



DIRECTIVE 5/2022

**ON THE DISTRIBUTION OF INTEREST GENERATED BY THE CREDIT
BALANCES IN THE MARKET OPERATOR'S ACCOUNTS TO AGENTS WITH
CASH BALANCES**

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1. PREAMBLE

The Rules of Operation for the day-ahead and intraday electricity markets were approved, as regards the content of this Directive, by Resolution of the Spanish National Commission of Markets and Competition dated May 6, 2021.

Rule 55.7, "ACCOUNT DESIGNATED BY THE MARKET OPERATOR FOR CARRYING OUT CREDITS AND PAYMENTS," establishes that the market operator will designate a cash account at a national financial institution both to arrange the charges and credits of the market settlements and for managing cash guarantees.

Likewise, rule 56.6.1, "INSTRUMENTS FOR FORMALIZING GUARANTEES," establishes the following as a possible instrument for formalizing guarantees on the market operator: "*Cash deposits to the account designated by the market operator for the management of cash guarantees. This account will reside in a national financial institution and be owned by the market operator, who will only be able to arrange the charges and credits in said account for the managing guarantees per the terms set forth in these rules.*"

In the rate environment through which the European Central Bank has gone in a short span of time, from using negative to positive interest rates for encouraging deposits, financial institutions are gradually proceeding to modify the financial conditions for bank accounts for companies to transfer that remuneration to them.

In this regard, the custodian bank of the market operator's bank account for making credits and payments and depositing guarantees (included in Rules 55.7 and 56.6.1, respectively) has communicated the change in the financial conditions of that account in such a way that it will begin to apply positive interest rates on the average credit balances in those accounts.

Due to the foregoing, the market operator will proceed to distribute the amount of interest accrued from time to time by the bank to the market agents on credit balances, proportionally according to the balance of their cash deposits.

As a result, the market operator has deemed it appropriate to approve a Directive establishing the methodology the market operator may use to carry out the distribution of that income to agents who have credit balances in the market operator's accounts.

2. DEVELOPMENT OF RULES 55.7 AND 56.6.1

The Market Operator will be able to make the existing cash in the bank accounts profitable for making collections and payments and managing guarantees. The positive interest accrued on it, minus its possible costs and minus a maximum of 25 interest rate basis points, which may be retained by the Market Operator as a management fee, will be returned to agents who have contributed cash deposits in proportion to these; a negative balance may not result from this. Likewise, the withholdings made by the bank will be charged to agents who have contributed cash deposits in proportion to these.

The corresponding income for the agents may include, at most, the interest generated on the accounts for six months, and they will be credited within 60 calendar days from the Market Operator's receipt of the banking information corresponding to the period settled.

The Market Operator shall document the interest income made by means of a credit note. Likewise, the market operator will invoice the management fee applied to each agent.

The credit note for the income made will be issued as a PDF document, electronically signed with a certificate of representation from the market operator.

The invoice for the management fee will be issued in the XML electronic invoice format in accordance with the Facturae standard, electronically signed with a certificate of representation from the market operator; this is the format used in electricity market invoices. A PDF file will be attached to the XML invoice for better visualization and printing.

The foregoing documents will be accessible in the Market Operator's information system.



Likewise, the Market Operator will publish the minimum rates applicable to cash deposits, as well as the settlement period, the conditions of application, and any changes that may occur in these at least 15 days in advance on the market website.