

## **DAY-AHEAD AND INTRADAY ELECTRICITY MARKET RULES**

### **Non-binding Translation of the electricity market rules**

This translation has been carried out for the sole and exclusive purpose of enabling the text of the Market Operating Rules to be read in English. Under no circumstances and without limit in time is this text to be considered binding for the Market Operator. In the event of any discrepancies between this text and the Spanish version, the content of the Spanish version prevails under the terms described in the Resolution of May 23rd, 2024, of the National Commission on Markets and Competition (CNMC), published in Spain's Official State Gazette dated June 12nd, 2024.

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## **PREFACE.**

I) By virtue of article 28 of the Electricity Sector Act, the Market Operator and the System Operator assume the functions required to perform the financial management applied to the effective development of the wholesale electricity market and, in particular, to guarantee technical management of the electricity system. Article 29 entrusts the Market Operator with the management of electrical energy purchase and sale bids on the day-ahead and intraday markets.

II) Current legislation states that producers, retailers, direct consumers and representatives are to meet the following requirements in order to take part in the market:

a) Adhering expressly to the operation and settlement rules and conditions of the day-ahead market, which involves the day-ahead and intraday-ahead sessions, by means of an adhesion contract.

b) Provide the Market Operator with a guarantee sufficient to cover financial obligations which could arise from actions as an agent on the day-ahead market, in the terms set out in the adhesion contract.

III). To manage the system of electricity sale and purchase bids on day-ahead and intraday markets considered in Section 1 above, it is necessary to establish these Governing Rules of the Market. These rules fulfil the mandate of Law 24/2013, of 26 December, on the Electricity Sector and buyers and sellers expressly adhere to these in the wholesale electricity markets through subscription to the corresponding Contract of Adherence, in the terms set forth in Annex 4 of this provision.

IV) The International Agreement on the establishment of an Iberian electricity market between the Kingdom of Spain and the Portuguese Republic, made in Santiago de Compostela on October 1, 2004, which regulates the Iberian electricity market (MIBEL), approved a new organizational structure by virtue of which the Iberian Market Operator (OMI) becomes an entity made up of two parent or holding companies, with cross-holdings of 10% among themselves, and also each holding owns 50% of the capital of the two market management companies, the Spanish management company OMI, Polo Español SA (OMIE), the spot market and the Portuguese management company, OMI-Polo Portugués, SGMR (OMIP), the forward market. Additionally, OMIClear is configured as a central counterparty.

In compliance with the provisions of the aforementioned Agreement, effective July 1, 2011, the segregation process affecting the Iberian Energy Market Operator, Polo Español, SA, (OMEL) has been concluded and has entailed the transmission in block of the branch of activity consisting of the operation of the electricity market, developed until the aforementioned date by OMEL, in favour of OMI, Polo Español SA (OMIE).

By virtue of the foregoing, since July 1, 2011, the company OMI-POLO ESPAÑOL, S.A.U. (OMIE), has assumed the management of the system of bids for the purchase and sale of electrical energy in the spot market within the scope of the MIBEL.

The forward market will include transactions related to energy blocks with delivery after the day after the contract. The exchange of information necessary for the integration of the positions with physical delivery of the forward market in the day-ahead market will be established by agreement between OMIP and OMIE.

Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (CACM), published in the Official Journal of the European Union on 25 July 2015, includes, as one of its primary objectives the creation of single day-ahead and intraday coupling within the ambit of the European Union. As a consequence of this regulation, on 13 May 2014, the complete coupling of

the day-ahead market managed by OMIE, in the capacity of Iberian market operator through the application of the Price Coupling of Regions solution (PCR).

Thus, the aforementioned regulation brings together a series of functions with respect to the activity of the transport agent ("shipping agent") which the market operator must develop pursuant to the provisions of Royal Decree 2019/1997, of 26 December and Circular 3/2019, of November 20, of the National Markets and Competition Commission (CNMC).

The publication of Royal Decree 900/2015, of 9 October, regulating the administrative, technical and economic conditions for the supply formats of electricity with self-consumption and production with self-consumption, constituted the amendment of Royal Decree 2019/1997, of 26 December, recognising the market operator as central counterparty in purchase and sale transactions of the day-ahead market, all in application of the provisions of Commission Regulation (EU) 2015/1222, implementation of the community regulation arising from Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for the cross-border trade in electricity.

Finally, Order IET/2732/2015, of 11 December, has designated OMIE as designated operator of the electricity market (NEMO), under the scope of Commission Regulation (EU) 2015/1222.

The aforementioned Commission Regulation (EU) 2015/1222 from July 24, 2015, has established, among other aspects, the basis for the intraday capacity allocation model through the European continuous intraday market. In this sense, the European Agency for the Cooperation of Energy Regulators (ACER) has been publishing methodologies over the years with the aim of expanding the different market mechanisms for intraday capacity allocation in a manner that is complementary to the continuous intraday model.

Article 63 of the CACM defined the principles of the intraday auction model for those countries in which the national regulators so approved in the form of complementary regional intraday auctions, a model that historically had already been applied in the MIBEL since the beginning of the intraday market through six regional auctions complementary to the continuous market between Spain and Portugal.

Subsequently, in 2019, ACER defined the concept of intraday auctions with pan-European scope (IDA) through the publication of its Annex I article 2(1)(b) from the ACER decision 1/2019 on the Methodology for pricing intraday cross-zonal capacity.

In this context, since the publication of the CACM and to date, ACER has published different methodologies through which the bases of the new market model for the European coupling of intraday auctions have been established, now applicable to all European market areas and operators.

The guidelines published by ACER to define the requirements and products for this new IDA auction market model include the following:

- Annex I of the ACER Decision on the Methodology for pricing intraday cross-zonal capacity.
- Methodology for the price coupling algorithm and the continuous trading matching algorithm.
- Annex 2 to the Algorithm Methodology: A common set of requirements for continuous trading matching and the intraday auction algorithms

- Products that can be taken into account by NEMOs in the intraday coupling process in accordance with Article 53 of the Commission Regulation (EU) 2015/1222 from July 24, 2015, establishing a guideline on capacity allocation and congestion management

## **CHAPTER ONE. GENERAL RULES.**

### **RULE 1. THE WHOLESALE ELECTRICITY MARKET.**

The wholesale electricity market is organised into forward markets, day-ahead market, intraday market, adjustment and balancing services and non-organised markets (over-the-counter).

Next-day sale and electricity purchase transactions are carried out on the Day-ahead Market. Sessions on the Day-ahead Market are structured in scheduling periods equivalent to a calendar hour, with a scheduling horizon divided into 24 consecutive schedule periods of the Central European Time (CET) (23 or 25 on days of light-saving clock changes). Physical delivery of energy negotiated on Futures Organized Markets can also take place on the Day-ahead Market.

The intraday markets are composed of the intraday market of auctions coupled at the European level (Intraday Capacity Auctions - IDA - ) and the continuous intraday market whose purpose is to meet the supply and demand of energy that may occur, in a coupled manner, with the management of the international interconnections for the different price zones involved in the European market coupling after the Final Viable Daily Schedule (PDVD) has been set

### **RULE 2. THE DAY-AHEAD AND INTRADAY MARKET OPERATOR.**

OMI-Polo Español S.A. (OMIE) is responsible for the economic management of the system of day-ahead and intraday markets. It shall receive electricity purchase and sale bids, managing same, and settling all day-ahead and intraday market transactions.

OMIE will act as counterparty in transactions carried out in day-ahead and intraday markets from the moment matchings and the corresponding continuous intraday market transactions considered final.

In compliance with its role as central counterparty, OMIE shall assume the obligations arising from the different operations, proceeding as purchaser as regards the seller and as seller as regards the purchaser according to the terms laid down herein.

The market operator shall, therefore, receive, from system operators, notification of bilateral contracts for the corresponding validations in material terms to market bids. The specific regulation and functions, in the case of the market operator and the system operator, are contained in Law 24/2013, of 26 December, on the Electricity Sector, Royal Decree 2019/1997, of 26 December, organising and regulating the wholesale electricity market and in Circular 3/2019, of November 20, of the National Markets and Competition Commission.

The market operator will carry out the settlement of the energy auctioned in the renewable energy economic regime negotiated in the day-ahead and intraday markets, in the terms established in Royal Decree 960/2020, of November 3, which regulates the economic regime of renewable energies for electrical energy production facilities, hereinafter Economic Regime of Renewable Energy, and its implementing provisions.

### **RULE 3. SCOPE OF THE MARKET RULES AND PURPOSE OF THE ADHESION CONTRACT.**

The Market Operating Rules contain the general procedures and conditions that are necessary for the effective development of the day-ahead and intraday markets of electric energy production, specifically for their economic management and the participation of the subjects in the market who carry out activities aimed at the supply of electric energy and of the direct consumers in the market, particularly regarding:

- a) The definition, development, and operation of the computer systems needed to ensure transparency in the transactions carried out in the market that include:
  - The presentation of bids for the purchase and sale of electric energy;
  - The matching procedure in the day-ahead and intraday market auctions, electricity purchase and sale bids;
  - The procedure for management of transactions completed in the continuous intraday market, the electricity purchase and sale bids.
  - The physical delivery process of energy negotiated in futures contracts whose owners require this and, especially, in the case of energy originating from entities regarded under the international convention on the Iberian market;
  - The determination and communication to system operators, with the corresponding confidentiality, of the data relating to the results of the matching of bids in the day-ahead and intraday markets, and to agents, of data corresponding to sale and acquisition units;
  - The determination and communication to market agents and system operators of marginal prices of electricity, negotiated volumes and public information considered relevant in the day-ahead market and in sessions of the intraday auctions market;
  - The determination and communication to market agents and system operators of reference prices of electricity, negotiated volumes and public information considered relevant, in the continuous intraday market;
  - The determination and publication of Indices of average prices on hourly basis of the day-ahead and intraday auctions market;
  - Communication to agents of the Final Feasible Day-ahead Schedule (PDVD as per the Spanish) and the Final Hourly Schedule/Final Continuous (PHF as per the Spanish/PHFC) arising from each session of the intraday auctions market and continuous intraday results schedule, of the data corresponding to the sale and acquisition units as the basis of participation in the subsequent session of the intraday auction market or continuous intraday market;
  - The settlement and reporting of payments and collections that must be made in accordance with the prices of electricity on the day-ahead and intraday markets;
  - The procedure for validating the acceptance of purchase bids with the collateral deposited;
  - The publication of the day-ahead and intraday auctions markets aggregate supply and demand curves with explicit splitting of each of the points that configure the said curves;

- The publication of sales capacities, as well as intra-community and international border exchanges;
  - The publication of the results of the energy programs aggregated by agent and by calendar month of the electric energy markets, once one month has elapsed since the last day of the one to which reference is made;
  - The publication of the bids submitted by the agents that have entered the matching process in each of the day-ahead and intraday auction markets, after 90 days have passed;
  - The publication of the bids sent to the European Continuous Recruitment Platform, after 90 days have passed;
- b) The accession conditions to the rules of operation of the day-ahead and intraday markets for electric energy production.
  - c) The procedure to be followed in the event that the agents that become debtors in the market are in breach of their payment obligations, as well as the notifications that should be sent in any such cases to consumers and to the different market agents.
  - d) The procedure to be followed in sending notifications of registrations and deregistration as agents of the market by those who participate in the day-ahead and intraday markets of electric energy production;
  - e) The determination of the agent's available collateral for participation in the market processes and of the renewable energies economic regime for electric energy production facilities.
  - f) The settlement and communication to agents of the payments and collections to be made by their operations by virtue of the energy price of the day-ahead and intraday markets and of the price to be charged by the facilities affiliated with the economic regime of renewable energies.
  - g) The communication to the relevant authorities of any behaviours contrary to the proper functioning of the day-ahead and intraday electrical energy production markets and any situations that may be anomalous, taking into account the information available to the market operator resulting from them.
  - h) The procedure for reviewing the rules of operation of the day-ahead and intraday electricity markets.
  - i) Publication of the final cost of energy and the components of the final price aggregate and for each type of consumer.

## CHAPTER TWO. PARTICIPANTS.

### RULE 4. DAY-AHEAD AND INTRADAY MARKET AGENTS.

#### 4.1. ENTITIES THAT CAN BE MARKET AGENTS.

Entities participating in the supply of electricity listed below may be agents of the market.

**Electricity producers:** natural or legal persons who have the function of generating electricity, along with who construct, operate and maintain the production facilities.

**Retailers:** trading companies or corporate companies of consumers or users who, accessing transport or distribution network, acquire or sell electricity, to other entities in the system or for international exchange transactions under the terms established in the applicable regulations.

**Reference retailers:** retailers who have the functions established by the regulation, among others the sale to final consumers at voluntary prices to the small consumer.

**Direct market consumers:** consumers who acquire electricity directly on the market.

**Owners of storage facilities:** natural or legal persons who own facilities in which the final use of electricity is deferred until a time later than when it was generated or who convert electrical energy into a form of energy that can be stored for the subsequent reconversion of such energy into electrical energy.

**Representatives:** agents who act on the part of any entity for the purposes of participating in the market and the collections and payments of tolls, fees, prices and regulated remunerations. Third party representation may be indirect, where the representative acts in their own name, or direct, where the representative acts in the name of the represented party. In cases of indirect representation, the effects of the legal business performed by the representative shall be directly attributable to same, without prejudice to the internal relationship they may have with represented party.

#### 4.2. ACQUIRING THE CONDITION OF MARKET AGENT.

In order to acquire the status of market participant, producers, traders, direct consumers on the market, storage facility owners and representatives as defined in section 4.1 above must meet the following requirements:

- Be properly recorded in the Administrative register for electricity generation facilities (Administrative Register of Electricity Production Facilities), or in the case of retailers, and direct market consumers, have submitted due notification of the start of their operations as appropriate or provide proof of the status as representative of any one of the preceding parties. In order to confirm their status as market agents of these parties, the agents are to provide proof of such status through the corresponding notarial deed, as well as declare whether they are acting on their own behalf or that of others.
- Have acquired the status of participant in the electricity system.
- Have expressly adhered to the rules and conditions regulating operation and settlement in the day-ahead and intraday wholesale electricity market in the relevant adhesion contract, in the terms set forth in Annex 3 of this provision.

- Have submitted a valid agent code to the Market Operator, associated to a Spanish Tax Number (NIF) that does not belong to any other market agent. Each market agent is to have its own NIF, and each NIF will correspond to a single market agent.

Once all the requirements for the acquisition of Market agent status have been met, the Market Operator will proceed, from the two business days following the fulfilment of this condition, to finalize the registration process on the Market Operator's information technology system, and the agent will acquire the right to operate on the third subsequent business day for markets and sessions held after 10.00 am on this date.

The process of registering agents requires notification to be made of the email addresses for the communications between the Market Operator and the agent and distinguishing between the different market activities as stated in the registration process. The Market Operator is to ensure all the email addresses provided remain active unless they have been removed from the agent's email provider and remain inactive for at least three months with no notification from the agent, in which case they will no longer be considered contact addresses for the market.

#### **4.3. POSITION OF ENERGY TRADED IN FUTURES MARKETS WITH THE POSSIBILITY OF PHYSICAL DELIVERY.**

Energy traded on futures markets, whose settlement by physical delivery is requested by its owner, may be integrated into the day-ahead market, especially in the case of energy coming from organisations included in the International Agreement regarding the creation of an Iberian Electricity Market.

Agents on the futures market capable of physical delivery will be those agents on the market which are also physical settlement agents in the futures market or those who have a contract with a physical settlement agent on the futures market.

#### **RULE 5. SELLERS.**

##### **5.1. DAY-AHEAD MARKET.**

The following are sellers in the day-ahead market:

- a) The owners of those production units recorded in the administrative register for electricity generation facilities.
- b) Retailers who sell electricity systems from countries outside the European Union whose participation as sellers in the day-ahead and intraday electricity markets is authorised.
- c) Retailers who have entered an energy acquisition contract with companies authorised for the sale of electricity in European Union or third party countries, along with domestic electricity producers.
- d) Marketers and direct consumers of the Balearic Islands electricity system, without prejudice to the provisions of the first transitory provision of Royal Decree 1623/2011, of 14 November, which regulates the effects of the entry into operation of the link between the mainland electricity system and the Balearic Islands electricity system and modifies other provisions of the electricity sector. Within the framework of the provisions of the aforementioned transitional provision, and until the review provided

for therein has taken place, the references in these rules to the aforementioned parties shall be understood to refer solely to the reference marketers.

e) Producing entities, retailers and others who act as representative agents of the above mentioned parties.

Sellers of electricity in the day-ahead market shall present the sale bids to the market operator for each of the sale units they hold and for the schedule periods of the same daily horizon of schedule in the day-ahead market.

Holder of production units referred to in letter a) above shall be required to present sales bids for the electricity to the market operator for each one of said units of production they hold for each and all of the schedule periods of the same daily horizon of a schedule, up to the limit of their production capacity, except where the circumstance provided for in Article 25 of Law 24/2013, of 26 December, and where they have not joined bilateral contracting systems which, by their nature, are excluded from the bids system.

The retailers referred to in letter b) above may participate as sellers in accordance with the Ministerial Order.

Retailers, referred to in letter c) above, may submit bids for the sale of electricity for the energy acquired in said contracts for the scheduling periods of the corresponding day-ahead horizon, or sell said energy to their consumers through a bilateral contract with its purchasing unit. Likewise, each one of the production facilities included in the acquisition contract and the owners of each one of them, must be communicated to the market operator in the process of association with the sales bidding unit. The parties signing the acquisition contract will be obliged to provide the market operator with all the documentation required by the latter in order to correctly identify such production facilities.

Retailers and direct consumers, referred to in letter d) above, may not present a bid on the sale of energy until the publication of the order of the Ministry for the Ecological Transition and the Demographic Challenge referred to in Article 3 of Royal Decree 1623/2011, of 14 November.

The agents representing those referred to in letter e) above may present electrical energy sales bids for those periods of programming on a same day-ahead horizon of a schedule considered appropriate or providing notification of the execution of a bilateral contract.

The owners of units referred to in sections a) to d) above who are authorized to give notification of the use of capacity rights or execute firm bilateral contracts prior to the opening of the day-ahead market, may operate in the execution of contracts associated with these processes with a generic schedule unit, on the Portuguese and/or Spanish electricity system, as applicable.

For each hour where the net balance of the generic schedule unit is a purchaser on the bilateral markets and notifications on capacity use before the day-ahead market opens in which the generic schedule unit takes part, this balance will be the maximum that can be sold on the day-ahead market by the generic sales production unit.

The owners described in sections a) to d) above, who can sell energy with the generic sales Production unit, should take part in sale bids to said unit for said purchase balance, except for the amount of energy to which this unit commits in bilateral contracts which do not precede the opening of the day-ahead market.

Agents may request, from the Market Operator, the submission of a bid, with a single block bid in their name at the price that the agent indicates to the generic sales production unit for the balance described. The agent may change the price of its bid at any time,

applying this new price at the next presentation of said bids by the market operator on behalf of the agent. The bid will be created for each session of the day-ahead market at the time information on firm bilateral contracts before the day-ahead market opens is received and published on the Market Operator's system. If, at the time this information on firm bilateral contracts prior to the opening of the day-ahead markets is received, the agent has already submitted a bid from the generic sales production unit for the day-ahead market session, the bid will not be created in its name. Once the bid has been created in the name of the agent and, up until the deadline for the receipt of bids to the day-ahead market session, the agent may manage its bid like any other bid, and it is entitled to cancel it or submit another valid bid from the generic sales production unit, which will replace the last bid submitted, including the bid submitted in its name.

## **5.2. INTRADAY MARKETS.**

All market agents may submit bids for the sale of electricity on the intraday markets, both auctions and the continuous market.

agents holding generic sale bid units that due to an error in the management of said units did not have a null programme in the Base Daily Operating Programme shall participate in the intraday auction markets to reduce their programme until they obtain a final null programme.

## **RULE 6. BUYERS.**

### **6.1. DAY-AHEAD MARKET.**

The following are buyers in the day-ahead market:

a) Retailers, direct consumers in the market, who are authorised to buy. Electricity production facilities authorised to buy and registered on the corresponding registry are also buyers.

b) Retailers may present electrical purchase bids.

c) Retailers who purchase electrical systems in countries that are not part of the European Union may participate as buyers in accordance with ministerial authorisation.

d) Producing entities, retailers and others who act as representative agents of the above-mentioned parties.

Members who hold units are authorised to notify the use of capacity rights or execute firm bilateral contracts in the day-ahead market, may operate for the execution of contracts associated with said process with a generic schedule unit in the Portuguese and/or Spanish electricity system, where relevant.

Every hour in which the net balance of the generic schedule unit is a seller in bilateral contracts and notifications of use of capacity prior to the opening of day-ahead markets in which said generic schedule unit participates, said balance will be the maximum that may be purchased in the day-ahead market by the generic bid unit

Agents who buy electricity with a generic bid acquisition unit must participate with purchase bids of said unit by said seller balance, except the committed electricity volume for this unit in bilateral contracts not prior to the opening of the day-ahead market.

Agents may request of the market operator the submission in their name of a simple bid indicating the price, of the generic bid acquisition unit, for said balance. The agent may change the price of its bid at any time, applying this new price at the next submission of said bids by the market operator on behalf of the agent. The bid must be created for each session of the day-ahead market at the indicated price, at the moment the firm bilateral contract information is received and published in the market operator system at day-ahead market prices. If at the time of receiving said information on the firm bilateral contracts prior to the opening of the day-ahead market, a generic acquisition bid has already been lodged by an agent, the bid will not be created in their name. Once created in the name of an agent, and until closure of receipt of bids for the day-ahead market session, the agent may manage their bid like any other, with the option to cancel or it present another valid bid at a generic unit acquisition price which replaced the last one presented, including that presented in their name.

## **6.2. INTRADAY MARKETS.**

All market agents may submit bids for the purchase of electricity on the intraday markets, both auctions and the continuous market.

Agents who own bidding units generically for sale which, due to an error in their management of said units, do not have a null schedule in the Base Functioning Schedule (PDBF as per the Spanish), must participate in intraday auction markets to reduce their schedule until they obtain a final null schedule.

## **RULE 7. TERMS OF ADHERENCE TO THE OPERATIONAL RULES OF THE DAY-AHEAD AND INTRADAY ELECTRICITY ENERGY MARKETS.**

1. The participation of buyers and sellers in the wholesale electricity market is predicated on their obligatory commitment to observe these Market Operating Rules as well as the rest of the requirements established in them and in the regulations in force.

2. The buyers and sellers who wish to operate in the wholesale electricity market shall request authorization to do so from OMI, Polo Español S.A. (OMIE).

3. Applicants are to submit the following documents:

- Document certifying, with sufficient reliability, the legal capacity and powers of the person signing the application as well as the individual who will eventually sign the Contract of Adherence.
- Taxpayer Identification Number of the entity submitting the application.
- Documentation required by the Market Operator to allow the action and effective participation of the applicant on the said market, among others, and to name a few examples, the contact people for the various Market Operator Units, data on production, sales, purchase and physical units, settlement and billing data, technical and communication data, indicating the characteristics of the future agent's IT system to access the Market Operator's system.
- Any other documentation that may be required in accordance with the applicable regulations, especially documents relative to authorizations by government bodies and registrations in any registers that may be necessary.

The Market Operator will implement an electronic procedure for the drafting of the required documents.

With the intention of making the delivery of the said documents easier the Market Operator will publish an electronic document entitled "Market Access Guide" on its website where it will include models to be provided and the documents to be submitted.

4. In the case of actions conducted through the figure of a representative, said representative is to prove their status as such by presenting the corresponding power of attorney that is to specify whether the representative is acting on behalf of a third party and in the name of the party represented, or whether the representative is acting on behalf of a third party, but in the representative's own name.

In the case of use of the representative figure, their scope of action shall cover representation of all activities and activities of the represented party in the market, without permitting the activity of more than one representative per party or the action of a represented party and their representative simultaneously.

Those representatives, who are acting on behalf of third parties, but in their own name, are to subscribe to these Rules and acquire the status of day-ahead market agent.

In the case of those representatives who are acting on behalf of third parties and in the name of the party represented, the latter is to subscribe to these Rules and acquire the status of market agent. The representative may choose whether or not to acquire said status.

In addition to the above, application is to be made of the provisions of any applicable legislation regarding whatsoever restrictions affecting the representation.

The owners of facilities involving sources of renewable energy (except for those that are part of a hydro management unit), high-efficiency cogeneration and wastes that are represented by an agent acting on their own behalf shall be understood as adhering to these Rules through the acceptance hereof by said agent.

The owners of production facilities with non-renewable energy sources that are not part of a hydro management unit, high-efficiency co-generation or wastes, may access the market through a common representative. In any case, these common representatives will not be able to group production units together under any circumstances.

An individual or corporate entity will not be able to act as a common representative (with ordinary faculties) of a market agent when there is a conflict of interests or when free competition is put at risk, or when this damage the wholesale electricity market. In particular, they will not be able to carry out the following actions.

- A same representative will not be able to act on behalf of two or more dominant operators in the electrical sector.

- A same representative will not be able to act on behalf of two or more main operators in the electrical sector.

- An ordinary representative which is a dominant operator will only be able to represent productions installations which it owns a direct or indirect stake in, which is over 50 per cent of its capital.

- An ordinary representative which is a main operator will only be able to represent productions installations which it owns a direct or indirect stake in, which is over 50 per cent of its capital. This restriction will not apply to those electricity production facilities involving renewable sources that are not part of a hydro management unit, high-efficiency co-generation or wastes.

In accordance with the provisions of article 13.7 of Royal Decree 244/2019, of April 5, which regulates the administrative, technical and economic conditions of the self-

consumption of electric energy, to the management and sale of energy from facilities of production close to those of consumption and associated to them in the cases of supply with self-consumption with surpluses made with renewable generation technologies, the limitations provided in articles 53.5 and 53.6 of Royal Decree 413/2014, of June 6<sup>th</sup> will not be applicable.

The owner of production facilities with renewable energy sources that are not part of a hydro management unit, high-efficiency co-generation or wastes, may access the market, directly or indirectly, through a representative agent. This representative agent is entitled to submit the bids for the sum of facilities of this nature they represent, grouped into one or several sales units.

In accordance with generally applicable rules regulatory or competition authorities will be informed of those practices on behalf of representatives, whether common or qualified representative agents, which could involve practices restricting competition, abuse of a dominant position or any other possible practice which damages free competition.

5. Once the application for adherence has been submitted, the Market Operator shall confirm that the applicant has the technical means needed to carry out the activities incumbent on it as a market participant, and that it complies with the terms of issuance of electricity sale and purchase bids referred to in these Market Operating Rules. In particular, in order to formalize a Contract of Adherence, the applicant must be connected, via the communications network, to the Market Operator's information technology system, and must be in possession of the type-approved means cited in these rules for sending and receiving the electronic communication required for its participation in the wholesale electricity market. The Market Operator shall be able to establish, for the purposes of the provisions of these rules, a system of tests that the applicant must pass.

Connection to electronic communication means on behalf of the Market Operator will be given individually to the specific physical person acting in the name of the agent.

No person will be authored to act simultaneously on behalf of more than one agent in the mentioned media.

An exception from the provisions of the previous paragraph is action in the name of several agents where said agents are entities that form part of the same group of companies, as defined in accordance with the provisions of Article 42.1 of the Commercial Code. To these effects, it must present to the market operator, certification from the competent body of the companies or auditor of accounts stating said circumstance.

Another exception to the limitation of simultaneous authority is the circumstances in which the relevant provision on the electricity sector prevents the intervention of an entity such as the representative of other entities provide within the limits in which said representation is authorised.

The Market Operator will not be obliged to make information the authorized person accesses public, when this person acts on behalf of several agents for the mere reason that this person is accessing information on the various agents he is acting on behalf of.

6. When the acts and confirmations set out in the preceding paragraphs are complete, the applicant shall sign the Contract of Adherence to the Market Operating Rules.

7. Acquiring the condition of day-ahead market agent will occur when the Market Operator has checked compliance which each and every one of the requirements set out in article 7.1 of Royal Decree 2019/1997 of December 26.

## **RULE 8. PROVIDING COLLATERAL.**

After signing the Contract of Adherence, the market participant shall provide the Market Operator with sufficient guarantee to cover the financial obligations it may contract in its operations as a purchaser in the market, according to the terms established in the Contract of Adherence and in these rules. The lack of sufficient collateral for covering a debit bid under the terms laid down shall entail the non-acceptance of the agent's bid. The system of collateral shall be as laid down in these rules.

In this sense, the lack of provision of collateral by the holders of national purchasing units to cover the economic obligations that may arise from the settlement of the renewable energy economic regime, regulated in the renewable energy economic regime, will prevent the participation of these units in the different power markets.

The market operator may require the agents holding units associated with facilities attached to the renewable energy economic regime or their representatives on their own behalf to formalize collateral to cover eventual risk situations, and may limit or suspend the participation of these bidding units in the market if said requirements were not satisfied.

## **RULE 9. NOTIFYING ADDITIONS AND WITHDRAWALS OF BIDS UNITS BY MARKET AGENTS.**

### **9.1. COMMUNICATION TO THE MINISTRY FOR THE ECOLOGICAL TRANSITION AND THE DEMOGRAPHIC CHALLENGE AND TO THE NATIONAL COMMISSION OF MARKETS AND COMPETITION.**

The Market Operator shall inform the Ministry for the Ecological Transition and the Demographic Challenge, and the National Commission for Markets and Competition (CNMC) of the additions and withdrawals of all the bids units by agents in said market within a period that may not exceed fifteen business days as of the entry into force of said additions and withdrawals. Within this same timeframe, the Market Operator shall post these additions and withdrawals on its public website, specifically noting these circumstances.

Acquiring the condition of day-ahead market agent will occur when the Market Operator has checked compliance with each and every one of the requirements set out in article 7.1 of Royal Decree 2019/1997 of December 26.

Withdrawal of the condition of day-ahead market agent will occur when the Market Operator has verified the failure to comply with any of the requirements set out in article 7.1 of Royal Decree 2019/1997 of December 26.

### **9.2. NOTIFYING ADDITIONS AND WITHDRAWALS OF MARKET AGENTS.**

For notification purposes, the consideration of interested parties in the addition of a market agent's units applies to all market agents.

The Market Operator shall post on its public website a full list of market agents. Likewise, it shall publish a full list of the bids units of all the market agents indicating whether said production unit has been added to or withdrawn from the market.

### **9.3. NOTIFYING WITHDRAWALS OF REPRESENTATION.**

The Market Operator shall notify the withdrawal of a representative agent as soon as it comes to its attention, both to the CNMC and to the corresponding reference retailer,

thereby enabling it to perform its duties in representation of the generation facilities affected. If the owner of production facilities with renewable energy sources (except for those that are part of a hydro management unit), high-efficiency co-generation or wastes represented have not notified the reference retailers that they are to proceed in representation of their facilities in the event of the withdrawal of the representative of said owner, the Market Operator shall notify the withdrawal of representation to all the reference retailers in the electricity system in which the bid units under representation for such facilities are registered.

## **RULE 10. SUSPENSION OF PARTICIPATION OF BIDDING UNITS OF A MARKET AGENT.**

### **10.1. SUSPENSION OF PARTICIPATION OF BIDDING UNITS ON BEHALF OF THE SYSTEM OPERATOR.**

In the event of the communication of the suspension of programming units of a subject of the electricity system, on behalf of the system operators, the market operator will proceed to suspend the operation of the corresponding bidding units in the market as of the market sessions following that communication.

### **10.2. SUSPENSION OF PARTICIPATION OF BIDDING UNITS ON BEHALF OF THE MARKET OPERATOR.**

The market operator will proceed to suspend any bidding units of national acquisition who have not met the collateral requirements to cover the possible deficit in the settlements of the renewable energy economic regime as established in the Rule on "Regime for determining the amount of collateral and method of its constitution."

Similarly, the market operator may also limit or suspend market participation of those units associated with facilities affiliated with the renewable energies economic regime regulated in the renewable energies economic regime in light of possible situations of insufficient collateral.

The suspension of units by the market operator will be communicated to the operator of the Spanish system, who will immediately proceed to suspend the action of the programming units corresponding to those bidding units.

## **CHAPTER THREE. BIDS.**

### **RULE 11. GENERAL FEATURES OF BIDS.**

Electricity purchase or sale bids should be presented by agents or their representative to the Market Operator for each acquisition, production, or sales unit they own and for each scheduling period within a same scheduling horizon.

The prices of the sale and purchase bids for the day-ahead market and the intraday auctions and continuous markets must be within the maximum and minimum price limits established in Annex 3 for each market.

The said bids can be simple or complex (with conditions) depending on their content.

Simple bids are defined as those with the expression of a price and an amount of power, without including any additional complex terms to be considered in the matching process.

Complex bids are defined as those which, complying with the requirements governing simple bids, include all, some or any one of the complex conditions to be considered in the matching process.

### **RULE 12. REGISTRATION OF SALE OR ACQUISITION UNITS IN THE MARKET OPERATOR'S INFORMATION SYSTEM.**

The market operator will register the bidding units for sale or acquisition in the Market Operator's Information System with the data that the agent who owns that unit has recorded in the corresponding register, with details on the administrative authorizations, and with those provided by the agent who owns that unit. The data from the Market Operator's Information System will be:

- Code of the bidding unit for sale or acquisition (defined by the market operator).
- Description of the unit for sale or acquisition.
- Type of the unit for sale or acquisition.
- Code of the electrical system in which the unit operates.
- Internal code of the Spanish electrical system.
- Maximum hourly energy for validation purposes, in MWh with a maximum of one decimal place (of each of the physical units of which it is composed in the event of sale).
- Maximum gradient of rise and fall, MW/h, with a maximum of one decimal place for units for sale.
- Percentage of ownership held by the owner(s) for that unit.

When the sale bid unit is in representation of electricity production facilities using renewable energy sources (except for those that are part of a hydro management unit), high-efficiency co-generation and wastes, each owner of said facilities linked to the production unit, or its representative acting in its name, and in the process of associating the facility to the production unit, is to notify the last resort retailer that is to act as its representative in the event of the suspension of the representation reported.

Facilities involving renewable energy (except for those that are part of a hydro management unit), high-efficiency co-generation and wastes may have, as of the first day of the month following the commissioning certificate, a representative other than the reference retailer corresponding to them. Those facilities without a commissioning certificate may have a representative other than the reference retailer corresponding to them if they present their prior registration at the administrative register for electricity generation facilities.

For representatives of renewable energy facilities (except those that form part of the hydraulic management unit), high-efficiency and waste co-generation, there is the possibility of grouping bids from their representatives in such a manner that there is the possibility of a final net position of all those represented on the market.

When the electrical energy production facilities are declared as part of a purchase contract with a retailer, it will be the responsibility of the retailer to notify the market operator who is the owner of each of said facilities associated with the sales bidding unit. Notwithstanding the foregoing, the parties signing the acquisition contract will be obliged to provide the market operator with all the documentation required by the latter for the purposes of correctly identifying such production facilities.

In the case of Spain and Portugal, the code for the electricity system specifies the electricity system in which the sale or purchase of energy is to take place. In the event the units are from outside the Iberian system, which consists of the electricity systems in Spain and Portugal, the code specifies the interconnection through which the transaction is effected, and may involve import or export, and corresponds to the interconnections with the systems of France, Andorra and Morocco. Each authorised agent may define a single unit for the import or export over each one of the aforementioned frontiers.

For the interconnections between electricity systems with coordinated capacity auctions, with physical delivery, the import and export unit shall be referred to as a unit with prior rights, with there being a single unit for import and a single unit for export, for each authorised agent. The import and export units assigned with prior capacity rights cannot present bids.

There are two production zones, corresponding to Portugal and Spain. Each one of these production zones will have its own price. The production units that operate through the electricity system with Andorra and Morocco belong to the Spanish production zone.

Two generic production units will be registered on the corresponding Portuguese and/or Spanish electricity system, one for sales and the other for purchases associated with the same Generic Schedule unit, for the negotiation on the day-ahead market of energy balances before the day-ahead market opens, corresponding to primary energy issuance auctions, notification on capacity rights use, and firm bilateral contracts prior to the opening of the day-ahead market. The generic bid units cannot present bids in the continuous intraday market.

The internal code of the Spanish electricity system identifies the purchase or sale production units for the acquisition or sale of energy in the mainland electricity system or through the connection with the electricity system in the Balearic Isles.

The purchase or sale production units in the Spanish peninsular electricity system may only be associated to programming units in the Spanish peninsular electricity system, and the purchase or sales units through the connection with the electricity system in the Balearic Isles may only be associated to programming units for the purchase or sale through the connection with the electricity system in the Balearic Isles.

Each bidding unit, whether for sale or purchase, will correspond to a programming unit. A programming unit may not be associated with more than one bidding unit.

A bidding unit of a representative acting in their own name and on behalf of third parties may include energy from several represented parties. A bidding unit of a representative acting in the name of and on behalf of third parties may only include energy from one represented party.

A bidding unit must exclusively contain units that develop a single type of activity (producers, marketers, or direct consumers of electric energy in the market).

The maximum hourly energy of the units declared by the agent shall be limited to the maximum value of the corresponding record or to the corresponding ministerial authorization, if applicable.

The maximum energy of a unit for sale or acquisition is the sum of the maximum energy declared by the agent for each of the physical units that make up that unit for sale or acquisition.

The maximum energy of the physical units shall be limited to the maximum gross power recorded in the administrative register of electric energy production facilities.

For production facilities using cogeneration or other forms of electricity production from waste energies, the maximum power of the physical units shall be limited to the maximum gross power recorded in the administrative register of electric energy production facilities multiplied by a coefficient of 1.2.

While the official certification tests for new power are carried out, the agent may request a maximum energy value higher than that entered in the register at that facility in order to carry out the tests. The maximum energy value will be applicable to all programming periods for the calendar days during which those tests are carried out.

The registration of a programming unit in the system operator will be coordinated with the registration of the agent's bidding unit in the market operator. For a market operator, there shall not be a bidding unit without a programming unit nor a programming unit without a bidding unit.

Holders of national acquisition units that are not market agents must register as such with the market operator as of the entry into force of Order TED / 1161/2020, of December 4, which regulates the first auction mechanism for the granting of the economic regime of renewable energies and the indicative calendar for the period 2020-2025 is established.

If a bidding unit registered in the system is cancelled or suspended for a date by the participant who owns the unit, or if the unit has zero maximum power because it has no physical unit associated with it due to a request for association changes, all the bids submitted for the daily market sessions as of the date for which the cancellation, suspension or zero maximum power has been requested shall be cancelled. Likewise, the default bid shall be withdrawn, applying this withdrawal for the first day for which the unit is cancelled, suspended or has zero maximum power.

In order to participate in the different markets, each facility hosting the renewable energies economic regime must be constituted as a bidding unit and may not be associated with other facilities in that bidding unit.

This requirement will be maintained as long as the installation is affiliated with the renewable energies economic regime or after completion thereof, if the owner of the installation could be subject to any of the penalties set forth in Order TED/1161/2020, of December 4, regulating the first auction mechanism for granting the renewable energies economic regime and establishing the indicative calendar for the 2020-2025 period, or while these were pending payment.

In accordance with Article 21.3 of Royal Decree 960/2020 regulating the renewable energies economic regime, the bidding units whose facilities are under the renewable energies economic regime will not be able to declare physical bilateral contracts with those facilities.

## **PORTFOLIO UNITS OR PORTFOLIO TRADING**

Agents may choose to participate in the continuous intraday market through bidding units or portfolio units. In both cases, the unit will be associated with a specific electrical system (Spain or Portugal).

Each market agent may have, upon request, a single pair of portfolio units (purchase / sale) for each type of activity and for each electrical system where the agent has two or more bidding units in the Market Operator's system.

By default, all the agent bidding units that are registered in the market information system and that share activity and electrical system with the pair of portfolio units, will be associated to the portfolio in order to receive energy in the disaggregation process. A bidding unit can only be associated with a couple of units per portfolio.

Agents will have the possibility, for each pair of portfolio units, to exclude from the association the bidding units in which they do not wish to disaggregate energy. A unit excluded from a portfolio will be excluded from both the purchase portfolio unit and the sales portfolio unit. Agents may re-include units that were excluded.

The maximum limit of exclusion of bidding units will be such that there are never less than two bidding units in which the pair of units can be disaggregated by portfolio.

The portfolio units of the generation activity must contain two or more bidding units of generation activity, and the portfolio units of the different acquisition activities must contain two or more units of acquisition of the same activity, taking into account that the following bidding units may not be associated with a portfolio unit:

- Representation units acting in the name and on behalf of a third party.
- Import and export units with prior rights.
- Generic units.
- Reference Retailers units.
- The units belonging to the Spanish electrical system Balearic area.

Portfolio units may only participate in the continuous intraday market, and are not entitled to participate in the daily market or in intraday auctions.

For those agents that, for proper tax allocation, OMIE needs to have the transactions made at the level of bidding unit, the agent must act in the continuous market through said bidding units (eg direct consumers in the market entitled to reduction in the electricity tax).

### **RULE 13. BIDS SUBMISSION TIME.**

1. On the day-ahead and intraday markets, bids should be received by the Market Operator's information servers before the period of acceptance of bids closes. Schedule of operations on the day-ahead and intraday electrical energy markets corresponding to the day-ahead market are described in Annex 1.

2. The time of reception of the bids will be that indicated by the Market Operator's information technology system at the time of reception.

3. For the continuous intraday markets, bids will be presented for contracts in negotiation, in the Market Operator Negotiation Platform and sent to the Continuous European Procurement Platform which will verify the receipt time in for the submission and acceptance of bids.

#### **RULE 14. PLACE OF BIDS SUBMISSION.**

Sale bids must be received in the Market Operator's information servers before the close of the bid acceptance period, via the electronic medium that is set up and authorized for this purpose.

The electronic media available for the reception of bids from the date the Market Operating Rules comes into effect shall be one or more of the following:

- Internet Access.
- Access through leased lines, for those market participants requesting it.

The agent is responsible of the hiring, renting, maintenance and continuity of the correct operation of the media which it decides to use to access the Market Operator's information technology System and the Market Operator is not responsible for any failure outside its own information system. In particular, agent's use of automatic connection systems should be supervised by the said agents, with the Market Operator declining any responsibility for faults which are not its own.

The IT-compatible computer should be connected to the Market Operator's Information technology System.

If the agent decides to connect over the Internet, it can use any media to connect to an Internet provider (ISP).

If the agent decides to install leased lines, it should contact the Market Operator for technical details on installation and configuration.

The Market Operator shall be allowed to update its information technology system communication media in order to add the technological advances that may emerge.

The Market Operator shall keep market agents informed at all times of any modifications it may make in its information technology system.

The Market Operator may introduce restrictions on the interaction with the Market Operator Information System through information technology applications, being able to impose general limits on the number of requests that applications used by market agents can make to the Operator Information System of the Market in a period of time, with the intention of preventing situations that may jeopardize the proper functioning of the market. Additionally, the market operator may restrict access to those applications used by a particular market agent that jeopardize the proper functioning of the Market Operator Information System, which will be communicated to the agent, through the contact information declared by the agent in the Market Operator Information System.

Sellers or purchasers shall transmit their electricity sale bids to the Market Operator at their own expense and shall assume the responsibility for contracting and maintaining the communication media services they deem necessary for conveying their sale bids.

The Market Operator shall inform the sellers of the result of the validations of their bids and of the result of matching by placing the results at their disposal in the information servers of the Market Operator's Information technology System. This information shall be accessible through the media indicated above.

#### **RULE 15. VALIDATION OF BIDS.**

Notwithstanding validations specific to day-ahead and intraday markets, which are detailed in the regulations of these regulatory rules, sales and purchase bids presented

by agents shall be verified by the Market Operator, as a prior condition for their acceptance, in accordance with this Regulation.

Validation of bids on behalf of the Market Operator does not modify the agent's responsibility for undue bids it may have presented.

### **15.1. VALIDATION OF THE SESSION STATUS FOR BID SUBMISSION.**

The market operator will verify, at the time of the receipt of the bid in the IT system, in accordance with the time of receipt available in said information system, that this time of receipt is prior to the end of the period for the acceptance of bids and subsequent to the opening of the session in the case of the intraday auctions market and the negotiation open for programmed contracts in the continuous intraday market.

In the case of the submission of bids by file to auction sessions, if they have begun to be received in the Market Operator Information System prior to the deadline for the receipt of bids and the format of the file is correct, the validation process will be carried out for all of the bids included in said file, considering the effects of control at the start time for receipt of the file, inserting each bid with validation result with the date and time of completion of the validation on the market operator information system.

In the case of submission of bids on the continuous intraday market considered for validation shall be that which establishes the Continuous European Trading Platform.

### **15.2. VALIDATION OF THE AGENT.**

The market operator shall verify:

- That the agent is registered on the Market Operator Information System and that it has not been suspended as a subject of the electricity system by the operator of the corresponding system.

- That the agent is authorised to present bids for the unit of sale or acquisition at the time of submission of same and for the programmed period for which the bid of notification of execution of bilateral contract is presented.

- That the agent avails of sufficient collateral for the submission of the bid in accordance with the conditions of validation of the fulfilment of collateral. In the case of a shared ownership sales bid, it shall be verified that each of the agents have sufficient collateral for the submission for the submission of the bid in the corresponding sum in each case.

### **15.3. VALIDATION OF THE BIDDING UNIT.**

The market operator shall verify:

- That the agent is registered on the Market Operator Information System and that it has not been suspended as a subject of the electricity system by the operator of the corresponding system.

– That the agent is authorised to present bids for the unit of sale or acquisition at the time of submission of same and for the programmed period for which the bid of notification of execution of bilateral contract is presented.

– That the agent avails of sufficient collateral for the submission of the bid in accordance with the conditions of validation of the fulfilment of collateral. In the case of a shared ownership sales bid, it shall be verified that each of the agents have sufficient collateral for the submission for the submission of the bid in the corresponding sum in each case.

## **RULE 16. CONFIRMATION OF BIDS.**

The Market Operator will inform agents of the following:

- Automatic confirmation of the reception of electrical energy bids, using the procedures which these rules set out.

- Validation, in the terms established in these rules, of the electrical energy bid and the communication of the result of the validation.

- Acceptance of the electrical energy bid, if the result of the validation which the previous section refers to is positive or even if the inclusion of the said bid in the matching process in the case of exceeding the previous validations before the matching process was carried out.

- Inclusion or not in the matching result and, if applicable, an explanation of the reasons for its exclusion in the terms established in these rules and when thus required.

The validation made by the market operator's system shall be considered final, even in the event of the disconnection of the agent's system before an answer to said validation has been received.

## **RULE 17. FIRM BIDS.**

Energy acquisition or sale bids, which are valid and have not been substituted or annulled by sellers or buyers to the Market Operator for each of the sales or acquisition units which they own, will become firm at the time the acceptance period for bids ends for each auction, day-ahead and intraday one.

The valid, non-canceled bids for the purchase and/or sale of energy presented to the continuous intraday market by the sellers or buyers for each of the sale or purchase units of which they are holders in the market operator shall become firm at the time that their bid is correctly entered in the information systems for the European Continuous Trading Platform.

## **CHAPTER FOUR. INFORMATION AND CONFIDENTIALITY.**

### **RULE 18. CONFIDENTIALITY AND INFORMATION REPORTING.**

1. The market participants undertake to maintain the confidentiality of the data relative to access to the Market Operator's information technology system, to guard the computer access codes and passwords, and to notify the said Market Operator of any incident regarding information security.
2. The market and the system operators undertake to maintain the confidentiality of the information that the seller has placed at their disposal in the electricity sale quotation in compliance with the provisions of these rules.
3. Information on different programs and reports associated to sales units will be considered confidential until the relevant day-ahead market session is opened for the scheduling periods of 90 days after the scheduling periods of the said schedules.
4. Information on settlements of the day-ahead and intraday electrical energy markets of an agent will be considered confidential for other agents.
5. Agents will only have access to information on other agents if this is aggregated.
6. A market agent will be able to request from the Market Operator the access to disaggregated information on any agent in the case of a claim relative to a settlement which affects this agent.

### **RULE 19. PUBLICATION OF INFORMATION TO AGENTS TO OPERATE IN THE MARKET.**

The Market Operator provides market agents with all the information necessary for the development of market processes through the Market Operator's Computer System trading platform. In order to access this system, it is necessary to use access certificates provided by the market operator. Depending on the agent which the person who access the system belongs to, and access permission available, the system will provide this accessible information, always respecting confidentiality criteria.

The Market Operator will put necessary information at the disposal of market agents via the methods and formats established in the current version of the document "File model for the exchange of information between Market Operator and Market Agent", relative to the files exchanged between these, and published by the Market Operator. The information published will be classified in the following groups:

#### **19.1. DAY-AHEAD MARKET INFORMATION.**

- Bid files
- Demand forecasts
- Interconnection exchange capacities. Maximum capacities and capacities available for market coupling
- Capacities assigned to interconnections with capacity assignment.
- Unit unavailability
- Collateral available
- Files accessible on Day-ahead Market results:
  - PDBC marginal prices
  - Base matching schedule (PDBC)
  - Base operational schedule (PDBF)

## 19.2. INTRADAY MARKETS INFORMATION.

- **Intraday auctions:**
  - Definitive Feasible Schedule (PDVD).
  - Bid files
  - Demand forecasts
  - Maximum interconnection exchange capacities
  - Capacities allocated in interconnections with allocation of capacity
  - Unit unavailability
  - Limitations to production units
  - Collateral available
  - Consultation files for results of intraday auction markets:
    - PIBCI marginal prices
    - Marginal schedule prices resulting from matching of the intraday auction market.
    - Base Intraday Incremental and Accumulated Matching Schedule (PIBCI and PIBCA).
    - Final Hourly Schedule (PHF).
    - Hours cancelled by market operator or by system operators
  
- **Continuous intraday market:**
  - Maximum Exchange Capacities in the interconnections.
  - Limitations of bid units.
  - Unavailabilities of bid units.
  - Available collateral.
  - Files for consultation of continuous intraday market results.
    - Reference prices negotiated volumes and public information considered relevant to the continuous intraday market.
    - Base Intraday Incremental and Accumulated Matching Schedule (PIBCI and PIBCA).
    - Continuous Hourly Schedule (PHFC).
    - Hours cancelled by market operator or by system operators.

## 19.3. SETTLEMENTS INFORMATION.

- Settlement files common data
- File on hour notes
- Relevant market
- Purchasing and production units
- Amount
- Unit price
- Right to charge and/or corresponding payment obligation
- Total rights chargeable or relevant payment obligations accumulated for each q market
- Day-ahead settlement file
- Total final payments and charges
- Payment collateral
- Collateral arranged
- Balance of the collateral for the next sessions
- State of settlement
- Settlement calendar and billing+

- Invoices and payment or charge slips
- Information relating to invoicing and taxes.
- Final cost of the energy and the components of the end price in aggregate and for each type of consumer.
- Information regarding the liquidation of the economic regime for renewable energies.

## **RULE 20. PERIODIC PUBLIC POSTING OF INFORMATION.**

The Market Operator will provide the general public with non-confidential general information using its publicly-accessible WEBSITE. The set of files and information provided by the Market Operator is described in the document entitled: "Public Information Provided by the Market Operator", available on the web server itself.

In order to disclose publicly available information, the Market Operator will apply the following confidentiality criteria:

### **20.1. AGGREGATED DEMAND AND SUPPLY CURVES AND INTERNATIONAL AND INTRA-COMMUNITY TRADE.**

After matching each session on the market, the Market Operator will publish for the Iberian market:

- Hourly prices and total energy negotiated per hour on the day-ahead market.
- Aggregate supply and demand curves, bids taking part in the forming of the prices and bids included in the schedule resulting from the match with an indication of prices and amounts for each segment of energy bided. Once bids made to the market are public, in compliance with these rules (90 days later), the new curves will be added indicating the units associated to each block.
- Business of each international interconnection per hour (including what has been matched on the day-ahead market plus the maximum assignation of what has been executed in international bilateral contracts) indicating:
  - Maximum import and export sales capacity for each interconnection
  - Occupied capacity in each direction of the interconnection
  - Free capacity in each direction of the interconnection

After the closure of the negotiation, for each of the contracts programmed in the continuous intraday market, the reference prices, negotiated volumes and any other public information considered relevant to the continuous intraday market for each of said contracts will be published.

## **20.2. INFORMATION ON MARKET AGGREGATES.**

The market operator must establish the magnitudes, parameters and variables of an aggregate nature that, due to their significance, should be published. In any case, once the market results are definitive, the production of technology and the demand for categories of agents.

## **20.3. QUOTAS.**

After the day-ahead market session held on the first day of each month (m), the Market Operator will publish energy trading quotas for various markets and processes, of all agents, relevant to the month (m-2).

## **20.4. PUBLICATION OF MARKET INFORMATION THAT IS NO LONGER CONFIDENTIAL.**

After the day-ahead market session is held, the Market Operator shall make public all the information on the session held 90 days before, including information which derives from the submission of bids and matching, and, in particular, the full content of bids presented by agents in all market sessions.

## **RULE 21. PERIODIC REPORTS ON THE RESULTS OF THE MARKET TO THE COMPETENT AUTHORITIES AND TO THE MARKET AGENTS' COMMITTEE.**

Notwithstanding other relevant information on the market which, according to legislation in force should be transmitted to the Ministry for the Ecological Transition and the Demographic Challenge, and other competent authorities, the Market Operator will work together with the relevant regulatory bodies, the Market Agents' Committee and, when applicable, the European Commission to make the market and its results transparent.

With the aforementioned purpose, the Market Operator will draft follow-up reports based on parameters to improve the follow-up, observation and checking of data relative to the electricity market. In relation with this report, the Market Operator will apply the relevant confidentiality criteria applicable.

## **RULE 22. PUBLIC INFORMATION.**

All information which the Market Operator provides to an agent on another agent or on agents in compliance with these rules and which is not motivated by the existence of a claim, should be provided to the general public, except information given to several agents in compliance with legal regulations which require this to be done.

## **CHAPTER FIVE. MARKET AGENTS' COMMITTEE.**

### **RULE 23. THE PURPOSE OF THE AGENT COMMITTEE.**

The Market Agent Committee is set up as a body whose purpose is to monitor the functioning of management of the day-ahead and intraday markets of electricity production and the proposal of measures that may result in better functioning of said markets.

### **RULE 24. COMPOSITION OF THE AGENT COMMITTEE.**

The Market Agent Committee will be composed of:

- Market Agents (one representative per market agent)
- Representatives of associations of market agents (one representative per association)
- Two representatives of "OMI-Polo Español, SA (OMIE)
- One representative of each of the System Operators, Spanish and Portuguese, without the right to vote.
- One representative of each of the bodies in charge of energy regulation in the Iberian market, without the right to vote.

Any agent or association interested in becoming a member of the Market Agent Committee will submit the corresponding application through the form that will be available for this purpose on the public website of the market operator.

The position of a Market Agent Committee member shall be unpaid.

All those entities that have the status of market agent may submit an application, as well as those associations that meet the following requirements:

- Include among its functions those related to the activities included in Article 6 of Law 24/2013, on the Electricity Sector.
- Have among its members at least three market agents.

In the application for incorporation, the data of the owner (and an alternate in case of non-attendance of the owner) of the entity (agent or association) will be provided. The owner and the alternate will be representatives of the entity until notification is received from the latter communicating the change of representative.

The registration requests will be validated by the market operator.

### **RULE 25. BODIES OF THE MARKET AGENT COMMITTEE.**

The bodies of the Market Agent Committee are the plenary, the chair, and the secretary.

The plenary:

- The plenary will meet in an ordinary session once every two months and in an extraordinary session when requested by the market operator or at least 5% of the members of the Agent Committee, who must express in the request the issues to be discussed at the meeting and the reasons for requesting it.

- The call will be made by an e-mail that will be sent to the owner members with a minimum of 72 hours advance notice, except in the case of duly justified urgency. The call will be made by the chair, and the agenda will be attached, including the issues to be discussed at the corresponding session.
- Any matter must be included in the session agenda when requested by at least 5% of the members of the Agent Committee 48 hours in advance and the reasons for requesting it.
- Virtual meetings are preferred, and the discussions will take place under the direction of the chair or whoever may be sitting in for them.
- The resolutions will be validly adopted by the favorable vote of half plus one of the members of the Committee present at the corresponding meeting.
- The delegation must be made for each meeting by the owner member or, failing that, by their alternate; it will not be valid if none of them attends.
- The agreements adopted at the meetings will be recorded in the minutes to be issued by the secretary with the approval of the chair. Any member wishing to record particular positions may do so by notifying the secretary formally and in writing within three days of the meeting.

The chair:

- The chair of the Market Agent Committee will preside over the meetings of the plenary, will direct discussions, and will form agreements on convening the ordinary meetings and the content of the agenda.
- The chair of the Committee shall be appointed by drawing lots among the Committee's member associations. The association appointed to chair will not participate in the successive draws for four years from their appointment.
- The chair will be held for periods of six months. The chair shall cease to hold office upon resignation, expiration of the term of office, or loss of status as a member of the Committee.
- The association that assumes the chair will designate the natural person who will represent it for these purposes, as well as another person as an alternate in cases of that individual's absence.
- The position of chair of the Market Agent Committee will not be remunerated.

The secretary:

- The Secretary issues the minutes of the meetings that are held, recording in them the agreements reached, and issues certifications of the agreements of the Agent Committee.
- The functions of the position of secretary will be performed permanently by the market operator.
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## **RULE 26. CONFIDENTIALITY AND PUBLICATION OF INFORMATION.**

All members of the Market Agent Committee shall be subject to the corresponding obligations of confidentiality regarding the deliberations that take place at their meetings.

Information on the activity of the Market Agent Committee will be available to all its members. This information will be published on the market operator's website, and it may be accessed through the corresponding accreditation provided by the market operator.

## **CHAPTER SIX. DAY-AHEAD MARKET.**

### **RULE 27. OBJECT AND BASIC CONCEPTS.**

The purpose of the day-ahead market, as an integral part of the wholesale electricity market, is the execution of electricity transactions for the following day through the submittal of electricity sale and purchase bids by market agents.

These bids shall be submitted to the Market Operator and shall be included in a matching procedure effective for the day-ahead scheduling horizon, corresponding to the day following the market session.

The day-ahead market shall be structured in one single session for each day-ahead scheduling horizon. Scheduling periods will be hourly, and the day-ahead horizon is made up by 24 scheduling periods of consecutive Central European Time (CET) (23 or 25 periods on days when clocks are changed to go on or off Daylight Savings Time).

### **RULE 28. BIDS ON THE DAY-AHEAD MARKET.**

#### **28.1. OBJECT AND CONTENT OF SALE AND PURCHASE BIDS.**

Sale bids can be simple or complex, depending on their content. Purchase bids can only be simple without the incorporation of complex conditions being possible.

Sales and purchase bids can only be presented for the same day-ahead horizon and a same sales or purchasing unit, except in the circumstances described in the Rule on "Physical delivery of energy traded on the futures market".

##### **28.1.1. SIMPLE BIDS.**

For purposes of the provisions of the Market Operating Rules, simple bids are defined as those electricity sale bids which sellers submit for each hourly scheduling period and production unit they own, with the expression of a price and an amount of power. For each hourly scheduling period within the same day-ahead scheduling horizon, there can be as many as 25 power blocks for the same production unit, with a different price for each of the said blocks, with the prices increasing for sale bids, or decreasing for purchase bids. Simple bids may not include any additional terms to be considered in the matching process.

For sales units corresponding to production units with more than one owner for settlement effects, as well as the sale bid of the agent which represents it, the amount of energy associated to each of the owners committed to a bilateral contract will also be received for its consideration in the settlement of energies in the resulting day-ahead market schedule.

##### **28.1.2. COMPLEX BIDS.**

For purposes of the provisions of the Market Operating Rules, complex bids are defined as those electricity sale bids which, while complying with the requirements governing simple bids, include all, some or any one of the conditions which are listed and described below. These conditions will be incorporated by the Market Operator in bid matching in the terms established in the rule which describes the matching algorithm. The following are the conditions that can be included in complex bids:

### **28.1.2.1. MINIMUM INCOME CONDITION.**

Sellers may include, as a condition governing the electricity sale bids they submit for each production unit, that the bid in question is only to be considered submitted for matching purposes if the seller obtains a minimum income, with the exception as **provided for in the rule governing the complex condition of minimum income. The** minimum income required shall be expressed as a fixed amount in Euros, without decimal places, and as a variable amount expressed in Euros per MWh, with as many as two decimal places.

The minimum income condition shall not be allowed if the income requested exceeds the income resulting from the complete acceptance of the bid at the price bid by more than 100%.

Negative price values will not be allowed in the fixed term or in the variable term in the minimum income condition.

### **28.1.2.2. SCHEDULED STOP CONDITION.**

This is the condition that sellers may include in the electricity sale bids they submit for each production unit so that, in the event that these bids are not matched due to the application of the minimum income condition, they can be treated as simple bids in the first block of the first three hourly scheduling periods of the day-ahead scheduling horizon. The electricity bid which includes the scheduled stop condition shall be decreasing during the above-cited three hourly scheduling periods.

### **28.1.2.3. PRODUCTION CAPACITY VARIATION OR LOAD GRADIENT CONDITION.**

The production capacity variation condition consists of establishing, for each production unit, a maximum upward or downward difference in energy variation, between two consecutive hourly scheduling periods. This condition shall be expressed in MW/min, to one decimal place, and the result of applying it shall be, in any case, limited by the sales unit's maximum production capacity available hourly.

## **28.2. FORMAT FOR SUBMITTING SALE OR PURCHASE BIDS.**

In the electricity sale bids they submit to the Market Operator, sellers shall include the data listed below for each production unit and scheduling period:

- a) Code of the sales or purchasing unit.
- b) Description of the bid. Alphanumeric field that does not use the algorithm.
- c) Type of bid, which will obligatorily be a sales or purchasing bid.
- d) Day-ahead scheduling horizon date. This shall be the date on which the bid is submitted. This item shall be left blank if the bid is a default bid.
- e) Default bid. The valid data that can be included in the bid is:

YES, which indicates that the bid is a default bid, and that the market participant is keeping it in force for all the day-ahead scheduling horizons, as from the moment the bid

is received by the Market Operator. In this case, the day-ahead scheduling horizon date is not used.

NO, to indicate that the bid is not a default bid, and that it is only valid for the day-ahead scheduling horizon date indicated.

f) Minimum income condition for the production unit, which shall be expressed by means of the following two values:

- Fixed term (TF) for a single day-ahead scheduling horizon, set in Euros. Decimals will not be included.
- Variable term (TV), which shall remain invariable for a single day-ahead scheduling horizon, set in Euros per MWh, with as many as two decimal cents being included.

Negative price values will not be allowed in the fixed term or in the variable term in the minimum income condition and in the case of being equal to zero, it will indicate that the bid does not incorporate this condition. In the case of purchase bids, both values must be zero.

g) The sales unit's maximum rising or descending load variation gradient, expressed in MW/min to no more than one decimal place. If the value is zero, it shall mean that the bid in question does not include this condition. In purchase bids both values should equal zero.

h) For each of the up to twenty-five (25) blocks into which a production unit's sale bid can be divided, and each of the hourly scheduling periods, the following data shall be provided:

- h.1) Hourly scheduling period to which the bid corresponds.
- h.2) Volume of electricity bided in the block by the production unit for each hourly scheduling period, expressed in MWh to a maximum of one decimal place.
- h.3) Price at which the block is bid for sale in Euros per MWh, to a maximum of two decimal places.
- h.4) Indication, in the first three periods of the scheduling period, of whether the electricity sale bid of the first block corresponds to a scheduled stop condition, for the first three hourly scheduling periods of the scheduling period.

Additionally, the agent can report the energy associated to each of the owners which is committed to bilateral contracts in the case of sale bids, and the sales units which have more than one owner, for their consideration in the day-ahead market settlement. This information will be sent by the person responsible for the submission of each shared power station bid, along with the codes of the relevant bilateral contracts. Upon receipt of this information, the Market Operator will verify that:

- The code for information communication exists
- The production unit exists
- The agent sending the information is the agent responsible for its submission

If the tests described above are not passed, all information sent concerning the production unit will be rejected and the corresponding warning message will be issued.

**28.3. INFORMATION RECEIVED BY THE SYSTEM OPERATORS:  
UNAVAILABILITY, SALES CAPACITY OF INTERNATIONAL  
INTERCONNECTIONS, INFORMATION ON ASSIGNATION OF CAPACITY  
RIGHTS AND ON INTERNATIONAL BILATERAL CONTRACTS AND NATIONAL  
BILATERAL CONTRACTS.**

**28.3.1. DEFINITION AND INCORPORATION OF INFORMATION ON  
UNAVAILABILITIES.**

The information on unavailability sent by the system operators to the Market Operator's Information technology System will be gathered by the Market Operator, and it will contain for each system the unavailability which the corresponding system operator has confirmed regarding any of the physical production units and purchasing units, at the time this information is sent. Unavailability will be sent per physical unit. As a consequence, the Market Operator will consider that all units not included in the latest information received by the corresponding System Operator are available.

Information on unavailability will be incorporated into the Market Operator's Information technology System at the time said operator receives the aforementioned information, with the time limit of the inclusion of this information for matching purposes being the bid reception closing time on the day-ahead market session.

**28.3.2. DEFINITION AND INCORPORATION OF INFORMATION ON  
CAPACITY OF THE INTERNATIONAL INTERCONNECTIONS.**

The operators of the Spanish and Portuguese systems will send the market operator the maximum planned import and export capacities in each of the international interconnections of their respective electrical systems with hourly disaggregation, in accordance with the cut-off time established in the methodology developed in the article. 69 of Regulation (EU) 2015/1222 provided for each scheduling period of the following day, added by border and for each direction of active power flow. The Spanish and Portuguese system operators are to inform the Market Operator of the import and export capacities available at each one of the international connections in their respective electricity systems for the day-ahead market's matching process with an hourly disaggregation. The Market Operator shall understand that all the interconnections and directions of flow not included in the latest information received from the System Operators have a zero reading.

The information of the capacities available for the matching process on the day-ahead market is to be added to the Market Operator's information system as soon as it has been received in the Market Operator's information system, with the deadline for its inclusion for the purpose of its consideration in the matching process on the day-ahead market being the deadline specified in the rule on the sequence of operations on the day-ahead market.

Prior to the specified deadline for the submission of the data on capacities to the joint matching system, the market operator shall analyse the data received on the capacity available for the matching of the day-ahead market for the interconnection between Spain and Portugal, as it has received data for that interconnection from both the operators of the Iberian system.

The market operator for the interconnection between the Spanish and Portuguese systems shall proceed as follows:

If it has received the import and export capacities from both operators and these coincide, it shall send the capacity figures received to the matching system before the specified deadline.

If it has not received the data from the two system operators for the interconnection between Spain and Portugal, or they do not coincide, it shall proceed according to the following cases:

Case 1: In the event it has not received the capacities available for the day-ahead market from either of the system operators before the deadline specified in the rules “on the sequence of operations on the day-ahead market”, the market operator shall call upon the two system operators to submit the capacities within 30 minutes following the deadline for the notification of capacities:

- Once 30 minutes have elapsed with no notification of the capacities from either of the two System Operators, the Market Operator shall send the matching system a zero figure for the capacity available for the matching of the day-ahead market for import and export at the frontier between Spain and Portugal for all the hours on the day-ahead market.
- Once 30 minutes have elapsed and notification of the capacities has been received solely from one of the System Operators, within the following 20 minutes the Market Operator shall confirm with the System Operator that it has not submitted the data for the capacities by the method agreed between them. If the data on the capacities are confirmed, the market operator shall send the capacities received to the matching system. If the data are not confirmed, it shall call upon the System Operator that has not notified the capacities to re-submit the capacity figures. Once these additional 20 minutes have elapsed, the Market Operator shall send the matching system the latest capacity figures received.
- When 30 minutes have elapsed with no notification of capacities by either System Operator, application is to be made of the procedure described in case 3.

Case 2: When the capacities available for the day-ahead market have not been received from one of the System Operators before the deadline specified in the rules “on the sequence of operations on the day-ahead market”, the Market Operator shall check whether on the date on which the validation is made data on maximum import and export capacities have been received for the programming periods on the day-ahead market, as referred to in the first paragraph of this rule, submitted by the System Operator that has not notified the capacities available for the day-ahead market. If the aforesaid capacities have been submitted and coincide with the figures sent by the System Operator that has notified the data on available capacity for the day-ahead market, the Market Operator shall send the data received on available capacity for the day-ahead market. If no data on capacities have been received for the day-ahead market programming periods on the date upon which validation is made, or these do not coincide with the capacity data for the day-ahead market, the Market Operator shall call upon the System Operator that has not notified the capacities available for the day-ahead market to send them according to the process described in case 1.

Case 3: When the capacities available for the day-ahead market have been received from both of the two system operators before the deadline specified in the rules “on the sequence of operations on the day-ahead market”, or before the 20 extra minutes established in case 2, but they do not coincide, the Market Operator shall call upon the two System Operators to send the capacity data before 30 minutes have elapsed since the aforementioned deadline for the submission of capacities, or 20 minutes in the case of the circumstance described in case 2. If the new capacities received coincide, the data received shall be submitted. When they do not coincide after the extra time has elapsed,

the Market Operator shall submit the capacity data sent by the Portuguese System Operator.

The data submitted on capacities at the interconnections with the French system and with the Moroccan system shall be the figures in the last valid file on capacities available for the day-ahead market sent by the Spanish system operator.

In the process of market coupling between Spain and France, the market Operator shall consider a figure for the maximum export capacity available, and as appropriate of import, equal to zero if the market operator of the French electricity system, or agent empowered by it in the settlement process, does not fulfil any one of the financial obligations required of it by the Market Operator regarding the settlement of the energy exchanged between the Spanish and French electricity systems as a result of said process.

### **28.3.3. DEFINITION AND INCORPORATION OF INFORMATION ON ASSIGNATION OF CAPACITY RIGHTS AND ON INTERNATIONAL BILATERAL CONTRACTS.**

The Spanish System Operator will provide the Market Operator with the last notifications concerning use of capacity rights for each sales or purchasing unit corresponding to assignments confirmed, , regarding interconnection with the French electricity system for the purpose of validation of bids submitted on the day-ahead market, following the receipt of said assignment, and for their consideration in the validation prior to the matching process and within such a process.

As a backup system, when there cannot be a coupling between the Iberian market and the single day-ahead coupling, the operators of the Spanish and French system may carry out the day-ahead backup auction (or “Shadow Auction” in English), sending the result of same to the market operator for its consideration in the validation of the Day-ahead Market bids.

The incorporation of the result of said day-ahead backup auction will take place, at the time agreed between the market operator and the Spanish system operator, through a transaction between the capacity rights unit and the generic unit in the Spanish bidding area.

In both cases, the agents who have requested the market operator to submit on their behalf a bid with a single block at the price that the agent had indicated, of the generic bidding units, will be updated by the market operator, the next time the market operator submits bids on behalf of the agent.

The System Operators will provide the Market Operator with the notifications on use of capacity rights for each sales or purchasing unit corresponding to assignments confirmed before the day-ahead market for the interconnection with the Portuguese electricity system for their consideration in the validation of bids presented on the day-ahead market, and for consideration in the validation process prior to the matching period and within this period.

International bilateral contracts on the Spanish-Portuguese border will be sent to the Market Operator by the system operators once they have been agreed upon by both operators. International bilateral contracts for the borders of the Iberian System will be sent by the Spanish System Operator to the Market Operator.

Once the system operators have reached agreements on the Spanish-Portuguese borders, they will provide the Market Operator, before the closure of the market bids receipt period, with information on international bilateral contracts received by agents, so that these are considered in the validation of bids presented on the day-ahead market, after this report is received, and so that these are considered in the validation process prior to the matching period and within this period.

The System Operators will provide the Market Operator with information regarding the assignment of capacity rights for each agent that has not carried out the notification on the use of capacity rights in the interconnection with the Portuguese electricity system.

#### **28.3.4. DEFINITION AND INCLUSION OF INFORMATION ON NATIONAL BILATERAL CONTRACTS.**

The Market Operator will receive information from the relevant System Operators, before the closure of the market bid receipt period, on international bilateral contracts received from agents, so that these can be considered in the validation of bids submitted on the day-ahead market.

#### **28.4. VALIDATION OF BIDS.**

Sales or purchasing bids presented by agents will be verified by the Market Operator, as a prior condition to their possible acceptance. This validation will be carried out at the time bids are received and when the bid receipt period on the day-ahead market session closes, in accordance with this Rule. Bid validation will be carried out in accordance with the following:

##### **28.4.1. VALIDATION OF THE STATE OF THE SESSION.**

Upon the reception of the bid in its information technology system, according to the time of reception available in said information technology system, the Market Operator shall verify that this reception time precedes the deadline for the acceptance of bids. Whenever the bids have been submitted in a file, if it has started to download into the Market Operator's information technology system before the deadline for the reception of bids and the file has the proper format, a validation process will be conducted for all the bids included in said file with consideration, for the purpose of controlling the deadline for the submission of bids, for the time when the file started to download, with each bid being applied the outcome of the validation with the time and date of the end of the validation.

##### **28.4.2. AGENT VALIDATION.**

At the time the bid is submitted, the market operator shall verify that the agent:

- is registered in the market operator's system and is not suspended by the system operators as a member of the electricity system and
- is authorized to submit bids for the sale or purchase unit it represents.

Failure to comply with the verifications above shall result in the rejection of the bids submitted by the agent for the sale or purchase units for which it is not authorized.

### **28.4.3. VALIDATION OF COMPLIANCE WITH COLLATERAL.**

The Market Operator shall verify at the moment the bid is placed, whether it is for the next session in the day-ahead market, whether the agents for whom the sufficiency of collateral is to be validated for said bid in the subsequent matching process will have sufficient collateral for paying the maximum estimated amount for the energy corresponding to the bid submitted on the day when said payment obligation is due, according to the best information available at the moment the bid is placed.

The estimate of the maximum payment of the submitted bid will be the valuation thereof, and will be established by the market operator adding, at all times, the maximum value in each hour of the product of each price range of the bid, in absolute value, by the sum of the energy bided at a price, in absolute value, greater or equal, considering only the possible negative price ranges in the sale bids and the positive price ranges in the purchase bids. Likewise, applicable taxes and fees will be considered. Positive selling bids and negative buying bids will have a zero valuation.

The bid shall be provisionally accepted, even in those cases in which it does not have collateral, although the responsible agents affected will be informed of the outcome of this validation.

### **28.4.4. VALIDATION OF THE SALE OR PURCHASE UNIT.**

At the time the purchase or sale bid is submitted, the market operator shall verify that the sale or purchase unit for which the bid is submitted is authorized and not suspended from participating in the daily market and that it belongs to the agent.

#### **28.4.4.1. VALIDATION OF THE MAXIMUM ENERGY TO BE BID WITHIN A SCHEDULING PERIOD.**

For a sales or purchase bid presented in a session, which is not a default bid, it will be checked that the total energy bid in each hour, plus the energy declared for that unit in the entirety of executions of bilateral contracts prior to the day-ahead market, including notifications regarding the use of capacity rights, which have been reported to the Market Operators, within the said session, does not exceed one of the following values:

- The maximum energy of the unit in the Market Operator's database.
- For those units that have been declared unavailable, the maximum energy available considering current non-availabilities when the bid submitted is for the next day-ahead market session, understanding the maximum energy available to be the maximum energy once the energy unavailable has been discounted from its physical units. In the event the bid is normal for a session subsequent to the next day-ahead market session, the production unit shall be considered available for the purposes of the bid validation period at the time the bid is submitted. The validation in the process of preparing bids for the day-ahead market will include a further check on the bid's validity by considering the maximum power available bearing in mind the non-availabilities in force at the session's close, as detailed in the section on verifying bids prior to matching.

In the event that energy bided exceeds the maximum value in any of the scheduling periods, the bid will be rejected in its entirety.

If bids are sent by default, the energy bided in each scheduling period against the maximum energy declared for that unit in the Market Operator's database will be validated, with the bid being provisionally accepted, at the expense of the global validation of bids and the execution of bilateral contracts before the match is performed, and in this process, in the case that the limits for global validation are exceeded, the bid will be rejected in its entirety. Given that by default the bids apply as of the same moment of their submission without the condition of notification of a bid date, it shall be validated that the submission date of the bid by default is subsequent to 00:00 hours on the date for which the corresponding production unit has been added.

#### **28.4.4.2. VALIDATION OF THE BID CONTENT.**

a. Validation of sale bids for blocks corresponding to the scheduled stop condition correspond to the first block of the first scheduling period and, as a maximum, up to the third scheduling period and these shall be decreasing in terms of energy bided in periods which the scheduled stop condition is declared for.

b. Validation of sale bids in which prices for different energy blocks of a same sales unit have increasing prices in regard to energy bided.

c. Validation of purchase bids in which prices for different energy blocks of a same unit have decreasing prices with respect to the energy bided.

d. Validation that the energy prices expressed in the bids are not higher or lower than the price notification thresholds indicated in Annex 2. If the corresponding thresholds are exceeded, the market operator will inform the agent in its response to the insertion of said bid, that the bid exceeds at any time the maximum or minimum price notification thresholds established for the market to which it is being bid. This check and response will be informative for the agent, and will be issued by the market operator without prejudice to any other validation or response that may be made on the same bid.

e. Validation that the minimum income which the vendor incorporates as a sales condition in the sale bid is not over 100% of the income resulting from the complete simple sale bid of the sales unit.

f. Validation that the maximum rising and maximum descending gradient, declared in the bid are the same or under those registered in the Market Operator's Information technology System. In the case a maximum value does not exist in the information system it will be understood that the gradient does not have a maximum value limit.

#### **28.4.4.3. VALIDATION OF BIDS WITH REGARD TO BIDS FROM THE FUTURES MARKET.**

Bids from agents to be bided on the day-ahead market which are not from open positions on the futures market, when included, will not be validated against bids from the futures market. The set of bids will be validated before the matching process starts.

## **28.5. VALIDATIONS OF THE COMMUNICATION OF THE INFORMATION ON BILATERAL CONTRACTS SUBMITTED BY THE SYSTEM OPERATORS.**

In the process of receiving communications of bilateral contracts made available to the market operator by the system operators, the following validation process will be carried out.

Validations of bilateral contract communications submitted to the day-ahead market.

The validation in the insertion of the communication of a bilateral contract will be done for the energy of each unit declared in the contract in each programming period. In each programming period, the energy executed for each unit will be validated as not exceeding any of the following values:

- The maximum energy of the unit in the market operator's database.
- The maximum available energy considering the current unavailabilities.

In the event that any of these values is exceeded in any of the programming periods, the file's acceptance will require the agreement of the corresponding system operator.

The programming units for sale in a bilateral contract will be generic units or programming units associated with bidding units for sale. The programming units for acquisition in a bilateral contract will be generic units or programming units associated with bidding units for acquisition.

The validation in the insertion of the communication of a bilateral contract will be done for the units involved in the declaration of the bilateral contract:

- All programming units incorporated in the communication of bilateral contracts must be authorized to execute bilateral contracts.
- All the programming units for sale in a bilateral contract will be located in the same electrical system and will each have a sales program.
- All the programming units for acquisition in a bilateral contract will be located in the same electrical system, and each will have a buying program.
- The bilateral contracts sent by the system operators will be of programming units of their respective electrical systems. The Portuguese electricity system operator will send bilateral contracts for units in the area of Portugal and the Spanish electricity system operator will send bilateral contracts of units in the area of Spain, France, Andorra, and Morocco.

## **28.6. ACCEPTANCE OF SALE AND PURCHASE BIDS.**

The last valid sales and purchase bids presented by agents to the Market Operator for each of the sales or acquisition units which they own, will become firm at the time the acceptance period for bids ends.

## **28.7. EFFECTS OF THE INCLUSION OF A SALE OR PURCHASE BIDS IN THE MARKET PROCESS.**

That either the vendor or buyer accepts the matching results in the terms established in these rules.

## **28.8. SUBMISSION OF BIDS IN BILATERAL CONTRACTS WITH PHYSICAL DELIVERY.**

To comply with section 3 of article 9 of Royal Decree 2019/1997, of 26 December, those retailers that have subscribed bilateral contracts for the physical delivery of energy are to submit purchase bids to the market at their opportunity price with an acquisition unit of the selling agent, for an hourly amount equal to or more than the energy declared in bilateral contracts with physical delivery.

The selling agents that have subscribed bilateral agreements with physical delivery of energy declared with programming units of electricity systems outside the Iberian system (programming units in the zone comprising France, Andorra and Morocco) and acquisition programming units shall declare said bilateral contracts with their sale scheduling units in said electricity systems, which may not be generic units.

## **RULE 29. PHYSICAL DELIVERY OF ENERGY TRADED ON THE FUTURES MARKET.**

Energy negotiated on futures markets, whose settlement by physical delivery is requested by its owner, may be integrated in the day-ahead market, energy that originates from organisations included in the International Agreement regarding the creation of an Iberian Electricity Market.

### **29.1. DEFINITION OF FUTURES MARKET UNIT (UCP/FMU).**

Futures market units (FMU) are settlement units on the futures market created to allow settlement via physical delivery.

Futures market units will have the features described below:

- a) Each FMU will belong solely to a physical settlement agent of the futures market and an agent from the day-ahead market.
- b) Day-ahead Market agents should report the makeup of each FMU to the Day-ahead Market Operator, providing details on the production units which make it up using the means established for this purpose.
- c) An FMU may contain any of the sales units and/or purchase units on the day-ahead market, except the generic unit.
- d) Each sale or purchase unit on the day-ahead market may only be included in one FMU.
- e) Energy received as open positions assigned to a FMU may not constitute an "anti-natural position". If this were the case, the unit would be rejected by the Day-ahead Market Operator.
- f) A position will be deemed "anti-natural" when the energy from an FMU open position exceeds the sum of the maximum amounts for sales units or the sum of the maximum amounts for the acquisition units it includes, with their relevant symbol.

g) Sales and/or acquisition units grouped in each FMU may only be production units to be settled on the day-ahead market at the price of energy in Spain or, alternatively, the price for Portugal, and neither unit type will be admissible in the same FMU.

## **29.2. DELIVERY OF POSITIONS FOR SETTLEMENT WITH PHYSICAL DELIVERY BY THE FUTURES MARKET OPERATOR.**

### **29.2.1. SUBMISSION PERIOD.**

The Futures Market Operator and the Day-ahead Market Operator will establish the schedule for the settlement of futures positions at least six months in advance, indicating the day when information on each underlying asset should be submitted. The condition described above will be interpreted notwithstanding that said schedule may be modified as a result of changes in the situation of the markets or the type of products traded with the Futures Market Operator.

Open positions will be dispatched by OMIP-OMIClear before the time set in the Day-ahead Market Operator's Information technology System, which will never less than two days from the delivery date of the underlying asset. Within the day, the deadline time for the dispatching of open positions will be 5.30 pm.

Time details are given in Central European Time (CET).

### **29.2.2. VALIDATIONS AND RESPONSES.**

The Day-ahead Market Operator will validate open futures market positions, Agent/FMU positions, in accordance with the following points:

- a) The Futures Market Operator will only submit positions for physical delivery assigned to futures contracts registered by said operator.
- b) It will later verify that the Agent and the FMU are assigned to existing Agents and FMU which are valid at the time of the communication and within the physical delivery period, and that the FMU belongs to the agent.
- c) Finally, it will verify that the amounts of the relevant physical delivery are within the limits of the FMU. If this were not the case, the position reported will be deemed anti-natural and it will be rejected.

## **29.3. EFFECTS OF RESENDING INFORMATION. CANCELLATION OF PREVIOUSLY SUBMITTED AGENTS' DISAGGREGATIONS.**

The Futures Market Operator may submit new data modifying the information on open positions which have already been sent if it detects that a violation of the rules of the futures market has occurred. The submission of a modification of a position previously sent by the Futures Market Operator may only be carried out up until the moment the bid receipt period for the day-ahead market closes. In this case, disaggregations of the modified positions carried out by Agents up until that moment will be cancelled.

## **29.4. RECEIPT OF DISAGGREGATIONS OF AGENTS' OPEN POSITIONS.**

Agents will split energy for each FMU in the bidding units of sale or purchase associated with such a bid, respecting the limits established in these Market Rules.

### **29.4.1. SUBMISSION PERIOD.**

Agents may send energy splits for FMU energy from the moment of closure of the submission period of the relevant open positions by the Futures Market Operator until the closure of the receipt of bids on the day-ahead market.

The agent may opt to split by default for those FMUs which only have one bidding unit. Energy splits for agents using this option will be calculated automatically, in accordance with the rules established, and they will not need to be submitted.

### **29.4.2. CONTENT.**

Agents will submit information on energy splitting in the hourly schedules and may send the energy split for all their futures market units in a single submission.

In addition, agents may send all energy splits concerning energy from bidding units for different future days in one submission, on those days when the Day-ahead Market Operator has information on open positions reported by the Futures Market Operator.

### **29.4.3. DEFAULT DISAGGREGATIONS.**

Default energy splits are those calculated automatically and in accordance with the following points:

- a) They may only be used by those FMUs that exclusively contain a production unit.
- b) If a new production unit is to be included later in the same FMU, the splitting by default option should be forfeited first. If this does not take place, the new relationship between FMU/Production unit will not be registered.
- c) Using the Market Operator's Information Technology System, the agent may choose the option to apply the splitting by default or not and its validity date.
- d) The agent should report a maximum limit in MWh for which it accepts the default splitting. In the event that the value of the open position sent by OMIP/OMIClear exceeds this limit, it will only be split until the limit imposed by the agent is reached.
- e) The agent must communicate the price of the default disaggregation bids to the day-ahead market that the market operator will carry out on its behalf.
- f) The agent may update the price at which the bid is made on his behalf. Once the request has been approved, this price will be taken into account for the next bids created on its behalf that will be made in the next integration of the open positions.
- g) Each time OMIP/OMIClear's open positions are received there will be automatic split for those positions which have selected the "split by default" option.
- h) Once the split receipt period has started, the agent may update or cancel this information, in the same way it would if a normal split had occurred.

#### **29.4.4. VALIDATIONS IN RECEIPT AND RESPONSE.**

The Day-ahead Market Operator will validate the split of open futures market positions in accordance with the following items:

- a) Firstly, it will check that the agent submitting the split is not suspended or excluded from the Futures Market, in accordance with the information received from the Futures Market Operator, nor suspended or cancelled by the Day-ahead Market Operator.
- b) It will then check that the FMU units and sales or distribution production units on the day-ahead market where open positions are split match existing and current agent units for the date when the split is taking place.
- c) It will check that the production units are associated with the FMU for the date the split is taking place.
- d) It will check that energies split for each bidding unit are coherent with the information on maximum and minimum amounts available at the disposal of the Day-ahead Market Operator at the time energy splits are received.
- e) It will verify that the split of energy in the open position of an FMU for a schedule period is carried out, either in the sales units or in the acquisition units, depending on whether this is an FMU sales or purchase position.

If such checks are not approved, all information sent concerning energy splitting will be rejected and the corresponding warning message will be issued.

If checks concerning production units and FMU units are not approved, all information sent concerning energy splitting regarding the FMU which does not comply with validations will be rejected and the corresponding warning message will be issued.

#### **29.4.5. INFORMATION UPDATING.**

Information on energy split may be replaced with the communication of new information on energy split for an FMU. If the validations established are met, new information will replace previous information for all purposes. If the validations established are not met, the previous information available accepted as valid will still be valid.

The agent may report the cancellation of information reported on energy split for an FMU for a particular day. In this case, all information on that FMU, including submissions previously accepted as valid, will be considered non-valid.

#### **29.4.6. CREATION OF BIDS FROM OPEN POSITIONS IN THE FUTURES MARKETS.**

Energy splits in sales units or the acquisition of open positions from the futures market with settlements with physical delivery sent by agents and which have turned out to be valid will be considered in the matching process on the Day-ahead Market as simple bids at the  $n$  indicated price. The registration time for the disaggregation will be considered as that of the receipt of the information on energy split by the agent.

Energy disaggregation in acquisition units will be considered, for all effects and purposes, as simple bids with at the indicated buying price and the energy

disaggregation in sales units will be considered for all purposes as simple bids at the indicated selling price.

## **29.5. EXCHANGE OF INFORMATION WITH THE FUTURES MARKET OPERATOR.**

### **29.5.1. INFORMATION ON STRUCTURAL DATA.**

Exchanges of information with regard to Agents aim to identify and qualify physical settlement Agents on the Futures Market and the respective FMU they use to settle operations on the Day-ahead Market.

With regards information sharing between OMIE and OMPI-OMIClear, this will be carried out by putting the relevant data at the disposal of the other party, and the party receiving the information will be obliged to collect it.

#### **29.5.1.1. ADMISSION OF A SETTLEMENT AGENT WITH PHYSICAL DELIVERY.**

All agents on the futures market wishing to settle their positions with physical delivery must be day-ahead market agents or have signed a contract with a physical settling agent on the futures market which is also an agent on the day-ahead market.

Prior to the acceptance as Physical Settlement Agent by OMIP-OMIClear, the following information sharing will be made between the Futures Market Operator and the Day-ahead Market Operator:

- a) The Futures Market Operator will ask the Day-ahead Market Operator to accept the physical settlement Agent.
- b) The Day-ahead Market Operator will reject or accept the physical settlement, Agent.
- c) If the Day-ahead Market Operator accepts, the Futures Market Operator will accept the possibility of physical delivery to the agent.

#### **29.5.1.2. REGISTRATION OF FUTURES MARKET UNITS (FMU or UCP in Spanish).**

Prior to the acceptance of an FMU referring to energy from a Physical Settlement Agent on the Day-ahead Market, the following information sharing will be made between the Futures Market Operator and the Day-ahead Market Operator:

- a) The Futures Market Operator will ask the Day-ahead Market Operator to accept the FMU, providing details regarding the name of the agent, its code and the FMU code.
- b) The Day-ahead Market Operator will accept the FMU, reporting registration on the FMU system to OMIP-OMIClear on the next business day, indicating the date from which it is available.
- c) The Futures Market Operator will accept the FMU definitively and process the Agent's decision.

d) Both operators may ask the other operator to send all updated information for the agent/FMU pairs validated up until that time.

#### **29.5.1.3. CANCELLATION OF A PHYSICAL SETTLEMENT AGENT BY THE FUTURES MARKET OPERATOR.**

When a cancellation or deregistration of a physical settlement agent is carried out by the Futures Market Operator, the following information must be reported to the Day-ahead Market Operator:

- a) The Futures Market Operator will inform the Day-ahead Market Operator about the cancellation of an Agent and the relevant futures market trading units.
- b) The Futures Market Operator will make information available to the Day-ahead Market Operator. This information will include the name and code of the agent and the respective FMUs for the agent.

#### **29.5.1.4. TEMPORARY CANCELLATION OF AN AGENT BY THE DAY-AHEAD MARKET OPERATOR.**

In the event of temporary suspension of an agent by the Day-ahead Market Operator, the Futures Market Operator will follow its procedures and the Day-ahead Market Operator will reject physical deliveries indicating the reason for the rejection.

#### **29.5.1.5. EXCLUSION OR CANCELLATION OF AN AGENT BY THE DAY-AHEAD MARKET OPERATOR.**

When an agent from the Day-ahead Market Operator resigns or leaves, the following information must be reported to the Futures Market Operator:

- a) The Day-ahead Market Operator will inform the Futures Market Operator of the resignation of the Agent.
- b) The Futures Market Operator will withdraw the agents' ability for physical delivery.
- c) For a period of up to two business days, it will be accepted that the physical deliveries of the agent are rejected by the Day-ahead Market Operator, in the same way as in the event of temporary suspension of an agent of the Day-ahead Market Operator.

#### **29.5.2. GENERAL MARKET INFORMATION.**

The Day-ahead Market Operator and the Futures Market Operator will exchange the following information:

- a) Any public information considered relevant, taking into account the availability of this information on the public website for each market.
- b) Essential information, publishing a link to the public website of the other market when users require additional information.

## **RULE 30. MATCHING PROCESS IN THE DAY-AHEAD MARKET.**

### **30.1. BASIC ELEMENTS OF THE MATCHING PROCESS IN THE DAY-AHEAD MARKET.**

The Market Operator will match the bids for the purchase and sale of energy using the Euphemia algorithm. A detailed definition of the algorithm will be agreed upon between the Market Operator, OMIE, and all the other European market operators that have subscribed the cooperation agreement for undertaking a single common matching between sundry European market operators. This agreement document is to be posted by the market operator, OMIE, on its website, and shall be presented by OMIE, and by each one of the Market Operators, to the National Regulators or authorities responsible for approving the Market Rules in each case.

The production of the energy covered by the bilateral contracts in which they are involved shall not be included in the matching process or considered during the matching process for verifying the maximums for sale or load gradient of the sales unit involved.

The price in each scheduling period in each area will bid corresponding to the result of the algorithm Euphemia.

Before the matching process is carried out the following checks will be performed to select bids and bilateral contract executions considered in the matching process with the information sent by the System Operators on unavailability and information on energies notification of capacity rights and assignation of capacity rights, sent before the closure of bids on the day-ahead market.

#### **Validating an agent's collateral**

Once the period for receiving bids for the market session has closed, the next step will be to validate all the bids from each agent to check that said bids have sufficient collateral, according to their valuation.

For the purposes of bid valuation, the maximum value in each hour of the product of each price range will be added, in absolute value, by the sum of the energy bid at a higher or equal price, in absolute value, excluding the negative price ranges in purchase bids and the positive price ranges in the sale bids. Likewise, applicable taxes and fees will be included. Positive selling bids and negative buying bids will have a zero valuation.

It is to be verified whether the agent to which settlement is to be made of said production unit has sufficient collateral for the bid, according to its valuation. The agent to which settlement is to be made of said production unit shall be a single one, except in the case of a production unit with shared ownership. In this case, each one of the owners is to have sufficient collateral to cover the percentage of the valuation of the bid corresponding to their holding.

For bid validation, the order of bid units established by the agent shall be used, and in the event that no order has been established, the bid units shall be selected in alphabetical order.

The value of the bid shall be compared with the balance of excess collateral of the corresponding agents on the day the bid is applied, using the best information available at the deadline for the reception of bids.

When all the agents have sufficient collateral, the bid shall be accepted on a provisional basis, entering the matching process; those that have not will be omitted from the process.

For each bid in the matching process, an entry is to be made to reduce the balance of the excess collateral of the corresponding agents for the amount applicable to that bid as appropriate. Once the settlement has been made, this entry will be replaced by the results of the invoicing.

### **Validations of bids presented on the day-ahead market**

In the first place, normal or default bids from units without assignation of capacity rights presented on the market shall be validated, in an inverse order to their submission, and in the first place normal bids and secondly default bids.

Validation will check that for the last valid bid presented, whether normal or by default, for each sales or purchasing unit, that the energy for the scheduling period of the bid, plus the energy of the same unit and scheduling period, executed in international bilateral contracts, or notification on the use of capacity rights, previously reported by System Operators and accepted, do not exceed any of the following values:

- The maximum hourly energy of the unit in the Market Operator's database.
- The maximum energy amount available considering unavailability in force.

In the event that none of these values are exceeded, in any of the scheduling periods, the bid will be accepted for the matching process. In the case that any of these values is exceed, in any of the scheduling periods, the bilateral contract will be rejected in its entirety.

Secondly, normal or default bids which have not already been validated shall be validated, in reverse order to the order of their submission, with normal bids appearing first followed by default bids.

Validation will check that for the last valid bid presented, whether normal or by default, for each sales or acquisition unit, that the energy for the scheduling period of the bid does not exceed any of the following values:

- The maximum hourly energy of the unit in the Market Operator's database.
- The maximum energy amount available considering unavailability in force.
- For generic sales production units the energy bided is lower than or equal to the purchasing balance of the generic schedule unit for the same scheduling period.
- For generic purchase production units the energy bided is lower than or equal to the sales balance of the generic schedule unit for the same scheduling period.

In the event that none of these values are exceeded, in any of the scheduling periods, the bid will be accepted for the matching process. In the case that any of these values is exceed, in any of the scheduling periods, the bilateral contract will be rejected in its entirety.

Validation at close of the receipt of bids from open positions on the futures market and the consideration of such bids in the matching algorithm on the day-ahead market

For the purpose of validation of energy split by agents at the time the receipt of bids closes, these will be considered as bids on the day-ahead market at an instrumental price and the acceptance moment will be considered as the moment that disaggregation of FMU energy is received and accepted.

For all purposes and effects, the previous information will be considered in the validation process in reverse order to their submission, and priority will be given to the most recent information.

At the time of validation at the closure of receipt of bids, only the bid from open positions relevant to the production unit not exceeding the validations established will be rejected, and the rest of the information will be maintained for other bidding units belonging independently to the same energy split.

Valid disaggregation for open positions on the futures market with settlement with physical delivery will be considered bids at the instrumental price. Energy and price information for these bids will be processed with the matching algorithm as information independent of bids belonging to the relevant units sent by the agent for the day-ahead market:

- a) Complex conditions which may have been included by the agent in the bid sent for the day-ahead market will not be applicable to the energy assigned to the bids from open positions on the futures market.
- b) The matching process on the day-ahead market will be carried out in accordance with the rule provided for this purpose, and both bids in the same production unit will be treated separately.

### **30.2. MATCHING PROCESS SCHEDULE.**

The purpose of the Euphemia matching algorithm is to optimise what is referred to as “welfare”, which corresponds to the sum for the combined total of all the hourly periods in the programming horizon of the gain from the purchase bids, plus the gain from the sale bids, plus the congestion charge. Gain in terms of purchase bids is understood to be the difference between the price of the matched purchase bid and the marginal price received, and the gain in terms of sale bids is understood to be the difference between the marginal price received and the price of the matched sale bid.

The Euphemia algorithm considers stepwise aggregate curves, which correspond to the curves for which the start price for the acceptance of a block of energy and the full acceptance price for said block of energy coincide, and to interpolated aggregate curves, which are those curves for which the start price for the acceptance of a block of energy and the full acceptance price for said block of energy differ in at least one minimum step between bid prices. For the processing of both types of curves, the Euphemia algorithm performs the matching process with the accuracy of the price values and energy values exceeding the ceiling of decimals specified for the submission of bids. Once the matching process has been completed, the figures for energies and prices are rounded off according to the accuracy specified in each market. The accuracy established for the Iberian market is two decimal points for prices, stated in euros per MWh, and one decimal point for energies, stated in MWh.

In each market, the Euphemia algorithm considers each one’s specific complex conditions or block conditions, with the conditions for bids in the Iberian market being as stipulated in these rules.

The result of the Euphemia logarithm is limited to the interchange established in each market between production zones. Accordingly, the net flow between the Iberian market’s internal production zone (flow between Spain and Portugal) and the Iberian system’s frontiers (flow between Spain and France, and flow between Spain and Morocco), will be restricted to the capacity available for the market as notified by the system operators responsible for said notification.

The Euphemia algorithm treats all simple bids as a single bid, being the combined total of all the simple bids in the production zone. Once the matching process has been completed, the market operator shall proceed to allocate the matched and unmatched blocks of the simple bids in each production zone.

Once Euphemia's matching process has been made, allocation will be made of the values of the matched and unmatched energy blocks of all the bids that have declared any one of the complex conditions, as well as the values of the matched and unmatched energy blocks for the sum of bids that have not declared a complex condition.

In order to perform the matching, the algorithm will perform the following operations:

### **30.2.1. ESTABLISHMENT OF THE ECONOMIC PRECEDENCE ORDER OF SALE BIDS AND DETERMINATION OF THE SALES SUPPLY CURVE.**

The Market Operator will establish, for each scheduling period in the day-ahead horizon, the order of financial precedence of sale bids, starting with the lowest, until reaching the highest and covering the energy demand of said scheduling period. In the case that there are energy blocks at the same price, these will be ordered following the criteria below:

- Date, hour, minute and second of insertion in the Market Operator's Information technology System, from the lowest to the highest bid.
- Volume of energy in the block from lowest to highest. In the event the aforesaid date, hour, minute and second also coincide in both bids, they are to be ordered according to the amount of energy in the block.
- Alphabetical order, from the lowest to the highest. In the event that the amount of energy is also the same, bids will be ordered alphabetically, if applicable, in descending order.

The Market Operator will determine the aggregate sale bid curve, adding the price of the amounts of energy tendered in descending order and regardless of the sales units said amounts correspond to.

For the execution of the Euphemia matching algorithm, two aggregate sales curves will be plotted for each production zone:

- The first aggregate sales bid curves will contain all the blocks of all the simple bids.. The energy tendered at the same price will be aggregated to that price with no differentiation. The curve will not feature any identification of the production units to which they correspond.
- The second aggregate sales bid curves will contain all the blocks of the economic order of precedence that are not contained in the first aggregate sales bid curves, without aggregating the energy tendered at the same price, and featuring the identification of the production blocks that belong to the same tender. The curve will not feature any identification of the production units to which they correspond.

### **30.2.2. DETERMINATION OF THE PURCHASE CURVE.**

The Market Operator shall establish, for each scheduling period in the day-ahead horizon, the order of financial precedence of purchase bids, starting with the highest, until reaching the lowest and covering the energy demand of said scheduling period.

Whenever there are energy blocks at the same price, these will be ordered following the criteria below:

- Date, hour, minute and second of insertion in the Market Operator's Information technology System, from the lowest to the highest bid.
- Volume of energy in the block from lowest to highest. Whenever the aforesaid date, hour, minute and second also coincide in both bids, these are to be ordered according to the amount of energy in the block.
- Alphabetical order, from the lowest to the highest. Whenever the amount of energy is also the same, bids will be ordered alphabetically, if applicable, in descending order.

The Market Operator shall determine the aggregate sale bid curve, adding the price of the amounts of energy tendered in descending order and regardless of the purchase unit said amounts correspond to.

To execute the Euphemia matching algorithm, an aggregate sale bid curve will be plotted for each production zone, which will contain all the blocks of all the purchase bids. The energy tendered at the same price will be aggregated to that price with no differentiation. The curve will not feature any identification of the production units to which they correspond.

### **30.3. PROCESSING BIDS WITH THE COMPLEX CONDITION OF MINIMUM INCOME.**

The Euphemia algorithm performs a matching process with an accuracy exceeding the two decimal points established for the prices of bids in the Iberian market and with an accuracy exceeding the one decimal point established for the energies in bids on the Iberian market.

Although the Euphemia algorithm considers the complex conditions established in these rules, needing to fulfil the conditions said conditions lay down, validation of compliance with the complex condition on minimum income will be made with the value of the prices and energies used in the matching process prior to rounding, whereby a bid may be matched, with the value being the sum of the fixed term plus the variable term multiplied by the final energy matched once the rounding has been performed, lower than the sum of the multiplication of the matched energy once the rounding has been performed, by the marginal hourly price once the rounding has been performed.

### **30.4. PROCESSING BIDS WITH THE COMPLEX CONDITION OF GRADIENTS.**

In the application of the complex condition of load gradient, a block of energy tendered at a price higher than the marginal may be matched, if the acceptance of said production block allows matching more energy in adjacent programming periods, such that a solution is obtained with greater welfare, fulfilling all the other conditions of the algorithm.

### **30.5. RE-MATCHING PROCESS IN THE IBERIAN DAY-AHEAD MARKET.**

Once the day-ahead market's matching process has been completed, and once the result has been confirmed by both OMIE and all the market operators undertaking the matching coupled to the Iberian market, the results of the flows through the France-Spain interconnection, referred to as end prices, shall be final.

If an error were to be detected in the matching process within a due period after the publication of the Day-ahead Base Matching Programme (PDBC), the Iberian market operator, following a consultation with the operators of the Spanish and Portuguese systems, shall proceed to repeat the matching process in a decoupled manner from all the other European markets, maintaining the flow in the interconnection between Spain and France resulting from the previous matching process. The outcome of the re-matching process will be a new complete result for the matching of the Iberian day-ahead market, which will replace the previous result and be the one applied to the settlement process, albeit with the exception as detailed forthwith. For the purpose of the financial valuation of the flow at the interconnection with France, as well as for the purpose of calculating the congestion charge at said interconnection, application shall be made of the price in the Spanish system referred to as the end price, which corresponds to the common matching confirmed by European market operators.

### **30.6. REOPENING THE RECEPTION OF BIDS FOR THE DAY-AHEAD MARKET SESSION.**

If, after the day-ahead market matching process carried out at any hour, the matching price exceeds any of the price thresholds established in Annex 2 for the case of Second Matching (or “Second Auction” in English) in any of the bidding areas, or if any of the situations contemplated in the local procedures of any of the market operators occurs, such that the reception of bids is reopened at the day-ahead market session in the scope of operation of said market operator. Given that said opening implies a new matching process for all markets, the Iberian market operator may open the period for bid reception to said session of the day-ahead market for all Iberian market agents, for a period of time consistent with the reopening of the process of reception of bids in the rest of the markets. The Iberian market operator will inform all agents, by means of a message on the agents website, of the reopening times of the session and the reason for said reopening.

Likewise, in the event of any one of the contingencies considered in the common procedures for the development of the day-ahead market matching process that leads to a situation of partial or full decoupling of any one of the interconnected price zones, the Iberian market operator may open the period for the reception of bids for the day-ahead market session for all the agents on the Iberian market, for a period of time that is consistent with common procedures for the development of the matching. The Iberian market operator shall inform all the agents, by means of a message posted on the agents’ website, of the timetable for the reopening of the session and the reason such a step has been taken.

### **RULE 31. RESULT OF THE DAY-AHEAD MARKET MATCHING PROCESS.**

Once Euphemia’s matching process has been completed, allocation will have been made of the values of the matched and unmatched blocks of all the bids that have declared one of the complex conditions of gradients, minimum incomes and scheduled stoppage, as well as the values of the matched and unmatched blocks of energy for the sum of bids that have not declared any one of the aforementioned complex conditions.

In the case of shared property production units, energies matched will be assigned to each co-owner in proportion to the difference between the total energy of the matched unit on the day-ahead market plus the energy committed in all bilateral contracts

multiplied by ownership percentages and information on energy assigned to the co-owner to be committed in bilateral contracts.

If the energy matched on the day-ahead market plus energy declared to be assigned to each agent exceeds the maximum energy available, or the energy declared to be assigned to an agent exceeds the assigned energy according to its percentage of energy property foreseeable in the BOS, none of the declarations will be taken into account and, therefore, the percentages of property over the unit of each one of the agents will be used.

## **RULE 32. CALCULATION OF THE SCHEDULE RESULTING FROM THE MATCHING PROCESS IN THE DAY-AHEAD MARKET.**

The Market Operator shall notify the market participants of the contents of the base matching schedule, and shall inform of the schedule that corresponds to their production or purchasing units, according to the terms established in these rules.

The Market Operator will provide the System Operators with the content of the schedule resulting from the relevant matching process, with the previous assignment of values assigned to the Generic Production unit and the values assigned to the Generic Purchase Unit, with their relevant symbol. The Generic Production unit will have negative and positive values, according to whether it is a sales or purchase bid, and it will serve exclusively to put the matching result at the disposal of the System Operators.

### **32.1. ESTABLISHMENT OF THE ECONOMIC PRECEDENCE ORDER OF MATCHED BIDS IN THE MATCHING PROCESS.**

The Market Operator will establish the order of precedence matched bids, bids partially matched and not matched taking as a basis bided energy blocks and their prices, without considering any complex bid conditions. This order will take into account the following:

In the event that two bid blocks are priced at the same price, these will be ordered in decreasing date, hour, minute and second order, and depending on their insertion in the Market Operator's Information technology System.

In the event that the said date, hour, minute and second also coincide in both bids, these will be ordered inversely from a higher to a lower amount of energy within the block.

In the event that the amount of energy is also the same, bids will be ordered alphabetically, if applicable, in descending order.

## **RULE 33. INFORMATION ON THE ACCEPTANCE AND VALIDATION PROCESS OF BIDS AND THE RESULT OF THE DAY-AHEAD MARKET MATCHING PROCESS.**

As a consequence of acceptance processes, bid validation and the result of the day-ahead market matching, the Market Operator will generate the following information, which will become available as is described below:

- a) Information on the bid acceptance and validation process

- The result of the acceptance or not and validation both of the insertion of the bid as well as its validation prior to matching will be made available to market agents. The reasons for their exclusion will be delivered under the terms set out in the current rules when this is requested by the agents. This information shall be accessible at the time it is produced.
- Valid purchasing or sales unit bids presented during the session.

The System Operators with the confidentiality in the Rules and the market agents will be informed on the set of valid purchase and sale bids presented on each day-ahead market session, respecting confidentiality agreements in compliance with these rules, after the result of the day-ahead market matching session.

b) Information on the day-ahead market matching result

- Matching price result.

It will be generated as a consequence of the matching process and it will also be made available to market agents and the System Operators. This information will be published after it is produced.

The Day-ahead Market Operator shall provide the Futures Market Operator, within two hours of the close of the day-ahead market, with the contracting volumes and prices traded in each hour in the Day-ahead Market for the following day.

- Matching Schedule Result.

The Matching Day-Ahead schedule (PDBC) will be generated as a consequence of the matching process on the day-ahead market and it will also be made available to market agents and the System Operators in compliance with the confidentiality in the Rules, immediately after it is produced.

- The order of financial precedence.

It will be generated as a consequence of the matching process on the day-ahead market and it will also be made available to the System Operator immediately after it is produced.

- Aggregate supply and demand curves.

For each grouping of production zones with the same price, the aggregate sale and purchase curves will be generated as a consequence of the matching process for each of the scheduling periods on the day-ahead market, and this information will be public. It will be made available to market agents in compliance with the confidentiality in the Rules, and published after it is produced.

- Occupation of each international interconnection per hour indicating the maximum import and export sales capacity for each interconnection, the busy capacity in each flow direction and interconnection, the capacity occupied by a declaration of capacity use rights and the free capacity in each flow direction and interconnection. This information will be generated as a result of the day-ahead market settlement for each scheduling period of the day-ahead market and the information will be publicly available.

- Result of the physical delivery process. The Day-ahead Market operator will put the result of the physical delivery process at the disposal of the Futures Market Operator, with three possible outcomes:

- a) That bids have already been matched.
- b) That bids have been partially matched.

c) That bids have been rejected before the matching process on the Day-ahead Market because they do not comply with Day-ahead Market Regulations or because the agent has not received the relevant disaggregation

#### **RULE 34. EXCEPTIONAL SITUATIONS.**

For the purposes of the provisions of these Market Operating Rules, exceptional situations are those which make it impossible to perform the bid submittal correctly and acceptance process or the matching process.

The situations referred to by the preceding paragraph can be the result, by way of example, of one or more of the following circumstances:

a) Insufficient supply of electricity for sale to satisfy the demand.

In this case the Market Operator shall establish the order of financial precedence of the available sale bids, and shall send the said order to the system operators with the confidentiality in the Rules with a deficit for the hourly scheduling periods in which the said insufficient demand occurs.

b) Impossibility of undertaking, prior to the set deadline, the matching process with the Euphemia algorithm for the sum of markets.

In the event the deadline for the decoupling of all the markets is reached, the matching of the Iberian market shall be performed in a decoupled manner considering the capacity in the market with the French system to be null.

c) Force majeure:

c.1. If a situation of force majeure were foreseeable, but inevitable, the Market Operator would perform advance matchings, expanding, for this purpose, the day-ahead scheduling horizon so that it would include the hourly scheduling periods in the case that the exceptional situation continues. If the force majeure situation were impossible to predict, the Market Operator could determine matching by using the historical algorithm referred to as SIOM (IT system of the market operator) with the necessary adjustments in the sale and purchase bids submitted by the agents for the use of said algorithm. Whenever necessary, the matching may be made using log data.

c.2. If the force majeure situation is due to failures in the information technology equipment, malfunction of information technology applications or communications of the market operator or the European market coupling system that prevent their proper functioning. The market operator may arbitrate measures of equal content to those of point c.1) above.

d) Impossibility of determining matching as a result of the technical and financial conditions of complex bids. The Market operator may arbitrate measures with the same content as those in point c.1) above.

If the impossibility of determining the matching persists, the Market Operator shall proceed to determine the matching using the historical algorithm referred to as SIOM (IT system of the market operator) with the necessary adjustments in the sale and purchase bids submitted by the agents for the use of said algorithm. Whenever necessary, the matching may be made using log data.

#### **RULE 35. DAY-AHEAD MARKET SETTLEMENT.**

The market operator shall determine the power settlement for each participant in the daily electric power production market and in each scheduling period, for each purchasing unit and selling unit, which has been included in the schedule resulting from matching in each scheduling period. Likewise, the market operator shall determine the settlement of the energy flow in the interconnection between Spain and France and of the congestion rent generated in the different interconnections of the Spanish electricity system..

In order to perform the aforementioned settlements, the market operator shall make corresponding entries in the register which it shall keep for this purpose for each unit.

### **35.1. PRICES TO BE CONSIDERED FOR THE PURPOSES OF THE SETTLEMENT OF ELECTRICITY SALES IN THE DAY-AHEAD MARKET.**

Sellers who operate on the day-ahead market will receive for each sales unit and for each scheduling period in which the marginal price is positive, a remuneration that will incorporate the marginal price on the day-ahead market in each scheduling period of the bidding area where the unit is located.

Sellers operating in the day-ahead market will pay, for each selling unit and for each scheduling period in which the marginal price is negative, a payment that will incorporate the marginal price in the day-ahead market of each scheduling period of the bidding zone in which the unit is located.

The Market Operator will carry out the day-ahead settlement of electric power for each seller who participates on the day-ahead market and for each sales unit which has been incorporated in the resulting matching schedule in each scheduling period.

In order to carry out these settlements, the Market Operator will carry out the relevant entries in the books on the registry created for this purpose for each sales unit.

### **35.2. PRICES TO CONSIDER IN THE SETTLEMENT OF ELECTRICITY PURCHASE PRICES IN THE DAY-AHEAD MARKET.**

Buyers that operate in the day-ahead market will pay, for the electrical energy purchased incorporated in the program resulting from the matching process and for each scheduling period in which the marginal price is positive, a payment that will incorporate the marginal price in the day-ahead market of each scheduling period of the bidding area, in which the purchasing unit is located.

Buyers who operate in the day-ahead market will receive, for the electrical energy acquired incorporated in the program resulting from the matching process and for each scheduling period in which the marginal price is negative, a remuneration that will incorporate the marginal price in the day-ahead market of each scheduling period of the bidding area, in which the purchasing unit is located.

### **35.3. DEBT COLLECTION RIGHTS IN THE DAY-AHEAD MARKET.**

The seller whose bids have been matched during the day-ahead market trading session and incorporated in the schedule resulting from the matching process will have a debt collection right which is calculated as the result of the energy whose production is assigned in each scheduling period in which the marginal price is positive to its production unit, or a production unit it is not the owner of but which it represents in its own name and on behalf of another, for the marginal price set for this unit and for the production zone where the unit is located. It is considered accordingly that the sales units to which settlement are to be made of the energy imported by Spain from France, as a result of the matching process, are located in the Spanish production zone. The owners of said production unit will be the French market operator or the agent empowered by it to perform said settlement.

Seller debt collection rights for each selling bidding unit in hour h will be:

$$DCPBC(up, h, z) = EPBC(up, h, z) * PMH(h, z)$$

Where:

DCPBC (pl,h,z): Seller debt collection right for energy corresponding to the production unit up, located in the bidding zone z, at hour h.

EPBC (pl,h,z): Energy assigned to the sales or physical unit up, located in the bidding zone z, in hour h on the day-ahead market (PBC).

PMH (h,z): Marginal positive hourly price corresponding to the hour h on the day-ahead market (PBC) in the bidding zone z. In the event a new matching is performed according to the rule "Re-matching the Iberian Day-ahead Market" the price to be considered shall be the one corresponding to said re-matching, except for the interchanges of energy between Spain and France that are to be settled at the price in the Spanish production zone corresponding to the end result of the matching confirmed by the market operators.

The buyer whose purchase bids have been matched in the day-ahead market session and incorporated into the schedule resulting from the matching process will have a collection right, which will be calculated as the product of the electrical energy whose acquisition is assigned in each scheduling period, in which the marginal price is negative, to the acquisition unit of which it is the owner, or not of its ownership but which it represents in its own name and on behalf of others, for the marginal price set for it for the bidding area in which the unit is located. For these purposes, it is considered that the acquisition units to which the settlement of the energy exported from Spain to France will be carried out as a result of the matching process, are located in the Spanish bidding zone. The holders of said bidding units will be the market operators designated in France or entities authorized by them to carry out said settlement.

The buyer's collection right for each purchase bidding unit in hour h will be:

$$DCPBC(ua, h, z) = EPBC(ua, h, z) * PMH(h, z)$$

Where:

DCPBC (ua, h, z): Buyer's collection right for the energy corresponding to the acquisition unit ua, located in the bidding zone z, at hour h.

EPBC (ua, h, z): Energy assigned to the purchase bidding unit ua, located in the bidding zone z, at hour h on the day-ahead market (PDBC).

PMH (h, z): Negative hourly marginal price corresponding to hour h in the day-ahead market (PDBC) in the bidding zone z corresponding to the final result of the matching process. In the event of a new matching process in accordance with the “Re-matching of the Iberian Market” Rule, the price to be considered will be that corresponding to said matching process, except for energy exchanges between Spain and France, which will be settled at the price of the Spanish bidding zone corresponding to the final result of the matching process confirmed by the market operators.

#### **35.4. PAYMENT DUTIES IN THE DAY-AHEAD MARKET.**

The buyer whose purchase bids have been matched during the day-ahead market trading session and incorporated in the schedule resulting from the matching process will have a duty to pay in each scheduling period in which the marginal price is positive, which shall be calculated as the product of the energy assigned in each scheduling period to its purchasing unit, or a purchasing unit it is not the owner of but which it represents in its own name and on behalf of another, for the marginal price set for this unit for the bidding zone where the unit is located. It is considered accordingly that the purchase unit to which settlement is to be made of the energy exported from Spain to France, as a result of the matching, is located in the Spanish production zone. The owner of said production unit will be the French market operator or the agent empowered by it to perform said settlement.

The buyers' duty for each purchasing bidding unit in hour h will be the following:

$$OPPBC(ua,h,z) = EPBC(ua,h,z) * PMH(h,z)$$

Where:

OPPBC (ua, h,z): Payment duty of the buyer for energy corresponding to the purchasing unit ua, located in bidding zone z, at hour h.

EPBC (ua, h,z): Energy assigned to the purchasing unit ua, located in bidding zone z, in hour h on the day-ahead market (PDBC).

PMH (h,z): Positive hourly marginal price corresponding to hour h on the day-ahead market (PDBC) in bidding zone z corresponding to the final result of the matching process. In the event a new matching is performed according to the rule “Re-matching the Iberian Day-ahead Market” the price to be considered shall be the one corresponding to said re-matching, except for the interchanges of energy between Spain and France that are to be settled at the price in the Spanish production zone corresponding to the end result of the matching confirmed by the market operators.

The seller whose sales bids have been matched in the day-ahead market session and incorporated into the schedule resulting from the matching session, will have a payment obligation, which will be calculated as the product of the energy whose production is assigned in each scheduling period, in which the marginal price is negative, to the production unit of which it is the owner, or not of its ownership but which it represents in its own name and on behalf of others, for the marginal price set for it and for the bidding area in which the unit is located. For these purposes, it is considered that the sales units to which the settlement of the energy imported to Spain from France will be done, as a result of the matching session, are located in the Spanish bidding area. The holders of said bidding units will be the market operators designated in France or entities authorized by them to carry out said settlement.

The seller's payment obligation for each unit of sale bid in hour h will be:

$$\text{OPPBC}(\text{up}, \text{h}, \text{z}) = \text{EPBC}(\text{up}, \text{h}, \text{z}) * \text{PMH}(\text{h}, \text{z})$$

Where:

OPPBC (up, h, z): The seller's obligation to pay for the energy corresponding to the up production unit, located in the bidding zone z, at hour h.

EPBC (up, h, z): Energy assigned to the sales unit, up, located in the bidding zone z, at hour h, on the day-ahead market (PDBC).

PMH (h, z): Negative hourly marginal price corresponding to hour h in the day-ahead market (PDBC) in the bidding zone z. In the event of a new matching session in accordance with the "Re-matching of the Iberian Day-ahead Market" Rule, the price to be considered will be that corresponding to said re-matching, except for energy exchanges between Spain and France, which will be settled at the price of the area of Spanish bidding zone corresponding to the final result of the matching session confirmed by the market operators.

### **35.5. INCOME ON THE DAY-AHEAD MARKET DUE TO THE MARKET SPLITTING PROCESS.**

The settlement of the day-ahead market, following the process of market splitting at each interconnection, shall give rise to revenues referred to as 'congestion charges' which are to be calculated as the product of the interchange capacity effectively used within the framework of the market splitting process in each programming period for the difference of the marginal prices set for the same in each one of the production zones located on both sides of the interconnection.

#### **35.5.1. CONGESTION RENT IN THE DAY-AHEAD MARKET AT THE INTERCONNECTION BETWEEN SPAIN AND PORTUGAL.**

The congestion charge generated at the interconnection between Spain and Portugal shall be shared equally between the operators of the Spanish and Portuguese electricity system.

Each system operator will therefore be allocated a direct credit collection right in hour h as:

$$\text{DCPBCPTES\_CI}(h) = 0,5 * \text{abs}(\text{EPBCPTES}(h)) * \text{abs}(\text{PMH}(h,z1) - \text{PMH}(h,z2))$$

Where:

DCPBCPTES\_CI (h): Collecting right in hour h, in the day-ahead market, allocated in the account of the system operators of Spanish and Portugal, for the application of the market splitting process between the biddings zones.

EPBCPTES (h): The exchange capacity effectively used in the framework of the splitting process in hour h in the bidding zones.

z1,z2: Sub-indexes referring to the Spanish and Portuguese zones, respectively.

#### **35.5.2. CONGESTION RENT IN THE DAY-AHEAD MARKET AT THE INTERCONNECTION BETWEEN SPAIN AND FRANCE.**

The congestion charge generated at the interconnection between Spain and France shall be shared equally between the operators of the Spanish and French electricity system.

A payment obligation will be debited to the account of the French electricity system operator in hour h as:

$$\text{OPPBCFRES\_CI}(h) = 0.5 * \text{abs}(\text{EPBCFRES}(h)) * \text{abs}(\text{PMH}(h,z1) - \text{PMH}(h,z3))$$

A collection right will be credited to the account of the Spanish electricity system operator in hour h as:

$$\text{DCPBCFRES\_CI}(h) = 0,5 * \text{abs}(\text{EPBCFRES}(h)) * \text{abs}(\text{PMH}(h,z1) - \text{PMH}(h,z3))$$

Furthermore, in the event a new matching is performed according to the rule “Re-matching the Iberian Day-ahead Market” the following entries shall be credited to the account of the Spanish electricity system operator in hour h:

- If  $\text{PMH}'(h,z1) > \text{PMH}(h,z1) > \text{PMH}(h,z3)$  or  $\text{PMH}'(h,z1) < \text{PMH}(h,z1) < \text{PMH}(h,z3)$

$$\text{DCPBCFRESAJ\_CI}(h) = \text{abs}(\text{EPBCFRES}(h)) * \text{abs}(\text{PMH}'(h,z1) - \text{PMH}(h,z1))$$

- If  $\text{PMH}(h,z1) > \text{PMH}(h,z3)$  y  $\text{PMH}(h,z1) > \text{PMH}'(h,z1)$

or  $\text{PMH}(h,z1) < \text{PMH}(h,z3)$  y  $\text{PMH}(h,z1) < \text{PMH}'(h,z1)$

$$\text{OPPBCFRESAJ\_CI}(h) = \text{abs}(\text{EPBCFRES}(h)) * \text{abs}(\text{PMH}'(h,z1) - \text{PMH}(h,z1))$$

Where:

$\text{DCPBCFRES\_CI}(h)$ : Collection right in hour h, in the day-ahead market, allocated to the Spanish system operator, for the application of the market splitting process between the Spanish and French bidding zones.

$\text{OPPBCFRES\_CI}(h)$ : Payment obligation in hour h, in the day-ahead market, allocated to the French system, for the application of the market splitting process between the Spanish and French bidding zones.

$\text{DCPBCFRESAJ\_CI}(h)$ : Collection right in hour h, in the day-ahead market, allocated in the account of the Spanish system operator adjusted as a result of the re-matching of the Iberian day-ahead market and of the market splitting process between the Spanish and French bidding zones.

$\text{OPPBCFRESAJ\_CI}(h)$ : Payment obligation in hour h, in the day-ahead market, allocated in the account of the Spanish system adjusted as a result of the re-matching of the Iberian Market and the market splitting process between the Spanish and French bidding zones.

$\text{EPBCFRES}(h)$ : Interchange capacity effectively used within the framework of the market splitting process in hour h between the Spanish and French bidding zones.

$\text{PMH}'(h,z)$ : Marginal hourly price corresponding to hour h in the day-ahead market (PBC) in bidding zone z arising from the matching provided for in the rule “Re-matching the Iberian Day-ahead Market”.

$z1, z3$ : Sub-indexes referring to the Spanish and French zones, respectively.

## **35.6. PUBLICATION OF DAY-AHEAD MARKET SETTLEMENT RESULTS.**

In accordance with general confidentiality regulations established in this rule, after each day-ahead market session the Market Operator will make the following information

available to market agents using its information system: the results on debt collection rights and payment duties derived from the said market, for the day-ahead scheduling horizon corresponding to each trading session.

The entries corresponding to each contracting session shall be provisional when:

- a) The corresponding matching is provisional according to the rule "SEQUENCE OF OPERATIONS IN THE DAY-AHEAD MARKET"
- b) The existence of pending claims regarding the development of any trading session of the market.
- c) The subsequent appearance of erroneous values in the settlement.

These entries shall become final when none of the above circumstances concurs, except when for one or more of these reasons a new settlement has to be made, in which case the new entries shall be final when there is no concurrence of any cause for provisional consideration among those mentioned in the preceding paragraphs.

The operators of the system will make available to the market operator within 15 minutes of the closing of the first session of the intraday auction market the final Viable Day-ahead Program (PDVD), for the purpose of carrying out the validations to the bids of the intraday market of Auctions

## **CHAPTER SEVEN. SCHEDULES RECEIVED AFTER THE DAY-AHEAD MARKET OPENS.**

### **RULE 36. BASE OPERATIONAL SCHEDULE.**

The Base Daily Operating Schedule (PDBF) shall contain the results of the daily market matching, the base daily matching schedule (PDBC), and the notifications for bilateral contract declarations..

The System Operators shall provide the Market Operator with the Day-ahead Base Operating Schedule (PDBF) before the deadline specified in these rules, as well as reports on declarations of international bilateral contracts in order to comply with applicable legislation on the confirmation of the submission of bids on the day-ahead market. The Market Operator will make this information, as well as the conversion of said information into production units, readily available for the agents.

### **RULE 37. FEASIBLE DAY-AHEAD SCHEDULE.**

The Provisional Viable Daily Schedule (PDVP) will be the Base Daily Operating Schedule (PDBF) plus the result of the PDBF technical restrictions solution process from the system operators.

The Provisional Viable Daily Schedule (PDVP) may be modified by the system operators during normal operations until they confirm it as final, and this schedule will be considered from this moment on as the Final Viable Daily Schedule (PDVD).

The market operator shall convert these schedules into bid units and make them available to the agents.

## **CHAPTER EIGHT. INTRADAY AUCTION MARKETS.**

### **RULE 38. PURPOSE AND BASIC CONCEPTS OF THE INTRADAY AUCTION MARKET.**

The purpose of intraday markets is to attend to the sale and acquisition of energy in the hours following the closure of the day-ahead market, subsequent to the Definitive Feasible Day-ahead Schedule (PDVD) being set.

The intraday auctions market is structured in sessions in accordance with the following rules:

- a) Once the feasible day-ahead schedule is set, the intraday market auction sessions may begin for schedule periods included in said feasible day-ahead schedule and, where applicable, in the one prior to the current one.
- b) Each intraday market session may have the purpose of one or several schedule periods, provided the feasible day-ahead schedule is published before the closing of said session.
- c) Each schedule period may be subject to successive intraday market auction sessions.

Schedule periods for which no feasible day-ahead schedule exists cannot be included in intraday market auction sessions.

The initial time for the submission of bids and bids on the intraday auction market, and the time limit for the submission of bids and bids, shall be as set out in Annex 1. The timetable for the intraday auction market session processes shall be as set out in Annex 1.

### **RULE 39. BIDS ON THE INTRADAY AUCTION MARKET.**

#### **39.1. PURPOSE AND CONTENT OF PURCHASE AND SALE BIDS.**

Purchase and sale bids may be simple or complex depending on their content. Complex bids are simple bids that include, in addition to the simple bid, some of the complex conditions set out in these rules.

Several sale and/or purchase bids may be submitted for the same scheduling period and the same sale or acquisition unit, which shall be treated independently.

Those generic sale or purchase bid units that have a non-zero schedule after the daily market session shall dispose of said schedule by submitting bids to the intraday auction sessions.

For each scheduling period, the market operator shall assign the selling balance of the generic scheduling unit to the generic sale bidding unit and the purchasing balance of the generic scheduling unit for the Final Viable Daily Schedule (PDVD) for the first intraday auction and the Base Intraday Accumulated Matching Schedule (PIBCA) for the previous intraday auction for the rest of the auctions for the generic purchase bidding unit.

For the periods traded for the last time within the timeframe of each intraday market, the agents who in the Base Intraday Accumulated Matching Schedule (PIBCA) prior to

said session have a schedule other than zero (0) for generic sale or purchase bid units must eliminate this capacity by submitting the corresponding bids.

### **39.1.1. SIMPLE BIDS.**

These are bids submitted for one or several scheduling periods with a price and a quantity of energy, and for each scheduling period that is the object of the bid, there may be up to a maximum of five blocks for the same bid, with a different price for each of said blocks. Simple bids do not include any additional conditions that must be taken into account for matching.

### **39.1.2. COMPLEX SINGLE BLOCK BIDS.**

Sellers and buyers may include the characteristic of a single block in the bids they submit for each sale or purchase unit.

The limitations derived from handling this type of bid will only affect the energies included in such bids, and not the energies allocated in previous markets.

- A bid with this characteristic will include:
- Type of bid, which must necessarily be a purchase or sale bid.
- Price of the first energy block (single value).
- Minimum Acceptance Ratio: This value sets the minimum amount of energy as a percent that, in the event that the bid is matched, will be for a volume of energy greater than or equal to that indicated in each of the periods bided.
- Value of energy bided in each period. Bids with a simple block condition may only declare energy values in the first block.

The description of the simple block product is listed in Article 6 of the “ACER Decision on ID products: Annex I, Products that can be taken into account by NEMOs in the intraday coupling process in accordance with Article 53 of the Commission Regulation (EU) 2015/1222 from July 24, 2015, establishing a guideline on capacity allocation and congestion management from January 30, 2020” document.

In addition, the description of the algorithm agreed upon by all European market operators is available on the market operator’s public website, under the title “EUPHEMIA Public Description. Single Price Coupling Algorithm.”

## **39.2. FORMAT FOR SUBMITTING PURCHASE OR SALE BIDS.**

Bids shall be in the format described below, regarding their content:

- a) Purchase or sale unit code.
- b) Bid number. Bid number for the same bid unit.
- c) Bid description. Alphanumeric field not used by the algorithm.
- d) Bid type: purchase or sale.
- e) Currency unit: Euro.
- f) Type of adjustment according to the codes defined in the Market Operator's information system.

For each simple bid block and scheduling period:

- Date of the trading timeframe for the intraday auction session.
- Hourly trading period for the intraday auction session.
- Block number for the bid.
- Quantity of energy in MWh with a maximum of one decimal place.
- Bid price in euros per MWh, with a maximum of two decimal places. The price included in the bid must be within the maximum and minimum range of prices accepted for the intraday market described in Appendix 3.

For bids with simple block condition:

- Date of the trading timeframe for the intraday auction session.
- Hourly trading period for the intraday auction session.
- Bid price in Euros per MWh, with a maximum of two decimal places. It must be within the maximum and minimum range of prices accepted for the intraday market and described in Appendix 3.
- Minimum percentage of acceptance of matched energy with a value between 0 and 100 (both values included) and with a maximum of up to 1 decimal place.
- Quantity of energy to be bided in MWh in each bid period, with a maximum of 1 decimal place.

### **39.3. INFORMATION RECEIVED FROM THE SYSTEM OPERATORS: BASE DAILY OPERATING SCHEDULE, VIABLE DAILY SCHEDULE, UNAVAILABILITY, COMMERCIAL CAPACITIES FOR THE INTERNATIONAL INTERCONNECTIONS, LIMITATIONS ON THE POSSIBILITY OF BIDDING.**

The information sent by the system operators to the Market Operator Information System about the Base Daily Operating Schedule (PDBF), the Provisional Viable Daily Schedule (PDVP), and its confirmation to be able to consider the Final Daily Viable Schedule (PDVD), unavailability, limitations, and information about the capacities for the international interconnections sent by the European Central Contracting Platform shall be taken into account during the bid validation process and the matching process, using the incorporation schedule for matching purposes described in Appendix 1 for each intraday session.

#### **39.3.1. INCORPORATING THE BASE OPERATING SCHEDULE.**

The system operators shall make the Base Daily Operating Schedule (PDBF) available to the market operator before the opening of the bid submission period for the first session of the intraday market, which shall be taken into account at the time of entering bids for said session for the purpose of making provisionally validating bids, as long as the Provisional Viable Daily Schedule (PDVP) is not available.

### **39.3.2. INCORPORATING THE VIABLE DAILY SCHEDULE.**

The system operators shall make the Provisional Viable Daily Schedule (PDVP) available to the market operator 15 minutes before the close of the first session of the intraday auction market during normal operations. This schedule shall be taken into account for the purpose of validating bids for the intraday auction market until it is confirmed by the system operators, at which time it shall be considered as the Final Viable Daily Schedule (PDVD) for the purpose of performing validations and subsequent sessions and rounds of the intraday market.

Under normal operating conditions, the Provisional Viable Daily Schedule (PDVP) shall be confirmed by the system operators before the close of the first auction session of the intraday market. Market agents may update previously submitted bids until the close of the bid submission period of the session, if applicable, and these bids shall be definitively validated at the close of the bid submission period.

In the event that the confirmation of the Provisional Viable Daily Schedule (PDVP) of any system operator is received after the close of the bid submission period of the first session and before the market operator confirms the results of the matching of the European coupling session, the market operator shall make its best efforts to avoid canceling this auction.

### **39.3.3. DEFINING AND INCORPORATING INFORMATION ON UNAVAILABILITIES.**

Information on unavailability for each price zone will be sent by the corresponding system operator to the Market Operator's Information System and will contain all the unavailability declared by the market agents.

The unavailability shall be sent as physical units. Consequently, the market operator shall consider that all the units not included in the latest information received from the corresponding system operator are available.

Information on unavailability shall be included in the Market Operator's Information System at the time it is received in the Market Operator's Information System, and the time limit for including it for matching purposes shall be the limit described in Appendix 1 for each session.

### **39.3.4. DEFINING AND INCORPORATING INFORMATION ON LIMITATIONS TO THE POSSIBILITY OF BIDDING.**

Information on limitations for each price zone will be sent by the corresponding system operator to the Market Operator's Information System and will contain the limitations for all units that the corresponding system operator establishes for the possibility of bidding in the intraday auction sessions for sale or purchase units.

Only the limitations to the possibility of bidding that are within the scheduling timeframe of the upcoming intraday auction market session will be included.

In the event of unavailability of production or purchasing units, said units shall be exempt from complying with the limitation for the amount of unavailable power.

Information on limitations shall be included in the Market Operator's Information System at the time it is received in the Market Operator's Information System, and the time limit for including it for matching purposes shall be the limit described in Appendix 1 for each session.

### **39.3.5. DEFINING AND INCORPORATING INFORMATION ON COMMERCIAL CAPACITIES FOR INTERNATIONAL INTERCONNECTIONS.**

Information on the import and export capacities regarding the Portuguese and French borders, which will have been previously updated by the system operators, will be sent by the European Continuous Trading Platform to the Market Operator's Information System in order to be allocated through the European intraday auction sessions. This information will contain the values for the maximum available import and export capacities at the border during each period with each of the aforementioned interconnections to the Spanish electricity system.

Information on capacities shall be included in the Market Operator's Information System, and the limit time for including it for the purposes of matching the intraday market sessions shall be the limit described in Appendix 1.

## **39.4. BID VERIFICATION.**

Purchase and sale bids shall be verified by the Market Operator as a prerequisite to their subsequent possible acceptance in accordance with the following:

### **39.4.1. COMMON VERIFICATIONS FOR PURCHASE AND SALE BIDS.**

#### **39.4.1.1. SESSION STATUS VERIFICATION.**

The market operator shall verify, at the time the bid is received in its computer system, in accordance with the submission time available in said computer system, that this submission time is after the opening of the session in the case of the intraday auction market and before the end of the bid acceptance period. In the case of submission of bids by file, if the file has begun to be received in the Market Operator Information System before the deadline for bid submission and the format of the file is correct, the validation process for all the bids included in said file shall be performed, considering for the purposes of controlling the deadline for bid submission the start time of receipt

of the file, entering each bid with the result of the validation with the date and time of completion of the validation.

The agents shall have a period of at least 5 minutes after the integration of the Provisional Viable Daily Schedule (PDVP) and until the close of the period for bid submission to review their bids and update them, if necessary.

#### **39.4.1.2. AGENT VERIFICATION.**

The market operator shall verify, at the time a bid is submitted, that the agent:

- Is registered in the market operator's system and is not suspended by the system operators as a member of the electricity system and
- Is authorized to submit bids for the sale or purchase unit it represents for the periods for which the bid is submitted.

Failure to comply with the verifications above shall result in the rejection of the bids submitted by the agent for the sale or purchase units for which it is not authorized.

#### **39.4.1.3. SALE OR PURCHASE UNIT VERIFICATION.**

The market operator shall verify, at the time of submitting the purchase or sale bid, that the sale or purchase unit for which the bid is submitted is authorized and not suspended from participating in the intraday sessions and belongs to the agent.

#### **39.4.1.4. VERIFICATION OF THE ACCURACY OF THE BID INFORMATION COMPARED TO THE INFORMATION AVAILABLE TO THE MARKET OPERATOR SENT BY THE SYSTEM OPERATORS.**

The market operator shall verify, before the possible acceptance of the bid, that the electric power bid respects the limitations corresponding to the bid unit made available to the market operator by the system operators at the start of the session, in accordance with the "Limitations to the possibility of bidding" Rule and the specific rules according to the type of bid for verifying the maximum power to be bid in a scheduling period. The bid shall be provisionally accepted, even if it does not comply with the previous validation, and the agent responsible for the bidding unit shall be notified of the result of this verification.

The market operator shall repeat this verification at the close of the intraday session for all the purchase and sale bids provisionally accepted during the session.

#### **39.4.1.5. VERIFICATION OF THE ACCURACY OF THE BID WITH THE MAXIMUM POWER CONDITION DECLARED BY THE MARKET OPERATOR.**

The market operator shall verify, at the time of entering each bid received, that the sum of the power bid in all the bid blocks for each of the bid periods does not exceed the value of the maximum power of the bidding unit declared by the market operator.

If the bid does not pass this verification for any of the periods, the bid shall be rejected in its entirety, and the agent responsible for the bidding unit shall be notified of the result of this verification.

#### **39.4.1.6. BID PERIOD VERIFICATION.**

The market operator shall verify, at the time of entering the bid, that bid periods must fall within the matching timeframe for the intraday market session for which the bids are being validated.

### **39.4.2. VERIFICATIONS SPECIFIC TO SALE BIDS.**

#### **39.4.2.1. PRICE ACCURACY VERIFICATION.**

The market operator shall verify, at the time the bid is placed, that:

- The prices of the energies listed in the bids are not higher than the maximum price limits or lower than the minimum price limits indicated in Appendix 3.
- The prices of the energies listed in the bids are not higher or lower than the price notification thresholds indicated in Appendix 3. If the corresponding thresholds are exceeded, the market operator shall inform the agent, in its response to the bid being entered, that the bid exceeds the maximum or minimum price notification thresholds established for the market where the bid is being made. This verification and response shall be of an informative nature for the agent and shall be issued by the market operator without prejudice to any other validation or response that may be performed for the same bid.
- The blocks included in the sale bids for each hour must have strictly increasing prices according to the block number. Empty intermediate blocks are allowed within each hour, with no price and no energy, but not with zero energy.

### **39.4.2.2. VERIFICATIONS FOR THE MAXIMUM ENERGY TO BE BID IN A SCHEDULE PERIOD.**

The market operator shall check the accuracy of the bid data with the information contained in the Market Operator's Information System. The maximum energy to be bid in a scheduling period:

For a sale bid of a sale unit submitted to a session, it shall be provisionally validated that the energy bid in total for each period,

- plus the Base Intraday Accumulated Matching Schedule (PIBCA) for the previous session or the Provisional Viable Daily Schedule (PDVP) for the first session of the intraday market, or in its absence, the Base Daily Operating Schedule (PDBF) if the Provisional Viable Daily Schedule (PDVP) has not been received at that time, for sale units,
- plus the transactions carried out in continuous market rounds subsequent to the last intraday auction session and received before the time the bid being validated is entered,

Shall not exceed any of the following values:

- The maximum energy for the unit in the market operator's database.
- The maximum energy available considering the current unavailability.
- The energy restricted by the limitations.

The bid shall be provisionally accepted, even if it does not comply with the above verification, and the agent responsible for the bidding unit shall be notified of the result of this verification.

For a sale bid for purchase units, submitted to an intraday auction market session, the following shall be provisionally validated:

- The Base Intraday Accumulated Matching Schedule (PIBCA) for the previous session or the Provisional Viable Daily Schedule (PDVP) for the first session of the intraday market, or in its absence, the Base Daily Operating Schedule (PDBF) if the Provisional Viable Daily Schedule (PDVP) has not been received at that time, for purchase units,
- plus the transactions performed in continuous market rounds subsequent to the last intraday auction session and received before the time the bid being validated is entered,
- minus the total energy bid for each period in that bid,

Is higher than the minimum between the energy limited by the current limitations communicated by the system operators or the energy available considering the current unavailability. In any case, the above result must be greater than or equal to zero (0).

The bid shall be provisionally accepted, even if it does not comply with the above verification, and the agent responsible for the bidding unit shall be notified of the result of this verification.

### **39.4.3. VERIFICATIONS SPECIFIC TO PURCHASE BIDS.**

#### **39.4.3.1. PRICE ACCURACY VERIFICATION.**

The market operator shall verify, at the time the bid is placed, that:

- The prices of the energies listed in the bids are not higher than the maximum price limits or lower than the minimum price limits indicated in Appendix 3.
- The prices of the energies listed in the bids are not higher or lower than the price notification thresholds indicated in Appendix 3. If the corresponding thresholds are exceeded, the market operator shall inform the agent, in its response to the bid being entered, that the bid exceeds the maximum or minimum price notification thresholds established for the market where the bid is being made. This verification and response shall be of an informative nature for the agent and shall be issued by the market operator without prejudice to any other validation or response that may be performed for the same bid.
- The blocks included in the purchase bids in each hour must have strictly decreasing prices according to the block number. Empty intermediate blocks are allowed within each hour, with no price and no energy, but not with zero energy.

#### **39.4.3.2. VERIFICATIONS FOR THE MAXIMUM ENERGY TO BE BID IN A SCHEDULING PERIOD.**

The market operator shall check the accuracy of the bid data with the information contained in the Market Operator's Information System.

For a purchase bid of a purchasing unit submitted to a session, it shall be provisionally validated that the energy bid in total for each period:

- plus the Base Intraday Accumulated Matching Schedule (PIBCA) for the previous session or the Provisional Viable Daily Schedule (PDVP) for the first session of the intraday market, or in its absence, the Base Daily Operating Schedule (PDBF) if the Provisional Viable Daily Schedule (PDVP) has not been received at that time, for sale units,
- plus the transactions carried out in continuous market rounds subsequent to the last intraday auction session and received before the start of bid submission for the session at the time of entering the bid being validated, shall not exceed any of the following values:
  - the maximum power of the unit in the market operator's database,
  - the maximum energy available considering current unavailability,
  - the energy restricted by the limitations communicated by the system operators in accordance with the schedules established in Appendix 1.

The bid shall be provisionally accepted, even if it does not comply with the previous verification, and the agent responsible for the bidding unit shall be notified of the result of this verification.

For a bid for the purchase of sale units submitted to an intraday market auction session, it shall be provisionally validated that:

- the Base Intraday Accumulative Matching Schedule (PIBCA) for the previous session or the Provisional Viable Daily Schedule (PDVP) for the first session of the intraday market, or in its absence, the Base Daily Operating Schedule (PDBF) if the Provisional Viable Daily Schedule (PDVP) has not been received at that time, for purchase units,
- plus the transactions carried out in continuous market rounds subsequent to the last intraday auction session and received before the time the bid being validated is entered,
- minus the total energy bid for each period in that bid, is higher than the minimum between the energy limited by the unit limitations enforce communicated by the system operators, or the energy available considering the unavailability in force. In any case, the above result must be greater than or equal to zero (0).

The bid shall be provisionally accepted, even if it does not comply with the previous verification, and the agent responsible for the bidding unit shall be notified of the result of this verification.

#### **39.4.4. VERIFICATION OF COMPLIANCE WITH GUARANTEES.**

The market operator shall verify, at the time the simple or complex bid is placed, that the agent who will settle the bid unit has sufficient guarantees to support the bid in accordance with its valuation.

For the purpose of valuing simple bids, the maximum value for each hour of the product for each price segment, in absolute value, will be added, for all hours, to the sum of the power bid at a price, in absolute value, greater than or equal to it, excluding the negative price segments for purchase bids and the positive price segments for sale bids. As a result, the blocks for simple sale bids at a positive price and the blocks for simple purchase bids at a negative price will have a valuation of zero. Also, applicable taxes and fees will be included.

For the purpose of valuing complex bids with a simple block condition, the value of the average price of the bid, in absolute value, for the energy bid shall be added for all the hours. The applicable taxes and fees shall also be included. Complex sale bids at a positive average bid price and complex purchase bids at a negative average bid price will have a valuation of zero.

The agent to whom the bid unit is to be settled will be the sole agent except in the case of a jointly owned bid unit. In that case, each of the holding agents must have sufficient collateral to support the percentage of the valuation of the bid under their ownership.

The value of the bid will be compared with the balance of excess collateral for the corresponding agents on the day to which the bid applies, with the best information available at the time the bids are entered. The bid will be provisionally accepted, but the agent responsible for the bid unit will be informed of the result of this verification.

### **39.5. ACCEPTANCE OF PURCHASE AND SALE BIDS.**

The valid purchase or sale bids submitted for each sale or acquisition unit shall become firm at the end of the bid submission period.

### **39.6. EFFECTS OF THE INCLUSION OF BIDS IN THE MATCHING PROCESS.**

Agents participating in the intraday auction market shall accept the result of the matching process under the terms established in these rules.

## **RULE 40. MATCHING PROCEDURE FOR THE INTRADAY AUCTION MARKET**

### **40.1. BID VALIDATION PRIOR TO MATCHING.**

Once the bid submission period for each intraday auction session has closed, the validations detailed below will be carried out with the current information available in the market operator's information system in order to select the bids that will be considered in the matching process.

First, the validation process for the maximum energy to be bided in a scheduling period will be performed, followed by the validation of agents' guarantees.

As a result of this validation process, bids will be definitively accepted or rejected, and the result of the validation can be viewed by agents as part of the corresponding questions associated with intraday matching on the market operator's website for agents.

#### **Validation of the maximum energy to be bid in a scheduling period at the close of the intraday auction.**

Bids from the same bidding unit will be validated for each agent and type of bid (purchase/sale) according to the order of the bid number entered by the agent when registering the bid, from the lowest number to the highest, so the lowest bid number values will be the highest priority.

Following the order previously described for each valid, non-substituted bid and trading period bided for the session, the following actions will be performed:

1. The following parameters will be calculated:
  - E: Total energy bided in all its blocks.
  - L1: Limit for accepting bids, for sale bids of sale bid units, and for purchase bids of purchase bid units, as the minimum between:
    - The maximum energy of the bidding unit declared by the market operator.
    - The power available, taking into account the unavailability for the intraday market for that bid unit in each period.
    - The limitations for the session and for that bid unit in each period.
  - L2: Limit for accepting bids, for purchase bids for sale bid units, and for sale bids for purchase bid units:
    - In the event that there are limitations and unavailabilities for the same unit, L2, will be the minimum between:
      - The limitations for the session and for that bidding unit in each period.
      - The available energy considering the unavailability for the bidding unit.
    - Otherwise, L2 will be zero (0).
  - P: committed power position (P) of the bidding unit, with its value as the sum of:
    - The schedule from the previous session, PDVD for the first intraday auction, or the PIBCA resulting from the intraday auction prior to the current bidding,
    - and the transactions carried out in the continuous intraday market in rounds subsequent to the intraday auction and prior to the closing of bid submission,
    - and the energies from the active bids in the continuous intraday market of the same type (purchase or sale) as the bid being validated.
  - O: the sum of the energies of previously validated and accepted bids of the same type (purchase or sale) as the bid being validated.
  
2. Next, bid validation will be performed, and the bid will be rejected in its entirety if:
  - $P + O + E > L1$ ; for sale bids of sale bidding units, and purchase bids of purchase bidding units.
  - $P - O - E < L2$ : for purchase bids for sale bidding units, and sale bids for acquisition bidding units.
  
3. In the event that the bid is not rejected for this period, the validation of the remaining periods for the same bid will continue.
  
4. Only the bids that pass the validation described above for all the periods bided will be accepted.

## Agent guarantee validations

Once the process described above has been completed, and for the bids that have passed the previous validation, the market operator shall verify that the agent to whom the bid unit is going to be settled has sufficient guarantees to support the bid in accordance with its valuation.

An agent's bids shall be validated in the following order:

1. First the bid unit shall be selected according to the order of bid units established by the agent, and once the bid unit has been selected, the bid from that bid unit whose bid number entered by the agent when registering the bid is lowest shall be selected, continuing with the next highest number and so on, from the lowest number to the highest, with the lowest bid number values having the highest priority.
2. In the event that the agent has not established an order for verifying bid units, it shall be ordered in alphabetical order according to the bid unit code, and once the bid unit has been chosen, the bid from that bid unit whose bid number entered by the agent when registering the bid is the lowest shall be selected, continuing with the next highest number and so on, from the lowest number to the highest, with the lowest bid number values having the highest priority.

For the purpose of valuing the simple bids, the maximum value for each period of the product for each price segment, in absolute value, will be added, for all periods, to the sum of the power bid at a price, in absolute value, greater than or equal to it, excluding the negative price segments for purchase bids and the positive price segments for sale bids. As a result, the blocks for simple sale bids at a positive price and the blocks for simple purchase bids at a negative price will have a valuation of zero. Also, applicable taxes and fees will be included.

For the purpose of valuing complex bids with a simple block condition, the value of the average price of the bid, in absolute value, for the energy bid shall be added for all periods. The applicable taxes and fees shall also be included. Complex sale bids at a positive average bid price and complex purchase bids at a negative average bid price will have a valuation of zero.

The agent to whom the bid unit is to be settled will be the sole agent except in the case of a jointly owned bid unit. In that case, each of the holding agents must have sufficient collateral to support the percentage of the valuation of the bid under their ownership.

The value of the bid will be compared with the balance of excess collateral for the corresponding agents on the day to which the bid applies, with the best information available at the time that bid submission closes and will not be included in the matching process if any of the agents does not have sufficient collateral.

For each bid included in the matching process, a reduction of the balance of excess collateral for the corresponding agents will be recorded for the applicable value of such bid accordingly. Once the settlement is made, the results of the invoicing will appear in place of said annotation.

#### **40.2. DETERMINING THE LIST OF BIDS FOR MATCHING.**

For the execution of the Euphemia matching algorithm, the list of valid bids resulting from the “PREPARATION OF BIDS FOR MATCHING” process will be determined for each bidding zone, as indicated below:

- An aggregated curve of sale bids that will contain all the blocks of all the single bids. The energy bided at the same price will be aggregated at such price with no differentiation. The curve will not contain identifiers for the bid units to which they correspond.
- An aggregated curve of purchase bids will contain all the blocks of all the single bids. The energy bided at the same price will be aggregated at that price with no differentiation. The curve will not contain identifiers for the bid units to which they correspond.
- Complex single block bids, without aggregating the energy bid at the same price, and with identifiers for the bid blocks that belong to the same bid. The curve will not contain identifiers for the bid units to which they correspond.

#### **40.3. MATCHING PROCEDURE.**

To perform the matching, the algorithm will perform the following operations.

The Euphemia matching algorithm seeks to optimize the so-called “welfare,” which corresponds to the sum for all the hourly periods of the scheduling timeframe for the profit of the purchase bids, plus the profit of the sale bids, plus the congestion rent. The profit from the purchase bids is the difference between the matched purchase bid price and the marginal price received, and the profit from the sale bids is the difference between the marginal price received and the matched sale bid price.

The Euphemia algorithm considers step-aggregated curves, which correspond to curves for which the starting acceptance price of an energy block and the full acceptance price of that energy block are the same, and interpolated aggregated curves, which correspond to curves for which the starting acceptance price of an energy block and the full acceptance price of that energy block differ at least in the minimum jump between bid prices. For handling both types of curves, the Euphemia algorithm performs the matching process with precision for the price values and the energy values higher than the limit of decimal places established for the submission of bids. Once the matching process has been performed, the energy and price values are rounded to the precision established for each market. The precision established for the Iberian market is two decimal places for prices, established in euros per MWh, and one decimal place for energy, established in MWh.

For each market, the Euphemia algorithm considers the block conditions or complex conditions specific to that market, with the conditions for intraday bids in the Iberian market those established in these rules.

The Euphemia algorithm performs the matching process with precision higher than the two decimal places established for the prices of the bids in the Iberian market and precision higher than one decimal place established for the energies of the bids in the Iberian market.

Although the Euphemia algorithm considers the simple block conditions, the verification of compliance with the simple block condition will be performed with the value of the prices and energies used in the matching process before rounding, and after the rounding process and adjusting to the nearest tenth, a lower or higher value may be assigned to the financial condition or the “minimum acceptance ratio” declared in the sale or purchase bid, due to this rounding.

The result of the Euphemia algorithm is limited to the available capacities established in each market between the bid zones. In this sense, the net flow between the bid zones internal to the Iberian market (flow between Spain and Portugal) and the borders of the Iberian system (flow between Spain and France) will be limited by the available capacity for the market communicated by the system operators and central platforms responsible for such communication.

#### **RULE 41. INTRADAY AUCTION MARKET MATCHING RESULTS.**

Once the Euphemia intraday matching process is completed, the values for the matched and unmatched energy blocks for all bids will be assigned, thus obtaining the Base Intraday Incremental Matching Schedule (PIBCI) result for the intraday auction market.

Once the final result of the intraday auction is accepted by all European market operators, the following actions will be performed:

- The information provisionally published by the market operator will become firm.
- The values of capacity allocated for each of the interconnections obtained as a result of the intraday auction will be included in the European Central Contracting Platform so that the allocation of available capacity can continue from this moment onwards, as part of the trading on the continuous intraday market.

#### **RULE 42. INFORMATION ON THE ACCEPTANCE PROCESS, VALIDATION OF BIDS AND THE RESULT OF THE MATCHING OF THE INTRADAY AUCTION MARKET.**

As a result of the acceptance processes, validation of bids and the result of the matching of the intraday market, the market operator shall generate the following information, which they shall make available as described:

Information on the process for acceptance and validation of bids.

- The result of the acceptance or not and validation of both the lodgement of the bid and the prior validation of the matching, shall be made available to the market agent with the reasons for the exclusion in the terms established in these rules, when so requested. Said information shall be available at the time it is generated.
- Valid unit acquisition or sale bids presented to the session.
- The set of valid sale and acquisition bids presented to each of the sessions of the intraday market shall be made available to system operators with the corresponding confidentiality established in the current rules, after the completion of the matching with each intraday market.

Information from the result of matching of the intraday auctions market.

- Prices resulting from matching.

They shall be generated as a result of matching process of each of the intraday auction market sessions and will be public and, moreover, will be made available to the market agents with the corresponding confidentiality established in these market rules after the preliminary confirmation from all market operators across Europe participating in the IDA session.

- Intraday Incremental Base Matching Schedule (PIBCI).

This will be determined as a result of the matching process for each of the intraday market sessions and will be made available to the market agents with the confidentiality established in the present rules immediately after its creation following the provisional acceptance of the matching results by all the European market operators participating in the intraday auction.

The market operator will make available to the system operators, with the corresponding confidentiality, the provisional incremental schedule resulting from the matching assigning in advance a generic bid unit, the values corresponding to the generic acquisition bid unit, with its sign. The generic bid unit will have positive and negative values and will serve exclusively to make the result of the matching available to the system operators.

- Intraday Accumulated Matching Base Program (PIBCA).

This schedule shall contain per bid unit, the result of accumulating the Final Day-Ahead Viable Schedule (PDVD), the incremental result of the intraday auction sessions and the transactions from the continuous intraday market prior to the gate closure time of the corresponding auction, for the periods of the trading schedule of each of the intraday auctions.

Shall be generated as a result of the matching process of each of the intraday market sessions and shall be made available to the market agents with the established confidentiality established in the present rules, immediately after their generation.

As soon as the matching result is definitively accepted by all the parties referred to in the European operating procedures relating to the intraday auctions, the published information for the PIBCI, the PIBCA, and provisional price matching results will be considered firm.

- Aggregate supply and demand curves.

Shall be generated as a result of the matching process of each of the intraday market sessions and shall be made available to the market agents with the established confidentiality established in the present rules, immediately after their generation.

- Occupation of each of the international interconnections per hour with indication of maximum commercial capacity for import and export of each interconnection, the occupied capacity in each direction and interconnection and the free capacity in each direction and interconnection. It will be generated as a result of the process of matching each of the schedule periods with the intraday market sessions. This will be determined as a result of the matching process for each of the scheduling periods of the intraday market sessions and will be made available to the system operators on a temporary basis as long as no other alternative channel is implemented from the European contracting platform.

#### **RULE 43. EXCEPTIONAL SITUATIONS IN THE INTRADAY AUCTION MARKETS.**

Exceptional situations are those that determine the impossibility of carrying out correctly the process of submission and acceptance of bids of the matching process or confirmation thereof.

The situations referred to in the previous section might be a consequence, by way of example, of one or some of the following circumstances:

a) Force majeure.

a.1) If foreseeable, but inevitable, the market operator will suspend their participation in the corresponding intraday market auction session. From this moment on and until the following intraday market auction session, the market operator will make available to the agents, as far as possible, the negotiation in the continuous intraday market.

a.2) If faults or malfunctions are either detected in the IT applications or in communications equipment of the market operator once the intraday market session is open that impede its correct functioning, the market operator may suspend their participation in the session of intraday auction, without prejudice to the negotiation of the continuous intraday market, notifying the system operators with the information available the operational procedures in place.

In the event that any of the situations described in the operating procedures agreed upon at the European level should occur, leading to a situation of decoupling for the Iberian zone, the intraday auction in the Iberian zone shall be considered suspended, and no amount of energy shall be allocated in the periods included in the auction, nor shall any available capacity be allocated in any of the borders of the Iberian zone for the affected periods, following the agreed upon procedures and leaving said capacity available to be allocated through the continuous intraday market and future intraday auction sessions with market agents and system operators being duly informed and continuing with the processes and schedules foreseen for the continuous intraday market when possible.

b) Impossibility of determining a result for matching by the Euphemia matching algorithm or final rejection of the results by the market operator or by the Central European Trading Platform for the continuous intraday market.

When there is no possibility of finding a solution as a result of technical conditions and complex bids or as a result of the rejection of the results by any of the parties included in the European operating procedures relating to intraday auctions, the market operator shall proceed to suspend the session without assigning any quantity of energy to any of the periods included in the auction or assigning available capacity at any of the borders for the periods affected, following the agreed upon procedures and leaving said capacity available to be allocated through the continuous intraday market and future intraday auction sessions, the market agents being duly informed and continuing with the processes and schedules planned for the continuous intraday market when possible.

c) Unforeseen incidents after the final confirmation of the results of the European intraday coupled auction.

In the event of an unforeseen incident after the market operator's final confirmation of the European coupling session, the market operator, in coordination with the system operators, shall make its best efforts to try to resolve it. In the event of not being able to resolve the incident, the intraday auction shall be declared totally or partially suspended, duly informing the market agents.

As a consequence of the total or partial suspension of the auction, a PIBCI schedule without assigning any amount of energy in the suspended periods will be considered as the result of the matching, which will replace the previous result, with this new schedule as the one to be considered in the settlement process, except as indicated below:

c.1) For the purposes of the financial valuation of the flow in the interconnection with France, as well as for the purposes of calculating the congestion rent in said interconnection, the price of the Spanish system corresponding to the common matching confirmed by the European market operators will be used.

#### **43.1. UNAVAILABILITY OF THE FEASIBLE DAY-AHEAD SCHEDULE.**

In the exceptional case that any system operator has not made the Provisional Viable Daily Schedule (PDVP) available to the market operator before the close of the bid submission period for the intraday auction session, the market operator will not be able to participate in the corresponding auction session.

In the exceptional case that the confirmation of the PDVP of any system operator is received after the close of the bid submission period for the first session and before the confirmation by the market operator of the matching results for the European coupling session, the market operator shall make its best efforts to avoid canceling this auction at the European level.

In the exceptional case that the Provisional Viable Daily Schedule (PDVP) is integrated by the market operator in such a way that the market agents do not have the time period established in the "BID VERIFICATION" rule, the market operator shall not be able to participate in the first IDA intraday auction.

## **RULE 44. INTRADAY MARKET AUCTIONS SETTLEMENT.**

The market operator shall determine the power settlement for each agent in the intraday market auctions and for each scheduling period for each purchasing unit and sales unit that has been included in the schedule resulting from matching. Likewise, the market operator will determine the settlement of the energy flow in the interconnection between Spain and France and for the congestion rent generated in the different interconnections of the Spanish electricity system.

In order to perform the aforementioned settlements, the market operator will make the corresponding entries in the register that it will keep for this purpose for each sale or purchase unit.

### **44.1. PRICES TO BE CONSIDERED FOR THE SETTLEMENT OF ELECTRICITY SALES IN THE INTRADAY MARKET AUCTIONS.**

Sellers who operate on the intraday auctions market will receive for each sales purchase unit and for each scheduling period in which the marginal price is positive, a retribution which will incorporate the marginal price on the intraday market in each scheduling period in the bidding zone where the unit is located.

Sellers operating in intraday market auctions will pay, for each unit of sale or acquisition, and for each scheduling period in which the marginal price is negative, the payment corresponding to the marginal price in the intraday market of each scheduling period of the bidding area, Spanish or Portuguese, in which the unit is located.

The Market Operator will carry out the day-ahead settlement of electricity for each seller who participates on the intraday market and for each sales or purchase unit which has been incorporated in the resulting matching schedule.

In order to carry out these settlements, the Market Operator will carry out the relevant entries in the books on the registry created for this purpose for each sales unit.

### **44.2. PRICES TO BE CONSIDERED FOR THE SETTLEMENT OF ELECTRICITY PURCHASES IN THE INTRADAY MARKET AUCTIONS.**

Purchasers who operate on the intraday auctions markets will satisfy, for the electricity purchased, and for each scheduling period in which the marginal price is positive, a price including the marginal price of the intraday market for each scheduling period in the bidding zone where the unit is located.

The buyers who operate in the intraday market auctions will receive, for the power energy acquired incorporated in the schedule resulting from the matching process and for each scheduling period in which the marginal price is negative, a remuneration that will incorporate the marginal price in the intraday market of each scheduling period of the bidding zone, Spanish or Portuguese, in which the purchasing unit is located.

### **44.3. DEBT COLLECTION RIGHTS IN THE INTRADAY AUCTIONS MARKETS.**

The seller whose bids have been matched during the intraday market session and incorporated in the schedule resulting from the matching process will have a debt collection right which is calculated as the result of the electricity whose sale is assigned

in each scheduling period in which the marginal price is positive to its production or purchase unit, or a production unit it is not the owner of but which it represents in its own name and on behalf of another, for the marginal price set for this unit in the corresponding trading session in the bidding zone where the unit is located.

The seller's collection right for bidding unit  $u$  in hour  $h$  shall be:

$$DCI(u,h,s,z) = EPIBC(u,h,s,z) * PMHI(h,s,z)$$

Where:

$DCI(u,h,s, z)$  Seller's collection right in the intraday market for the bid corresponding to sales or purchase unit  $u$ , located in the bidding zone  $z$ , for hour  $h$  in session 's'.

$EPIBC(u,h,s,z)$  Purchasing energy sale power assigned to sales or purchasing unit  $u$ , located in the zone  $z$ , in bidding hour  $h$  in intraday market session 's' (PIBC).

$PMHI(h,s, z)$ : Positive hourly marginal price corresponding to hour  $h$  in intraday market session 's' in the bidding zone  $z$ .

The buyer whose purchase bids have been matched in the intraday market sessions and incorporated into the schedule resulting from the matching process, will have a collection right that will be calculated as the product of the electricity whose purchase is assigned in each scheduling period in which the marginal price is negative, to the selling or acquisition unit, of which they are owners, or not owners but that they represent in their own name and on behalf of others, for the marginal price set for the same, in the corresponding market session, of the bidding area, Spanish or Portuguese, in which the unit is located.

The buyer's right to collect for the bidding unit  $u$  at hour  $h$  will be:

$$DCI (u, h, s, z) = EPIBC (u, h, s, z) * PMHI (h, s, z)$$

Where:

$DCI (u, h, s, z)$ : Buyer's collection right in the intraday market for the bid corresponding to the sale or acquisition unit  $u$ , located in the bidding zone  $z$ , for hour  $h$ , in the session "s".

$EPIBC (u, h, s, z)$ : Sales energy assigned to the sales or acquisition unit  $u$ , located in the bidding zone  $z$ , for hour  $h$  in the intraday market in session "s".

$PMHI (h, s, z)$ : Negative hourly marginal price corresponding to hour  $h$  in the intraday market in session "s" in the bidding zone  $z$ .

#### **44.4. PAYMENT OBLIGATIONS IN THE INTRADAY AUCTIONS MARKETS.**

The buyer whose purchase bids have been matched during the intraday market session and incorporated in the result of the matching process, will have an obligation to pay in each scheduling period in which the marginal price is positive, which is calculated as the result of the electricity whose purchase is assigned in each scheduling period to the sales or purchase that it owns or does not own but represents in its own name and on behalf of another, for the marginal price set for this unit in the corresponding session for the bidding zone where the unit is located.

The buyer's payment obligation for each bidding unit in hour  $h$  shall be:

$$OPI(u,h,s,z) = EPIBC(u,h,s,z) * PMHI(h,s,z)$$

Where:

OPI(u,h,s,z): Buyer's obligation to pay in the intraday auctions markets emanating from the bid corresponding to purchasing or sales unit u, located in the bidding zone z in hour h in session 's'.

ECPIBC(u,h,s,z): Purchased power corresponding to bidding purchase unit, sales unit, u, located in the bidding zone z for hour h in session 's'.

PMHI (h, s, z): Positive hourly marginal price corresponding to hour h in the intraday market in session "s" in the bidding zone z.

The seller whose sales bids have been matched in the trading sessions of the intraday market and incorporated in the matching result, will have a payment obligation in each scheduling period in which the marginal price is negative, which will be calculated as the product of the power energy whose sale is assigned in each scheduling period to the sales or acquisition unit that they own, or not own but those that they represent in their own name and on behalf of others, for the marginal price set for the same, in the corresponding trading session, for the bidding area, Spanish or Portuguese, in which the unit is located.

The seller's payment obligation for the bidding unit u at hour h will be:

$$OPI(u, h, s, z) = EVPIBC(u, h, s, z) * PMHI(h, s, z)$$

Where:

OPI (u, h, s, z): Seller's obligation to pay in the intraday auction market for the bid corresponding to the purchase or sale unit u, located in the bidding zone z, for the hour h at the session "s".

EVPIBC (u, h, s, z): Sales energy corresponding to the purchase or sale bidding unit u, located in the bidding zone z, for hour h in session "s".

PMHI (h, s, z): Negative hourly marginal price corresponding to hour h in the intraday market session "s" in the bidding zone z.

#### **44.5. INCOME ON THE INTRADAY AUCTIONS MARKET DUE TO THE MARKET SPLITTING PROCESS.**

Settlement of each trading session of the intraday market after the application of the market separation process will give rise to income called 'congestion rent' that will be calculated as the product of the exchange capacity actually used within the framework of the separation process. of markets in each programming period by the difference in the marginal prices set for the same for said contracting session in each of the bid zones located on both sides of the interconnection.

##### **44.5.1. CONGESTION RENT IN THE INTRADAY MARKET AUCTIONS IN THE INTERCONNECTION BETWEEN SPAIN AND PORTUGAL.**

The congestion rent generated in the interconnection between Spain and Portugal will be shared equally between the Spanish and Portuguese electricity system operators.

A charging right will be accounted in each operator system in the credit of hour h as:

$$DCPIBCPTES\_CI(h,s) = 0,5 * abs(EPIBCPTES(h,s)) * abs(PMHI(h,s,z_1) - PMHI(h,s,z_2))$$

Where:

DCPIBCPTES\_CI (h,s): Collection right at hour h, in the trading session “s” of the intraday market, taken into account for the operators of the Spanish and Portuguese system, due to the application of the market separation process between the two supply zones, Spanish and Portuguese. Portuguese.

EPIBCPTES (h,s): Exchange capacity effectively used within the framework of the market separation process at hour h between the Spanish and Portuguese supply zone in the trading session “s” of the intraday market.

PMHI (h,s,z): Hourly marginal price corresponding to hour h in the intraday market in session “s” in the supply zone z.

z<sub>1</sub>, z<sub>2</sub>: Subindexes that refer to the Spanish and Portuguese supply areas respectively.

#### **44.5.2. CONGESTION RENT IN THE INTRADAY MARKET AUCTIONS IN THE INTERCONNECTION BETWEEN SPAIN AND FRANCE.**

The congestion rent generated in the interconnection between Spain and France will be shared equally between the Spanish and French electricity system operators.

A payment obligation will be entered in the French electricity system, for hour h as:

$$OPPIBCFRES\_CI(h,s) = 0.5 * abs(EPIBCFRES(h,s)) * abs(PMHI(h,s,z_1) - PMHI(h,s,z_3))$$

A collection right will be entered for the Spanish electricity system operator for hour h as:

$$DCPIBCFRES\_CI(h,s) = 0.5 * abs(EPIBCFRES(h,s)) * abs(PMHI(h,s,z_1) - PMHI(h,s,z_3))$$

Where:

DCPIBCFRES\_CI(h,s): Collection right for hour h, in trading session s of the intraday auction market, for the Spanish system operator due to applying the market splitting process between the two bidding zones in Spain and France.

OPPIBCFRES\_CI(h,s): Payment obligation for hour h, in the trading session s of the intraday auction market, to the French system, due to applying the market splitting process between the two bidding zones in Spain and France.

EPIBCFRES (h,s): Exchange capacity effectively used between the Spanish and French bidding zones in the framework of the market splitting process for hour h of the trading session s.

PMHI (h,s,z): Hourly marginal price corresponding to hour h in trading session s of the intraday auction market, in bidding zone z.

z1, z3: Subindexes referring to the Spanish and French bidding zones respectively.

In the event that, temporarily, there could be different time units on both sides of the interconnection between the Spanish zone (hourly basis) and the French zone (half-hourly basis), negative congestion rents could be generated due to the differences between the prices on both sides of the interconnection provided by the Euphemia algorithm, which arise as a result from rounding to two decimal places for the prices calculated at different units of time.

In this situation, for the purpose of calculating the congestion rent, in the case of using the smaller of the two units, there will be two half-hourly sub-periods p for each hour h, in which:

- The price in the Spanish zone for each period p will be equal to the hourly price of the hour to which this period belongs.
- The price in the French zone in each period p will be determined by the Euphemia matching algorithm for that period.
- The exchange capacity effectively used between the Spanish and French bidding zone in each period p will be half of the exchange capacity effectively used for the hour to which this period belongs.

And therefore, a payment obligation to the French electricity system will be noted, in those periods p in which the direction of energy flow in the interconnection is from the lower price area to the higher price area, as:

$$\text{OPPIBCFRES\_CI}(p,s) = 0.5 * \text{abs}(\text{EPIBCFRES}(p,s)) * \text{abs}(\text{PMI}(p,s,z1) - \text{PMI}(p,s,z3))$$

Likewise, a collection right for the Spanish electricity system operator in period p will be entered as follows:

$$\text{DCPIBCFRES\_CI}(p,s) = 0.5 * \text{abs}(\text{EPIBCFRES}(p,s)) * \text{abs}(\text{PMI}(p,s,z1) - \text{PMI}(p,s,z3))$$

Where:

DCPIBCFRES\_CI(p,s): Collection right for period p, in contracting session s of the intraday auction market, entered for the Spanish system operator due to applying the market splitting process between the two bidding zones, Spain and France.

OPPIBCFRES\_CI(p,s): Payment obligation for period p, in contracting session s of the intraday auction market, to the French system, due to applying the market splitting process between the two bidding zones, Spain and France.

EPIBCFRES (p,s): Exchange capacity effectively used between the Spanish and French supply zone in the framework of the market splitting process for period p for trading session s.

PMI (p,s,z): Marginal price corresponding to period p in trading session s of the intraday auction market, in bidding zone z

z1, z3: Subindexes that refer to the Spanish and French bidding zones respectively.

Similarly, due to the coexistence of different units for time, there could be a period p in which the direction of the flow in the interconnection goes from the area with the highest price to the area with the lowest price. In these cases, the congestion rent in such periods will be negative and the annotations will be as follows:

A collection right will be entered for the French electricity system operator, for period p as:

$$\text{DCPIBCFRES\_CI}(p,s) = 0.5 * \text{abs}(\text{EPIBCFRES}(p,s)) * \text{abs}(\text{PMI}(p,s,z1) - \text{PMI}(p,s,z3))$$

A payment obligation to the Spanish electricity system for period p will be entered as:

$$\text{OPPIBCFRES\_CI}(p,s) = 0.5 * \text{abs}(\text{EPIBCFRES}(p,s)) * \text{abs}(\text{PMI}(p,s,z1) - \text{PMI}(p,s,z3))$$

Where:

DCPIBCFRES\_CI(p,s): Collection right for period p, in trading session s of the intraday auction market, entered for the French system operator due to applying the market splitting process between the two supply zones, Spain and France.

OPPIBCFRES\_CI(p,s): Payment obligation for period p, in trading session s of the intraday auction market, for the Spanish system due to applying the market splitting process between the two bidding zones, Spain and France.

EPIBCFRES (p,s): Exchange capacity effectively used between the Spanish and French bidding zone in the framework of the market splitting process for period p for trading session s.

PMI (p,s,z): Marginal price corresponding to period p for trading session s for the intraday auction market in bidding zone z.

z1, z3: Subindexes referring to the Spanish and French bidding zones respectively.

#### **44.6. PUBLICATION OF INTRADAY AUCTIONS MARKETS SETTLEMENT RESULTS.**

In accordance with general confidentiality regulations established in this rule, after each intraday auctions markets session the Market Operator will make the following information available to market agents using its information systems: the results on debt collection rights and payment obligations derived from the said market session, for the day-ahead scheduling horizon corresponding to each trading session.

The entries corresponding to each contracting session shall be provisional when:

- (a) The corresponding matching is provisional according to the rule "SEQUENCE OF OPERATIONS IN THE INTRADAY MARKET".

(b) The existence of pending claims regarding the development of any trading session of the market.

(c) The subsequent appearance of erroneous values in the settlement.

These entries shall become final when none of the above circumstances concurs, except in the case in which for one or more of these reasons a new settlement has to be made, in which case the new entries shall be final when there is no concurrence of any cause for provisional consideration among those mentioned in the preceding paragraphs.

## **CONTINUOUS INTRADAY MARKET.**

### **RULE 45. PURPOSE AND BASIC CONCEPTS.**

Pursuant to the provisions of Commission Regulation (EU) 2015/1222 of 24 July 2015, establishing a guideline on capacity allocation and congestion management (hereinafter CACM), the purpose of the continuous intraday market is to attend to the sale and purchase of energy that may occur during the hours closest to the time of physical delivery of the energy (real time), taking into account the Definitive Day-ahead Viable Schedule (PDVD, in its Spanish initialism) and the result of the successive intraday auctions held by the market operator.

The continuous intraday market is structured according to the following rules:

a) The trading period on the continuous intraday market shall be established according to the content of the CACM.

b) The initial moment for the submission of sale and purchase orders on the continuous intraday market and the period for their submission shall be specified in annex 1 hereto.

c) The market operator shall provide agents with the option to trade at least the hourly product, as specified in annex 1, with the option of more products.

d) Any increase or decrease in the number of tradeable products on the continuous intraday market shall be modified at the proposal of the market operator and the authorization of the corresponding regulatory bodies.

e) A contract is a product applied to an instant, with a specific start and end, for which market agents may submit sale and/or purchase orders during the trading period in effect.

f) The status of each contract shall enable agents to submit orders to the continuous intraday market. There are four possible statuses:

– FIN: Contract closed and ended. No orders may be accepted for a trading period with this status.

– TRADE: Contract open and being traded. Orders may be accepted for a trading period with this status.

– UPC: Contract closed and pending its opening for trading. No orders may be accepted for a trading period with this status.

– INT: Contract with trading suspended by the European Continuous Intraday Market Platform. No orders may be accepted.

The life-cycle (start-trading-end) of each contract for each product shall follow a set timetable, as specified in annex 1.

g) The definition of round applies to the trading period on the continuous intraday market in which the operations undertaken by the agents are grouped together for common processing. A round opens as soon as the immediately preceding round closes. The gate closure time of a round is associated with a contract's end of trading on the European Continuous Intraday Market Platform.

The increase or decrease in the number of auction sessions on the intraday market and their impact on the operation and trading time-frame on the continuous intraday market shall be specified by the market operator and the authorization of the corresponding regulatory bodies.

## **RULE 46. BIDS SUBMITTED TO THE CONTINUOUS INTRADAY MARKET.**

### **46.1. BIDS.**

Several sale and/or purchase orders may be submitted for the same contract being traded and for the same trading unit that shall be processed separately.

The following information, at least, is to be provided for each order:

- Contract tendered.
- Bid unit or portfolio.
- Amount of energy tendered, expressed in MWh as a whole number to one decimal point.
- Price of the order, expressed in €/MWh, to two decimal points.
- Whether it is a sale or purchase order.
- The terms and conditions applicable to the order, as specified in the rule “Terms and conditions governing orders on the continuous intraday market”.

This information may be modified depending on the product involved, as defined in annex 1.

### **46.2. BID SUBMISSION PROCESS.**

Sale and purchase orders may be submitted to contracts in trading status.

Market agents may submit their sale and purchase orders through the Market Platform provided by the market operator, in which they are to include all the information required for their submission.

In addition, in continuous intraday market trading, and with a view to simplifying the process, market agents may select the orders for a specific contract with which they wish to close a trade, for the amount and price, featuring at that moment in the Order Book. In this case, the trading client provided by the market operator is to generate an order with those amount and price parameters, always within the valid limits, with the agent being entitled, prior to its submission, to modify them and add conditions to its order.

#### **46.2.1. MAXIMUM AND MINIMUM LIMITS OF THE AMOUNT AND PRICE OF ENERGY ACCEPTED BY THE MARKET OPERATOR ON THE CONTINUOUS INTRADAY MARKET.**

The market operator will verify at the time of insertion of the bid that:

- The energy prices expressed in the bids are not higher than the maximum price limits, nor lower than the minimum price limits indicated in Annex 3.
- The energy prices expressed in the bids are neither higher nor lower than the price notification thresholds indicated in Annex 3. If the corresponding thresholds are exceeded, the market operator shall place at the market participant's disposal a query in the market operator's information system where the market participant may verify, after inserting the bid, whether the maximum or minimum price notification thresholds established for the market in which the bid is being placed have been exceeded in any hour. This verification and response shall be of an informative nature for the market participant, and shall be issued by the market operator without prejudice to any other validation or response that may be made to the same bid.

It will also be verified at the time of insertion that the energy bid does not exceed the maximum amount. Otherwise, the bid will be rejected.

The values in terms of the limits on quantity and price for including the sale and purchase bids on the continuous intraday market shall, nonetheless, be as follows:

- Maximum amount: in MWh, pursuant to the provisions of the European Continuous Intraday Trading Platform.
- Maximum price: as specified in annex 3.
- Minimum price: as specified in annex 3.

#### **46.2.2. BID VALIDATION.**

All orders received on the Market Operator's Market Platform, and prior to their submission to and inclusion in the Order Book, are to undergo a validation process, with there being conditions for each order's acceptance.

Any sale and purchase orders that do not meet the acceptance criteria shall be rejected and dismissed. Accordingly, orders are to undergo the following acceptance checks:

- The contract is in a status that permits the reception of orders (TRADE).
- The market agent is empowered to submit sale and purchase orders for that contract when the order is validated.
- The market agent is registered at that moment with the market operator.
- The bid unit or portfolio for which the order is submitted is valid, in force and the agent is responsible for submitting orders for that unit.
- A check is to be made to ensure the order's economic value does not exceed the corresponding operating limit. If the bid unit is under shared ownership, the owner agents are to have a sufficient operating limit to cover the percentage of the order under their ownership.

The economic value of the purchase bid will be calculated as the product of energy and price, if the latter is positive. If the price is negative, the valuation will be zero.

The economic value of the sale bid will be calculated as the absolute value of the energy product times the price, if the latter is negative. If the price is positive, the valuation will be zero.

– The amount and price of the bid are to fall within the limits set accordingly by the market operator.

### **46.2.3. INFORMATION RECEIVED FROM THE SYSTEM OPERATORS: UNAVAILABILITIES, RESTRICTIONS ON THE RIGHT TO BID, AND COMMERCIAL CAPACITIES ON CROSS-BORDER INTERCONNECTIONS.**

#### **46.2.3.1. DEFINITION OF UNAVAILABILITIES ON THE CONTINUOUS INTRADAY MARKET AND INCLUSION OF THEIR INFORMATION.**

Notwithstanding the provisions for other markets in the rules on the “Definition and inclusion of information on non-availabilities”, the information on non-availabilities is to be included in the Market Operator’s Information System, with annex 1 specifying the application deadline for the continuous intraday market and for the purpose of validating an order submitted in a round.

#### **46.2.3.2. DEFINITION OF RESTRICTIONS ON THE RIGHT TO BID ON THE CONTINUOUS INTRADAY MARKET AND INCLUSION OF THEIR INFORMATION.**

Notwithstanding the provisions for other markets in the rules on the “Definition and inclusion of information on restrictions on the right to bid and zonal restrictions”, the information on unitary restrictions is to be included in the Market Operator’s Information System, with annex 1 specifying the application deadline for the continuous intraday market and for the purpose of validating an order submitted in a round.

#### **46.2.3.3. DEFINITION OF THE COMMERCIAL CAPACITIES OF CROSS-BORDER INTERCONNECTIONS ON THE CONTINUOUS INTRADAY MARKET AND INCLUSION OF THEIR INFORMATION BY SYSTEM OPERATORS.**

The information on the import and export capacities and their review by the system operators provided for the European Continuous Intraday Trading Platform is to be effected through the latter and will involve information on the free import and export capacity in each scheduling period for each one of the interconnections in the Spanish electricity system.

#### **46.2.4. VALIDATIONS OF THE MAXIMUM SALE ENERGY TO BE BID IN A CONTRACT.**

The market operator is to check that the order's data are consistent with the information contained in the Market Operator's Information System.

#### **BID UNITS**

For the maximum energy to be bid in a contract, in the case of the sale order of a sale unit, a check is to be made to ensure the energy included in the order for each contract period, plus the schedule of the bid unit for each period at that moment, plus the energy of the current sale orders on the European Continuous Intraday Trading Platform as regards each period included in the contract does not exceed any one of the following values:

- The unit's maximum energy in the market operator's database.
- The maximum energy available considering the non-availabilities applicable.
- The energy limited by the applicable unitary restrictions notified by the system operators.

For the maximum energy to be bid in a contract, in the case of the sale order of purchase units, a check is to be made to ensure the schedule of the bid unit for each period at that moment, minus the energy of the current sale orders on the European Continuous Intraday Trading Platform as regards each period included in the contract, minus the energy included in the order for each contract period, is higher than or equal to the maximum among the following:

- The unit's minimum energy, zero, in the market operator's database.
- The energy limited by the applicable unitary restrictions notified by the system operators.

If the energy tendered exceeds the maximum limit in any one of the trading periods, the order shall be rejected in full.

In the event the restrictions applied are not compatible with the non-availabilities applied, the market operator is to allow the agent to bid complying with the non-availabilities insofar as possible.

#### **PORTFOLIO UNITS**

For the maximum energy to be bided, in the case of a selling bid from a sales portfolio unit, a check is to be made to ensure that the energy included in the bid for each Contract, plus the previous schedule of that unit for each Contract, plus the energy of The sale bids in force in the European Continuous Trading Platform in relation to each Contract does not exceed the minimum of the following values:

- The power declared by the agent for the sales portfolio unit.

- The result of adding the maximum energy increases of the sell bidding units in which the unit can be disaggregated, plus the maximum energy decreases of the buying units in which the portfolio unit can be disaggregated.

The maximum energy increases of the sales bidding units will be calculated as the difference between the maximum hourly energy and the hourly energy of the accumulated program of the last auction held. Understanding for maximum hourly energy, with the information in force before the start of the round in which it is being bided, the minimum among:

- The maximum power of the bidding unit.
- The energy available according to the unavailability received by the System Operators that apply to that bidding unit.
- The maximum energy limited by the unit limitations that apply that had been communicated by the System Operators.

The maximum energy decreases of the selling bidding units will be calculated as the difference between the accumulated hourly energy of the last auction schedule and the minimum hourly energy. Understanding minimum hourly energy, with the information in force before the start of the round in which it is being bid, the maximum between:

- The minimum hourly energy of the bidding unit, 0 MW.
- The minimum energy limited by the unit limitations that apply that had been communicated by the System Operators.

In the event that the calculation of the maximum increase or the maximum decrease of a bidding unit for a specific period yields a negative result, its contribution to the sum of each Contract will be void.

For the maximum energy to be bid in case of a selling bid of a portfolio purchasing unit, a check is to be made to ensure that the schedule of the portfolio unit for each Contract, less the energy included in the bid for each Contract, less the energy of the current selling bids in the European Continuous Trading Platform in what affects each Contract does not exceed the minimum energy of the portfolio unit in the database, that is to say zero, of the Market Operator.

In case that the energy bid exceeds the value limit in any of the trading periods, the bid will be rejected in its entirety.

#### **46.2.5. VALIDATIONS OF THE MAXIMUM PURCHASE ENERGY TO BE BID IN A CONTRACT.**

The market operator is to check the order's data are consistent with the information contained in the Market Operator's Information System.

### **BID UNITS**

As regards the maximum energy to be bid in a contract, in the case of the purchase order from an acquisition unit, a check is to be made to ensure the energy included in the order

for each contract period, plus the schedule of the bidding unit at that moment for each contract period, plus the energy of the purchase orders in force in the European Continuous Intraday Trading Platform as regards each period included in the contract does not exceed any of the following values:

- The unit's minimum energy in the market operator's database.
- The maximum energy available considering the non-availabilities applied.
- The energy limited by the applicable unitary restrictions notified by the system operators.

For the maximum energy to be bid in a contract, in the case of the purchase order of sale units, a check is to be made to ensure the schedule of the unit for each contract period at that moment, minus the energy of the current purchase orders on the European Continuous Intraday Trading Platform as regards each period included in the contract, minus the energy included in the order for each contract period, is higher than or equal to the maximum among the following:

- The unit's minimum energy, zero, in the market operator's database.
- The energy limited by the applicable unitary restrictions notified by the system operators.

If the energy tendered exceeds the maximum limit in any one of the trading periods, the order shall be rejected in full.

In the event the restrictions applied are not compatible with the non-availabilities applied, the market operator is to allow the agent to bid complying with the non-availabilities insofar as possible.

## **PORTFOLIO UNITS**

For the maximum energy to be bid in the case of a purchase bid from a purchasing portfolio unit, a check is to be made to ensure that the energy included in the order for each Contract, plus the schedule of that unit for each Contract, plus the energy of the Purchase orders in force in the European Continuous Trading Platform as regards of each Contract does not exceed the minimum of the following values:

- The power declared by the agent for the purchase portfolio unit.
- The result of adding the maximum energy increases of the purchase units into which the portfolio unit can be disaggregated, plus the maximum energy decreases of the selling units in which the portfolio unit can be disaggregated.

The maximum energy increases of the purchase bidding units will be calculated as the difference between the maximum hourly energy and the hourly energy of the accumulated schedule of the last auction held. Understanding for maximum hourly energy, with the information in force before the start of the round in which it is being bid, the minimum among:

- The maximum power of the bidding unit.
- The energy available according to the unavailability received by the System Operators that apply to that bidding unit.
- The maximum energy limited by the unit limitations that apply that had been communicated by the System Operators.

The maximum energy decreases of the selling bidding units will be calculated as the difference between the accumulated hourly energy of the last auction schedule and the minimum hourly energy. Understanding minimum hourly energy, with the information in force before the start of the round in which it is being bid, the maximum between:

- The minimum hourly energy of the bidding unit, 0 MW.
- The minimum energy limited by the unit limitations that apply that had been communicated by the System Operators.

In the event that the calculation of the maximum increase or the maximum decrease of a bidding unit for a specific period yields a negative result, its contribution to the sum of each Contract will be void.

For the maximum energy to be bid in case of a selling bid of a portfolio selling unit, a check is to be made to ensure that the schedule of the portfolio unit for each Contract, less the energy included in the bid for each Contract, less the energy of the current purchasing bids in the European Continuous Trading Platform in what affects each Contract does not exceed the minimum energy of the portfolio unit in the database, that is to say zero, of the Market Operator.

In case that the energy bid exceeds the value limit in any of the trading periods, the bid will be rejected in its entirety.

#### **46.2.6. BID ACCEPTANCE.**

Notwithstanding the provisions of the rule “Validation of orders”, an order is considered accepted when the European Continuous Intraday Trading Platform issues the corresponding electronic confirmation.

As regards an active sale or purchase order previously submitted to the system, the possible actions may be undertaken:

- Modification: variation of the amount, price and terms and conditions.
- Cancellation: immediate cancellation of a user or agent’s order or all their orders.

##### **46.2.6.1. MODIFICATION OF BIDS ON THE CONTINUOUS INTRADAY MARKET.**

Any sale or purchase order that has not been previously matched in full or rejected and remains in the Order Book may be modified by the market agent while the contract has a status that permits the submission of orders.

The order is to be considered modified when, once the validations specified in the rule “Validation of orders», the European Continuous Intraday Trading Platform issues the corresponding electronic confirmation.

Pursuant to the rule on “Matching orders on the continuous intraday market”, the modification of a sale or purchase order stored and shown in the Order Book shall involve the cancellation of the original order and the inclusion of a new order with its new parameters and conditions.

#### **46.2.6.2. CANCELLATION OF BIDS ON THE CONTINUOUS INTRADAY MARKET.**

Any sale or purchase order that has not been previously matched in full or rejected and remains in the Order Book may be cancelled by the market agent provided the contract it was submitted to has a status that so permits.

The order is to be considered cancelled when the European Continuous Intraday Trading Platform issues the corresponding electronic confirmation.

In addition, in the event of the deregistration, exclusion or temporary suspension of a market agent, the orders recorded in the Order Book corresponding to that market agent shall be cancelled by the market operator

#### **46.2.7. FREEZING OF BIDS ON THE CONTINUOUS INTRADAY MARKET.**

Whenever a problem is detected in the processes of the European Continuous Intraday Trading Platform (central system) or on the Market Operator's Market Platform (local system) or scheduled maintenance on either platform, there is an option whereby the orders potentially affected by that problem or maintenance may be disabled (frozen) by the corresponding platform as a precautionary measure to avoid their matching at a time when the system is unstable. The frozen bids for this reason will be reactivated, once the incident that caused the instability is resolved and as long as it is technically possible, only in the case that the agent had previously requested it through the Market Operator's Information System, validating the new energy limits of each one of them in the same way as if they had been inserted again. The rest of the bids will remain frozen, and can be reactivated by the agent.

Furthermore, and with a view to holding the intraday auction sessions, continuous market trading shall be suspended for those contracts included in the auction time-frame. The orders in the Order Book for those contracts shall be frozen for the time needed for matching and obtaining results.

Once the results of the matching have been disclosed and before the reopening of the continuous intraday market for those contracts within the time-frame of the matched session, the orders previously frozen are to be reinstated when the agent has so requested through the Market Operator's Information System, once again validating the limits on energy for each one of them in the same way as if they had been submitted anew, although taking into account the updated schedule of the bid units following the session's matching and current unitary restrictions and non-availabilities, with the orders being rejected if they do not pass the validation. The rest of bids previously frozen and that are not reactivated, will be cancelled in this same process.

The orders frozen by the platform shall be considered inactive, ceasing to be exposed to the market, and cannot therefore be matched with other existing orders until they are reinstated. The agent may reinstate all the frozen orders in a single step or individually reinstate solely a batch of them. Frozen orders may also be cancelled without the need for reinstatement (whenever the market permits the cancellation).

A frozen order that is reinstated shall be treated as a new order.

When the agent requests the reinstatement of its orders in a single step, the following criteria are to be applied:

- Frozen orders shall be reinstated in order of submission to the Market Operator's Market Platform, starting with the first incoming orders.
- When they belong to the same Basket Order, the reinstatement shall uphold the order in that basket.
- When a frozen/inactive order cannot be reinstated because it has not passed one or more of the validations during the reinstatement, that bid shall be rejected. The motive for the rejection shall reflect the reason for the same.
- Bids may not be partially reactivated (only part of their energy) under any circumstances, but must be reactivated in their entirety, otherwise they will be rejected.

#### **46.2.8. ORDER BOOK IN THE CONTINUOUS INTRADAY MARKET.**

The Order Book shall be calculated by the European Continuous Intraday Trading Platform, considering the data received from all the European market operators, based on all the valid sale and purchase orders submitted by the market agents in Europe and whose conditions for the orders permit their recording in the Order Book.

Those orders that can be displayed, on an anonymous basis, from each pricing area (list of local orders) shall be calculated and distributed by the European Continuous Intraday Trading Platform. In addition, the list of local orders shall be recalculated in the event of any one of the following contingencies:

- a) Submission, modification or cancellation of a valid sale or purchase order.
- b) Changes in the status of the free import and export capacity at any European interconnection, with this change possibly being due to:
  1. Allocation of free capacity due to an international trade.
  2. Explicit allocation of capacity as appropriate.
  3. Updating of the import or export capacity at any one of the cross-border interconnections managed on the European Continuous Intraday Trading Platform.
- c) As the result of a trade irrespective of whether or not use is made of cross-border capacity.

Once the list of local orders has been recalculated, the European Continuous Intraday Trading Platform shall send it to the market operators for its integration and display to their respective market agents through their respective trading platforms.

Specifically, the Market Operator's Market Platform shall display:

- For the Portuguese area, the list of local orders shall display the most competitive sale and purchase orders originating in the Portuguese area or coming from outside that area and which might pass through the interconnection (from Spain) according to the free capacity at the interconnection at any given moment.
- For the Spanish area, the list of local orders shall display the most competitive sale and purchase orders originating in the Spanish area or coming from outside that area and which might pass through the interconnection (either from Portugal or from France according to the free capacity at the corresponding interconnection at any given moment).

The display of the list of local orders shall have a maximum number of orders according to the stipulations of the European Continuous Intraday Trading Platform.

#### **46.2.9. CONDITIONS TO BIDS ON THE CONTINUOUS INTRADAY MARKET.**

When submitting orders to the continuous intraday market, market agents may include conditions on the sale and purchase orders they have submitted, regarding either their execution or their validity.

The different types of conditions are described in annex 1 hereto.

#### **46.2.10. BASKET ORDERS.**

Market agents will be able to create a basket of several bids that may be associated with different contracts.

Sending the basket will involve processing all the bids included in the basket. The bids included in the basket may or may not be matched independently of each other, depending on the conditions indicated by the market agent to the basket itself.

Each of the bids for sale or purchase included in the basket may in turn specify conditions to the execution and/or validity for that bid.

The different types of conditions to the order baskets are described in appendix 1 to these rules.

The basket will be rejected in its entirety if it contains any bid bidding to some contract that is not in TRADE status.

#### **46.2.11. PROCEDURE FOR MODIFYING OR CREATING NEW TYPES OF ORDERS BY THE MARKET OPERATOR.**

The market operator may propose the modification or definition of new types of bids for the continuous intraday market in accordance with the provisions of Circular 3/2019 of November 20, which establishes the methodologies that regulate the operation of the wholesale electricity market and the management of the system operation.

#### **46.2.12. INFORMATION PROVIDED BY THE MARKET OPERATOR'S MARKET PLATFORM.**

During trading on the continuous intraday market, the information available on the Market Operator's Market Platform for market agents regarding products, contracts and data on the orders contained on the list of local orders, is to be displayed on an anonymous basis, identifying solely those operations performed by the agent itself.

The following information, at least, is to be provided:

- Contract for which it is empowered to trade and end time.
- Contract status (UPC, TRADE, FIN, INT).
- List of local orders for each one of the contracts being traded.

- For each contract being traded, the volume of energy matched and the price of the trades arranged in the corresponding area.
- Log of the session's activity on the continuous intraday market.
- Balance in the associated collateral account, specifying both the amount used and the amount available for covering new operations.

## **RULE 47. MATCHING PROCESS IN THE CONTINUOUS INTRADAY MARKET.**

### **47.1. MATCHING PROCESS.**

Sale and purchase orders are to be submitted through the Market Operator's Market Platform provided the trading of that contract has been enabled accordingly.

When a market agent submits an order through the Market Operator's Market Platform and it has been properly validated by the market operator, the order shall then be sent to the European Continuous Intraday Trading Platform where, depending on the conditions specified in the entry, it is to be recorded in the Order Book, rejected and/or matched.

Matching shall be effected according to the requirements laid down for the European Continuous Intraday Trading Platform pursuant to the CACM.

When there is a match, its result is to be notified to the agent in question, with the list of local orders being updated.

### **47.2. FIRMNESS AND EFFECTS OF THE MATCHING PROCESS.**

Those trades undertaken on the European Continuous Intraday Trading Platform shall be considered firm as stipulated in the CACM.

This firmness shall entail, if it is a purchase order, the obligation to acquire the product, and, if it is a sale order, the obligation to deliver it. In addition, it shall entail a payment obligation and the right to collect on the price of the trade, respectively.

At the end of each round, the market operator shall notify the corresponding system operators (Spanish and Portuguese) the total volume of energy in the bid unit corresponding to the trades arranged.

## **RULE 48. DISAGGREGATION OF PORTFOLIO UNITS.**

Agents who have participated in the continuous intraday market through portfolio units must send to the market operator the energy splitting of the positions of the portfolio units to bidding units. Agents will split the energy of each portfolio unit into the selling or purchasing bidding units associated with said portfolio unit.

The sales positions resulting from the transactions made with a portfolio unit may only be split into sales operations of the supply units associated with said portfolio unit. The purchase positions resulting from the transactions made with a portfolio unit may only be split into purchase transactions of the bidding units associated with said portfolio unit.

#### **48.1. DISAGGREGATION CONTENT.**

Each energy split will be identified by:

- Portfolio unit from which energy is split.
- Date and Period for which said energy is split

Each energy split will include the following additional information for each bidding unit in which it is wanted to be split:

- Bidding Unit
- Energy split in said bidding unit

#### **48.2. DISAGGREGATION SUBMISSION.**

Each agent, in view of the result of the transactions carried out by each of its portfolio units, will notify the Market Operator the energy splitting into bidding units of said portfolio units, being able to communicate the splitting from the moment it receives the confirmation of the execution of the transaction up to 5 minutes after the close of the round in which the period that will not be traded again ends.

Energy split submission may be done at any time, affecting any of the Contracts open for trading and up to 5 minutes after the closing of each Contract.

Agents may carry out in the same submission the energy split of all or some of their portfolio units and periods.

#### **48.3. VALIDATIONS ON SUBMISSION AND ANSWER.**

The Market Operator will check the energy split of the open positions of the portfolio units according to the following criteria:

- It will be verified that the agent that sends the energy split is not suspended or unsubscribed from the Market Operator.
- It will be verified that the portfolio unit and the purchase or selling bidding units in which the open positions of the portfolio units are split, correspond to that agent's units, existing and registered in the Market Operator system, and associated to the unit portfolio for the period that is being split.
- It will be verified that the sales portfolio unit only splits into selling trades of the bidding units associated with said portfolio unit.
- It will be verified that the purchase portfolio unit only splits into purchasing trades of the bidding units associated with said portfolio unit.
- It will be verified that the period to which the split refers corresponds to any of the Contracts that are being traded or to the Contract that has just concluded its trading.

If any of the above checks is not passed, the energy split of that portfolio unit and period will be rejected. Those energy splits that have passed the previous checks will be provisionally accepted, and the energy split will be validated:

- It will be verified that the sum of the amounts split into bidding units coincides with the current net position in the Market Operator Information System of the portfolio unit for the period to be split.
- Likewise, it will be verified that each bidding unit can receive the energy split taking into account:
  - o The current schedule of the bidding unit,
  - o The maximum power of the bidding unit,
  - o Unavailability and limitations in force during the trading round except if the energy split occurs within 5 minutes after the end of the round and for the period whose Contract has just ended its trading, in which case the unavailability and limitations in force will be taken into account during the round that closed.

Energy split will be provisionally accepted even if the previously described validations are not fulfilled, informing the agent responsible for submitting the energy split about the result of said validation.

#### **48.4. UPDATE OF THE INFORMATION OF THE ENERGY DISAGGREGATION SUBMITTED BY AN AGENT.**

The energy split information may be updated through the communication by the agent responsible for new energy split information for a portfolio and a period. If the energy split has been provisionally accepted, the new information will replace the previously communicated one for all purposes.

If it has not been accepted, the previous available information will be kept valid, if it has been previously accepted as valid.

#### **48.5. ENERGY DISAGGREGATION CONSOLIDATION.**

In the minute 5 after the closing of each Contract, those energy splits provisionally accepted for the period that will no longer be traded will be revalidated.

The energy split energies for each unit will be checked again, verifying that:

- The sum of the energy split amounts coincides with the current net of the portfolio unit for the split period, and
- Each bidding unit can receive split energy taking into account:
  - o The bidding unit schedule prior to the consolidation process,
  - o The maximum power of the bidding unit,
  - o The Unavailability and the unitary limitations in force during the closing round.

Once all the requests for unbundling of portfolio units have been validated in accordance with the process described above, those unbundlings that have passed said validations shall be incorporated, or if there is no valid unbundling for a portfolio unit with power

assigned in a period that will not be traded again, a default unbundling for said portfolio unit shall be made and incorporated at this time.

#### **48.6. DEFAULT ENERGY DISAGGREGATION.**

If the splitting of a portfolio unit is wrong or if no energy split of the portfolio has been received from the agent, a default energy split of said portfolio unit will be created for the period that will no longer be traded.

The default energy split will be done automatically by the Market Operator immediately after incorporating all valid disaggregations requested by the agents according to the following points:

- It will be done only for the period that will not be traded again.
- The previous schedule of each bidding unit in which the portfolio can be split will be taken into account.
- The maximum power of each bidding unit.
- The unavailability and limitations in force during the round that closed prior to the default split.

Ensuring that the energy allocated to the bidding units is within the permissible limits according to the information available in the market operator information system.

- It will begin to split the selling portfolio units. For each selling portfolio unit, it will begin by assigning energy to the bidding units associated with the portfolio that already have energy, first assigning those bidding units that have less energy left to reach their available power.
  - o If there is energy left, it would begin with the selling bidding units associated with the portfolio that have not yet been allocated energy, first assigning those bidding units that have less energy left to reach their available power.
  - o If there is energy left, it would start with the purchase units associated with the portfolio, and within them it will start assigning energy to those purchase units that can resell more energy.
- It will continue through the purchase portfolio units and within it will begin assigning energy to the purchase bidding units associated with the portfolio, and within them will begin assigning energy to those bidding units that can buy back more energy.
  - o If there is energy left, it would start with the purchase bidding units associated with the portfolio that already has energy, first assigning those bidding units that have less energy left to reach their available power.
  - o If there is energy left over, it would start with the purchase bidding units associated with the portfolio that have not yet been allocated energy, first assigning those bidding units that have less energy left to reach their available power.
- In all cases, given the same amount of energy remaining to reach its available power it will be allocated in alphabetical order of the bidding unit.
- Energy split of the sales portfolio units will not be considered as consolidated for the split of the purchase portfolios.

- The remaining energy left from the default split will remain in the portfolio unit and will be included in the Continuous Incremental Matching Base Intraday Schedule (PIBCIC).

#### **RULE 49. CONTINUOUS BASE INTRADAY INCREMENTAL MATCHING SCHEDULE (PIBCIC) FOR THE CONTINUOUS INTRADAY MARKET**

The Continuous Base Intraday Incremental Continuous Matching Schedule (PIBCIC) is the schedule for the bid units and portfolio units resulting from trading in each round of the continuous intraday market. This schedule will be generated after each round of the continuous intraday market.

This incremental schedule shall contain, by bid unit and portfolio unit, the net schedule resulting from the purchase and sale transactions carried out by said units in the periods traded in that round in the continuous intraday market, taking into account the disaggregations for the period that will not be traded again in the intraday market.

The information contained in the confirmed and published PIBCIC file shall be firm and definitive.

#### **RULE 50. EXCEPTIONAL CIRCUMSTANCES ON THE CONTINUOUS INTRADAY MARKET.**

Exceptional circumstances are those that render it impossible to undertake the process of submitting and accepting orders or the matching processes correctly.

The circumstances referred to in the preceding paragraph may be due, by way of example, to one or more of the following contingencies:

- a) Technical issues with the trading platforms.

When there are technical issues with European Continuous Intraday Trading Platform (central system) or with the Market Operator's Market Platform (local system), the Order Book is not available, and orders cannot therefore be submitted to the central system for matching. If the technical issues persist through to the end of trading of a particular contract, the market operator shall continue with the normal operating process using solely the valid trades available on the Market Operator's Trading Platform.

- b) Interruption of trading on the continuous intraday market.

The market operator may temporarily interrupt trading on its Trading Platform in the event of circumstances that may threaten the correct operation of the market. As a result of this interruption, existing orders on the trading platform may be frozen.

In the case of scheduled interruptions due to maintenance tasks, freezing of the existing orders in the Trading Operator Trading Platform will proceed.

- c) Restrictions on the interaction with the Market Operator's Market Platform.

The market operator may impose general restrictions on the number of requests that the information technology applications of the agents may make to the Market Operator's

Market Platform over a given period of time, with the aim being to prevent situations that may threaten the correct operation of the market.

The market operator may restrict access to the applications of those market agents that jeopardize the proper functioning of the Trading Operator Trading Platform.

d) Force majeure.

d.1) If foreseeable, but inevitable, the market operator shall suspend trading on the continuous intraday market, trying as far as possible, to allow negotiation in intraday auction sessions. As of that moment and until the restart of trading, the system operators shall resolve the situation, if applicable, by applying the system's operating procedures.

d.2) If, there should be any failure of the market operator's IT, computer applications malfunction or communications equipment of the market operator or the European continuous trading platform that stops them from operating properly, the market operator may suspend trading, informing the system operators of the information available whereby the situation can be resolved according to the system's applicable operating procedures.

## **50.1. UNAVAILABILITY OF PRIOR SCHEDULES.**

The market operator shall specify the clearing of energy for each agent participating on the continuous intraday market for the sale and purchase orders that have been matched for each contract with one or more of its bid units or portfolio

## **RULE 51. SETTLEMENT OF THE CONTINUOUS INTRADAY MARKET**

### **51.1. SETTLEMENT.**

The market operator shall specify the clearing of energy for each agent participating on the continuous intraday market for the sale and purchase orders that have been matched for each contract with one or more of its bid units or portfolio.

In order to proceed with these clearings, the market operator shall record the corresponding account entries in the register kept for such purposes by each bid unit or portfolio.

The account entries corresponding to each trade shall be recorded after each one of the synchronisation moments involving the Market Operator's Market Platform and the Market Operator's Information System.

#### **51.1.1. COLLECTION RIGHTS ON THE CONTINUOUS INTRADAY MARKET.**

For each sale order matched at a positive price and for each purchase order matched at a negative price on the continuous intraday market, incorporated into the schedule as a result of the trading and which has not been cancelled, an agent shall record a collection right on the continuous intraday market (DCIC) equal to:

$$DCIC(d,c,t,u,r) = ENIC(d,c,t,u,r) * P(d,c,t,u,r)$$

Where:

d: Day traded.

c: Contract traded.

t: Number of the trade on the continuous intraday market.

u: Bid unit or portfolio owned by the agent or its representative in the name and on behalf of third parties.

r: Round of the continuous intraday market.

ENIC(d,c,t,u,r): Energy matched in round r for contract c on day d for trade t, of bid unit or portfolio u.

P(d,c,t,u,r): Price, as an absolute value, of trade t matched in round r for contract c on day d, of bid unit or portfolio u.

#### **51.1.2. PAYMENT OBLIGATIONS ON THE CONTINUOUS INTRADAY MARKET.**

For each purchase order matched at a positive price and for each sale order matched at a negative price on the continuous intraday market, incorporated into the programme as a result of the trading and which has not been cancelled, a company shall record a payment obligation on the continuous intraday market (DCIC) equal to:

$$\text{OPIC}(d,c,t,u,r) = \text{ENIC}(d,c,t,u,r) * P(d,c,t,u,r)$$

#### **51.1.3. DISCLOSURE OF THE RESULTS OF THE CLEARING ON THE CONTINUOUS INTRADAY MARKET.**

Pursuant to the general rules on confidentiality laid down herein, the market operator shall provide market agents, through its information systems, with the results on their collection rights and payment obligations arising from the trades matched on the continuous intraday market for the day-ahead scheduling time-frame.

#### **51.1.4. OPERATING LIMIT FOR THE ACCEPTANCE OF BIDS ON THE CONTINUOUS INTRADAY MARKET.**

##### **51.1.4.1. COLLATERAL RESERVED FOR OPERATING ON THE CONTINUOUS INTRADAY MARKET.**

To operate on the continuous intraday market, agents are first to indicate the volume of collateral presented before the market operator that they wish to assign to their trading on the continuous intraday market in each synchronisation cycle (GMIC). Each agent shall therefore have its own collateral account on the Market Operator's Market Platform. This amount shall be automatically reduced from the surplus of collateral in the Market Operator's Information System for its participation both in the day-ahead market and in the intraday auctions, as stipulated in the rule "Balance of Collateral".

The volume of collateral earmarked for operating on the continuous intraday market shall be assigned to the collateral account linked to the agent on the Market Operator's Market

Platform. In the event of a representation in the name and on behalf of third parties, the collateral account to be used shall be that linked to the delegating agent.

Agents are to request the market operator, through the Market Operator's Information System, the amount to be assigned to the Market Operator's Market Platform as well as any subsequent increase or decrease in that value they wish to make.

#### **51.1.4.2. SYNCHRONISATION OF COLLATERAL.**

Once the collateral have been assigned, the Market Operator's Market Platform shall keep a record of their own balance of collateral, separately from the balance of collateral in the Market Operator's Information System. Agents may submit purchase orders and (at positive or negative prices), and arrange purchase transactions at positive prices or selling transactions at negative prices on the Market Operator's Market Platform, provided that the valuation of the same does not exceed the volume of collateral available in the Market Operator's Market Platform (operating limit).

The synchronisation process begins at the end of each round with the start of the transfer to the Market Operator's Information System of the operations matched on the Market Operator's Market Platform for all the closed rounds that have not been synchronised. The moment when the Market Operator's Information System receives that information is called the synchronisation moment.

Each synchronisation involves the following processes:

1. The Market Operator's Information System shall proceed to consider, in the calculation of the collateral balance, the entries corresponding to all the trades arranged on the Market Operator's Market Platform for all the closed rounds that have not been synchronised. Inclusion shall therefore be made of the corresponding payment obligations and collection rights, considering all applicable taxes and, as appropriate, the granting of collection rights to third parties as declared by each agent.
2. The Market Operator's Information System shall indicate to the Market Operator's Market Platform whether it may continue to dispose of the volume of collateral reserved by the agent, or whether that value should be reduced to guarantee that the balance of collateral in the Market Operator's Information System, after recording the operations from the latest synchronisation with the Market Operator's Market Platform, continues to be non-negative. For these purposes, the Market Operator's Information System shall inform the Market Operator's Market Platform of the reduction the latter is to take into account during the next round of trading.
3. Finally, the operating limit is to be updated on the Market Operator's Market Platform, considering both the possible reduction in collateral on the Market Operator's Market Platform and the release of the payment obligations corresponding to the trades negotiated on the Market Operator's Market Platform for all the closed rounds that have not been synchronised, once these have already been incorporated into the Market Operator's Information System.

#### **51.1.4.3. OPERATING LIMIT.**

The market operator shall use the Market Operator's Market Platform to constantly update the values of each agent's operating limit, to be considered in the validation of debit orders submitted to the continuous intraday market.

At each moment, the market operator shall calculate each agent's operating limit as the sum of the following terms:

- a) Volume of collateral requested by each agent for operating on the continuous intraday market.
- b) Payment obligations arising from the purchase orders matched at positive prices or sale orders matched at negative prices during the trading round in progress, with all applicable taxes (with negative value).
- c) Valuation of debit orders remaining in the agent's Order Book, with all applicable taxes (with negative value).
- d) Reduction in collateral in the Market Operator's Market Platform notified by the Market Operator's Information System following the latest synchronisation as there is an insufficient surplus in the Market Operator's Information System (with negative value).
- e) Request for a reduction in collateral made by the agent (with negative value).
- f) Request for an increase in collateral made by the agent.

The collection rights arising from sale orders matched at positive prices (or purchase orders at negative prices) shall not be considered for the purpose of calculating the operating limit, although they shall be taken into account in the balance of collateral in the Market Operator's Information System following each synchronisation.

#### **51.1.4.4. INCREASE AND REDUCTION IN COLLATERAL FOR THE MARKET OPERATOR'S MARKET PLATFORM.**

Agents may ask to increase or decrease the volume of collateral transferred from the Market Operator's Information System to the Market Operator's Market Platform for operating on the continuous intraday market. Agents should therefore submit a corresponding request to the market operator through the Market Operator's Information System.

This request shall be assessed by the market operator and if it is accepted it shall be included in the calculation of the operating limit in the next moment of synchronisation.

Any request for an increase in collateral for operating on the Market Operator's Market Platform is to be accepted, provided there is a sufficient surplus of collateral in the Market Operator's Information System. In this case, the surplus in the Market Operator's Information System shall be reduced by a corresponding entry recorded in the balance of collateral, and this increase in collateral shall be considered in the calculation of the operating limit on the Market Operator's Market Platform as of the next moment of synchronisation of the Market Operator's Information System and the Market Operator's Market Platform.

Likewise, any request for a decrease in collateral for operating on the continuous intraday market shall be validated by the Market Operator's Market Platform in the next moment of synchronisation, and if that amount is not bound by payment obligations, it is to be accepted, with the ensuing reduction on the Market Operator's Market Platform and release of the collateral withheld in the Market Operator's Information System for that amount. If it is not possible to make the reduction requested on the Market Operator's Market Platform, because that amount has been bound by payment obligations, the

agent is to be informed that its request has been rejected and shall not be considered for other synchronisations.

## **CHAPTER NINE. SCHEDULES RECEIVED AFTER THE INTRADAY MARKETS.**

### **RULE 52. FINAL HOURLY SCHEDULE AFTER EACH INTRADAY MARKET.**

System operators shall make available to the market operator the Final Hourly Schedule and the Continuous Final Hourly Schedule.

The Final Hourly Schedule (PHF) and the Final Continuous Hourly Schedule (PHFC) converted by the market operator into supply and/or portfolio units shall include, for each scheduling period, the following aspects:

1. The electricity allocated to each bidding unit in the Final Daily Viable Programme.
2. The electricity that corresponds by tranches to each trading unit whose electricity sale and purchase orders have been matched on the continuous intraday market.
3. The electricity corresponding by blocks to each sales and purchasing unit whose bids for the purchase and sale of electricity have been matched on the continuous intraday market up to the close of the round prior to the publication of the schedule, according to the schedules established in Annex 1..

The market operator shall provide agents with the PHF and PHFC upholding the confidentiality provided for in the corresponding rule.

## **CHAPTER TEN. SETTLEMENT OF THE RENEWABLE ENERGIES ECONOMIC REGIME.**

### **RULE 53. RENEWABLE ENERGIES ECONOMIC REGIME.**

#### **53.1. COMMUNICATIONS CONCERNING THE IMPLEMENTATION OF THE RENEWABLE ENERGIES ECONOMIC REGIME.**

Looking toward the implementation of the Renewable Energies Economic Regime, which is regulated in the Renewable Energies Economic Regime, the market operator and the Ministry for the Ecological Transition and the Demographic Challenge will exchange the following communications for the proper implementation of the Renewable Energies Economic Regime through the mechanisms and with the regularity agreed upon between the parties.

The market operator will communicate the following events to the Ministry for the Ecological Transition and the Demographic Challenge:

- Energy sales certificate.
- Start date for the auction energy calculation
- Modification of ownership details.
- Notification of maximum auction energy reached.
- Notification of the finalization of the maximum delivery period and modifications to the settlement that occur.
- The facility's voluntary waiver to the Renewable Energies Economic Regime and modifications to the settlement that occur.
- Penalties that are made in the intermediate milestones and modifications to the settlement that occur.
- Auction energy computed at the intermediate milestones.
- Notification of adherence to the Renewable Energies Economic Regime prior to the start of the maximum delivery period.
- The earliest date of the end of the Renewable Energies Economic Regime's implementation, in the case of cancellation due to closure, document falsification, or revocation of authorization

The Ministry for the Ecological Transition and the Demographic Challenge will notify the market operator of the following events:

- Resolution of registration in the Renewable Energies Economic Regime's electronic register in an operational state.
- Modification of registration data in the Renewable Energies Economic Regime's electronic register
- Resolution of cancellation of registration in the Renewable Energies Economic Regime's electronic register in an operational state.
- Resolution on the imposition of penalties

The changes derived from the notifications set forth in this royal decree which have an impact on a facility's market participation or on its settlements will not take effect on dates whose day-ahead market has already taken place.

## 53.2. PRICE TO BE CHARGED FOR THE FACILITIES AFFILIATED WITH THE RENEWABLE ENERGIES ECONOMIC REGIME.

For each bidding unit belonging to facilities affiliated with the Renewable Energies Economic Regime, the price to be charged for each trading period on the different markets provided that the conditions of that regime's implementation are met, will be as follows on the day-ahead market, on the intraday market, and in the balance and adjustment services:

$$PP(up,h) = (PADJ(up) + [\% \text{ market adjustment} * (PMD(h) - PADJ(up))] ) * K(up)$$

With the following definitions:

PADJ (up): Award price in the auction in which the facility affiliated with the Renewable Energies Economic Regime was awarded, up.

PMD (h): Day-ahead market price for the programming period.

% market adjustment: The market adjustment percentage determined in the order regulating the auction mechanism in which the facility was awarded.

K (up): Coefficient of the reduction in price to be received by the facility affiliated with the Renewable Energies Economic Regime, up, for non-compliance with the criteria of sustainability and reduction of greenhouse gas emissions. The coefficient will have a value equal to 1, unless a different value is established by resolution of the Directorate General for Energy Policy and Mines.

The price to be received obtained from the prior formulas will be rounded to two decimal places.

Those sellers with units from facilities affiliated with the Renewable Energies Economic Regime that have negotiated with said energy units for a negotiation period on the day-ahead market or intraday market at a price equal to or lower than the collection exemption price will receive the corresponding market price (day-ahead or intraday) for those units in that negotiation period; that energy is not counted as auctioned for the purposes of the provisions set forth by the Renewable Energies Economic Regime.

For the settlement of the Renewable Energies Economic Regime, the account entries will be made as defined below in the following rules, as adjustments to the payment obligations or collection rights recorded to the facility in accordance with the prices corresponding to the markets in which it has participated.

### **53.3. SETTLEMENT ADJUSTMENT OF THE AUCTION ENERGY IN THE DAY-AHEAD MARKET.**

#### **53.3.1. AUCTION ENERGY SETTLEMENT ADJUSTMENT IN THE DAY-AHEAD MARKET.**

For the seller affiliated with the Renewable Energies Economic Regime whose sales bids have been matched in the contracting session of the day-ahead market and incorporated into the program resulting from the matching, a collection right will be recorded in the programming periods in which the price to be received by the facility is higher than the price of the day-ahead market if the latter is higher than the established collection exemption price. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's collection right for each bid unit for sale in the programming period h will be:

$$DCPBCREER(up,h) = EPBC(up,h) * [PP(up,h) - PMH(h)]$$

With the following definitions:

DCPBCREER(up,h): The seller's collection right for the energy corresponding to the sales unit up, for their participation in the day-ahead market, during the programming period h.

PP(up,h): Price to be received on the day-ahead market for the facility up.

EPBC (up,h): Energy allocated to the sales unit, up, in the programming period h, on the day-ahead market (PDBC).

PMH(h): Hourly marginal price corresponding to the h hour on the day-ahead market (PDBC) in the Spanish bidding zone. In the event of a new matching being carried out in accordance with the Rule on "Iberian Day-Ahead Market Re-matching," the price considered will be the one corresponding to said re-matching.

For the seller affiliated with the Renewable Energies Economic Regime whose sales bids have been matched in the contracting session of the day-ahead market and incorporated into the program resulting from the matching, a payment obligation will be noted in the programming periods in which the price to be received by the facility is lower than the price of the day-ahead market if the latter is higher than the established collection exemption price. This payment obligation will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's payment obligation for each bid unit for sale in the programming period h will be:

$$\text{OPPBCREER}(up,h) = \text{EPBC}(up,h) * [\text{PMH}(h) - \text{PP}(up,h)]$$

With the following definitions:

**OPPBCREER(up,h):** Seller's payment obligation for the energy corresponding to the sales unit up, for their participation in the day-ahead market in programming period h.

**EPBC(up,h):** Energy allocated to the sales unit up, in the programming period h, on the day-ahead market (PDBC).

**PP(up,h):** Price to be received on the day-ahead market for the facility up.

**PMH(h):** Positive hourly marginal price corresponding to the hour h on the day-ahead market (PDBC) in the Spanish bidding zone. In the event of a new matching being carried out in accordance with the Rule on "Iberian Day-Ahead Market Re-matching," the price considered will be the one corresponding to said re-matching.

### **53.3.2. SETTLEMENT ADJUSTMENT OF THE AUCTION ENERGY ON THE INTRADAY MARKET.**

For the seller affiliated with the Renewable Energies Economic Regime whose sales bids have been matched in the contracting session of the intraday market and incorporated into the program resulting from the matching, a collection right will be recorded in the programming periods in which the price to be received by the facility is higher than the price of the intraday market. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's collection right for each bid unit for sale in the programming period h will be:

$$\text{DCIREER}(up,h) = \text{EPIBC}(up,h,s) * [\text{PP}(up,h) - \text{PMHI}(h,s)]$$

With the following definitions:

**DCIREER(up,h):** The seller's collection right for the energy corresponding to the sales unit up, for their participation in the intraday market during the programming period h.

EPIBC(up,h,s): Sales energy assigned to the sales unit up, for the programming period h on the intraday market in the session s.

PP(up,h): Price to be received on the intraday market for the facility up.

PMHI(h,s): Positive hourly marginal price corresponding to the programming period h on the intraday market (PIBC) in the Spanish bidding zone in the session s.

For a seller affiliated with the Renewable Energies Economic Regime whose sales bids have been matched on the intraday market contracting session and incorporated into the program resulting from the matching, a payment obligation will be recorded in the programming periods in which the price to be received for the facility is lower than the intraday market price. This payment obligation will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's payment obligation for each bid unit for sale in the programming period h will be:

$$\text{OPIREER}(up,h) = \text{EPIBC}(up,h,s) * [\text{PMHI}(h,s) - \text{PP}(up,h)]$$

With the following definitions:

OPIREER(up,h): The seller's payment obligation for the energy corresponding to the production unit up, for their participation in the intraday market during the programming period h.

EPIBC(up,h,s): Sales energy assigned to the sales unit up, for the programming period h on the intraday market in the session s.

PP(up,h): Price to be received on the intraday market for the facility up in the programming period h.

PMHI(h,s): Positive hourly marginal price corresponding to the programming period h on the intraday market (PIBC) in the Spanish bidding zone in the session s.

For a seller affiliated with the Renewable Energies Economic Regime whose purchase bids have been matched on the intraday market contracting session and incorporated into the program resulting from the matching, a payment obligation will be recorded in the programming periods in which the price to be received for the facility is higher than the intraday market price. This payment obligation will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's payment obligation for each bid unit for sale in the programming period h will be:

$$\text{OPIREER}(up,h) = \text{EPIBC}(up,h,s) * [\text{PP}(up,h) - \text{PMHI}(h,s)]$$

With the following definitions:

$\text{OPIREER}(up,h)$ : The seller's payment obligation for the energy corresponding to the sales unit up, for their participation in the intraday market during the programming period h.

$\text{EPIBC}(up,h,s)$ : Purchase energy assigned to the sales unit up, for the programming period h on the intraday market in the session s.

$\text{PP}(up,h)$ : Price to be received on the intraday market for the facility up in the programming period h.

$\text{PMHI}(h,s)$ : Positive hourly marginal price corresponding to the programming period h on the intraday market (PIBC) in the Spanish bidding zone in the session s.

For the seller affiliated with the Renewable Energies Economic Regime whose purchase bids have been matched in the contracting session of the intraday market and incorporated into the program resulting from the matching, a collection right will be recorded in the programming periods in which the price to be received by the facility is lower than the price of the transaction. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's collection right for each bid unit for sale in the programming period h will be:

$$\text{DCIREER}(up,h) = \text{EPIBC}(up,h,s) * [\text{PMHI}(h,s) - \text{PP}(up,h)]$$

With the following definitions:

$\text{DCIREER}(up,h)$ : The seller's collection right for the energy corresponding to the production unit up, for their participation in the intraday market during the programming period.

$\text{EPIBC}(up,h,s)$ : Purchase energy assigned to the sales unit up for the time h on the intraday market in the session s.

$\text{PP}(up,h)$ : Price to be received on the intraday market for the facility up in the programming period h.

PMHI(h,s): Positive hourly marginal price corresponding to the programming period h on the intraday market (PIBC) in the Spanish bidding zone in the session s.

### **53.3.3. SETTLEMENT ADJUSTMENT OF THE AUCTION ENERGY ON THE CONTINUOUS INTRADAY MARKET.**

For the seller affiliated with the Renewable Energies Economic Regime whose sale bids have been matched in the negotiation rounds of the continuous intraday market and incorporated into the program resulting from the matching, and which have not been canceled, a collection right will be recorded in the programming periods in which the price to be received by the facility is higher than the price of the transaction. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

$$DCICREER(c,t,up,h) = ENIC(c,t,up,h) * [PP(up,h) - PMHC(c,t)]$$

With the following definitions:

DCICREER(c,t,up,r): The seller's collection right for the energy corresponding to the sales unit up, for their participation in the continuous intraday market during the programming period h.

c: Negotiated contract.

t: Number of the continuous intraday market transaction for the facility up.

up: Bid unit for sale owned by the agent or representative for and on behalf of third parties.

r: Round of the continuous intraday market.

ENIC(c,t,u,h): Sales energy matched in the programming period h for the contract c for transaction t, for the bid unit up.

PP(up,h): Price to be received on the intraday market.

PMHC(c,t): Transaction price t in the contract c.

For the seller affiliated with the Renewable Energies Economic Regime whose sale bids have been matched in the negotiation rounds of the continuous intraday market and incorporated into the program resulting from the matching, and which have not been canceled, a payment obligation will be recorded in the programming periods in which the price to be received by the facility is lower than the price of the transaction. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

$$\text{OPICREER}(c,t,up,h) = \text{ENIC}(c,t,up,h) * [\text{PMHC}(c,t) - \text{PP}(up,h)]$$

With the following definitions:

$\text{OPICREER}(c,t,up,h)$ : The seller's payment obligation for the energy corresponding to the sales unit up, for their participation in the continuous intraday market during the programming period h.

c: Negotiated contract.

t: The transaction number from the continuous intraday market.

up: Bid unit for sale owned by the agent or representative for and on behalf of third parties.

r: Round of the continuous intraday market.

$\text{ENIC}(c,t,u,h)$ : Sales energy matched in the programming period h for the contract c day d for transaction t, for the bid unit up.

$\text{PP}(up,h)$ : Price to be received on the intraday market for the facility up.

$\text{PMHC}(c,t)$ : Transaction price t in the contract c.

For the seller affiliated with the Renewable Energies Economic Regime whose purchase bids have been matched in the negotiation rounds of the continuous intraday market and incorporated into the program resulting from the matching, and which have not been canceled, a payment obligation will be recorded in the programming periods in which the price to be received by the facility is higher than the price of the transaction. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

$$\text{OPICREER}(c,t,up,h) = \text{ENIC}(c,t,up,h) * [\text{PP}(up,h) - \text{PMHC}(c,t)]$$

With the following definitions:

$\text{OPICREER}(c,t,up,r)$ : The seller's payment obligation for the energy corresponding to the sales unit up, for their participation in the continuous intraday market during the programming period h.

c: Negotiated contract.

t: The transaction number from the continuous intraday market.

up: Bid unit for sale owned by the agent or representative for and on behalf of third parties.

r: Round of the continuous intraday market.

ENIC(c,t,u,h): Purchase energy matched in the programming period h for the contract c day d for transaction t, for the bid unit up.

PP(up,h): Price to be received on the intraday market for the facility up in the programming period h.

PMHC(c,t): Transaction price t in the contract c.

For the seller affiliated with the Renewable Energies Economic Regime whose purchase bids have been matched in the negotiation rounds of the continuous intraday market and incorporated into the program resulting from the matching, and which have not been canceled, a collection right will be recorded in the programming periods in which the price to be received by the facility is lower than the price of the transaction. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the matched energy in each programming period times the difference between the price to be received and the marginal price of the Spanish bidding zone.

$$DCICREER(c,t,up,h) = ENIC(c,t,up,h) * [ PMHC(c,t) - PP(up,h) ]$$

With the following definitions:

DCICREER(c,t,up,h): The seller's collection right for the energy corresponding to the production unit up, for their participation in the continuous intraday market during the programming period h.

c: Negotiated contract.

t: The transaction number from the continuous intraday market.

up: Bid unit for sale owned by the agent or representative for and on behalf of third parties.

r: Round of the continuous intraday market.

ENIC(c,t,u,h): Purchase energy matched in the programming period h for the contract c day d for transaction t, for the bid unit up.

PP(up,h): Price to be received on the intraday market for the facility up in the programming period h.

PMHC(c,t): Transaction price t in the contract c.

#### **53.3.4. SETTLEMENT ADJUSTMENT OF THE ENERGY NEGOTIATED IN THE BALANCING AND ADJUSTMENT SERVICES.**

For a seller affiliated with the Renewable Energies Economic Regime who has negotiated energy to be uploaded in the system's balance and adjustment services, a collection right will be recorded in the programming periods in which the price to be received by the facility is higher than the day-ahead market price. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the net energy to be uploaded times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's collection right for each bid unit for sale in the programming period h will be:

$$DCSAREER(up,h) = ESA(up,h) * [PP(up,h) - PMH(h)]$$

With the following definitions:

DCSAREER(up,h): The seller's collection right for the energy corresponding to the sales unit up, for their participation in the balance and adjustment market, during the programming period h.

ESA(up,h): Net energy to be uploaded allocated to the sales unit up, for the programming period h, in the system balance and adjustment services.

PP(up,h): Price to be received in the adjustment and balance services for the facility up in the programming period h.

PMH(h): Positive hourly marginal price corresponding to the programming period h on the day-ahead market (PDBC) in the Spanish bidding zone. In the event of a new matching being carried out in accordance with the Rule on "Iberian Day-Ahead Market Re-matching," the price considered will be the one corresponding to said re-matching.

For a seller affiliated with the Renewable Energies Economic Regime who has negotiated energy to be uploaded in the system's balance and adjustment services, a payment obligation will be recorded in the programming periods in which the price to be received by the facility is lower than the day-ahead market price. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the net energy to be uploaded times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's payment obligation for each bid unit for sale in the programming period h will be:

$$OPSAREER(up,h) = ESA(up,h) * [PMH(h) - PP(up,h)]$$

With the following definitions:

OPSAREER(up,h): The seller's payment obligation for the energy corresponding to the sales unit up, for their participation in the balance and adjustment market, in the programming period h.

ESA(up,h): Net energy to be uploaded allocated to the sales unit up, for the programming period h, in the system balance and adjustment services.

PP(up,h): Price to be received in the adjustment and balance services for the facility up in the programming period h.

PMH(h): Positive hourly marginal price corresponding to the programming period h on the day-ahead market (PDBC) in the Spanish bidding zone. In the event of a new matching being carried out in accordance with the Rule on "Iberian Day-Ahead Market Re-matching," the price considered will be the one corresponding to said re-matching.

For a seller affiliated with the Renewable Energies Economic Regime who has negotiated withdrawing energy in the system's balance and adjustment services, a payment obligation will be recorded in the programming periods in which the price to be received by the facility is higher than the day-ahead market price. This payment obligation will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the net energy to be uploaded times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's payment obligation for each bid unit for sale in the programming period h will be:

$$\text{OPSAREER}(up,h) = \text{ESA}(up,h) * [\text{PP}(up,h) - \text{PMH}(h)]$$

With the following definitions:

OPSAREER(up,h): The seller's payment obligation for the energy corresponding to the production unit up, for their participation in the balance and adjustment market, in the programming period h.

ESA(up,h): Net energy to be withdrawn allocated to the sales unit up, for the programming period h in the system balance and adjustment services.

PP(up,h): Price to be received in the adjustment and balance services for the facility up in the programming period h.

PMH(h): Positive hourly marginal price corresponding to the programming period h on the day-ahead market (PDBC) in the Spanish bidding zone. In the event of a new matching being carried out in accordance with the Rule on "Iberian Day-Ahead Market Re-matching," the price considered will be the one corresponding to said re-matching.

For a seller affiliated with the Renewable Energies Economic Regime who has negotiated energy to be withdrawn in the system's balance and adjustment services, a

collection right will be recorded in the programming periods in which the price to be received by the facility is lower than the day-ahead market price. This collection right will be recorded to the production unit of which they are the owner, or if not its owner but representing it in their own name and on behalf of others, and it will be calculated as the product of the net energy to be uploaded times the difference between the price to be received and the marginal price of the Spanish bidding zone.

The seller's collection right for each bid unit for sale in the programming period h will be:

$$DCSAREER(up,h) = ESA(up,h) * [PMH(h) - PP(up,h)]$$

With the following definitions:

DCSAREER(up,h): The seller's collection right for the energy corresponding to the production unit up, for their participation in the balance and adjustment market, during the programming period h.

ESA(up,h): Net energy to be withdrawn to the sales unit up during the programming period h in the system balance and adjustment services.

PP(up,h): Price to be received in the adjustment and balance services for the facility up in the programming period h.

PMH(h): Positive hourly marginal price corresponding to the programming period h on the day-ahead market (PDBC) in the Spanish bidding zone. In the event of a new matching being carried out in accordance with the Rule on "Iberian Day-Ahead Market Re-matching," the price considered will be the one corresponding to said re-matching.

For the determination of the collection rights and payment obligations related to the settlement of the energies negotiated in the balance and adjustment services by the facilities affiliated with the Renewable Energies Economic Regime, the information provided by the System Operator shall be used in accordance with the Rule on "Information to be provided to the market operator by the system operators."

The values of energy traded in the adjustment services for the purposes of the market operator's settlements shall be expressed in MWh and rounded to one decimal place in each programming period.

#### **53.4. SETTLEMENT OF THE SURPLUS OR DEFICIT OF THE SETTLEMENTS OF THE RENEWABLE ENERGIES ECONOMIC REGIME.**

The surplus or deficit generated on a daily basis in the settlements as a result of the differences between the market price and the prices to be received by the facilities

affiliated with the Renewable Energies Economic Regime will be settled among all the national acquisition units in proportion to their energy in the last final hourly program.

The value of this daily surplus/deficit will be determined by:

$$\begin{aligned} \text{EXCDEFREER}(d) &= \sum_{\text{up}} \sum_{\text{h}} [ \text{OPPBCREER}(\text{up}, \text{h}) - \text{DCPBCREER}(\text{up}, \text{h}) + \text{OPIREER}(\text{up}, \text{h}) \\ &\quad - \text{DCIREER}(\text{up}, \text{h}) + \text{OPICREER}(\text{up}, \text{h}) - \text{DCICREER}(\text{up}, \text{h}) \\ &\quad + \text{OPSAREER}(\text{up}, \text{h}) - \text{DCSAREER}(\text{up}, \text{h}) ] \end{aligned}$$

In cases where a daily surplus is generated ( $\text{EXCDEFREER}(d) > 0$ ), a collection right will be recorded for owners of national acquisition units in each programming period; this will be calculated by:

$$\text{DCUADQREER}(h, \text{ua}) = \frac{\text{EUADQ}(h, \text{ua})}{\sum_{\text{ua}} \sum_{\text{h}} \text{EUADQ}(h, \text{ua})} * \text{EXCDEFREER}(d)$$

With the following definitions:

$\text{EUADQ}(h, \text{ua})$ : energy of the national acquisition unit  $\text{ua}$  in the last final hourly program for the  $h$  programming period on  $d$ -day.

In cases where a daily deficit is generated ( $\text{EXCDEFREER}(d) < 0$ ), a payment obligation will be recorded for owners of national acquisition units in each programming period; this will be calculated by:

$$\text{OPUADQREER}(h, \text{ua}) = - \frac{\text{EUADQ}(h, \text{ua})}{\sum_{\text{ua}} \sum_{\text{h}} \text{EUADQ}(h, \text{ua})} * \text{EXCDEFREER}(d)$$

### **53.5. NATIONAL ACQUISITION UNITS FOR THE PURPOSES OF SETTLEMENTS OF THE RENEWABLE ENERGIES ECONOMIC REGIME.**

For the purposes of the settlements of the financial surplus/deficit derived from the Renewable Energies Economic Regime, national acquisition units will be understood to be those established in the Spanish zone, with the exception of storage units (pumping consumption, batteries), generic units, portfolio units of purchase generation, export units, and purchase units of production unit auxiliary services.

The distribution of the financial surplus/deficit will only be made between the national acquisition units whose owner has acquired the status of market agent.

### **53.6. TERMINATION OF THE SETTLEMENTS OF THE RENEWABLE ENERGIES ECONOMIC REGIME.**

The market operator will stop paying the remuneration of the Renewable Energies Economic Regime to those facilities included in the cases outlined in a) and b) of Article 30 of the Renewable Energies Economic Regime, starting from the next day on which the maximum auction energy is reached or the date of finalization of the maximum delivery period.

In accordance with the cases outlined in d) and e) of Article 30 of the Renewable Energies Economic Regime, the owners of production facilities affiliated with the Renewable Energies Economic Regime may request the waiver of the implementation of said regime by means of an electronic request made through the market operator's information system, indicating the date of application, which must always be on or after the first date on which the day-ahead market's matching has not been done. This request will be irrevocable. After its acceptance, the market operator will cease to settle the Renewable Energies Economic Regime for the facility as of the date of the request.

In all other cases of Article 30 of the Renewable Energies Economic Regime, for facilities that have had their registration in the electronic register of the Renewable Energies Economic Regime cancelled in an operational state, the market operator will stop settling the Renewable Energies Economic Regime as of the first date on which the day-ahead market's matching has not been done and after the day the market operator receives the decision to cancel the registration in the register.

## **CHAPTER ELEVEN. CLEARING, BILLING, COLLECTIONS AND PAYMENTS, AND COLLATERAL.**

### **RULE 54. GENERAL CONSIDERATIONS ON SETTLEMENT**

The clearing process involves determining the collection rights and payment obligations arising from operations in the day-ahead market and intraday markets, of the application of the economic regime of renewable energies, as well as those others of a regulatory nature.

#### **54.1. ASPECTS FOR DETERMINING THE PRICE.**

These are operations for setting the price of electricity for each sale unit and for each purchase unit, the establishment of the energy schedules assigned to each production and acquisition as specified forthwith:

- Day-ahead schedules arising from the matching of the day-ahead market (PBC).
- Schedule incremental arising from the matching of the intraday auction market (PIBCI).
- Schedule incremental arising from the matching of the continuous intraday market (PIBCIC).

#### **54.2. SETTLEMENT.**

The market operator shall undertake a day-ahead clearing for each agent by aggregating the hourly entries corresponding to each day, according to these rules.

The economic settlement of the cross-border energy flows resulting from the daily and intraday auction markets on the interconnection between Spain and France as well as the congestion rents generated on this interconnection will be carried out between the Spanish market operator and its designated counterparts in France, or third parties authorised by them. The Spanish market operator shall be responsible for paying half the congestion income at the interconnection between Spain and France to the Spanish system operator, while the nominated market operators in France, or third parties empowered by them, shall pay the other half to the French system operator, according to the procedure established in each electricity system. For the purpose of settling the energy exchange with each of its counterparties located in France, the market operator will use the flow disaggregation provided by the Euphemia matching algorithm.

The clearing of cross-border trades at the interconnection between Spain and France on the continuous intraday market shall be made between the Spanish market operator and its nominated counterparts in France, or third parties empowered by them. For the purpose of determining the counterparty in France for the clearing of each cross-border trade, use is to be made of the information provided by the European Continuous Intraday Trading Platform.

Any monetary difference that may arise as a result of the clearing of the energy exchanged through the market coupling between MIBEL and France or caused by incidents involving program mismatches shall be financed through each of the congestion income and the explicit auctions corresponding to the Spanish electricity system, as appropriate.

For these purposes, the mismatches that could be caused by cancellation of traded energies in the continuous intraday market by units located in the Portuguese area that would have been matched to units outside the MIBEL will be settled at the congestion income of the interconnection between Spain and Portugal corresponding to the Spanish electricity system, while the mismatches that occur due to the cancellation of energies negotiated by units located in the Spanish zone that would have been matched to units outside the MIBEL will be liquidated to the congestion rent of the interconnection between Spain and France that corresponds to the Spanish electrical system.

Likewise, the imbalances that may occur as a result of cancellation for MIBEL of energy traded in the intraday auction market after the confirmation of the results for the European matching will be settled at the congestion rent for the interconnection between Spain and France that corresponds to the Spanish electricity system.

For these clearings, the market operator shall make the corresponding account entries in the register it keeps for such purposes for the following units:

1. Each holder's trading units or portfolios.
2. Each representative's trading units or portfolios when the unit involves the energy orders of holders represented by others acting in their name and on their behalf.
3. Each representative's bid units with which an order is made by owners represented by third parties acting in their name and on their behalf. For these purposes, consideration shall be given to each order univocally associated to its corresponding agent that is represented.

The entries applied to each bid unit or portfolio shall be settled with:

– the agent owning that bid unit or portfolio, in the case of agents trading on the market directly or representing others in their own name and on their behalf through third parties.

– an agent that is represented, in those cases of bid units registered for acting in the name and on behalf of the agent it represents.

Regarding those agents that trade on the market by virtue of their recording in the official register of production facilities and by virtue of their activity as a retailer, direct market consumer, or in representation of these activities, each one of these activities shall be cleared separately.

In the case of sale units corresponding to production units owned by several market agents, the entries for the energies that are part of the schedule arising from the matching of the day-ahead market shall be attributed to each owner according to the assignment specified in the "Result of matching on the day-ahead market".

In the case of sale units corresponding to production units owned by several market agents, the entries for the energies that are part of the schedule arising from the matching of the intraday auction market or the continuous intraday market shall be attributed to each owner in proportion to its percentage of ownership.

Given that the market operator acts as a counterparty for each one of the account entries arising from the clearing, the market operator's balance at the end of each session on the day-ahead market and on the intraday market shall always be set to zero, both in energy and in monetary terms.

## **RULE 55. SETTLEMENT PROCESS**

### **55.1. DAY-AHEAD SETTLEMENT**

With the day-ahead market and intraday market matching performed, the Market Operator will make the entries on collection rights and payment obligations corresponding to the resulting matching schedule available to the agents.

Within the business day after each bidding day, the Market Operator shall place the settlement corresponding to the said day-ahead scheduling horizon at the market agents' disposal in the operator's information systems. The settlement shall distinguish each scheduling period and provide the pertinent information on collection rights and payment obligations derived from it. A draft of the settlement shall be published on non-business days.

This settlement shall be made in accordance with the standards stated in these rules, provided that the information required for this purpose has been received.

The day-ahead settlement will be considered provisional when any of the following causes intervenes:

- a) There are claims pending regarding the development of any wholesale electricity market session.
- b) The claims receiving period is open to the agents.
- c) There are claims pending with respect to the settlement.
- d) Erroneous values have subsequently appeared in a settlement considered definitive, and which neither the market agents nor the Market Operator were able to detect when the settlement was issued.
- e) Any other factor giving rise to insufficiency or inaccuracy of the information required to make the settlement.

The cause or causes of the provisional nature of a settlement shall be explicitly stated.

The day-ahead settlement shall be considered definitive except when one or more of the causes mentioned in the preceding paragraphs intervenes.

### **55.2. RESOLUTION OF INCIDENTS.**

When the Market Operator has issued the day-ahead settlement, the market agents shall have three business days to submit whatever claims regarding the settlement they deem appropriate, as established in Royal Decree 2019/1997 of 26 December.

The Market Operator shall then have three business days to resolve the claims submitted.

The day-ahead settlements can be modified as a result of the claims presented by the agents, which are accepted by the Market Operator, or include new information or modifications at the initiative of the Market Operator or the market agents, once these are accepted by the Market Operator.

The Market Operator shall publish a new settlement for those days that were modified as previously established and providing a new claim period for the agents.

If, due to the time limit established in these rules for effecting the day-ahead settlement, there are claims pending resolution, the day-ahead settlement in question shall be provisional in nature.

If a market agent were not to agree with the resolution of a claim decided by the Market Operator; it has three business days to present a new claim on the same factors, providing additional information.

In such a case, and in compliance with the "Day-ahead Settlement" Rule, the settlement made shall be provisionally maintained until the firm resolution of the claim.

In the event the agent should contest the Market Operator's resolution before a competent outside body, it is to report this process to the Market Operator submitting a new claim associated with the same proceedings.

If the agent disagreeing with the Market Operator's resolution of the claim does not submit a new claim within the same proceedings or submit it to a competent body, after 15 business days the claim shall be shelved with the status awarded by the Market Operator.

If a market agent were not to agree with the resolution of a claim decided by the Market Operator, the principles to apply for its resolution shall be those stated in transitional provision eight of Royal Decree 2019/1997, of 26 December.

In such a case, the settlement made shall be provisionally maintained until the firm resolution of the claim.

## **RULE 56. PROCEDURE FOR BILLING TRADES IN THE ELECTRICITY MARKET.**

### **56.1. AGENTS IN THE DAY-AHEAD MARKET WHO ARE INVOICED.**

Billing shall involve those agents participating in the day-ahead and intraday markets for all the production and acquisition units they own, considering the percentage of their holding, and for all the units that they do not actually own but which they represent in their own name on the behalf of others.

Regarding those agents participating in the market by virtue of their recording in the official register of production facilities and by virtue of their activity as a retailer, direct market consumer, or in representation of these activities, each one of these activities shall be cleared separately.

The agents holding national purchasing units will be invoiced for the daily economic surplus or deficit corresponding to the settlement of the auction energy of the facilities covered by the renewable energy economic regime. For the purposes of determining the units to which it will apply, the provisions of the Rule "National acquisition units for the purposes of settlements of the renewable energy economic regime" will be followed.

The Portuguese electricity system operator shall be invoiced for the congestion income corresponding to the Portuguese electricity system that has been taken into account in the market splitting process at the interconnection between Spain and Portugal.

The nominated market operators in France, or third parties empowered by them, shall be invoiced for the part of the congestion income corresponding to the interconnection between Spain and France that has been settled according to the rules on clearing.

The Spanish electricity system operator shall be invoiced for the congestion incomes corresponding to the Spanish electricity system that have been taken into account in the market splitting process at the interconnections between Spain and Portugal and between Spain and France.

## **56.2. DETERMINATION OF PURCHASE-SALE TRANSACTIONS IN THE ELECTRICITY MARKET.**

Determination of transactions produced between market agents in the electricity market is necessary in order to issue invoices appropriately.

There shall be a transaction for each sale made by a market agent in each programming period and in each market or settlement segment in which the Market Operator is the purchasing counterparty. Likewise, there shall be a transaction for each purchase made by a market agent in each programming period and in each market or settlement segment in which the Market Operator is the selling counterparty.

There shall be a transaction in each programming period and in each market in which a congestion charge has been settled between each one of the holders of the same pursuant to the provisions of current legislation and the Market Operator, which shall be the counterparty.

There will be a transaction in each programming period in which a national purchasing unit holder has energy scheduled in the last final time program of the day and there is a surplus or a deficit in the settlements of the renewable energy economic regime on said day. If an economic surplus is settled, the market operator will be the buying counterparty and if an economic deficit is settled, the market operator will be the selling counterparty.

There will be a transaction in each programming period and in each market or settlement segment in which a production facility owner assigned to the renewable energy economic regime for the account entries corresponding to the settlement adjustments included in the Rule "Settlement Adjustments of the economic regime for renewable energies." If the transaction involves a collection right, the market operator will be the buying counterparty and if the transaction involves a payment obligation, the market operator will be the selling counterparty.

## **56.3. ISSUE OF THE INVOICE.**

Those deliveries of electricity associated with the power market made by energy suppliers shall be documented by the Market Operator through invoices issued by said operator as the recipient of the operation, thereby complying with the obligation to issue an invoice.

The data for identifying the recipient of the operation shall be those corresponding to the Market Operator, and the supplier's data shall correspond to the party delivering the energy.

The Market Operator shall issue an invoice for the deliveries made to each purchaser, in which the data for identifying the supplier shall be those corresponding to the Market Operator, and the recipient's data shall correspond to the party purchasing the energy.

#### **56.4. ITEMS INCLUDED ON THE INVOICE.**

Besides the power supplier and receiver data, as indicated in the rule for "Issuing the Invoice", said invoice shall include the following items:

- Power supplying entity invoice series for each supplier and the correlating numbering.
- Invoice series as the party purchasing the energy, which will be the Market Operator's series, with correlative numbering.
- Issuance date
- Due date

In the case of a power purchasing entity invoice, the following invoice header data about the purchasing agent, referring to the office of the financial activity or the permanent establishment to which power is supplied, in case it involves a reseller that is a taxpayer according to Directive 2006/112/EC or the data on the establishment situated in the territory and where the power is consumed in the case of other passive operators.

The agents registered name, the contact Person to whose attention the invoice should be issued, the Company Tax Number (CIF), Address, Postal Code, City, Province, Country.

In the case of a power supplying entity invoice, as a general rule the same header data, as that which has been provided for the purchasing entity invoice, shall be included. Notwithstanding, for those agents which have provided, in said data, a permanent establishment to which the power shall be supplied and this establishment is outside of Spanish territory, if they possess a permanent establishment or fiscal address within the Spanish territory involved in the deliveries of electricity, they must communicate the aforementioned data to said establishment so it can be used on the supplying entity invoice.

The invoice shall include the amount to pay or charge for purchase and sales operations executed in the wholesale electricity market, which include day-ahead and intraday market settlement, the settlements of the economic regime of renewable energies, as well as the items dictated by regulations.

The amount for which this item appears on the supplying entity invoice coincides with the total amount of creditor transactions in which the agent operated.

The amount for which this item appears on the power purchasing entity invoice coincides with the total amount of debit transactions in which the agent operated.

The invoice shall also include the regulation quotas and taxes, which are given in detail in the "Applicable Quotas and Taxes" rule.

#### **56.5. APPLICABLE QUOTAS AND TAXES.**

##### **56.5.1. SPECIAL TAX ON ELECTRICITY.**

The Special Electricity Tax (IEE in Spanish) is paid by direct consumers in the market for their purchases in the wholesale electricity market involving the supply in Spanish territory, as well as by those agents as determined by law.

Those market agents entitled to a reduction in the amount to be taxed pursuant to the provisions of article 98 of Spain's Law 38/1992, of 28 December, on Special Taxes, shall submit to the market operator, as the taxpayer, the information as required by law,

as well as the physical unit at the point of delivery that is entitled to that rebate. Likewise, the imbalances that may occur as a result of cancellation for MIBEL of energy traded in the intraday auction market after the confirmation of the results for the European matching will be settled at the congestion rent for the interconnection between Spain and France that corresponds to the Spanish electricity system. Purchases made through portfolio units will not have the electricity tax reduction applied.

The agent shall be responsible for the accuracy of the information for the correct application of the Special Electricity Tax.

The market operator shall apply, in the market billing, the rebate on the Special Electricity Tax no later than the third business day following the reception of all the necessary data and provided that the configuration of the bidding units allows its application. Any modification to the authorised values is to be notified to the market operator and shall take effect within the same time-frames as the prior notification.

#### **56.5.2. VALUE ADDED TAX.**

The Value Added Tax (VAT; Spanish abbreviation: IVA) will be passed on to the operators according to the specific standards regulating the supply of electricity.

Market agents will report the capacity in which they are acting on the market and the data concerning their establishment as well as any variation which takes place, and this will provide a basis in order to establish the applicable tax regime.

#### **56.6. AGENTS' DATA FOR INVOICING PURPOSES.**

An essential requirement for registration as a market agent is to have submitted to the Market Operator, by means of the system provided for accordingly in the "Market Access Guide to Access", all the data required so that it may issue invoices in the agent's name. Whatsoever modification of these data is to be requested through the Market Operator's Information technology System, which the latter shall accept if the application is correct. The acceptance and processing of the agent's request by the Market Operator shall be governed by the timeframes laid down in the rule "Timetables and Deadlines for Agents' Requests".

The changes that occur in said data when they affect billing, including data for the application of the reduction in the Electricity Tax and changes in ownership of facilities, will not have effect on dates for which the matching process of the day-ahead market has already taken place.

#### **56.7. BILLING PERIOD.**

Invoices shall be issued on business days for the sum of one-day scheduling periods whose day-ahead clearing has been disclosed. Furthermore, after each matching and after each synchronisation with the Market Operator's Market Platform, disclosure is to be made of the day-ahead billing's aggregate data that shall be considered a draft.

## **56.8. ELECTRONIC INVOICING.**

The invoices shall be issued electronically using the Market Operator's advanced electronic signature based on a recognised certificate and generated by a secure device for creating a signature.

The invoices issued may be downloaded using the Market Operator's IT system, which is in turn a guarantee of confidentiality.

The electronic invoice shall be issued in XML format, according to the structured format of the Facturae electronic invoice, version 3.2 or higher, and of the electronic invoice as per the specifications of XML Advanced Electronic Signatures (XAdES). In addition, the invoice's content is to be disclosed in a clearly readable format.

Through the following signature validation system, the agents can confirm when they have received the invoice:

- Authenticity of the source of the invoices: that is, these files were issued by the Market Operator.
- Content integrity: that is, the files have not been modified.
- The Market Operator's signature creation certificate has not been revoked.

As stipulated in the applicable regulation, the agent is to keep the transmission file containing the invoice and its signature, as it was received. In addition, it may keep a hardcopy of the invoice with the terms and conditions as statutorily determined.

In order to facilitate compliance with the obligation, the Market Operator shall keep the electronic invoicing files in its database.

All other documents that accompany the invoice shall be digitally signed. The agents can download the files through the Market Operator's Information technology System.

## **56.9. CORRECTIVE INVOICES.**

In the case that it is necessary to execute a new settlement for a day or due to a mistake on the invoice for reasons taken from the current legislation, the Market Operator shall issue a corrected invoice on which he shall record the corrections made to the data. If the correction is made on amounts and power, these will be the differences with the previous values.

## **56.10. MARKET OPERATOR'S TAX OBLIGATIONS RELATED TO INVOICING.**

The Market Operator shall relate its annual declaration of operations with third parties, according to the terms laid out in Royal Decree 1065/2007, of 27 July, in regards to operations carried out by electricity suppliers and purchasers, which have been documented in accordance with that indicated in the rule for "Issuing the Invoice", indicating the total amount of operations carried out by each supplier and each purchaser during the period declared. Supplies of power attributed to each supplier shall be recorded as purchases, and purchases of power attributed to each purchaser shall be recorded as sales.

In addition, the Market Operator shall proceed to the settlement of Value Added Tax, the Special Tax on Electricity, and whatsoever other taxes and quotas corresponding to

electricity market invoicing, according to the terms laid down by law, as the corresponding obligated party and taxpayer thereof.

#### **56.11. INVOICING OBLIGATIONS OF THE AGENTS.**

For invoicing purposes, the agents expressly acknowledge and confirm full awareness of all their obligations in tax matters referring to the activities for which the Market Operator is to issue an invoice in their name, in the case of sales, or is to place the invoice at their disposal, in the case of purchases. In particular, and for illustrative purposes only, application is to be made of the regulations on Value Added Tax and the Special Tax on Electricity, without prejudice to other quotas and charges that may be applicable. The Market Operator cannot accept any responsibility under any circumstances and in any way for any breach by agents of the tax regulations applicable to them at any given moment.

The market agents shall provide the Market Operator with whatsoever pertinent information required of them for the proper operation of the invoicing processes, as well as any information on its operations in the market that it requests to comply with its tax obligations as market operator and as a counterpart of the purchase and sale operations in the market.

#### **56.12. REQUEST FOR INFORMATION ON INVOICES.**

Agents may request from the Market Operator information regarding their billing in the electricity market for their accounting audits through the Market Operator's information system. Any request made by other means will not be accepted.

The market operator will respond to the request by making available to the market agent in the Market Operator's information system the standard information necessary for their accounting audits with the advanced electronic signature of the market operator.

The acceptance and processing by the Market Operator of the agent's request will be governed by the terms established in the rule "TIMETABLE AND DEADLINES FOR AGENT REQUESTS".

The market operator is to uphold the criteria of confidentiality provided for herein and particularly regarding billing data, which means it cannot send the agents such data by non-secure means, such as fax or email.

### **RULE 57. DEBIT AND CREDIT SYSTEM.**

#### **57.1. SETTLEMENT HORIZON.**

The settlement horizon (L) and the set of day-ahead settlements, whose collections and payments are made together.

The settlement horizon will initially be weekly in nature, i.e. Monday to Sunday. The Market Operator will be able to modify this parameter through Instruction from and prior authorisation of the regulators, this parameter, being in any case the minimum period for a settlement one day.

## **57.2. COLLECTIONS AND PAYMENTS.**

### **57.2.1. COLLECTIONS AND PAYMENTS INVOLVING MARKET AGENTS.**

The following parameters are defined:

N Day of publication of the collections and payments to be made: This is defined as the the first business day after the last settlement horizon day.

P Payment day, will be the second day that is a business day and a bank business day after day N. In those weeks in which three days between non-business and non-banking days coincide, from Monday to Friday, the day of payments will be the business and banking day after day N.

C Collections day: Collection day, will be the first bank business day after P-day.

Non-business days are considered Saturdays, Sundays and public holidays in Madrid, as well as December 24 and 31. Bank non-business days will be the ones considered non-business days by the Bank of Spain as well as non-business days communicated by the financial institution that manages the account designated by the market operator for making the installments and payments.

On day N, the Market Operator shall publish the collections and payments on the settlement horizon, L, for the agents.

The day-ahead settlements modified as a result of the resolution of incidents or for other reasons explained in these rules and that formed part of a prior settlement horizon will have the same collections and payments date as the settlement horizon from the business day prior to their publication.

The collections and payments which are due to or incumbent upon the market agents according to the provisional day-ahead settlement shall be considered on account of the definitive settlement.

Through Instruction the market operator can modify the N, P and C parameters.

### **57.2.2. COLLECTIONS AND PAYMENTS FOR THE INTERCHANGES WITH THE FRENCH ELECTRICITY SYSTEM.**

Collections and payments with nominated market operators in France corresponding to the flow at the interconnection between Spain and France and the congestion income generated there shall be arranged day-ahead, according to the procedures for collections and payments and to the clearing calendar agreed with each operator.

The aggregate debit and credit note shall also include all those corrections that might arise during the normal arrangement of collections and payments, such as default interest or overpayments, corrections for movements in the cash balances that agents may have made, advance payments, amounts to be withheld on recognised collection rights in the preceding clearing time-frame to guarantee the payment obligations in the current time-frame, and any other cash movement that should be included on this note.

– Any other reason that requires the market operator to modify the data initially disclosed, such as embargos on collection rights ordered by the tax authorities or other bodies.

### **57.2.3. COSTS ARISING FROM THE HARMONISATION OF PAYMENT CYCLES.**

Consistent with its role as the central counterparty for energy exchanges with the French, Portuguese and Moroccan electricity systems, the Market Operator shall harmonise the time lags between collections and payments through the corresponding financing:

The Spanish and French designated market operators, or a third party empowered by the latter, shall cover 50% of the cost of the financing required for settling the payments between the two systems. The costs allocated to the Spanish market operator shall be financed to the account of the congestion charge corresponding to the Spanish electricity system.

In addition, the cost of the financing required for covering the shortfall between the VAT payable and the VAT deductible by the Market Operator arising from its role as central counterparty for exports, imports and intra-Community exchanges in the market shall be financed to the account of the congestion charge corresponding to the Spanish electricity system for all the interconnections.

### **57.3. CHARACTERISTICS OF CREDIT AND DEBIT NOTES.**

#### **57.3.1. PUBLICATION OF AN AGGREGATE CREDIT AND DEBIT NOTE.**

The Market Operator, on day N, shall inform the market agents that have proceeded as purchasers or retailers, through the Market Operator's Information technology System and electronically signed, of the aggregate credit and debit notes, which shall indicate the net amount to be paid or collected resulting from the sum of the invoices corresponding to the same settlement horizon, as well as the detail of the invoices included.

The Market Operator shall publish the corresponding aggregate credit and debit notes, for the market agents, and these shall indicate the following, as appropriate:

- Agent name
- Due date
- Date and time of payment deadline
- Market Operator's account in which payment should be received
- Agent's account to which payment should be made

Likewise, the details on each credit and debit note from the day-ahead settlements pertaining to the same settlement horizon will be specifically included.

- Day-ahead settlement date
- Reference to the credit or bill issued
- Result of said bill

Likewise, the total amount to be paid or collected, which is the result of the sum of said credit and debit notes, will be indicated.

The aggregate credit and debit note will include as well all corrections that could be made in the customary development of the collections and payments. These may include interests for delayed payments or over payments, corrections for movements in the cash balances that the agents would have provided, prepayments, amounts to be withheld from the collection rights credited in the previous liquidation horizon to guarantee the payment obligations of the current horizon, penalties for facilities assigned to the

economic regime for renewable energies included in Order TED/1161/2020, of December 4, or any other cash movement that is necessary to include in this note.

In particular, the Market Operator may include in each aggregate credit and debit note for each agent the payment corresponding to the Market Operator as specified by the regulations. When the agents are represented on the market in their own name and on behalf of third parties their payment obligation under the item of the remuneration of the Market Operator shall be included in the aggregate credit and debit note of their representative reducing the collection or increasing the payment of the same.

### **57.3.2. NEW PUBLICATION OF THE AGGREGATE CREDIT AND DEBIT NOTE.**

The Market Operator, with prior notification to the agents, shall publish a second version of the aggregate credit and debit note after day N under the following circumstances:

- If on the day of payment, after validation of the non-payment of an agent, execution is made of the conveyance of collection rights awarded by a third party, the latter should have a modification made to the result specified on the aggregate note published on day N. In this case, the Market Operator shall issue a new aggregate note to the conveying agent that will include the outcome of the execution of the conveyance of collection rights. If the result of the aggregate note is a charge, the agent shall proceed to pay it into the Market Operator's account immediately. If the payment has not been made on the payment day, action will be taken according to the provisions of the rule "Arrangement for non-payments and default interest".
- If no payment is made on the payment date, the pro rata calculation shall be made in proportion to the credit notes of each creditor agent without taking into consideration, as appropriate, the consolidation of the credit or debit notes of the agents who have availed themselves of said option, as established by the rule "Consolidation of collections and payments".

When the non-payment involves a business group that consolidates its credit or debit notes, the Market Operator shall arrange for calling in the collateral provided as required for covering the debt.

If as a result of the pro rata payment, the consolidated note of a business group involves a charge, the Market Operator shall issue a new debit note that the agent is to pay immediately. Should it fail to do so, action will be taken according to the provisions of the rule "ARRANGEMENT FOR NON-PAYMENTS AND DEFAULT INTEREST".

- Any other reason that obliges the market operator to modify the data initially published, such as embargoes on collection rights by the tax agency or other agencies.

### **57.4. CONSOLIDATION OF COLLECTIONS AND PAYMENTS**

In the cases provided for in these rules in which two or more invoices are issued to the same market agent by reason of different activities, considering these invoices correspond to the same tax number (CIF), the aggregate credit or debit notes may be consolidated in a single one. The Market Operator shall include in the aggregate credit

and debit note for said agent the sum of day-ahead credit and debit notes issued to the agent within the settlement horizon.

Those market agents belonging to the same business group may consolidate in a single aggregate credit or debit note the notes corresponding to all the group's companies with the sole purpose of operationally reducing the movement of funds between said agents and the market operator.

For these purposes, said agents must send the market operator the model included in the "Market Access Guide" to request said consolidation, duly completed and signed by persons with sufficient powers. In said document, it will be indicated in which company they wish to consolidate the debit or credit notes. In those cases, in which the note is creditor, the payment will be made in the account corresponding to the company designated by the agents for the payment of such payments.

The agents belonging to a business group that sign the collection and payment consolidation document must formalize a deposit of cash collateral in the Market Operator's account to cover possible payment defaults derived from an increase in the debit amount such as consequence of the application of proration for non-payment that are included in the rule "Regime of non-payments and default interest". The amount of this cash collateral deposit will be calculated by the Market Operator taking into consideration the volume of collections and payments in the market, as well as the average of the five largest payment defaults that have occurred in the market and that required to apply the pro rata reduction of the collections of the creditor agents in said settlement horizon.

This requirement will be updated periodically to reflect changes in the volume of collections and payments and in the historical series of payment defaults.

If the amount of the cash deposit formalized by the agents belonging to the business group is not sufficient to cover the amount of the unpaid amount, the Market Operator will require them to increase the amount of cash collateral immediately and, if not formalized Said increase within a maximum period of one hour, will proceed to undo the consolidation of collections and payments of the companies of the business group for the purposes of applying the provisions of the rule "Regime of default and late payment interest."

For the purpose of defining the agents that belong to the same business group, application shall be made of the provisions of article 42 of the Commercial Code.

## **57.5. OBLIGATIONS FOR MARKET AGENTS AS DEBTORS.**

The market agent shall pay in the amount it is required to pay, including Value Added Tax at the rate in force from time to time. In addition, it shall pay any other tax or surcharge whatsoever levied on the agent by law and, in particular and as appropriate, the Special Electricity Tax for which provision is made in the Rule on "Applicable fees and taxes". Any expenses resulting from these payments shall be borne by the agent.

The deadline for payment may not extend beyond ten a.m. on the payment date P specified in the Rule on "Collections and payments". Payment will be made into the market operator's designated account.

The market operator may put in place other payment processes, such as direct debit or debit card payment, provided these solutions ensure payment security. The details of these processes shall be implemented, as applicable, by means of an instruction.

Agents accept that any payment issued to cover the obligations incurred in each settlement time horizon is irrevocable.

The debtor shall not be released from their payment obligation until it has been paid into the market operator's account. The amount due, if any, shall result in a pro rata reduction of the creditors' collection rights, and the market operator shall proceed to make the relevant adjustment once the debt has been settled.

In the absence of default, the payment obligation shall be released by no later than the time specified in the Rule on "Times and deadlines for agent requests".

Debtor agents may make a single partial or full interim payment prior to the aggregate debit and credit note being issued, although in order for this advance payment to be taken into account by the market operator upon issuing such note, the agent shall notify payment using the Market Operator's Information System. The agent's notice shall be accepted once it has been verified that the payment has been made into the market operator's account, and it shall be included on the aggregate debit and credit note, releasing the agent's relevant payment obligations upon acceptance.

The market operator's acceptance and processing of the agent's notice shall be subject to the deadlines established in the Rule on "Times and deadlines for agent requests".

In order that they may be swiftly identified, debtor agents instructing bank transfers shall:

- Include in those transfers the business-activity code as recorded in the market operator's database.
- Make the weekly payment by means of a single transfer in order to speed up the bank reconciliation (or in two transfers if the agent has opted to make an advance payment prior to the issue of the weekly aggregated debit and credit note). In the event of non-compliance with this requirement, the participant shall pay the market operator EUR 25 for each additional transfer made. This charge may be included in the credit or debit note or deducted from the cash collateral deposited by the agent.

The Market Operator shall pass on to market agents the negative interest or other charges applied by the bank on the account balances resulting from, and pro rata to, advance payments made from the date on which they are made until the next payment date.

The relevant charges to agents may at most include interest charged to the account over a six-month period, and the charge will be made within 60 calendar days following receipt by the Market Operator of the bank information for the period settled.

In order to benefit from that advance payment option, an agent must have a sufficiently large cash collateral deposit to meet those charges. These charges may be deducted from the agent's cash collateral and may be taken to the weekly credit or debit note.

The market operator will publish the maximum rates applicable to cash payments and the applicable terms and any change in due course to the same.

## **57.6. RIGHTS OF MARKET AGENTS THAT ARE SELLERS.**

The Market Operator shall issue instructions to the bank where it maintains the treasury account regarding execution of payments to the creditors who have participated in the wholesale electricity market during the settlement horizon in question. The Market Operator shall issue the payments to agents that are creditors, in the account they provide.

The details of the bank account for collections may only be notified and modified through a request made via the Market Operator's Information technology System by a person with sufficient powers, being accepted by the Market Operator when the bank account details are complete and error-free. If the agent so wishes, the holder of the account need not be the actual agent. The acceptance and processing of the agent's request by the Market Operator shall be governed by the timeframes laid down in the rule "TIMETABLES AND DEADLINES FOR AGENTS' REQUESTS".

The day on which the payment must be made will be no later than the day of collections C defined in the Rule of "Collections and payments" for the market agents that are creditors. In the event that the creditor's bank account is opened in an entity that does not operate within the scope of the Single Euro Payment Zone (SEPA), the receipt of the collection with value date C of the collection day will not be guaranteed.

Payment against the aforementioned treasury account will be made by the bank within the same day and the same value date indicated in the previous paragraph, except for exceptional causes derived from incidents in the processes of the bank or the market operator, in which case the payment will be made the next business day, according to the list of non-business days considered for determining the day of collections.

Said payment shall include the Value Added Tax that the market agent must pass on, and any other tax of any nature that the legislation then in force requires him to administer.

#### **57.7. ACCOUNT SPECIFIED BY THE MARKET OPERATOR FOR INSTALLMENTS AND PAYMENTS.**

The market operator shall specify a treasury deposit account in a financial institution of a national scope for the purposes provided for herein.

This account shall be held by the market operator, which may only order the credits and debits to that account for the clearings arising in the wholesale electricity market and the management of cash collateral deposited in it, according to the terms in the preceding sections.

The market operator may develop, through instruction, payment procedures in addition to those established in these rules in order to facilitate payment to market agents and bank reconciliation.

The Market Operator may pass negative interest or other charges applied by the bank to the market agents for the cash balances formalized in said account, in proportion to these.

To minimize the cash balances in the account, the Market Operator will use its best efforts to initiate payment to the creditor agents on the same day that payments are received from the debtor agents, provided that the total amount of these is available.

#### **57.8. SYSTEM OF DEFAULT PAYMENTS AND INTEREST.**

In the event of default, the debtor in the wholesale electricity market shall be required to pay a penalty. The amounts due and unpaid shall incur default interest, to be counted as of the date on which the payment was due with no proof yet available to show that the amount pending has in fact been paid, as determined by the following.

If at 11 am on the clearing date the market operator's bank has not received a definite confirmation of the payment order it shall issue a certificate, specifying the agent and amount in default. After receiving this notification, the market operator shall apply a fixed penalty of 300 euros to each agent in default and shall execute, with prior notification to the interested party, the guarantee arranged, pursuant to the provisions of rule "Criteria for proceeding in the event of default":

1. If the execution of the guarantee permits its immediate collection, the market operator shall make all the payments foreseen.
2. If the execution of the guarantee does not permit the collection by the market operator of the amount pending:
  - There shall be a pro rata reduction in the collection rights of market agents with accounts payable in the clearing time-frame, which shall constitute a loan to the agent with accounts payable to said agents. This reduction shall not under any circumstances affect the clearing corresponding to the nominated market operators in France or the entity empowered by them.
  - The amount pending shall accrue interest for the days of default at the €STR (Euro Short-term Rate) rate raised by three hundred basis points, with a minimum of 200 euros, to be charged to the agent in default.

The amounts pending shall be calculated according to the following formula:

$$D = E + \max[E \cdot i \cdot P / 360; 200] + 300$$

Where:

D: Amount due, including default interest and the corresponding penalty for non-compliance.

E: Amount due and unpaid, excluding default interest.

i: Default interest rate.

P: Interest settlement period.

The default interest rate applicable shall be the result of applying the interbank interest rate as per the average rate published day-ahead for one-day bank deposits (€STR (Euro Short-term Rate) raised by three percentage points.

If a holder of a national acquisition unit fails to pay the settlement of the possible economic deficit of the renewable energy economic regime, the market operator will execute its guarantees and if these are not sufficient, the market operator will prorate the amount owed between the owners of facilities under the economic regime for renewable energies in proportion to the credit balance of the facilities under the economic regime for renewable energies in the same settlement horizon. The market operator will notify the National Markets and Competition Commission and the Ministry for the Ecological Transition and the Demographic Challenge of any payment defaults that occur.

Once the debt has been cleared, the market operator shall proceed to its adjustment, crediting the unpaid amount plus the corresponding default interest to the creditors pursuant to the provisions of the preceding sections.

The amounts corresponding to default interest shall apply provided the default leads to the application of pro rata payments of the unpaid amount to the agents with accounts receivable and this involves a delay in their collection.

Notwithstanding the above, the debtor in default in the wholesale electricity market shall be liable for all losses and damages caused by the delay.

#### **57.9. CASH DEPOSIT FOR PAYMENTS.**

Those agents that so wish, as an alternative method of payment to a bank transfer, may previously make a cash deposit into the bank account specified by the market operator for collections and payments, and request that payments below a certain threshold are debited to that deposit.

In the event that the balance of said deposit exceeds the sum of the amount of the agent's weekly payments in the last six settlement horizons, the market operator may, after notifying the agent, proceed to return the amounts that exceed said limit.

#### **57.10. COLLECTIONS AND PAYMENTS CALENDAR.**

Each year, after the national holidays and those for the Autonomous Community of Madrid as well as non-banking business days are published, the Market Operator shall provide the market agents a calendar of payments for the following fiscal year, from the 1st of January to the 31st of December of the next year. This calendar shall detail the deadline dates for notifying the charges and payments and the payment deadline dates corresponding to each settlement horizon.

The Market Operator reserves the right to modify these dates as long as prior notice of at least one month is provided, and if through Instruction, the decision is made to modify the period for weekly collections and payments or if there is a change in the market rules that affects the previously published settlement calendar.

#### **57.11. PLEDGE ON COLLECTION RIGHTS.**

Those market operators that pledge their collection rights on their sales in the day-ahead and intraday markets to creditors through the market account, may notify the market operator accordingly, and it shall take this into consideration provided the following conditions are met:

- The request for a pledged account is to be made by a person authorised by the agent or its representative through the Market Operator's Information System involving the account the agent has registered in the market.
- The request is to be accompanied by the submission of the corresponding document according to the model the market operator has disclosed, and it is to be signed by the agent's attorney and by the attorney of the secured creditor.

The establishment of the pledge on the agent's bank account shall have two effects for the market operator:

1. The subsequent modification of the bank account's details shall require a request to be made by the person authorised by the agent or its representative through the Market Operator's Information System, being accepted if it is received by the market operator's document available for that purpose, as per the model disclosed by this operator, signed by the agent's attorney and by the attorney of the secured creditor.

2. The withdrawal of the pledge on the bank account shall require a request to be made by the person authorised by the agent or their representative through the Market Operator's Information System, being accepted if it is received on the market operator's document available for that purpose, as per the model disclosed by this operator, signed by the agent's attorney and by the attorney of the secured creditor.

The acceptance of the pledged account does not oblige the market operator to pay into it the agent's credit balance, as appropriate, for its market sales, but instead that the rules shall prevail regarding the representation, whereby the credit payments made for the agent's sales on the market through a representative acting in its own on behalf of the agent shall be made into the representative's account.

The market operator shall be released at the moment of its reception and subsequently of any liability regarding the notifications of pledges that are inadmissible because, among other reasons and for illustrative purposes, at that moment the pledged debtor is not a market agent or is represented by a market agent in its own name.

## **RULE 58. PROCEDURE RELATIVE TO THE PROVISION OF COLLATERAL IN FAVOUR OF THE MARKET OPERATOR.**

### **58.1. ESTABLISHMENT OF COLLATERAL.**

The market agents, who could become debtors as a result of their trades in the wholesale electricity market, or in the settlements of the economic regime of renewable energies, shall provide the Market Operator sufficient guarantee to cover the financial obligations derived from their transactions. This must warrant the creditors' collection of the entire amount due for the electricity they supply, at its price, as well as the other items included in the "Applicable Quotas and Taxes" Rule, and maximum on the following day when the settlement for the corresponding period is made.

Failure to provide this guarantee, its non-acceptance by the Market Operator due to insufficiency or inappropriateness, or the agent's failure to maintain and update the guarantee, shall cause the market agent to be barred from transacting business in the market.

### **58.2. AGENTS THAT MUST PROVIDE COLLATERAL.**

The owner of the collateral must be the same agent, if he participates in his own name and on his own behalf in the market.

If the agent is represented by a party acting in the name and on behalf of the agent, the holder of the guarantee shall necessarily be the actual agent for all intents and purposes.

If the agent is represented by a party acting in its own name and on behalf of the agent, the holder of the guarantee shall necessarily be the representative for all intents and purposes.

### **58.3. MAINTENANCE OF COLLATERAL.**

The Market Operator shall release the guarantee provided by the agent in the market, provided that it has fulfilled all the obligations derived from its participation in it.

#### **58.4 COVERAGE OF COLLATERAL.**

The guarantee that each agent is required to arrange shall cover, with no limitations whatsoever, pursuant to the provisions herein, the obligations it assumes by virtue of its purchases of electricity on the market, as well as whatsoever other obligation with the market operator regarding its market operations.

The guarantee provided shall also affirm responsibility for whatever taxes and quotas that may be applicable to the agents at the time of payment of their purchases in the wholesale electricity market.

This guarantee shall not cover obligations contracted with customers, persons or institutions other than the agents who act as sellers in the market. In particular, it shall not take responsibility for the payments that must be made for the settlement of tolls nor for the payments corresponding to physical bilateral contracts that are formalized outside the market.

#### **58.5. KINDS OF COLLATERAL.**

If they desire to participate in the markets, the market agents must present:

- An operating guarantee to cover the value of the debit bids of the units the agents owns, provided the bid is made directly by the holder or its representative in the name and on behalf of another, and the value of the debit bids of the units it represents in its own name.

If this guarantee is insufficient, the agent shall not be allowed to participate in the corresponding matching process.

Likewise, the market agents will be required to present the following collateral:

- A credit guarantee to affirm responsibility for the obligations of payments that are accrued or not paid. This credit guarantee will not be set "a priori" by the Market Operator without it is calculated once the settlement result is known. The agents that have provided an operational guarantee, permitting the matching of their bid, will have the required credit guarantee covered as the result of the settlement for said transaction by automatically converting the necessary part of the operational guarantee into a credit guarantee.
- A complementary guarantee is one which can be required of agents in those situations in which, the Market Operator considers it necessary, due either to a risk that exceeds the coverage of the operational guarantee or for other special circumstances, which objectively justify the requirement of complementary collateral.

In this regard, the Market Operator shall be able to ask a rating company to rate the risk level of an agent who acts as a buyer in order to justify objectively the requirement of a complementary guarantee, and the cost can be charged to the affected agent.

- A guarantee required from agents holding national purchasing units to respond to the payment obligations for the settlement of the possible economic deficit of the renewable energy economic regime.

## **58.6. FORMALIZING COLLATERAL.**

### **58.6.1. INSTRUMENTS FOR FORMALIZING COLLATERAL.**

Collateral must be formalized in favour of the Market Operator using the following instruments:

- a) Cash deposits in the account designated by the market operator for the management of cash collateral.

This account will reside in a national financial institution and will be owned by the market operator, which will only be able to order the charges and payments in said account for the management of collateral, in the terms established in these rules.

The cash deposit will be processed as a transfer to the aforementioned account.

The Market Operator will pass on to the market agents the negative interest or other charges applied by the bank for the balances of the cash deposits made in said account, in proportion to these.

The corresponding charges to the agents may integrate, at most, the interests charged to the account during a period of six months, proceeding to their charge within 60 calendar days from the receipt by the Market Operator of the banking information corresponding to the liquidated period.

The charges may be integrated into the credit or debit note and may be deducted from the agent's cash collateral.

The market operator will publish the maximum rates applicable to cash deposits, as well as the conditions of application and any changes that may occur in them.

- b) Guarantee of a joint and several nature provided by a bank, savings bank or credit cooperative domiciled in Spain or the branch in Spain of a non-resident institution, which does not belong to the group of the guaranteed or secured party, in favour of the Market Operator, and deposited at the banking institution, in which the guaranteeing or securing party acknowledges its payment obligation by virtue of the same upon first demand, with full credit security, without the guaranteeing or securing party being entitled to claim any exception whatsoever to avoid the payment to the Market Operator and, especially, any contingency arising from the underlying relations between the guaranteeing or securing party and the guaranteed or secured party.

- c) Irrevocable authorisation of use, up to the maximum amount of the payment obligations incurred during the period to be settled, of one or more credit lines subscribed by the purchaser of energy with an institution resident in Spain or the branch in Spain of a non-resident institution. The credit lines considered in this section shall have a specific purpose being used exclusively as lines of payment or for the guarantee coverage of obligations contracted by virtue of their payment obligations on the market, being required to have a minimum amount available at any given moment equal to the credit guarantee and, as appropriate, to the additional amount corresponding to the supplementary guarantee.

- d) Conveyance of future collection rights pending payment in the market for which the agent is the creditor. The amount acknowledged and, therefore, valid for arranging the required collateral shall be the value laid down in the rule "Calculation of recognized collection rights that can be transferred to third parties".

All agents, by default, shall convey to themselves their collection rights. In the event they wish to convey them to third parties, they are to submit to the Market Operator the appropriate document whose model is available in the "Market Access Guide".

All deliveries of collection rights shall imply the authorisation of the delivering agent for the withholding of accredited collection rights within a clearing time-frame, if necessary, as a guarantee of the payment obligations of the following time-frame until the time specified in the rule "Timetables and deadlines for agents' requests" for the consideration of the net credit balance in the guarantee account for the purposes of the "Balance of collateral". These amounts withheld shall constitute a cash guarantee for the receiving agent on the clearing date. Likewise, the collection rights of an agent in the day-ahead market on the first day of the time-frame shall be considered valid as a guarantee on the purchases in all the intraday markets that affect days in the previous time-frame whose sessions are held subsequently.

When an agent conveys collection rights to third parties, it shall indicate the percentage of the same it assigns to each recipient through the Market Operator's Information technology System. In such a case, the actual agent shall indicate what percentage of its collection rights it assigns to itself. Any changes made to said percentages shall not have any bearing on dates whose day-ahead market matching has already been effected.

e) Certificate of Joint and Several Surety Insurance provided by an insurance company domiciled in Spain or the branch in Spain of a non-resident company, authorised by the Dirección General de Seguros (Directorate General for Insurance) and which does not belong to the policy holder's group, in favour of the Market Operator, as the insured party, in which the insurer acknowledges that its payment obligation by virtue of the same is upon first demand, with full credit security, without the insurer being entitled to claim any exception whatsoever to avoid the payment to the Market Operator and, especially, any contingency arising from the underlying relations between the insurer and the policy holder. In particular, non-payment of the premium shall not entitle the insurer to discharge the contract nor shall it be revoked, nor shall the insurer's coverage be suspended, nor shall the insurer be released from its obligation in the event of default in the payment on the part of the policy holder.

Models of a valid guarantee, the surety bond certificate, credit line and the delivery of collection rights are available under the terms provided in "Market Access Guide". The market operator cannot accept any change made to their texts.

The market operator shall reject collateral, or increases thereof, whose amount is under 1,000 euros.

Any payment charged against the guarantee executed is to be made in such a way that the market operator may enforce it upon first request and with a deadline of one business day, in the city of Madrid, as of the moment it demands payment from the guarantor entity.

The market operator will establish a method of formalizing and communicating the collateral by electronic means. The market operator will publish the instruction with details of the admitted formalization method and the deadline for its implementation. In the event that said formalization method is established as the only possible one, the market operator will publish an instruction with the effective date, which may not be less than six months from the date of publication of said instruction.

Even in the event of enforcing collateral, the market operator shall always have the guarantee properly arranged to cover the payment obligations incurred and which have still not been cleared.

For these purposes, in the execution of collateral, the market operator will always keep the initial guarantee presented, which may be reduced in its amount by the guarantor in the part of the guarantee that has been executed.

The market operator may impose additional conditions on the arrangement of collateral, credit lines or surety bonds when the bank or, as appropriate, the insurance company does not record a minimum credit rating –awarded by at least one of the following rating agencies, Standard & Poor’s, Moody’s, Fitch or DBRS– equal to the one the same rating agency has awarded to the debt of the Kingdom of Spain, as applicable at any given moment, reduced by one level. In the case of insurance companies, the rating agency A.M. Best may also be considered.

The credit rating may be below the rating for the debt of the Kingdom of Spain reduced by one level provided that it records at least an “investment grade” rating awarded by the same rating agency.

The additional conditions shall be developed through the market operator’s instructions.

As regards the collateral, credit lines or surety bonds submitted to the market operator that do not comply with the above, or those that fail to do so due to a drop in their credit rating, the market operator may, as appropriate, use verifiable means to call upon each one of the agents that have arranged said guarantee to replace it with a valid guarantee or comply with the additional conditions according to the following criteria:

- Collateral below the credit rating of the debt of the Kingdom of Spain reduced by two levels or without a credit rating: they are to be replaced within 10 business days.
- Collateral with the credit rating of the debt of the Kingdom of Spain reduced by two levels: they are to be replaced within two months.

Any modification made to a guarantee already presented to the market operator shall be considered a new one for the purposes of applying this rule.

The Market Operator reserves the right to reject new guarantees or modifications of existing guarantees from entities that, if requested by the Market Operator, have not complied with the terms and conditions established in these rules. Agents that have formalised guarantees from such entities shall have a period of two months to replace them from the date of notification by the Market Operator..

The market operator may levy a charge on those agents that exceed a certain number of movements in cash collateral over a given period of time. This charge may be included on the credit and debit note. A fee of 0.1% may be levied, with a minimum of 25 euros, on each guarantee movement (deposit or return) that exceeds either the fourth movement in each calendar month, or the sixth in the previous two months.

#### **58.6.2. PERIOD OF VALIDITY OF COLLATERAL.**

The market operator shall reject physical collateral whose validity is less than 10 months from the time it is accepted. Likewise, the market operator shall reject electronic collateral whose validity is less than 5 months from the time it is accepted, reducing this period to 1 month for electronic collateral. The market operator may establish shorter terms for electronic guarantees whose processing is automatic in accordance with the formalisation method established by the market operator.

The market operator shall release the guarantee provided by an agent in the market whenever the agent so requests, provided it has fulfilled all its obligations arising from its market participation.

Agents are to replace the collateral they have arranged when they are nearing their expiry date provided those collateral are being used as a credit guarantee. Otherwise, they are to proceed pursuant to the provisions of the rule “Criteria for proceeding in the event of non-compliances”.

For the purpose of complying with the obligations for the arrangement of collateral with the market operator as specified in the preceding paragraph, the guarantee arranged comes into force as of its acceptance by the market operator through to the fifth business day prior to the guarantee’s expiry, without prejudice to the fact that all the market operator’s rights and powers are upheld until the actual date of expiry.

### **58.6.3 NOTIFICATION OF THE ARRANGEMENT, WITHDRAWAL OR MODIFICATION OF COLLATERAL.**

Agents are to request the market operator, through the Market Operator’s Information System, to accept any changes made to their collateral, both when they are cash and when they involve a document issued by a bank guarantee or an insurance company.

In the case of an arrangement or upward modification, the market operator shall proceed to accept it once it has verified that the data in the request coincide with the collateral effectively provided by the agent.

In the event of a request for a return or downward modification, it shall be accepted solely in the case of excess collateral. The market operator shall proceed to process the same once the request has been accepted.

An essential requirement for accepting any arrangement, modification or the collateral presented to the market operator is that the corresponding request is formulated through the Market Operator’s Information System.

The acceptance and processing of the agent’s request by the market operator shall be subject to the timetables specified in the rule “Timetables and deadlines for agents’ requests”.

Electronic collateral shall be attached to the request made by the agent through the Market Operator’s Information System. In the case of guarantees that allow automatic processing, it shall not be necessary for the agent to fill in the details of the guarantee in the request.

## **58.7. SYSTEM FOR DETERMINING THE VALUE OF COLLATERAL AND THEIR ARRANGEMENT METHOD.**

### **58.7.1. INFORMATION ON COLLATERAL DISCLOSED TO AGENTS.**

To ensure agents are aware at all times of the value of the corresponding credit collateral, and may therefore know whether they have sufficient operating collateral for their trades, as well as the validity of their collateral, the market operator shall use the Market Operator’s Information System to provide agents with the following permanently updated information:

- a) Balance of collateral, or operating guarantee, for the following market sessions with the most accurate data available up to that moment.

b) Parameters for estimating the coverage of their orders. This is an estimated value and does not involve any responsibility on the part of the market operator regarding the sufficiency, or not, of an agent's operating collateral.

c) Expiry date of the collateral arranged.

d) The guarantee requirements requested from national purchasing units to cover the obligations derived from the economic regime for renewable energies and their status of compliance.

#### **58.7.2. BALANCE OF COLLATERAL.**

The market operator shall maintain each agent's balance of collateral updated at all times as an operating guarantee to be considered in ensuing matching sessions in each market, both when placing orders and in the validations prior to matching.

An agent's balance of collateral at a given moment is the sum of the following entries:

a) Collateral presented to and accepted by the market operator.

b) Day-ahead invoices for the agent's accumulated purchases, or otherwise drafts (with a negative value), in the current or subsequent time-frame.

c) The agent's own collection rights not delivered to third parties or received from a delivering third party, as a result of the sale invoices, or otherwise drafts, accumulated in the current or subsequent time-frame.

d) Net debit balance (with a negative value) of the agent's own collection rights neither delivered to nor received from third parties and of the payment obligations accumulated, as a result of the invoices in the preceding time-frame until the payment is considered made.

e) Net credit balance (with a positive value) of the agent's own collection rights neither delivered to nor received from third parties and of the payment obligations, as a result of the invoices in the preceding time-frame until the deadline for their consideration, which shall be the time on the issue date of the credit or debit note as specified in the rule "Timetables and deadlines for agents' requests".

f) Collections (with a positive value) withheld from the agent for the preceding time-frame to cover the agent's payment obligations in the current time-frame until these collections become a cash guarantee for the agent benefitting from them on the clearing date.

g) Entries, with a positive sign, for the value of the debit bids incorporated into the matching process on the day-ahead market or any auction session in the intraday market until that market is cleared, according to the rules "Key aspects of the matching procedure in the day-ahead market" and "Verifying the compliance of collateral".

h) Value of the guarantee reserved for trading on the continuous intraday market, with a negative sign, including the reduction applied in the event there is not a sufficient surplus.

i) Amount of the guarantees required, with a negative sign, to the national purchasing units to cover the obligations derived from the economic regime for renewable energies.

j) Volume of purchase and sale trades on the continuous intraday market after each synchronisation and until they are included on invoices or drafts.

k) Amounts derived from any other obligation before the market operator in relation to its performance in the same.

Entries arising from agents' requests made through the Market Operator's Information System shall be accepted and processed according to the time-frames specified in the rule "Timetables and deadlines for agents' requests".

The entries corresponding to points b) and c) are to be recorded as soon as the invoices have been issued following the matching of a market session and after each synchronisation with the Market Operator's Market Platform.

As regards the balance of collateral, the release of the guarantee for the payment made shall comply with the provisions of the rule "Obligations of market agents as purchasers".

The entries for collection withholdings, as appropriate, shall be recorded at the time on the date of issue of the credit and debit note specified in the rule "Timetables and deadlines for agents' requests" for the consideration of the balance payable in point e).

### **58.7.3. DETERMINING COLLATERAL.**

#### **58.7.3.1. OPERATIONAL AND CREDIT COLLATERAL.**

The Market Operator shall make an operational and credit collateral simulator, which the operator could need for planning its activity in the market and for recent prices, available to the agents in its information system. Said value shall be considered an estimate and, as such, it will be the agent's responsibility to dispose of the appropriate collateral.

This simulation shall permit, for those operators that desire, the formalization of said amount as a guarantee prior to their participation in the market, and only if this amount is found to be insufficient to cover the operational collateral necessary for their bids, should they provide additional collateral.

The criteria for making this estimation are follows:

It is:

EOP = Forecast of purchases in the day-ahead market in N days with acquisition units, except those of direct consumer to market.

EDC = Forecast of sales in the day-ahead market in N days with sales units.

EOPcd = Forecast of purchases in the day-ahead market in N days with direct consumer acquisition units to the market.

RIE = Percentage entitled to benefit from reduction in Electricity Tax in case the agent holds or represents the activity of direct consumer in the market in Spain and has CIE.

EOFC = Maximum purchase energy that the agent expects to bid for any of the sessions of the Day-ahead Market or Intraday of auctions with all of its units, except with those of direct consumer to the market

EOFc = Maximum purchase energy that the agent expects to bid for any of the Day-ahead Market or Intraday auction sessions with the direct-to-market consumer units

N = number of days included in the settlement horizon plus additional days until payment. It will have a minimum value of 10 and may be worth up to 15 in case of holidays and non-business days at the Bank of Spain.

PEST = Average price weighted by energy in the Spanish and Portuguese zone of the Spanish and Portuguese price in each hour of the last 30 days. The Spanish or Portuguese price in each hour will be the average weighted by the energy matched in the hour in the corresponding zone in each market, of the day-ahead market price in the zone, of each of the intraday auctions in the zone and of the price reference of the continuous market in the area.

PC = Maximum positive price at which the agent expects to bid his purchases

IE = Quota of the Special Tax on Electricity. It will be applied to the company billed according to the established norms, which are detailed in the "Special Tax on Electricity" Rule.

VAT = Quota of Value Added Tax in Spain, in unit value. It will be applied to the company billed according to the established rules, which are detailed in the "Value Added Tax" Rule.

GC = Credit guarantee

GMIC = Volume of guarantee earmarked for trading on the continuous intraday market in each synchronisation cycle.

The credit guarantee will be:

a) If the agent is established in Spain

$$GC = (EOP * PEST + EOPcd * PEST * (1 + IE * (1 - RIE * 0.85 / 100))) * (1 + VAT) + GMIC$$

b) If the agent is not established in Spain

$$GC = EOP * PEST + EOPcd * PEST * (1 + IE * (1 - RIE * 0.85 / 100)) + GMIC$$

The collection rights that the agent may assign to himself or to third parties will be:

a) If the agent is established in Spain

$$DC = EDC * PEST * (1 + VAT)$$

b) If the agent is not established in Spain

$$DC = EDC * PEST$$

The guarantee of operation will be:

a) If the agent is established in Spain

$$GO = (EOFC * PC + EOFcd * PC * (1 + IE)) * (1 + VAT)$$

b) If the agent is not established in Spain

$$GO = EOFC * PC + EOFcd * PC * (1 + IE)$$

The total of the collateral necessary for the agent, in the event that the collection rights are transferred to himself, will be:

$$G = \text{Max} (GC-DC, 0) + GO$$

Owners of national acquisition units must additionally contribute the value corresponding to the guarantee requirement to cover the obligations generated by the Renewable Energies Economic Regime included in the Rule on "Parameters for determining the guarantee requirements for owners of national acquisition units."

#### **58.7.4. PARAMETERS FOR DETERMINING THE GUARANTEE REQUIREMENTS FOR THE OWNERS OF NATIONAL ACQUISITION UNITS.**

To cover the possible deficit generated by the settlements of the facilities affiliated with the Renewable Energies Economic Regime, the market operator will require specific guarantees to the owners of national acquisition units. These guarantees will be quantified by valuing the maximum daily purchase energy of the acquisition bid units of those holders at the Deficit Risk Price (PRD), as defined below:

D

$$GREER = \sum_{ua} n * P_{\text{max}}(ua) * p * r * PRD$$

With the following definitions:

GREER: Guarantees required from the owners of acquisition units to cover the possible deficit generated in the settlements of the Renewable Energies Economic Regime.

$P_{\text{max}}(ua)$ : Maximum power

p: Number of programming periods in the day. Where p equals 24 in hourly programming and 96 in quarter-hourly programming.

r: Resolution of the period, taking the value 1 in hourly resolution or 0.25 in quarter hourly resolution.

n: Number of days to be covered by these requirements. Where n is equal to 2.

The deficit risk price (PRD) will be calculated as:

$$PRD = \frac{D_{\text{max}} * \alpha}{E_c}$$

With the following definitions:

Dmax: Maximum deficit that can occur in a programming period.

$\alpha$ : Coefficient of reduction of the maximum deficit.

EC: Minimum energy purchased from the set of national acquisition units that can occur in a programming period.

The calculation period will comprise an interval of 7 days once completely closed

The value obtained for the PRD price will be rounded up to two decimal places.

The coefficient of reduction of the maximum deficit,  $\alpha$ , will take one of the following values depending on the percentage, Prcj, of programming periods in which the hourly price of the day-ahead market has, in the calculation period, stayed below the maximum award price of the facilities affiliated with the Renewable Energies Economic Regime that are available to deliver energy in the following calculation period:

Prcj (%)	Coeff. Reduction ( $\alpha$ )
[0,25]	0.25
(25,50]	0.50
(50,75]	0.75
(75,100]	1.00

The maximum deficit in a programming period will occur when all the energy that can be paid back through the Renewable Energies Economic Regime comes to the market at the time of calculation and the price of the day-ahead market is immediately higher than the collection exemption price. This maximum deficit will be calculated by:

$$D_{max} = \sum_{s=1, i=1}^{s,i} [P_{av}(s, up) * r * \delta(up) * (P_{exc}(s) + 0,01 - P_{adj}(s, up))]$$

With the following definitions:

$P_{av}(s, up)$ : Power allocated for each facility up in each auction of the Renewable Energies Economic Regime s.

$\delta(up)$ : Reduction coefficient dependent on the availability of the technology at facility i, as established in the third transitional provision of Order TED/1271/2020, of December 22.

r: Resolution of the period, taking 1 in hourly resolution or 0.25 in quarter hourly resolution.

$P_{adj}(s, up)$ : Award price for each facility up in each auction of the Renewable Energies Economic Regime s.

$P_{exc}(s)$ : Collection exemption price stipulated for the auction of the Renewable Energies Economic Regime s in which the facility was awarded.

The  $E_c$  term will be calculated as:

$$E_c = \min \left[ \sum_{ua} E_{adq}(h, ua) \right]$$

With the following definitions:

$E_{adq}(h,ua)$ : The energy in the final hourly program of the national acquisition units  $ua$  in each programming period  $h$  for the calculation period, excluding Saturdays, Sundays, and holidays.

The market operator will update the deficit risk price on a weekly basis, notwithstanding the fact that it may update this value in the face of forecasts of price changes, demand, or total energy remunerated through the Renewable Energies Economic Regime. This parameter shall be communicated to the agents through the market operator's information system.

The guarantee requirements of the owners of national acquisition units and their compliance status may be consulted through the market operator's information system. In case of insufficient guarantees to cover the calculated requirement, the agents will have 3 working days to provide the necessary guarantees and comply with the requirement.

All parameters may be modified by a directive of the market operator.

#### **58.7.5. TRANSFER OF COLLECTION RIGHTS.**

Market agents shall be allowed to transfer their collection rights accrued in the market to guarantee the payment obligations of any market agent, as established in the Rule for "Formalizing Collateral".

The Market Operator shall make a collection rights transfer simulator, which the operator could use for planning its activity in the market and for the recent prices, available to the agents in its information system. Said value shall be considered an estimation, which implies no commitment from the Market Operator with respect to its correctness.

This simulation will enable the agents themselves, and those in favour of which a document has been drawn up for the conveyance of collection rights, to estimate the collateral to be provided discounting said amount.

The collection right estimated for the agent shall be the value DC calculated in the rule "Operational and credit collateral".

##### **58.7.5.1. CALCULATION OF RECOGNIZED COLLECTION RIGHTS THAT CAN BE TRANSFERRED TO THIRD PARTIES.**

The collection rights that a market agent may convey to another agent and which shall be considered valid for the arrangement of collateral shall be those that are specified on the sales invoices or draft invoices that have not yet been included in the note of payment or charge of the corresponding settlement horizon.

In the particular case of the collection fees generated by the units affiliated the Renewable Energies Economic Regime, these will not be taken into consideration until the full settlement of the delivery day that will be made by the market operator after receipt of the information communicated by the system operator with the net energy negotiated in the adjustment and balance services by the facilities affiliated with the Renewable Energies Economic Regime. Until such settlement is completed, the lesser between the collection rights resulting from valuing the energy at the price of the market on which the facility has negotiated and the collection rights resulting from valuing said energy at the price to be received by the facility will be considered as provisional collection rights.

The balance of collateral shall take into account the collection rights forthcoming from an agent's settlements on the market as a valid and effective guarantee instrument regarding third parties.

## **58.8. COLLATERAL MANAGEMENT.**

The Market Operator shall be responsible for administering the collateral provided, in the interests of the market agents, for the purposes of supervising the obligations to establish and maintain updated collateral, and of the ordinary asset management this may give rise to, or, when applicable, of the disposal of the amounts required to meet the guaranteed obligations. The Market Operator shall keep a record in which it shall include, under separate headings, the rights and obligations associated with the collateral.

## **58.9. CRITERIA FOR PROCEEDING IN THE CASE OF NON-COMPLIANCES.**

The following types of non-compliance are to be considered:

### **1. Non-compliance for delay in payment.**

In the event an agent in the wholesale electricity market should be in breach, in full or in part, of any one of its payment obligations arising from the trades it has undertaken on the wholesale electricity market, the market operator shall proceed with utmost diligence and in the shortest time possible to enforce the collateral arranged with a view to ensuring compliance with its obligations by the market operator in breach.

Furthermore, pursuant to the provisions of article 86 of Spain's Royal Decree 1955/2000, of 1 December, on the regulation of the shipping, distribution, marketing, supply and authorisation procedures involving power generating facilities, if the agent in breach is a direct market consumer, the market operator shall immediately notify this breach to the Ministry for the Ecological Transition and the Demographic Challenge and the National Commission on Markets and Competition (CNMC in Spanish).

### **2. Non-compliance in the maintenance of guarantee instruments.**

If at the end of the fifth business day prior to the guarantee's expiry date it has not been replaced by a guarantee with a validity extending beyond the ensuing five business days, the necessary amount shall be enforced to cover the requirements pending.

As regards the collateral, credit lines and surety bonds presented to the market operator that do not comply with the specified requirements or else those that cease to comply with them due to a drop in their rating, the market operator shall require them to be replaced by another valid guarantee within ten business days.

If the guarantor or insurer were to be declared to be in administration or bankrupt, or if the administrative authorisation for the exercise of its activities were to be revoked, the agent required to provide the guarantee is to replace it with another one, of the same kind or another of those provided for in this point, within seven business days as of the date upon which a change is recorded in the situation of the guarantor or insurer.

If once the period specified in the two preceding paragraphs has elapsed without the replacement of the collateral, they shall be enforced for the amount required to cover the guarantee requirements of the agent in breach.

3. Failure to comply with the guarantee requirements to cover the obligations related to the Renewable Energies Economic Regime.

In the event that any market agent does not comply with the market operator's requirement, in accordance with the provisions of the Rule on "Parameters for determining the guarantee requirements for owners of national acquisition units," the market operator will suspend the bid units of any agent who fails to comply with the requirement. This suspension will be communicated to the system operator, who will immediately proceed with the suspension of the programming units of that agent.

Likewise, for the purposes of the guidelines of the first additional Provision of Order TED/1161/2020, of December 4, which regulates the first auction mechanism for the granting of the Renewable Energies Economic Regime and establishes the indicative timetable for the period 2020-2025, the market operator will communicate such non-compliance to the Directorate General for Energy Policy and Mines and the National Commission for Markets and Competition (CNMC).

The enforcement of the guarantee for any of the reasons contained in this point shall entail the payment of a penalty of 0.01% of the amount enforced, with a minimum of 300 euros, which shall be paid to the market operator. These sums may be modified at the market operator's instigation.

#### **58.10. DEFAULT NOT COVERED BY COLLATERAL.**

In the event that an agent fails to comply with the payment obligations in accordance with the provisions of the Rule of "Regime of non-payments and default interest", fourth paragraph, and is not covered by the collateral provided by the same, the market operator will inform the affected agents of the defaulting agent and the amount passed on to each of them, which will be calculated by distributing the amount owed pro rata among the collection rights of the agents that have become creditors on the horizon of liquidation and will be directed against him judicially or by any other means admitted by the legal system, in the name and representation of the affected agents. The defaulter will be obliged to pay the overdrafts, with his interests, and all damages caused to the agents affected by such breach.

#### **58.11. LACK OF CONSTITUTION OR LACK OF UPDATING OF COLLATERAL.**

The lack of constitution, replacement or updating by any agent in the market of any of the collateral provided for in these rules, will be understood as an order for the liquidation of all the transactions in which it has intervened, for all purposes. Therefore, the market operator will proceed to close the transactions carried out in which the defaulter has intervened in the market.

## **CHAPTER ELEVEN. FINAL RULES.**

### **RULE 59. DESCRIPTION OF THE SEQUENCE, SCHEDULES AND EXCHANGES OF INFORMATION FROM THE TRADING SESSIONS.**

The times indicated below are those established under normal operating conditions, that is, without incidents in any of the processes described, and may be altered by the market operator in unforeseen situations, either due to any incident in the operations of the European coupling sessions or in the operating processes of the market operator and/or system operators. In any case, the market agents shall be informed as soon as possible of any incidents, as well as of the new schedule planned, through the market operator's information system.

#### **59.1. SEQUENCE OF OPERATIONS IN THE DAY-AHEAD MARKET.**

There follows a detail of the sequence of operations in the day-ahead market, where the times specified correspond to Official European Time (CET).

- a) Before 10.30 a.m., the Spanish System Operator shall have provided the Market Operator with the notified nominations of use of capacity rights on the frontier with the French electricity system prior to the day-ahead auction of the physical capacity rights to be taken into consideration by the market operator in the bid validation process.
- b) Before 10.30 a.m., the System Operators shall have made information on the following available to the Market Operator:
  - The best demand forecast, referring to months completed and published in the first fifteen days of the previous month for those referenced by the forecast.
  - The situation of the transmission network and the partial or total unavailability of the electricity production or purchasing units.
  - The maximum import and export capacity at each one of the international interconnections, with a weekly horizon, with hourly values.
  - The available import and export capacity at each one of the international interconnections, for the following day, for consideration in the day-ahead market matching process.
  - The arrangements of any bilateral national contracts entered into with physical delivery or with generic scheduling units, with a view to properly validating the maximum bid units available.
  - The execution of bilateral contracts across the international borders of the Iberian system with external systems, available, with prior agreement between the system operators involved.

This information shall be made available to the market agents containing the data that affect their sales and purchasing units.

Information on unavailability will be updated subsequently, at any time and up until the instant of closing the acceptance of day-ahead market bids, in the case that there are modifications affecting data.

The information on capacity at the international interconnections may subsequently be updated, at any time up to 11.25 a.m., for its consideration in the day-ahead market, in the event of any modifications to the data.

c) The market agents shall be able to make claims regarding the results of the sale and purchase bid validation process, until five minutes after the close of the bid acceptance period for the corresponding session.

d) The Market Operator shall analyse the claims submitted in response to the validation process upon the reception of bids and solution of the claims if they can be attended to and resolved quickly enough for the solution to be immediately useful.

e) At 12:00 a.m., the market operator shall close the period for the reception and validation of the purchase and sale bids placed by market participants for the daily market, unless for unforeseen reasons it is necessary to extend the bid acceptance period for a justified reason.

f) From 12:00 a.m. and once the period for the reception of bids has closed, the process of matching will begin, analysing and attending to possible claims to the bids, if applicable.

g) During the process of preparing the bids for matching, validations defined in the present rules shall be made, including the approval of the existence of collateral that financially back each bid submitted. In case the aforementioned validations are not passed, the corresponding bid shall be cancelled, and it will not be considered in the matching process from this point forward.

h) Once the above validations have been carried out, the matching of the bids submitted in the European market coupling session will be executed with the Euphemia algorithm.

i) Before 1:00 p.m., the market operator shall make the provisional result of the matching process available to the system operators and the market participants, with the corresponding confidentiality. In addition, the information corresponding to its sale and purchase units shall be made available to the agents.

j) The market agents shall have ten (10) minutes, from the time the provisional matching process results are made available to them by the Market Operator, to make claims regarding the said results. Their claims shall be processed according to the established procedure. During this time period, the Market Operator shall be able to present the incidents that, in its judgment, have occurred in the process. Furthermore, the system operators may report, before 10 minutes have elapsed since the system operators have been provided with the provisional result of the matching process, the existence of any one of the contingencies provided for by the market operators that affect the outcome of the matching.

k) Before 1 p.m., when the results of the day-ahead market matching have been confirmed by all the market operators, these shall be final.

l) The Day-ahead Market Operator shall make available to the Forward Market Operator before 2 p.m. each day the prices and volumes traded in each hour on the Day-ahead Market for the following day, as well as the outcome of the process of physical delivery.

m) Before 2 p.m., the Market Operator shall inform the market agents, if appropriate, of the existence of any claim that is pending resolution, or any incident presented by the Market Operator, which may be cause for repeating the matching process. In this

case, the schedule of the sequence may be altered according to the specifications of Rule concerning schedule modification.

n) Before 1:30 p.m., once the process of inserting the power declared by the market agents as physical bilateral contracts to the System Operators is complete, they shall inform the Market Operator of the base day-ahead operating schedule (PDBF).

o) If the repetition of the matching process is necessary, for the reasons indicated in previous points, and consequently the base matching schedule (PDBC) does not turn out to be coherent with the base operating schedule (PDBF), the System Operators shall repeat the procedure of inserting power to physical bilateral contracts in order to generate a new base operating schedule (PDBF), using the new base matching schedule (PDBC) as a point of departure.

p) Before the hours limit set, the system operators shall make available to the market operator the limitations on the possibility of bidding, the Provisional Daily Viable Programme (PDVP) and its corresponding confirmation, with the market operator informing the market participants of the data corresponding to their bidding units.

## **59.2. SEQUENCE OF OPERATIONS FOR THE INTRADAY MARKETS.**

After the daily market matching process, the intraday auction market and the continuous intraday market sessions shall be held.

The following is the sequence of operations of the intraday auction market:

- a) The trading timeframes for each European intraday auction session as well as the opening and closing times for bid submission periods for each auction session are listed in Appendix 1 of these rules.
- b) For the first intraday auction session, the opening of the bid submission period may take place at the time indicated in Appendix 1, provided that the market operator has and includes the Base Daily Operating Schedule (PDBF) sent by the system operators into its system.
- c) The system operators shall make the Provisional Viable Daily Schedule (PDVP) and its confirmation available to the market operator so that the market operator can consider it as the Final Viable Daily Schedule (PDVD) before the established deadlines. These schedules shall be published by the market operator in bidding units and made available to agents, who, in response to these, may update their bids if they would like to do so until the close of the bid submission period established in Appendix 1.
- d) During normal operations, twenty (20) minutes before the close of the bid submission period for each intraday auction session, the Central European Trading Platform shall interrupt the allocation of available capacity in the continuous intraday market at the European level for the trading periods on the intraday auction timeframe. On the one hand, this interruption will not allow continuous cross-border trading between the different European market areas, and, on the other hand, it will allow system operators to recalculate the new capacity available in the international interconnections based on the intraday auctions.

- e) Fifteen (15) and five (5) minutes before the close of the negotiation period for each auction, the European Continuous Trading Platform (with the updated information previously sent to said platform by the system operators) shall make the updated capacity values for the international interconnections available for use and allocation in the matching process for the intraday auctions available to the market operator.
- f) At the close of the bid submission period for each intraday session, and only for those contracts included in the trading timeframe for the session, entry of new bids in the continuous intraday market will not be allowed until the end of the corresponding intraday auction so that only the allocation of available capacity related to the European interconnections will be allowed in the matching process for each intraday auction session.
- g) Agents may claim the result of the validation for purchase and sale bids that takes place at the time of their submission until the closing of the bid submission period for the corresponding intraday auction session.
- h) The market operator, following the operating procedures agreed upon at the European level, shall perform the matching process and shall make the provisional result of the matching process available to the market agents and system operators, pending confirmation by all the parties after the claims or incidents period.
- i) Agents shall have a period of one (1) minute for claims from the provisional publication of the results from the auction session. If no claims or incidents are received, and without prejudice to the possibility that the market operator may present any incidents, the market operator shall confirm the results to the rest of the parties following the European operating procedures.
- j) The market operator shall consider the results of the matching for the intraday auction markets to be final once they have been confirmed by all the active parties in the European intraday coupling, confirming the results of the session as firm to the market agents and system operators.
- k) At the end of each session, the system operators shall make the Final Hourly Schedule (PHF) available to the market operator.

The following is the sequence of operations for the continuous intraday market:

- a) The first opening of trading for the continuous intraday market contracts for the following day shall take place after the time indicated in Appendix 1 once the Final Viable Daily Schedule has been published and the first intraday auction has ended. From that time onwards, the market agents may participate in the continuous intraday market for the complete timeframe for the following day.
- b) At the end of each intraday auction and in accordance with the schedules established in Appendix 1, the market operator shall allow bids to be entered for the contracts open for trading in the continuous intraday market. Additionally, the European Central Contracting Platform shall again allow cross-border trading, continuing the operation of the continuous intraday market until the following intraday auction session.

- c) Agents may claim, both the result of the validation of purchase and sale bids to the continuous intraday market and the result of the transactions for the continuous intraday market once communicated and up to one (1) minute after proper bid submission or the transaction, as the case may be, are formalized.
- d) During normal operations, from 20 minutes before the closing of the bid submission period for each intraday session and until closing time, only local transactions, that is to say, within each price zone, may be performed in the continuous intraday market.
- e) Likewise, bid entry for the continuous market shall be stopped from the close of the bid submission period for each intraday session and until the end of the intraday auction, estimated in a normal situation as 20 minutes after the close of the bid submission period for the auction.
- f) Once this process has been completed, and in accordance with the times described in Appendix 1, the continuous market contracts that were suspended from trading because of the intraday auction session shall be re-opened for trading.
- g) The market operator may communicate the results corresponding to the period whose contract has just finished trading in the continuous intraday market up to forty (40) minutes before the start of its scheduling timeframe in order to be taken into account in the system operators' processes.
- h) At the end of each round, the system operators shall make the Final Hourly Schedule (PHFC) available to the market operator.

### **59.3. ALTERATIONS TO TIMINGS.**

In the event that any incidents arise that could alter the normal course of any of the mechanisms comprising the matching procedure on the day-ahead and intraday markets (auctions or continuous), or otherwise if claims are raised by agents that would involve a repeat of any part of the processes, the market operator may modify the timing of the sequence of corresponding operations for these markets as described in Annex 1, the emergency mechanisms of the market operator and / or those agreed with the system operators being applicable, as appropriate. The Market Operator will make every effort to ensure that the schedule is available to market agents and to the system operators at the earliest possible opportunity, informing the market agents and system operators of the new timings, as well as the European procedures for market coupling sessions.

In the event of any incidents arising that would alter the normal course of any of the processes for the submission and acceptance of bids for the matching processes on the continuous intraday market, the market operator may modify the timing of the sequence of corresponding operations as described in Annex 1 for these markets, and will make every effort to ensure that the schedule is available to the market agents and to the system operators at the earliest possible opportunity, informing the market agents and system operators of the new timings.

In the event of incidents that alter the normal course of any of the bid submission and acceptance processes or the matching processes of the continuous intraday market, the

market operator shall make its best efforts to maintain the timetable of the sequence of operations corresponding to these markets described in Annex 1, and to make the programmes available to market participants and system operators as soon as possible, informing the market agents and the market operator of the new timings.

Should this situation arise, or if there are incidents in the market operator's processes, and a delay to the publication time established for the Daily Base Operating Schedule (PDBF) or the Definitive Viable Daily Schedule (PDVD) for the first intraday auction session, or the Final Hourly Schedule ('Programa Horario Final', or 'PHF') for the rest of the sessions, is foreseeable, the market operator may take the decision to suspend the corresponding intraday market auction session, or otherwise perform the matching of the complete scheduling timeframe corresponding to said session, while deeming to be invalid for all purposes the result for any of the hours of the timeframe, on the basis of force majeure, or modify the trading hours of the continuous intraday market. The decision taken will be announced to the market agents and to the system operators via the Market Operator's Information System.

If, because of problems in the processes of the system operator and/or of the market operator a delay to the time established for the generation or integration of the results of the intraday auction sessions is foreseeable, and the agreed deadline is reached, the operators may take the decision not to consider the result of the matching of the intraday auction market for the initial hour, continuing with the following hours of the trading horizon until the incident is resolved. The decision reached will be announced at the earliest possible opportunity to the market agents, by means of the established channel, placing said announcement on record.

If, because of problems in the processes of the market operator, a delay to the publication time established for the result of transactions performed in each continuous intraday market round is foreseeable, the market operator may take the decision to delay the opening of the contracting of continuous intraday market contracts, or modify the trading hours of the intraday auctions sessions. The decision taken will be announced to the market agents and to the system operators via the Market Operator's Information System.

Notwithstanding the above, and in those cases in which because of operational problems a system operator cannot receive or process the results of the continuous intraday market (PIBCIC) by the agreed deadline, or otherwise it is impossible for the market operator to deliver the results available to the system operators, the market operator will send the PIBCIC to the system operators once the originating problem is resolved, and this may be sent later than the physical delivery of the energy for the period negotiated. In such cases, the system operators may jointly take a decision to cancel the energy negotiated in the last continuous intraday market round corresponding to the first hour of energy delivery, following hours until the incident is solved. The decision reached will be announced at the earliest possible opportunity to the other operators and to the market agents, by means of the established channel, placing said announcement on record.

#### **59.4. COORDINATION BETWEEN THE MARKET OPERATOR AND THE SYSTEM OPERATORS.**

For the purposes of complying with the provisions of current legislation, the system operators and the market operator both shall provide each other with the information indicated below through their information technology systems. This information shall be contained in files whose format and transmittal shall be defined by both operators, and the information shall be placed at the disposal of the market agents.

The Market Operator, together with the Spanish and Portuguese System Operators, will design an emergency mechanism for the sharing of information between System Operators and the Market Operator.

All information to be exchanged between operators will be made available to the other party receiver according to the procedures agreed between the operators.

The Market Operator shall validate the format and the information contained in the files received before inserting them into its information system so that, if errors are detected in them, they can be returned notified to the issuing party for correction to their sender for correction.

All information sharing must include the corresponding detailed explanation of the error detected. The period within which the corrected file must be sent shall depend on the file in question, although both the Market Operator and the System Operators shall make their best efforts to ensure the information is immediately available for the matching processes or the real time process for which it is needed.

For the relevant information exchanged between the market operator and the system operators, regardless of its origin, a mechanism to confirm the validity of information is established for each type of market. The established mechanisms will be those agreed between the market operator and each of the system operators, in the documents "Emergency Procedure between System Operators and Market Operator" and "Model of files for the exchange of information between OS and OM".

#### **59.4.1. INFORMATION THE SYSTEM OPERATORS MUST PROVIDE TO THE MARKET OPERATOR.**

The System Operators shall place the information required to perform market processes at the Market Operator's disposal by means of the methods and formats established in the current version of the document entitled "File model for the exchange of information between SO and MO", as agreed between the two operators relative to the files exchanged between them and published by the System Operators.

Among the validations that shall be performed, in addition to the ones indicated previously, a check shall be made to ensure that the schedules sent maintain the generation-demand balance in each programming period. It shall be confirmed that the schedule files correspond to the accumulation of the previous schedule. Any information regarding a unit's power, if it is a sale or purchasing unit, shall be verified to see that it falls between the maximum and minimum declared in the Market Operator's Information technology System.

The information that the System Operators shall send is the following:

##### **59.4.1.1. DAY-AHEAD MARKET.**

- Information resulting from the assignation of capacity rights from the auctions prior to the day-ahead auction of international units at each hour of the schedule horizon and in each of the sales or purchasing units with assignation of capacity rights.
- Information resulting from the notifications of the use of the capacity rights from the preview market day-ahead auctions of international units at each hour of the schedule horizon and in each of the sales or purchasing units with assignation of capacity rights.

- If held, information on the result of the assignment of capacity rights in the day-ahead auction in the French electricity system interconnection for international units at each hour of the programming horizon and for each of the sales or acquisition units with capacity rights assignment. This information will be sent by the Spanish System Operator.
- Information relative to the instances of unavailability of production and purchasing units. This information shall be sent by the System Operators each time this it is updated.
- Demand forecast file. This file shall be made available by the system operators prior to the daily market session.
- Information relative to the execution of international physical bilateral contracts and notification of use of the capacity rights. The information shall be sent by the System Operators on the following occasions:
  - After the nomination process prior to the day-ahead market, the Spanish System Operator shall send the executions accepted for physical bilateral contracts that cross the border of France with Spain.
  - After the nomination process prior to the day-ahead market, as soon as it is available and before the close of the day-ahead market bid acceptance period, the System Operators, following an agreement between them, shall send the executions accepted for international and national physical bilateral contracts, and the notifications of use of the corresponding capacity rights for the purpose of validating the power bid on by the production units that simultaneously participate in the execution of said bilateral contracts.
- Information relative to the execution of national physical bilateral contracts. This information shall be sent to the corresponding Market Operators.
- Information regarding the nominations of the arrangements of bilateral contracts arising from the nominated energies of real units and of generic scheduling units. This information will be sent by the Spanish System Operator.
- Information concerning of real unit nominated energy and generic scheduling units. This information will be sent by the Spanish System Operator.
- Base day-ahead operating schedule (PDBF). This file will be the result of adding the base matching schedule (PDBC) and the bilateral contracts reported before the bidding period for the day-ahead market closes, and the national bilateral contracts reported to the System Operators after the close of the Day-ahead market.

#### **59.4.1.2. PROCESSES FOR RESOLVING TECHNICAL ISSUES AFFECTING THE DAY-AHEAD BASE OPERATING SCHEDULE.**

- Provisional day-ahead viable schedule (PDVP): This provisional file shall be the result of the sum of the base operating schedule (PDBF), the alterations to the schedule due to technical issues and their readjustments to correct imbalances. The system operators may publish new versions of the Provisional Viable Daily Schedule (PDVP) which shall be accepted by the market operator until it is confirmed by the system operators, after which time no modifications to it shall be accepted.

### **59.4.1.3. DAY-AHEAD VIABLE SCHEDULE.**

- Day-ahead viable schedule (PDVD): Final schedule resulting from the day-ahead market. This schedule shall coincide with the latest version of the Provisional Daily Viable Programme (PDVP) confirmed by the system operators.

### **59.4.1.4. INTRADAY MARKETS.**

Information sent when the information is modified:

- Information on the unavailability of sales and purchasing units.
- Limitations on the possibility of bidding to each intraday market:

This file contains the limitations on the possibility of bidding to the intraday market, in order to fulfil the security criteria of each bid unit separately. The information contained in this file will be consistent with the information contained in the unavailabilities file. For the continuous intraday market, the deadline for application and for the purposes of validation of an bid sent in a round will be as established in Annex 1.

Information sent after the clearing of the intraday auction session:

- Final Hourly Schedule ('Programa Horario Final', or 'PHF') resulting from each intraday market session. This file coincides with the cumulative schedule sum resulting from the matching.
- Cancellation of hours in intraday market sessions. This file contains information on hours in intraday market sessions the transactions of which have been cancelled by the system operator, because they could not be scheduled for some reason.

Information sent after the clearing of the intraday auction session:

Final Hourly Schedule for each intraday market session (PHF). This file coincides with the Base Intraday Accumulated Matching Schedule (PIBCA) for each bidding unit, after the matching of the intraday market of the relevant auction. The schedule assigned to each bidding unit must coincide with the final viable daily schedule, plus the result of the previous Intraday auctions and the transactions for the continuous intraday market that took place before the closing of the bid entry period for the corresponding auction session.

Information sent after the close of each round of the continuous intraday market:

Continuous Final Hourly Schedule Continuous result of the transactions of each round in the intraday market (PHFC). This file coincides with the Continuous Base Intraday Accumulated Matching Schedule for the continuous intraday market (PIBCAC) for each bidding unit, after a round of the continuous intraday market for the trading periods of said round. The schedule assigned to each bidding unit must coincide with the final viable daily schedule plus the result of the previous Intraday auctions and the transactions for the continuous intraday market that have taken place up to the closing of the bid entry period for that round.

### **59.4.1.5. COORDINATION OF THE INFORMATION FROM THE PRODUCTION AND PURCHASING UNITS.**

The Market operator and the system operators shall carry out in a coordinated manner any change in the information associated with market participants, market agents and

bidding and scheduling units that may affect market processes. The procedure for communicating this information shall be agreed between the market operator and the system operators, jointly establishing the date of entry into force of the changes in question.

#### **59.4.1.6. ENERGY NEGOTIATED IN THE BALANCE AND ADJUSTMENT SERVICES OF THE SYSTEM BY THE FACILITIES AFFILIATED WITH THE RENEWABLE ENERGIES ECONOMIC REGIME.**

The Spanish system operator will send the market operator the net value of the energy traded for each facility affiliated with the Renewable Energies Economic Regime in the system balance and adjustment services for every day before 4:00 AM on the next calendar day so that the market operator can incorporate these results into the daily settlement. This information exchange will be carried out through the information exchange mechanisms agreed upon by both operators.

#### **59.4.2. INFORMATION THE MARKET OPERATOR MUST PROVIDE TO THE SYSTEM OPERATORS.**

The Market Operator shall place the information required to perform management processes at the Market Operator's disposal, with the corresponding confidentiality, by means of the methods and formats established in the current version of the document entitled "File model for the exchange of information between SO and MO", as agreed between the two operators relative to the files exchanged between them, and published by the System Operators.

The Market Operator shall make the following information available to the System Operators, with the corresponding confidentiality:

##### **59.4.2.1. DAY-AHEAD MARKET.**

- Day-ahead Base matching schedule (PDBC) This file contains the schedule resulting from day-ahead market matching. This information shall be made available to the system operators when the provisional results of the matching are disclosed.
- Day-ahead market marginal prices. This information shall be made available to the system operators when the provisional results of the matching are disclosed.
- Flows at the international interconnections. This information shall be made available to the system operators when the provisional results of the matching are disclosed.
- Day-ahead market bids. This file contains all the valid bids—both matched and unmatched—that have entered in the matching process. This information shall be made available to the system operators once the base matching schedule (PDBC) has been confirmed by OMIE and by the market operators coupled to the Iberian market in the performance of the matching.
- Day-ahead market order of financial precedence. This file contains the relevant information relating to power, prices and instances of the reception of totally matched, partially matched and unmatched bids. This information shall be made available to the system operators once the day-ahead base matching schedule

(PDBC) has been confirmed by OMIE and by the market operators coupled to the Iberian market in the performance of the matching.

#### **59.4.2.2. INTRADAY MARKETS.**

Intraday auction market:

- Intraday Base Intraday Incremental Matching Program (PIBCI). This file contains the information resulting from the matching of the intraday market session referred to in the following table.

- Order of economic precedence of each intraday market session.

Intraday market bids. This file contains all the bids that have joined the matching process.

Continuous intraday market:

- Continuous Incremental Matching Base Intraday Schedule (PIBCIC).

Program of bid units and portfolio units, trading result in each round of the continuous intraday market.

#### **59.4.2.3. OUTCOME OF THE SETTLEMENT.**

In compliance with point 1 in the Annex to Royal Decree 1623/2011, of 14 November, regulating the effects of the commissioning of the interconnection between the electricity systems on the Peninsula and the Balearic isles, as well as modifying other provisions on the electricity sector, the Market Operator shall provide the System Operator with the outcome of the settlement of the day-ahead and intraday markets that the latter requires for its consideration in the settlement of the energy in the electricity system on the Balearic Isles.

In compliance with points 1 and 2 of the Sixth Additional Provision of Royal Decree 216/2014, of March 28, which establishes the methodology for calculating voluntary prices for the small consumer of electric power and its legal system of contracting, the Spanish system operator and the market operator will exchange the information necessary for the average unit calculation per unit of energy of the value of each concept of costs for all consumers of the Spanish electricity system.

In compliance with section 2.2.a of the Resolution of May 22, 2018, of the Department of Customs and Special Taxes of the State Agency for Tax Administration, for the preparation of statistics on the exchange of goods between Member States (Intrastat System), The market operator shall provide the system operator with the value of the exports and imports resulting from the markets managed by the market operator that the latter requires for its consideration the information to be provided to the Intrastat System.

#### **RULE 60. TRANSACTION SYSTEM IN THE MARKET.**

OMI-Polo Español, S.A. (OMIE) as the Market Operator, is responsible for performing all of the functions required for the effective development of the wholesale electricity market and, in particular, of the day-ahead and intraday markets and the corresponding settlements, and, in general, the functions assigned to it by the legal provisions and regulations governing electricity.

The Market Operator shall carry out its functions in compliance with the provisions of the laws and rules which regulate the wholesale electricity market. Moreover, in the operation of the market, it shall act in accordance with the stipulations of these Market Operating Rules and with the information and communication systems included in the Market Operator's Information technology System.

The market agents shall act in the market in compliance with the provisions of the laws and rules governing the electricity market, and in accordance with the stipulations set out in these Market Operating Rules and in the information and communication systems integrated in the Market Operator's Information technology System.

In fulfilment of the provisions stated in these Market Operating Rules and, in particular, in this Rule, the Market Operator shall provide the market agents with the documentation associated with the Market Operator's Information technology System, for the agents' use, as well as any modifications and new releases published.

The Market Operator shall not be responsible for the consequences of the acts in which market agents or third parties are involved, nor for the consequences derived from the application of these Market Operating Rules and of the information and communication systems integrated in the Market Operator's Information technology System; nor shall the Market Operator be responsible for the consequences derived from circumstances beyond its direct control, for cases of force majeure or of an accidental nature, including those consequences derived from actions that, where appropriate, the market operator could perform after its appearance in order to try to mitigate or resolve such cases, or for the indirect consequences of the acts and operations carried out in the wholesale electricity market, nor for the risks derived from its operation.

Enabling access to European Continuous Procurement Platform through a public message interface is made for the sole and exclusive purposes of allowing agents to access through a tool developed and managed by the agent requesting such enable Intraday ment.

Such authorization does not imply the assumption by the market operator of any type of responsibility, including damages, direct or indirect, regardless of the predictability of said damages and losses, arising from the operation, use, inappropriate use or misuse, manipulation, change, modification or alteration, intentionally or not, of said tool by the agent, the agent must accept and comply with the Terms and Conditions of said authorization, set at all times by the market operator.

## **60.1. CLAIMS ON MARKET PROCESSES, SETTLEMENTS AND INVOICING.**

### **60.1.1. NOTIFICATIONS.**

Any notifications, beyond the normal operation of the market based on the information system that must be made by virtue of these Market Operating Rules shall be directed to the address of the parties that is shown in the heading of the corresponding Contract of Adherence. However, the parties may vary the place of reception of notifications by means of the notification they make to the other party seven (7) business days before the change occurs.

Notifications shall be transmitted by any means that leaves a record of the content and reception of the message.

### **60.1.2. CLAIM SUBMISSION TO THE MARKET OPERATOR.**

Market agents shall be able to express their objections to validation results, to the results of the various markets, and to settlements, in accordance with the stipulations of these rules for each case.

The claims submitted by agents, when integrated into the sequence of the Market Operator's processes, shall have the effects established in the pertinent rules. The rest of the claims shall also be answered by the Market Operator, but shall not have the effects indicated above.

The claim process shall be as follows:

The claims shall be made by way of the information technology application provided on the Market Operator's system for this purpose.

The claims shall be known to all the market agents, except for those which, because they contain sensitive information, are made confidential by the submitting agent. The agent submitting the claim may change its degree of confidentiality at any time. The Market Operator shall respect the confidential nature stated in the claim, although the Operator may request justification of confidential treatment.

When the Market Operator has made the appropriate decision regarding the claims and information received from the market agents, the claim process shall continue until its completion, without affecting the reiteration of the claim by the interested agent at a later time, with the corresponding effects.

The market agents shall have access at all times to the claims they themselves have made, and to other agents' non-confidential claims.

The Market Operator's Information technology System shall indicate the date and time of each writing on the text of the claim, as well as the identification of the individual who did the writing.

The Market Operator's Information technology System shall ensure that neither the market agent nor the Market Operator can alter information previously entered in the text of the claim.

The Market Operator shall be vigilant to ensure the agents' proper participation in the market. The use of these control or surveillance mechanisms does not exonerate the agents if they perform any improper or undue operations.

### **60.2. TIMETABLES AND DEADLINES FOR AGENTS' REQUESTS**

The Market Operator shall use the Market Operator's Information technology System to publish the following timetables:

1. Receiving and recording the submission of guarantee documents and requests.
2. Processing the agents' requests submitted through the Market Operator's Information technology System.
3. Deadline for consideration of the net credit balance on the balance of collateral for the purposes of the "Balance of collateral" rule.

Likewise, it shall announce the deadlines for processing the agents' different requests submitted through the Market Operator's Information technology System.

## **RULE 61. THE COMING INTO EFFECT, DURATION AND MODIFICATIONS OF THE MARKET RULES.**

1. The Market Operating Rules shall enter into force under the terms established in the corresponding administrative resolution and shall remain in force indefinitely without prejudice to the modifications referred to in this rule, unless the law or its implementing regulations establish a term of duration for the same or have its termination.
2. The market operator must propose, ex officio or at the request of the National Markets and Competition Commission, those modifications of the current methodologies and conditions that allow a better functioning of the electricity markets, as well as their adaptation to EU regulations. Said modifications must follow the procedure provided for in article 23 Circular 3/2019, of November 20, of the National Markets and Competition Commission, which establishes the methodologies that regulate the operation of the wholesale electricity market and managing of the system operation.
3. The adherence of each market agent to the Market Operating Rules is also applicable to all the modifications that may be introduced in them by virtue of the provisions of this rule.
4. In any case, the Market Operator shall be allowed to dictate whatever instructions it may consider necessary for the best application of the Market Operating Rules, and the sellers and buyers who participate in the wholesale electricity market must comply with those instructions. In particular, the Market Operator shall prepare user's guides for the effective utilization by market agents of the information technology systems that the normal operation of the wholesale electricity market may require. Also, practical or technical criteria to be applied by the current regulation shall be able to be made public for the sake of general knowledge.

## **RULE 62. APPLICABLE LEGISLATION AND RESOLUTION OF CONFLICTS.**

Spanish and European laws shall be applicable to these Market Operating Rules.

Any conflicts that may arise in the application of these Market Operating Rules shall be resolved in accordance with the stipulations of article 12.1.b.2 of Act 3/2013, of 4 June, creating the National Commission for Markets and Competition. The controversies, disagreements, claims and differences which may arise in this matter, that should not be reason for conflict in the financial and technical management due to the fact that they are unavailable and of public order, respecting the authority of the National Commission for Markets and Competition, shall be remitted, with renunciation of any other judge or court that may have jurisdiction, either to the arbitration of the said Commission, in the provisions of article 5.1.b of Act 3/2013, of 4 June, creating the National Commission for Markets and Competition, or to the arbitration of law which shall be held in Madrid by three arbitrators, in compliance with the rules of UNCITRAL and with Act 60/2003, of 23 December, for Arbitration and, therefore, with express acquiescence to the arbitration finding that is pronounced. The parties come to an agreement on the arbitration system to be followed, i.e. whether they will participate in the National Commission for Markets and Competition or the three arbitrators in accordance with the UNCITRAL rules for said arbitration process. If six months have passed, and it has not been possible to reach said agreement, the jurisdictional process shall be clear for the interested party. The parties agree to submit whatever differences between them which, by legal imperative, cannot

be remitted to arbitration, to the courts of the city of Madrid, and therefore renounce any other judge or court that may have jurisdiction.

### **RULE 63. DATA PROTECTION.**

In accordance with Article 13 of General Data Protection Regulation (EU) 2016/679 (hereinafter, the "GDPR"), the personal data provided by the Agents and any that the Agents might at any time provide, will be included in a Processing Activity Register the controller of which is OMI-Polo, Español, S.A., in its capacity as market operator. Agents may at any time modify their personal data in order for the information contained in their files to be updated and error-free at all times.

OMI-Polo Español, S.A. needs to process said data in order to execute the Adhesion Contract, and the processing of said personal data is therefore deemed legitimate in accordance with Article 6.1(b) of the GDPR. In particular, OMI-Polo, Español, S.A. will process said personal data for the following purposes: (i) registration and monitoring of Market Agents, ensuring connections within the Electricity Market; (ii) maintenance of appropriate levels of security in the commercial dealings of the company.

The data will be retained in all cases for as long as the commercial relationship with the Market Agent should last. At the time of conclusion thereof, OMI-Polo, Español, S.A. will retain said data, with access duly blocked, solely in order to address liabilities of any kind that could arise over a period of 5 years. Once said liabilities have expired, the personal data will be erased. In the event that the agent provides personal data regarding persons other than those making a request, the Agent collateral that said persons have given their consent for their data to be handed over to OMI-Polo Español, S.A. for said purpose

The Agent is likewise informed that, within the aforementioned personal data, security recordings of telephone conversations of natural persons involved at any time as the representatives of the Agent may be performed. The Agent likewise collateral that said persons have granted their consent for the handover of their data OMI-Polo Español, S.A.

OMI-Polo Español, S.A. will process the personal data on an absolutely confidential basis. It has likewise implemented appropriate technical and organisational measures to guarantee the security of the personal data and avoid destruction, loss, unlawful access or unlawful alteration. In defining these measures, consideration was given to criteria such as the scope, the context and the purposes of treatment; the technical state of the art, and the existing risks.

The Agent likewise grants consent for personal data to be transferred to the following entities, which will make use thereof for their own purposes:

- (i) Red Eléctrica de España, S.A. (REE) in order to fulfil its functions in its capacity as the Spanish System Operator.
- (ii) Redes Energeticas Nacionais S.A. (REN) in order to fulfil its functions in its capacity as the Portuguese System Operator.
- (iii) Other System or Market Operators, in order to fulfil their respective functions and achieve optimal administration of their respective Information Systems.
- (iv) The competent regulators.

The Market Agent may at any time exercise rights of access, rectification, objection, erasure, restriction, portability and raising of grievances, before OMI-Polo Español, S.A.

Said rights may be exercised by writing to the headquarters of OMI-Polo Español, S.A., located at Calle Alfonso XI, 6, 28014 Madrid, or by sending an email to [info@omie.es](mailto:info@omie.es). The following information must be provided in this regard: full name of the interested party, address for notifications, photocopy of National Identity Document, passport or any other ID document, and application specifying the request. If the request does not fulfil the necessary requirements, OMI-Polo Español, S.A. may call for it to be amended.

If agents deem that their requests have not been properly addressed, they may raise a grievance with the data protection supervisory authority, the Spanish Data Protection Agency (<http://www.agpd.es>).

## FIRST ADDITIONAL RULE

A potential exceptional occurrence known as a “Rollback” is taken into consideration by the European coupling procedure for the start of production of the intraday auctions. The start of this procedure may only be declared in the event of incidents occurring after the start of the production for the auctions and for a maximum period of seven (7) days.

The possible incidents should be so severe that they would prevent the normal operation of the auctions, so they would be temporarily suspended for all price zones.

The start and end dates of this suspension period for the European intraday auctions will be communicated to market agents, once determined by the European intraday project (SIDC).

As long as the “Rollback” scenario is activated at the European level, and with the aim of allowing agents to trade in an Intraday auction market and whenever technically possible, the market operator in coordination with the Spanish and Portuguese electricity system operators (both system operators during this period of time will supply the market operator with values on available capacity in the interconnections instead of the European Central Trading Platform), may bid the trading of intraday auctions in an uncoupled manner, that is, with a trading scope for the Spain and Portugal zones.

During this period, the uncoupled intraday auctions shall be carried out in accordance with the provisions of these rules for the IDA Intraday auctions, maintaining the planned schedules for the intraday auctions described in Appendix 1 and adapting the technical processes if necessary, and informing the market agents as needed.

In the event that incidents are detected after the first seven operating days of the start-up of the European intraday auctions, this “Rollback” procedure may not be applied.

## FIRST ADDITIONAL RULE.

### ANNEX 1. INTRADAY MARKET TIMINGS.

The intraday market will have a structure comprising two contractual market formats,

- Intraday auctions.
- Continuous market.

The format of the intraday auction will be structured accordingly as three coupling sessions at the European level. The schedules included here are those established in Annex 1 published by ACER, *Annex I of the ACER Decision on the Methodology for pricing intraday cross-zonal capacity*, so they could vary if these methodologies were to do so:

	SESSION 1	SESSION 2	SESSION 3
SESSION OPENING	02:00 pm	09:00 pm	09:00 am
SESSION CLOSING *	03:00 pm	10:00 pm	10:00 am
MATCHING AND REPORTING	03:20 pm	10:20 pm	10:20 am
SCHEDULING TIMEFRAME (Hourly periods)	24 hours (1-24 D+1)	24 hours (1-24 D+1)	12 hours (13-24) D
* Twenty minutes before the close of each session, cross-border trading for the continuous intraday market will be interrupted for contracts that fall within the auction timeframe allowing for local trading during these periods until the close of the session's bid submission period.			

Figure 1

In the case of the fourth intraday market on the day of change of spring time, the opening time of the same will be 00:00 instead of 01:00.

In the event that the provisions for the operation of the official time change days (23 or 25 hours) prove necessary to be modified, an Instruction will be published with the details and operation of said changes. Said Instruction will be duly communicated to market agents and system operators, taking into account the single European market coupling.

For the spring daylight savings day, a 23-hour day, which will take place every year on the last Sunday in March, the scheduling times and timeframes for the various intraday auction sessions are shown in the following table:

	SESSION 1	SESSION 2	SESSION 3
SESSION OPENING	02:00 pm	09:00 pm	09:00 am
SESSION CLOSING *	03:00 pm	10:00 pm	10:00 am
MATCHING AND REPORTING	03:20 pm	10:20 pm	10:20 am
SCHEDULING TIMEFRAME (Hourly periods)	23 hours (1-23 D+1)	23 hours (1-23 D+1)	12 hours (12-23 D)
* Twenty minutes before the close of each session, cross-border trading for the continuous intraday market will be interrupted for contracts that fall within the auction timeframe allowing for local trading during these periods until the close of the session's bid submission period.			

Figure 2

For the fall daylight savings day, a 25-hour day, which will take place each year on the last Sunday in October, the scheduling times and timeframes for the various intraday auction sessions are shown in the following table:

	SESSION 1	SESSION 2	SESSION 3
SESSION OPENING	02:00 pm	09:00 pm	09:00 am
SESSION CLOSING *	03:00 pm	10:00 pm	10:00 am
MATCHING AND REPORTING	03:20 pm	10:20 pm	10:20 am
SCHEDULING TIMEFRAME (Hourly periods)	25 hours (1-25 D+1)	25 hours (1-25 D+1)	12 hours (14–25 D)
* Twenty minutes before the close of each session, cross-border trading for the continuous intraday market will be interrupted for contracts that fall within the auction timeframe allowing for local trading during these periods until the close of the session's bid submission period.			

Figure 3

With regards of the Intraday Continuous Market, the trading schedules will remain unmodified being the H5 contract traded for the very last time during Round 5<sup>th</sup> (03:00-04:00h CET).

## **2. HOURLY PRODUCT ON THE CONTINUOUS INTRADAY MARKET.**

The hourly product shall have a duration of one hour. It shall be composed of twenty-four (24) contracts (23 or 25 on days when the official time is changed), where each contract corresponds to each of the hourly periods of the day to which the product refers. Figure 4 shows the contracts being traded, by day, period and time, for a 24-hour day.

In the event that the provisions for the operation of the official time change days (23 or 25 hours) prove necessary to be modified, an Instruction will be published with the details and operation of said changes. Said Instruction will be duly communicated to market agents and system operators, taking into account the single European market coupling.

Figure 4 shows by day, period and time the contracts under negotiation for the hourly product.

Schedule					Intraday Auction		Mercado Continuo	
Day	Continuous round *	Period	Start time of period	End time of period	Auction number	Trading periods included in the auction horizon	Open trading periods HOURLY PRODUCTS	Closed trading periods HOURLY PRODUCTS
D	17	15	14:00	15:00	1	Receipt of bids for the first auction (Periods 1-24 day D+1)	17-24 (D)	
D	18	16	15:00	15:20	1	ID 1 MATCHING	18-24 (D)	
D	18	16	15:20	16:00	-		18-24 (D) 1-24 (D+1)**	
D	19	17	16:00	17:00	-		19-24 (D) 1-24 (D+1)	
D	20	18	17:00	18:00			20-24 (D) 1-24 (D+1)	
D	21	19	18:00	19:00	-		21-24 (D) 1-24 (D+1)	
D	22	20	19:00	20:00	-		22-24 (D) 1-24 (D+1)	
D	23	21	20:00	21:00	-		23-24 (D)	

							1-24 (D+1)	
<b>D</b>	24	22	21:00	22:00	2	Recepción de ofertas para la segunda subasta (Periodos 1-24 día D+1)	24 (D) 1-24 (D+1)	

Schedule					Intraday Auction		Continuous Market	
Day	Continuous round *	Period	Start time of period	End time of period	Auction number	Trading periods included in the auction horizon	Open trading periods HOURLY PRODUCTS	Closed trading periods HOURLY PRODUCTS
<b>D</b>	1	23	22:00	22:20	2	ID 2 MATCHING		1-24 (D+1)
<b>D</b>	1	23	22:20	23:00	-		1-24 (D+1)	
<b>D</b>	2	24	23:00	0:00	-		2-24 (D+1)	
<b>D+1</b>	3	1	0:00	1:00	-		3-24 (D)	
<b>D+1</b>	4	2	1:00	2:00			4-24 (D)	
<b>D+1</b>	5	3	2:00	3:00	-		5-24 (D)	
<b>D+1</b>	6	4	3:00	4:00	-		6-24 (D)	

<b>D+1</b>	7	5	4:00	5:00			7-24 (D)	
<b>D+1</b>	8	6	5:00	6:00	-		8-24 (D)	
<b>D+1</b>	9	7	6:00	7:00	-		9-24 (D)	
<b>D+1</b>	10	8	7:00	8:00	-		10-24 (D)	
<b>D+1</b>	11	9	8:00	9:00	-		11-24 (D)	
<b>D+1</b>	12	10	9:00	10:00	3	Receipt of bids for the third auction (Periods 13-24 day D)	12-24 (D)	
<b>D+1</b>	13	11	10:00	10:20	3	ID 3 MATCHING		13-24 (D)

Schedule					Intraday Auction		Continuous Market	
Day	Continuous round *	Period	Start time of period	End time of period	Auction number	Trading periods included in the auction horizon	Open trading periods HOURLY PRODUCTS	Closed trading periods HOURLY PRODUCTS
<b>D+1</b>	13	11	10:20	11:00	-		13-24 (D)	
<b>D+1</b>	14	12	11:00	12:00	-		14-24 (D)	

<b>D+1</b>	15	13	12:00	13:00	-		15-24 (D)	
<b>D+1</b>	16	14	13:00	14:00	-		16-24 (D)	
<b>D+1</b>	17	15	14:00	15:00	1	Receipt of bids for the first auction (Periods 1-24 day D+2)	17-24 (D)	
<b>D+1</b>	18	16	15:00	15:20	1	ID 1 MATCHING	18-24 (D)	
<b>D+1</b>	18	16	15:20	16:00	-		18-24 (D) 1-24 (D+1)**	
...	...	...	...	...	...	...	...	...
<p><b>* Continuous trading round: The period of time when the continuous market is last traded.</b></p> <p><b>** Periods 1-24 of D+1 open for continuous trading (Gate Opening Time) after the end of the first intraday auction, conditional on receipt of the PDVD.</b></p>								

Figure 4

### **3. Time limit for the application of unavailability and limitations for intraday markets (intraday auctions and continuous market).**

Intraday Auctions:

- Information on limitations and unavailability received from the market operator shall be taken into account for bid validation for their entry and for the matching process from the time they are submitted and up to five (5) minutes before the close of the bid submission period.
- For the first intraday auction session, the information on limitations may be included during the bid submission period provided that this is communicated prior to the publication of the Provisional Viable Daily Schedule (PDVP) ultimately confirmed by the system operators for its consideration for the bid submission validation process and the matching process.

Continuous intraday market:

- Time due for consideration (or validity) of unavailability and limitations for the continuous intraday market for the purpose of validation of a bid submitted in a round shall be five (5) minutes prior to the start of the round.

### **4. Deadline for including the information on commercial capacities for international interconnections in intraday auctions.**

All the information on the capacities available in the international interconnections for the intraday auctions shall be included in the Market Operator's Information System fifteen (15) minutes before the closing time for bid submission for each auction, with the deadline for including this information to be considered (or valid) for the purposes of matching the auction sessions for the intraday market as up to five (5) minutes prior to the closing time for bid submission for the corresponding intraday auction

## **ANNEX 2. BIDS TYPOLOGY FOR THE CONTINUOUS INTRADAY MARKET.**

The bid typology for the continuous intraday market is listed below:

### **1. Conditions for the execution of bids in the continuous intraday market.**

The bids in the continuous market may be for Purchase (BID) or Sale (ASK), with different types of execution conditions or validity that may be selected by the agent.

The purchase and sale bids in the continuous intraday market will be categorized according to the different execution conditions that apply to them.

By default, bids will not have any condition selected. In the event that a market agent wishes to submit a bid with conditions, they will have to indicate this at the time of bidding, filling out the corresponding fields for this purpose.

#### **1.1 NONE (NON)**

“None” bids will have the following characteristics:

- Quantity of product to buy or sell, as well as the price requested.
- They will allow the possibility of immediate or partial matching.
- The quantity not matched will remain in the Bid Book at the price included in the bid.
- Regarding the time validity, they shall be valid exclusively for the contract they refer to and shall be canceled if not matched at the closing of the said contract.
- A bid or partial bid that remains in the Bid Book after a partial matching may be modified or canceled as long as the contract it was submitted to has a status that allows for sending bids (TRADE) for the same product.

#### **1.2 IMMEDIATE OR CANCEL (IOC)**

“Immediate or Cancel” bids shall have the following characteristics:

- They will include only the quantity of product to buy or sell in a given contract and the price requested.
- Regardless of their price, they will be matched against the most competitive bids in the opposite direction in the Bid Book.
- The price of the transaction will be that of the bid(s) with which it matches (pre-existing).
- They will allow the possibility of partial matching.

- The unmatched quantity will be eliminated and will not remain in the Bid Book.
- They will be executed at the time they are entered and will not remain as bids, so, in addition, there is no possibility for them to be modified or canceled by the agent.

### **1.3 FILL OR KILL (FOK)**

“Fill or Kill” bids have the following characteristics:

- They will include the quantity of product to be bought or sold in a given contract, as well as the price requested.
- They will match with the most competitive bids in the opposite direction in the Bid Book if the prices are acceptable.
- They will not allow the possibility of partial matching; if the bid is not matched in its entirety, the bid will be eliminated completely.
- They will be executed at the time they are entered and will not remain as bids, so, in addition, there is no possibility for them to be modified or canceled by the agent.

### **1.4 ICEBERG**

“Iceberg” bids will have the following characteristics:

- They will include the total quantity of product to be bought or sold in a given contract, the reduced part of that quantity that the agent wishes to show in the Bid Book, as well as the requested price.
- Only a reduced part of the total quantity and the requested price will be shown in the Bid Book to the other market agents.
- When entering an “Iceberg” bid with a non-competitive price, this bid will be included in the Bid Book, showing the reduced part of the total quantity and price specified. The agent who entered the bid will also be able to see the total quantity of the bid.
- When the viewable reduced part of the bid is fully matched, a new bid will be automatically created in the Bid Book with the amount of the reduced part of the total quantity and the price, as specified when the “Iceberg” bid was entered.
- When entering an “Iceberg” bid with a competitive price, the quantity to be considered will be the total quantity of the “Iceberg” bid, recording a transaction for each counter bid that it matches with. Additionally, if the total quantity does not match, the viewable quantity that will appear in the Bid Book will be at most the reduced part specified when creating the bid, even if the matched quantity was not a multiple of the reduced part.

- If, while there is an “Iceberg” bid in the Bid Book, a counter bid with a competitive price at a quantity higher than the viewable quantity of the “Iceberg” bid is entered, different transactions will be performed for each instance of the “Iceberg” bid, each with its own creation time. The viewable amount of the “Iceberg” bid in the Bid Book will be the amount that has remained unmatched after the last instance.
- In addition to the validations included in the “Bid Validation” Rule for the continuous intraday market, it will be verified that the reduced part of the bid to be shown is less or equal to the total quantity of the product bided.
- They will allow the possibility of being canceled at times when the cancelation of bids by the unmatched party is allowed.

### **ICEBERG bids with incremental pricing**

As an option, “Iceberg” orders can be entered with a price increment. If entered, each new instance will have a new price, which will be calculated as the price of the previous instance plus the price increment.

“Iceberg” purchase orders can only be entered with negative price increments, while sell orders can only be entered with positive price increments.

## **2. Conditions for bid validity.**

The validity conditions, if specified, indicate the timeframe for which the sale or acquisition bid submitted by a market agent for a given contract is valid.

### **2.1 GOOD-FOR-SESSION (GFS)**

Bids marked with this limitation will be valid until the close of the negotiation of the contract for which they were submitted. By default, all bids will have this limitation selected.

### **2.2 GOOD-TILL-DATE (GTD)**

This limitation will make the bid submitted valid only until a certain time set by the agent during the creation of the bid, and the time will always be prior to the contract negotiation closing.

## **3. Basket Bid Conditions**

Market agents will be able to select conditions for Basket Bids that will affect all the bids within the basket.

### **3.1 NONE**

Basket bids will be sent at the same time, to the same or different contracts, with no relation to each other. Some may be accepted and matched and others not, and they will remain in the Bid Book if the conditions for the bids allow it.

### **3.2 VALID**

The bids in the basket shall be sent at the same time, to the same or different contracts, but they must all be accepted as valid. If any of the bids included in the basket is declared invalid, the rest will not be taken into account as they will all be rejected.

### **3.3 LINKED BIDS**

Bids from the basket will be sent at the same time, to the same or different contracts, but the acceptance of matching for a bid for a contract will be linked to the matching of the other bids from the basket to other contracts, with all or none of the sent bids matched. As a result, a linked basket will always include the FOK execution restriction for each of the bids included in the basket.

## **ANNEX 3. PRICE LIMITS ON BIDS AND NOTIFICATION AND PRICE THRESHOLDS**

### **1. Harmonized maximum and minimum bid price limits for the day-ahead market.**

In accordance with Article 10 of Regulation (EU) 2019/943 of June 5, 2019, and the *Harmonised maximum and minimum clearing prices for single day-ahead coupling* methodology approved by ACER and its amendments, maximum and minimum price limits are established for the day-ahead market in the MIBEL zone (Spain and Portugal) that are harmonized at European level.

The price limits can be consulted on the agent website (see “*Day-Ahead Market > Bids > Limit Prices*”) and on the public website (page “*Spot Market > Electricity Market*”) of the market operator.

These price limits may be reviewed and updated in accordance with the aforementioned methodology.

### **2. Bid price notification thresholds for the day-ahead market.**

A maximum price notification threshold and a minimum price notification threshold are established for bids on the day-ahead market in the MIBEL zone (Spain and Portugal).

The thresholds can be consulted on the agent website (see “*Day-Ahead Market > Bids > Limit Prices*”) and on the public website (page “*Spot Market > Electricity Market*”) of the market operator.

These notification thresholds may be modified by the market operator by a directive following prior communication to the CNMC.

### **3. Harmonized maximum and minimum bid price limits for the intraday auction market and continuous intraday market.**

In accordance with Article 10 of Regulation (EU) 2019/943 of June 5, 2019, and the *Harmonised maximum and minimum clearing prices for single intraday coupling* methodology approved by ACER and its amendments, maximum and minimum price limits are established for the intraday markets in the MIBEL zone (Spain and Portugal) that are harmonized at European level.

The price limits can be consulted on the agent website (see “*Intraday Market > Bids > Limit Prices*” and “*Continuous Market > Orders > Limit Prices*”) and on the public website (page “*Spot Market > Electricity Market*”) of the market operator.

These price limits may be reviewed and updated in accordance with the aforementioned methodology.

### **4. Bid price notification thresholds for the intraday auction market and continuous intraday market.**

A maximum price notification threshold and a minimum price notification threshold are established for intraday auction market tenders in the MIBEL zone (Spain and Portugal),

and a maximum price notification threshold and a minimum price notification threshold are established for continuous intraday market tenders in the MIBEL zone (Spain and Portugal).

The thresholds can be consulted on the agent website (see "*Intraday Market > Bids > Limit Prices*" and "*Continuous Market > Orders > Limit Prices*") and on the public website (page "*Spot Market > Electricity Market*") of the market operator.

These notification thresholds may be reviewed and modified by the market operator by a directive following prior communication to the CNMC.

## **5. Price thresholds defined by the market operators for carrying out a Second Matching or "Second Auction."**

In accordance with the European-wide operating procedures, if, as a result of the day-ahead market matching, the hourly price in any of the Iberian market price zones (Spain or Portugal) is above or below the price thresholds established in this chapter to justify the implementation of the so-called "Second Auction" at the European level, the Iberian market operator will inform all agents of that situation and of the launch of a Second Matching with European coupling, or of the English "Second Auction;" the notification will be made by means of a message on the agent website.

The harmonized price thresholds at the European level that initiate the process of this Second Matching or "Second Auction" for the Spanish and Portuguese area can be consulted on the agent website (see "*Day-Ahead Market > Bidss > Limit Prices*") and on the public website (page "*Spot Market > Electricity Market*") of the market operator.

In the event this Second Matching is carried out, the operator of the Iberian market will open a new extraordinary period of receiving bids for the corresponding session of the day-ahead market during the time established in the operation procedures at the European level, and this will be communicated to market agents by means of a message on the agent website.

The bids inserted as valid prior to this extraordinary period and that are not modified or canceled during it will remain valid and unchanged in light of this Second Matching. Those agents who decide to send new bids during this period should consider that the prices of the new bids submitted must be within the harmonized price thresholds at the European level for each MIBEL price zone; otherwise, they will be rejected.

After the closing of receiving bids, a second calculation of the day-ahead market matching will be made, the results of which will replace those obtained in the first matching.

The result of this Second Matching will be made within the day-ahead single market coupling at the European level and, therefore, will affect both MIBEL price zones (Spain and Portugal).

If, as a result of this Second Matching or "Second Auction," the situation again arises where, for some time in any of the price zones, the positive or negative price thresholds defined above are exceeded again (above or below), the matching will not be repeated again, and these second results will be considered valid.

In a previously declared situation of partial or total decoupling in the day-ahead market coupling, a second matching or “Second Auction” as described in this section will not be carried out.

The provisions of this Rule reflect the content of the current operating procedures at the European level. In case of the modification of that content, the provisions of those European operating procedures will always prevail until the mandatory updating of the terms of this Appendix takes place in order to reflect the corresponding modification. At the time of such a modification in the European operating procedures, this will be communicated to the market agents.

## **ANNEX 4. CONTRACT OF ADHESION TO THE TO THE DAY-AHEAD AND INTRADAY MARKET RULES**

ON ONE PART OMI - POLO ESPAÑOL S.A. (OMIE)

ON THE OTHER PART THE MARKET AGENT, WHICH IS IDENTIFIED BELOW:

Market Agent Identification

1. Name or company name: .....
2. CIF: .....
3. Address: .....
4. Representation: Mr. ...., on behalf of ....., By virtue of powers and faculties that he expressly declares valid, sufficient, in force and not revoked.
5. Character: (Head of Production Units / Marketer / Direct Market Consumer / Head of Storage Facilities / Representative)
6. List of production units: (Only applicable for owners of production units and/or storage)

### **EXPOSE**

The above-mentioned parties, under the provisions of articles 28 and 29 of Law 24/2013 of December 26, on the Electricity Sector and article 7.1 a) of Royal Decree 2019/1997, which organizes and regulates the Electricity Production Market agree to subscribe the following adhesion contract in accordance with the following:

### **CLAUSES**

#### **FIRST. - OBJECT OF THE CONTRACT: ACCEPTANCE AND ADHESION TO THE RULES OF OPERATION OF THE MARKET**

The object of this contract is the adherence of the Market Agent referred to above to the Market Operating Rules.

The Market Agent declares to know and accept freely, irrevocably and unconditionally the Market Operating Rules, as well as all their terms and conditions, undertakes to comply with them without reservations, restrictions or conditions.

In particular, and without prejudice to the other obligations that, where appropriate, correspond to the Market Agent in accordance with the provisions of the applicable regulations, the Market Agent expressly declares to know and undertakes to comply with the provisions regarding guarantees that Those who make purchases of electric power and the execution of the same must pay; the characteristics of the bids for the sale and acquisition of electricity; the format and means of communication of the bids for the sale and acquisition of electric power; the determination of the matching method for bids for the sale and acquisition of electricity, all of this in the day-ahead and intraday markets; and the determination of the final price of electric power, its settlement and payment, as well as the corresponding administrative and fiscal obligations arising from its participation in the Market.

## **SECOND. - CONFIDENTIALITY**

The Market Agent and the Market Operator undertake to observe confidentiality with respect to information of such a nature and to which they have been able to access as a result of their participation in the Market in the terms and with the scope set forth in the corresponding Rules of the Market.

## **THIRD. - APPLICABLE LEGISLATION AND JURISDICTION**

Spanish Laws will apply to this adhesion contract. The parties agree to submit any differences between them to the Courts and Tribunals of the city of Madrid, waiving any other judge or court that may be competent.

Acceptance by OMI - Polo Español S. A. (OMIE) of the adherence of the Market Agent described in the heading of this document to this Contract and to the Market Operating Rules.

OMI - Polo Español SA (OMIE), domiciled at Calle Alfonso, XI, nº 6, 28014 Madrid, accepts the adherence made by the Market Agent identified in the heading of this document to the Market Operating Rules, in the terms and conditions expressed in this adhesion contract.

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The Market Agent

OMI - Polo Español (OMIE)