall consider the application under para 1 within 5 working days.

(3) (Amended - SG 39/2014) The termination of the registration and its reflection in the register under art. 38 shall be implemented after written notification to the market participant in the electricity organized day ahead market and arrangement of the mutual liabilities till the day of termination of the participation.

Art. 40. (1) (Amended - SG 39 /2014) The day ahead market operator shall be entitled to suspend a participant from the electricity organized market and to terminate his registration in case the participant does not comply with the requirements of these rules, the contract for participation, the rules for the functioning of the organised electricity market and the instruction for participation in the organized market.

(2) (Amended - SG 39 /2014) In case of established violation under para 1, the organized day ahead market operator shall determine deadline for its elimination. In case the participant fails to meet the deadline, the organized market operator shall send notification for suspension from the electricity organized day ahead market, indicating the reasons and the date of suspension.

(3) The suspension of a participant from the electricity organized market shall be reflected in the register under art. 38.

(4) The participant shall be entitled to start new registration procedure not earlier than three months after the date of suspension.

(5) (Amended - SG 39/2014) In case the license of a participant is terminated or revoked, provided he is subject to licensing, the organized market operator shall suspend the relevant participant immediately and implicitly from the organized day ahead market, and shall undertake the relevant measures for the issuance of invoices and arrangement of the mutual obligations till the date of termination of the participation.

(6) (repealed - SG 39/2014)

(7) (repealed - SG 39/2014)

Art. 41. (amended - SG 39/2014) The organized day ahead market operator shall reflect the termination of the participation in the electricity organized day ahead market in the register under art. 38 and, as of this date, the suspended participant shall not be entitled to send bids for purchase and bids for sale of electricity.

Art. 41a. (New - SG 39/2014) (1) The guarantee security shall be released within 10 working days after the date of termination of the registration, provided all issued invoices on the name of the participant for transactions, concluded on the electricity organized day ahead market till the date of termination, are duly paid.

(2) The guarantee security can be forfeited to the amount of the due payment.

Section IV.

Requirements for sending and validation of bids on the electricity organized market

Art. 42. (1) The participants in the organized market shall send bids for sale of electricity

and bids for purchase of electricity in compliance with the following conditions:

1. a participant can send only one bid for purchase and one bid for sale for each delivery interval for a given market area.

2. (amended - SG 39/2014) each bid can contain certain number of price-quantity pairs, which shall be fixed in the instruction for participation in the electricity organized market, published on the site of the organized day ahead market operator;

3. each price-quantity pair of the purchase bid shall define the maximal price which the participant would pay for quantity of electricity which does not exceeds the quantity indicated in the price-quantity pair;

4. each price-quantity pair of the sale bid shall define the minimal price at which the participant would sale quantity of electricity energy which does not exceeds the quantity indicated in the price-quantity pair;

5. (repealed, prev.p. 6 - SG. 39/2014) the bids shall be considered as strict engagement for delivery or purchase of electricity.

(2) (Amended - SG 39/2014) On the day preceding the trading day (D-1) the participants on the organized day ahead market shall send bids for sale and bids for purchase for the day of execution (D) (delivery day), before the deadline for submission of bids on the trading day, in accordance with an instruction published by the organized day ahead market operator on his internet page.

(3) (Amended - SG 39/2014) The bids under para 2 can be submitted from the moment of opening of the relevant auction, in accordance with an instruction published by the organized market operator on his internet page.

(4) (Amended - SG 39/2014) The bids shall be submitted directly in the trade system for day ahead trading.

(5) (Amended - SG 39/2014) A bid shall be considered as officially sent in the moment of its receipt in the trade system of the organized market operator, and the hour of submission shall be marked.

(6) (Amended - SG 39/2014) Before the organized day ahead market gate closure time, in D-1 (trading day), the bids can be amended or annulled at any time, by the participant who submitted them. The amendments shall be marked by time and shall be registered in the trade system. Each amendment shall form new bid which automatically shall annul the validated previous bid for the relevant day, delivery interval and market area.

(7) (Amended - SG 39/2014) If a participant on the organized market is not able to enter new bid in the trade system, the participant shall immediately contact the organized market operator in accordance with the rules for the functioning of the organised day ahead market.

Art. 43. (1) (Amended - SG 39/2014) The form and the content of the bids, as well as the price scale, shall be determined by the organized market operator.

(2) (Amended - SG 39/2014) The price scale shall contain minimal and maximal price, within the scope and the range of which the prices in the participant's bid shall be. The maximal price determined by the organized market operator should be always higher than the highest expected market clearing price determined at the electricity organized market.

(3) (Amended - SG 39/2014) The prices shall be in BGN - for MWh, and shall be within the range of the determined by the organized market operator price scale, indicated in the parameters of the relevant auction, in accordance with the instruction for participation in the electricity organized market.

(4) At submission of the trade bids directly in the trade system for auction trade, the prices indicated in the consecutive price-quantity pairs shall be in ascending order of the price.

Art. 44. (1) (Amended - SG 39/2014) The organized day ahead market operator shall develop validation procedure for the bids, the same being part of the instruction for participation in the organized day ahead market published on the website of the operator.

(2) Immediately after the receipt of a new bid in the trade system, the process of data verification and validation shall start according the procedure under para 1.

(3) (Amended - SG 39/2014) The maximal value of a bid for purchase, calculated in accordance with the procedure under para 1, shall not be higher than the maximal daily limit indicated in the contract under art. 37, para 2 on the grounds of which the guarantee security for the relevant trade participant is determined.

(4) (Amended - SG 39 /2014) The registered participants in the electricity organized market, whose guarantee security is exhausted and is not recovered to the specified amount, shall be entitled to submit bids only for sale of electricity energy.

(5) (Amended - SG 39 /2014) The market participants in the electricity organized market shall be informed for the rejection of a bid for sale in accordance with the procedure described in the instruction for participation, published on the internet page of the organized day ahead market operator.

Section V.

Determination of the quantities of electricity traded on the electricity organized market

Art. 45. (1) (Amended - SG 39/2014) The organized market operator shall accept all bids for the delivery day (D), submitted on the trading day (D-1), till the day ahead market gate closure time.

(2) (Amended - SG 39/ 2014) After verification and validation of the bids, the organized day ahead market operator shall calculate the market clearing price and the traded quantities of electricity for each delivery interval (one hour) for the delivery day (D).

(3) Only the accepted and validated bids shall be considered during the calculation of the prices and the quantities under para 2.

(4) (Amended - SG 39/2014) The organized day ahead market operator shall determine initial market clearing price in the national market area, as follows:

1. (suppl. - SG 39/2014) On the basis of the received bids, the organized day ahead market operator shall determine the demand and supply curves in the national market area in accordance with art. 48 and 49 of these rules.

2. (suppl. - SG 39/2014) In the cases when the quantity of the demand or the supply is equal to zero, the organized market operator shall undertake the actions provided in art. 50, para 4 of these rules.

3. (suppl. - SG 39/2014) In all other cases, the organized market operator shall determine market clearing price in the national market area in accordance with art. 52 of these rules.

Art. 46. When an day ahead electricity market unites several national market areas and it is used for optimisation of the traded volumes between these national market areas, separate and agreed with the neighbouring system operators procedures shall be undertaken.

Art. 47. (1) (Amended - SG 39/2014) The price-quantity pairs, accepted for trading, shall determine the final transaction between the day ahead market operator and the participant in the electricity organized day ahead market, which is for a given market area, given delivery day and given delivery interval.

(2) (Amended - SG 39/2014) The transaction under para 1 shall be at market clearing price determined by the organized market operator for the relevant market area, delivery day and delivery interval.

Section VI

Determination of the demand and supply curves

Art. 48. (amended - SG 39/2014) The organized market operator shall determine the supply curve through collection in one curve of all price-quantity pairs from the sale bids, ordered in ascending order of the price, starting with the price-quantity pair with the lowest price towards the one with the highest price.

Art. 49. (amended - SG 39/2014) The organized market operator shall determine the demand curve through collection in one curve of all price-quantity pairs from the purchase bids, ordered in descending order of the price, starting with the price-quantity pair with the highest price towards the one with the lowest price.

Art. 50. (1) The market clearing price shall be the crossing point of the demand curve (aggregated bids for purchase) and the supply curve (aggregated bids for sale).

(2) In case there is only one crossing point or all crossing points have only one price, then the price at the crossing point shall be the market clearing price.

(3) In case the demand and supply curves are crossing in different points forming common plot with maximal price P_{max} and minimal price P_{min} , then the market clearing price shall be determined by the reference price P_{ref} , as follows:

$$MCP = P_{max}, \text{ at } P_{ref} > P_{max}$$

$$MCP = P_{ref}, \text{ at } P_{min} < P_{ref} < P_{max}$$

$$MCP = P_{min}, \text{ at } P_{ref} < P_{min},$$

where:

MCP – market clearing price;

P_{max} - the highest price at the points of intersection between the demand and supply curves;

P_{min} - the lowest price at the points of intersection between the demand and supply curves;

P_{ref} - the reference price, which is the arithmetic mean price from the last three weeks for the same hourly interval.

(4) (Amended - SG 39/2014) When the total quantity of demand or supply is equal to zero, or there is no crossing of the demand and supply curves, then no quantities for trading are realised. In that case the market clearing price shall be equal to the closest one to the reference price of a validated bid for demand or supply for the relevant settlement period.

Section VII

Determination of the demand and supply volumes

Art. 51. (amended - SG 39/2014) (1) When the market clearing price for the relevant market area/areas is not determined, the demand and supply volumes shall be equal to zero.

(2) In all other cases:

1. The supply volume shall be determined as follows:

$$SV = \sum Q_n,$$

where:

Q_n is quantities meeting the price-quantity pairs from the sale bids, containing price which is lower than or equal to the market clearing price;

2. The demand volume shall be determined as follows:

$$DV = \sum Q_k,$$

where:

Q_k - the quantities, meeting the price-quantity pairs from the purchase bids, containing price higher than or equal to the market clearing price.

Section VIII.

Measures in cases when the supply is not sufficient or there is no of demand

Art. 52. (1) (Amended - SG 39/2014) When the market demand curve or the market supply curve contains total quantity equal to zero or there is no crossing of the above-mentioned curves, the organized day ahead market operator shall start notification procedure to inform the market participants on the electricity organized market of the circumstances. The procedure shall be described in details in the instruction for participation in the organized market.

(2) (Amended - SG 39/2014) In the cases under para 1, the organized market operator shall extend the deadline for submission of bids on the trading day.

(3) (Amended - SG 39/2014) After receipt of the new sale and purchase bids within the extended deadline, the organized market operator shall recalculate the prices and the quantities for the relevant delivery day.

(4) (Amended - SG 39/2014) In the cases when the organized market operator has not received any bids for sale and purchase within the new period for submission of bids or there is no crossing between the demand and supply curves, determined on the grounds of the validated sale and purchase bids, submitted within the new term before the organized market gate closure, all market participants in the electricity day ahead market can be informed through the trade platform that no quantities for trading are realised on the day ahead market.

Section IX

Confirmation of the transactions concluded on the electricity auction market

Art. 53. (1) (Amended - SG 39/2014) The organized day ahead market operator shall provide to the relevant market participants access to information for the realised by them transactions, concluded in accordance with the provisions of this chapter, on the trading day, through the trade platform.

(2) (New- SG 39/2014) The organized market operator shall provide to the independent transmission operator access to information for the realised transactions on the trading day, through the trade platform.

(3) (Previous para 2, suppl. - SG 39/2014) The results from the trading on the electricity

organized market shall be used in the settlement process in accordance with chapter ten of these rules, and the traded quantities by each of the market participants on the electricity organized market shall be summed with the quantities traded under bilateral contracts.

(4) (Previous para 3, amended - SG 39/2014) The organized market operator shall publish information on the traded quantities and prices through the trade platform.

Section X. Emergency procedures

Art. 54. (amended - SG 39 /2014) The organized market operator shall terminate the functioning of the electricity organized day ahead market in case of:

1. Overall or partial operation impossibility of the trade system or of other used information system for processing of the bids and determination of the market clearing price.
2. Cessation of the market in emergency situation.

Art. 55. (1) (Amended - SG 39/2014) In case of problems related to the communication of the participants with the trade system of the operator, the organized market operator shall be entitled to change the deadlines for submission of the relevant bids and confirmations, including the working time of the electricity organized market.

(2) (Amended - SG 39/2014) The organized day ahead market operator can refuse to register a bid of a participant in the market in case of a technical error in the trade system.

Chapter Five BALANCING RESPONSIBILITY

Section I. Balance Responsible Parties

Art. 56. (amended - SG 39/2014) (1) The formation of balancing groups aims at:

1. introduction of new organisation of the administration of the electricity transactions, their real implementation and settlement;
2. improvement of the generating capacity planning and the determination of the balancing sources for maintenance of the energy grid balance;
3. separation of the obligations for the physical electricity supply from the financial obligations, in case of a deviation of the real generation/consumption from the preliminary forecasts, registered schedules and dispatch instructions of the independent transmission operator;
4. aggregation of the imbalances of the market participants and smoothing the economic consequences from the balancing energy prices;
5. focusing on the responsibilities for exchange of information with the independent transmission operator in case of small number of participants in the market.

(2) The balancing groups shall be:

1. standard balancing groups;
2. combined balancing groups;
3. special balancing groups which shall be registered by the independent transmission operator and towards which equal principles shall be applied;
4. virtual balancing group of the public supplier

(3) The standard balancing group with a coordinator -entity which is licensed under art. 39, para 5, p. 1, 5, 9 of the Energy Law and is registered by the independent transmission operator, and with members -market participants under art. 100, para 1 of the Energy Law, which conclude transactions with electricity at freely negotiated prices.

(4) The special balancing group are the groups with coordinators: the independent transmission operator, the public supplier, the public providers, the operators of distribution networks, the distribution company of traction energy, suppliers of last resort, organized market operator.

(5) In the cases where producers of electricity from renewable sources and from co-generation haven't transferred the balancing responsibility to a balance responsible party, they shall be in the balancing groups with coordinators - the public supplier or the public providers, depending on the concluded contracts for purchase of electricity.

(6) The independent transmission operator shall be coordinator of the following special balancing groups:

1. group for compensation of the technological losses in the electricity transmission network;
2. group for compensation of the unplanned exchanges.

(7) The organized market operator shall be coordinator of special balancing group for compensation of the imbalances on the organized market.

(8) The public supplier shall be coordinator of the following special balancing groups:

1. group of the producers of electricity from renewable sources and from co-generating plants with the following participants:

- 1.1. the producers of electricity from renewable sources, whose energy purchase, including producers connected both to the electricity transmission and the electricity distribution network, when the same haven't chosen another coordinator of balancing group;

- 1.2. the producers of electricity from co-generation plants, whose energy they purchase, including producers connected both to the electricity transmission and to the electricity distribution networks, when the same haven't chosen another coordinator of balancing group;

- 1.3. the groups under para 10, p. 2, with coordinator - the end suppliers/public providers

- 1.4. the groups under para 10, p. 3, with coordinator - the end suppliers/public providers.

2. group of producers of electricity energy from HPP ownership of NEK EAD;

3. group of the producers with which the public supplier has concluded long-term contracts for purchase of the electricity and availability, when the same haven't chosen another coordinator of balancing group;

4. virtual trade balancing group, created by the public supplier, to/from which exchange schedules are sent, including indicative schedules, which aims to accumulate all purchases and sales of the public supplier realized according the legislation.

(9) The groups under para 8, p. 2 and 3 can be united with common financial settlement.

(10) The public providers shall be coordinators of the following special balancing groups:

1. group of household and non-household end consumers connected to the electricity distribution network at low voltage level, which the public provider supplies with electricity.

2. group of producers of electricity from renewable sources, whose energy the public provider purchases, when the same haven't chosen another balance responsible party;

3. group of producers of electricity from co-generating plants, whose energy the public provider purchases, when the same haven't chosen another balance responsible party;

- (4) the groups under p. 2 and 3 can be united with common financial settlement.

(11) The suppliers of last resort shall be coordinators of special balancing groups with members being the end consumers which they supply with electricity energy.

(12) The electricity distribution network operator shall be coordinator of special

balancing group for compensation of the technological losses in the electricity distribution network. The electricity distribution network operator shall be entitled to transfer the balancing responsibility to the end supplier/public provider for compensation of the technological losses in the electricity distribution network as part of the group under para 10, p.1.

(13) The distribution company of traction energy shall be coordinator of special balancing group consisting of sites connected to the distribution network of the railway transport - for megawatt hour.

(14) In the cases where there is union of balancing groups through common financial settlement, the coordinators shall be obliged to notify separate aggregated schedules for each group, in order to allow the independent transmission operator to implement separate settlement and separation of the realised imbalances of the relevant group.

(15) Combined balancing group is a group which participation of producers of electricity from renewable sources and from co-generating plants.

(16) Where the producers of electricity from renewable sources and from co-generation choose to transfer their balancing responsibility to a coordinator of combined balancing group, they are not limited from the territorial location of the production site and the concluded purchase contract.

Art. 57. (amended - SG 39 /2014) (1) Responsibility for balancing bear:

1. the balance responsible parties in accordance with the Energy law;
2. the market participants who conclude transactions at freely negotiated prices for the time during which they haven't transferred their balancing responsibility to a balance responsible party and they solely are responsible for the imbalances of their sites.

(2) The end consumers who buy electricity at regulated prices and the producers of electricity from renewable sources and from co-generation shall be obliged to transfer the balancing responsibility to a coordinator through a contract under art. 11, p. 9 of these rules.

(3) The coordinators of special balancing groups, except the cases under art. 56, para 12, are not entitled to transfer the balancing responsibility to other licensed company and shall be responsible before the independent transmission operator for the imbalances of each special balancing group separately.

(4) The coordinators of balancing groups of producers of electricity from renewable sources and from co-generation are not entitled to include in the balancing group sites of other participants and to transfer the balancing responsibility to other licensed company.

Art. 58. (1) Trade participants shall be entitled to register themselves as "coordinators of standard balancing groups" and/or "coordinators of combined balancing groups", providing they have fulfilled the following conditions:

1. they have license for generation and/or electricity trading under art. 39, para 5 of the Energy Law;

2. they have developed "common rules for allocation of the imbalances within the balancing group" for which they are registered as a coordinator, and have published them on their internet site;

3. (amended - SG 39 /2014) SEWRC have adopted decision to supplement the current license with the rights and the obligations related to the activity of "coordinator of standard balancing group" and/or "coordinator of combined balancing group", in accordance with art. 39, para 5 of the Energy Law;

4. the requirements are met and communication equipment and tools for exchange of

information are maintained according these rules;

5. they have no obligations to the public supplier, the public providers, the independent transmission operator and the operators of electricity distribution networks;.

6. they have concluded contract under art. 11, p. 14, when registration is needed for a coordinator of combined balancing group.

(2) Market participants shall be entitled to register themselves as “coordinators of special balancing groups”, providing they have fulfilled the following conditions:

1. they have licence for production, transmission, distribution, administration of organized market, public supply, supply from end supplier, supply from last resort and distribution of traction energy according art. 39, para 1, p. 1, 2, 3, 6, 7, 10, 12 and 13 of the EL;

2. they have developed “common rules for allocation of the imbalances within the special balancing group” and have published them on their internet site;

3. (amended - SG 39/2014) SEWRC has adopted decision to supplement the current license with the rights and the obligations related to the activity of “coordinator of special balancing group”, in accordance with art. 39, para 5 of the Energy Law;

4. the requirements are met and communication equipment and tools for exchange of information is maintained according these rules;

5. they have no obligations to the public supplier, the public providers, the independent transmission operator and the operators of electricity distribution networks.

Art. 59. (1) The market participants, who have implement the conditions under art. 58, para 1, shall file an application for registration according template, approved by the independent transmission operator, which shall contain:

1. name of the applicant, address, type of license and license No, No of the SEWRC's decision under art. 39, para 5 of the Energy Law;

2. name of the entities who have declared that they want to be direct or indirect members of the balancing group.

3. list of the sites of the applicant and the entities under p. 2

4. information on the provided power to the sites under p. 3;

5. information on the metering points of the sites under p. 3 and identity number of the commercial electricity metering devices, validated by the owners of the commercial electricity metering devices who are obliged to do the validation within 14 days;

6. the quantity generated/consumed electricity per months, for the previous calendar year and the last six months preceding the date of submission of the application, total for the applicant and the entities under p. 2;

7. contact persons for the applicant who shall be responsible for the submission of the generation schedules, the consumption schedules and the schedules for exchange between balancing groups, bids and offers for balancing energy, settlement and invoicing.

(2) The application under para 1 shall be submitted together with the following documents:

1. certificate for access to the electricity transmission and /or electricity distribution networks for each of the entities under para 1, p. 1 and 2, for compliance with the technical requirements and for lack of obligations to the public supplier and /or public provider;

2. the certificate under p. 1 shall not be required from entities which already have access to the network as of the entry into force of these rules;

3. declaration from the applicant stating that each of the entities under para 1, p. 1 and 2 have concluded contracts for access and contracts for electricity transmission, directly or through the supplier and have provided the relevant guarantee securities in accordance with the

legislative requirements and these rules;

4. for all consumers who have applied for switch off the supplier of an overall service and don't have installed electricity metering devices for hourly metering of the electricity - identity number of standardised profile from the aggregate list for the country, with standardised load profiles proposed by the distribution companies;

5. copy of license and the relevant appendices, confirming the right for implementation of the activity "balance responsible party".

Art. 60. (1) The independent transmission operator shall consider the application within 15 days and shall send written answer to the applicant, and :

1. the operator shall: accept the application for registration, indicate the identification number/EIC code of the balance responsible party and shall specify the sites, and their code numbers which form the balancing group, for which the applicant is responsible in his capacity of a coordinator of a standard balancing group;

2. the operator shall give instructions for additional information as well as deadline for submission;

3. the operator, on the grounds of a reasoned decision, shall refuse to register the applicant as a coordinator of balancing group.

(2) Within 10 days as of the receipt of the notification for acceptance of the application for registration under para 1, p. 1, the coordinator of the balancing group shall conclude the contract under art. 11, p. 8 in which the amount of the initial guarantee security shall be indicated, and the suppliers of balancing energy in the balancing group shall conclude the contract under art. 11, p. 7.

(3) At conclusion of the contracts under para 2, the balance responsible party shall be entered in the register under art. 65 with status "registered".

(4) After the provision of the guarantee security in the amount under para 2, the coordinator of standard balancing group shall be entered in the register under art. 65 with status "active".

Art. 61. (1) The market participants, who have implement the conditions under art. 58, para 2, shall file an "application for registration of coordinator of special balancing group" according a template, approved by the independent transmission operator, which shall contain:

1. name of the applicant, address, type of license and license No, No of the SEWRC's decision under art. 39, para 5 of the Energy Law;

2. name of the entities, indirect members of the special balancing group, which have electricity metering devices for hourly metering of the electricity;

3. name of the entities, indirect members of the special balancing group, which don't have electricity metering devices for hourly metering of the electricity, at request of the independent transmission operator;

4. identification number of a standardised profile from the aggregated for the country list with standardised load profiles, proposed by the distribution companies;

5. list of the sites of the applicant and the members of the group under p. 2, at request of the independent transmission operator;

6. information on the provided power to the sites under p. 5;

7. description of the metering points of the sites under p. 5 and identification numbers of the commercial electricity metering devices, validated by the owners of the commercial electricity metering devices, at request by the independent transmission operator;

8. the quantity generated/consumed electricity power per months for the previous calendar year, total for the coordinator and the members of the group;

9. contact persons for the applicant, who shall be responsible for the submission of generation schedules, consumption schedules and exchange schedules, bids and offers for balancing energy, settlement and invoicing.

(2) The application under para 1 shall be accompanied by a copy of the license and the relevant appendices confirming the right for implementation of the activity “coordinator of special balancing group” under art.39, para 5 of the Energy Law;

(3) The independent transmission operator shall consider the application within 15 days and shall send written answer to the applicant under para 1, and:

1. the operator shall accept the application for registration and shall indicate the identification number/EIC code of the coordinator of the special balancing group and the code numbers of the sites, the locations for which the applicant is responsible in his capacity of a coordinator of a special balancing group;

2. the operator shall give instructions for additional information as well as deadline for submission.

(4) Within 10 days as of the receipt of the notification for acceptance of the application for registration under para 3, the coordinator of special balancing group shall conclude with the independent transmission operator: the contract under art. 11, p. 8, to submit a declaration for the conclusion of the contracts under art. 11, p. 1, 2 and 3 or declaration for concluded contract under art. 11, p. 10 of the rules.

(5) At the conclusion of the contract under para 4, the coordinator of special balancing group shall be entered in the register under art. 65 with status “registered”.

(6) After the provision of the guarantee security, the coordinator of special balancing group shall be entered in the register under art. 65 with status “active”.

Art. 62. (1) Each site of a producer or a consumer can be assigned only to one coordinator of balancing group.

(2) The market participants, registered in the market before the enforcement of these trading rules, shall be obliged to transfer the balancing responsibility of their sites to a coordinator of balancing group within 30 calendar days as of their enforcement.

(3) In case the requirement under para 2 is not fulfilled, the independent transmission operator shall consider that the market participant is responsible for the imbalances of his sites as a coordinator of balancing group.

(4) In the cases under para 3, the market participant shall conclude the contracts under art. 11, p. 1, 2, 3 and 8 of these rules as a coordinator of balancing group with the same rights and responsibilities.

(5) In case the contracts under para 4 are not concluded, the market participant shall not be entitled to conclude transactions on the electricity market.

Art. 63. (1) The public providers and the suppliers of last resort shall ex-officio take the responsibility for balancing of the end consumers to which they supply with electricity, in accordance with the approved by SEWRC general terms and conditions.

(2) (Amended - SG 39 /2014) Where the producers of electricity from renewable sources and from co-generation haven't chosen to transfer the balancing responsibility to a coordinator of combined balancing group, the public providers and the public supplier, depending on the concluded contract for electricity purchase, shall register them and shall balance them according

the principles for allocation of the imbalances in the special balancing group approved by SEWRC. Other market participants are not allowed to participate in this group.

Art. 64. (1) The independent transmission operator shall be responsible for the imbalances from transactions with balancing energy for compensation of the unplanned exchanges.

(2) The independent transmission operator, except the cases under para 1, shall not be responsible for the imbalances of:

1. another balance responsible party;
2. sites of users connected to the electricity transmission and/or distribution network.

Art. 65. The independent transmission operator shall maintain public register of the balance responsible parties. The register shall contain at least the following information: name and headquarters of the licensed party, coordinator of balancing group, identification number/EIC code, date of registration, No of the balancing contract with the independent transmission operator, status.

Section II

Withdrawal or suspension of a balance responsible party, registered under the provision of art. 58, para 1

Art. 66. (1) (suppl. - SG 39 /2014) A balance responsible party of the standard balancing group shall be entitled to send notification of withdrawal of the registration for a coordinator of standard balancing group.

(2) The notification shall be send to the independent transmission operator and to all balancing group members.

(3) The date of withdrawal shall be indicated in the notification of withdrawal, this date being not earlier than 40 days after the date of sending of the notification of withdrawal.

(4) The independent transmission operator shall issue daily and monthly settlement notifications, inclusive on the day preceding the day of withdrawal, and the parties shall issue the relevant invoices in accordance with the deadlines provided in art. 178 of the rules.

(5) The date of withdrawal of a balance responsible party shall be the first date of the calendar month after the deadline under para 3.

(6) The independent transmission operator shall release the guarantee security after the settlement of all financial issues related to the termination of the registration of the „coordinator of balancing group“.

(7) (Amended - SG 39 /2014) The sites of producers of electricity from renewable sources and from co-generation, in the cases of para 1, shall transfer the balancing responsibility to a coordinator of combined balancing group or to the special group of the public supplier or the public providers, depending on the concluded contracts for purchase of the electricity energy in accordance with the register under art.65.

Art. 67. (1) (Amended - SG 39/2014) A coordinator of balancing group who have applied for withdrawal, in accordance with art. 66, para 1, and his members are entitled to transfer the balancing responsibility to a coordinator of balancing group according the register under art. 65.

For the purpose they shall send to the independent transmission operator an „application for transfer of balancing responsibility“ according approved template. The application shall contain:

1. name of the coordinator who shall acquire the balancing responsibility;
2. declaration for consent by the coordinator under p.1;
3. description of the sites and the relevant code numbers of the entity who transfers the

balancing responsibility.

(2) The independent transmission operator shall verify the data in the application and within 15 days shall respond in written to the applicant and to the new coordinator of balancing group.

(3) The date as of which the transfer of balancing responsibility shall be in force, the same being the first date of a calendar month, shall be indicated in the answer under para 2.

(4) The independent transmission operator shall be entitled to request amendment of the concluded contracts under art. 11, p.8 with the new coordinator of balancing group.

(5) The independent transmission operator shall reflect the amendments in the register under art. 65.

(6) The independent transmission operator and the operators of the electricity distribution networks shall exchange information at the end of the current month, in regards to the range of the balancing groups and the relevant coordinators, as of the next calendar month.

Art. 68. (1) The independent transmission operator shall be entitled to suspend from the electricity market a coordinator of balancing group or a market participant under art.62, para 3 with a prior notice of five working days, in any of the following cases:

1. the balance responsible party or the market participant under art.62, para 3 does not fulfil his obligations according these rules and/or does not meet the requirements for registration as a coordinator of balancing group;

2. the balance responsible party or the market participant under art. 62, para 3 breaches the conditions of the balancing contract, including the cases of non-payment within the specified deadline or in case the guarantee security is not restored or is not presented within the deadlines under the contract;

3. the balance responsible party or the market participant under art. 62, para 3 has outstanding financial obligations under the contracts for access and transmission and/or the guarantee securities under them are not presented/not restored;

4. the balance responsible party or the market participant under art. 62, para 3 continues regularly to allow significant imbalances in his balancing group after the explicit written warning by the independent transmission operator;

5. the balance responsible party is in bankrupt or in process of liquidation;

6. non-presentation of schedules within the deadlines specified in the rules;

7. coordinator of combined balancing group has outstanding obligations under his contracts with the public supplier.

(2) The notification under para 1 shall be send to the members of the balancing group as well.

(3) The balance responsible party or the market participant under art. 62, para 3, shall be obliged to settle all his financial obligations with the independent transmission operator till the date of suspension from the electricity energy market.

(4) The members of balancing group with a coordinator who is suspended from the electricity market shall be responsible for their own imbalances as of the date of suspension and shall be entitled to transfer the balancing responsibility to another coordinator.

(5) The independent transmission operator shall reflect the suspension of a coordinator

of balancing group or a market participant under art. 62, para 3 in the register under art. 65 within two working days as of the date of suspension.

(6) In the cases under para 1, the independent transmission operator shall inform the State energy and water regulatory commission of the suspension from the market of the balance responsible party.

Section III.

Participation of the producers of electricity from renewable sources and from co-generating plants in the balancing market

Art. 69. (amended and suppl. - SG 39/2014) The public supplier and the public providers shall pay the quantities generated electricity to the producers from renewable sources and co-generation according the readings from the electricity metering devices, at price according the concluded sale contracts under the provisions of art.162 of the Energy Law.

Art. 70. (1) (Amended - SG 39/2014) The producers of electricity from renewable sources and co-generation who have chosen to transfer their balancing responsibility to a coordinator of combined balancing group, have to be granted access to the relevant network and to be registered on the market through submission of an application to the relevant network operator according the relevant requirements, and to conclude a contract under art. 11, p. 9 of these rules.

(2) (New- SG 39 /2014) The public supplier, the public providers in their capacity of coordinators of special balancing groups, and the coordinators of combined balancing groups for the producers of electricity from renewable sources and co-generation shall conclude a contract under art. 11, p. 9 with all members of the balancing group.

(3) (New- SG 39/2014) The producers under para 2 who haven't concluded contract under art. 11, p. 9, shall be balanced by the relevant coordinator of the special or the combined group, in accordance with the applied methodology for allocation of the imbalances of the members in the special balancing group, and the approved by SEWRC general principles for imbalances' allocation.

(4) (Previous para 3, amended - SG 39/2014) The producers of electricity from renewable sources and co-generation who sale the generated electricity energy at preferential prices and according the readings from the metering devices, shall not be entitled to participate in standard balancing groups.

Art. 71. (1) (amended and suppl. - SG 39/2014) In regards to the participation of producers of electricity from renewable sources and co-generation in the balancing market, the submission and the approval of the schedules shall be implemented according the provisions of chapter six of these rules.

(2) (New- SG 39/2014) The coordinators of the special balancing groups of the public supplier and the public providers, with sites of the producers of electricity from renewable sources and co-generation, shall submit indicative exchange schedules to the virtual trade balancing group of the public supplier for the forecast generation within the group. These schedules shall serve only for determination of the imbalances of the groups of the producers of electricity from renewable sources and co-generation and will not lead to any financial payments.

(3) (Previous para 2, amended - SG 39/2014) In addition, the coordinator of combined balancing group shall submit the exchange schedules of producers of electricity from renewable sources and co-generation to the coordinators of special balancing groups who purchase the electricity from the producers of electricity from renewable sources and co-generation.

(4) (New- SG 39/2014) The coordinators of the special balancing groups of the producers of electricity from renewable sources and co-generation shall submit aggregated schedules for the groups to the balance responsible party under art.56, para 8, p.1.

Art. 72. On the grounds of the settlement, the coordinator of combined balancing group shall settle the interrelations between the coordinator of the balancing group and the independent transmission operator at the prices for deficit/surplus at the balancing market.

Art. 73. (1) (Amended - SG 39/2014) The interrelations between the public supplier and the coordinators of combined balancing groups in relation to the groups under art. 71, as a result of the obligation under art.69, shall be settled in the following way:

1. for each settlement period, when the generated quantity of electricity of the producers of electricity from renewable sources and co-generation is bigger than the registered according the schedule, the coordinators of the combined balancing groups shall pay to the public supplier the value of the difference in the quantity, at price determined by the public supplier, in BGN for MWh.

2. for each settlement period, when the generated quantity of electricity of the producers of electricity from renewable sources and co-generation is smaller than the registered according the schedule, the public supplier shall pay to the relevant coordinators of the combined balancing groups the value of the difference in the quantity, at price determined by the public supplier, in BGN for MWh.

(2) (Amended - SG 39/2014) The payments between the public supplier and the coordinators of the combined balancing groups under para 1, p 1 and 2 shall be settled at one and the same price which shall be determined and published by the public supplier not later than five working days before the date of their application.

(3) (New- SG 39/2014) Within 10 working days after the end of each quarter, the public supplier shall determine and publish final price for the quarter in relation to the payments under para 1, p.1 and 2.

(4) (New- SG 39/2014) The public providers shall notify the public supplier the same indicative schedule which they have received from the coordinators of combined balancing groups, under art. 71 for sites of producers of electricity from renewable sources and co-generation connected to the relevant electricity distribution networks.

Art. 74. The trade relations under art. 72 shall be settled with the bilateral contracts under art. 11, p.8.

Art. 75. The trade relations under art. 73 shall be settled with the bilateral contracts under art. 11, p.14.

Art. 76. (repealed - SG 39/2014)

Chapter Six.
**RULES FOR SUBMISSION AND APPROVAL OF GENERATION SCHEDULES,
CONSUMPTION SCHEDULES AND SCHEDULES FOR ELECTRICITY EXCHANGE**

Section I.
Generation schedules and consumption schedules

Art. 77. (1) Hourly generation schedules containing information on the total generation of the plant shall be send to the independent transmission operator by all producers connected to the electricity transmission network, according approved template (PPS file), the access to the system being indicated, within the deadlines specified in an instruction published by the independent transmission operator on his website.

(2) Hourly generation schedules shall be send to the coordinators of balancing groups by all producers connected to the electricity distribution network, on the day preceding the delivery day, in a form approved by the coordinator of the balancing group.

(3) Aggregated hourly generation schedules of the plants connected to the relevant distribution network, per type of production capacity, shall be send by the coordinators of balancing groups to the independent transmission operator, according approved template (PPS file), the access to the system being indicated, within the deadlines specified in an instruction published by the independent transmission operator on his website.

(4) The balancing energy providers shall send to the independent transmission operator hourly schedules for the planned total generation of each dispatched unit, in accordance with the concluded supply contracts or contracts for coverage of the technological losses in the networks, according approved template (PPS file), access to the system being indicated, within the deadlines specified in an instruction published by the independent transmission operator on his website and in accordance with the procedures provided in the Grid Code and these rules.

(5) The balancing energy providers shall send to the independent transmission operator schedules for new generation of each dispatched unit, in accordance with approved template (TPS file), the access to the system being indicated, taking into account the concluded contracts for electricity supply, within the deadlines specified in an instruction published by the independent transmission operator on his website and according the procedures provided in the Grid Code and these rules.

(6) The generation schedules under para 1, 3 and 4 shall serve for dispatching of the relevant aggregate.

(7) (Amended - SG 39/2014) The hourly generation schedules of the balancing energy providers under para 4 (total) and para 5 (net) should be comparable, taking into account the forecast own auxiliary, and to comply with the conditions of the contracts concluded under art. 11, p. 7 of these rules and the provided availability margin for regulation. The operator shall be entitled to request amendment of the schedule or to impose limitation of the deadlines in accordance with an instruction published by the independent transmission operator on his website, in the cases when the schedules are not in consistency with the planned operational regimes and the determined availability for regulation.

(8) The independent transmission operator shall send to the producers under para 4 the necessary ranges (total availability) for regulation for each unit for the next month, till the 10th date of the preceding month and the producer shall not be entitled to conclude transactions on the electricity market over the total capacity determined for each unit, unless the parties haven't agreed otherwise in written.

(9) The hourly consumption schedules of balancing energy providers with consumer sites shall contain information on the planned consumption according to the concluded contracts, the procedures provided in the Grid Code and these rules and shall be sent in an approved template (TPS file), the access to the system being indicated, within the deadlines specified in para 5.

(10) The balance responsible parties and the market participants under art. 62, para 3 shall send total net hourly generation and total hourly consumption forecast in the balancing group, according to an approved template (TPS file), the access to the system being indicated, within the deadlines specified in an instruction published by the independent transmission operator on the website.

(11) The hourly generation schedules and the hourly consumption schedules shall be sent on the day preceding the delivery day and shall contain information on the quantities of electricity for each hour of the delivery day which the relevant producer (unit of producer) or site of a consumer shall supply/consume from the network.

(12) The independent transmission operator, on the basis of the generation and the consumption schedules and own forecasts, shall determine the necessary reserve - secondary, tertiary and cold, for the next day, necessary for:

1. real-time maintenance of the balance between the generation and the consumption;
2. maintenance of a secure and reliable electricity supply;
3. maintenance of reserve capacity in the cases of unplanned emergency situations in the network and the generation capacities and changes in the climate conditions;
4. congestion management.

Art. 78. (1) (Amended - SG 39/2014) The public providers, the suppliers of last resort, the electricity distribution companies and the independent transmission operator shall send to the public supplier monthly forecasts for the quantity of electricity energy for the consumption and for compensation of the technological losses in the relevant networks:

1. till 3 working days after the determination of the quotas with a decision of SEWRC - for the second half of the current calendar year;

2. till 10 December - for the six months of the next calendar year.

(2) (Amended - SG 39/2014) Within 2 working days as of receipt of the information under para 1, the public supplier shall determine the monthly obligations of the „quota plants” till the end of the relevant year, as well as the obligations of the producers under art. 93a of the EL, within the determined by a decision of SEWRC quota, and till 10th of December - the obligations for the six months of the next calendar year.

(3) The monthly obligations under para 2 shall be sent to the relevant producers and the independent transmission operator and shall be published on the internet site of the operator within two working days after the receipt of the information with the operator.

(4) (suppl. - SG 39/2014) The monthly forecasts under para 1 can be updated by the public providers, the suppliers of last resort, the electricity distribution companies and the independent transmission operator till the 5th date of the preceding month.

(5) The monthly obligations under para 2 can be updated by the public supplier till the 10th date of the preceding month, taking into account the repair programmes, the emergency events of the aggregates, change in the weather forecast, within the total six-monthly availability approved by SEWRC.

(6) (Amended - SG 39/2014) Each working day, till 9.30 a.m., the public supplier shall determine the hourly quantities for the next day of the „quota plants” and of the producers under art. 93a of the EL, taking into account the monthly obligations after their update. The hourly

quantities must be within the generation characteristics of their aggregates and forecast operational regimes. The quantities shall be determined on the basis of the schedules of the public providers sent to the public supplier till 05.00 p.m. on the preceding day.

(7) The quantities under para 6 shall be obligatory for the producers and shall be in consistency with the exchange schedules under art. 80.

(8) The quantities under para 6 shall be also obligatory for the producers in the balancing groups of the public supplier.

(9) (Amended - SG 39/2014) In case of discrepancy in the quantities in the schedules under para 6 and para 7, the independent transmission operator shall register the schedule of the public supplier.

(10) (New- SG 39/2014) When the public supplier is not able to balance the schedules for purchase/sale and for exchange with other balancing groups, in D-1, without using capacities in consumption regime and the independent transmission operator instructs activation of an adjustable consumer, the independent transmission operator shall pay to the public supplier the quantity consumed energy by the consumer, at price determined by the public supplier.

Section II Exchange Schedules

Art. 79. (1) The exchange schedules between two balancing groups within the electricity power grid of Bulgaria shall be send to the independent transmission operator within the deadlines specified in an instruction published by the independent transmission operator on the internet site according approved template (TPS file), the access to the system being acquired, and it shall contain information on the quantity electricity for each hour of the delivery day which the relevant balancing group will exchange with other balancing groups.

(2) The exchange schedules between balancing group registered within the electricity power grid of Bulgaria and legal entity entitled to implement trade activity in a neighbouring market area (interconnection exchange schedule) shall be send to the independent transmission operator according approved template (TPS file), the access to the system being acquired.

(3) The deadline for submission of the schedules for interconnection exchange, in accordance with the acquired transmission capacities from yearly and monthly auctions (long-term nominations) and daily auction (short-term nominations) shall be according the Auction rules for the relevant control areas published by the independent transmission operator and the requirements of OH-Policy2 for the Continental European synchronous area.

(4) The independent transmission operator shall verify the admittance of implementation of the exchange schedules from the following point of view: the forecast operational regimes and the technical capabilities of the aggregates, acquired interconnection capacity, comparability of the schedules of all balance responsible parties, the preliminary balance and the adequacy between the generation schedules, the consumption schedules and the exchange schedules of each balancing group, curtailment of the capacity, requirements for reservation of range for regulation and the presence of circumstances which can lead to impaired safety or quality and security of the electric power grid, according to the Grid Code and these rules.

(5) The balance responsible parties and the balancing energy providers shall send corrected generation and consumption schedules and schedules for electricity exchange between two balancing groups within the electric power grid of Bulgaria in accordance with the requirements of the independent transmission operator and within the deadlines specified in an instruction published by the independent transmission operator on the internet site.

(6) The independent transmission operator shall be entitled to amend the instruction in

relation to the process of acceptance, validation and registration of generation schedules, consumption schedules and exchange schedules if necessary, by publishing the amendment not later than 2 weeks before the date of entrance into force of the amendment

(7) The coordinators of balancing groups shall be entitled to send generation schedules, consumption schedules and exchange schedules up to seven days in advance.

(8) The co-generation plants which are technologically connected with sites consuming the generated heat energy shall provide to the market, at freely negotiated prices, electricity energy for meeting the consumption of the technologically connected site.

Art. 80. (1) The notification of concluded transaction on the electricity organized market shall be send by the participant and/or the administrator of the organized electricity market to the independent transmission operator, in a form approved by the independent transmission operator, in case there is such a requirement under the contract under art.11, p. 11. The notification shall contain information on the obligations for supply or purchase on/from the organized electricity market for the separate delivery intervals on the delivery day in accordance with chapter four.

(2) The information under para 1 shall be send to the independent transmission operator also in case of participation in the organized market administrated by other system or market operator.

Art. 81. (1) The independent transmission operator shall confirm the generation and consumption schedules of the balancing energy providers under art. 77, para 4, 5 and 9, within the deadlines specified in an instruction published by the independent transmission operator on the internet site.

(2) The balance responsible parties shall receive information on the registered schedules from the trade system of the operator within the deadlines according the instruction.

(3) The independent transmission operator shall confirm to the balance responsible parties exchange schedules under art. 79 within the deadlines according instruction.

(4) In case of discrepancy in the quantities stated by balance responsible parties within the electric power grid of Bulgaria, the lower value shall be accepted for valid one.

(5) In case of discrepancy in the quantities stated by the balance responsible parties for interconnection exchange schedules with the power grids of other countries, the bilateral agreements between the independent transmission operator and the relevant neighbouring operator shall apply (i.e. valid lower value or reduction till zero value).

(6) For two balancing groups within the electric power grid of Bulgaria, the coordinators shall notify only the balance on the transactions between them.

(7) The confirmed by the independent transmission operator exchange schedules, generation and consumption schedules, including the traded quantities on the organized electricity market accepted by the independent transmission operator, shall present the basis for determination of the imbalances of the balance responsible parties, the electricity provided to/purchased on/from the electricity balancing market and the financial liabilities of the parties.

(8) The generation schedules, the consumption schedules and the exchange schedules of a balancing group should be balanced and the notified purchases of other balancing groups and the scheduled generation in the group shall be equal to the notified sales to other balancing groups and scheduled consumption.

(9) The independent transmission operator shall be entitled to request from the balance responsible parties corrections in the schedules in case the requirements under para 8 are

breached, and relevant actions by the balance responsible parties shall be obligatory.

Art. 82. (1) The independent transmission operator, in case the necessary technical circumstances are available, shall be entitled to implement procedure of notification, validation and registration of generation schedules, consumption schedules and exchange schedules within the day of delivery.

(2) The number of the sessions within a day shall be determined by the independent transmission operator.

Art. 83. (1) In case of a local emergency situation and/or force majeure, the balance responsible parties shall undertake the necessary measures for coordination of exchange schedules for the next unclosed delivery period taking into account the changed circumstances.

(2) The independent transmission operator shall not terminate or amend exchange schedules between the balance responsible parties in the cases under para 1, after their registration.

Art. 84. (1) The independent transmission operator shall be entitled to terminate and/or restrict the exchange schedules of the balance responsible parties in the following cases:

1. failure of the market administration system;
2. at occurrence or for prevention of emergency situations in the electricity generation and transmission equipment;
3. network overload;
4. at long-term energy resources deficit;
5. regulatory measures by competent authorities;
6. at impossibility to maintain the balance of the electric power grid and after all other measures in accordance with the requirements of ENTSO-E were undertaken;
7. under the cases referred to in art. 73 of the Energy Law and other hypothesis of force majeure.

(2) In the cases under para 1, the independent transmission operator shall comply with the deadlines for notification provided by the legislation.

(3) In the cases under para 1, the interrelations regarding the electricity generation and consumption in the electric power grid, for the period of termination of the market, shall be arranged with the suppliers of last resort providing services of public interest

(4) The interrelations under para 3 shall be arranged according the readings of the commercial electricity metering devices.

(5) In the cases under para 1, the producers shall sale at prices determined by SEWRC and/or in the long-term contracts.

(6) The consumers shall buy the consumed electricity at price determined by the supplier of last resort, according the sale contracts.

(7) The market participants shall not be subject to balancing for the period under para 1.

Chapter seven METERING. DATA PROVISION

Section I.

Aims

Art. 85. (1) The aggregation and the provision of data for the quantities metered electricity shall serve the processes of settlement of the quantities traded on the electricity market through bilateral contracts or on the organized electricity market, the balancing electricity market, the bilateral exchanges with the neighbouring control areas/blocks, the settlement of the imbalances, the ancillary services, the payments for access and transmission and all other services according these rules.

(2) This chapter regulates the procedures for:

1. summing/aggregation of the metered values;
2. submission of the total metered values;
3. provision of data for hourly consumption.

(3) The process of settlement on the electricity market shall be based on a settlement period (one hour) and all summed and submitted values of the load profile shall be for the same interval of time.

(4) These rules regulate the usage of metering devices, information systems and mechanisms in the process of settlement on the electricity market. These procedures are not applicable to metering devices and systems which are with operational purpose.

Section II Requirements for the metering systems

Art. 86. (1) Electricity metering devices for periodically metering of the electricity shall be installed at all metering points of the sites according the „Rules for electricity metering”.

(2) For the sites not covered by para 1, standardised load profiles can be applied, which are developed by the distribution companies and provided to the independent transmission operator at the registration under art. 59 and 61.

Art. 87. (1) The owners of metering systems shall store and submit aggregated and hourly metered values from the electricity metering devices under art. 86, para 1 of the quantities active electricity supplied/consumed to/from the sites of market participants for each settlement period.

(2) Each virtual electricity metering device shall have alphanumeric identification code. These codes shall be determined by the independent transmission operator at the registration of the market participant and shall be provided to the relevant owners of metering systems together with a list of the metering points for each identification code.

(3) A market participant shall provide all metering points of the sites indicated by him at registration. Registration of a site of a market participant on the electricity market with incomplete list of the metering points for the relevant site shall not be allowed.

Section III. Metering, certification and submission of the metered quantities

Art. 88. The metered value shall represent the quantity electricity which is metered and registered by an electricity metering device for periodically metering or through load profile, integrated for the settlement period.

Art. 89. (1) Each owner of metering system shall be responsible for the reading of all metered values according the Rules for electricity metering and the Electricity market rules.

(2) In the cases under art. 86, para 1, the owners of the metering systems shall validate, process and store the data in data bases with metered values. The summed and hourly data shall be submitted to the independent transmission operator till 05.00 p.m. on the second working day of the week for the days from Monday to Sunday, inclusive, of the preceding calendar week.

(3) In the cases under art. 86, para 2, the balance responsible parties shall submit to the independent transmission operator till 12:00 a.m. on the second working day of each month, for the period of the relevant month, the summed number of sites of market participants under art. 86, para 2, ordered by type of load profile and ownership of the electricity network in which the above-mentioned sites are located.

(4) At the end of each month the owners of the metering systems shall validate, process and store the data in data bases with metered values. The summed data shall be submitted to the independent transmission operator till 12:00 a.m. on the second working day, but not later than the third calendar day, for the days from the preceding month for which there is no data.

(5) In case of missing hourly data from the individual metering systems and with the purpose to meet the deadlines for submission of information to the independent transmission operator, the owner of the metering systems can use replacing values according the Rules for electricity metering, calculated on the basis of preceding settlement periods or otherwise as specified in the contract for access to the distribution /transmission network of the market participant. In case of missing replacing values from the owner of the metering systems, the independent transmission operator shall apply ex-officio value 0 for the relevant missing hourly data.

(6) In case of missing data under para 5 or in case of wrong data, the owner of the metering system shall evaluate, correct or replace the missing or wrong information in relation to the metered values, according the Rules for electricity metering, and shall submit the information to the independent transmission operator till 12.00 a.m. on the third working day but not later than the fifth calendar day after the end of the month.

(7) The balance responsible parties shall receive the metered values per sites for each direct or indirect member of the balancing group, by the owners of the metering systems, within the deadlines for data submission to the independent transmission operator specified in para 2 and 4.

(8) The metered values received under para 7 can be appealed through the balance responsible parties before the owners of the metering systems, within three working days as of the data receipt. The owner of the metering devices shall implement an examination and shall confirm or correct the metered values. Values which are not appealed within this deadline shall be considered confirmed for the relevant party.

(9) All metered values, including these which were subject to change according para 8, shall be considered by the independent transmission operator as confirmed by the parties not later than the eighth day of each calendar month following the month of reading and shall be considered as confirmed metered values. In case agreement is not reached after this date, the provisions of chapter ten, section VII shall apply.

(10) (New- SG 39/2014) In addition, each owner of metering system shall send the metered values for sites of producers of electricity from renewable sources to the coordinator of the special balancing group for sites of producers from renewable sources for which the balancing responsibility is transferred to the public supplier or to the public providers.

Art. 90. The provisions of this section shall be applicable also for the metering points which correspond to sites of producers and consumers who provide ancillary services to the independent transmission operator.

Section IV. Determination of the technological losses in the network

Art. 91. All metered values from the commercial electricity metering devices between the electricity transmission network and the electricity distribution networks, between the separate electricity distribution networks, between producers and electricity transmission/distribution network, shall be metered and used for the determination of the technological losses of the transmission company and the distribution companies.

Art. 92. (1) The technological losses in the network shall be determined separately for the electricity transmission network and each electricity distribution network.

(2) The transmission company and the distribution companies, in accordance with the ownership of the network, shall determine the technological losses in the relevant network for each settlement period as the difference between the overall electricity quantity fed in the relevant network at the metering points and the electricity quantity consumed in the relevant network or supplied in other networks, according to the confirmed metered values.

(3) (Amended - SG 39/2014) The independent transmission operator shall calculate the imbalances of the quantities of electricity energy needed for coverage of the technological losses in the transmission network and the distribution networks on the basis of the determined technological losses under para 2 and the approved delivery schedules submitted to the public supplier by the coordinators of the special balancing groups for coverage of the technological losses.

(4) All technological losses in the networks determined under para 2 shall be considered as confirmed metered values.

Section V. Summing and submission of the metered values

Art. 93. (1) After determination of the confirmed metered values under art. 89, para 9 and art. 92, para 4, each owner of metering system shall determine the total physical deliveries for each producer and each consumer/supplier of end consumer (as appropriate), for the relevant network for each settlement period.

(2) The summed generation of a producer shall be equal to the sum of all confirmed metered values at the connection points of the generation units to the relevant network.

(3) The total consumption of a consumer shall be equal to the sum of all confirmed metered values at the connection points /metering points of this consumer, connected to the relevant network.

Art. 94. (1) The owners of metering systems shall submit to the independent transmission operator summed, grouped per balancing groups, validated data from the commercial electricity metering devices of the sites of market participants connected to the

relevant electricity network.

(2) The owners of metering systems shall submit to the balance responsible parties summed validated data from the commercial electricity metering devices of the sites of market participants who belong to the relevant balancing group.

(3) (Amended - SG 39/2014) The transmission company shall submit to the distribution company, within the deadlines under art. 89, para 2, the summed values of the metered electricity load profiles, read by each commercial electricity metering device, which participate in the formation of the overall quantity of electricity provided by the transmission to the distribution network.

(4) The transmission company shall submit to the public provider, within the deadlines under art. 89, para 2, the summed and grouped per regions values of the metered load profiles, formed by each commercial electricity metering device, which participate in the formation of the overall quantity of electricity which the public provider purchases from the public supplier.

Section VI

Summing of metered values as in regards to a balance responsible party

Art. 95. (1) After the receipt of the confirmed metered values, the independent transmission operator shall determine the total physical delivery of each balancing group as in regards to the metering points of the relevant network, for each settlement period.

(2) The summed generation of balance responsible party shall be equal to the total generation of the sites of all producers for which the relevant balance responsible party bears the responsibility for the balancing.

(3) The summed consumption of a balance responsible party shall be equal to the total consumption of the sites of all consumers for which the relevant balance responsible party bears the responsibility for the balancing.

Section VII

Summing of metered values as in regards to the relevant network

Art. 96. (1) The net generation of the relevant network shall be equal to the sum of the total generation of all producers connected to this network.

(2) The net consumption of the relevant network shall be equal to the sum of the total consumption of all consumers of this network.

(3) The electricity provided to other networks shall be equal to the sum of all metered values certifying the electricity exchange from the relevant network to other networks. As in regards to the electricity transmission network, the electricity export shall be included to the realised exchange with other networks, as well.

(4) The electricity provided from other networks shall be equal to the sum of all metered values certifying the electricity exchange from the other networks to the relevant network. As in regards to the electricity transmission network, the electricity import shall be included to the realised exchange with other networks, as well.

Section VIII.

Summing of metered values as in regards to the implementation of the activity „imbalances settlement“ by the independent transmission operator

Art. 97. (1) The owners of metering systems shall submit to the independent transmission operator the following information as in regards to the imbalances settlement, only for the relevant network and separately for each settlement period:

1. the confirmed metered values, separately for all dispatched units and loads which provide ancillary services, including balancing energy;

2. the confirmed metered values of other units which has submitted ancillary services to the electricity system operator.

(2) The owners of metering systems shall submit to the independent transmission operator the following information, only for the relevant network and separately for each settlement period:

1. total generation, per type, and total consumption as in relation to each balancing group, determined in accordance with the provisions of art. 95, para 2 and 3.

2. the technological losses in the network, determined according the provisions of art. 92, para 2 and 4.

3. net generation and the net consumption in the relevant network, determined according the provisions of art. 96, para 1 and 2.

4. electricity supplied to other networks, determined in accordance with the provisions of art. 96, para 3.

5. electricity provided by other networks, determined in accordance with the provisions of art. 96, para 4.

Art. 98. (1) The independent transmission operator shall implement preliminary physical settlement on a weekly basis for each coordinator of standard and special balancing group, for all metering points equipped with electricity metering devices, till Thursday -for the days of the preceding calendar week.

(2) The independent transmission operator shall implement final physical settlement for each coordinator of standard and special balancing group, including the sites under art. 86, para 2, till the tenth day of each calendar month following the month of the metering devices reading.

(3) The independent transmission operator shall implement financial settlement on a monthly basis of each coordinator of standard and special balancing group, in accordance with the Accountancy Law and the Law on VAT.

(4) The results from the physical and financial settlement, according chapter ten, shall be reflected in the daily and the monthly settlement excerpts of the coordinators of standard and special balancing groups and of the suppliers of balancing energy.

Chapter eight.

CHANGE/SWITCH OFF THE ELECTRICITY SUPPLIER AND BALANCE RESPONSIBLE PARTY. SUPPLIER OF LAST RESORT

Section I.

Switch off the electricity supplier and the balance responsible party

Art. 99. (1) The procedure for switch off the electricity supplier within the meaning given in this section shall cover:

1. (amended - SG 39/2014) the change of the public provider with a supplier on the liberalised market;

2. the change of a supplier with another supplier on the liberalised market, in the cases

when the belonging to the balancing group is changed;

3. the change of a supplier on the liberalised market with a supplier of last resort and reverse, in the cases provided for in the Energy Law;

4. (del., prev.p. 5 - SG. 39/2014) change of supplier of last resort with other supplier.

(2) The change of supplier shall be initiated by the end consumer or person notary authorised by him.

(3) The process of change of the supplier for consumers connected to the electricity transmission network shall be administrated by the independent transmission operator and for end consumers connected to the electricity distribution network– by the relevant operator of the electricity distribution network.

(4) (Amended - SG 3/2014) At first change of supplier at the regulated market with a supplier at the liberalised market, the customer shall be entitled to receive information for the hourly electricity consumption from the owners of the metering devices, within 5 days as of the date of submission of the request. Information can be requested for a period of two preceding years as of the date of the request. The information shall be provided free of charge.

Art. 100. (1) The market participant or a person notary authorised by him shall send application for access, according to the network to which the relevant site is connected, to the independent transmission operator, the electricity distribution network operator, respectively, and it shall be in the form according a template published on the site of the relevant network operator.

1. for market participants - physical entities: names, ID No (EGN), address of the site in relation to which the change shall be made and client number, ID of the metering points;

2. for market participants - legal entities: in accordance with the template published by the network operator and an additional instruction published on the site of the independent transmission operator;

3. for market participants - companies within the meaning given in the Law on the obligations and the contracts: name and ID No (EGN) of the participating in the company persons-partners, address of the site in relation to which the change shall be made, client number and ID of the metering points.

(2) The application under para 1 shall contain the following additional information, and the following documents shall be attached:

1. connection point and sites, if applicable;

2. technical information for the commercial metering devices according the rules under art. 91, para 1, p. 6 of the Energy Law, if applicable;

3. ID number of standardised profile from the united for the country list with standardised load profiles, if applicable;

4. name and ID number from the register under art. 65 of the balance responsible party who shall be responsible for the imbalances of the market participant, provided he is known at the moment of submission of the application for access;

5. copy of contract for access and contract for transmission to the electricity transmission grid;

6. certificate of concluded contract under general terms and conditions for access and transmission through the electricity distribution network of the relevant network operator.

Art. 101. (1) The independent transmission operator or the operator of the electricity distribution network shall consider the application for access and the presented additional

documents according art. 100 within 10 working days as of the date of their receipt.

(2) In case a lack of a document or incompleteness of the provided information is established, the independent transmission operator or the relevant operator of the electricity distribution network shall notify, within the term under para 1, the applicant of the established incompleteness and shall provide 5 calendar days for submission of the necessary information.

(3) When the new supplier will supply electricity under the provisions of a contract under art. 11, para 10, it is necessary to conclude framework contract with the relevant network operator within the 30-days term.

(4) The non-presentation of the additional information within the specified deadline, as well as its incomplete presentation or lack of signed framework contract, shall be a reason for the independent transmission operator, the operators of the electricity distribution network, respectively, to terminate the consideration of the application for access. In such case the consideration of the documents shall be renewed after submission of new application.

(5) In case the application contains the whole necessary information and after the conclusion of the relevant contracts, the independent transmission operator or the operator of the electricity distribution network shall issue a notification of implementation of the conditions for granting access, including implementation of the requirements of the Rules for electricity metering.

(6) The notification under para 5 shall indicate the ID code of the market participant and his sites in the data base of the network operator.

(7) The procedure for granting of access and the follow-up registration shall be implemented for all sites for which the balancing responsibility is transferred by the public supplier, the end supplier and/or a supplier of last resort to other coordinator, including the sites of producers from renewable sources and co-generation.

(8) The independent transmission operator and the operators of the electricity distribution networks shall be entitled to agree additionally an instruction, published on the site of the independent transmission operator, which is not controversial to these rules and supplements the process for access granting.

Art. 102. (amended - SG 39/2014) In cases where a request is deposited for change of the supplier of last resort with a supplier on the liberalised market, the independent transmission operator (the electricity distribution company) shall register the change only after the market participant have presented a certificate of lack of obligations towards his last supplier on the liberalised market and the supplier of last resort, or agreement for deferred payment.

Section II. Change of the belonging to a balancing group

Art. 103. (1) The procedure is related to market participants who have received for the relevant sites a notification for implementation of the conditions for granting access under art. 102, para 5 of these rules and they want to register them on the market at freely negotiated prices or to implement consecutive change of the balance responsible party.

(2) The independent transmission operator and the operators of the electricity distribution networks shall be entitled to agree additionally an instruction, published on the site of the independent transmission operator, which is not controversial to these rules and supplements the process for change of the belonging to a balancing group.

(3) The market participant or a notary authorised person shall send a request for change

of the belonging to a balancing group, according the network to which the relevant site is connected, to the independent transmission operator, the operator of the electricity distribution network, respectively.

(4) The change of a coordinator of balancing group shall be always effective at the first date of the month.

(5) The request under para 3 shall contain at least the following information:

1. for the market participant - name, EIC, ID code in the data base of the network operator, correspondence address, e-mail and telephone;

2. for the sites of the market participant - ID code for each site in the data base of the network operator, site address and identifier of the metering point used at the relevant network operator;

3. declaration for affiliation of direct or indirect member of the balancing group;

4. certificate from the current balance responsible party and the current supplier, if different from the coordinator, for lack of outstanding payments;

5. declaration for consent by the new coordinator and/or certificate for concluded contract for balancing/contract for combined service with the new balance responsible party.

(6) In case the provided data is full and correct, the network operator shall send notification for forthcoming change to the previous and the new balance responsible party within the terms according the instruction under para 2.

(7) As of the date of entry into force of the change of a balance responsible party, the owner of the commercial metering devices shall determine the consumed electricity in one of the following ways: the owner shall implement reading of the commercial metering devices, determination of the quantity electricity on the basis of a forecast consumption or on the basis of self-reading of the metering devices by the end consumer - in case of switch off the balancing group by a consumer with standardised load profile.

(8) The owners of the commercial metering devices shall send the data under para 7 within the deadlines under art. 89, para 3, 4 and 5 of the rules, to the current supplier and balance responsible party and to the new supplier and balance responsible party.

(9) (Amended - SG 39/2014) In the cases according the EL, when the supply of electricity energy should be implemented by a supplier of last resort, the change of a balance responsible party shall be registered ex-officio by the independent transmission operator, the operator of the electricity distribution network, respectively, within 3 working days as of receipt of the information under art. 104 of the rules.

(10) The independent transmission operator shall inform the market participant, the current supplier, the current coordinator and the supplier of last resort, of the ex-officio registration under para 9.

(11) (Amended - SG 39/2014) The operator of the electricity distribution network shall inform the market participant, the current supplier, the current coordinator, the supplier of last resort and the independent transmission operator of the ex-officio registration under para 9.

Section III.

Rules for provision of electricity from public provider and supplier of last resort

Art. 104. (1) (Amended - SG 39/2014) Supplier of last resort shall be an entity which have license according the EL and supplies electricity in the cases when the main supplier under the contract for sale-purchase is not in condition to continue the supply due to announcement of bankruptcy, liquidation, termination of a license or any other event, which has led to temporary or constant termination of the electricity supply, as well as to end consumers who can not be clients

of the public provider till the choice of other supplier.

(2) The end consumer shall notify the independent transmission operator, the electricity distribution network operator, respectively, immediately, but not later than 24 hours of their effect, of the presence of circumstances which has led to or shall lead to temporary or constant termination of the electricity supply and the date as of which the electricity supply under the current contract is terminated.

(3) The independent transmission operator, the electricity distribution network operator, respectively, shall register ex-officio the change with the supplier of last resort according the issued license.

(4) The price at which the supplier of last resort shall sale the electricity to the end consumer shall be determined according approved by SEWRC "Methodology for price calculation of electricity energy supplied by a supplier of last resort".

(5) The independent transmission operator, the electricity distribution network operator, respectively, shall send identifying information for the client and his sites, as well as data for the quantities consumed electricity, per month, for the last 12 months.

Chapter nine. BALANCING MARKET

Section I. General provisions

Art. 105. (1) The balancing market shall be centralised and shall be administrated by the independent transmission operator through the dispatcher on duty.

(2) At the balancing market, the independent transmission operator shall sell and/or purchase electricity to/from the market participants–balancing energy providers in the national balancing market and/or from/for the regional balancing market in order to balance the deviation from the planned /agreed generation and consumption schedules.

(3) The bids and the transactions on the balancing market shall be executed from separate dispatched generation units/loads.

(4) (Amended - SG 39/2014) The price of the electricity energy on the national balancing market shall be determined according the approved by SEWRC "Methodology for balancing energy price calculation", appendix to the Electricity market rules.

(5) The balancing market can not be used for closing of open positions on transactions on the contracting date D-1.

Section II. Balancing market rules

Art. 106. (1) The balancing market rules shall regulate the conditions for sale and purchase of balancing energy in order to guarantee the security and the sustainability of the national electric power grid and the secure parallel operation of the energy grid of Continental Europe.

(2) The electricity producers shall notify schedules according the concluded contracts, within the working range of their aggregates and according the expected net generation for the relevant period. The balance responsible parties shall notify schedules for the electricity quantities according the concluded contracts and the realised by them transactions on the organized market.

(3) At electricity transit, in the cases of imposed curtailment of the import schedule by the relevant neighbouring operator, the relevant corresponding external schedule for export shall be curtailed, and respectively - in case of imposed curtailment of the external schedule for export, relevant curtailment of the import schedule shall be done.

(4) The independent transmission operator shall be entitled to refuse registration or to curtail "external" export schedule, if the quantities under this schedule are not secured by the relevant electricity quantities under "internal" schedule or by import.

Art. 107. At the balancing market, balancing energy shall be traded, which includes:

1. the energy fed out as a result from regulation (primary or secondary), set through the turbine regulators of the aggregates or the central regulator of the power grid, integral for the hour;

2. balancing through correction of the operational point of the aggregates (tertiary reserve), set by the dispatcher of the independent transmission operator, integral for the hour;

3. the energy fed out as a result from activated cold reserve units, integral for the hour;

4. balancing through change of the state (switch on, switch off) of the aggregates, set by the dispatcher the independent transmission operator, integral for the hour;

5. balancing through change of the load of consumers under dispatch instruction;

6. energy purchased/sold from/to neighbouring electric power grids as an emergency delivery.

Art. 108. (1) After the presentation of the generation schedules, the consumption schedules, the exchange schedules and the regulation bids, according to the Grid Code, and these rules, the independent transmission operator shall assess the available reserves for secondary and tertiary regulation for the assurance of secure and sustainable system operation.

(2) In case there are not sufficient available reserves or balancing energy, the independent transmission operator should act in accordance with the Grid Code.

Art. 109. (1) The independent transmission operator shall be responsible for the registration of the participants on the balancing market, for the collection, the verification and the validation of the bids, for the calculation of the necessary quantities balancing energy for the delivery day, as well as for the arrangement of the mutual financial obligations under transactions related to the balancing market.

(2) The validated bids shall be provided to the dispatcher of the independent transmission operator on duty who shall activate the bids in whole or partially, according the real time conditions.

Art. 110. (1) A transaction on the balancing market shall be considered as concluded in the moment of the partial or the overall activation of the bid of balancing energy provider, executed by the dispatcher of the independent transmission operator on duty.

(2) In case the concluded transaction on the balancing market may threaten the operational security and sustainability of the national power grid and the secure parallel operation of the power grid of Continental Europe, the dispatcher on duty shall be entitled to deactivate the bid of a balancing energy provider.

Art. 111. (1) The independent transmission operator shall be party under the contract with each participant on the balancing market - balancing energy provider, for all transactions concluded on the balancing market.

(2) The transaction concluded on the balancing energy market shall establish the obligations of the relevant balancing energy provider to supply or buy energy to/from the independent transmission operator, according the specificities of the bid and the order issued by the dispatcher of the independent transmission operator.

(3) The concluded transactions with balancing energy provider, which participate in secondary regulation or in the system regulation through activation of cold reserve units, activation of aggregates for tertiary reserve, shall be arranged according the provisions of the contracts with the independent transmission operator.

(4) The transaction shall be referred to the relevant dispatching period.

Art. 112. (1) The payment obligations of the independent transmission operator towards the market participants-balancing energy providers, under the concluded transactions on the balancing market, shall be based on:

1. the order of the dispatcher and the provided quantity of electricity on the balancing market by the supplier;

2. the price of the relevant bid for upward regulation.

(2) The payment obligations of the participants towards the independent transmission operator under the concluded transactions on the balancing market shall be based on:

1. the order of the dispatcher and the actual/effectively purchased electricity by the supplier on the balancing market;

2. the price of the relevant bid for downward regulation.

Art. 113. The pump storage HPP shall be considered as dispatched load when the aggregate is in a pump regime.

Art. 114. (1) The balancing energy traded on the balancing market on the delivery day shall be physically received at:

1. the point of connection where the dispatched aggregate is connected to the national electricity transmission network;

2. the moment after issued dispatch order, and which moment shall be agreed according the technical characteristics.

(2) The balancing energy traded on the balancing market on the delivery day by each balancing energyprovider shall be determined by the independent transmission operator for each dispatching period, provided there is validated net delivery schedule within the working range of the aggregates, the relevant total schedule, and in case the requirements of art. 81, para 8 and 9 are fulfilled.

Art. 115. (1) In cooperation with other transmission operators or balancing services providers from other regulation areas, the independent transmission operator may agree procedures for mutual usage of services provided on the balancing market or to use similar mechanisms acting in the other countries.

(2) The procedures under para 1 should be approved by the State Energy and Water Regulatory Commission.

Section III. Suppliers on the balancing market

Art. 116. (1) Market participants who operate dispatched aggregates shall be obliged to become suppliers on the balancing market or balancing energy providers.

(2) Consumers with dispatched loads can become suppliers on the balancing market.

Art. 117. The participants on the balancing market should be determined as balancing energy providers from secondary and/or tertiary regulation, in accordance with the Grid Code and these trading rules.

Art. 118. (1) Market participant who is obliged to become a balancing energy provider should present written application to the independent transmission operator, in accordance with approved template, accompanied with the whole relevant technical information.

(2) The procedure of submission, verification and acceptance of the application under para 1 shall be determined by the independent transmission operator.

Section IV. Register of the balancing energy providers

Art. 119. The independent transmission operator shall create and maintain register of the balancing energy providers.

Art. 120. The registration of a new provider on the balancing market and the registration under art. 119 shall be executed on the date on which the contract for participation in the balancing market with a balancing energy provider enters into force.

Art. 121. The register of the providers of balancing energy on the balancing market shall include the following information, at least, for each balancing energy provider:

1. full name, official address and contact information with a participant registered as a balancing energy provider;
2. the number and the date of the contract for participation in the balancing market of the balancing energy provider;
3. ID number of the balancing energy provider;
4. the names and the contact information with all persons authorised to act on behalf of the licensed provider;
5. the name and the ID number of the balance responsible party for the relevant balancing energy provider;
6. list with all dispatched aggregates and dispatched loads operated by the relevant balancing energy provider;
7. license number, if such is requested for the relevant participant;

8. EIC of the balancing energy provider.

Art. 122. (1) Each balancing energy provider shall be entitled to verify the information from the register of the balancing energy providers which relates to them, and to require amendments of any noticed discrepancy.

(2) The information from the register of the balancing energy providers shall be public.

Art. 123. (1) A balancing energy provider can terminate his participation on this market, and it shall be requested by application in a written form, only in case the relevant provider will not operate the dispatched aggregate.

(2) The application under para 1 shall be send at least one month before the date on which the registration of the provider of balancing energy shall be terminated.

(3) After the receipt of the application under para 2, the independent transmission operator shall inform the balance responsible party to which the relevant supplier belongs.

Art. 124. (1) The independent transmission operator may terminate the registration of a balancing energy provider in any of the following cases:

1. if from a given moment of time onwards the balancing energy provider can not meet one or more of the necessary requirements for registration as a provider of balancing energy;

2. if the balancing energy provider does not comply with the conditions of the contract for participation on the balancing market;

3. if the balancing energy provider breaches again the rules applied on the balancing market or the rules for arrangement of the mutual obligations.

(2) The registration of a balancing energy provider shall be considered as terminated as of the moment of withdrawal of the generation license of the relevant provider by SEWRC.

Art. 125. (1) If a balancing energy provider withdraws from this market in accordance with the provisions of art. 123 or his registration was terminated by the independent transmission operator in accordance with the provisions of art. 124, the provisions of art. 179 shall apply for the days till the termination of the registration.

(2) The balancing energy provider shall arrange all his obligations with the independent transmission operator till the date of termination of the registration.

(3) The independent transmission operator shall inform the balance responsible party of the change in the register under art. 119.

Section V. Centralised market of ancillary services

Art. 126. (1) The guaranteeing of sufficient available quantity ancillary services for the independent transmission operator and for the operators of the distribution companies shall be implemented through auctions and/or bilateral contracts.

(2) The balancing energy resulting from the regulation/balancing of the power grid shall be purchased only by the independent transmission operator.

(3) (Amended - SG 39/2014) The availability of ancillary services and cold reserve shall

be obligatory provided by the users of the network in accordance with the Grid Code, and the reimbursement of the costs, incurred for them, to the independent transmission operator shall be implemented through the price for the service "access to the electricity transmission network". The other ancillary services, including the full participation in the regulation of the power grid, shall be obligatory provided by the users of the network in accordance with the Grid Code, and the reimbursement of the costs, incurred for them, to the users shall be implemented through the price of the balancing energy proposed in the contracts under art. 131 or in the balancing bids.

(4) In the contracts for access and ancillary services, between the independent transmission operator and the users of the network, the volume and the price of these services shall be indicated.

(5) In case the volume and the price of the indicated under para 4 ancillary services can not be agreed, then the parties under these contracts shall address the issue to SEWRC for their ex-officio determination.

Art. 127. (1) The electricity necessary for coverage of the technological losses in the electricity transmission network shall be supplied through supply schedules by the public supplier and shall be purchased by the transmission company.

(2) The electricity necessary for coverage of the technological losses in the electricity distribution network shall be supplied through supply schedules by the public supplier and shall be purchased by the distribution company.

Art. 128. (1) The independent transmission operator shall receive and verify information from the coordination centres of ENTSO-E of the electricity quantity and the schedule for compensation of unplanned deviations from the planned cross-border exchanges.

(2) The independent transmission operator shall contract electricity for compensation of this unplanned deviations from the planned cross-border exchanges.

(3) The schedule for compensation of unplanned deviations shall be referred to the special balancing group of the independent transmission operator.

Section VI. Purchase of primary and cold reserve

Art. 129. (1) The independent transmission operator shall ensure reserve for primary regulation from the solidarity participation of aggregate groups, on the grounds of the principle of the centralised purchase, with contracts between the independent transmission operator and the providers of this reserve.

(2) The independent transmission operator shall ensure cold reserve, on the grounds of the principle of the centralised purchase, with contracts between the independent transmission operator and the provider of this reserve.

(3) The independent transmission operator shall determine the producers whose aggregates are technically capable and are obliged to provide the necessary reserve for primary regulation, in accordance with the requirements of the operator.

(4) (Amended - SG 39/2014) The independent transmission operator shall pay to the producers of thermal units the declared availability range for participation in the primary regulation at price agreed in a bilateral contract. The reserve for primary regulation of HPP is not paid.

Art. 130. The necessity and the parameters for primary regulation of producers, who will be connected to the grid in the future, and whose single installed capacity of an aggregate will exceed 10 MVA for hydro aggregates and 200 MVA for turbo aggregates, shall be determined by the independent transmission operator.

Section VII. Purchase of secondary reserve

Art. 131. (1) (Amended - SG 39/2014) All producers, as of the date of entry into force of these market rules, whose aggregates have technical capability to provide reserve for secondary regulation, shall be obliged to offer this reserve to the independent transmission operator at negotiated prices for availability and regulating energy.

(2) The independent transmission operator shall conclude annual bilateral contracts with the producers under para 1 for provision of reserve for secondary regulation.

(3) The determination of the aggregates participating in the secondary regulation shall be done by the independent transmission operator.

(4) (Amended - SG 39/2014) The independent transmission operator shall determine for each producer under para 1, within the deadline under art. 77, para 8, a range from the total available capacity for secondary regulation in accordance with art.6, para 2.

(5) (Amended - SG 39/2014) The producers shall allocate the determined by the independent transmission operator range of the total available capacity for secondary regulation per unit and shall send a notification to the independent transmission operator not later than 12.00 a.m. on the day before the delivery.

(6) (rep., previous para 7 - SG 39/2014) SEWRC shall be entitled to impose limitation of the prices according the methodology annexed to these rules.

Art. 132. The necessary reserve for secondary regulation in the control area of the Republic of Bulgaria shall be determined by the independent transmission operator.

Art. 133. Producers who have concluded direct bilateral contracts with the independent transmission operator for the provision of reserve for secondary regulation shall not be entitled to provide, for one and the same settlement period, bids for up- and down-regulation for these aggregates which provide reserve for secondary regulation.

Section VIII. Purchase and bids of balancing energy from tertiary reserve

Art. 134. (1) The independent transmission operator shall purchase balancing energy from tertiary reserve for up-regulation, if restoration of the reserves for secondary regulation is necessary.

(2) The independent transmission operator shall sale balancing energy from tertiary reserve for down-regulation, if restoration of the reserves for secondary regulation is necessary.

Art. 135. (1) Sources of balancing energy from tertiary regulation are:

1. dispatched sites of producers which does not participate in the provision of primary and secondary reserve.

2. dispatched sites of end consumers.

The pump storage HPP shall be considered as dispatched load when the aggregate is in a pump regime.

Art. 136. The bids for balancing shall declare the capability of a market participant to deviate from the generation/consumption schedule against the relevant price for increase or decrease of the generation/consumption, in case of such an order by the dispatcher on duty.

Art. 137. (1) The bids for balancing downwards, submitted from producers, are for reduction of the generation.

(2) The activation of bids for downward regulation under para 1, by the dispatcher on duty, shall aim at decreasing the sent out active energy from the relevant site against the level announced in the generation schedule.

Art. 138. (1) The bids for balancing downwards, submitted from end consumers, are for increase of the consumption.

(2) The activation of bids for balancing downwards under para 1, by the dispatcher on duty, shall aim at increasing the consumption of electricity from the relevant site against the announced in the consumption schedule.

Art. 139. (1) The bids for balancing upwards, submitted from producers, are for increase of the generation.

(2) The activation of bids for balancing upwards under para 1, by the dispatcher on duty, shall aim at increasing the sent out active energy from the relevant site against the level announced in the generation schedule.

Art. 140. (1) The bids for balancing upwards, submitted by end consumers, are for reduction of the consumption.

(2) The activation of bids for balancing upwards under para 1, by the dispatcher on duty, shall aim at reduction of the consumption of electricity from the relevant site against the announced in the consumption schedule.

Section IX.

Priority list of the balancing energy sources

Art. 141. (1) The independent transmission operator shall develop priority list and shall activate the balancing energy sources according this list, taking into account the technological criteria related to the security of the supplies and the sustainability and the safety of the power grid, in accordance with the rules under art. 83, para 1, p. 4 of the Energy Law.

(2) The priority list shall contain bids for balancing submitted by the providers registered

under art. 119.

(3) The ordering of the balancing energy sources, when generating a priority list for compensation of generation capacity deficit in the power grid, shall be in ascending order of the price offered by the balancing energy providers.

(4) The ordering of the balancing energy sources, when generating a priority list for compensation of the generation capacity surplus in the power grid, shall be in descending order of the price offered by the balancing energy providers.

(5) In case of bids with one and the same prices, priority shall have the bids received earlier.

Section X. Dynamic parameters

Art. 142. The balancing energy providers shall be obliged to submit to the operator dynamic parameters, representing aggregated data and characteristics from the separate dispatched sites, related to their capability to change the outgoing capacity.

Art. 143. (1) The dynamic parameters shall be submitted by the balancing energy providers in a summarised form in a form approved by the independent transmission operator.

(2) At change of the dynamic parameters, the balancing energy provider shall inform the independent transmission operator in a timely manner.

(3) The balancing energy providers shall send the information under para 1 to the independent transmission operator via e-mail, fax or other approved means.

Art. 144. The dynamic parameters shall include at least the following information:

1. velocity of power step up, MW/min;
2. velocity of power drop, MW/min;
3. highest possible quantity for delivery, MWh – only for HPP and PSHPP;
4. delivery period of the quantity under p. 3, in hours and minutes - only for HPP and PSHPP;
5. time for activation of the bid downwards, min;
6. time for activation of the bid upwards, min;
7. time for execution of an order for change of the capacity given by the dispatcher on duty, as of the moment of the receipt till the moment of the beginning of the change, min;
8. minimal step for capacity change, MW.

Section XI. Form for presentation and registration of bids for balancing

Art. 145. (1) The registered balancing energy providers shall submit bids for balancing upwards and bids for balancing downwards for the deviation from the levels of the generation/consumption schedules for each separate dispatched site, in a form determined by the independent transmission operator.

(2) The bids for reduction of the generation and for increase of the consumption shall contain the deviation of the active power from the level of the indicated in the generation/consumption schedule, the dispatch periods and the bid price.

(3) The bids for increase of the generation and for reduction of the consumption shall contain the deviation of the active power from the level of the indicated in the generation/consumption schedule, the dispatch periods and the bid price.

(4) The bids for balancing upwards and the bids for balancing downwards shall be submitted by the suppliers of balancing energy, on the day proceeding the delivery day and shall be related to the separate dispatch periods on the delivery day.

Art. 146. (1) The continuation of a bid shall be equal to 15 minutes, and the supplier shall be obliged to send bids for at least sixteen consequent dispatch periods (block).

(2) The starting and the end moment of each bid shall match to 15 minutes.

Art. 147. (1) The step of the bid submitted for a dispatched site of a producer or end consumer shall be at least 5 MW.

(2) The provider can submit bids for balancing upwards or downwards only within the operational range of the dispatched site.

Art. 148. (1) A balancing energy provider can submit for each his own dispatched site one bid for balancing upwards and one bid for balancing downwards, for a block of sixteen periods of dispatching.

(2) Each block of sixteen dispatch periods shall start every hour.

(3) The price of the bid for balancing shall be valid for the whole block.

Art. 149. (1) The registered bids for balancing can not be withdrawn.

(2) The price and the quantities of the activated bids shall be determined as follows:

1. producer shall sell to the independent transmission operator the generated quantity electricity according the order of the dispatcher on duty, at the price of his activated bid for upward regulation;

2. producer shall buy from the independent transmission operator the unproduced quantity electricity according the order of the dispatcher on duty, at the price of his activated bid for balancing downwards;

3. end consumer shall sell to the independent transmission operator the quantity of electricity not consumed according the order of the dispatcher on duty, at the price of his activated bid for upward regulation;

4. end consumer shall buy from the independent transmission operator the consumed quantity electricity according the order of the dispatcher on duty, at the price of his activated bid for downward regulation.

Section XII. Activation of bids for balancing

Art. 150. (1) The dispatcher on duty shall activate bids for balancing in order to maintain the necessary reserve for secondary regulation and/or the power energy balance of the power grid.

(2) The dispatcher on duty can activate together bids for up- and down-balancing in

order to prepare the generation units for delivering of additional spinning reserve or in order to overcome curtailments in the system.

(3) At activation of the bids for balancing, the dispatcher on duty can change the working capacity of a certain site within these bids.

Art. 151. (1) The bid for balancing shall be activated via telephone or other communication tools approved by the independent transmission operator.

(2) The operational activation of a bid for balancing and the subsequent instructions within their continuation shall be documented in a registration table containing the instructed deviation from the generation/consumption schedule and the moment of giving of the instruction.

(3) The registered instructions shall be used in the process of settlement of the balancing energy provider under the provisions of chapter ten.

Art. 152. The dispatcher on duty shall activate a bid in accordance with:

1. the dynamic parameters of the relevant site and the specific conditions in the power grid;

2. the ranking order in the priority list of the balancing energy sources.

Art. 153. In case a balancing energy provider has activated bid for balancing and at the end of the dispatch period he has submitted bid for balancing for the period following the current dispatch period, but he hasn't received an order from the dispatcher on duty for deactivation of his bid, it shall be considered that the dispatcher on duty has activated his bid for the next period as well.

Art. 154. The balancing energy providers submitting balancing bids for a given delivery day shall submit them on the day preceding the delivery day, in compliance with the schedule for exchange of information, developed and published by the independent transmission operator.

Chapter ten.

BASIC PRINCIPLES FOR CALCULATION OF THE IMBALANCES AND SETTLEMENT OF THE BALANCING GROUPS

Section I.

General provisions

Art. 155. (1) The Rules for calculation of the imbalances shall regulate the mechanism for calculation of the deviations between the registered schedule, the metered values of producers and consumers and the physical exchanges between the relevant networks and balance responsible parties.

(2) The independent transmission operator shall apply equal principles at determination of the imbalances and the balancing energy prices toward the coordinators of standard and special balancing groups.

(3) The quantities under the registered schedule are the quantities agreed between the market participants before the real delivery day, inclusive the quantities registered for trade on

the electricity organized market and the quantities provided at the balancing market and ancillary services market.

(4) The metered values are the metered and validated by the owners of the commercial electricity metering devices metered values of producers, consumers and realised physical exchanges between the relevant networks or neighbouring energy systems.

(5) The imbalances shall be determined on the basis of aggregated metered values for production, consumption and physical exchanges related to a balance responsible party.

(6) The producers and the consumers with dispatch sites shall be responsible for the realised "imbalance against dispatching instruction" and the provision of the relevant contracted quantities and the observation of the dispatching instructions received by the dispatcher on duty. The dispatching instructions shall have priority before the contracted quantities.

(7) The balancing energy providers shall deliver or purchase all the energy to/from the independent transmission operator according the orders issued by the dispatcher of the independent transmission operator.

(8) At determination of the imbalances, the unplanned exchanges with neighbouring control areas/blocks shall be taken into account.

(9) (New- SG 39/2014) The calculation and the allocation of the costs from the realized imbalances shall be implemented according the principles for their allocation, written in the general terms and conditions of the balance responsible party, and the producers of electricity, including the producers from renewable sources and co-generation, shall pay costs for coverage of imbalances in the relevant balancing group in which they are members, only in case of a difference in the submitted by them schedules and the real production. Where the producer doesn't submit a generation schedules, the coordinator of the relevant balancing group shall prepare it on his behalf.

Art. 156. The imbalances are:

1. imbalance of a balance responsible party determined on the basis of an contracted position and net metered position;

2. imbalance against dispatching instruction, determined for each generation dispatched block (plant) or dispatched consuming site, determined as a difference between the planned generation, according the net contracted position, the ordered dispatching instruction and the real generation, according the net metered position; where a unit of the producer participates in primary and /or secondary regulation or implements a dispatching order for reduction of the outgoing capacity under the necessary one, for the coverage of the quantities according his registered schedules, it shall be considered that the relevant producer has no imbalance;

3. in case a unit of the producer participates in primary and /or secondary regulation of frequencies and exchangeable capacities or implements a dispatching order for reduction of the outgoing capacity under the necessary one for the coverage of the quantities according his registered schedules, it shall be considered that the relevant producer has no imbalance.

4. system imbalance which shall be determined as the total summed imbalance of the power grid for each separate dispatching interval.

Art. 157. For the calculation of the imbalances the independent transmission operator shall determine:

1. the net contracted position of each balance responsible party, as a sum of all contracted supplies/purchases with/from other balance responsible parties, including the transactions concluded on the organized market and on the balancing energy and ancillary

services market;

2. the net position of each balance responsible party, as a sum of all metered values at the metering points and the energy exchange points;
3. the unplanned exchanges.

Art. 158. (1) The contracted positions are all supplies or purchases of electricity according the last registered schedules and dispatching instructions (ordered imbalance) of a balance responsible party.

(2) The contracted position shall include the following exchanges registered by the independent transmission operator:

1. exchange schedules between balance responsible parties within the power grid of Bulgaria;
2. export/import contracted by a balance responsible party;
3. energy supply for the electricity system operator from dispatched producer/consumer as a result of upward regulation, at participation in the secondary regulation, provision of cold reserve or in the balancing energy market with a bid for balancing energy;
4. purchase of energy by the electricity system operator from dispatched producer/consumer as a result of downward regulation, at participation in the secondary regulation or in the balancing energy market with a bid for balancing energy.

(3) The net contracted position NCP_{fb} of a balance responsible party b , for each settlement period s shall be determined under the following formula:

$$NCP = (\sum KEД_{зак(sb)} - \sum KEД_{np(sb)}) + (\sum ДЕВ_{sb} - \sum ДЕИ_{sb}) + (\sum КЕОП_{зак(sb)} - \sum КЕОП_{np(sb)}) + КЕРП_{sb} - КЕРЗ_{sb}$$

$KEД_{зак(sb)}$, accordingly $KEД_{np(sb)}$, is the agreed energy for purchase, sale from/to other balance responsible party, respectively, for a settlement period s ;

$ДЕВ_{sb}$, accordingly $ДЕИ_{sb}$, the agreed energy for import, respectively for export, according external schedule for a period of settlement s ;

$КЕОП_{зак(sb)}$, accordingly $КЕОП_{np(sb)}$, is the quantity energy determined for purchase, respectively for sale, at the "day ahead" market, for a settlement period s ;

$КЕРП_{sb}$ is the quantity energy from ordered bids for balancing upwards, for a settlement period, s of participants at the balancing market in the relevant balancing group;

$КЕРЗ_{sb}$ is the quantity energy from ordered bids for balancing downwards, for a settlement period, s of participants at the balancing market in the relevant balancing group.

Art. 159. (1) The net contracted position shall be determined for each balance responsible party, for each separate settlement period s and shall be the last validated and registered by the electricity system operator quantity for the relevant settlement period s , determined under art. 158, para 3.

(2) The net contracted position is in *MWh*.

Art. 160. The net metered position is supply metered at the connection point of a

producer or consumer, the point of energy exchange between one network and other network or approved standard load profile for one or a group of consumers, or approved coefficient representing technological losses, as appropriate.

Art. 161. The net metered position shall be related to:

1. net generation metered by commercial electricity metering device of a generation unit or plant, which was fed in the network;
2. net consumption metered by commercial electricity metering device of a consumer, which was consumed from the network;
3. net exchange between networks of two different operators;
4. export, metered by commercial electricity metering device, realised towards other power grid;
5. import, metered by commercial electricity metering device, realised from other power grid;
6. technological losses.

Art. 162. (1) All metered values under art. 161, p. 1 and 5 shall be positive values.

(2) All metered values under art. 161, p. 3, in case of a supply from other networks, shall be positive values.

(3) All metered values under art. 161, p. 2, 4 and 6 shall be negative values.

(4) All metered values under art. 161, p. 3, in case of a supply to other networks, shall be negative values.

Art. 163. (1) The net metered position for a balance responsible party, who is not the independent transmission operator, the transmission or the distribution company, shall be determined as the difference between the aggregated net production of producers for whom responsibility for balancing is taken and the aggregated net consumption of consumers for whom responsibility for balancing is taken.

(2) The net metered positions for a balance responsible party, who is transmission or distribution company and who is responsible for the coverage of the technological losses in the relevant network, shall be determined with a view to the:

1. technological losses in the relevant network, determined according art. 92;
2. physical supplies to other networks, including export;
3. physical supplies from other networks, including import;
4. net generation of the producers connected to the relevant network;
5. net consumption of the consumers connected to the relevant network.

Art. 164. The net imbalance of a coordinator of balancing group, who is not the independent transmission operator, transmission or distribution company, shall be the difference between the net contracted position determined under art. 158, para 3 and the net metered position determined under art. 163, para 1.

Art. 165. The net metered position of a balance responsible party who purchases energy from priority producers shall be determined as a sum of the net generation of all generation units

from which the coordinator of the balancing group is obliged to purchase the priority generation.

Art. 166. (1) The system imbalance shall be the total imbalance of the power grid for each dispatching interval.

(2) The system imbalance shall be determined with a view to the total quantity of energy provided by the balancing energy providers, for each dispatching interval, at upward and downward regulation and the unplanned exchanges as well.

Art. 167. (1) The unplanned exchanges ($E_{exchange}$) shall be the deviations from the registered by the independent transmission operator quantities for import and export, according the external schedules and the actual physical exchanges for each dispatching interval and shall be determined under the formula:

$$E_{exchange(s)} = (\Sigma EXP_{plan(s)} - \Sigma EXP_{real(s)}) - (\Sigma Imp_{real(s)} - \Sigma Imp_{plan(s)})$$

where:

$\Sigma EXP_{plan(s)}$, respectively $\Sigma Imp_{plan(s)}$, are the planned export, import respectively;

$\Sigma EXP_{real(s)}$, respectively $\Sigma Imp_{real(s)}$, are the realised export, import respectively.

(2) The unplanned volumes shall be related to the imbalances of the independent transmission operator as a coordinator of special balancing group.

Section II. Settlement rules

Art. 168. The settlement rules shall regulate the principles for calculation of the obligations under the following transactions:

1. transactions concluded on the electricity organized market;
2. transactions concluded on the balancing energy market with balancing energy providers;
3. transactions for sale and purchase of balancing energy with the balance responsible parties in order to compensate the realised imbalances;
4. transactions with the suppliers of ancillary services;
5. transactions for purchase of reserves (primary, secondary, cold);
6. transactions for purchase of energy for coverage of the technological losses in the networks.

Art. 169. In order to ensure open and non-discriminatory settlement process, the independent transmission operator shall:

1. (amended - SG 39 /2014) establish and maintain energy accounts for each balance responsible party and for each balancing energy provider;
2. require provision of guarantee securities;
3. determine prices of balancing energy for energy deficit and energy surplus, for each settlement period;
4. implement preliminary settlement on a weekly basis and final physical and financial settlement on a monthly basis;

5. calculate the imbalances of the separate balancing groups and of the real balancing energy provided from the balancing energy providers;
6. re-allocate additional costs or incomes as a result of the realised settlement processes according the trading rules;
7. shall implement control as in regards to the implementation of the financial obligations and shall impose measures at non-compliance.

Art. 169a (New - SG 39/2014) For the provision of open and non-discriminatory settlement process at the electricity organized market, the organized market operator shall:

1. Create and maintain energy accounts for each participant in the electricity organized market.
2. Require provision of guarantee securities.
3. Determine settlement price (market clearing price) for a period s and trading area z.
4. Implement daily settlement and shall determine the obligations of the participants in the organized market.
5. Implement control as in regards to the implementation of the financial obligations and shall impose measures at non-compliance.

Art. 170. (1) The energy accounts shall be:

1. energy account for each participant on the electricity organized market;
2. energy account for each balancing energy provider;
3. energy account for each balance responsible party.

(2) On the credit of an energy account under para 1, p. 3 the following shall be related: the metered generation, the registered schedules for purchase of energy and the participation in the balancing energy market or the ancillary services market through purchase of energy at downward regulation of the system.

(3) On the debit of an energy account under para 1, p. 3 the following shall be related: the metered consumption, the registered schedules for sale of energy and the participation in the balancing energy market or the ancillary services market through sale of energy at upward regulation of the system.

(4) The independent transmission operator shall develop templates of:

1. the notifications for settlement of the transactions according art. 168, p.2 and 3;
2. (del., prev.p. 3 - SG. 39/2014) notifications for provided capacity reserves under art. 168, p. 5;
3. (prev.p. 4 - SG. 39/2014) notifications for provided other ancillary services under art. 168, p. 4.

(5) (New- SG 39/2014) The operator of the organized market shall prepare a template of notifications for participation in an electricity organized market for the transactions under art. 168, p.1.

(6) (Previous para 5 - SG 39/2014) The notifications under para 4 shall be integral part from the invoices issued under section V.

Art. 171. (1) The independent transmission operator shall be entitled to require guarantee securities for the transactions under art. 168, p. 1, 2, 3 and 4.

(2) (New- SG 39/2014) The operator of the organized market shall require a guarantee security for the transactions under art. 168, p.1.

(3) (Previous para 2 - SG 39/2014) The independent transmission operator shall develop procedure for determination of the amount and the types of the guarantee securities under para 1, deadlines for the provision, update and consequences from non-implementation, which shall be public and accessible for the stakeholders.

(4) (Previous para 3, amended - SG 39/2014) The guarantee security from the participants in the electricity organized market shall be determined according the instructions on this market and shall be in favour of the company which organises the electricity organized market/manages the financial risk.

Section III.

Transactions settlement rules on the electricity organized market

Art. 172. (1) (Amended - SG 39/2014) The auction market operator shall implement calculations on a daily basis, and the obligations/takings of each participant in the organized market shall be determined under the following formula:

$$HCDC = \sum_s \sum_z U_{sz} K_{sz}$$

where:

HCDC is net value of the daily settlement;

U_{sz} - settlement price (equilibrium price) for a period s and trading area z;

K_{sz} - quantity traded for a settlement period s and trade area z.

(2) The quantities corresponding to the purchases from the electricity organized market are negative values, while the quantities corresponding to the sales to the electricity organized market are positive values.

(3) (Amended - SG 39/2014) The operator of the organized day ahead market shall prepare daily notifications separately for each market participant, for each separate trading day.

(4) The daily notifications under para 3 shall contain at least the following information:

1. hourly quantities traded on the electricity day ahead market;

2. market clearing price for each interval of supply;

3. obligations and takings for each interval of supply;

4. aggregated sold and purchased quantities on a daily basis;

5. obligations and takings on a daily basis;

6. net financial position;

7. (amended - SG 39/2014) payments owed to the organized day ahead market operator/the company which manages the financial risk.

Art. 173. The participants in the electricity organized day ahead market shall receive information for their net financial position, which value is subject to debit from the payment account on the trading day or on the following first working day, and credit - on the first working day following the trading day.

Section IV.

Rules for settlement of the imbalances of the balance responsible parties

Art. 174. (1) The independent transmission operator shall determine the imbalances of

the balance responsible parties for each delivery interval, after receipt of the confirmed metered values from the owners of the commercial electricity metering devices according chapter seven.

(2) The independent transmission operator shall prepare for each calendar day, for each balance responsible party hourly daily notification for settlement of imbalances and shall determine the net value of the daily settlement.

(3) The quantity energy from metered imbalance ($KEIH$) shall be determined under the following formula:

$$KEIH_{sb} = \sum KEД_{sb} + \sum KEИ_{sb}$$

where:

$KEД_{sb}$ is the quantity energy according the registered net schedules for exchange of a balance responsible party b , for a settlement interval s , bided under the provision of chapter six;

$KEИ_{sb}$ - the metered quantity energy of all sites in a balancing group b .

(4) The quantity energy from activated imbalance ($KEAH$) shall be determined under formula:

$$KEAH_{sb} = \sum KEACP_{sb} + \sum KEABP_{sb}^+ + \sum KEABP_{sb}^- + \sum KEAИ_{sb}^+ + \sum KEA3_{sb}^-$$

where:

$\sum KEACP_{sb}$ is the total quantity energy with which the sites of a balancing group b has actually increased their generation for a settlement interval, s after activated cold reserve;

$\sum KEABP_{sb}^+$ is the total quantity energy with which the sites of a balancing group b has actually increased their generation for a settlement interval, s after activated secondary up-regulation;

$\sum KEABP_{sb}^-$ is the total quantity energy with which the sites of a balancing group b has actually reduced the generation for a settlement interval, s after activated secondary down-regulation;

$\sum KEAИ_{sb}^+$ is the total quantity energy with which the sites of a balancing group b has actually increased their generation or has reduced their consumption for a settlement interval, s as a result from activated bids for balancing upwards;

$\sum KEA3_{sb}^-$ is the total quantity energy with which the sites of a balancing group b has actually reduced their generation or has increased their consumption for a settlement interval, s as a result from activated bids for balancing downwards.

(5) The quantity energy from net imbalance ($KEHH$) for the balancing group b shall be determined under the formula:

$$KEHH_{sb} = KEИH_{sb} - KEAH_{sb}$$

(6) Depending on the value of the calculated net imbalance the following marking shall be accepted:

1. when $KEHH_{sb} > 0$, it shall be marked with $KEHH_{sb}^+$;

2. when $KEHH_{sb} < 0$, it shall be marked with $KEHH_{sb}^-$;

3. when $KEHH_{sb} = 0$, it shall be marked with $KEHH_{sb}^0$.

(7) The net value of the daily settlement ($HCDCb$) of the balance responsible party shall be determined under the formula:

$$HCDC_b = KEHH_{sb}^+ \text{ЦЕИ}_s - KEHH_{sb}^- \text{ЦЕИ}_s$$

Art. 175. (1) The independent transmission operator shall prepare separately for each calendar day, for each balancing energy provider from secondary regulation and cold reserve, hourly daily notification for settlement and shall determine the net value of the daily settlement.

(2) The net value of the daily settlement of a balancing energy provider from secondary regulation and cold reserve ($HCDCBPCP_k$) shall be determined under the formula:

$$HCDCBPCP_k = \sum_{k=1}^n KEACP_{sk} \text{ЦСР} + \left(\sum_{k=1}^p KEABP_{sk}^+ + \sum_{k=1}^p KEABP_{sk}^- \right) \text{ЦЕВР}$$

Art. 176. (1) The independent transmission operator shall prepare separately for each calendar day, for each supplier of balancing energy from tertiary regulation, hourly daily excerpt for settlement and shall determine the net value of the daily settlement.

(2) The net value of the daily settlement of a supplier of balancing energy from tertiary regulation ($HCDCCTP_k$) shall be determined under the formula:

$$HCDCCTP_k = \sum_{l=1}^m KEAII_{skl}^+ \text{ЦЕИ} + \sum_{l=1}^m KEA3_{skl}^- \text{ЦЕЗ}$$

Art. 177. (1) The independent transmission operator shall prepare, separately for each balance responsible party, monthly notification for settlement of the imbalances, till the 5th day of the month following the month of reading of the metering devices, which shall include the aggregated values from the daily settlement for the period. The monthly notification shall contain at least the following information:

1. date of preparation, period, ID number of the balance responsible party;
2. aggregated energy surplus for the period;
3. aggregated energy deficit for the period;
4. net monthly imbalance;
5. total value of the obligations of a balance responsible party;
6. total value of the takings of a balance responsible party.

(2) The daily notifications for settlement shall be prepared on a weekly basis, till Thursday for the days from Monday to Sunday inclusive, for the preceding calendar week.

(3) In case of a lack of data which is necessary for the preparation of the daily notifications for settlement within the deadline under para 2, not by fault of the independent transmission operator, the notifications shall be issued within 3 working days as of the moment of receipt of the data.

(4) In case of a lack of data till the 3rd day of the month following the metering, the owners of the electricity metering devices shall be obliged to send replacing data according the procedures in the Electricity metering rules and these market rules.

(5) The sending of the daily and monthly notifications shall be implemented through means approved by the independent transmission operator.

(6) The balance responsible parties shall be entitled to appeal the data in the notifications within two days as of their receipt.

Section V. Invoicing of balancing energy

Art. 178. (1) The independent transmission operator and the balance responsible parties shall issue invoices on the basis of the monthly notifications for settlement under art. 175, for the quantity balancing energy which they have sold for the relevant monthly period.

(2) All invoices shall be issued on the last day of the calendar month for which they relate and shall be submitted to the market participants till the 5th date of the following month.

(3) The deadline for payment of the obligations of the balance responsible parties to the independent transmission operator shall be the 15th date of the month following the month of delivery.

(4) The deadline for payment of obligations of the independent transmission operator to the balance responsible parties shall be the 20th date of the month following the month of delivery.

Section VI. Rules for settlement of the imbalances of the balancing energy providers

Art. 179. (1) The independent transmission operator shall calculate, for each balancing energy provider, the quantity balancing energy, actually provided for each dispatching interval, after receipt of the confirmed metered net values of the dispatched generation and consumption sites.

(2) The actually provided /purchased balancing energy by the balancing energy providers as a result from activated balancing bid shall be determined according art. 4 and art. 5 of the methodology -appendix 1.

(3) The independent transmission operator shall calculate, for each dispatching period, the difference between the ordered imbalance (KEPH) and the quantity balancing energy actually supplied as a result from activated downward bid (KEA3) or activated upward bid (KEAΠ).

(4) The independent transmission operator shall pay/receive payment to/from balancing energy providers for the whole quantity balancing energy activated according the orders issued by the dispatcher of the independent transmission operator.

(5) The calculations for the settlement of the balancing energy providers shall be issued within the deadlines under art. 177.

Section VII. Appeals and recapitulation

Art. 180. (1) In case of an appeal of notification for settlement within the deadlines under

art. 177 para 6, by a balance responsible party, balancing energy provider or participant in the electricity organized day ahead market, the independent transmission operator shall verify the information within two working days and:

1. shall accept the appeal and shall issue new notification for settlement which will be send and confirmed within two working days as of the receipt of the notification for appeal;

2. shall not accept the appeal and shall inform the appealing party within two working days as of the receipt of the notification for appeal.

(2) In case the dispute under para 1 is not solved as of the date of issuance of the invoices, the invoices shall be issued on the basis of the appealed notification.

Art. 181. (1) After resolving a dispute on an notification for settlement, the independent transmission operator shall issue new notification for settlement.

(2) At change of the tax basis at which the invoice was issued, after the dispute was resolved, debit or credit notice shall be issued respectively.

(3) The obligations under the issued tax debit or credit notice shall be paid within the deadlines under art. 178, para 3 and 4.

Art. 182. (1) Recapitulation shall be implemented at change of the data for settlement as of preceding dates, resulting from incorrect metering, processing and validation of the data by the owners of the electricity metering devices, errors in the transmission of the information to the independent transmission operator, faults in the electricity metering devices, technical errors in the implementation of the settlement or amendments in the legislation, as well as for other reasons which are not explicitly mentioned in these rules .

(2) The recapitulation under para 1 shall be implemented for a period not longer than one month, preceding the date of finding out of the change of the data for settlement, only in regards to the concerned sites.

(3) The independent transmission operator shall not change the balancing energy prices, determined for the period under para 2, during the recapitulation.

Art. 183. The metering, the validation and the sending of data from the electricity metering devices, ownership of the distribution companies, shall be implemented in accordance with the Electricity metering rules.

Section VIII. Guaranteeing of the balancing energy transactions

Art. 184. (1) The balance responsible parties shall provide guarantee security in favour of the operator, for the transactions concluded by them on the balancing energy market.

(2) The security under para 1 shall be unconditional and irrevocable bank guarantee, opened in favour of the operator, according approved template, with validity one year or cash deposit on the account of the operator.

(3) The amount and the type of the security guarantee shall be determined in the balancing contract.

(4) In case a balance responsible party has outstanding obligation to the operator within the deadline under art. 178, para 3, the operator shall be entitled to encash, via written

request to the bank, the outstanding amount and the interest on it from the provided guarantee security.

Art. 185. (1) At initial registration on the balancing market of a balance responsible party under art. 59, the operator shall determine the amount of the guarantee security (ΔH) under the formula:

$$\Delta H_k = KH * EP_k * \text{ЦП} ,$$

where:

ΔH_k is the initial value of the guarantee security of a balance responsible party k, BGN;

KH - coefficient of security at initial registration of balance responsible part k;

EP_k - base quantity electricity for determination of the initial guarantee security of a balance responsible party k, MWh;

ЦП - the highest approved by SEWRC total price of energy and availability of a producer connected to the electricity transmission network, with whom the public supplier has contract for purchase of availability and energy, BGN/MWh.

(2) The value of the coefficient of security (KH) is - 0,05.

(3) The basis quantity electricity (EP) shall be determined under the formula:

$$EP = k * \sum_{l=1}^n KEIlk$$

where:

KEИ is the highest monthly quantity consumed electricity by the sites of consumers for the last 6 calendar months, preceding the registration, in a balancing group with a balance responsible party k – producer or trader, MWh;

or

KEИ – the highest monthly quantity produced by the sites of a producer for the last 6 calendar months, preceding the registration, in a balancing group in which there are no sites of consumers, with a balance responsible party k - producer, MWh.

k - coefficient reflecting the mutual compensation of the imbalances between the sites in a balancing group, which is equal to 0.5 (k=0.5).

(4) Coefficient "k" shall not apply for market participants who are responsible only for the balancing of own sites.

Art. 186. (1) The independent transmission operator shall update the amount of the guarantee security of a balance responsible party at least once per year.

(2) The independent transmission operator shall be also entitled to update the amount of the guarantee security in case:

1. of change in the price ЦП;

2. the independent transmission operator has registered new sites or has deleted sites in the balancing group of a balance responsible party k .

(3) The independent transmission operator shall update the guarantee security in any case when the amount of the guarantee security according para 4 is changed with more than 10 %.

(4) The amount of the updated guarantee security (ΔA) shall be determined under the

formula:

$$\Delta A_k = HH_k + (KA * ED_k * ЦР) ,$$

where:

ΔH_k is the updated value of the guarantee security of a balance responsible party k, BGN;

ΔP - arithmetic mean value for deficit for the last 6 calendar months preceding the update, BGN/MWh

HH_k - the highest positive difference between the total amount of the obligations and the total amount of the takings of a balance responsible party k, for the last 6 months preceding the update, BGN.;

KA - coefficient of security at update of the guarantee security;

ED_k - the base quantity electricity for determination of the updated guarantee security of a balance responsible party k, MWh;

(5) The value of the coefficient of security (KA) is - 0,025.

(6) The basis quantity electricity energy (ED) shall be determined under the formula:

$$ED = k * \sum_{l=1}^n KEIlk$$

where:

KEI is the highest monthly quantity consumed electricity by the sites of consumers for the last 6 calendar months, preceding the registration, in a balancing group with a balance responsible party k – producer or trader, MWh;

or

KEI – the highest monthly quantity produced by the sites of a producer for the last 6 calendar months, preceding the registration, in a balancing group in which there are no sites of consumers, with a balance responsible party k - producer, MWh.

k - coefficient reflecting the mutual compensation of the imbalances between the sites in a balancing group, which is equal to 0.5 ($k=0.5$).

(7) Coefficient "k" shall not apply for market participants who are responsible only for the balancing of own sites.

(8) The minimal amount of the guarantee security for a coordinator of standard balancing group k after an update is 20 000 BGN.

(9) The guarantee security under para 6 shall be required also from balance responsible parties – traders of electricity who have not taken responsibility for balancing of sites of consumers.

Art. 187. (1) At initial registration on the balancing energy market of a coordinator of special balancing group, the independent transmission operator shall determine the amount of the guarantee security (ΔH) under the formula:

$$\Delta H_k = KH * EP_k * ЦР ,$$

where:

ΔH_k is the initial value of the guarantee security of a coordinator of balancing group k, BGN;

KH - coefficient of security at initial registration of a balance responsible party k;

EP_k - base quantity electricity for determination of the initial guarantee security of a balance responsible party k, MWh;

ЦP - the highest approved by SEWRC total price of energy and availability of a producer connected to the electricity transmission network, with whom the public supplier has contract for purchase of availability and energy, BGN/MWh.

(2) The value of the coefficient of security (KH) is - 0,02.

(3) (suppl. - SG 39/2014) The basis quantity electricity (EP) shall be determined under the formula:

$$EД = k * \sum_{l=1}^n KEИl k$$

where:

KEИ is the average monthly quantity consumed electricity by the sites of consumers for the last 6 calendar months, preceding the registration, in a balancing group with a balance responsible party k – public supplier or public providers or supplier of last resort, MWh or KEИ is the average monthly quantity produced electricity by the sites of producers for the last 6 calendar months, preceding the registration, in a balancing group with a balance responsible party k – public supplier or public providers, MWh

k - coefficient reflecting the mutual compensation of the imbalances between the sites in a balancing group, which is equal to 0.2 (k=0.2).

(4) The minimal amount of the guarantee security for a balance responsible party is 100 000 BGN.

(5) (New- SG 39/2014) The principles of determination of the guarantee security for a coordinator of special balancing group with sites of renewable sources and co-generation shall be applied also for the coordinators of combined balancing groups.

Art. 188. (1) The independent transmission operator shall update the amount of the guarantee security of a special balancing group at least once per year.

(2) The independent transmission operator shall be also entitled to update the amount of the guarantee security, except the cases under para 1, in case:

1. of change in the price ЦP;

2. the independent transmission operator has registered new sites or has deleted sites in the balancing group of a coordinator of balancing group k .

(3) The independent transmission operator shall update the amount under para 2 in any case of change of the amount of the guarantee security provided in favour of the independent transmission operator with more than 10 %

(4) The amount of the updated guarantee security (ДA) shall be determined under the formula:

$$ДA_k = HH_k + (KA * EД_k * ЦP),$$

where:

ДHk is the updated value of the guarantee security of a balance responsible party k, BGN;

ЦP - arithmetic mean value for deficit for the last 6 calendar months preceding the update, BGN/MWh

HHk - the highest positive difference between the total amount of the obligations and the total amount of the takings of a balance responsible party k, for the last 6 months preceding the

update, BGN.;

KA - coefficient of security at update of the guarantee security;

ED_k - the base quantity electricity for determination of the updated guarantee security of a balance responsible party k, MWh;

(5) The value of the coefficient of security (KA) is - 0,01.

(6) The basis quantity electricity energy (ED) shall be determined under the formula:

$$ED = k * \sum_{i=1}^n KEIik$$

where:

KEI is the average monthly quantity consumed electricity by the sites of consumers for the last 6 calendar months, preceding the registration, in a balancing group with a coordinator of balancing group k – public supplier or public providers or supplier of last resort, MWh;

k - coefficient reflecting the mutual compensation of the imbalances between the sites in a balancing group, which is equal to 0.2 (k=0.2).

(7) The minimal amount of the guarantee security for a coordinator of special balancing group k after update is 100 000 BGN.

(8) The independent transmission operator shall require update of the amount of the guarantee security in case after the update the difference between the provided guarantee security and the updated amount exceeds 10 % of the provided guarantee security.

(9) The balance responsible parties shall be obliged to provide new bank guarantee within 10 working days before the expiry of the current guarantee.

(10) (New- SG 39/2014) The principles of update of the guarantee security for a coordinator of special balancing group with sites of renewable sources and co-generation shall be applied also for the coordinators of combined balancing groups.

Art. 189. The independent transmission operator shall send written notification of the amount of the updated guarantee security to the balance responsible party who shall be obliged to update the amount within 5 working days.

Section IX.

Conditions for usage of the the guarantee securities

Art. 190. (1) In case a balance responsible party fails to pay an obligation invoiced under art. 178, para 1 within the deadline, the independent transmission operator shall send request for encashment of the outstanding amount from the bank guarantee or shall encash the outstanding amount from the provided deposit not earlier than 5 working days after the payment date of the invoice.

(2) The balance responsible party shall be obliged to update the guarantee securities within 3 working days as of the moment of encashment.

Chapter eleven.

ELECTRICITY MARKET MONITORING

Section I.

Aim of the market monitoring

Art. 191. (1) The market monitoring shall be implemented by SEWRC (the commission) and the independent transmission operator. The monitoring is necessary in order to determine the level of effectiveness, transparency and competitiveness of the market and to guarantee that all participants on the market comply with the market rules and the other legislative requirements.

(2) The coordinators of standard and special balancing group shall provide to the commission regular information, as follows:

1. Data for the members of the balancing group, including headquarters, management address, contact person, EIC, reg. code on a balancing market and others (for households only summarised information shall be provided).

2. Quantities traded electricity between the members of the balancing group.

3. Prices at which the electricity is traded between the members of the balancing group.

4. Quantities and prices for allocation of the imbalances within the balancing group.

5. Other information needed for the purpose of monitoring.

(3) The aim of the monitoring is to determine (assess):

1. the market structure and operation;

2. the market effectiveness;

3. the eventual misuses on the market;

4. the necessity of amendments in the market rules and the whole market structure, arisen in the process of operation of the electricity market;

5. the necessity of amendments in the procedures of the power grid operator.

Section II.

Information provided to the commission by the market participants

Art. 192. (1) The market participants shall provide to the commission the necessary information and documents for the preparation of the monitoring report, in accordance with the indicated by the commission scope, period and deadline for each separate case.

(2) The information shall be provided on paper and in electronic form.

(3) The market participants can not refuse provision of the requested by the commission information by refereeing to trade secret.

(4) At necessity, in regards to the rights of the commission in the process of electricity market monitoring, the commission shall be entitled to require additional information from the market participants as well.

(5) In case the provided information is false, incomplete, incorrect or is not provided within the specified deadline, SEWRC shall be entitled to impose sanction on the market participant according the provisions of the Energy Law.

Section III.

Information provided by the power grid operator

Art. 193. The operator shall prepare, maintain and regularly publish general and specialised information on the market operation, the transactions at freely negotiated prices and the energy traded at the balancing market.

Art. 194. The operator shall create and maintain electronic registers and archive of:

1. market participants;
2. balance responsible parties;
3. balancing energy providers;
4. submitted and registered supply schedules;
5. refused or withdrawn supply schedules;
6. quantities electricity traded through contracts at freely negotiated prices;
7. physical data and characteristics of the sites of the market participants;
8. submitted, refused and accepted bids and applications on the balancing energy market;
9. orders of the operator for activation of bids and offers;
10. orders for termination of the market activity upon emergency situations;
11. data from the commercial electricity metering devices of the trade participants;
12. data from the settlement excerpts;
13. data for the owed guarantee securities by the market participants;
14. cash flows between the operator, on one side and the balance responsible parties and balancing energy providers, on the other side.

Art. 195. The operator shall provide public information for the market activity, containing:

1. register of the balance responsible parties and balancing energy providers;
2. total quantity electricity traded at freely negotiated prices on a daily and monthly basis;
3. quantities electricity sold to end consumer;
4. prices of balancing energy for the separate settlement periods.

Art. 196. The operator shall provide to each market participant access to information related to his participation in the market within the deadlines and content as follows:

1. registered delivery schedules - till 06.00 p.m. on the day preceding the delivery day;
2. registered bids and offers - till 06.00 p.m. on the day preceding the date to which they relate;
3. orders in relation to activation of bids and offers of the market participant - till 06.00 p.m. on the second working day after the dispatching date;
4. daily notifications for settlement for the days from Monday to Sunday including, within 3 working days after the end of the week and in case of lack of data, not by fault of the operator, the deadline shall start as of the moment of receipt of the data, but not later than 3 days after the end of the delivery period;
5. aggregated excerpts for settlement, within 5 days after the end of the calendar month.

Section IV.

Analysis and assessment of the electricity market

Art. 197. On the basis of the information under sections two, three and five, the commission shall analyse the effectiveness of the market functionality and the free competition.

Art. 198. A market participant with a significant influence on the market shall be a participant who solely or together with others has a position equal to masters position, i.e.

position of economic power allowing him independent behaviour from competitors, consumers and end consumers.

Art. 199. Effective competition is reached when none of the market participants solely or together with other market participants doesn't have significant influence on the liberalised market.

Art. 200. (1) During the analysis, the commission shall determine the market share of each participant realising activity on the liberalised market.

(2) The market share of each market participant at the liberalised market shall be calculated on the basis of some of the following indicators:

1. net incomes from electricity sale;
2. quantity electricity sold to traders and to end consumers;
3. number of consumers;
4. other applicable indicators, depending on the specifics of the relevant market in accordance with the legislation for competition protection.

(3) Main indicator for the determination of the market share at the liberalised market shall be the quantity electricity sold to traders and end consumers.

(4) Depending on the specifics of the market, the commission can use other indicator as well, on the basis of which to determine the market shares and the need of additional indicators shall be reasoned in the decision of the commission for the results from the implemented market analysis.

Art. 201. (1) At the assessment of the market shares of the companies at the liberalised market, the level of market concentration shall be taken into account.

(2) The level of market concentration shall be calculated through the Herfindahl-Hirschman Index (HHI) and the coefficient of market ratio (CR).

(3) The Herfindahl-Hirschman Index shall be determined under the formula:

$$I_{HH} = 10000 \sum_{i=1}^n X_i^2$$

where:

X_i is the market share of the i -participant, in %;

n – the number of the participants in the liberalised market.

(4) In accordance with the value of the IHH, the liberalised market can be determined as:

1. normal competitive market with low level of concentration – at values of the IHH under 1000;
2. reasonable competitive market with average level of concentration – at values of the IHH from 1000 to 1800;
3. low competitive market with high level of concentration – at values of the IHH above 1800.

(5) The market concentration ratio shall be determined under the formula:

$$CRm = \sum_{i=1}^m W_i,$$

where:

W_i is the market share of the i -participant, in %;

m – the number of participants with biggest market share; usually $m = 1$ and $m = 3$.

(6) In accordance with the values of CR1 and CR3, the liberalised market can be determined as:

1. value of CR1 > 20 % - has influence on the level of competition;
2. value of CR1 > 40 % - suggests master position on the market;
3. value of CR1 > 50 % - unconditionally is considered as indication for master position on the market;
4. value of CR3 equal almost to 0 % - ideal competition;
5. values of CR3 between 40 % and 70 % - averagely competitive market;
6. values of CR3 between 70 % and 100 % - low competitive market.

Section V. Results from the market monitoring

Art. 202. The operator shall develop and provide to the commission regular reports on the monthly, quarterly and annual market activity and supplemental reports requested by the commission containing information for:

1. market participants on the market and traded quantities electricity by them at freely negotiated prices;
2. total quantity electricity traded at freely negotiated prices;
3. prices of balancing energy for surplus and for deficit - minimal, average and maximal;
4. settlement of the operator;
5. unauthorised activities on the market and non-compliance of the trading rules;
6. other information requested by the commission.

Art. 203. The data shall be kept in data base of the operator for a period of 6 years.

Art. 204. All data, excluding the public information, shall be considered confidential and shall be subject to protection in accordance art. 114 of the Energy Law.

Art. 205. The commission shall prepare annual monitoring report on the market operation, which shall contain:

1. assessment of the structure and the operation of the monitored relevant markets;
2. assessment of the incorrect functioning of the market and the possible reasons for this;
3. analysis of the reasons that led to incorrect functioning of the markets, in case such is established, including misuse with master position, practices and actions which are controversial with the good trade practices and harm or may harm the interests of the competitors, as well as any other violations of the obligations of the trade participants under these rules;
4. proposals for measures for elimination of the established violations arisen as a result

from the operation of the electricity market or by the market participants;

5. proposals for amendments in the market rules and/or any other legislation related to them.

Art. 206. (1) The commission shall apply effective counter sanctions against the market participants who violated the market rules, and/or shall notify other competent authorities.

(2) The commission shall cooperate with other competent state authorities and other national regulation authorities.

Art. 207. (1) The operator shall publish officially monthly reports till 15th date of the next month and annual report on the market functioning till 31.03, on its internet site;

(2) The commission shall publish officially its annual monitoring report on the electricity market till 15th of July, on its internet site.

Supplementary provisions

§ 1. Within the meaning given in these rules:

1. „Site“ is any separate, in relation to the electricity metering, electricity installation of a market participant.

2. „Virtual electricity metering device“ - calculated summed values of the consumed and the outgoing active electricity from the metering points of one or several sites of a registered market participant on the electricity market, determined in accordance with the Electricity metering rules.

3. „Indirect member“ of a balancing group– site of a consumer for which there is concluded contract with only one supplier and the responsibility for its balancing is transferred to this supplier.

4. „Direct member“ of a balancing group– site of a consumer for which can be concluded contract with more than one supplier, but the responsibility for balancing is transferred to only one of them.

5. "Dispatching period" – 15 minutes.

6. "Settlement period" – 1 hour.

7. (amended - SG 39/2014) "network services" – access to the electricity transmission network, transmission of electricity through the electricity transmission network, access to the electricity distribution networks and transmission of electricity through the electricity distribution networks and other services.

Transitional and conclusive provisions

§ 2. The Electricity market rules are developed on the grounds of art.91, para 2 of the Energy Law and are adopted by SEWRC, with decision under protocol No 110/18.07.2013 under p.1 and repeal the Electricity market rules adopted by SEWRC, with decision under protocol No 94/25.06.2010 under p.5 (SG 64/2010)

§ 3. The electricity market rules shall enter into force as of the date of their publication in the State Gazette.

§ 4. (New - SG 39/2014) The independent transmission operator shall announce the date as of which the conditions for application of the electricity market rules for all coordinators of balancing groups are implemented.

§ 5. (New - SG 39/2014) In case of ordered curtailment of the electricity generation, the determination of the imbalances shall be implemented under an instruction prepared by and published on the internet page of the electricity system operator.

§ 6. (New - SG 39/2014) The Rules for amendment and supplement of the Electricity market rules are adopted by SEWRC with decision under p.8 from protocol No 54/08.04.2014

Appendix to art. 105, para 4

Methodology for calculation of the balancing energy price
(As a separate document)

(amended and suppl. - SG 39/2014)

Excerpt from the Unofficial section No 66/26.07.2013 of SG.