



**INDEPENDENT
BULGARIAN
ENERGY EXCHANGE**
YOU SELL, WE DELIVER CONFIDENCE

Operational Rules for Organized Power Exchange

INDEPENDENT BULGARIAN ENERGY EXCHANGE

In force from 29.06.2016

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Chapter I General provisions

1. Independent Bulgarian Energy Exchange as a holder of the license for organizing a power exchange for electricity, in its role as an operator of the power exchange, organizes power exchange for electricity in compliance with the Energy Act, the Electricity Market Rules (EMR), this document, the Settlement Rules and the Market Conduct Rules.
2. Independent Bulgarian Energy Exchange EAD hereinafter also referred to as "operator of the power exchange" performs the administration of all transactions of the power exchange for electricity and therefore is counterparty to all transactions.
3. IBEX perform the settlement services of all transactions conducted on the power exchange.
4. All transactions concluded on the power exchange shall automatically and mandatorily be subject to settlement and represent a transaction between the respective trading participant and the power exchange operator.
5. These rules are applicable for trades conducted on the power exchange for electricity on the territory of the market area of the Republic of Bulgaria.

Chapter II Membership

Participants and conditions for trading

6. Only participants registered by the power exchange operator for electricity shall have the right to participate on the power exchange through submitting bids for sale and/or bids for purchase of electricity.
7. Participants on the power exchange for electricity can be the entities referred to in art. 36, par. 2 of EMR.
8. Trading participants who wish to trade on the power exchange for electricity must enter into a participant agreement for an organized power exchange with IBEX and must be eligible as a partner pursuant to EMR, these rules, the Settlement rules and the Market Conduct Rules for power exchange before commencement of trading on the power exchange (PX).
9. Apart from the requirements pursuant to article 8 each trading participant at any time has to:
 - 9.1. Be eligible as a party to concluding transactions on the power exchange regarding the respective physical and financial aspect of the respective transactions;
 - 9.2. Obtain, maintain and comply with all licenses, agreements and rules required by applicable law in order to be able to trade on the power exchange and fulfill its obligations pursuant to them;
 - 9.3. Have nominated a responsible for trading Person for the power exchange, pursuant to article 28.

10. The trading participant must have entered into a balancing agreement with a balancing group coordinator or with the Independent Transmission Operator. If such an agreement is terminated, the trading participant shall promptly inform IBEX.
11. The power exchange operator may require the trading participant to provide information about its agreement with the respective balancing group coordinator.
12. Additional rights and obligations of the trading participant regarding trade on the power exchange are provided in the Participant agreement, the Settlement Rules and the Market Conduct Rules.

Registration procedure

13. Trading participants shall submit an application for registration on the power exchange for electricity as per template published on the website of the power exchange operator.
14. The application for registration on the power exchange for electricity shall contain at least the following information:
 - 14.1. Full name of the applicant, VAT identification N^o, unified identification code set by the Registry Agency;
 - 14.2. Registered address and contact address of the applicant;
 - 14.3. Data about the person/ s representing the applicant;
 - 14.4. Data about the license held by the applicant pursuant to the Energy Act if such are required;
 - 14.5. Data about responsible for trading Person for the power exchange, a person authorized to submit bids on the power exchange for electricity on behalf of the applicant;
 - 14.6. Information on the balancing conditions of the applicant and membership in a balancing group;
 - 14.7. A Certificate of a VAT registration;
 - 14.8. A Certificate of current status on court registration;
 - 14.9. An application for participation in training for operating with the electronic trading system (an appendix to the registration application);
 - 14.10. Bid currency (BGN/EUR) in compliance with article 87, article 88 and article 89;
 - 14.11. Declaration that the applicant will purchase electricity for the purposes of their own consumption.¹
15. Following filing in the application and the appendices the set of documents is to be sent to e-mail: application@ibex.bg or to the following address: Sofia 1000, 19 Dondukov Boulevard.
16. The power exchange operator shall process the registration application within 5 /five/ working days following the date of receipt.

¹ IBEX will not verify by whom or where the electricity traded on the exchange is being used. IBEX will rely on the declaration of the applicant for registration that they purchase electricity for their own consumption only in order to request payment of the "obligation to society fees" and relevant excise duties and it will not use this information for any other purpose.

17. The application is verified for compliance with the requirements of article 14 and if an irregularity is detected, a message is sent to the applicant's e-mail address, for remedying the irregularities within 5 /five/ working days. The term indicated in article 16 is deemed as such as of the date the irregularities have been remedied by the applicant.
18. If within the term in article 17 the applicant does not address the irregularities, the application shall not be processed by the operator and the file will be terminated. The applicant will be notified that the application is no longer subject to consideration.
19. The power exchange operator may require additional documents or additional information if this is required for clarifying certain circumstances regarding legal status, financial stability, organization, technical systems, level of experience and competence and other issues for evaluation of the applicant. The term for processing the application is deemed as such as of the date the additional information has been submitted. The power exchange operator may require information from third parties also.
20. IBEX may require the applicant to provide opinion on issues which the power exchange operator reasonably considers appropriate.
21. IBEX shall only admit applicants that considers fit and proper to become Participants and, in the reasonable opinion of the power exchange operator, are not exposing the market operator to any reputational and financial risks. In the event of rejecting an application, the reasons for this shall be expressed in writing to the Participant and the National Regulatory Authority.
22. IBEX admits and treats applicants and TP (trading participants) in a fair and non-discriminatory basis. Nevertheless, IBEX may impose special conditions to individual entities if this, in the reasonable opinion of the power exchange operator, is required to reflect special circumstances referring to this entity.
23. The market participant registration application is deemed approved by the power exchange operator by providing an Agreement for Participation in the organized power exchange for electricity pursuant to art. 11, item 11 of EMR to the email address specified by the applicant in the application form under article 14, which regulates the rights and obligations of the operator and the market participant in the power exchange market. After receiving the contract, the respective market participant shall sign the contract and send it back to the official post address of the power exchange operator. If the Participation Agreement has not been signed by the market participant within one month after receiving it, the registration procedure shall be deemed terminated.
24. Upon signing the agreement under article 23 the persons authorized by the applicant to act as responsible for trading in compliance with the registration application are obliged to take a training course for operating with the electronic trading system (ETS) and introduction to these rules, the Settlement Rules and the Market Conduct Rules for which the respective persons responsible shall obtain a certificate. The application for participation in trading is an appendix to the registration application under article 14.
25. By signing the Participation Agreement under article 23, the market participant shall simultaneously pay all the required fees and the initial collateral in accordance with Annex №2 of the Participation Agreement. If within one month from the signing date of the Participation Agreement, the relevant market participant has not fulfilled the obligation to pay all required fees and the initial collateral, the Participation Agreement shall be deemed terminated.
26. Upon signing the agreement under article 23, provision of the required security in compliance with the Settlement Rules and obtaining a certificate by the persons responsible for trading who are authorized by the applicant to trade on their behalf, the applicant for participation in the power exchange for electricity is entered into the register

of participants of the power exchange with status 'active', thus acquiring a right to send bids for sale and bids for purchase through the authorized for this responsible persons

27. The operator of the power exchange for electricity shall provide a username, temporary password and a DigiPass device to each person who has obtained a certificate in accordance with article 26.
28. Responsible for trading Person Each trading participant need to nominate at least one responsible for trading Person and one person as an auxiliary one who will be deemed authorized to conduct trading on the power exchange on behalf of the trading participant.
Unless agreed otherwise with the power exchange operator, responsible for trading Person and the additional ones (responsible for trading persons) shall have full access to the electronic trading system regarding the trading portfolio of the trading participant. Each trading participant guarantees that the persons responsible are fully authorized to represent them before IBEX on all issues related to their participation in the power exchange.
29. After IBEX receives a written notification by the trading participant for change of some of the already determined responsible persons, IBEX shall promptly terminate access of the previous Person responsible to the electronic trading system and send a written confirmation. The trading participant shall remain bound and liable for all actions and omissions regarding power exchange trading within the period, in which the responsible for trading Person has access to the electronic trading system until the time when IBEX confirms in writing that the access of the respective Person has been terminated. The new responsible for trading Person which is determined by the respective market participant is obliged to take a training course for operating with the electronic trading system.
30. In case of termination of the responsible for trading Person access to the electronic trading system, the market participant, on behalf of which the respective responsible for trading Person has traded, is obliged to give a DigiPass device back to the power exchange operator.

Other obligations

31. Each trading participant registered on the power exchange shall be obliged to perform all obligations arising as a result of their participation in the power exchange.
32. Each trading participant registered on the power exchange shall be obliged to promptly notify the power exchange operator for any changes that have occurred, both factual and legal, which can affect the ability of the respective participant to meet their obligations in compliance with the requirements of EMR, the Participation Agreement, this document, the Settlement rules and the Market Conduct Rules.
33. Each trading participant agrees that the name of the company, address, contact persons as well as telephone numbers, email addresses and contact addresses are public information and may be used and provided and published by the power exchange operator for the purpose of its business.

Chapter III

Suspension, Termination and Withdrawal from the power exchange for electricity

Suspension and termination

34. The power exchange operator shall have the right to suspend a participant from the power exchange for electricity or, if deemed appropriate, terminate its registration where:
 - 34.1. The participant fails to comply with the requirements of EMR;
 - 34.2. The participant fails to comply with the requirements of this document;
 - 34.3. The participant fails to comply with the requirements of the participation agreement;
 - 34.4. The participant fails to comply with the requirements of the Settlement Rules, including failure to fulfill any collateral and cash settlement requirement obligations toward the Power Exchange Operator.
 - 34.5. The participant fails to comply with the Market Conduct Rules;
 - 34.6. The participant fails to comply with the requirements for information exchange;
 - 34.7. There is an effective decision by EWRC for revoking a license where such is required for registration on the power exchange for electricity.
35. In the cases under articles 34.1, 34.2, 34.3, 34.4, 34.5 and 34.6 the power exchange operator shall, on the date of failure, send a notification for suspension from the power exchange for electricity indicating the grounds and the date of suspension or termination.
36. As of the date indicated in article 35 the power exchange operator shall terminate the accreditation of the trading participant thus terminating its access to the electronic trading system and the ability to participate in the power exchange sessions.
37. Participant termination from the power exchange for electricity shall be reflected in the trading participant's register.
38. Where termination is applied, the participant shall have the right to start a new registration procedure not sooner than three months following the date of suspension.
39. In the cases under article 34.7 the power exchange operator shall terminate the respective participant promptly and unconditionally from the power exchange as of the date of effectiveness of the respective termination decision by EWRC.
40. As of the date indicated in article 39 the power exchange operator shall terminate the accreditation of the trading participant thus terminating their access to the electronic trading system for power exchange trading and respectively the ability for participation in the power exchange sessions.
41. Termination of a participant from the power exchange for electricity under article 34.7 shall be promptly reflected in the trading participants register.
42. In the case of a termination, the security guarantee of the participant shall be released within 10 working days of the date on which all outstanding invoices, fees, expenses and any other such liabilities incurred by the participant toward the Power Exchange Operator are paid and settled in full.
43. In case of outstanding payments due to the Power Exchange Operator including those outlined in article 42 above, the guarantee shall be utilized up to the total amount due,

the rest of the guarantee amount being released by the power exchange operator to the benefit of the trading participant.

44. By releasing the guarantee by the operator the agreement under article 23 shall be deemed terminated.

Withdrawal

45. A participant on the power exchange for electricity shall have the right to withdraw from the power exchange on the basis of a written application sent at least 10 (ten) working days before the date on which the power exchange operator has to terminate the registration.
46. The power exchange operator processes the application under article 45 within 5 / five/ working days.
47. Termination of registration and the change in the trading participants' register shall be done following a written notification to the participant on the power exchange for electricity and settling mutual obligations by the date of termination of the participation.
48. In the case of a Withdrawal, the security guarantee of the participant shall be released within 10 working days of the date on which all outstanding invoices, fees, expenses and any other such liabilities incurred by the participant toward the Power Exchange Operator are paid and settled in full.
49. In case of outstanding payments due to the Power Exchange Operator including those outlined in article 48 above, the guarantee shall be utilized up to the total amount due, the rest of the guarantee amount being released by the Power Exchange Operator.
50. Upon release of the guarantee, the Participation Agreement under article 23 shall be deemed terminated.

Chapter IV Trading

Trading system

51. Trading on the power exchange for electricity is done via an Electronic trading system.
52. Market participants carry out the trading on the power exchange for electricity each market participant through:
- 52.1. Basic Portfolio – which is activated during the process of the power exchange registration and immediately after the payment of the applicable fees and collateral within a period of (5 working days);
- 52.2. Additional portfolios - each additional portfolio can be activated through submission of an application by any trading participant with activated basic portfolio and payment of the respective fee for each portfolio in accordance with the applicable Tariff of Fees. The additional portfolio enables the respective trading participant to submit separate offer from any portfolio for each auction session, as the obligations as a result from the realized trading, the amount of collaterals and the nominations are calculated in total for the relevant trading participant, regardless of the number of portfolios. Each additional portfolio is being activated within 3 working days after the submission of the application and payment of the applicable fee.

53. The electronic trading system is with limited and non-transferrable access. The persons responsible for trading, authorized by each trading participant to submit bids on their behalf in compliance with the participation application, and who have obtained a certificate from training course in accordance with article 14, shall receive a username, temporary password for access and a DigiPass device, as when receiving the device they shall personally sign a take-over protocol.

Trading days, hourly trading interval, trading stages

54. Trading days in accordance with this document are every day of the week 365/366 days in a year.
55. Bid submission period – the period in which purchase and sale bids may be submitted in the electronic trading system until closure of the power exchange session in the trading day (D-1).
56. Terms for submission of bids:
- 56.1. An initial term for submission of bids - each week on Monday the auctions for the following two weeks shall be opened. At the discretion of the power exchange operator the respective auction sessions may be opened earlier or later than announced.
- 56.2. Deadline for submission of bids - trading participants registered on the power exchange may submit bids, change or delete already submitted bids until 12:00 CET (13:00 EET) in the trading day (D-1).
57. The terms for setting and announcing the results of the auction sessions are in compliance with the generally adopted rules of the PCR in accordance with article 113.
58. The operator of the electricity power exchange can make amendments in the trading day, the trading period or in the trading stages in particular cases if this is in the interest of conducting unhindered trading or to secure fair market conditions, as in all cases the changes must be in accordance with the rules and procedures adopted for the PCR. All changes are to be communicated to all trading participants via e-mail and/or via publication on the website of the operator.

Messages

59. Messages sent during the period of submission of bids which refer to trading are sent to the e-mails specified by responsible for trading Persons and/or are announced on the website of the operator.

Market Maker

60. The power exchange operator may conclude a contract pursuant to art.11, item 12 of EMR with a registered trading participant (market maker) which is to take on the responsibility for provision of liquidity to the power exchange for electricity through daily participation in the power exchange sessions organized by the operator.

Products

61. The products traded on the power exchange are: products permitted to be traded on the power exchange for electricity defined in Appendix N° 1 to this document.

Product removal

62. If a product traded on the power exchange is removed, bids related to this product may not be submitted in the electronic system as of the date of removal.

Delivery areas

63. The territory of the Republic of Bulgaria is one market area within which a power exchange for electricity is organized and operates, and the independent transmission operator operating on the territory of the market area being Electricity System Operator EAD.

Obligations derived from submission of bids by trading participants

64. The bids submitted by trading participants through the Electronic Trading system shall be deemed binding and shall be stored in it. Information generated by the Electronic trading system on the basis of the bids submitted by trading participants shall be deemed binding regarding the respective participant who has submitted the bid.
65. Transactions concluded on the power exchange are a firm commitment of the respective trading participant for supply of electricity in case of an accepted sale bid or an obligation to accept a delivery of electricity in case of an accepted purchase bid.
66. Each transaction shall be bound to one delivery day, one delivery interval and one market area.
67. Each trading participant shall be obliged to take the necessary measures against unauthorized or external access to their software and hardware for access to the Electronic trading system and respectively to protect its codes for access to the trading system and code generating devices.
68. In case of technical difficulties arising in the course of the auction session, the responsible for trading Person shall contact the power exchange operator identifying itself with certain information requested by the power exchange operator.
69. If because of technical difficulties (blocking of the DigiPass device, connection problems, etc.) a trading participant is not able to submit a bid, then the responsible for trading Person shall have the right to send a bid to the power exchange operator via an e-mail using a Microsoft Office Excel file format template available for downloading from the Electronic Trading System and, notifying in advance the operator for this on the contact phone numbers. IBEX ex officio enters the bid on behalf of the participant. The bid must be submitted not later than fifteen (15) minutes before the deadline for submission of bids.
70. A bid submitted ex officio shall be deemed registered only when IBEX has confirmed its entering into the Electronic trading system, via e-mail to the relevant Person in charge, by sending a display screenshot from the Electronic Trading System containing the submitted proposals for purchase and/or sale in accordance with paragraph. 69.

Responsible for trading Person who initiated the submission of ex officio bid, need to confirm the offer by sending an email and notifying the operator via telephone call.

71. Submission of a bid by the operator upon the request of a trading participant shall generate equal obligations for the trading participant to submission of a bid by the participant in the Electronic trading system as of the time of registration and irrespective of the time of confirmation.
72. The trading participant shall have the obligation to procure the necessary measures against unauthorized sending of information to the power exchange operator.
73. Following submission of a bid by the trading participant, the respective responsible for trading Person who has submitted the bid is to be available on the phone at any time until the bid submitted is valid.
74. The trading participant who has concluded a transaction on the power exchange for electricity shall guarantee that the respective responsible person remains available within 30 (thirty) minutes following announcement of the respective transaction.

Purchase and sale bids

75. Power exchange participants shall send sale and purchase bids for the delivery day (D) by the deadline for submission of bids pursuant to article 56.2.
76. Each day comprises 24 (24) consecutive delivery intervals, (one) hour each, the first delivery interval starting 00:00 CET (01:00 EET) on the delivery day.
77. On the day of transition from summer to winter time the hourly interval between 02:00 – 03:00 CET (03:00 – 04:00 EET) is repeated twice (2).
78. On the day of transition from winter to summer time the hourly interval between 02:00 – 03:00 CET (03:00 – 04:00 EET) is removed.
79. Bids for sale of electricity and bids for purchase of electricity sent by power exchange participants are to meet the following conditions:
 - 79.1. Each bid may contain two hundred (200) price-quantity pairs, including the highest and lowest price pairs;
 - 79.2. Each price-quantity pair of the purchase bid defines the maximum price which the participant would pay for a certain quantity of electricity;
 - 79.3. Each price-quantity pair of the sale bid defines the minimal price at which the participant would sell a certain quantity of electricity;
 - 79.4. A participant may send only one sale and/or purchase bid for each delivery interval for the particular market area containing up to two hundred (200) price-quantity pairs;
 - 79.5. Bids are a firm commitment for delivery or purchase of electricity in their execution on the power exchange for electricity.
80. Bids submitted by trading participants may contain at least the price-quantity pairs with the highest and lowest price and are to enter the trading system before the bid submission deadline in accordance with article 56.2.
81. All bids entered into the trading system are marked with timestamp.

82. Bids submitted by trading participants may be altered or cancelled until the bid submission deadline in accordance with article 56.2. Changes made by trading participants are registered in the trading system, and only the latest submitted bid that is valid has a binding effect upon the trading participant.
83. Each trading participant shall be responsible for the contents of the submitted bids as well as for changes made until the bid submission deadline in the Electronic trading system.

Purchase and sale bids format

84. Each bid must contain at least two price-quantity pairs including the highest and lowest price defined by IBEX in Appendix N^o 1 to this document.
85. IBEX may change the price range set in Appendix N^o 1 with at least 4 (four) days notification.
86. In entering the values of quantities for hourly products by trading participants, the requirement should be met that in case of a purchase bid, the quantity requested is entered with (+) whereas in a sale bid the quantity offered is entered with (-).
87. The electronic trading system admits entering sale and purchase bids in EUR and BGN. Each trading participant specifies the bidding currency during its registration process.
88. A bid submitted by a trading participant in the electronic system of the power exchange in BGN contains prices in BGN/MWh, up to 1 (one) decimal point and quantities in MW, up to 1 (one) decimal point.
89. A bid submitted by a trading participant in the electronic system of the power exchange in EUR contains prices in EUR/MWh, up to 1 (one) decimal point and quantities in MW, up to 1 (one) decimal point.
90. In registering of price-quantity pairs in purchase bids by trading participants, the respective prices have to be ranged in ascending order and the quantities have to be in ascending order.
91. In registering of price-quantity pairs in sale bids by trading participants, the respective prices and quantities for delivery have to be ranged in ascending order.

Purchase and sale bids verification

92. After a bid has been entered into the trading system, the process of data verification starts. The following main verifications of the values entered are done:
 - 92.1. Verification for compliance with the auction parameters (Appendix N^o 1);
 - 92.2. Monotony verification - the system verifies whether the indicated price-quantity pairs are presented in such a way that prices are arranged in ascending order and quantities – in compliance with article 90 and article 91.
 - 92.3. Verification of the number format in the price-quantity pairs, values of the prices indicated and quantities are to correspond to those in article 88 and article 89.

Trading suspension

93. The power exchange operator may at any time suspend trading if it is occurred that:

- 93.1. A problem has occurred in the Electronic trading system;
 - 93.2. Trading is in conflict with the requirements of applicable law;
 - 93.3. An emergency PCR procedure has been activated by the Euphemia algorithm coordinator.
94. A measure undertaken by the power exchange operator shall be compulsory for all trading participants.
95. Irrespective of the provisions in article 93, IBEX may suspend trading for certain trading participants in case of non-compliance with these rules, the Settlement rules and the Market Conduct Rules.

Bid cancellation

96. Each bid entered by a trading participant in the Electronic trading system may be cancelled at the stage of bid submission by the respective trading participant or on behalf of the trading participant upon inability from the part of the respective trading participant.
97. The bid may be canceled on behalf of the power exchange operator, if this is in the interest of security and fair execution of power exchange trading or the relevant bid create breach of the EMR, these rules, the Settlement rules, Market Conduct rules or applicable law. In the event that a bid has to be changed or cancelled due to the reasons above, any action to a participants bid shall be reported to the National Regulatory Authority.
98. An offer, submitted by a trading participant can be cancelled after the trading session's completion by the service provider responsible for operating the "day ahead" market, only if the given offer impedes the successful conduct of the process for calculation of the clearing price or allocation of traded volumes for the Bulgarian market zone.
99. Of any decisions to delete or modify an offer for the stated above reasons both the Trading participant and Energy and Water Regulation Commission shall be notified in a written form.

Chapter V Concluding transactions

Right to submit bids

100. Only participants registered on the power exchange for electricity through the persons nominated as responsible for trading shall have the right to submit bids in the Electronic trading system.
101. Each responsible for trading Person shall trade on behalf of a certain trading participant and shall have an individual username, password and a DigiPass device for access to the Electronic trading system.
102. Bids submitted in the Electronic trading system are stored in the system and may be changed by the bid submission deadline.

Clearing price. Demand and supply curves

103. Clearing price is the price at which all transactions are concluded and is calculated for a certain market area, certain delivery day and certain delivery interval - hour.
104. Clearing price is the intersection point between the demand and the supply curves calculated by the trading platform algorithm EUPHEMIA. Demand and supply curves are formed using the linear interpolation method.
105. The demand curve is determined for each delivery hour by aggregating in one curve of all price-quantity pairs from the purchase bids, and the points being connected in a curve through the linear interpolation method.
106. The supply curve is determined for each delivery hour by aggregated in one curve of all price-quantity pairs from the sale bids, the points being connected in a curve through the linear interpolation method.
107. When there are no demand or supply bids or there is no intersection between the supply and demand curves, supply and demand volumes will be equal to zero.
108. In case of no demand or supply quantities, for a delivery interval, the market clearing price for the respective interval will not be calculated and the traded volume will be zero.
109. When there is no intersection between the supply and demand curves, then clearing price equals to average price between the prices that result in volumes equal to zero.
110. Where at the bid submission stage there are hourly intervals in which there is no intersection of the demand and supply curves or there are no sale and/or purchase bids, the power exchange operator may:
 - 110.1. Publish on its website information for these hourly intervals with a view to optimize the traded volume.

Determining auction session results

111. The process of calculation of the clearing price and traded volumes shall be done in compliance with the PCR algorithm - Euphemia whose description is to be found on IBEX's website.
112. All standard procedures and calculation stages and publishing auction sessions results are in accordance with regular procedures and rules of the PCR:
 - 112.1. 12:00 CET (13:00 EET) – bid submission deadline;
 - 112.2. 12:42 – 12:55 CET (13:42 – 13:55 EET) – publishing clearing prices for the delivery day and the respective volumes traded;
 - 112.3. 12:55 – 13:05 CET (13:55 – 14:05 EET) – publishing results of trading for selected participants in the Electronic trading system
113. In emergency situations related to delay of the calculation of the market clearing prices and results from trades calculated by the common European EUPHEMIA algorithm and PCR consortium, or for other reasons beyond the control of the market operator, the deadlines under article 112.2 and article 112.3 may be extended to 15:00 CET (16:00 EET).
114. If the PCR consortium and the EUPHEMIA algorithm are not able to complete the calculation of the market clearing prices and traded volumes till 15:00 CET (16:00 EET), the power exchange operator announces the relevant trading session for cancelled.

115. In the cases, described under article 113 and article 114, power exchange operator shall notify the trading participant by publishing a notification message on its website and/or by sending a notification message to the emails specified by the responsible for trading Persons.

Results publication

116. The clearing prices, calculated by the common European EUPHEMIA algorithm, are calculated in accordance with the rules established by the PCR consortium and are published on the power exchange operator website in case of a normally ongoing trading session, according to the terms in article 112.2.
117. Prices are published in BGN for MWh and are published up to the second decimal point while the traded quantity of electricity - up to the first decimal point.
118. The purchase and/or sale volumes awarded to each trading participant, as well as the respective clearing prices are available in the Electronic trading system on the day of trading in accordance with the hourly schedule referred to in article 112.3
119. In case a trading participant disagrees with the presented results, the trading participant has the right to submit an objection via e-mail or fax by 13.30 CET (14:30 EET) on the trading day. The operator shall send a reply to the trading participant by 16.00 CET (17:00 EET). Submission of an objection shall not release the respective trading participant from their obligations arising from their participation in the power exchange.

Sellers and Buyers' obligations

120. Each trading participant is bound by the auction session results in accordance with the physical and financial settlement arising from the bid submitted by them.
121. Each trading participant shall be obliged to perform their obligations in accordance with the physical and financial settlement arising from the bid submitted by them.

Schedules

122. Upon closure of each auction session, exchange schedules shall be registered for each trading participant, which has concluded transactions on the power exchange in the MMS system of the Electricity System Operator, which are mandatory for the participant and the respective balancing group coordinator responsible for the participant's imbalances.

Chapter VI Fees and settlement

123. In order to fulfill its functions on organizing a power exchange for electricity, IBEX collects the following fees:
- 123.1. Participation fee - a single fee payable by trading participants upon registration on the power exchange (in BGN).
- 123.2. Annual fee - payable each year by trading participants registered on the power exchange (in BGN).

- 123.3. Turnover fee - a fee on the quantity traded which is payable by each trading participant upon conducting transactions on the power exchange (in BGN/MWh).
124. The contents and structure of the fees collected as well as the provisions under which they are collected are provided in a separate document, Tariffs of IBEX, published on IBEX's website.
125. Financial relationships arising between IBEX and the trading participant in connection with trading on the power exchange for electricity are in BGN and they are governed in a separate document - Settlement rules.

Chapter VII Market conduct and control

126. IBEX at any time shall monitor the market with a view to securing that trading and all activities are in accordance with the Market Conduct Rules and applicable law. IBEX may investigate the conduct of trading participants as provided in the Market Conduct Rules.
127. IBEX at any time may request the trading participant to provide information referring to their activity with respect to the physical and financial aspect of trading conducted on the power exchange.
128. In the course of investigations of the activity of the trading participant on the market, IBEX may require information directly from the balancing group coordinator responsible for imbalances of the respective trading participant, as well as from the Electricity System Operator.

Chapter VIII Liabilities and force majeure

129. The power exchange operator shall not be liable for incurred losses and damages as a result of member's participation on the power exchange except when losses, or damages have been caused by willful acts or negligence by the operator.
130. The power exchange operator shall not be liable for failures, losses or damages caused by force majeure, riots, wars or natural disasters or damages as a result of incidents or circumstances outside the control of the operator (strikes, legal obstacles, information restrictions, etc.).
131. The power exchange operator shall not be liable for damages caused to trading participants as a result of technical difficulties, partial or total inability to operate with computer systems used by participants or regarding mistakes in entering data in connection with trading or payments as a result of transactions effected on the power exchange, except where losses are caused by willful acts or negligence by the operator.
132. The trading participant shall be liable to IBEX for all losses and damages incurred; including extra costs which arise directly from not fulfilling their obligations pursuant to EMR, these rules, the Settlement rules, Market Conduct Rules, the Participation agreement or other applicable law.

Chapter IX Indemnities

133. The trading participant wholly and effectively shall indemnify IBEX against all costs, claims and damages arising directly from not complying with their obligations pursuant to EMR, these rules, the Settlement rules, Market Conduct Rules, the Participation agreement or other applicable law. IBEX shall endeavor to mitigate such costs, claims, damages and expenses.

Chapter X Information

Ownership rights

134. Information submitted in the form of bids for purchase and/or sale by trading participants through the Electronic trading system or otherwise shall belong to IBEX. Copyright and all other intellectual property rights or rights of any nature contained in information on transactions effected on the power exchange (including for the avoidance of doubt any rights on databases and similar rights) arising from trading on the power exchange are and any time shall remain IBEX's property.

Publicity

135. IBEX shall have right to use, process, copy, adapt, provide, distribute, sell, transfer, deliver, lease, charge or otherwise treat the information on bids submitted and transactions effected and any other information regarding physical and financial relationships with no confidentiality obligation towards trading participants to the extent that such information does not refer to an individual TP. TPs shall not have the right to remuneration regarding such activities.
136. The power exchange operator provides information to competent authorities and the Electricity System Operator in accordance with applicable law. IBEX shall inform trading participants about providing information to the extent that applicable law provides for this.
137. The power exchange operator shall not have right to disclose information pursuant to Market Conduct Rules.

Communication

138. Communication in writing between trading participants and the power exchange operator shall be in Bulgarian or in English.
139. Official communication delivered in accordance with EMR, these rules, the Settlement rules, Market Conduct Rules, the Participation agreement or other applicable law shall be in writing and delivered to the contact address of IBEX or sent to the e-mail address provided on the official website of the power exchange operator (www.ibex.bg).
140. Official communication from IBEX to trading participants shall be sent to the address or e-mail provided in the application for participation in the power exchange. In case of

change in the contact details each trading participant must notify promptly the power exchange operator about this.

141. Communication is deemed delivered:
 - 141.1. Where via e-mail – on the date on which it is sent.
 - 141.2. Where via physical delivery- on the date of delivery to the respective address.
142. The exchange operator shall have the right to act or rely on communication received through the respective communication channels by a person who IBEX deems to represent the respective trading participant.
143. In order to enhance the communication between the Participants and the power exchange operator, and to encourage and engage the market participants to put forward central matters to IBEX and actively work together with the power exchange operator to find suitable solutions satisfactory to all parties, the power exchange operator shall establish a Customer Advisory Board based on the representation of all Participants. The governing documentation of this board shall be included in a separate document and published on the power exchange operator's web site.

Chapter XI Ancillary provisions

144. The operator of the power exchange for electricity shall conduct their business in accordance with EMR, these rules, the Settlement rules, Market Conduct rules or any other applicable law.
145. The power exchange operator shall maintain a database of all primary and secondary data concerning trading on the power exchange.
146. The power exchange operator provides to all trading participants, at a place convenient for them, the contents of agreements, EMR, these rules, the Settlement rules, Market conduct rules, Participation agreement and any other documents referring to functioning of the power exchange in a format allowing trading participants to save and store them.
147. The power exchange operator provides on its website the following information:
 - 147.1. Name and address for contact with the operator;
 - 147.2. Information for easy and quick contact with the power exchange operator including an e-mail address;
 - 147.3. Information on all types of fees collected by the power exchange operator as well as any financial information required by trading participants in connection with their participation in the power exchange for electricity.
 - 147.4. Trading participants register.
148. Information, upon introducing new products, is to be published on the official website of the operator no later than 4 (four) days before the trading day when trading with the respective products is possible.
149. The power exchange operator may require any information from trading participants related to their participation on the power exchange for electricity in case of clarifying the circumstances related to trading on the power exchange and the requirements of applicable law, rules and the agreement.

Applicable law

150. Any claims, disputes or differences that may arise out of or in connection with these rules shall be settled in accordance with current Bulgarian law.

Amendments in the rules

151. All amendments in this document shall take effect upon a 7 (seven)-day notice.
152. Material changes to this document shall be subject to discussion with stakeholders.
153. Irrespective of the provisions of articles 151 and 152 an amendment to these rules may be done with immediate effect following notification to trading participants:
- 153.1. Where required by applicable law;
 - 153.2. Where amendments are needed to ensure correct and effective operation of the power exchange;
 - 153.3. Where amendments are related to removing mistakes in the rules;
 - 153.4. Where amendments come as a result of changes in the rules and procedures applicable for members of PCR and MRC;
 - 153.5. Where amendments are of editorial nature and do not lead to material changes;
 - 153.6. Where amendments come as a result of launching new products.

Effectiveness

154. These rules shall take effect upon their publication on the power exchange operator's website.

Terms

- **Independent Bulgarian Energy Exchange EAD** – a company holding a license under art. 39, par. 1, item 6 of the Energy Act for organizing a power exchange for electricity.
- **Energy and Water Regulatory Commission (EWRC)** – the regulatory body that issues licenses for the activities referred to in art. 39 of the Energy Act.
- **Electricity System Operator EAD (ESO EAD)** – a company holding licenses under art. 39, par. 1, item 2 and item 6 of the Energy Act.
- **Day D-1** – a trading day, during which bids are submitted by trading participants and transactions on the power exchange are effectuated. It precedes the delivery day.
- **Day D** – a delivery day when physical delivery is done.
- **Participation agreement** – an agreement regulating the rights and obligations between the operator and the trading participant on the power exchange.
- **Settlement rules** – rules regulating financial relationships between the power exchange operator and the trading participants, members of the power exchange, regarding their participation.

- **Market conduct rules** – rules stipulating correct conduct and provision of information by trading participants related to their participation on the power exchange.
- **Hourly product** – a product traded on the power exchange with duration of one hour. Each trading day comprises of 24 hourly products, indicated H1 to H24.
- **Hourly interval** – the interval between two consecutive hours of 60 (sixty) minutes duration.
- **Power exchange session** – conducting organized trade on the power exchange for a particular delivery day.
- **Balancing group coordinator** – a licensed company, part of the register of balancing group coordinators in ESO EAD, which undertakes responsibility for balancing of its balancing group members.
- **Electronic trading system** – the trading system used for administering the process of submitting bids and calculation of results from trading on the power exchange. The electronic trading system is owned and operated by Nord Pool AS² for the IBEX purposes, as an operator of the power exchange, under an agreement which is signed between the parties for provision of the relevant service.
- **Price coupling of region - PCR** – a project, which is an initiative between the seven biggest power exchange operators in Europe, aiming at implementing through common rules and procedures, the European target model for common electricity market.
- **Multi-regional coupling project - MRC** – a project for coupling national electricity markets on the basis of the European target model (Single Price Market Coupling for DAM) with implicit distribution of cross border transmission capacities.
- **Euphemia** – an algorithm owned by the Price Coupling of Regions operated according to publicly announced procedures.
- **Euphemia algorithm coordinator** – a power exchange operator, which during the day set is leading in the process of calculation the results of the auction session of the MCR price coupling through the Euphemia algorithm.
- **DigiPass** – a device generating codes for access to ETS. It is provided to persons nominated as responsible for trading by a certain TP after obtaining a certificate. A maximum number of two devices are provided for a certain TP. Any other is paid as per the Fee tariff of IBEX.

Important notice:

The English version is only for your convenience and has no legal force.

². Nord Pool operates the leading power market in Europe, providing opportunities for trading both in the day-ahead and intraday markets. 380 companies from 20 countries trade on Nord Pool Spot's markets in the Nordic and Baltic regions, as well as in the UK market N2EX.

Hourly products

Parameters	Value	Remark
Value	1	Hour
Symbol	Hj	j=01, 02, 03, , 24
Minimal step, volume	0,1	MWh/h
Minimum/ maximum price	-1000/6000 -500/3000	BGN/MWh EUR/MWh
Price step	0,1 0,1	BGN/MWh EUR/MWh