

BRITNED

For consultation

BritNed Access Rules - 2019

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SECTION A: PARTICIPATION

A1: The Allocation Platform is the operator of the Interconnector but it may commission third parties to operate the Auctions and/or the processes in relation to allocation and nominations and/or invoicing and settlement on its behalf.

A2: Eligibility

- A2.1 To qualify as a Registered Participant, a person must become a party to a Participation Agreement in accordance with the relevant provisions of Chapter 2 (Requirements and process for participation in Auctions and Transfers) of the Allocation Rules.
- A2.2 To be eligible to participate in Day Ahead and Intraday Auctions or in transfers of Intraday Transmission Rights (where applicable) a person must fulfil all applicable conditions specified in Chapter 2 (Requirements and process for participation in Auctions and Transfers) and Chapter 3 (*Collaterals*) of the Allocation Rules. For the avoidance of any doubt, any reference in Chapters 2 and 3 to Long Term Transmission Rights shall equally apply to Day Ahead and Intraday Transmission Rights
- A2.3 The provisions of Chapter 5 (*Return of Long Term Transmission Rights*) and Chapter 6 (*Transfer of Transmission Rights*), insofar as they relate to the disposal of Long Term Units, Chapter 7 (*Use and remuneration of Long Term Transmission Rights*) and Chapter 9 (*Curtailment*) of the Allocation Rules shall apply mutatis mutandis to a Non-Participating User in respect of and to the extent only of all Long Term Units allocated under the version of these Rules approved by the relevant Competent Authorities. A Non-Participating User shall not be entitled to participate in Auctions or to exercise any other rights under these Rules.
- A2.4 Upon the exercise of all rights and the discharge in full of all obligations of a Non-Participating User in respect of its Long Term Units described in Rule A2.3, its Legacy BritNed Participant Agreement shall be of no further force or effect.

A3: Regulatory and legal requirements

- A3.1 It is the responsibility of each Registered Participant to ensure that it has complied with all requirements, including Applicable Laws and the requirements of any Competent Authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Transmission Rights.

A4: Costs of participation

- A4.1 All Registered Participants will participate in Auctions and/or transfers of Transmission Rights and/or will Nominate at their own cost, expense and risk. The Allocation Platform will not be liable to any person (including Registered Participants) for any cost, claim, or expense of any Registered Participant in connection with the Registered Participant participating in Auctions and/or transfers of Transmission Rights and/or Nominations process.

A5: Registered Participant Forum

- A5.1 The Allocation Platform will from time to time, invite Registered Participants to meet with the Allocation Platform to discuss future Auctions and the commercial and operational aspects in relation to the Interconnector. Details of those who may attend

the meetings, the agenda and location will be notified by the Allocation Platform within a reasonable time before the meeting.

A6: Collusion

- A6.1 There must be no collusion by any Registered Participant with any other Registered Participant and Registered Participants must not otherwise seek improperly to influence the outcome of any Auction. As a result of evidence of collusive or other improper behaviour which might be considered as unlawful, the Allocation Platform will refer the matter to the relevant Competent Authorities or jurisdictions and, upon decision of the Competent Authority or jurisdiction that the Registered Participant's behaviour is unlawful, may disqualify the relevant Bids.

A7: Information System Rules

- A7.1 Each Registered Participant must establish and maintain, at its own cost, its own Registered Participant Systems. The Allocation Platform shall have no liability in the event that the Registered Participant's System fails, for any reason, to communicate with the Auction Tools and Nomination Tool.
- A7.2 The Allocation Platform will give Registered Participants the information (including updates as applicable) reasonably necessary to enable Registered Participant Systems (and, where applicable and to the extent reasonably necessary, the systems of any Programme Responsible Party) to access and interface with the Auction Tool and Nomination Tool.
- A7.3 Each Registered Participant must demonstrate to the reasonable satisfaction of the Allocation Platform its ability to exchange information with the Auction Tools and Nomination Tool before being eligible to participate in the Auctions and the Nominations process.
- A7.4 The Allocation Platform shall endeavour, where possible, to give Registered Participants access to a training platform for the Nomination Tool to test their interfaces.
- A7.4 The Allocation Platform may from time to time, where reasonably necessary for the purpose of protecting the security and authenticity of communications under these Rules, including those between the Auction Tools, Nomination Tool and Registered Participant Systems, establish communication protocols and standards with which Registered Participants must comply.
- A7.5 Registered Participants accept that data sent to the Auction Tools and Nomination Tool is binding and that Registered Participants are fully responsible for those individuals who have access to the Auction Tool on behalf of the Registered Participant.

A8: Bids

- A81 A Set of Bids submitted by a Registered Participant in respect of any Auction may not exceed twenty (20) Bids.

A9: Intraday Allocation

- A9.1 The Allocation Platform will in respect of each Contract Day undertake Intraday allocation on the basis set out in Rule C3. If the Allocation Platform decides to introduce Implicit Intraday allocation it will give as much prior notice as reasonably practicable to Registered Participants on its website of the periods for which an

Implicit Intraday product will be made available.

SECTION B: FINANCIAL MATTERS

B1: Payments

- B1.1 Each Registered Participant must pay the Allocation Platform the Unit Prices for all Unit Quantities acquired even if all or some of the Units have been Transferred as set out in Rule D5, or if the Registered Participant does not use the corresponding Transmission Rights.
- B1.2 All prices and payments referred to in Rule B1 are indicated and shall be paid in Euros.

B2: Invoices

- B2.1 No later than the tenth (10th) Business Day of each month, the Allocation Platform shall send, by email as a PDF attachment (or by any other means as indicated from time to time by the Allocation Platform), to the Registered Participant an invoice or credit note stating:
- (a) the amount payable by the Participant in respect of Day Ahead and Intraday Units, calculated as the product of the Unit Quantity and the Unit Price;
 - (b) the Units subject to Transmission Rights Transfer by or to the Registered Participant;
 - (c) any amounts payable or credits due to the Registered Participant by the Allocation Platform under Rule D6 (*Curtailment Reconciliation*);
 - (d) any amount payable by the Registered Participant to the Allocation Platform for any training requested by the Registered Participants.
 - (e) any Taxes payable by the Registered Participant or the Allocation Platform in respect of amounts in the invoice;
 - (f) the total amounts payable by the Registered Participant to the Allocation Platform under that invoice (or receivable by the Registered Participant from the Allocation Platform under that credit note); and
 - (g) any other information required to be included in the invoice under English, Dutch and/or Luxembourgian law.
- B2.2 Where an invoice issued by the Allocation Platform does not contain full background data for the derivation of invoice summary amounts, then the Registered Participant may consult the Auction Tool to obtain such background data.
- B2.3 The Allocation Platform may fulfil the requirements of Rule B2.1 by issuing invoices in accordance with Section 18 of the BritNed Border Specific Annex to the Allocation Rules.
- B2.4 Article 65 (*Invoicing and payment conditions*) of the Allocation Rules as amended and

supplemented by the BritNed Border Specific Annex shall apply mutatis mutandis to the payment of any amount invoiced in accordance with this Rule B2.

B3: Payment disputes

B3.1 Article 66 (*Payment disputes*) of the Allocation Rules shall apply mutatis mutandis to the payment of any amount invoiced in accordance with Rule B2 (*Invoices*).

B4: Late payments

B4.1 Article 67 (*Late payment and payment incident*) of the Allocation Rules shall apply mutatis mutandis in respect of any amounts invoiced in accordance with Rule B2 (*Invoices*).

B5: Payment Security

B5.1 Collateral must be provided and subsequently maintained and may be increased or decreased in accordance with Chapter 3 (*Collaterals*) of the Allocation Rules as amended and supplemented by the BritNed Border Specific Annex and this Rule B7.

B5.2 An Auction Credit Limit ("ACL") shall be calculated for each Registered Participant in respect of any explicit Day Ahead Auction and any explicit Intraday Auction in accordance with Article 23 (*Credit Limit*) of the Allocation Rules as amended by the BritNed Border Specific Annex which shall apply mutatis mutandis to these Rules. A Registered Participant will only be able to participate in an Auction if its Auction Credit Limit in respect of that Auction is greater than zero.

B5.3 The potential maximum commitment associated with any Bid, taking into account Taxes and levies in force, will be assessed against the Auction Credit Limit.

B5.4 Any Bid that breaches the Auction Credit Limit will be treated in accordance with the Allocation Rules Article 34 (*Credit Limit verification*).

B5.5 Any Bid submitted to an Auction will be used to calculate a revised Auction Credit Limit for any concurrent Auction and the Auction Evaluation of any concurrent Auction will be used to calculate a revised Credit Limit.

B5.6 A Registered Participant may request an increase of its Collateral in accordance with the Allocation Rules.

B5.7 The Allocation Platform is entitled to call on the Collateral of a Registered Participant in the event of a Payment Incident in accordance with Article 26 (*Calls on collaterals*) of the Allocation Rules as amended and supplemented by the BritNed Border Specific Annex.

SECTION C: AUCTION RULES

C1: Auctions

- C1.0 The Transmission Rights are made available by the Allocation Platform via a combination of Long Term Auctions under the Allocation Rules, and Day Ahead Auctions and Intraday Auctions under these Rules.
- C1.1 Subject to Rule C1.19, the Allocation Platform will use the following procedures for explicit Auctions:
- (a) Auctions for Day Ahead Units, using the procedure described in Rule C2; and
 - (b) Auctions for Intraday Units, using the procedure described in Rule C43
- C1.2 The type of Auctions referred to above in Rule C1.1 are explicit closed Auctions (i.e. Transmission Rights will explicitly be allocated to a Registered Participant and Registered Participants have no visibility of other Registered Participants' Bids) and are performed in the case of C1.1(a) only as fallback for the Day Ahead Implicit Auctions not being available.
- C1.3 Each Auction will be of Units. Units will be divided into categories as specified by the Allocation Platform and the Auction Specification shall state (where relevant):
- (a) the code identifying the Auction in the Auction Tool;
 - (b) type of Transmission Rights (e.g. Physical Transmission Rights);
 - (c) category of Unit (e.g. Long term, Day Ahead, Intraday);
 - (d) form of product (e.g. base, peak, off-peak);
 - (e) identification of the direction covered which will either be "GB to NL" or "NL to GB";
 - (f) the Product Period;
 - (g) Reduction Period(s) associated with the Product Period when applicable;
 - (h) the Bidding Period;
 - (i) the deadline for the publication of the final Auction results;
 - (j) the provisional Offered Capacity, which shall include any Long Term Transmission Rights released via the Use It Or Sell It rule or Transmission Rights released as a result of suspension or termination in accordance with Articles 71 or 72 of the Allocation Rules; and
 - (k) any other relevant information or terms applicable to the product or the Auction.
- C1.4 Each category of Unit will be auctioned separately. Day Ahead and Intraday hourly Units will be auctioned respectively in single Auctions. Separate Auctions may be conducted concurrently.
- C1.5 Where the Allocation Platform accepts any Bid by allocating one or more Units to a Registered Participant in accordance with these Rules, then the Registered Participant will acquire such Unit(s) for the Unit Price on the terms and conditions of these Rules and the relevant Auction Specification. The rights and obligations of Unit Holders are set out in these Rules.
- C1.6 The provisional Auction results will be published on the Auction Tool:
- (a) not used;
 - (b) for each Day Ahead Auction as soon as practicable and within twenty (20) minutes after the end of the Bidding Period;

- (c) for each Intraday Auction, as soon as practicable and within ten (10) minutes after the end of the Bidding Period.
- C1.7 The provisional Auction results are non-binding and shall be for information purposes only.
- C1.8 Each Registered Participant may consult only its own provisional Auction results on the Auction Tool. The provisional Auction results are detailed per Auction and per Registered Participant.
- C1.9 Should the Allocation Platform not publish the provisional Auction results within the relevant timeframe, the Allocation Platform will keep the Registered Participants informed of the new timeframe of publication and/or any other consequences related to the relevant results.
- C1.10 The Registered Participant agrees to check the Auction results and, where reasonably appropriate, query Day Ahead Auction results no later than ten (10) minutes after the provisional Auction results have been published on the Auction Tool. This time for checking is referred to on the Auction Tool as “Contestation Period”.
- C1.11 Any query pursuant to C1.10 has to be marked as such, supported with full details and be sent by e-mail or fax accompanied by a phone call to the Allocation Platform helpdesk. Only queries where the Registered Participant believes there is an error in the Auction results shall be considered.
- C1.12 If the Registered Participant does not query the Auction result within the times specified in C1.10 and under the conditions specified above, the Registered Participant agrees that it loses all rights to query such Auction results.
- C1.13 The Allocation Platform shall endeavour to reply to the Registered Participant after receipt of the query for Day Ahead Auctions.
- C1.14 Due to time constraints in the Intraday process, there is no time for checking after an Intraday Auction. Any query of an Intraday Auction result shall be considered as a Dispute and must be made in accordance with Rule E8. Only queries where the Registered Participant believes there is an error in the Auction results shall be considered.
- C1.15 The Allocation Platform will publish on the Auction Tool the final results:
- (a) for each Day Ahead Auction as soon as practicable after the end of the period dedicated to checking of Auction results; and
 - (b) for each Intraday Auction as soon as practicable and within fifteen (15) minutes after the end of the Bidding Period.
- C1.16 The final Auction results are binding.
- C1.17 The final Auction results shall comprise:
- (a) total requested Transmission Rights (expressed in MW);
 - (b) total allocated Transmission Rights (expressed in MW);
 - (c) Marginal Price (expressed in EUR/MW per hour);
 - (d) number of Registered Participants participating in the Auction;
 - (e) list of names and number of Registered Participants who placed at least one winning Bid in the Auction;

- (f) list of registered Bids without identification of the Registered Participants (bid curve);
- (g) Total Cost for Allocation; and
- (h) Congestion Income.

- C1.18 Should the Allocation Platform not publish the final Auction results within the relevant timeframe, the Allocation Platform will keep Registered Participants informed of the new timeframe of publication and/or any other consequences related to the relevant results.
- C1.19 Auctions will be conducted electronically via the Auction Tools except in the case of failure of the Auction Tool as described in Rule C1.20.
- C1.20 If the Auction Tools fail, and in the reasonable opinion of the Allocation Platform it is not practical to conduct an Auction electronically, the Allocation Platform may allocate the Units using a procedure for conducting the Auctions by email or fax to be specified by the Allocation Platform.
- C1.21 In the unlikely event of unavailability or technical difficulties, the Allocation Platform may be forced to cancel an Auction:
- (a) before and during the course of the Auction itself: Registered Participants are informed by a message that appears directly on the Auction Tool or by an electronic message;
 - (b) after the provisional Auction results, have been published, in the event of erroneous results: Registered Participants are informed by an electronic message. The results of the Auction are thereupon cancelled.
- C1.22 The Allocation Platform shall notify the Registered Participants as soon as possible of the reasons which caused the Auction cancellation.
- C1.23 The Allocation Platform may defer the dates or times of an explicit Day Ahead Auction (but not an Intraday Auction) by notifying Registered Participants of the revised date or time of such Auction. In this event, the Bidding Period will open and close at the revised time as notified by the Allocation Platform. Only Bids submitted during the revised Bidding Period and confirmed by the Allocation Platform will be valid.
- C1.24 If the fallback procedure described in C1.20 cannot, in the reasonable opinion of the Allocation Platform, and based on objective grounds (for example due to a lack of time or to technical difficulties), be implemented as necessary to enable an Auction to be conducted, the Auction will be deferred.
- C1.25 If deferral of an Auction is not considered by the Allocation Platform as being possible, based on objective grounds (for example due to a lack of time or to technical difficulties), the Auction will be cancelled and all Bids already submitted will automatically be cancelled.

C2: Implicit Day Ahead Fallback

- C2.1
- (a) The Allocation Platform will conduct explicit Day Ahead Auctions based on the Shadow Allocation Rules, for Units having a Product Period of a Contract Day, in accordance with this Rule C2, as a fallback of the Day Ahead Implicit Auction.
 - (b) In the time period where there is no Shadow Allocation available or it fails, the Intraday explicit Auction shall be the fallback for the Day Ahead Implicit Auction.
 - (c) The Use It or Sell It compensation in case of fallback for the Day Ahead Implicit Auction to the Shadow Allocation, as per C2.1(a), shall be the Auction Price from the Shadow Auction.
 - (d) The Use It or Sell It compensation in case of fallback for the Day Ahead implicit

Auction to Intraday explicit Auction, as per C2.1(b), shall be the Auction Price from the Intraday explicit Auction for the Units that are sold in this Auction. Any Long Term Units that are not offered in the Intraday Explicit Auction shall be compensated based on the Weighted Average Marginal Price of the corresponding Long Term Auction in which these were allocated.

- C2.2. The Day Ahead Auction held on day “D-1” is for Units relating to use of Transmission Rights on the Contract Day commencing at 00:00hrs (CET) on day “D”.
- C2.3. Explicit Day Ahead Auctions are held if the Offered Capacity is at least one (1) Unit to the extent that the Interconnector Capability permits, and subject to the outcome of UIOSI processes pursuant to Chapter 7 (*Use and remuneration of Long Term Transmission Rights*) of the Allocation Rules.
- C2.4. The total Offered Capacity for any Contract Day in Day Ahead Auctions will include:
- (a) available Transmission Rights (in the form of Units) not already allocated to Registered Participants pursuant to Long Term Auctions under the Allocation Rules (and that is not unavailable due to Outages and/or due to the application of Curtailment);
 - (b) Unused Units (if any) that have become available for the Day Ahead Auctions pursuant to UIOSI processes pursuant to Chapter 7 (Use and remuneration of Long Term Transmission Rights) the Allocation Rules (and that are not unavailable due to Outages and/or due to the application of Curtailment); and
 - (c) Units (if any) that have become available by application of Netting on Long Term Nominations (and that are not unavailable due to Outages and/or due to the application of Curtailment).
- C2.5. If the Daily explicit fallback auction is triggered, no auction specification is published, only the offered capacity is published, pursuant to Chapter 3 of the Shadow Allocation Rules.

C3: Intraday Auctions

- C3.1. The Allocation Platform will conduct explicit Intraday Auctions, for Units having a Product Period of up to one Contract Day, in accordance with this Rule C3.
- C3.2. Intraday Units can be allocated in one or more explicit Intraday Auctions.
- C3.3. Separate explicit Intraday Auctions may be conducted each day for each category of Intraday Unit.
- C3.4. Explicit Intraday Auctions are held:
- (a) in respect of any period in relation to which the Allocation Platform has given notice in accordance with Rule A9.1 that an Implicit Intraday product is available, only as a fallback of the Implicit Intraday Auction; or
 - (b) in respect of any other period, seven (7) days a week including weekend and public holidays, provided that the Offered Capacity for explicit Intraday Auctions is at least one (1) Unit (to the extent that the Interconnector Capability permits, and subject, in the case of Day Ahead and Intraday Units, to the outcome of UIOLI processes pursuant to Rule D3).
- C3.5. Intraday Units will be allocated in several explicit Intraday Auctions, with a minimum, but not limited to, one held on day “D-1”, the other(s) on day “D”, in accordance with this Rule C3, and pursuant to the number of Auctions and times of Intraday Auctions

which are set out in Schedule 2.

- C3.6 The number of Units auctioned for any part of a Contract Day in an explicit Intraday Auction, being subject to any limitations due to real time system security reasons, will include:
- (a) potentially available Transmission Rights (in the form of Units) not already allocated to Registered Participants and that is not unavailable due to Outages and/or due to the application of Curtailment;
 - (b) Unused Units (if any) that have become available for the Intraday Auctions under Rule D3 and that are not unavailable due to Outages and/or due to the application of Curtailment; and
 - (c) Netted Units (if any) that have become available for the Contract Day and that are not unavailable due to Outages and/or due to the application of Curtailment.
- C3.7 The allocated capacity in an Intraday Auction which has not been nominated before the gate closure of the last nomination gate before the next Intraday Auction will be returned to the Allocation Platform to be offered in the next Intraday Auction, without compensation to the previous owner of the Transmission Rights (Use It or Lose It principle is applied)
- C3.8 The Allocation Platform has the right to restrict the offered Intraday Transmission Rights in the Intraday Auction for the purpose of limiting the ramping of flow between different market time units.
- C3.9 No later than five (5) minutes before the opening of the Bidding Period of the relevant Intraday Auction, the Allocation Platform will publish the Auction Specification for the explicit Intraday Auction in accordance with the requirements of Rule C1.3
- C3.10 The Bidding Period for each explicit Intraday Auction will be at such times as specified by the Allocation Platform in Schedule 2 of these Rules or in the relevant Auction Specification. In case of contradiction between the times specified in Schedule 4 and in the relevant Auction Specification, the Auction Specification shall prevail.

C4: Submission of Bids

- C4.1 Bids in explicit Auctions must be submitted to the Auction Tools in accordance with this Rule C4.
- C4.2 A Bid or a Set of Bids become valid when acknowledged as such by the Auction Tools in accordance with Rule C4.8.
- C4.3 Each valid Bid or Set of Bids registered at closure of the Bidding Period will constitute an unconditional and irrevocable offer by the Registered Participant to the Allocation Platform to buy Units up to the quantity and at prices up to those specified in the Bid or the Set of Bids and on the terms and conditions of these Rules and the relevant Auction Specification.
- C4.4 Once submitted, a Bid or a Set of Bids cannot be withdrawn but the Registered Participant may modify its previous Bid or Set of Bids at any time during the Bidding Period. The modified Bid or Set of Bids will supersede the previous Bid or Set of Bids. Irrespective of whether the previous submission was a Bid or a Set of Bids, only the updated valid Bid or Set of Bids will be taken into account for the Auction allocation.

- C4.5 Each Bid must:
- (a) be submitted electronically using the Auction Tools during the Bidding Period;
 - (b) be in the form and include the information required by the Allocation Platform from time to time;
 - (c) identify the Registered Participant submitting the Bid, using the form of identification required by the Allocation Platform for the purposes of Auctions;
 - (d) state the price for the Bid in Euros. All prices bid must be to a maximum of two decimal places and must be a price per Unit for one hour of the Product Period of the Unit. Therefore, Unit Prices for any Product Period will be a price per Mega Watt per hour (€/MW/h); and
 - (e) state the number of Units being bid for.
- C4.6 The Registered Participants will submit their Bids through the Auction Tools or by such other means as specified by the Allocation Platform from time to time, pursuant to Rule A7.2. The format of such Bid submission shall be as specified by the Allocation Platform and pursuant to the ENTSO-E recommendations or to any other technical recommendations provided by the Allocation Platform.
- C4.7 Provided that the format of the Bid file is in a compliant format pursuant to Rule C4.6, the Auction Tools will automatically acknowledge receipt of Bids to Registered Participants by a message indicating whether the Bids have been correctly registered.
- C4.8 Only Bids confirmed as being registered correctly by the Allocation Platform shall be valid.
- C4.9 The Allocation Platform may reject any Bid that:
- (a) causes the Registered Participant to exceed its Auction Credit Limit, pursuant to Rule B5; or
 - (b) does not comply with the requirements of this Rule C4; or
 - (c) is received from a Registered Participant which is suspended pursuant to Rule E6.1 or Rule E6.2.
- C4.10 The Allocation Platform will notify any Registered Participant whose Bid is rejected as invalid and the reason of this rejection, as soon as reasonably practicable after the Bid is rejected.
- C4.11 All Bid prices are deemed to be exclusive of Taxes.
- C4.12 A Manifest Error means a human error in submitting Bids, if the price or the volume of the concerned Bid is unmistakably too high in comparison with Bids which are usually submitted for the Auctions concerned. A Manifest Error will not be corrected by the Allocation Platform in any instance.
- C4.13 In order to prevent a Manifest Error from occurring for Intraday Auctions, the Registered Participant is obliged to set his bid parameters, price and volume, to the range between a minimum and a maximum value within which parameters are allowed by the individual Registered Participant. Any Bid outside of these bid parameters will be automatically rejected by the Auction Tool.
- C4.14 The Allocation Platform will maintain a record of all Bids received.
- C4.15 The Registered Participants may define, at any time, in the Auction Tools, Default Bids for any explicit Auction which shall be identified as such in the Auction Tools

by the Registered Participant.

- C4.16 The Registered Participant may place Default Bids for explicit Long Term Auctions, explicit Day Ahead Auctions and explicit Intraday Auctions.
- C4.17 A Default Bid, once identified as such by the Registered Participant, shall apply automatically to each subsequent relevant Auction as defined by the Registered Participant when placing the Default Bid. At the opening of a relevant Bidding Period, the registered Default Bid shall be considered as a Bid submitted by the Registered Participant for the relevant Auction.
- C4.18 If a Default Bid quantity or a quantity calculated as a sum of the Bid quantity for several Default Bids submitted for the same Auction by a Registered Participant exceeds the final Offered Capacity, the Bids with the lowest Bid Price shall be rejected one by one until the total allowed Bid quantity is reached.
- C4.19 A Registered Participant may modify a Default Bid for a future Auction by changing the Bid quantity and the Bid Price of its Default Bids before the applicable Auction Bidding Period opening.
- C4.20 A Registered Participant not wishing to submit the Default Bid on the Auction Tools for future Auctions can cancel its Default Bids before the subsequent Auction Bidding Period opening.

C5: Allocation

- C5.1 After the closure of the Bidding Period for an Auction, the Allocation Platform will determine its Auction results and allocate Units in accordance with Rules C1 and C5.
- C5.2 If the total number of Units for which valid Bids have been submitted exceeds the Offered Capacity for the relevant Auction, then the lowest Bid accepted will set the Marginal Price. The Auction results are obtained using the methodology described below:
1. First, for each Auction the Allocation Platform ranks the valid Bids in decreasing Bid Price order (Different Bids with the same Bid Price receive the same rank).
 2. The highest ranked valid Bid(s) received for a number of Units requested which in aggregate does(do) not exceed the Offered Capacity is (are) allocated. Any residual available Offered Capacity is then allocated to the next highest ranked valid Bid(s). If the number of Units requested in such next highest ranked valid Bid(s) does/do not exceed in aggregate the residual Offered Capacity, this process is then repeated for the remainder of the residual Offered Capacity;
 3. Following the iterative process described in Rule C5.2.2, when the number of Units requested under the next highest ranked valid Bid is equal to or greater than the residual Offered Capacity, the Bid is allocated either in full, or partially up to the limit of the residual Offered Capacity, as the case may be. The price of this Bid constitutes the Marginal Price;
 4. If two (2) or more Registered Participants have submitted valid Bids with the same Bid Price, that cannot be accepted in full for the total requested quantity of Units, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Units per Registered Participant based on a pro rata approach as follows:
 - (a) the Units available for the Bids which set the Marginal Price shall be divided equally between the number of the Registered Participants which submitted these Bids;

- (b) if the quantity of Units requested by a Registered Participant at Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;
 - (c) if the requested quantity of Units by a Registered Participant at Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;
 - (d) any remaining Units after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.
- C5.3 The Units are deemed to have been allocated to a Registered Participant after the publication of the final results of the relevant Auction.
- C5.4 Registered Participants acknowledge and accept that their Bids may be partially accepted according to the methodology above.

SECTION D: CAPACITY USAGE RULES

D1: Rights Documents

- D1.1 Each Unit entitles the Registered Participant that acquires it (whether pursuant to these Rules or the Allocation Rules) to use Physical Transmission Rights by requesting, in accordance with Rule D2, an Energy Transmission of 1 MW at mid North Sea but only:
- (a) in the direction specified for that category of Unit; and
 - (b) in settlement periods during the Unit Validity Times of that Unit and subject to and on the terms and conditions of these Rules including any Curtailment and as specified in the relevant Auction Specification.
- D1.2 The Allocation Platform shall make available via the Auction Tools the Registered Participants' summary of acquired Units for any given Contract Day.
- D1.3 The Transmission Rights of a Unit Holder for a Contract Day in a direction and per Timescale are set out in a Rights Document including, the total number of MW of Physical Transmission Rights the Unit Holder is entitled to Nominate during each hour of that Contract Day in that direction and for the relevant Auction Type determined in accordance with these Rules. Each Registered Participant will for a Contract Day and in each direction, have access through the Auction Tools to a Rights Document setting out Transmission Rights:
- (a) allocated in Long Term Auctions under the Allocation Rules;
 - (b) allocated for each of the various Unit Validity Times applicable to Day Ahead Auctions; and
 - (c) allocated for each of the various Unit Validity Times applicable to Intraday Auctions.
- D1.4 The Allocation Platform will provide to each Registered Participant its Rights Documents for:
- (a) Day Ahead Timescales for the Contract Day "D" before the Nomination Gate Opening of the relevant Timescale for that Contract Day at the times

- specified in Schedule 2; and
- (b) for Intraday Units for Contract Day D, before the Nomination Gate Opening in respect of such Intraday Units at the times specified in Schedule 2.

D2: Mid North Sea Nominations

- D2.1 For each hour in a Contract Day for which a Rights Document has been published by the Allocation Platform (either under these Rules or under the Allocation Rules), each Unit Holder may, subject to having received confirmation from the Allocation Platform of its compliance with the Relevant Requirements, Nominate to the Allocation Platform within the Nomination Tool an Energy Transmission at mid North Sea up to but not exceeding the Unit Holder's Physical Transmission Rights (as set out in the applicable Rights Document) in the relevant direction in that hour ("Mid North Sea Nomination").
- D2.2 The Unit Holder shall submit its Mid North Sea Nominations in respect of Physical Transmission Rights during the relevant Nomination Gate and no later than the relevant Nomination Gate Closure for all relevant hours as referred to in the corresponding Rights Document.
- D2.3 Schedule 2 specifies the Intraday Nomination Gate Closures. A Unit Holder Nominates a Mid North Sea Nomination in respect of an Intraday Unit for a specific hour within an Intraday Nomination Gate and prior to the final Intraday Nomination Gate Closure for such hour. The Unit Holder may subsequently modify its Intraday Mid North Sea Nomination in respect of that hour prior to the last Intraday Nomination Gate Closure that applies for such hour or any ATC recalculation prior to an upcoming Intraday Auction. Provided that no such modifications may be made in respect of any Intraday Unit whose Unit Validity Time is affected by any Curtailment.
- D2.4 The Allocation Platform will reject a Nomination in its entirety for the Contract Day where the corresponding Mid North Sea Nomination(s) in one or more hours exceed(s) the Unit Holder's relevant Transmission Rights.
- D2.5 The Mid North Sea Nomination for each hour in the Contract Day must be expressed in whole MW, with a single value, greater than or equal to zero, for each hour.
- D2.6 Mid North Sea Nominations are not subject to any modification by the Unit Holders after the relevant Nomination Gate Closure.
- D2.7 In the absence of a Nomination by a Unit Holder in a direction, the corresponding Mid North Sea Nominations are assumed to be equal to zero.
- D2.8 Each Unit Holder must notify its Nominations electronically within the Nomination Tool.
- D2.9 Nominations shall be submitted to the Nomination Tool in the formats specified by the Allocation Platform and pursuant to the ENTSO-E recommendations and/or any other technical recommendations provided by the Allocation Platform to the Registered Participants.
- D2.10 Subject to D2.4, and provided that the format of the Nomination is in accordance with D2.9, the Allocation Platform will acknowledge receipt of the Nomination to Unit Holders (and, where applicable, any Programme Responsible Party appointed by a Unit Holder) by a message indicating that the Nomination has been correctly registered.

- D2.11 Only Nominations confirmed as correctly registered shall be valid.
- D2.12 Default Nominations can be activated by the Unit Holder per Timescale. Where they are activated, all Mid North Sea Nominations for the relevant Timescale would be automatically generated at the value of the relevant Physical Transmission Rights set out in the Rights Document for each hour of that Contract Day.
- D2.13 Unit Holders may activate Default Nominations independently for Long Term, Day Ahead and Intraday Timescales.
- D2.14 The registered Default Nomination is considered as a schedule of (Mid North Sea) Nominations submitted by the Unit Holders for the relevant Timescale at the opening of the relevant Nomination Gate (or each relevant Nomination Gates in the case of Intraday). This Mid North Sea Nomination is considered as valid once confirmed as such by the Allocation Platform.
- D2.15 The Unit Holder may modify the Mid North Sea Nomination resulting from the Default Nomination within the relevant Nomination Gate.
- D2.16 The Unit Holder may deactivate its Default Nomination on the Nomination Tool at any time. Where such deactivation is during a relevant Nomination Gate, any existing valid Mid North Sea Nomination resulting from a Default Nomination remains unchanged.
- D2.17 In case of a communication problem between the Unit Holder and the Nomination Tool due to a failure of the Nomination Tool, the Unit Holder may contact the Allocation Platform to request, in respect of Nomination Gates for which Nomination Gate Closure has not occurred, that the Unit Holder be permitted to send its Mid North Sea Nominations by email and/or fax to the Allocation Platform.
- D2.18 In the event of technical difficulties, the Allocation Platform may be forced to cancel a Nomination Gate. In that case, the Allocation Platform shall inform the relevant Unit Holders as soon as practicable of such cancellation.
- D2.19 Should the Allocation Platform cancel a Long Term, Day Ahead or Intraday Nomination Gate, the Unit Holder is compensated for its Transmission Rights at the weighted average price of the Long Term, Day Ahead or Intraday Auction Units corresponding to such rights as appropriate.
- D2.20 Should the Allocation Platform cancel an Intraday Nomination Gate or not allow any changes to Intraday Nominations in accordance with Rule D2.3, the Unit Holder is compensated for its Transmission Rights at the Auction Price of the Intraday Units corresponding to such rights, only for Settlement Periods GB or Settlement Periods NL for which Nominations can no longer be entered as a result.
- D2.21 Registered Participants must comply with the Business Rules in Schedule 2, including the timing of Mid North Sea Nominations.
- D2.22 (a) If a Registered Participant submits a valid request for an Energy Transmission for a Settlement Period (GB or NL), then the Allocation Platform will ensure that:
- (i) on the GB side a corresponding Deemed Metered Volume, adjusted for DC losses on the Interconnector and for any reductions in Mid North Sea Nominations as a result of Curtailment, is notified in a Physical Notification made in accordance with the GB Grid Code and is allocated to the relevant Energy Accounts of the Unit Holders for the purposes of

the Balancing and Settlement Code; and
(ii) on the NL side a corresponding notification is made to TenneT TSO B.V. through an E-Programme and, in the event of Curtailment, a Single Sided Transaction.

(b) For each hour in a Contract Day for which a Rights Document has been published by the Allocation Platform, each Unit Holder may, subject to Rule D2.1 Nominate an Energy Transmission up to but not exceeding the Unit Holder's Deemed Metered Volume as calculated by the Allocation Platform according to the rules set out in Schedule 3 in the relevant direction in that hour.

(c) Where a Unit Holder (or a third party Programme Responsible Party on its behalf) submits a Mid North Sea Nomination to the Allocation Platform in accordance with this Rule D2 then the Unit Holder concerned shall ensure that a notification is submitted (either by the Unit Holder in its capacity as a Programme Responsible Party or by a third party Programme Responsible Party) to TenneT TSO B.V. through an E-Programme which matches the notification made by the Allocation Platform to TenneT TSO B.V. in accordance with Rule D2.22(a)(ii). Notifications must be submitted through an E-Programme:

(i) as soon as reasonably practicable once the relevant Nomination has been made and, in any event: (A) in the event of an Intraday Nomination, prior to 10am on day D + 1 (where Contract Day D is the Contract Day in respect of which such Nomination is made) and (B) in the event of any other Nomination, prior to 1400 on day D - 1; and

(ii) regardless of the submission of any Single Sided Transaction.

If this Rule D.2.22(c) is not complied with either by the Unit Holder in its capacity as a Programme Responsible Party or by a third party Programme Responsible Party, the Unit Holder shall pay to the Allocation Platform all associated charges incurred by the Allocation Platform which arise out of such failure.

For the avoidance of doubt, The Allocation Platform shall not pay any positive charges which arise from such failure as described in Rule D2.22 to the Unit Holder.

D2.23 The Allocation Platform will calculate and submit to NGET Physical Notifications for each Settlement Period GB on behalf of each Unit Holder, based on the Mid North Sea Netted Nominations received from each Unit Holder in respect of such Settlement Period GB.

D2.24 Each Registered Participant acknowledges that, without prejudice to the rights of Unit Holders under this Rule D2, Unit Holders do not have a right to control Energy Transmissions over the Interconnector. The actual level of Energy Transmissions over the Interconnector at any time is determined by the Allocation Platform having regard to a range of factors including other Mid North Sea Nominations, operational requirements and use of the Interconnector by NGET and/or TenneT TSO B.V. as Transmission System Operators (including any limitation due to emergency or reasons of operational system security or under other arrangements such as the provision of emergency support and balancing services). Nothing in these Rules restricts the Allocation Platform from transmitting electricity over the Interconnector at any time in either direction.

D2.25 Unit holders may assign other parties to fulfil any of the obligations under Rule D2 as Nominator on its behalf.

D3: Use-It-or-Lose-It

- D3.1 The provisions under this Rule D3 detail how Transmission Rights unused by a Unit Holder (“Unused Units”) will be made available to the Allocation Platform for use in the next available future Auction.
- D3.2 To the extent that any Unit Holder does not Nominate any Day Ahead Unit(s) associated with its Day Ahead Transmission Rights for any hour of a Contract Day that were derived from the fall back Day Ahead Explicit Auction, it will lose the right to use such Day Ahead Unit(s) on that Contract Day in accordance with this Rule D3.2 and D3.3.
- D3.3 Day Ahead Unused Units resulting from the process described in D3.2 are then subject to the following:
- (a) these Unused Unit(s) will be unavailable for subsequent use by the Unit Holder;
 - (b) the Unit Holder’s other rights and obligations in relation to its Units, whether Unused or not Unused, will not be affected;

- (c) the Unit Holder shall still pay the Allocation Platform for its Unused Unit(s), subject to whether such Unused Units were acquired in a Transmission Rights Transfer;
- (d) the Allocation Platform will make Unused Unit(s) available in the appropriate Intraday Auction for the same Contract Day; and
- (e) the proceeds of the sale of the Unused Units in the relevant Intraday Auction will not be paid by the Allocation Platform to the Unit Holder.

D3.4 To the extent that any Intraday Transmission Rights remain unused such Intraday Transmission Rights shall be treated as Unused Units and shall be subject to the following:

- (a) these Unused Unit(s) will be unavailable for subsequent use by the Unit Holder;
- (b) the Unit Holder's other rights and obligations in relation to its Units, whether Unused or not Unused, will not be affected;
- (c) the Unit Holder shall still pay the Allocation Platform for these Unused Unit(s), subject to whether such Unused Units were acquired in a Transmission Rights Transfer; and
- (d) these Unused Units can be made available in any subsequent Auction for the same business day.
- (e) Any Unit which has not been nominated in the last Nomination Gate before an Intraday Auction for the same business day is considered as an Unused Unit.

D4: Outages

D4.1 The Allocation Platform will give Registered Participants information about Reduction Periods in accordance with Article 30 of the Allocation Rules.

D4.2 The Allocation Platform will notify Registered Participants of any Forced Outage as soon as practicable after the Forced Outage. Following this initial notice, the Allocation Platform will as soon as practicable give Registered Participants information about the Forced Outage including where possible the expected Interconnector Capability and its expected duration. These details will be given for information purposes only and they are not binding on the Allocation Platform and Rule D4.3 will apply to this information.

D4.3 Without prejudice to Rule E7 (*Liability*), the Allocation Platform excludes any and all liability for any claims, payments, costs and expenses arising out of any differences between the information provided under this Rule D4 and actual Outages (other than credits calculated under Rule D6), whether the claim arises in contract or on any other basis, except to the extent that liability cannot be excluded by law.

D5: Curtailment

D5.1 The Allocation Platform will after the Day Ahead Firmness Deadline (and to the extent necessary) Curtail in accordance with this Rule D5 Day Ahead and Intraday Transmission Rights secured by all Unit Holders, and if necessary each Unit Holder's Day Ahead and Intraday Mid North Sea Netted Nomination, during each Settlement Period GB or Settlement Period NL (as appropriate) that the Allocation Platform considers to be affected by an event of Force Majeure or an Emergency Situation. Long Term Transmission Rights and Long Term Mid North Sea Netted Nominations shall be subject to Curtailment under Chapter 9 (*Curtailment*) of the Allocation Rules as amended by the BritNed Border Specific Annex.

D5.2 Each relevant Unit Holder will lose its entitlement to use Transmission Rights Curtailed by the Allocation Platform in accordance with Rule D5.1.

- D5.3 If a need to Curtail in accordance with Rule D5.1 is identified, the Allocation Platform shall inform Registered Participants of the revised level of Interconnector Capability, as soon as practicable after becoming aware of the requirement.
- D5.4 If the Allocation Platform has given notice under Rule D5.3, it will keep Registered Participants informed of the anticipated duration of the event of Force Majeure or Emergency Situation.
- D5.5 A Capacity Shortage occurs in any minute in a direction if:

$$NTC_{dir} < \sum \text{Capa}^{GNC}_{dir} + \sum \text{MNN}^{GC}_{dir} - \sum \text{MNN}^{GC}_{opp}$$

Where:

NTC_{dir}	is the value of the Interconnector Capability at that time in that direction; and
$\sum \text{Capa}^{GNC}_{dir}$	is the sum of the Transmission Rights, across all Registered Participants in that direction and for all Timescales, including any Long Term Transmission Rights allocated under the Allocation Rules, for which Nomination Gate Closure has not yet occurred, (before Curtailment of these rights); and
$\sum \text{MNN}^{GC}_{dir}$	is the sum of the MNN values, across all Registered Participants in that direction for all Timescales, in respect of Units for which Nomination Gate Closure has occurred, (before Curtailment of that MNN in accordance with Rule D5.1); and
$\sum \text{MNN}^{GC}_{opp}$	is the sum of the MNN values, across all Registered Participants in the opposite direction for all Timescales, in respect of Units for which Nomination Gate Closure has occurred, (before Curtailment of that MNN in accordance with Rule D5.1),

and the “Curtailment Quantity” is the positive number equal to the difference between the Net Transfer Capacity (“NTC”) in such direction and $(\sum \text{Capa}^{GNC}_{dir} + \sum \text{MNN}^{GC}_{dir} - \sum \text{MNN}^{GC}_{opp})$.

- D5.6 In the circumstances described in Rule D5.1, the Day Ahead Transmission Rights of all Unit Holders in an affected Settlement Period in the direction of the Capacity Shortage will be Curtailed by the Allocation Platform under this Rule D5, where applicable, on a pro rata basis with any Long Term Transmission Rights to be Curtailed under the Allocation Rules.

In the circumstances described in Rule D5.1, the Intraday Transmission Rights of all Unit Holders in an affected Settlement Period in the direction of the Capacity Shortage will be Curtailed by the Allocation Platform under this Rule D5, where applicable, and each relevant Unit Holder will lose all its entitlement to use Intraday Transmission Rights.

- D5.7 Following the Nomination Gate Closure, the Day Ahead and Intraday MNN values to

be Curtailed under Rule D5.1 shall be Curtailed, where applicable, on a pro rata basis with any Long Term MNNNs to be Curtailed under the Allocation Rules.

- D5.8 To the extent that the calculations under Rule D5.7 result in a Transmission Rights value and/or an MNNN value for a Registered Participant that is not a whole number, the Allocation Platform will round the result down to the nearest whole number. Any Transmission Rights remaining as a result of the rounding down process will, to the extent it is a whole number, be allocated by the Allocation Platform to Registered Participants at the next relevant Auction, where practicable.
- D5.9 If a Registered Participant's Units have been Curtailed in accordance with this Rule D5 then any such Units will not be reinstated if the Allocation Platform, acting reasonably, decides to increase the Interconnector Capability in any Settlement Period (either GB or NL) in any flow direction. Any such increase of Interconnector Capability will be added to the Offered Capacity in the next available Auction.
- D5.10 Registered Participants acknowledge that a Capacity Shortage, or any increase or decrease in the Curtailment Quantity during an event of Force Majeure or Emergency Situation, which arises after the relevant Nomination Gate Closure will be reflected in the calculation of Deemed Metered Volumes in accordance with Schedule 3.

D6; Curtailment Reconciliation

- D6.1 If a Curtailment is implemented in accordance with Rule D5, the compensation for any Curtailed Units or MNNN of a Registered Participant will be shown by the Allocation Platform as a credit on the relevant invoice(s), in accordance with this Rule D6.
- D6.2 For the avoidance of doubt, whilst the relevant invoice will show as payable by the Unit Holder all Units acquired in the Auctions and the Unit Holder shall pay the total amount shown on such invoice, the compensation for any Units which have been Curtailed shall be shown as a credit on the relevant invoice.
- D6.3 Unit Holders will be compensated for Units allocated through explicit allocation and Curtailed under Rule D5.1 by reason of a Capacity Shortage arising from an event of Force Majeure on the basis of the Unit Price.
- D6.4 Unit Holders will be compensated for Units allocated through explicit allocation and Curtailed under Rule D5.1 by reason of a Capacity Shortage arising from an Emergency Situation on the basis of the Mid North Sea Day Ahead Market Spread or, if the bidding zone price is not calculated in either Great Britain or the Netherlands, on the basis of the Unit Price.
- D6.5 If Units allocated through implicit allocation are Curtailed under Rule D5.1 by reason of a Capacity Shortage arising from either an event of Force Majeure or an Emergency Situation, the financial consequences are governed by the contractual arrangements between the Allocation Platform and the Central Counter Party.
- D6.6 If Units notified for Transmission Rights Transfer by a Registered Participant to the Allocation Platform are Curtailed in accordance with Rule D5 and:
- (i) the Transmission Rights Transfer has been confirmed by the party to whom the Transmission Rights Transfer was made before the Curtailment, the Units are Curtailed and a credit is made to such Party in accordance with Rules D5 and D6; or
 - (ii) the Transmission Rights Transfer has not been confirmed by the party to whom the Transmission Rights Transfer is being made before the Curtailment, the Transmission Rights Transfer is cancelled in its entirety by

the Allocation Platform, the corresponding Units are returned to the party which submitted the associated Transmission Rights Transfer Notice and no credit is due to the party which had not confirmed the Transmission Rights Transfer. These Units are then subject to Curtailment in accordance with Rules D5 and D6.

SECTION E: GENERAL CONDITIONS

E1: Notices

- E1.1 The provisions of Article 74 (*Notices*) of the Allocation Rules shall apply mutatis mutandis to any notice or other communication to be given under or in connection with these Rules.

E2: Confidentiality

- E2.1 Subject to Rule E2.2, the provisions of Article 75 (*Confidentiality*) of the Allocation Rules shall apply mutatis mutandis to any information exchanged between the Allocation Platform and any Registered Participant under or in connection with these Rules.
- E2.2 The Allocation Platform shall (in addition to the rights set out in Article 76(4) of the Allocation Rules) be permitted to disclose confidential information as may be required to comply with the requirements of the GB Grid Code, the Dutch Codes or the Balancing and Settlement Code.

E3: Assignment

- E3.1 The provisions of Article 74 (*Assignment and subcontracting*) of the Allocation Rules shall apply mutatis mutandis to any assignment, novation or transfer by the Allocation Platform or any Registered Participant of any rights or obligations under these Rules.

E4: Amendments

- E4.1 Subject to Rule E4.2, the Allocation Platform is entitled to amend these Rules from time to time by giving an Amendment Notice to Registered Participants.
- E4.2 Before making any amendment to these Rules under Rule E4.1, the Allocation Platform will, unless the amendment is urgent or minor in its nature, give Registered Participants a reasonable opportunity, which shall be at least twenty-eight (28) days to comment on the proposed amendments.
- E4.3 Subject to Rule E4.9, an amendment made under Rule E4.1 takes effect from the date and time specified in the Amendment Notice.
- E4.4 Nothing in this Rule E4 shall prevent a Registered Participant from proposing in writing amendments to these Rules at any time.
- E4.5 If a Rule amendment is proposed by a Registered Participant, the Allocation Platform shall, within 5 Business Days, confirm receipt of the proposed amendment and provide timescales for consideration of such proposal.
- E4.6 Each amendment applies to any aspect of these Rules, including but not limited to all

Auctions conducted after the date on which the amendment takes effect.

- E4.7 Unless expressly stated otherwise by the Allocation Platform, the amended Rules shall govern all rights to use Transmission Rights and all other rights and obligations acquired under these Rules including those acquired before but for use after the amendment takes effect.
- E4.8 Any amendment of these Rules will apply automatically to the Participation Agreement, without the need for the Registered Participant to sign the amended Rules but without prejudice to the Registered Participant's right to request termination of its Participation Agreement in accordance with Rule E6.
- E4.9 These Rules are subject to the law prevailing at the time at which they take effect. If there is a change in law or any action by Competent Authorities at national or international level which have an effect on these Rules then, notwithstanding any other provision of these Rules, the Rules will be amended accordingly and, where possible, pursuant to this Rule E4.
- E4.10 Schedule 2 contains the timings of the business processes. Modifications may be made to this Schedule 2 by the Allocation Platform to reflect changes in either the Dutch or British electricity markets and/or changes to the Allocation Platform's operational practices by giving at least 10 Business Days' notice to the Registered Participants.
- E4.11 These Rules are approved by the Competent Authorities and a copy of the approved Rules will be published on the Allocation Platform's website.

E5: Force Majeure

- E5.1 The provisions of Article 73 (*Force Majeure*) of the Allocation Rules shall apply mutatis mutandis to these Rules following the occurrence of any event of Force Majeure affecting the obligation and duties of the Allocation Platform or any Registered Participant under these Rules.

E6: Termination and suspension

Suspension

- E6.1 The Allocation Platform may by notice to the Registered Participant suspend temporarily the Registered Participant's rights in connection with these Rules with immediate effect if the Registered Participant commits a breach of an obligation in connection with these Rules which may have a material impact on the Allocation Platform as follows:
- (a) if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform;
 - (b) if a Registered Participant fails to provide and maintain Collateral in accordance with the requirements referred to in Rule B5 or if a Collateral Incident occurs under Article 25 (*Collateral Incident*) of the Allocation Rules;
 - (c) any breach which may have a material financial impact on the Allocation Platform;
 - (d) the Allocation Platform considers on reasonable grounds that the Registered Participant no longer satisfies one or more of the conditions to participate in Auctions; or

(e) if a Registered Participant's rights have been suspended in accordance with Article 71 (*Suspension of the Participation Agreement*) of the Allocation Rules.

- E6.2 In any case of a minor breach in relation to these Rules, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant that its rights in connection with these Rules shall be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed and the breach remains unremedied.
- E6.3 After the suspension takes effect in accordance with Rules E6.1 or E6.2, the suspended Registered Participant may no longer participate in any Explicit Day Ahead Auction or an Intraday Auction and the suspended Registered Participant shall not be entitled to Nominate its Transmission Rights. For the avoidance of doubt, the Transmission Rights which the Registered Participant is prohibited from using as a result of such suspension may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not be required to compensate the Registered Participant.
- E6.4 The Allocation Platform may withdraw a notice under Rule E6.1 or E6.2 at any time. Having given a notice under Rule E6.1 or E6.2, the Allocation Platform may give a further or other notice at any time in respect of the same or a different suspension event.
- E6.5 Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to use of its allocated Transmission Rights and its ability to participate in Auctions by written notice to the Registered Participant. As from the date of effect of the reinstatement, the Transmission Rights allocated prior to the suspension and which remain unused may be Nominated.
- E6.6 If the Allocation Platform gives a notice to a Registered Participant under Rule E6.1 or E6.2, such notice of suspension does not relieve the Registered Participant from its obligations to pay for allocated Transmission Rights.

Termination

- E6.7 A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Business Days after receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled.
- E6.8 A Registered Participant may terminate the Participation Agreement to which the Registered Participant is a party for good cause when the Allocation Platform has committed a major breach of an obligation connected with these Rules or the Participation Agreement in the following cases:
- (a) where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact;
 - (b) where there is a significant breach of the confidentiality obligations.
- E6.9 The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Business Days to remedy the breach. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. A holder of Transmission Rights whose Participation Agreement is terminated under this paragraph is under no obligation to pay remaining

instalments for the Transmission Rights and is entitled to a refund to the extent that any instalment includes an amount in respect of products which have a starting date after the date of termination, to be calculated pro-rata from the date termination takes effect.

- E6.10 If any of the termination events in Rule E6.11 occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement, including the Registered Participant's rights connected with these Rules. A termination under this Rule E6.10 takes effect from the time of the notice or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform unless the circumstances of termination cease to exist or the Allocation Platform is sufficiently satisfied that the breach will not occur again.
- E6.11 The termination events referred to in Rule E6.10 shall be the following:
- (a) if the rights of the Registered Participant are suspended in accordance with Rule E6.1 for longer than thirty (30) Business Days;
 - (b) if a Registered Participant repeatedly breaches these Rules or its Participation Agreement, whether or not the breach is capable of remedy;
 - (c) if an Insolvency Event occurs in relation to a Registered Participant;
 - (d) if a Registered Participant breaches any of the provisions of the NGET Grid Code or the Dutch Codes applicable to it and such breach has or can reasonably be expected to have an adverse effect on the operation of the Interconnector or the arrangements contemplated by these Rules and (if capable of remedy) the breach has not been remedied within ten (10) Business Days of a notice from the Allocation Platform requiring remedy;
 - (f) if a Competent Authority (i) determines that the Registered Participant has committed a misuse or fraudulent act and (ii) requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or (iii) agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions;
 - (g) if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tools (it being understood that such an action is deemed to happen in case of any behaviour amounting to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack); or
 - (h) a termination event occurs under Article 72 (*Termination of the Participation Agreement*) of the Allocation Rules.
- E6.12 After the termination takes effect in accordance with this Rule E6 and from that time, the Registered Participant may no longer participate in an Auction. For the avoidance of doubt, the Transmission Rights, which the Registered Participant is prohibited from using as a result of termination, may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not be required to compensate the Registered Participant.
- E6.13 Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these Rules which arose prior to that termination unless otherwise specified in this Rule E6. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with these Rules, in respect of all such rights and

liabilities. This Rule E6 shall apply without prejudice to other remedies available to the Allocation Platform under these Rules.

E7: Liability

- E7.1 Subject to Rule E7.2, the provisions of Article 69 (*Liability*) of the Allocation Rules as amended and supplemented by the BritNed Border Specific Annex shall apply mutatis mutandis in respect of any liability of the Allocation Platform or any Registered Participant arising under or in connection with these Rules.
- E7.2 A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) which any of them may suffer or incur by reason of any claim by any third party ("claimant") on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with any Capacity Subcontracting Arrangement to which that Registered Participant is a party.

E8: Dispute Resolution

- E8.1 Subject to Rule E8.2, the provisions of Article 70 (*Dispute resolution*) of the Allocation Rules shall apply mutatis mutandis to any Dispute.
- E8.2 The seat of arbitration for any dispute referred to arbitration under the rules of the International Chamber of Commerce shall be London.

E9: Miscellaneous

- E9.1 The provisions of Article 77 (*Governing law*), Article 78 (*Language*), Article 79 (*Intellectual property*), Article 80 (*Relationship of the parties*), Article 81 (*No third party rights*), Article 82 (*Waiver*), Article 83 (*Entire agreement*), Article 84 (*Remedies exclusive*) and Article 85 (*Severability*) of the Allocation Rules shall apply mutatis mutandis to these Rules.

Schedule 1: Definitions and interpretation

Part I: Definitions

In these Rules, capitalised words and phrases have the meanings given to them below unless the context requires otherwise.

“Allocation Platform”	means BritNed Development Limited;
“Allocation Platform Registered Participant Guide”	means the guide to these Rules published by the Allocation Platform from time to time;
“Allocation Rules”	means the Allocation Rules for Forward Capacity Allocation approved in accordance with Article 51 of the FCA Guideline;
“Amendment Notice”	means the notification and any associated documents issued by the Allocation Platform pursuant to Rule E4, provided to the Registered Participants and which provide Registered Participants with the Allocation Platform’s proposed amendment(s) to the Rules;
“Applicable Law”	means any statute, statutory instrument, licence (including the Allocation Platform Interconnector Licence, NGET Transmission Licence and the Licence Standards) law (whether English or Dutch) or decree or order in council or directive, or any code including the GB Grid Code, the Dutch Codes and the Balancing and Settlement Code, or any request, requirement, instruction, direction or rule of any Competent Authority but only, where not having the force of law, if compliance with the Applicable Law is in accordance with the general practice of persons to whom the Applicable Law is addressed;
“Auction”	means any auction conducted under these Rules;
“Auction Credit Limit”	means a credit limit established by a Registered Participant as referred to in Rule B5.2 in respect of participation in any Auction;
“Auction Price”	means the value of the Marginal Price of an Auction, and which is payable by all Unit Holders resulting from such Auction;
“Auction Specification”	means, the specification for the Auction published by the Allocation Platform, as described in Rules C2 and C3 for Day Ahead and Intraday Timescales or the specification for a Long Term Auction published by the Allocation Platform under the Allocation Rules;
“Auction Tool”	means an IT system used for conducting Auctions and other associated Transmission Rights activities;
Available Transmission Capacity	means Available Transmission Capacity (ATC) and is the amount of electric transfer capability remaining in a power transmission network that is available for sale above already committed uses and restrictions.
“Balancing and Settlement Code”	means the code of that name established under the NGET Transmission Licence;

“Bid”	means a Registered Participant’s offer to buy Units in an Auction, and made in accordance with these Rules;
“Bidding Period”	means, in relation to an Auction, the time during which Bids may validly be submitted in that Auction in accordance with these Rules;
“BritNed Border Specific Annex”	means the Annex to the Allocation Rules describing the rules applicable specifically to the Netherlands-Great Britain border comprising the Interconnector operated by the Allocation Platform;
“Business Day”	means a week-day on which banks in both London and Amsterdam are open for domestic business and for dealings in sterling and Euro deposits;
“Business Rules”	means the rules for day to day use of Transmission Rights in Schedule 2;
“CACM Guideline”	means the EU Regulation establishing a guideline on capacity allocation and congestion management (No.1222/2015);
“Capacity Shortage”	has the meaning given to it in Rule D5.5;
“Capacity Subcontracting Arrangement”	means any arrangement between a Unit Holder and another person under which the Unit Holder allows the person, either directly or indirectly, to use the Transmission Rights of the Unit Holder;
“Competent Authority”	means the Secretary of State (as defined in the Governing Act), the GB Regulator (Office of the Gas and Electricity Markets), the Dutch Regulator (Netherlands Authority for Consumers and Markets) and any local, national or supra national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom, the Netherlands or the European Union;
“Contract Day”	in relation to a Contract Day D, means a period of 24 hours commencing at 00:00 hours CE(S)T local time on day D;
“Collateral”	means security for payment of amounts owed under these Rules provided in accordance with the requirements referred to in Rule B5;
“Collateral Incident”	means an incident as described in Article 25 of the Allocation Rules;
“Curtail”	means to reduce Unit Holders’ Transmission Rights and MNNN in accordance with Rule D8 and “Curtailed” and “Curtailed” have corresponding meanings;
“Curtailed Quantity”	means, in relation to a Capacity Shortage, the quantity calculated under Rule D5.5;
“CUSC”	means the Connection and Use of System Code established under the NGET Transmission Licence;
“Day Ahead”	means processes relating to Auctions with Product Period of one (1) Contract Day and associated Transmission Rights activities, the business process for which is described in

	Schedule 2;
“Day Ahead Auction”	means any Auction of Day Ahead Units;
“Day Ahead Auction – Hourly”	means a Day Ahead Auction in which all hours have an independent Auction Price, therefore each hour being a Unit Validity Time;
“Day Ahead Auction – Grouped Hours”	means a Day Ahead Auction in which a group of hours has a single Auction Price. The Unit Validity Times in this case are the hours that are grouped together with a common Offered Capacity and a common Auction Price. For the avoidance of doubt, separate groups of hours may have different Auction Prices.
“Day Ahead Unit”	means a Unit offered in a Day Ahead Auction, with Unit Validity Times as specified in the relevant Auction Specification;
“Day Ahead Firmness Deadline”	has the meaning given to that term in Article 2 of the CACM Guideline;
“Day Ahead Market Spread”	means the difference in the power exchange prices on the British and Dutch day ahead markets (such power exchanges to be chosen by the Allocation Platform in its absolute discretion from time to time) for the relevant hour(s) as adjusted to reflect DC losses on the Interconnector;
“Day Type”	means any of Business Days, non-Business Days or all Days as the case may be, in the context of a Transmission Rights Transfer Notice;
“Deemed Metered Volumes” or “DMV”	means volumes of energy allocated to Registered Participants’ Energy Accounts by the Allocation Platform calculated using the rules in Schedule 3;
“Default Bid”	means the automatic submission of Bids in respect of a particular Auction type (Day Ahead or Intraday) pre-prepared by the Registered Participant;
“Default Nomination”	means the automatic generation and submission of Mid North Sea Nominations in respect of a particular Timescale which are identical to the Transmission Rights notified to the Registered Participant in respect of such Timescale;
“Dispute”	means any dispute between the Allocation Platform and a Registered Participant under or in relation to these Rules;
“Dutch Codes”	are the Rules that govern the transportation and use of electricity on the Dutch Grid, which includes system codes;
“EAN Code”	means the unique identification number in accordance with European Article Numbering (as defined in the NL Definition List);
“Emergency Situation”	means a situation as described in Article 16(2) of the EU Regulation on conditions of access to the network for cross-border exchanges in electricity (No. 714/2009);
“Energy Account”	means in relation to a Registered Participant: <ul style="list-style-type: none"> (a) the Registered Participant’s Production Interconnector BM Unit and Consumption

Interconnector BM Unit under the Balancing and Settlement Code; and

- (b) the PRP account established under the Dutch Codes and acknowledged by TenneT TSO B.V.

both as specified by the Registered Participant in its Participation Agreement;

“ENTSO-E”	means the European Network of Transmission System Operators for Electricity.
“NL Energy Programme or E-Programme”	means a programme drawn up by a Programme Responsible Party and submitted to TenneT TSO B.V. which contains for each programme time unit within one calendar day: (i) the balance of the transmissions across all connections for which the PRP has Programme Responsibility; (ii) the net quantity of all energy transactions with other PRPs; (iii) the quantity of each Import and Export Transaction;
“Energy Transmission”	means the transmission of electricity across the Interconnector and “Transmitting” has a corresponding meaning;
“FCA Guideline”	means the EU Regulation on establishing a guideline on forward capacity allocation (No.1719/2016);
“Financial Transmission Right”	means a Financial Transmission Right Option as defined in Article 2 of the Allocation Rules;
“Force Majeure”	has the meaning given to it in the Allocation Rules;
“Forced Outage”	means any Outage of which notice was given after the publication of the Auction Specification for the Day Ahead Auction for the Contract Day on which the Outage occurs;
“GB Grid Code”	means the document referred to as the Grid Code in the NGET Transmission Licence;
“Governing Act”	means the Electricity Act 1989 as amended and supplemented by the Utilities Act 2000;
“Implicit Auction”	means a mechanism whereby a Nominated Electricity Market Operator (as that term is defined in the CACM Guideline) at Day-Ahead or Intraday stage implicitly makes available to market parties the cross-border capacity available for spot trades via the interconnected spot markets of The Netherlands and Great Britain;
“Insolvency Event”	means in relation to a Registered Participant, any of the following events: <p>(a) an order of a competent court is made or a resolution is passed for its insolvent winding up or dissolution;</p> <p>(b) a receiver of the whole or any material part of its assets or undertaking is appointed (whether under contract or by a court) or a decision for the opening of insolvency proceedings has been made by a</p>

	competent court;
	(c) an administration order is made or a voluntary arrangement is proposed or a decision is made to appoint a mediator or to approve a voluntary arrangement with creditors; or
	anything analogous to, or having a substantially similar effect to, any of the circumstances specified in paragraphs (a) to (c) above occurs in relation to the Registered Participant in any jurisdiction;
“Interconnector”	means the interconnection of the NGET Transmission System with the TenneT Transmission System;
“Interconnector Capability”	means the capability (in MW, at Mid North Sea) of the Interconnector to Transmit electrical energy between Great Britain and the Netherlands taking into account the effects of any event or circumstance affecting such capability at any relevant time, including events or circumstances on the NGET Transmission System or the TenneT Transmission System or disconnection or de-energisation of the Interconnector from either of those transmission systems;
“Intraday”	means processes relating to products with Product Periods of up to one Contract Day duration;
“Intraday Auction”	means any Auction of Intraday Units;
“Intraday Unit”	means a Unit with a Product Period shorter than a Contract Day, as specified in the relevant Auction Specification;
“Legacy BritNed Participant Agreement”	means, in relation to a Non-Participating User, the agreement entered into between the Non-Participating User (1) and BritNed Development Limited (2) in relation to the Interconnector under a previous version of these Rules;
“Licence Standards”	means those standards set out in or referred to in the NGET Transmission Licence;
“Long Term”	means processes relating to Auctions with Product Periods greater than one Contract Day and up to and including one contract year and associated Transmission Rights activities;
“Long Term Units”	means a Unit with a Product Period longer than one Contract Day, as specified in the relevant Auction Specification;
“Loss Factor”	has the meaning given to it in Schedule 3;
“Manifest Error”	has the meaning given to it in Rule C4.12;
“Mid North Sea Day Ahead Market Spread”	means, in relation to a Settlement Period GB or a Settlement Period NL, the difference in the power exchange prices in that Settlement Period on the British and Dutch day ahead markets (such power exchanges to be chosen by the Allocation Platform in its absolute discretion from time to time) as adjusted to reflect DC losses on the Interconnector;
“Mid North Sea Nomination” OR “MNN”	has the meaning given to it in Rule D2.1;
“Mid North Sea Netted Nomination” OR “MNNN”	means, in relation to a particular hour on a particular Contract Day, the Mid North Sea Nomination which results from the Netting of a Unit Holder’s total Mid North Sea Nominations across all Timescales for that hour in one direction and its total

	Mid North Sea Nominations across all Timescales for that hour in the other direction;
“Netting”	means the superposition of MNNs in two opposite directions (the Netherlands-GB and GB-the Netherlands), in order to release some capacity in the more congested direction for the next allocation step, and “Netted” shall have corresponding meaning;
“NGET Transmission Licence”	means the licence granted by the Secretary of State to NGET under Section 6(1)(b) of the Governing Act permitting, inter alia, the transmission of electricity in England and Wales, as amended from time to time;
“NGET Transmission System”	means the system comprising electric lines owned or operated by NGET for the transmission of electricity as defined in the GB Grid Code;
“NGET”	means National Grid Electricity Transmission plc, a company incorporated in England and Wales;
“NL Definition List”	means the “Begrippencode elektriciteit” as is referred in article 31 of the Dutch Electricity Act, and published by the Dutch Regulator;
“NL Energy Programme or E-Programme”	means a programme drawn up by a party with balance responsibility (Programme Responsible Party (PRP)) and submitted to the network operator of the national high-voltage network which contains for each programme time unit within one calendar day (i) the balance of the transmissions across all connections for which the PRP has balance responsibility, (ii) the net quantity of all energy transactions with other PRPs, (iii) the quantity of each import and export transaction;
“Nominate”	means, in relation to a Registered Participant, the action to submit a MNN to the Allocation Platform, and “Nomination” shall have corresponding meaning
“Nomination Gate”	means, for particular Units and in relation to a Settlement Period, the period during which Nominations may be made in respect of those Units and that Settlement Period (those times being listed in Schedule 2);
“Nomination Gate Closure”	means, in relation to a Nomination Gate, the last time at which Nominations can be made during that Nomination Gate(as listed in Schedule 2);
“Nomination Gate Opening”	means, in relation to a Nomination Gate, the first time at which Nominations can be made during that Nomination Gate (as listed in Schedule 2);
Nomination Tool	means the IT system used for processing nominations;
“Non-Participating User”	means a holder of Long Term Units allocated under the version of these Rules approved by the relevant Competent Authorities on 18 December 2014 who has not entered into a Participation Agreement and who is not therefore eligible to participate in any Auction;

“Offered Capacity”	means the number of Units being made available in the respective Unit Validity Times in an Auction;
“Outage”	means any reduction of Interconnector Capability in either direction and includes Forced Outages;
“Participation Agreement”	has the meaning given to that term in Article 2 of the Allocation Rules;
“Planned Outage Period”	means a period of time during a Product Period where the Offered Capacity is less than the Offered Capacity at other times during the Product Period as a consequence of a planned Outage;
“Physical Notification”	has the meaning given to that term in the GB Grid Code;
“Physical Transmission Right”	has the meaning given to that term in Article 2 of the Allocation Rules, and for the purpose of these Rules means such a right of transfer between Great Britain and the Netherlands, to the extent that the Interconnector Capability permits;
“Product Period”	means the period of time beginning on the first Contract Day in respect of a specific Auction and ending at the end of the last Contract Day in respect of such Auction;
“Programme Responsibility”	means the responsibility of consumers, other than captive consumers, and licence holders to draw up or to have drawn up energy programmes for the generation, transmission and consumption of electricity for the network operators and to act in accordance with such energy programmes subject to applicable conditions (and as further defined in the NL Definition List);
“Programme Responsible Party” or “PRP”	means a party with Programme Responsibility;
“Registered Participant”	means any person, other than the Allocation Platform, who for the time being is a party to a Participation Agreement;
“Registered Participant Forum”	has the meaning given to it in Rule A6;
“Registered Participant Systems”	means, in relation to a Registered Participant, the hardware, software and other systems needed by the Registered Participant to exercise its rights and perform its obligations under these Rules, including communicating electronically with the Allocation Platform, participating in Auctions and using Transmission Rights;
“Relevant Requirements”	means, in relation to a Registered Participant seeking to exercise any right to Nominate Transmission Rights, that the Registered Participant has: <ul style="list-style-type: none"> (a) acceded to a Use of System Interconnector Agreement with NGET and the Framework Agreement established under the Connection and Use of System Code; (b) acceded to the Framework Agreement as defined in the Balancing and Settlement Code and provided to

the Allocation Platform full details of the Production and Consumption Interconnector BM Units registered to the Registered Participant under the BSC; and

- (c) (i) entered into either a Programme Responsible Party (“PRP”) agreement with TenneT TSO B.V. or an agreement with a PRP, which has full recognition (*programmaverantwoordelijke met een volledige erkenning*) from TenneT TSO B.V. in either case, in respect of notifications through an E-Programme; and (ii) completed and returned to TenneT TSO B.V. a completed authorisation form for Single Sided Transactions in the Dutch market;

“Rights Document”	means a document issued by the Allocation Platform to a Registered Participant under the Allocation Rules in respect of Long Term Physical Transmission Rights and under these Rules in respect of Day Ahead and Intraday Physical Transmission Rights, in the case of Physical Transmission Rights, setting out in relation to a direction and Settlement Period the maximum amount of Transmission Rights that the Registered Participant can Nominate;
“Rules”	means these BritNed Access Rules, as amended from time to time;
“Set of Bids”	means all valid Bids from a Registered Participant registered in the Auction Tools and as modified during the relevant Bidding Period, at any time;
“Settlement Period GB”	means each half-hour period coinciding with Settlement Periods as defined in the Balancing and Settlement Code in the GB market;
“Settlement Period NL”	means the time unit used to settle an imbalance in the NL market, i.e. 15 minutes as defined in the NL Definition list;
“Shadow Allocation Rules”	means the Joint Allocation Office Shadow Allocation Rules for day ahead explicit fallback allocation, pursuant to the Channel TSOs proposal for fallback procedures
“Shadow Auction”	means the Daily Explicit Auction run by the Allocation Platform(s) by which daily Cross Zonal Capacity is offered as fallback procedure for the Day Ahead Implicit Auction and allocated to Registered Participants who submit Bid(s)
“Single Sided Transaction”	means a transaction in relation to an Energy Transmission which is submitted by the Allocation Platform, in accordance with the Dutch Codes, to TenneT TSO B.V. (a) without inclusion in an E-Programme, and (b) with the relevant Registered Participant’s prior authorisation pursuant to the Participation Agreement;
“Taxes”	means all forms of taxation and statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and of any jurisdiction and any penalty, fine, surcharge, interest, charges or costs

	payable in connection with any Taxes;
“TenneT Transmission System”	the system of electric lines operated by TenneT TSO B.V. for the transmission of electricity as defined in the Dutch Codes;
“Timescale”	means either Long Term, Day Ahead or Intraday period of time;
“Transmission Rights”	means Physical Transmission Rights and/or Financial Transmission Rights, as the context requires;
“Transmission System Operator”	means each of NGET in its capacity as operator of the NGET Transmission System and TenneT TSO B.V. in its capacity as operator of the TenneT Transmission System;
“Transmission Rights Transfer”	means the mechanism by which a Unit Holder passes over Units to another Registered Participant in accordance with Rule D5, and “Transfer Transmission Rights”, “Transferred”, “Transferee” shall have corresponding meanings;
“Transmission Rights Transfer Notice”	has the meaning given to it in Rule D5.1(a);
“Transmission Rights Transfer Period”	has the meaning given to it in Rule D5.1(d);
“Unit”	means a Physical Transmission Right of one MW, entitling the Unit Holder (subject to Curtailment and these Rules) to Nominate in a particular direction and during the Product Period of the Unit, as defined in Rule D1.1 and subject to and on the terms and conditions of these Rules;
“Unit Holder”	means a Registered Participant who has been allocated Units under these Rules, any of which at the relevant time have not yet reached the end of their Product Period and, for the purposes of Rule D5.10(a), Registered Participants to whom a Transmission Rights Transfer is made;
“Unit Price”	means, for a Unit, the Auction Price (in euros per megawatt hour) resulting from the Auction at which the Unit was allocated to the Registered Participant;
“Unit Quantity”	means, in megawatt-hours, the product of (a) the number of Units allocated to the Registered Participant at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Units;
“Unit Validity Times”	means: <ul style="list-style-type: none"> (i) in the case of Long Term Units, the specific hours within the Product Period for which the Units have been offered in the applicable Auction, in the case of Day Ahead Units, the individual hours (in the case of Day Ahead Auction – Hourly product) or the relevant groups of hours (in the case of a Day Ahead Auction – Grouped Hours product) for which the Units have been offered in the applicable Auction, (ii) in the case of Intraday Units, the individual hours for which the Units have been offered in the applicable

Auction;

“Unused Units”	has the meaning given to it in Rule D3.1, and is referred, in the Auction Tools, “Non-Nominated capacity”;
“Use-It-or-Lose-It” (UIOLI)	has the meaning given to it in Rule D3;
“Use of System Interconnector Agreement”	means an agreement (including a Framework Agreement as defined in CUSC) between NGET and a Registered Participant in the form agreed by NGET setting out the terms on which the Registered Participant may use the NGET Transmission System in relation to Energy Transmission.

Part II: Interpretation

In these Rules (including its Schedules) unless the context requires otherwise:

- (a) the singular indicates the plural and vice versa;
- (b) references to one gender include all other genders;
- (c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the Rules;
- (d) the word “including” and its variations are to be construed without limitation;
- (e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;
- (f) any reference to a “Rule” is a reference to a rule contained in the relevant Section, any reference in a Schedule to a “paragraph” is a reference to a paragraph contained in that Schedule and any reference to a “Schedule” is a reference to a Schedule to the Rules. Rules are identified by reference to the relevant Section and Rule number. For example Rule D4 refers to Rule 4 in Section D;
- (h) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;
- (i) any reference to a day, month or year is to be construed as a reference to a calendar day, month or year as the case may be;
- (j) a reference to time is a reference to CET time unless (otherwise specified);
- (k) the symbol * requires multiplication to be effected; and
- (l) where the Allocation Platform is required to publish any information under these Rules, it may do so by making the information or data available on its website or via the Auction Tools.

Schedule 2: Business Rules for Use of Physical Transmission Rights

(All timings are put between brackets as they are only indicative and might be amended at a later stage)

1. Introduction

- 1.1 This Schedule 2 describes the business process and timings of the following activities:
- (a) calculation and notification by the Allocation Platform of the Settlement Period values of the entitlement to Day Ahead Units and Intraday Units for each Registered Participant in each direction for each Contract Day;
 - (b) notification by each Registered Participant of Transmission Rights Transfers of Intraday Units; and
 - (c) submission by each Registered Participant of Nominations in respect of Long Term Units, Day Ahead Units and Intraday Units in each direction for each Contract Day.
- 1.2 Timings given in this Schedule 2 are nominal timings, which may be subject to change from time to time and under exceptional circumstances. In this case, Registered Participants would be informed of new timings to follow in due time.
- 1.3 Times are given in C(S)T.

2. Energy Accounts

- 2.1 Each Registered Participant must identify its Production and Consumption Interconnector BM Units under the BSC and the PRP in the Dutch Codes as acknowledged by TenneT TSO B.V. in its Participation Agreement.
- 2.2 Each Registered Participant may notify an Energy Transmission against one of each of the types of Energy Account referred to above in any one Settlement Period.

3. Long Term Business Process

- 3.1 nit Holders can submit Long Term Mid North Sea Nominations of Long Term Units for the Contract Day D, from opening of the gate for Long Term MNNs at 16:30 hrs on the day D-2 until Long Term MNNs gate-closure at 09:30 hrs on day D-1, in accordance with Rule D2 (or at any other time specified in advance by the Allocation Platform).
- 3.2 When D-2, in respect of a Contract Day D, is not a Business Day, then the opening of the gate for Long Term MNNs shall take place on the last Business Day preceding D-2, at 16:30 hrs.

4. Day Ahead explicit shadow Auction (this is the fallback to the Day Ahead Implicit Auction)

The fallback for the Day Ahead implicit Auction will be operated in line with the Shadow Allocation Rules.

5. Intraday Business Process (all timings are indicative).

- 5.1 The Auction Specification of the first Intraday Auction of Units for Contract Day D is published by the Allocation Platform no later than 19:25 hrs on day D-1, in accordance with Rule C3. This first Intraday Auction covers hours from 00:00 to 23:59 hrs.
- 5.2 The first Intraday Auction for the Contract Day D opens at 19:30 hrs on day D-1 and closes 20:00 hrs on day D-1 (or at any other times specified by the Allocation Platform in the relevant Auction

Specification or after publication of the Auction Specification). During this period of time, Registered Participants can submit bids to the Allocation Platform, in accordance with Rules C3 and C4.

- 5.3 Once the first Intraday Auction is closed, Units are allocated, pursuant to Rule C5, and final results of this Intraday Auction are published.
- 5.4 The Allocation Platform will notify each Unit Holder of its Intraday Transmission Rights in respect of Intraday Units with a Unit Validity Time for the period of time corresponding to the latest intraday auction of the Contract Day D in each direction, pursuant to Rules D1, no later than 10 minutes after the end of the auction (or at any other time specified in advance by the Allocation Platform).
- 5.5 Unit Holders can submit Intraday Mid North Sea Nominations of Intraday Units with a Unit Validity Time of 00:00 to 23:59 hrs of the Contract Day D, from the respective nomination gate opening until the closure of the nomination gate, as detailed in the table below.

Timings summary (CET time) (indicative)

Units Validity Times	are auctioned in	relevant Nomination Gate-Opening	Relevant Nomination Gate-Closures
00:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	20:10 D	22:50 D - 1
01:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	22:55 D	23:50 D - 1
02:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	23:55 D	00:50 D
03:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	00:55 D	01:50 D
04:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	01:55 D	02:50 D
05:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	02:55 D	03:50 D
06:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	03:55 D	04:50 D
07:00-23:59	ID auction 1 (start 19:30 -1 end 20:00 D - 1)	04:55 D	05:50 D
08:00-23:59	ID auction 2 (start 5:50 D end 06:20 D)	06:30 D	06:50 D
09:00-23:59	ID auction 2 (start 5:50 D end 06:20 D)	06:55 D	07:50 D
10:00-23:59	ID auction 2 (start 5:50 D end 06:20 D)	07:55 D	08:50 D
11:00-23:59	ID auction 2 (start 5:50 D end 06:20 D)	08:55	09:50 D
12:00-23:59	ID auction 3 (start 9:50 D end 10:20 D)	10:30 D	10:50 D
13:00-23:59	ID auction 3 (start 9:50 D end 10:20 D)	10:55 D	11:50 D
14:00-23:59	ID auction 3 (start 9:50 D end 10:20 D)	11:55 D	12:50 D
15:00-23:59	ID auction 3 (start 9:50 D end 10:20 D)	12:55 D	13:50 D
16:00-23:59	ID auction 4 (start 13:50 D end 14:20 D)	14:30 D	14:50 D
17:00-23:59	ID auction 4 (start 13:50 D end 14:20 D)	14:55 D	15:50 D
18:00-23:59	ID auction 5 (start 15:50 end 16:20 D)	16:30 D	16:50 D
19:00-23:59	ID auction 5 (start 15:50 end 16:20 D)	16:55 D	17:50 D
20:00-23:59	ID auction 5 (start 15:50 end 16:20 D)	17:55 D	18:50 D
21:00-23:59	ID auction 5 (start 15:50 end 16:20 D)	18:55 D	19:50 D
22:00-23:59	ID auction 5 (start 15:50 end 16:20 D)	19:55 D	20:50 D
23:00-23:59	ID auction 5 (start 15:50 end 16:20 D)	20:55 D	21:50 D

Schedule 3 Deemed Metered Volume Allocation

1. Introduction

- 1.1 The Allocation Platform will calculate the Deemed Metered Volumes for each Registered Participant for each direction for each Settlement Period in each Contract Day and allocate those amounts to the Energy Accounts of Registered Participants in accordance with this Schedule 2.

2. Deemed Metered Volumes

- 2.1 For each Settlement Period, the Deemed Metered Volume of each Registered Participant is equal to the net of the Long Term, Day Ahead and Intraday Mid North Sea Nominations (as amended by any Curtailment) of that Registered Participant for that Settlement Period integrated over the Settlement Period to give a MWh figure in the net direction (and zero in the other).

3. Losses

- 3.1 The physical flow on the Interconnector is subject to DC losses. The Allocation Platform will apply a Loss Factor ("LF") to calculate each Registered Participant's share of the DC losses on the Interconnector and apply this to Deemed Metered Volumes in accordance with paragraph 4. The Loss Factor is symmetrical between Mid North Sea and either end of the Interconnector (Isle of Grain and Maasvlakte).
- 3.2 The Loss Factor to be applied by the Allocation Platform is published on the Allocation Platform website (www.britned.com). If there is a requirement to change the Loss Factor at any time, then the Registered Participants shall be notified in accordance with Rule E1 and such notification to be made at least five (5) Business Days before the change takes effect.

4. Adjustment for DC losses on the Interconnector

- 4.1 For the purpose of the Balancing and Settlement Code, the Allocation Platform will send to the SAA (as defined in that Code) a program called BM Unit Metered Volume (BMUMV) expressed in MWh at Grain in half-hourly volumes and calculated by this formula:
- (a) for a BM Unit in the direction from The Netherlands to GB: $BMUMV = (1-(LF/2)) * DMV$; and
- (b) for a BM Unit in the direction from GB to The Netherlands: $BMUMV = (1+(LF/2)) * DMV$.
- 4.2 For the purpose of the TenneT TSO B.V. settlement arrangements and for an export from The Netherlands to GB, BritNed will send to TenneT TSO B.V. (in its capacity as Transmission System Operator) the NL Energy Programme expressed in kWh at Maasvlakte in quarter hour volumes and calculated by this formula:
- $$ETM = 1 + (LF/2) * DMV.$$
- 4.3 For the purpose of the TenneT TSO B.V. settlement arrangements and for an import from GB to The Netherlands, the Allocation Platform will send to TenneT TSO B.V. the NL Energy

Programme expressed in kWh at Maasvlakte in quarter hour volumes and calculated by this formula:

$$\text{ITM} = (1 - (\text{LF}/2)) * \text{DMV}.$$

- 4.4 In paragraphs 4.1, 4.2, and 4.3, “DMV” means the Deemed Metered Volume calculated for that Registered Participant for that Settlement Period under paragraph 2 above.

