

All TSOs' proposal for amendment of
Harmonised allocation rules for long-
term transmission rights

in accordance with Article 51 of Commission Regulation (EU)
2016~~9~~/1719 of 26 September 2016 establishing a Guideline on
Forward Capacity Allocation

10 June 2026

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Whereas

- (1) This document sets out the harmonised allocation rules for Long-Term Transmission Rights on EU level (hereafter referred to as ‘HAR’) in accordance with Article 51 of Commission Regulation (EU) 2016/1719 establishing a guideline on Forward Capacity Allocation (hereafter referred to as the ‘FCA Regulation’).
- (2) The HAR were approved by ACER in 2017 (ACER Decision 03/2017), and subsequently amended in 2019, 2021, ~~and 2023~~ and 2025 (ACER Decisions 14/2019, 15/2021, 18/2023, 08/2025). On ~~27 March 10 June 20265~~, ENTSO-E, on behalf of ~~a~~All TSOs, submitted to ACER their proposed amendments of the HAR. This document is based on ~~a~~All TSOs’ amendment proposals of ~~27 March 10 June 20265, as amended and approved by ACER~~.
- (3) The HAR take into consideration the provisions on general principles of Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (hereafter referred to as ‘Regulation (EU) 2019/943’).
- (4) The HAR take into account the general principles, goals and other methodologies set out in the FCA Regulation. The goal of the FCA Regulation is the coordination and harmonisation of forward capacity calculation and allocation in the long-term capacity markets, and it sets requirements for the TSOs to co-operate on a pan-European level; on the level of capacity calculation regions (hereinafter referred to as ‘CCRs’), and across bidding zone borders.
- (5) In accordance with Article 52(2) of the FCA Regulation, the HAR should contain at least harmonised definitions and scope of applications, the description of the allocation process/procedure for long-term transmission rights, including the minimum requirements for participation, financial matters, type of products offered in explicit auctions, nomination rules, curtailment and compensation rules, rules for market participants in case they are transferring their long-term transmission rights, the use-it-or-sell-it principle, rules as regards force majeure and liability. In addition, the HAR should contain a contractual framework between the single allocation platform and the market participants.
- (6) In accordance with Article 52(3) of the FCA Regulation, these HAR also contain regional or bidding zone border specific requirements with regard (but not limited) to the description of the type of long-term transmission rights which are offered on each bidding zone border within the CCR, the type of long-term transmission rights remuneration regime to be applied on each bidding zone border within the CCR according to the allocation in the day-ahead time frame, the implementation of alternative coordinated regional fallback solutions, the regional compensation rules defining regional firmness regimes. These specific requirements are detailed in the relevant annexes to the HAR for the concerned regions or bidding zone borders, which should be approved by the concerned regulatory authorities. The regional or bidding zone border specific requirements shall not include any kinds of regional specificity that significantly deviates from the HAR or even from the FCA Regulation itself.
- (7) This document thus contains the provisions of the HAR, applicable to the bidding zone borders in the EU, unless otherwise decided by the relevant regulatory authorities in accordance with Article 30 of the FCA Regulation.
- (8) The HAR generally contribute to the achievement of the objectives of Article 3 of the FCA Regulation. In particular, the HAR serve the objective of promoting effective long-term cross-zonal trade with long-term cross-zonal hedging opportunities for market participants as the

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harmonisation of all the relevant rules will ease the creation of a level-playing field across Europe.

- (9) The objective of optimising the allocation of long-term cross-zonal capacity is achieved with these HAR, notably because the harmonised rules will simplify the trading activities for long-term products across European borders.
- (10) Also the HAR contribute to the provision of non-discriminatory access to long-term cross-zonal capacity by harmonising the process of participating in the long-term auctions (or transferring that right). To this end, HAR detail the necessary participation agreement to be signed by all interested parties. This agreement also allows access to the auction tools of the single allocation platform.
- (11) Furthermore, the HAR ensure fair and non-discriminatory treatment of all affected parties, as it sets rules to be applied by all parties. Additionally, the HAR assure transparency for the information relating to the auctions for long-term transmission rights.
- (12) Further, the HAR provide for a regime which respects the need for a fair and orderly forward capacity allocation and orderly price formation as a harmonised set of allocation rules is envisaged with a single capacity allocation algorithm based on merit order priority in the allocation.
- (13) Regarding the objective of transparency and reliability of information on forward capacity allocation, the HAR clarify which information is to be published by the single allocation platform in a centralized manner and which should be considered as confidential.
- (14) Also the HAR contribute to the efficient long-term operation and development of the electricity transmission system and electricity sector in the Union, as they optimise allocation of long-term capacity, reflecting congestion on all EU borders in an efficient way.
- (15) In conclusion, the HAR contribute to the general objectives of the FCA Regulation to the benefit of all market participants and electricity end consumers.

TITLE 1 - GENERAL PROVISIONS

Article 1 Subject matter and scope

1. The HAR including the related regional and/or border specific annexes, contain the terms and conditions for the allocation of long-term transmission rights on bidding zone borders in the European Union, it being understood that the registered participant will accede to these rules by the signature of the participation agreement. In particular, the HAR set out the rights and obligations of registered participants as well as the requirements for participation in auctions, they describe the process of auction, including the determination of marginal price as a result of auction, the conditions for transfer and return of long-term transmission rights, for remuneration of holders of such returned long-term transmission rights, and the processes for curtailment of long-term transmission rights and invoicing/payment.
2. The HAR shall apply to the TSOs listed in Annex 1.
3. The auctions and transfer of long-term transmission rights refer to cross zonal capacity only and registered participants may invoke no other right in connection with the long-term transmission rights allocated to them than the rights in accordance with the provisions of the HAR.
4. The single allocation platform will publish and keep up-to-date on its website a list of borders where long-term transmission rights are allocated, together with information on the type of long-term transmission rights and the applicability of a cap on compensation for curtailment according to Article 59 paragraph 2 or paragraph 3.

Article 2 Definitions and interpretation

1. For the purpose of the HAR, the definitions in Article 2 of the FCA Regulation, Article 2 of Regulation (EU) 2015/1222 (hereafter referred to as the 'CACM Regulation'), Article 2 of Regulation (EU) 2019/943, Article 2 of Regulation (EU) 543/2013 and Article 2 of Directive (EU) 2019/944 shall apply.
2. In addition, the following definitions shall apply:
 - (a) 'affiliate' means, in relation to any person, any other person that directly or indirectly controls, is controlled by or is under direct or indirect common control with that person as control is defined in the EU Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings;
 - (b) 'ATC' means Available Transmission Capacity;
 - (c) 'auction tool' means the information technology system used by the single allocation platform to perform auctions and to facilitate other procedures described in these HAR such as transfer or return of long-term transmission rights;
 - (d) 'auction specification' means a list of specific characteristics of a particular auction, including the nature of offered products and relevant dates;
 - (e) 'bank guarantee' means an unconditional and irrevocable standby letter of credit or letter of guarantee issued by a bank;
 - (f) 'bid' means a pair of bid quantity and bid price offered by a registered participant participating in an auction;

- (g) ‘bid price’ means the price in Euros which a registered participant is willing to pay for one (1) MWh of long-term transmission rights;
- (h) ‘bid quantity’ means the amount of long-term transmission rights in MW requested by a registered participant;
- (i) ‘bidding period’ means the time period within which the registered participants wishing to participate in an auction may submit their bids;
- (j) ‘business account’ means a dedicated deposit account opened at the financial institution selected by the single allocation platform in the name of the single allocation platform or at the discretion of the single allocation platform opened by the registered participant, but with the single allocation platform as the beneficiary of the dedicated cash deposit, which may be used for payments by the registered participant;
- (k) ‘credit limit’ means the amount of the collaterals which may be used to cover any bid submission in subsequent auctions and is not used for outstanding payment obligations;
- (l) ‘CNEC’ means Critical Network Element and Contingency;
- (m) ‘cNTC’ means coordinated Net Transmission Capacity;
- ~~(n)~~ (n) ‘cNTC-based allocation’ means the allocation of cross-zonal capacities provided for the allocation as ATC values. This includes the allocation of ATCs calculated with the NTC-based approach;
- ~~(n)~~ (o) ‘flow-based allocation’ means the allocation of cross-zonal capacities calculated with the flow-based approach, and provided for the allocation as flow-based parameters, i.e. RAM and PTDF values, as well as the available cross-zonal capacities provided for the evolved flow-based approach;
- ~~(p)~~ (p) ‘EIC code’ means the ENTSO-E Energy Identification Coding Scheme identifying the parties in a cross-border trade;
- ~~(q)~~ (q) ‘evolved flow-based’ or ‘EFB’ means an approach to consider HVDC interconnectors (as well as special cases of radial non-meshed AC bidding zone borders) in flow-based capacity calculation and allocation, at bidding zone borders internal or external to a flow-based CCR. According to EFB, a cross-zonal exchange over an HVDC interconnector is modelled over virtual hubs. Such a cross-zonal exchange is modelled by the available capacity of the HVDC and by the physical impact that this exchange has on all CNECs of a considered flow-based CCR;
- ~~(r)~~ (r) ‘external constraint’ or ‘EC’ is a form of allocation constraint (defined pursuant to Article 2(6) of the CACM Regulation) that represents a joint technical limit in a form of available transfer capacity, for the composite border and direction between two groups of bidding zones. External constraints are applicable for both the cNTC-based allocation and flow-based allocation;
- ~~(s)~~ (s) ‘financial transmission right option’ means a right entitling its holder to receive a financial remuneration based on the day-ahead allocation results between two bidding zones during a specified period of time in a specific direction;
- ~~(t)~~ (t) ‘financial transmission right obligation’ means a right entitling its holder to receive financial remuneration or obliging its holder to provide financial remuneration based on the day-ahead allocation results between two bidding zones during a specified period of time in a specific direction;
- ~~(u)~~ (u) ‘force majeure’ means any unforeseeable or unusual event or situation beyond the

reasonable control of a party and/or the relevant TSOs, and not due to a fault of the party and/or the relevant TSOs, which cannot be avoided or overcome with reasonable foresight and diligence, which cannot be solved by measures which are from a technical, financial or economic point of view reasonably possible for the party and/or the relevant TSOs, which has actually happened and is objectively verifiable, and which makes it impossible for the party and/or the relevant TSOs to fulfil, temporarily or permanently, its obligations;

~~(u)~~(v) 'GNEC' means Grouped Network Elements and Contingencies;

~~(v)~~(w) 'information system rules' means the terms and conditions for access to and use of the auction tool by registered participants as published on the single allocation platform's website;

~~(w)~~(x) 'marginal price' means the price in Euros determined at a particular auction to be paid by all the registered participants for each MWh of acquired long-term transmission right;

~~(x)~~(y) 'Max Exchanges' or 'MaxBex' means non-simultaneous maximal bilateral exchanges on oriented bidding zone borders of a CCR applying the flow-based approach, pursuant to Article 20(9) of the CACM Regulation;

~~(y)~~(z) 'Min/Max Net Positions' means non-simultaneous minimal and maximal possible net position of each bidding zone in a CCR applying the flow-based approach;

(aa) 'MTU' means market time unit;

(bb) 'oriented bidding zone border' means a given direction of a bidding zone border;

(cc) 'participation agreement' means the agreement, by which the parties undertake to comply with the terms and conditions for cross zonal capacity allocation as contained in these HAR;

(dd) 'party/ parties' means the single allocation platform and/or a registered participant referred to individually as party or collectively as parties;

(ee) 'physical transmission right' means a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time between two bidding zones in a specific direction;

~~(ff) 'price cap' means the maximum value of the bid price considered for maximum payment obligation (MPO) calculation per bidding zone border and direction, calculated as per Article 34(6) of these HAR;~~

~~(ff) 'contestation period' means the time period starting from the notification of long-term auction results until they become binding, including both the period during which registered participants can contest the long-term auction results and the following period during which the single allocation platform will decide on the contestation;~~

(gg) 'product period' means the time and date on which the right to use the long-term transmission right commences and the time and date on which the right to use the long-term transmission right ends;

(hh) 'PTDF' means Power Transfer Distribution Factor;

(ii) 'RAM' means Remaining Available Margin;

(jj) 'reduction period' means a period of time, i.e. specific calendar days and/or hours, within the product period in which cross zonal capacities with a reduced amount of MW are offered taking into account a foreseen specific network situation (e.g. planned maintenance, long-term outages);

(kk) ‘registered participant’ means a market participant which has entered into a participation agreement with the single allocation platform;

ll) ‘reserved collateral’ means the amount that a registered participant designates for a specific flow-based auction from its available credit limit as determined at the time of designation;

~~(mm)~~ (mmH) ‘rights document’ means a document containing the information of the maximum amount of allocated physical transmission rights that can be nominated by a market participant per oriented bidding zone border in accordance with the nomination rules pursuant to Article 36(2) of the FCA Regulation or the maximum amount of financial transmission rights that will be considered for financial remuneration, taking into account the volume of long-term transmission rights initially acquired, the subsequent transfers and returns, and any possible curtailments which occurred before the issuance of the rights document;

~~(nn)~~ (nnmm) ‘SDAC price’ means the clearing price determined for a bidding zone resulting from the single day-ahead coupling;

~~(oo)~~ (ooO) ‘shadow price’ means the dual price of a CNEC or external constraint, representing the increase in the economic surplus if the constraint (RAM or EC, respectively) is increased by one MW;

~~(pp)~~ (ppP) ‘sink zone’ means the bidding zone a LTTR goes to. With a LTTR from bidding zone A to bidding zone B, bidding zone B is the sink zone;

~~(qq)~~ (qqQ) ‘source zone’ means the bidding zone a LTTR goes from. With a LTTR from bidding zone A to bidding zone B, bidding zone A is the source zone;

~~(rr)~~ (rrR) ‘working day’ means the calendar days from Monday to Friday, with the exception of public holidays as specified on the website of the single allocation platform;

~~(ss)~~ (ssS) ‘working hours’ means the hours on working days specified within the participation agreement;

3. In these HAR, including its annexes, unless the context requires otherwise:

- (a) Any reference to the word bidding zone border may cover all interconnectors collectively or, for the purpose of the application of a cap to compensations with the meaning of Article 59(2) or (3) of these HAR, only one or a subset of interconnector(s) at this bidding zone border;
- (b) the singular also includes the plural and vice versa;
- (c) references to one gender include all other genders;
- (d) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the HAR;
- (e) the word ‘including’ and its variations are to be construed without limitation;
- (f) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;
- (g) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;
- (h) a reference to time is a reference to CET/CEST time unless otherwise specified;

- (i) where the single allocation platform is required to publish any information under these HAR, it shall do so by making the information or data available on its website and/or via the auction tool;
- (j) any reference to financial transmission rights shall cover both FTR-Options and FTR-Obligations; and
- (k) any reference to MTU is a reference to the day-ahead market time unit.

Article 3 **Single allocation platform**

1. The single allocation platform shall undertake the allocation functions in accordance with these HAR and in accordance with applicable European Union legislation.
2. For the purposes of these HAR the single allocation platform shall be the party signing the participation agreement with the registered participant.
3. For the purpose of the participation agreement with the registered participant, the single allocation platform shall publish a consolidated version of these HAR including the annexes thereto as they enter into force in accordance with the applicable national regulatory regimes. In case of a conflict between the consolidated version by the single allocation platform and the HAR including the annexes as entered into force in accordance with the applicable national regulatory regimes, the latter shall prevail.

Article 4 **Regional specificities**

1. Regional or border specificities may be introduced for one or more bidding zone borders. Such regional or border specificities shall enter into force in accordance with the applicable national regulatory regime and be attached as annexes to these HAR. In case these annexes need to be amended based on a decision of the relevant national regulatory authorities, Article 68 shall apply.
2. If there is an inconsistency between any of the provisions in the main body of these allocation rules and the regional or border specific annexes, the provisions in the annexes shall prevail.
3. TSOs may propose such regional or bidding zone border specificities in particular for, but without limitation to:
 - (a) the description of the type of long-term transmission rights which are offered on each bidding zone border within the capacity calculation region;
 - (b) the type of long-term transmission rights remuneration regime to be applied on each bidding zone border according to the allocation in the day-ahead timeframe in derogation to the rules of Title 7 of these HAR;
 - (c) the implementation of alternative coordinated regional fallback solutions in derogation or in addition to the rules of Title 8 of these HAR; and
 - (d) compensation rules defining regional or border specific firmness regimes pursuant to Article 55 of the FCA Regulation.

Article 5 **Effective date and application**

1. These HAR shall enter into force in accordance with the applicable national regulatory regimes and on the date announced by the single allocation platform. [The amendments other than those relating to the collateral improvement shall be implemented by November 2027. The amendments relating to the collateral improvement shall be implemented no later than](#)

November 2028. Until that date, the HAR approved by ACER with Decision 08/2025 shall remain applicable solely in respect of the previous collateral management approach.

2. These HAR apply to capacity allocation for long-term transmission rights with the delivery period to be specified by the single allocation platform on its website upon the entry into force of these HAR, ~~it being understood that the said delivery period shall be from 1 January in the subsequent year following the adoption of these HAR in accordance with Article 4 of the FCA Regulation.~~
3. Unless expressly stated otherwise by the regional or border specific annex(es) or otherwise required by the applicable governing law, these HAR shall govern all rights and obligations in connection with long-term transmission rights acquired before the entry into force of these HAR but with the delivery date after 1 January of the year published on the single allocation platform's website in accordance with paragraph 2 of this Article.

TITLE 2 - REQUIREMENTS AND PROCESS FOR PARTICIPATION IN AUCTIONS AND TRANSFER

Article 6 General Provision

1. Market participants may acquire a long-term transmission right only from participation in auctions and/or via transfer.
2. The participation both in auctions and in transfers requires that the market participant:
 - (a) concludes a valid and effective participation agreement in accordance with Article 7 to Article 15; and
 - (b) has access to the auction tool in accordance with Article 16.
3. The participation in auctions requires that market participants, in addition to the conditions set forth in the previous paragraph, fulfil also the following conditions:
 - (a) they comply with the requirements for provision of collaterals as specified in Title 3; and
 - (b) they accept additional financial terms where needed in accordance with Article 17.
4. In any case, market participants have to fulfil the obligations as specified in the relevant Titles of these HAR.

Article 7 Participation agreement conclusion

1. In order to participate in an auction and/or in a transfer of long-term transmission rights, any market participant must request the single allocation platform to enter into a participation agreement. To start this process the market participant must provide the allocation platform with:
 - (a) The participation agreement, as further specified below:
 - i. One (1) digital copy of the participation agreement signed with qualified electronic signature(s) which complies with the standard required by eIDAS Regulation (EU) No. 910/2014~~04~~, as amended by Regulation (EU) No. 2024/1183 to be qualified as a "qualified electronic signature" (QES); or
 - ii. Two (2) original copies of the participation agreement signed with handwritten signature(s); and

- (b) all duly completed information and documents required by Articles 8 to 14 and Article 17 herein.

From the day of receipt of the application, the single allocation platform shall have seven (7) working days to assess its completeness in accordance with Articles 8 to 14 and Article 17 herein.

2. The single allocation platform shall before the expiration of the seven (7) working days deadline ask the market participant to provide any outstanding information which the market participant fails to submit with its participation agreement. On receipt of the outstanding information, the single allocation platform shall within an additional seven (7) working days review the information and inform the market participant if any further information is required.
3. Once the single allocation platform has received all necessary information, it shall return one copy of the participation agreement signed by it to the market participant without undue delay. The signature of the participation agreement by the single allocation platform shall not itself imply compliance with the condition(s) set out in these HAR for the participation in the auctions. The participation agreement shall enter into force on the date of signature by the single allocation platform.
4. The single allocation platform shall make available in the allocation tool a list of registered participants eligible to transfer long-term transmission rights.

Article 8 Form and content of the participation agreement

1. The form of the participation agreement and the requirements for its completion shall be published by the single allocation platform and may be amended from time to time by the single allocation platform without changing any terms and conditions specified in these HAR unless otherwise stated in these HAR.
2. As a minimum, the participation agreement will require the market participant to:
 - (a) provide all necessary information in accordance with Article 9 and Article 13; and
 - (b) agree to be bound by and comply with these HAR.
3. Nothing in these HAR shall prevent the single allocation platform and the registered participant from agreeing in the participation agreement additional rules, out of the scope of these HAR, including but not limited to the participation in day-ahead or intraday explicit allocation or any fallback process for day-ahead implicit Allocation.
4. In the event of difficulty of interpretation, contradiction or ambiguity between these HAR and the participation agreement, the text of the HAR shall prevail.

Article 9 Submission of information

1. The market participant shall submit the following information with its completed and signed participation agreement:
 - (a) name and registered address of the market participant including general email and telephone number of the market participant for notifications in accordance with Article 74.
 - (b) if the market participant is a legal person, an extract of the registration of the market participant in the commercial register of the competent authority;
 - (c) details regarding the beneficial ownership as defined in the relevant legal provisions transposing Article 3(6) of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;

- (d) contact details and names of persons authorised to represent the market participant and their function;
 - (e) EU VAT registration number or similar tax identification information, where EU VAT is not applicable, corresponding to the country of the registered address of the market participant;
 - (f) taxes and levies to be considered for invoices and collateral calculations;
 - (g) a unique Energy Identification Code (EIC) which has been registered in the Centralised European Register of Energy Market Participants (CEREMP). The uniqueness shall be verified in CEREMP;
 - (h) bank account information evidenced by a bank account identification document for all payments to the applicant to be used by the single allocation platform. The applicant shall provide the bank account information of a credit institution based in the European Economic Area, Switzerland, United Kingdom, or a country in which the single allocation platform performs cross border auction services. The applicant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies to them accordingly;
 - (i) financial contact person for collaterals, invoicing and payment issues, and their contact details (email and telephone number) for notifications where required in these HAR in accordance with Article 74;
 - (j) commercial contact person and their contact details (email and telephone number) for notifications where required in these HAR in accordance with Article 74; and
 - (k) operational contact person and their contact details (email and telephone number) for notifications where required in these HAR in accordance with Article 74.
 - (l) ACER Registration Code (ACER Code) assigned by the European Agency for the Cooperation of Energy Regulators (ACER) during the market participant's registration process with its respective regulatory authority, and as reported on CEREMP.
2. A registered participant shall ensure that all data and other information that it provides to the single allocation platform pursuant to these HAR (including information in its participation agreement) is and remains accurate and complete in all material respects and must promptly notify the single allocation platform of any change.
 3. A registered participant shall notify the single allocation platform if there is any change to the information, submitted in accordance with paragraph 1 of this Article, at least nine (9) working days before the change comes into effect and, where that is not possible, without delay after the registered participant becomes aware of the change.
 4. The single allocation platform will confirm the registration of the change or ~~send~~provide a refusal note of registration of the change to the registered participant, at the latest, seven (7) working days after the receipt of the relevant notification of change. The confirmation or refusal note will be ~~sent~~provided via electronic means as specified by the single allocation platform on its website. If the single allocation platform refuses to register the change, the reason shall be provided in the refusal note.
 5. The change becomes valid on the day of the delivery of the confirmation to the registered participant.
 6. If additional information is required from a registered participant as a consequence of an amendment to these HAR, then the registered participant shall submit the additional information to the single allocation platform within twelve (12) working days after the request for such

submission by the single allocation platform.

Article 10 Warranties

1. By the signature of the participation agreement the market participant warrants that:
 - (a) it has not commenced any proceedings seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights;
 - (b) no insolvency, bankruptcy or other similar legal proceeding affecting creditors' rights have been commenced in relation to the applicant;
 - (c) no winding-up or liquidation proceedings have been commenced with regard to the applicant; and
 - (d) it has no overdue payment obligations towards any current, previous or future platform for forward capacity allocation.

Article 11 Declaration for participation in transfer only

As part of the submission of the information in accordance with Article 7 and Article 9, the market participant shall declare to the single allocation platform whether it intends to participate in transfer of long-term transmission rights only. In such a case, it shall not be entitled to participate in any auction.

Article 12 Dedicated business account

As part of the submission of the information in accordance with Article 7 and Article 9, a dedicated business account is put at the disposal of the market participant for the purposes of depositing cash collaterals and/or for the purposes of making payments on the basis described in Article 65(10).

Article 13 Acceptance of the information system rules

By signing the participation agreement the market participant accepts the applicable information system rules, as amended from time to time and published on the website of the single allocation platform.

Article 14 Costs related to the participation agreement

All applications to become a registered participant and any subsequent participation in auctions and/or the notification of transfer or the return of long-term transmission rights shall be at the registered participants' own cost, expense and risk. The single allocation platform shall not be liable to any person for any cost, damages, or expense in connection with the registered participant participating in auctions and/or transfer or return of long-term transmission rights unless otherwise explicitly stated in these HAR.

Article 15 Refusal of application

1. The single allocation platform may refuse to enter into a participation agreement with a market participant in the following circumstances:
 - (a) when the applicant has not submitted a duly completed and signed participation agreement in accordance with Article 7, Article 8 and Article 9; or

- (b) the single allocation platform has previously terminated a participation agreement with the applicant as a result of a breach of the participation agreement by the registered participant in accordance with Article 72(3) and (4) and unless the circumstances leading to termination have ceased to exist or the single allocation platform is reasonably satisfied that the breach will not occur again; or
- (c) if entering into a participation agreement with the applicant would cause the single allocation platform to breach any condition of any mandatory legal or regulatory requirement; or
- (d) if any of the warranties of the registered participant under Article 10 are found to be not valid or false; or
- (e) if the applicant is under economic, financial and/or trade sanctions which may have a significant impact on the single allocation platform; or
- (f) if the applicant does not meet the legal requirements imposed by Regulation (EU) 1227/2011; or
- (g) if the applicant is an affiliate of a company suspended under these HAR; or
- (h) if the single allocation platform's banking partner(s) refuse to put at disposal of the applicant a dedicated business account.

Article 16 Access to the auction tool

1. The single allocation platform shall grant access to the auction tool free of charge if the following requirements are satisfied:
 - (a) the registered participant has signed and delivered a completed form included in the information system rules identifying the person(s) for which the user account(s) in the auction tool shall be established, including any third parties authorised to act on behalf of the registered participant for the purposes of return and transfer of long-term transmission rights in accordance with Article 39 and Article 42; and
 - (b) the registered participant has fulfilled the requirements on authentication as set forth by the information system rules published by the single allocation platform; such requirements may include technology for authentication purposes.
2. The single allocation platform shall confirm the creation of the user account or may ~~send~~ provide a refusal note to the registered participant, at the latest, five (5) working days after the receipt of the relevant signed and completed form by the registered participant. The confirmation or refusal note shall be ~~sent~~ provided via electronic means as specified by the single allocation platform on its website.
3. The single allocation platform shall ~~send~~ provide the duly justified refusal note if the requirements listed in paragraph 1 of this Article are not fulfilled and access to the auction tool will not be granted.

Article 17 Conclusion of additional financial terms

The single allocation platform may develop and publish additional standard financial terms to be accepted by the registered participants. These additional financial terms may include provisions to enable joint collaterals for long-term and other processes organized by the single allocation platform in accordance with the participation agreement, as long as these additional financial terms comply with these HAR.

Article 18 Regulatory and legal requirements

It is the responsibility of each market participant to ensure that it complies with national and European legislation, including requirements of any relevant competent authority, and obtained all necessary authorisations in connection with its participation in auctions or in transfer and the use of long-term transmission rights.

TITLE 3 - COLLATERALS

Article 19 General provisions

1. Registered participants shall provide collaterals in order to secure payments to the single allocation platform resulting from auctions of long-term transmission rights and, where applicable, potential other payments falling due under the additional financial terms in accordance with Article 17. In case a payment incident occurs in auctions of long-term transmission rights, the single allocation platform shall use the available collaterals to settle first the outstanding amounts relating to auctions with cNTC-based allocation disciplined under these HAR and to auctions with cNTC-based allocation disciplined under any other allocation rules under the Participation Agreement, and only after these settle the outstanding amounts relating to flow-based allocation. In the event that the registered participants obtained capacity on more than one flow-based allocation, the outstanding amounts shall be settled on a pro-rata basis.
2. Only the following forms of collaterals shall be accepted:
 - (a) a bank guarantee;
 - (b) a cash deposit in a dedicated business account.
3. Collaterals may be provided in one of the forms mentioned in paragraph 2 of this Article or in a combination of these forms, provided that the single allocation platform is entitled as beneficiary to the full collateral.
4. Credit limit shall always be greater or equal to zero.
5. The collaterals shall be provided in Euros (€).

Article 20 Form of cash deposit

1. For collaterals that are provided in the form of a cash deposit in a dedicated business account the following conditions shall apply:
 - (a) the money shall be deposited in a dedicated business account at a financial institution selected by the single allocation platform, and the registered participant shall pay all the amounts and payments to the business account from an account in its name with a credit institution based in the European Economic Area, Switzerland, United Kingdom, or a country in which the single allocation platform performs cross border auction services. The registered participant is obliged to select a financial institution which is subject to customer due diligence standards that are not less than those laid down in Directive (EU) 2015/849 as amended and which complies with them accordingly;
 - (b) the dedicated business account shall be opened and used in accordance with additional financial terms to be concluded between the single allocation platform, or where relevant the financial institution and the registered participant and shall only be used for auction purposes;
 - (c) until withdrawal as permitted by the following provisions of Article 26, the cash deposit in the dedicated business account belongs to the registered participant if not stated otherwise in the additional financial terms in accordance with Article 17;

- (d) withdrawals from the dedicated business account pursuant to Article 24 and Article 26 may be made solely on the instruction of the single allocation platform;
- (e) the dedicated business account may be used in addition for settlement as set forth in Article 65 upon request of the single allocation platform; and
- (f) interest on the amount deposited in the dedicated business account shall accrue for the benefit of the registered participant, after deduction of taxes and bank charges if any.

Article 21 **Form of bank guarantee**

1. Collaterals that are provided in the form of a bank guarantee shall comply with the following specifications:
 - (a) the bank guarantee shall be provided in the form of the template that is available on the website of the single allocation platform and updated from time to time or in a form that substantially follows the template. Alternatively, the bank guarantee shall be provided via SWIFT (Society for Worldwide Interbank Financial Telecommunication or any successor provider of such telecommunication services) and the fees of the receiving bank shall be covered by the registered participant;
 - (b) the bank guarantee shall be written in English;
 - (c) the bank guarantee covers all auctions organized by the single allocation platform subject to these HAR;
 - (d) the bank guarantee shall allow partial and multiple drawing by the single allocation platform, up to the maximum amount guaranteed;
 - (e) the bank guarantee shall provide for payment upon first request of the single allocation platform. It shall further provide that, if the single allocation platform calls upon the bank guarantee, the bank shall pay automatically without any other condition than the receipt of a written demand by registered letter from the single allocation platform.;
 - (f) the bank guarantee shall be irrevocable, unconditional and non-transferable;
 - (g) the bank guarantee shall either include handwritten signature(s) or qualified electronic signature(s) (QES) from the issuing bank. In the event the bank guarantee is signed with qualified electronic signature(s) (QES), all the following amendments shall be signed with a qualified electronic signature(s) (QES);
 - (h) the bank issuing the bank guarantee shall be permanently established, including via a branch in the European Economic Area, Switzerland, United Kingdom or a country in which the single allocation platform performs cross border auction services;
 - (i) the bank issuing the bank guarantee or the financial group it belongs to shall have a long term credit rating of not less than BBB+ by Standard and Poor's Corporation, BBB+ by Fitch or Baa1 by Moody's Investors Service Inc. If the rating requirement is not fulfilled by the issuing bank itself but by the financial group to which it belongs, the issuing bank shall provide the single allocation platform with a parental guarantee or an equivalent document issued by the financial group. If the issuing bank or the financial group, the issuing bank belongs to ceases to have the required long term credit rating, the registered participant shall within five (5) working days submit to the single allocation platform a substitute bank guarantee by a bank complying with the required long term credit rating or replace the bank guarantee by deposit. If there are industry-wide downgrades of financial institutions, the single allocation platform may investigate what the new standards are and, if deemed necessary, decrease the required rating for a limited period of time, informing TSOs, who shall then inform the relevant regulatory authorities.

- (j) the bank issuing the bank guarantee shall not be an affiliate of the registered participant for which the bank guarantee is issued.
2. A bank guarantee shall contain the following:
 - (a) a maximum amount guaranteed;
 - (b) the single allocation platform's identification as beneficiary, as specified on the website of the single allocation platform;
 - (c) the single allocation platform's bank account, as specified on the website of the single allocation platform;
 - (d) the single allocation platform's bank's address, as specified on the website of the single allocation platform;
 - (e) the registered participant's full identification, including name, address, commercial/company register;
 - (f) full identification of the providing bank; and
 - (g) the validity time.
3. The registered participant shall submit the bank guarantee at least four (4) working days before the bidding period closure of the auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent auctions.
4. The single allocation platform shall accept the bank guarantee provided by a registered participant if the bank guarantee is provided in line with the specifications set out in paragraph 1 to 2 of this Article and, in the event the bank guarantee includes handwritten signature(s), the original of the bank guarantee has been received by the single allocation platform.
5. ~~The~~ single allocation platform shall confirm the acceptance of the bank guarantee or ~~send~~provide a refusal note to the registered participant, at the latest, four (4) working days after the receipt of the original of the bank guarantee. The confirmation or refusal note shall be ~~sent~~provided via electronic means as specified by the single allocation platform on its website. The refusal note shall include reasoning for refusal.

Article 22 Validity and renewal of the bank guarantee

1. Collaterals in the form of a bank guarantee shall be valid for the minimum periods as follows:
 - (a) for product(s) with a duration of more than one month, until at least thirty (30) calendar days after the end of each next calendar month within the product period(s);
 - (b) for product(s) with a duration of one month, until at least thirty (30) calendar days after the end of the product period(s); and
 - (c) for product(s) with a duration of less than one month, until at least sixty (60) calendar days after the end of the product period(s).
2. The registered participant shall replace or renew the collaterals in form of a bank guarantee to fulfil the requirements of paragraph 1 of this Article at least four (4) working days before the expiry of the validity of the collaterals.
3. The single allocation platform shall confirm the acceptance of the amendment to the bank guarantee or the new bank guarantee or ~~send~~provide a refusal note to the registered participant, at the latest four (4) working days after the receipt of the original of the amendment to the bank guarantee or the new bank guarantee. The confirmation or refusal note shall be ~~sent~~ provided via electronic means as specified by the single allocation platform on its website. The refusal note

shall include the reasoning for refusal.

Article 23 Credit limit

1. The single allocation platform shall calculate and continuously update the credit limit of each registered participant in respect of each subsequent auction. The Credit limit shall be equal to the amount of the collaterals in place minus any outstanding payment obligations. In case of a bank guarantee such bank guarantee shall be only considered if the requirements in Article 22 related to its validity for the respective auction are fulfilled. The single allocation platform shall make this information available to each registered participant individually through the auction tool.
2. Outstanding payment obligations are calculated according to Article 63 subject to additional rules in paragraph 3 to 5 of this Article, in Article 23a and in Article 34.
3. For the purpose of the credit limit calculation, outstanding payment obligations shall be increased to include the taxes and levies in force subject to Article 64.
4. Reduction periods are taken into consideration for the calculation of the credit limit as set forth in Article 63.
5. In the case of auctions with cNTC-based allocation, mMaximum payment obligations for a registered participant resulting from its bid(s) registered at the closure of the bidding period, calculated according to Article 34, shall be considered provisionally as the outstanding payment obligations.

In the case of auctions with flow-based allocation, the following shall apply:

(a) In case a registered participant did not specify reserved collateral during the bidding period in accordance with Article 23a:

i. When the maximum payment obligations (MPO) for the registered participant resulting from its bid(s) registered at the closure of the bidding period, calculated according to Article 34 are less than or equal to the credit limit of the registered participant, the MPO shall be considered provisionally as outstanding payment obligation.

ii. When the maximum payment obligations (MPO) for the registered participant resulting from its bid(s) registered at the closure of the bidding period, calculated according to Article 34 exceeds the credit limit of the registered participant, the entire credit limit available at the time of the credit limit verification shall be considered provisionally as outstanding payment obligation.

(b) In case the registered participant has specified reserved collateral during the bidding period in accordance with Article 23a, such reserved collateral shall be considered provisionally as outstanding payment obligation upon its specification.

From the publication of the provisional auction results until the moment when the auction results become final the due amount notified according to Article 36 paragraph ~~23~~(b) and (c) shall be provisionally considered as outstanding payment obligations for credit limit calculation for any concurrent auction. The credit limit shall be revised based on the actual allocated long-term transmission rights when the provisional auction results are published as described in Title 4.

Article 23a Reserved collateral for auctions with flow-based allocation

1. Exclusively for auctions with flow-based allocation, the registered participant may specify an amount to be reserved from its credit limit (hereafter referred to as reserved collateral) for the relevant auction. The reserved collateral shall represent the maximum amount the registered participant is willing to commit for the relevant auction.
2. This reserved collateral can be defined and modified during the bidding period via the auction tool. It shall be expressed with a maximum of two (2) decimal places, be equal to or greater than zero, and shall not exceed the credit limit of the market participant.

Article 24 Modifications of the collaterals

1. A registered participant may request in written form an increase of the collaterals in form of a bank guarantee, a decrease of the collaterals in form of a bank guarantee and/or cash deposit or change of the form of the collaterals at any time in accordance to paragraphs 2 and 3 of this Article.
2. A decrease of the collaterals of a registered participant shall only be allowed if the credit limit after applying the requested decrease of the collaterals would be greater than or equal to zero.
3. The single allocation platform shall accept the modification of the collaterals if the request for a modification of collaterals is compliant with the condition set out in paragraph 2 of this Article in case of a decrease or with the conditions set out in Article 21 and Article 22 in case of an increase of collaterals in the form of a bank guarantee and in case of a change in the form of the collaterals from cash on deposit to bank guarantee.
4. The modification of the collaterals shall become valid and effective only when the single allocation platform has made the requested modification of the collaterals of the registered participant within the auction tool.
5. The single allocation platform shall assess the request for modification of collaterals and confirm the acceptance or ~~send~~provide a refusal note to the registered participant, at the latest, four (4) working days after the receipt of the request. The confirmation or refusal note shall be ~~sent~~provided via electronic means as specified by the single allocation platform on its website. The refusal note shall include reasoning for refusal.

Article 25 Collateral incident

1. A collateral incident occurs in the following cases:
 - (a) the collaterals are insufficient to secure the amount due for the long-term transmission rights held by a registered participant on the next payment date as set forth in Article 65 considering the amount and the validity of the collaterals; or
 - (b) the collaterals are not renewed in accordance with Article 22 paragraph 2; or
 - (c) the collaterals are not restored after a payment incident in accordance with Article 26 or new collateral was provided that is not compliant with the conditions specified in Article 19(3), Article 20 and Article 21.
2. The single allocation platform shall notify the collaterals incident to the registered participant by electronic means as specified by the single allocation platform on its website. The registered participant shall increase its collaterals within two (2) working days from sending of the notification if this is done during working hours or two (2) working days starting from the next working day if sent after working hours. If the collaterals provided by the registered participant remains insufficient after this period, the single allocation platform may suspend or terminate the participation agreement in accordance with Article 71 and Article 72.

Article 26 Calls on collaterals

1. The single allocation platform is entitled to call upon collaterals of a registered participant in the event of a registered payment incident in accordance with Article 67.
2. The registered participant shall restore its collaterals after a payment incident or collaterals incident by following the conditions as set forth in Article 19(3), Article 20 and Article 21 unless the participation agreement is suspended or terminated in accordance with Article 71 and Article 72.

TITLE 4 - AUCTIONS

Article 27 General provisions for auctions

1. The single allocation platform shall allocate long-term transmission rights to registered participants by way of explicit allocation. Prior to the auction the single allocation platform shall publish auction specifications on its website.
2. The auctions shall be organised via the auction tool. Each registered participant fulfilling the requirements for participating in the auction may place bids in the auction tool until the relevant deadline for placing bids in the specific auction expires according to the respective auction specification.
3. In the case of auctions with cNTC-based allocation, the single allocation platform shall evaluate the bids, including verification against the respective credit limit of the registered participant ~~a-After the relevant deadline for placing bids in the specific auction has expired, the single allocation platform shall evaluate the bids including against the respective credit limits of the registered participants.~~ In the case of auctions with flow-based allocation, the single allocation platform shall evaluate the bids, including verification against the respective credit limit of the registered participant or against the reserved collateral, if specified by the registered participant in accordance with Article 23a, during the auction results determination as described in Article 35. The results of the auction will be notified to registered participants via the auction tool.
4. The single allocation platform shall provide information on forthcoming auctions by publishing on its website a provisional auction calendar with the dates of auctions reasonably in advance before the auctions take place. For standard forward capacity allocation timeframes specified in Article 28(1) a provisional auction calendar for each calendar year shall be published no later than 1 December of the year preceding including provisional information on the form of the product, product period and bidding period.

Article 28 Capacity allocation timeframe and form of product

1. The standard forward capacity allocation timeframes, subject to product availability, are defined as follows:
 - (a) yearly timeframe: it starts on the first day and ends on the last day of a calendar year; and
 - (b) monthly timeframe: it starts on the first day and ends on the last day of a calendar month.
2. For the standard timeframes listed in paragraph 1 and subject to cross zonal capacity availability, the single allocation platform shall organise at least one auction per year for the yearly timeframe and one auction per month for the monthly timeframe. For the avoidance of doubt, this shall not exclude the possibility to perform a joint auction of cross zonal capacity of several oriented bidding zone borders or to allocate cross zonal capacity on individual or different subsets of interconnector(s) of an oriented bidding zone border separately.
3. The standard form of the auction product shall be a base product by which a fixed amount of MW throughout the product period is allocated subject to announced reduction periods.
4. Additional timeframes and/or an additional form of products other than the standard products and timeframes described in paragraph 1, 2 and 3 of this Article may be offered, as specified in the regional design of long-term transmission rights in accordance with Article 31(4) of the FCA Regulation.

Article 29 Auction specification

1. The single allocation platform shall publish a provisional version of the auction specification and a final version of the auction specification as set forth in paragraph 2 of this Article for auctions with cNTC-based allocation and in paragraph 3 of this Article for flow-based allocation.

2. In the case of auctions with cNTC-based allocation, for the publication of auction specification, the following conditions apply:
 - (a) For yearly auctions, the single allocation platform shall publish the provisional and the final auction specification no later than one (1) week and for any other shorter capacity allocation timeframe no later than two (2) working days before the end of the bidding period of an auction. The provisional auction specification shall state in particular:
 - i. the code identifying the auction in the auction tool;
 - ii. type of long-term transmission rights;
 - iii. the capacity allocation timeframe (e.g. yearly, monthly or other, as described in article 28);
 - iv. the form of product (e.g. base, peak, off-peak as described in Article 28);
 - v. an identification of the oriented bidding zone border(s) or a subset of the interconnectors on the oriented bidding zone border covered;
 - vi. the deadline for return of the long-term transmission rights allocated in previous auctions for the respective oriented bidding zone border(s);
 - vii. the product period;
 - viii. the reduction period(s) associated with the product period, if applicable;
 - ix. the bidding period;
 - x. the deadline for the publication of the provisional auction result;
 - xi. the ~~contestation~~ period during which long-term auction results can be contested in accordance with Article 37;
 - xii. the provisional offered capacity which shall not include cross zonal capacity released via return of long-term transmission rights and cross zonal capacity released in accordance with Article 71 and Article 72;
 - xiii. any other relevant information or terms applicable to the product or the auction;
 - (b) Not earlier than four (4) hours after the publication of the provisional auction specification, the single allocation platform shall publish the final auction specification for that auction stating the final offered capacity and any other update of relevant information or terms applicable to the product or the auction.
 - (c) The final offered capacity shall consist of:
 - i. the provisional offered capacity (ATC) per oriented bidding zone border;
 - ii. External Constraints (EC) (where applicable); and
 - iii. the cross zonal capacity already allocated to registered participants for which a valid request for return of long-term transmission rights has been submitted for this auction in accordance with Article 38 and Article 39.
3. In the case of flow-based allocation, for the publication of auction specification, the following conditions apply:
 - (a) For yearly auctions the single allocation platform shall publish the provisional auction specification no later than one (1) week and for any other shorter capacity allocation timeframe no later than twelve (12) working days before the end of the bidding period of an auction. The provisional auction specification shall state in particular:
 - i. the code identifying the auction in the auction tool;
 - ii. the type of long-term transmission rights;
 - iii. the capacity allocation timeframe (e.g. yearly, monthly or other, as described in Article 28);
 - iv. the form of product (base), as described in Article 28);

- v. an identification of the oriented bidding zone border(s) or a subset of the interconnectors on the oriented bidding zone border covered;
- vi. the deadline for return of the long-term transmission rights allocated in previous auctions for the respective oriented bidding zone border(s);
- vii. the product period;
- viii. any reduction period(s) associated with the product period, if applicable;
- ix. the bidding period;
- x. the deadline for the publication of the provisional auction result;
- xi. the ~~contestation~~ period during which long-term auction results can be contested in accordance with Article 37;
- xii. any other relevant information or terms applicable to the product or the auction; and
- xiii. the extended deadline of ~~send~~providing the auction results in accordance with Article 50.

~~(b) The single allocation platform shall publish the calculated price cap for bid collaterals, two (2) working days before the gate closure of the auction, if applicable.~~

~~(be)~~ At the latest one (1) hour before the start of the bidding period of an auction, the single allocation platform shall publish the final auction specification for that auction stating the final offered capacity including reduction period(s) associated with the product period if applicable, and any other update of relevant information or terms applicable to the product or the auction.

~~(ce)~~ The final offered capacity shall consist of:

- ~~i-xiv.~~ RAM values per CNECs and GNECs (where applicable), computed in line with applicable long-term capacity calculation methodologies;
- ~~ii-xv.~~ PTDF values per CNECs and GNECs (where applicable);
- ~~iii-xvi.~~ External Constraints (EC) (where applicable);
- ~~iv-xvii.~~ the available capacity for the evolved flow-based (EFB) approach (where applicable);
- ~~v-xviii.~~ Max Exchanges (MaxBex);
- ~~vi-xix.~~ Min/Max Net Positions;

4. The single allocation platform shall publish the format of the bids to be used.

Article 30 Reduction periods of offered capacity

1. The single allocation platform may announce one or more reduction periods in the auction specification. In this case, the auction specification shall include for each reduction period information on the duration of the reduction period and the amount of offered capacities.
2. For the avoidance of doubt, reduction periods do not apply to already allocated long-term transmission rights and shall not be considered for any purpose including compensation as a curtailment according to Title 9.

Article 31 Bids submission

1. The registered participant shall submit a bid or set of bids to the single allocation platform in accordance with following requirements:
 - (a) it shall be submitted electronically using the auction tool and during the bidding period as specified in the auction specification;

- (b) it shall identify the auction via an identification code as specified in Article 29 paragraph 2(a);
 - (c) it shall identify the registered participant submitting the bid through its EIC code;
 - (d) it shall identify the oriented bidding zones border for which the bid is submitted;
 - (e) it shall state the bid price, which shall be different for each bid of the same registered participant unless otherwise provided for in the information system rules, exclusive of taxes and levies, in EUR/MWh, expressed to a maximum of two (2) decimal places, and equal to or greater than zero;
 - (f) it shall state the bid quantity in full MW which must be expressed without decimals.
2. the registered participant may modify its previously registered bid or set of bids at any time during the bidding period including its cancellation. In case the bid has been modified only the last valid modification of the bid or set of bids shall be taken into account for the auction results determination.
3. Exclusively for the case of cNTC-based allocation, for the bid quantity the following conditions apply:
 - (a) If a bid quantity, or a quantity calculated as a sum of the bid quantity for several bids submitted for the same auction, by a registered participant exceeds the offered capacity announced in the final auction specification, this bid or these bids shall be completely rejected. Where a modification of previously submitted bids results in exceeding the offered capacity, the modification shall be rejected and the previously registered bids will stand.
 - (b) If a bid quantity or a quantity calculated as a sum of the bid quantity for several bids submitted for the same auction by a registered participant exceeds the relevant offered capacity announced after the bids submission, the bids with the lowest bid price will be rejected one (1) by one (1) until the total allowed bid quantity is lower than or equal to the offered capacity. In case where the information system rules allow submission of bids with the same bid price by one registered participant the single allocation platform may apply additional criteria or rules to decide which bid shall be rejected. Such additional criteria or rules shall be included in the information system rules and shall be one or more from the following:
 - i. chronological submission (time stamp); and/or
 - ii. bid identification assigned by the auction tool; and/or
 - iii. rejection of all relevant bids with the same bid price.
4. The above mentioned process shall apply to all forms of an auction product and all forward capacity allocation timeframes.

Article 32 **Bid registration**

1. The single allocation platform shall not register a bid that:
 - (a) does not comply with the requirements of Article 31(1); or
 - (b) is submitted by a registered participant who is suspended in accordance with Article 71.
2. Provided that a bid or a set of bids fulfils the requirements set forth in Article 31(1), the single allocation platform shall confirm to the registered participant that such bid(s) have been correctly registered by an acknowledgment of receipt via the auction tool. If the single allocation platform does not issue an acknowledgment of receipt for a bid, such bid shall be deemed not to have been registered.
3. The single allocation platform shall notify a registered participant whose bid is rejected as invalid and the reason for this rejection, without undue delay after the bid is rejected.

4. The single allocation platform shall maintain a record of all valid bids received.
5. Each valid bid registered at closure of the bidding period shall constitute an unconditional and irrevocable offer by the registered participant to buy long-term transmission rights up to the bid quantity and at prices up to the bid price and under the terms and conditions of these HAR and the relevant auction specification.

Article 33 Default bid

1. The registered participant has the option to place default bids for auctions.
2. A default bid, once identified as such by the registered participant, shall apply automatically to each subsequent relevant auction as defined by the registered participant when placing the default bid. At the opening of a relevant bidding period, the registered default bid shall be considered as a bid submitted by the registered participant for the relevant auction. ~~This bid shall be considered as a delivered bid when the single allocation platform~~ ~~sends~~ ~~provides~~ an acknowledgment of receipt to the registered participant.
3. Exclusively for the case of cNTC-based allocation, if a default bid quantity or a quantity calculated as a sum of the bid quantity for several default bids submitted for the same auction by a registered participant exceeds the final offered capacity, the bids with the lowest bid price shall be rejected one (1) by one (1) until the total allowed bid quantity is lower than or equal to the offered capacity. In case where the information system rules allow submission of bids with the same bid price by one registered participant the single allocation platform may apply additional criteria or rules to decide which bid shall be rejected. Such additional criteria or rules shall be included in the information system rules and shall be one or more from the following:
 - (a) chronological submission (time stamp); and/or
 - (b) bid identification assigned by the auction tool; and/or
 - (c) rejection of all relevant bids with the same bid price.
4. A Registered participant who wants to modify a default bid for a future auction shall change the bid quantity and the bid price of its default bids before the applicable auction bidding period opening.
5. A registered participant not wishing to submit the default bid on the auction tool for future auctions can cancel its default bids before the subsequent auction bidding period opening.

Article 34 Credit limit verification

1. ~~In case of cNTC-based allocation and flow-based allocation, where a registered participant has not specified a reserved collateral in accordance with Article 23a,~~ Upon submission by a registered participant of a bid or a set of bids to the auction tool, the single allocation platform shall check whether the maximum payment obligations (MPO) connected with that registered participant's registered bid(s) calculated according to paragraphs 4, 5 and 6 of this Article at the time of bid(s) submission, exceed the credit limit. If the maximum payment obligation connected with such registered bids exceeds the credit limit, the single allocation platform shall issue automatically via the auction tool a warning to the registered participant ~~to modify the credit limit~~. Bids shall not be rejected automatically if the maximum payment obligation attributed to registered bids exceeds the credit limit at bid submission but only after the process described in paragraph 2 ~~and 3~~ of this Article.
2. ~~In the case of auctions with cNTC-based allocation, a~~ At closure of the bidding period the single allocation platform shall check again whether the maximum payment obligations connected with registered bids calculated according to paragraph 5 and 6 of this Article exceed the credit limit. If the maximum payment obligations connected with these bids exceed the credit limit, these bids, starting with the bid with the lowest bid price, shall be one (1) by one (1) excluded, until

the maximum payment obligations are less than or equal to the credit limit. The single allocation platform may apply additional criteria or rules to decide which bid shall be rejected. Such additional criteria or rules shall be included in the information system rules and shall be one or more from the following:

- (a) chronological submission (time stamp); and/or
- (b) bid identification assigned by the auction tool; and/or
- (c) rejection of all relevant bids with the same bid price.

~~3.~~

~~3. In the case of auctions with flow-based allocation, the credit limit verification and the corresponding bid rejection are performed during the auction results determination, as described in Article 35 (6).~~

~~34.~~ The single allocation platform shall indicate insufficient collaterals as the reason for the bid exclusion in the auction results notification to the registered participant.

~~45.~~ The single allocation platform shall continuously assess all the bids irrespectively to which auction and with regard to which oriented bidding zone border they are submitted. In case of bids connected with various and overlapping auctions the single allocation platform shall consider all calculated maximum payment obligations, or where applicable the full credit limit or the reserved collateral as outstanding payment obligations according to Article 23.

~~56. For eNTC based allocation~~ ~~For t~~ The calculation of the maximum payment obligations related to each oriented bidding zone border, the single allocation platform shall sort the registered bids of a registered participant by bid price in descending order (merit-order). Bid 1 shall be the bid with the highest bid price and bid n shall be the bid with the lowest bid price. The single allocation platform shall calculate the maximum payment obligations according to the following equation:

$$MPO = \sum_{hours} \text{Max} \left[\text{Bid Price}(1) * \text{Bid Quantity}(1); \text{Bid Price}(2) * \sum_{i=1}^2 \text{Bid Quantity}(i); \dots; \text{Bid Price}(n-1) * \sum_{i=1}^{n-1} \text{Bid Quantity}(i); \text{Bid Price}(n) * \sum_{i=1}^n \text{Bid Quantity}(i) \right]$$

~~4. For flow based allocation for the calculation of maximum payment obligations related to each oriented bidding zone border, the single allocation platform shall sort the registered bids of a registered participant by bid price in descending order (merit order). Bid 1 shall be the bid with the highest bid price and bid n shall be the bid with the lowest bid price. The bid price used for MPO calculation for each bid shall be subject to a price cap, applied as follows:~~

~~5. in the event the bid price is lower than the price cap, the bid price shall be used for the calculation; in the event the bid price is higher than or equal to the price cap, the price cap shall be used for the calculation.~~

~~The single allocation platform shall calculate the maximum payment obligations according to the following equation:~~

$$MPO = \sum_{hours} \text{Max} [\text{Min}(\text{Bid Price}(1); \text{Price Cap}) * \text{Bid Quantity}(1); \text{Min}(\text{Bid Price}(2); \text{Price Cap}) * \sum_{i=1}^2 \text{Bid Quantity}(i); \dots; \text{Min}(\text{Bid Price}(n-1); \text{Price Cap}) * \sum_{i=1}^{n-1} \text{Bid Quantity}(i); \text{Min}(\text{Bid Price}(n); \text{Price Cap}) * \sum_{i=1}^n \text{Bid Quantity}(i)]$$

~~6. The price cap to be used according to paragraph 6 shall be calculated as follows:~~

- ~~(a) The price cap shall be equal to the average positive scaled market spread over the reference period as defined in point (b). The average positive scaled market spread shall be calculated with the following steps:~~
- ~~i. First, the historical SDAC prices from all concerned bidding zones for a given reference period shall be scaled such that the average SDAC price in a given bidding zone over a reference period is equal to the reference forward price of that bidding zone. The scaling of the historical SDAC prices is done by multiplying the SDAC prices with a scale factor. The scale factor for each bidding zone for a given reference period is the ratio of the reference forward price and the average SDAC price for this reference period.~~
 - ~~ii. Second, the scaled market spread shall be calculated for a given oriented bidding zone border as the scaled SDAC price from the sink zone minus the scaled SDAC price from the source zone.~~
 - ~~iii. Third, the negative values of the scaled market spread for a given oriented bidding zone border shall be set to zero.~~
 - ~~iv. Fourth, the cap is equal to the average of all scaled market spreads (including zero values, if applicable) within the reference period in accordance with (b).~~
- ~~(b) For yearly auctions the reference period for SDAC prices shall be six (6) last calendar months before the publication of the price cap. For all auctions with a product duration shorter than a year, the reference period for SDAC prices shall be the last calendar month before the publication of the price cap.~~
- ~~(c) The reference forward price used in point a(i) shall be:~~
- ~~i. for the yearly auction: the settlement or closing price of the exchange traded yearly baseload futures contracts published no more than two working days before the price cap is published by the single allocation platform.~~
 - ~~ii. for all auctions with a product duration shorter than one year: the settlement or closing price of the exchange traded monthly baseload futures contracts published no more than two working days before the price cap is published by the single allocation platform.~~
- ~~(d) In cases where there are no reference forward prices in a bidding zone on a given reference day, if the single allocation platform does not have access to the forward prices or cannot use the forward prices, the single allocation platform may:~~
- ~~i. use the latest available settlement or closing price for that bidding zone, if not older than four (4) working days before the price cap is calculated; or~~
 - ~~ii. apply a default scaling factor equal to 1 pursuant to point (a)i. for all oriented bidding zone borders on which a reference forward price is missing or cannot be used on at least one side of a border.~~
- ~~(e) The resulting price cap shall be rounded down to full Euro-Cents.~~
- ~~7. The single allocation platform shall publish on their website information on the forward price and the provider used to obtain it. This information shall specify at least the bidding zone and the product duration. The choice of provider shall be consulted with stakeholders.~~

79. When calculating the maximum payment obligations according to paragraph 5 and 6 of this Article, the single allocation platform shall also take the following into account:

- (a) if applicable, for each individual hour of the reduction period, the maximum quantity of long-term transmission rights which can be allocated to the registered participant during the reduction period;
- (b) the increase of the maximum payment obligations with applicable taxes and levies in force subject to Article 64; and
- (c) in respect of long-term transmission rights with a product period of one (1) or more months, one (1) or two (2) monthly instalments respectively should be secured in compliance with the due amount calculation according to Article 63(5).

Article 35 Auction results determination

1. After the expiration of the bidding period for an auction and, in case of cNTC-based allocation the credit limit verification pursuant to paragraph 2 of Article 34, the single allocation platform shall determine the auction results and allocate the long-term transmission rights in accordance with this Article.
2. The auction results determination shall include the following:
 - (a) determination of the total quantity of the allocated long-term transmission rights per oriented bidding zone border;
 - (b) identification of winning bids to be fully or partially satisfied; and
 - (c) determination of the marginal price per oriented bidding zone border
3. The single allocation platform shall determine the auction results using an optimisation function aiming at maximisation of the sum of the registered participants' surplus and the congestion income generated by the winning bids while respecting the constraints of the optimisation function in the form of relevant offered capacities. For flow-based allocation, the single allocation platform shall additionally consider either the credit limit or the reserved collateral, if specified, by each registered participant as a constraint as described in paragraph 6. The single allocation platform shall publish additional explanatory information on the optimisation function of the algorithm on its website.
4. The single allocation platform shall determine the marginal price at each oriented bidding zone border applying the cNTC-based allocation as follows:
 - (a) if the total quantity of cross zonal capacity for which valid bids have been submitted is lower than or equal to the relevant offered capacity for the relevant auction, then the marginal price shall be zero;
 - (b) if the total quantity of cross zonal capacity for which valid bids have been submitted exceeds the relevant offered capacity for the relevant auction, the marginal price shall be set at the lowest bid(s) price(s) allocated in full or in part using the respective offered capacities.

—The single allocation platform shall determine the marginal price at each oriented bidding zone border applying the flow-based allocation, as the sum of shadow prices of congested CNECs multiplied with positive PTDF values for that oriented bidding zone border.

5.

6. In the case of auctions with flow-based allocation, during the auction results determination the single allocation platform shall check whether the final payment obligations of the registered participant connected with its registered bids for the relevant auction and calculated based on the marginal price of the auction exceed the credit limit of the registered participant or the reserved collateral, if specified. If the final payment obligations connected with these bids exceed the credit limit or the reserved collateral, these bids, starting with the bid with the lowest bid price, shall be one (1) by one (1) excluded, until the final payment obligations are less than or equal to the credit limit or the reserved collateral.

5-7. If two (2) or more registered participants have submitted for one oriented bidding zone border valid bids with the same bid price, that cannot be accepted in full for the total requested quantity of long-term transmission rights, the single allocation platform shall determine the winning bids and the quantity of the allocated long-term transmission rights per registered participant as follows:

- (a) the cross zonal capacity available for the bids which set the marginal price shall be divided equally between the number of the registered participants which submitted these bids;

- (b) in case the quantity of long-term transmission rights requested by a registered participant at marginal price is lower than or equal to the share calculated according to item (a) above, the request of this registered participant shall be fully satisfied;
- (c) in case the requested quantity of long-term transmission rights by a registered participant at marginal price exceeds the share calculated according to item (a) above, the request of this registered participant shall be satisfied up to the amount of the share as calculated according to item (a) above;
- (d) any remaining cross zonal capacity after the allocation according to items (b) and (c) shall be divided by the number of the registered participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.

6.8. Where a reduction period is indicated in the auction specification for an auction, the single allocation platform shall determine the auction results in accordance with the provisions of paragraphs 3 to ~~5~~6 of this Article, modified as follows:

- (a) winning bids and marginal prices for respective oriented bidding zone border are determined according to paragraphs 3 to ~~5~~6 of this Article;
- (b) for each reduction period the quantity of long-term transmission rights to be allocated to individual registered participants shall be calculated on a pro-rata basis taking into account the quantity of long-term transmission rights corresponding to the respective winning bids of each registered participant and the respective reduced offered capacities. The single allocation platform shall publish on its website clarifications and examples concerning the calculation of the quantity of long-term transmission rights to be allocated to individual registered participants in the reduction period.

7.9. Whenever the calculation set forth in paragraphs 3 to ~~6~~7 of this article does not result in a whole MW amount in accordance with Article 31(1)(f), the long-term transmission rights shall be rounded down to the nearest full MW. The case when long-term transmission rights allocated to individual registered participants are equal to zero after rounding shall not impact the marginal price determination.

8.10. The long-term transmission rights are deemed to have been allocated to a registered participant from the moment the registered participant has been informed of the results and the contestation period is closed in accordance with Article 37. In the event that the Auction was not successfully performed, the fallback procedures as set forth in Title 8 shall apply.

Article 36 **Notification of provisional auction results**

1. The single allocation platform shall publish on its website the provisional auction results as soon as possible but not later than specified in the final auction specification.
2. The publication of the provisional auction results for each oriented bidding zone border included in the auction shall comprise at least the following data:
 - (a) total requested long-term transmission rights in MW;
 - (b) total allocated long-term transmission rights in MW;
 - (c) marginal price in EUR/MWh;
 - (d) number of registered participants participating in the auction;
 - (e) list of names and number of registered participants who placed at least one winning bid in the auction;
 - (f) list of registered bids without identification of the registered participants (bid curve);

- (g) congestion income;
3. In addition to the publication of the provisional auction results, for the CCRs applying the flow-based allocation, the following information shall be published:
 - (a) shadow prices per each limiting CNEC, GNEC and external constraint (where applicable); and
 - (b) resulting non-netted flows¹ per each CNEC, GNEC and external constraint (where applicable);
 4. No later than 30 minutes after the publication of the provisional auction results the single allocation platform shall make available via the auction tool to each registered participant who submitted a bid to a specific auction for each oriented bidding zone border included in the auction at least the following data:
 - (a) allocated long-term transmission rights for each hour of the product period in MW;
 - (b) marginal price in Euros/MWh; and
 - (c) due amount for allocated long-term transmission rights in euro, rounded to two decimal places; and

¹ virtual flows, i.e. max. possible physical capacities allocated on each considered element, separately for each direction (where applicable). They are the result of summarized product of Accepted Bids and positive PTDF values, for accepted bids from all BZ borders.

- (d) due amount for one monthly instalment for allocated long-term transmission rights in Euro, rounded to two decimal places, in the event that the product period is longer than one month.
5. In the event that the auction tool is unavailable, the single allocation platform shall inform the registered participants of the provisional auction results in accordance with Title 8.

Article 37 Contestation of auction results

1. Registered participants shall check the auction results and, where reasonably appropriate, may contest the auction results within the ~~contestation~~ period set out in paragraph 2 of this Article. The single allocation platform shall only consider a contestation where the registered participant is able to demonstrate an error by the single allocation platform in the auction results.
2. The registered participant may contest the auction results within the deadline set out in the relevant auction specification but no later than two (2) working days after the provisional auction results have been notified to the registered participant.
3. The contestation shall be notified to the single allocation platform and headed as 'contestation'.
4. Any contestation shall contain the following:
 - (a) date of contestation;
 - (b) identification of contested auction;
 - (c) identification of the registered participant;
 - (d) name, e-mail address and telephone number of the registered participant;
 - (e) detailed description of the facts and the reason for contestation; and
 - (f) evidence of erroneous auction results.
5. The single allocation platform shall notify its decision on the contestation to the registered participant no later than four (4) working days after the provisional auction results have been notified to the registered participant.
6. At the end of the contestation period and unless an auction is cancelled, the provisional auction results shall be considered as final and binding with no further notification.

TITLE 5 - RETURN OF LONGTERM TRANSMISSION RIGHTS

Article 38 General Provision

1. Long-term transmission right holder(s) may return some or all of their long-term transmission rights to the single allocation platform for reallocation at any subsequent long term auction once the final auction results are published.
2. Returned long-term transmission rights shall be a constant band of whole MW(s) over the specific timeframe of the subsequent auction. The auction at which the long-term transmission rights were allocated and the subsequent auction to which the long-term transmission rights are to be returned shall be for the same form of products.
3. The minimum volume for a returned long-term transmission right shall be one (1) MW over the specific timeframe of the subsequent auction.
4. The single allocation platform shall make the volumes of returned long-term transmission rights

available at the subsequent long-term auction, per each oriented bidding zone border, equally for each hour of the product period, and taking into account the reduction period of the subsequent long term auction, where applicable.

- (a) In the case of cNTC-based allocation, the volumes of the offered capacities announced in the provisional auction specification shall be increased by the amount corresponding to the returned long-term transmission rights;
 - (b) In the case of flow-based allocation, the coordinated capacity calculator shall recalculate the volumes of offered capacities on the basis of returned long term transmission rights.
5. If the returned long-term transmission rights are rounded down in accordance with the process described in Article 35(97), the single allocation platform shall remunerate the market participant for the full amount of the returned long-term transmission rights in accordance with Article 40.

Article 39 Process of the return

1. Long-term transmission right holder(s) wishing to return their long-term transmission rights shall ~~send~~ provide a notification, directly or indirectly through an authorised third party to the single allocation platform, via ~~the auction tool~~ electronic means as specified by the single allocation platform on its website ~~to the single allocation platform~~ in line with the corresponding information system rules no later than the deadline specified in the provisional auction specification for the subsequent auction to which the long-term transmission right is to be returned.
2. A valid notification of the return pursuant to paragraph 1 of this Article shall contain the following information:
 - (a) EIC code of the Long-term transmission right holder;
 - (b) identity of the subsequent auction to which the long-term transmission right is returned; and
 - (c) the volume of the long-term transmission rights for return.
3. In order to be able to return long-term transmission rights the registered participant shall:
 - (a) have a valid and effective participation agreement with the single allocation platform;
 - (b) hold the relevant long-term transmission rights at the time of the notification of the return;
 - (c) ~~send~~ provide the notification before the deadline pursuant to paragraph 1 of this Article; and
 - (d) fulfil or secure its financial obligations pursuant to these HAR.
4. If the requirements set forth in paragraph 3 of this Article are fulfilled, the single allocation platform shall ~~send~~ provide without undue delay a notification to the registered participant ~~via the auction tool~~ containing:
 - (a) a message confirming the acceptance of the return subject to paragraph 7 of this Article; or
 - (b) a message rejecting the return including the reasons for rejection subject to paragraph 7.
5. If the return is accepted, the single allocation platform shall decrease the total volume of the long-term transmission rights held by the respective long-term transmission right holder by the

amount returned.

6. Long-term transmission right holder(s) wishing to modify their return as notified in accordance with paragraphs 1 and 2 of this Article, shall ~~send~~ provide a notification ~~via the auction tool~~ with the adjusted volume of the long-term transmission rights to be returned before the deadline for return of long-term transmission rights pursuant to paragraph 1 expires. Where the volume of the long-term transmission rights to be returned is adjusted to zero (0) MW, the related return shall be deemed as cancelled.
7. If the single allocation platform is unable to register a return as set forth in this title, the single allocation platform may apply a fallback procedure for data exchange pursuant to Article 53. ~~If~~ no fallback procedure for return is technically possible, no financial compensation may be claimed by the registered participants.

Article 40 **Remuneration of long-term transmission right holders**

1. Registered participants who returned long-term transmission right are entitled to receive a remuneration equal the value of the returned long-term transmission rights set during the relevant subsequent auction(s) calculated for all hours of the product period, as follows:
 - (a) the marginal price of the oriented bidding zone border of the auction at which the returned long-term transmission right was reallocated in Euros/MWh, multiplied by
 - (b) the amount of MWh which was reallocated.
2. On return the registered participant ceases to be holder of long-term transmission right for the returned amount of long-term transmission right. This means that all rights and obligations of the registered participant connected to the returned amount of long-term transmission right will cease except those connected to its payments obligations pursuant to Title 10 and the remuneration set forth in this Title 5. All rights and obligations of the registered participant related to the not returned proportion of long-term transmission right will remain unaffected.

TITLE 6 - TRANSFER OF LONG-TERM TRANSMISSION RIGHTS

Article 41 **General provisions**

1. Long-term transmission right holder(s) may transfer some or all of their long-term transmission rights to another registered participant once the auction results in respect of those rights are final. Regardless of how the transfer was concluded, it shall be notified to the single allocation platform following the process pursuant to Article 42 and via the auction tool according to a format specified on the single allocation platform's website.
2. The minimum volume of long-term transmission rights that may be transferred shall be one (1) MW over one (1) hour.

Article 42 **Process of the transfer**

1. The transferor shall ~~send~~ provide a notification, directly or indirectly through an authorised third party, of the transfer to the single allocation platform via ~~the auction tool~~ electronic means as specified by the single allocation platform on its website with the following information:
 - (a) the EIC codes of the transferor and transferee;
 - (b) the time period of the transfer including the start and end dates and hours; and
 - (c) the volume (MW) of the transferred long-term transmission right in whole MW(s) defined per hour.

2. The transferor shall also provide the transfer price to the single allocation platform in order to enable the single allocation platform to fulfill its reporting obligations pursuant to REMIT 1227/2011 and as amended by Regulation 2024/1106 (REMIT II).

2.3. The notification of the transfer shall be delivered to the single allocation platform no later than at 12:00 p.m. on the second (2nd) day preceding the day of delivery.

3.4. In order to be able to transfer the long-term transmission rights the following requirements shall be fulfilled:

- (a) the transferor and transferee have a valid and effective participation agreement with the single allocation platform at least for transfer of long-term transmission rights; the transferor holds the concerned long-term transmission rights at the time of the notification of the transfer;
- (b) the transferor has fulfilled or secured its financial obligations pursuant to these HAR regardless whether the transferor transfers all or only part of its long-term transmission rights and even in the case of multiple transfers among several registered participants; and
- (c) the transferor has delivered the notification of the transfer before the deadline pursuant to paragraph 2 of this Article.

4.5. The single allocation platform shall issue without undue delay an acknowledgement of receipt of the notification to the transferor. Where the notification fulfils the requirements pursuant to paragraph 3 of this Article the single allocation platform shall inform the transferee about the notification of the transfer.

5.6. In the event that the acknowledgement is not ~~sent~~provided by the single allocation platform, the concerned notification shall be deemed not to have been submitted.

6.7. The notification of transfer shall be confirmed by the transferee within four (4) hours upon receiving the transfer information from the single allocation platform and no later than at 12:00 p.m. the second (2nd) day preceding the day of delivery.

7.8. In the event that the transferee does not confirm the transfer by the deadline pursuant to paragraph 6, the single allocation platform shall automatically cancel the process of the transfer notification.

8.9. The single allocation platform shall then issue without undue delay to the transferor and the transferee a second acknowledgement via the auction tool stating either:

- (a) that the transfer notification has been accepted and is effective; or
- (b) that the transfer notification has been rejected including the reason(s).

9.10. If for any technical reason the acknowledgement is not ~~sent~~provided by the single allocation platform, the concerned transfer is deemed not to have been submitted.

10.11. The transferor shall not be entitled to withdraw the transfer notification once the transferee has accepted it. ~~The~~ transferee may initiate another transfer to transfer the long-term transmission rights further.

11.12. In the event of auction tool failure, a fallback procedure pursuant to Title 8 shall apply. If the process of the transfer notification cannot be completed in accordance with this Article due to an IT system and/or fallback procedure failure, registered participants shall not be entitled to claim any financial compensation from the single allocation platform.

Article 43 Legal consequences of the transfer

All rights and obligations resulting from these HAR, with exception of the payment obligation of the original long-term transmission right holder regarding the allocation of long-term transmission right pursuant to Article 62(1), shall be transferred together with the long-term transmission right.

Article 44 **Notice board**

1. The notice board shall facilitate only the exchange of information between the registered participants regarding their interest in buying and/or selling long-term transmission rights. **N**o agreements may be concluded via this notice board. **U**se of the notice board is free of charge.
2. Any notices published via the notice board by the registered participants shall not be considered as an evidence for a valid and effective contract for the transfer of long-term transmission rights.
3. The single allocation platform shall not be held liable for the accuracy and completeness of the information published by a registered participant on the notice board.
4. The single allocation platform may delete from the notice board any information it considers not relevant for the purpose of the notice board. In case of such a deletion, the single allocation platform shall provide the reasons for the deletion to the respective registered participant.

TITLE 7 - USE AND REMUNERATION OF LONG-TERM TRANSMISSION RIGHTS

Article 45 **General principles**

1. The use and remuneration of long-term transmission rights applies to all volumes of long-term transmission rights which are not curtailed in accordance with Article 53 or Article 56 of the FCA Regulation. The single allocation platform shall compensate curtailed volumes of long-term transmission rights holder in accordance with Article 59 or Article 60.
2. Physical transmission rights shall be subject to the Use It Or Sell It (UIOSI) principle.
3. The holder of allocated physical transmission rights may nominate the physical transmission rights for its physical use in accordance with Article 46. The holder of allocated financial transmission rights shall not be entitled to nominate them for physical delivery.
4. In case the registered participant does not nominate its physical transmission rights, the single allocation platform shall make the underlying cross zonal capacity of the non-nominated physical transmission rights available for the relevant daily allocation. The single allocation platform shall remunerate physical transmission right holders who do not nominate their physical transmission rights for physical use of their rights or has not reserved its physical transmission rights for the balancing services in accordance with Article 48.
5. The single allocation platform shall remunerate holders of financial transmission rights in accordance with Article 48.
6. In case the long-term transmission rights holder reserves its physical transmission rights for the balancing services, such cross zonal capacity shall be excluded from the application of the remuneration processes as detailed in Title 7. The process of notification of such reservation shall be subject to the relevant rules entered into force in accordance with the applicable national regulatory regime and published by the responsible single allocation platform.

Article 46 **Nomination of physical transmission rights**

1. Persons eligible to nominate physical transmission rights shall fulfil the requirement described in applicable nomination rules. Eligible persons may be the following:

- (a) the physical transmission rights' holder; or
 - (b) the person notified by the physical transmission rights' holder during the nomination process to the respective TSOs in line with the relevant Nomination Rules; or
 - (c) the person authorised by the physical transmission rights' holder to nominate in line with the relevant nomination rules and notified to the single allocation platform.
2. The single allocation platform shall provide on its website an overview of the options listed in paragraph 1 of this Article which are applicable on each oriented bidding zone border.
3. For the process of the notification of the eligible persons to the single allocation platform in accordance with paragraph 1(c) of this Article the following criteria should be met:
 - (a) the eligible person shall have an EIC Code in order to allow its identification in the rights document; and
 - (b) the physical transmission rights' holder shall notify the eligible person to the single allocation platform via the auction tool in accordance with the information system rules and at the latest one (1) hour before the ~~send~~providing of the rights document for a specific day.
4. The single allocation platform shall not take into account notifications of eligible persons which do not meet the criteria in accordance with paragraph 3 of this Article when ~~send~~providing the rights document in respect of a day of delivery of electricity.
5. The nomination shall be done in compliance with the rights document.
6. The single allocation platform shall publish a list with the relevant Nomination Rules for the bidding zone borders on its website.
7. The long-term nomination deadlines for respective bidding zone borders are set forth in the relevant Nomination Rules. The single allocation platform shall publish information on its website on the long-term nomination deadlines per bidding zone border. In case of any discrepancy between the deadlines published by the single allocation platform and those of the valid and legally binding relevant Nomination Rules, the latter shall prevail and the single allocation platform shall not be held liable for any damages due to such a discrepancy.

Article 47 **Rights document**

1. The rights document shall contain the information about the volume in MW that eligible persons are entitled to nominate at specific oriented bidding zone borders or subsets of interconnectors of oriented bidding zone borders in accordance with the nomination rules pursuant to Article 36(2) of the FCA Regulation in case of physical transmission rights. In case of financial transmission rights options the rights document shall contain the information about the volume in MW at specific oriented bidding zone borders or subsets of interconnectors of oriented bidding zone borders and for hours for which the holder is entitled to financial remuneration in accordance with Article 48. In case of financial transmission rights obligations, the rights document shall contain the information about the volume in MW at specific oriented bidding zone borders and for hours for which the holder is entitled to receive or obliged to pay a financial remuneration in accordance with Article 48.
2. The single allocation platform shall ~~send~~provide the rights document daily and no later than at 1:00 p.m. on the second (2nd) day preceding the delivery day via ~~the auction tool~~electronic means as specified by the single allocation platform on its website to the eligible person according to Article 46(1) (a) and/or (c).

Article 48 **Remuneration of long-term transmission rights holders for non-nominated physical transmission rights and financial transmission rights**

1. The single allocation platform shall remunerate long-term transmission rights holders for each relevant hour based on the following volumes of long-term transmission rights:
 - (a) in the case of physical transmission rights the difference between the volumes stated in the rights document pursuant to Article 47(1) and the final volumes nominated and accepted by the relevant TSO; and
 - (b) in the case of financial transmission rights the volumes stated in the rights document pursuant to Article 47(1).
2. The single allocation platform shall remunerate long-term transmission rights holders based on the following prices:
 - (a) In case of day-ahead implicit allocation, if a bidding zone is fully coupled or partially decoupled, meaning at least one NEMO is still coupled on this bidding zone, the single allocation platform shall use the SDAC price to calculate the market spread for the remuneration in accordance with Article 35(3)(a) of the FCA Regulation.
 - (b) If fallback procedures in accordance with Article 44 of the CACM Regulation are applied and a bidding zone is fully decoupled, meaning no SDAC price is available for this bidding zone, the single allocation platform shall use the local reference price provided by the concerned TSO(s) to calculate the market spread for the remuneration in accordance with Article 35(3)(a) of the FCA Regulation. In case of multiple NEMOs in the decoupled bidding zone, the local reference price shall be calculated in accordance with the relevant multiple NEMO arrangement pursuant to Article 45 of the CACM Regulation. In case of a decoupled bidding zone with a single NEMO, the local reference price shall be the price from the single NEMO in the decoupled bidding zone.
 - (c) in case of day-ahead explicit allocation from fallback allocation for implicit allocation for transmission rights and no price resulting from point (a) and (b) in a bidding zone and in case of day-ahead explicit allocation different from fallback allocation, the price shall be the marginal price of the explicit auction at which transmission rights were allocated for the day ahead timeframe; and
 - (d) in case of no available price from points (a), (b) and (c), the price for the long-term transmission rights remuneration shall be the marginal price of initial auction.
3. For the remuneration of non-nominated physical transmission rights and financial transmission rights options, the volumes pursuant to paragraph (1) shall be multiplied with the price in accordance with paragraph (2) if the price is positive in the direction of the relevant oriented bidding zone border. If the price in accordance with paragraph (2) is negative in the direction of the relevant oriented bidding zone border, it shall be taken into account as zero (0) EUR per MWh. If the remuneration per hour covers more than one MTU, the price used for remuneration shall be the average of prices in accordance with paragraph (2) from all MTUs corresponding to the relevant hour, where negative prices per MTU in the relevant oriented bidding zone border direction shall be taken into account as zero (0) EUR per MWh:

$$LTTR\ remuneration_h = Quantity * \sum_{i=1}^n \max(Price_{MTU_i}; 0) * \frac{1}{n}$$

LTTR remuneration_h: remuneration for a given hour for the relevant long-term transmission rights on an oriented bidding zone border

Quantity: Long-term transmission rights volume eligible for remuneration in accordance with paragraph (1)

n: number of MTUs within the relevant hour

Price_{MTU_i}: price in accordance with paragraph (2) for the i-th MTU within the given hour on an oriented bidding zone border

4. For the remuneration of financial transmission rights obligations, the volumes pursuant to paragraph (1) shall be multiplied with the price in accordance with paragraph (2). Holders of

financial transmission rights obligations shall be obliged to provide remuneration to the single allocation platform if the price is negative in the direction of the relevant financial transmission right obligation. If the price is positive in the direction of the relevant financial transmission right obligation the single allocation platform shall remunerate holders of the relevant financial transmission right obligation. If the remuneration covers more than one MTU, the price used for remuneration shall be the average of positive and negative prices in accordance with paragraph (2) from all relevant MTUs for the relevant bidding zone border direction.

TITLE 8 - FALLBACK PROCEDURES

Article 49 General provisions

1. The single allocation platform shall, to the extent reasonably practicable, organize a fallback procedure in the following cases of failure of a standard process:
 - (a) if it is technically not possible to hold an auction following the process set forth in Title 4;
 - (b) if it is technically not possible to register a return of long-term transmission rights following the process as set forth in Title 5;
 - (c) if it is technically not possible to register a notification of transfer of long-term transmission rights following the process as set forth in Title 6; and
 - (d) if it is technically not possible to register a notification of an eligible person in following the process as set forth in Title 7.
2. The single allocation platform may use one or all of the following fallback procedures:
 - (a) introduction of a fallback procedure for data exchange according to Article 50;
 - (b) postponement of the Auction to a later date/time;
 - (c) another ad hoc fallback procedure if considered appropriate by the single allocation platform to overcome any technical obstacles.
3. The single allocation platform shall, to the extent practicable and without undue delay, inform registered participants of possible deviations from the standard processes and the application of a fallback procedure via electronic means as specified by the single allocation platform on its website and using the auction tool.
4. Registered participants shall immediately inform the single allocation platform of any observed problems with the use of the auction tool and all potential consequences via electronic means as specified by the single allocation platform on its website. In case of an urgent problem, which shall be solved immediately and which is identified during working hours, the registered participant shall immediately contact the single allocation platform by phone at the telephone number indicated on the website of the single allocation platform for this type of problems.

Article 50 Fallback procedure for data exchange

1. In case of a failure at the site of the single allocation platform of the standard processes for data exchange via the auction tool as described in these HAR, the single allocation platform may inform registered participants that a fallback procedure for data exchange may be used as follows:
 - (a) by the applicable deadlines unless otherwise announced by the single allocation platform the registered participant shall request the single allocation platform by electronic means as specified by the single allocation platform on its website to enter

- the relevant data into the auction tool by using this fallback procedure for data exchange;
- (b) with the request the registered participant shall provide to the single allocation platform in the format specified in the information system rules the relevant data to be entered in the auction tool;
 - (c) the single allocation platform shall enter the submitted data into the auction tool;
 - (d) the single allocation platform may set in information system rules an identification process for the registered participant at the moment when the registered participant submits the relevant operational or commercial data and requests the single allocation platform to enter this data into the auction tool on its behalf by means of the fallback procedure. If the registered participant or the person authorized by the registered participant for this purpose does not clearly identify itself, the single allocation platform shall be entitled not to perform the data entry;
 - (e) the registered participant shall provide the single allocation platform with a telephone number, which can be used in case of a necessary communication;
 - (f) once the single allocation platform has entered the provided data into the auction tool on behalf of the registered participant, the single allocation platform shall, without undue delay, by telephone and/or via electronic means as specified by the single allocation platform on its website inform the registered participant of the entry; and
 - (g) the single allocation platform shall under no circumstances be held responsible if it fails to reach the registered participant through the means of communication above.
2. In case of application of the fallback procedure for data exchange, all necessary information which is made available via the auction tool during the standard processes may be distributed to the registered participants by the single allocation platform, by electronic means as specified by the single allocation platform on its website or where appropriate published on the website of the single allocation platform.

Article 51 Fallback procedures for auctions

1. The postponement of the auction shall be the default fallback procedure for auctions before the bidding period has opened. The single allocation platform may postpone an auction by notifying registered participants of the revised date and/or time of the new auction.
2. After the bidding period has opened, the single allocation platform shall:
 - (a) where reasonably practicable, postpone the end of the bidding period by notifying the registered participants about the revised deadlines in the auction specification; or
 - (b) cancel the initial auction according to Article 52 and organise a new auction for the same product period.
3. In case of flow-based allocation, Article 29 on auction specifications and Article 37 on the contestation of auction results may not apply to the fallback procedures pursuant to paragraph 1 and 2 of this Article. In case there is no contestation period defined for a fallback auction, once the provisional auction results have been notified to the registered participant and unless the auction is cancelled, the auction results shall be considered as final and binding with no further notification.
4. In case of flow-based allocation, in the event of an issue during the evaluation of the provisional auction results, the single allocation platform may postpone the publication of the provisional auction results by additional six (6) hours compared to the original timings set in accordance with Article 36(1) and Article 29(3)(a). Should the aforementioned occur, the single allocation

platform shall inform the market participants without undue delay by electronic means as specified by the single allocation platform on its website.

5. If the fallback procedure described in paragraph 1 and 2 of this Article cannot be implemented for the same product period, the respective cross zonal capacities shall be offered in subsequent capacity allocation process.
6. The single allocation platform shall inform all registered participants, without undue delay, of the postponement by notification published in the auction tool and/or on the webpage of the single allocation platform and/or by electronic means as specified by the single allocation platform on its website.

Article 52 Auction cancellation

1. In the case of cNTPC-based allocation, if the single allocation platform cancels an auction, all bids already submitted, all returns already accepted and any results of the respective auction shall be deemed null and void.
2. In case of long-term flow-based allocation the returns will be kept for the fallback auction. In case no fallback auction is performed returned capacity shall be cancelled.
3. The single allocation platform shall inform all registered participants without undue delay, of the auction cancellation by notification published in the auction tool or on the webpage of the single allocation platform and by electronic means as specified by the single allocation platform on its website.
4. An auction cancellation may be announced in the following cases:
 - (a) before the end of the contestation period in case the single allocation platform faces technical obstacles during the auction process like a failure of standard processes and fallback procedures in the event of erroneous results due to incorrect marginal price calculation, incorrect offered capacity values or in the event of incorrect allocation of long-term transmission rights to registered participants or similar reasons; and
 - (b) after the end of the contestation period, in the event of erroneous results due to incorrect marginal price calculation, incorrect offered capacity values or incorrect allocation of long-term transmission rights to registered participants or similar reasons.
5. In case of auction cancellation, the following shall apply:
 - (a) In case of auction cancellation before the contestation period elapses, no compensation shall be paid to the registered participants.
 - (b) In case of auction cancellation after the contestation period elapses, registered participants holding long-term transmission rights that are affected by the cancellation shall receive a refund of the amount originally paid for any rights with delivery date after the cancellation date, provided that such payment has already been made. For the avoidance of doubt, any long-term transmission rights with delivery date before the cancellation are not affected by such cancellation.
6. The single allocation platform shall publish on its website, without undue delay, the reasons for the auction cancellation.

Article 53 Fallback procedure for return of long-term transmission rights

1. In case of failure in the standard process for the registration of the return of long-term transmission rights via the auction tool as set forth in Title 5, the single allocation platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The single allocation platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for long-term transmission rights return.
3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the return of long-term transmission rights, all requests for long-term transmission rights return already submitted that cannot be registered in the auction tool shall be automatically cancelled.

Article 54 Fallback procedure for transfer of long-term transmission rights

1. In case of failure in the standard process for the registration of the transfer of long-term transmission rights organised via the auction tool as set forth in Title 6 the single allocation platform may apply the fallback procedure for data exchange in accordance with Article 50.
2. The single allocation platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for long-term transmission rights transfer.
3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the transfer of long-term transmission rights, all requests for long-term transmission rights transfer already submitted and not confirmed by transferee shall be automatically cancelled.

Article 55 Fallback procedure for eligible person notification

1. In case of failure in the standard process of eligible person notification to the single allocation platform via the auction tool as set forth in title 6, the single allocation platform may apply the fallback procedure for data exchange in accordance with Article 50.
2. The single allocation platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for eligible person notification.
3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the eligible person, the eligible person shall be deemed notified as set forth in information system rules.

TITLE 9 - CURTAILMENT

Article 56 Triggering events and consequences of curtailment on long-term transmission rights

1. Long-term transmission rights irrespectively of the product period may be curtailed in the event of force majeure, or to ensure operation remains within operational security limits before the day-ahead firmness deadline.
2. Curtailment may be applied on allocated long-term transmission rights including, where the case may be, on nominated physical transmission rights.
3. Long-term transmission rights may be curtailed after the day-ahead firmness deadline in the case of force majeure or emergency situation in accordance with Article 72 of the CACM Regulation. For the avoidance of doubt, long-term transmission rights when curtailed after the day-ahead firmness deadlines shall be curtailed in the same way as day-ahead capacity and compensated in accordance with the applicable legislation.
4. In the case of physical transmission rights, each registered participant affected by curtailment shall lose its right to transfer, return or nominate for physical use the concerned physical

transmission rights or to receive remuneration based on the Use-It-Or-Sell-It principle. In the case of financial transmission rights, each registered participant affected by curtailment shall lose its right to transfer or return the concerned financial transmission rights or to receive remuneration in accordance to Article 48.

5. In case of curtailment, the affected Registered Participant is entitled to receive reimbursement or compensation according to Article 59 to Article 60 and where applicable Article 61.

Article 57 Process and notification of curtailment

1. In all cases curtailment shall be carried out by the single allocation platform based on a request by one or more TSO(s) at the oriented bidding zone border where long-term transmission rights have been allocated.
2. The single allocation platform shall notify the affected holders of long-term transmission rights as soon as possible of a curtailment of long-term transmission rights including the triggering event via electronic means as specified by the single allocation platform on its website and on the webpage of the single allocation platform. The notification shall identify the affected long-term transmission rights, the affected volume in MW per hour for each concerned period, the triggering events for curtailment as described in paragraph 3 and the amount of long-term transmission rights that remain after the curtailment.
3. The description of the triggering event shall include information on exact operational security limit(s) that are expected to be violated in the absence of curtailment, the TSO(s) invoking the curtailment, and why alternative measures are not sufficient to avoid the expected violation of operational security limit(s). If this information is not available at the same time as the curtailment information concerning the affected long-term transmission rights and the affected volume in MW per hour for each concerned period, TSOs shall submit a first notification with the available information and update the curtailment information including required detail concerning the triggering event within 24 hours after the initial notification.
4. The single allocation platform shall publish the triggering events for curtailment in accordance with Article 56 including their estimated duration on its website as soon as possible.
5. The curtailment shall be applied to long-term transmission rights of the concerned periods on a pro rata basis, which means in proportion to the held long-term transmission rights, regardless of the time of allocation.
6. In the event of curtailments of physical transmission rights after the nomination deadline, and as long as the capacity has not been reallocated in the day-ahead allocation, the curtailment shall be applied on a pro rata basis to both nominated and non-nominated physical transmission rights.
7. TSOs shall apply the compensation rules under Article 59 in accordance with Article 53 of the FCA Regulation and under Article 60 in accordance with Article 56 of the FCA Regulation, only if offered day-ahead cross zonal capacities are lower than the amount of non-nominated long-term transmission rights in case of physical transmission rights and the total amount of long-term transmission rights in the case of financial transmission rights.
8. For each affected registered participant, remaining long-term transmission rights which have not been curtailed shall be rounded down to the nearest MW. The same rounding applies for the curtailment of both nominated and non-nominated physical transmission rights according to paragraph 4 of this Article.
9. In the cases of curtailment, any transfer of long-term transmission rights to be curtailed which is not yet accepted by the transferee, shall be automatically cancelled and the transferor shall remain the holder of the long-term transmission rights. If the transfer has already been notified to the single allocation platform and accepted by the transferee, the compensation or reimbursement for curtailed long-term transmission rights shall be paid to the transferee.

10. The single allocation platform shall cancel all notifications for return of long-term transmission rights that have been accepted for a subsequent long-term auction for which curtailment is necessary and for which:
 - (a) In the case of the cNTC-based allocation, the final auction specifications have not yet been published;
 - (b) In the case of the flow-based allocation, the deadline for return as defined in the auction specification has not yet been reached;

By this cancellation, the long-term transmission rights are given back to the long-term transmission right holders that have requested the return. If the deadline for return have already been reached, the return shall not be cancelled and the compensation or reimbursement for curtailed long-term transmission rights shall be paid to the holder who returned the long-term transmission rights.

Article 58 Day ahead firmness deadline

The single allocation platform shall publish on its website and take into account for the calculation of compensation for curtailed long-term transmission rights the day ahead firmness deadline as specified in the proposal pursuant to Article 69 of the CACM Regulation, approved in accordance with Article 9 of the CACM Regulation.

Article 59 Compensation for curtailments to ensure operation remains within operational security limits before the day ahead firmness deadline

1. In cases of curtailment to ensure operation remains within operational security limits before the day ahead firmness deadline, the single allocation platform shall compensate long-term transmission rights holders for the curtailed volumes of the relevant long-term transmission rights. The curtailed volume of long-term transmission rights in MWh corresponds to the difference between the allocated long-term transmission rights held by the registered participant before and after the curtailment. The single allocation platform shall compensate the amount of curtailed volume in MWh multiplied by the price of the relevant bidding zone border in accordance with Article 48(2). For physical transmission rights and financial transmission rights options, negative prices per MTU in the direction of the relevant oriented bidding zone border shall be taken into account as zero (0) EUR per MWh, in accordance with Article 48(3).
2. If specified in the relevant annexes to these HAR, a cap shall be applied to the compensations on specific bidding zone borders. The cap shall be determined as the total amount of congestion income collected by the concerned TSOs on the respective bidding zone border in the relevant calendar year, deducting all remunerations paid according to Article 40 and Article 48 and compensations paid according to Article 60 and where applicable Article 61. The cap is calculated according to the formula:

$$\begin{aligned} & \text{Cap for compensation for network security} \\ & = (\text{Long term income} + \text{Daily income} + \text{Intraday income}) \\ & - (\text{UIOSI} + \text{Remuneration of FTRs} + \text{Return of LTTRs} \\ & + \text{Compensation for curtailment for emergency situation} \\ & + \text{Compensation for curtailment for force majeure}) \end{aligned}$$

3. In case of direct current interconnectors, the cap shall be determined as the total amount of congestion income collected by the concerned TSOs on the bidding zone border in the relevant month, deducting all remunerations paid according to Article 40 and Article 48 and compensations paid according to Article 60 and where applicable Article 61 for the considered month. The total amount of congestion income in one month is defined as the sum of a twelfth of the revenues raised at yearly auction on the concerned bidding zone border and the revenues generated by the monthly auction and congestion income from other timeframes which occurred

during this month on the concerned bidding zone border. The cap is calculated according to the formula:

Cap for compensation for network security in case of Direct Current interconnectors

$$= \frac{\text{Yearly income}}{12} + \frac{\text{Seasonal income}}{6} + \frac{\text{Quarterly income}}{3} + \text{Any other long term income} + \text{Daily income} + \text{Intraday income} - (\text{UIOSI} + \text{Remuneration of FTRs} + \text{Return of LTTRs} + \text{Compensation for curtailment for emergency situation} + \text{Compensation for curtailment for force majeure})$$

4. If, before application of the relevant cap described in paragraph 2 or paragraph 3 of this Article, the total calculated compensations of curtailed long-term transmission rights exceed the relevant cap, the compensations of curtailed long-term transmission rights shall be reduced on a pro rata basis. This will be based on the proportion of uncapped compensation of allocated long-term transmission rights due to each registered participant in the relevant period (calendar month or calendar year). The compensations due to each registered participant will be calculated as follows:

[(uncapped compensations of curtailed long-term transmission rights due to registered participant)

/(total uncapped compensations of curtailed long-term transmission rights due to all registered participants)]

x (relevant cap as described in paragraph 2 and paragraph 3 of this Article)

Article 60 Reimbursement for curtailments due to force majeure before the day ahead firmness deadline

1. In the case of force majeure before the day ahead firmness deadline, holders of curtailed long-term transmission rights shall be entitled to receive a reimbursement equal to the price of the long-term transmission rights set during the long-term transmission rights allocation process, which for each affected hour for each registered participant, shall be calculated as:
- (a) the marginal price of the initial auction in EUR/MWh; or
 - (b) in case the marginal price of the initial auction cannot be identified, the weighted average of marginal prices in EUR/MWh, of all the auctions for which the registered participant holds long-term transmission rights where the weight is given by long-term transmission rights which the registered participant holds before the curtailment;

multiplied by

- (c) the amount in MWh corresponding to the difference between the long-term transmission rights held by the registered participant before and after the curtailment;

Article 61 Reimbursement or compensation for curtailments due to force majeure or emergency situation after the day ahead firmness deadline

In the event of force majeure or an emergency situation after the day ahead firmness deadline, holders of curtailed long-term transmission rights shall be entitled to receive a reimbursement in accordance with Article 72 of the CACM Regulation.

TITLE 10 - INVOICING AND PAYMENT

Article 62 **General principles**

1. A registered participant shall pay the amounts due as calculated in accordance with Article 63 for all long-term transmission rights allocated to him. This obligation shall be fulfilled irrespective of any return or transfer or curtailment of all or some of these long-term transmission rights in accordance with these HAR.
2. The registered participant may upon payment use the cross zonal capacity connected with the allocated long-term transmission rights as described in these HAR only. Any right for physical use of the transmission system in case of a physical transmission rights may be subject to separate agreements between the registered participant and the concerned TSOs.
3. All financial information, prices and amounts due shall be expressed in Euros (€), except if deviations are required by applicable law or regulations.
4. The payment shall be settled on the date upon which the given amount is credited to the account of the beneficiary. Any interest for late payment shall be considered as settled on the date when the payment was credited from the account of the payer.
5. Payments shall be done in Euros (€).
6. The single allocation platform shall consider taxes and levies at the rate and to the extent applicable when assessing payment obligations and issuing invoices under these HAR subject to Article 64.
7. The registered participant shall provide the single allocation platform with relevant information for justifying whether or not respective taxes and levies are applicable when signing the participation agreement as well as any changes in this respect without undue delay. Therefore, the registered participant shall inform the single allocation platform of any local, intra-community or extra-community taxes and levies which are in line with the legislation of the registered participant's country of establishment.
8. Where financial transmission right obligations are in place, the single allocation platform shall through a clearing house calculate the amounts to be remunerated to and received from the holders of such long-term transmission rights. All costs incurred by the single allocation platform associated with the clearing of financial transmission rights obligations will be invoiced to the holders of such long-term transmission rights.

Article 63 **Calculation of due amounts**

1. Registered participants shall pay for each of the long-term transmission rights allocated to them an amount equal to:
 - (a) the marginal price (EUR/MWh); multiplied by
 - (b) the sum of long-term transmission rights in MWh allocated of the product period incorporating any reduction period where relevant in accordance with Article 35.
2. The amount due plus any applicable taxes and levies, duties or other charges subject to Article 64, shall be rounded to two decimal places.
3. The single allocation platform shall calculate the due payments in monthly instalments when the cross zonal capacity product has a duration of more than a month.
4. Monthly instalments shall be equal for each month and determined by dividing the amount due as set forth in paragraph 1 of this Article by the duration of the cross zonal capacity products expressed in months and rounded to two decimal places. The last instalment shall in addition include the balance due to the rounding down applied in the other monthly instalments.
5. If the first payment date of the cross zonal capacity product with a duration of more than one

- (1) month occurs after the start of the product period, then the first payment shall include two
- (2) monthly instalments.

6. The single allocation platform shall include, within the due amount, any instalment amount related to an allocation that must be settled prior to the execution of any transfer of long-term transmission rights.

Article 64 **Tax gross-up**

1. Each registered participant must settle all payments with respect to the HAR without any tax deduction, unless a tax deduction is required by law.
2. If a tax deduction is required by law to be made by a registered participant, the amount of the payment due from the registered participant to the single allocation platform will be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.
3. Paragraph 2 of this Article does not apply with respect to any tax assessed on the single allocation platform on any payment received in connection with the HAR under the laws of the jurisdiction in which the single allocation platform is incorporated or, if different, the jurisdiction (or jurisdictions) in which the single allocation platform is treated as resident for tax purposes or has or is deemed for tax purposes to have a permanent establishment or a fixed place of business to which any payment under the HAR is attributable. Paragraph 2 of this Article does not apply to value added tax as provided for in the Directive 2006/112/EC as amended from time to time and any other tax of a similar nature.

Article 65 **Invoicing and payment conditions**

1. Payments shall be settled before the start of the product period if the auction timeline allows so. If the cross zonal capacity product has a duration of more than one (1) month, each monthly instalment shall be settled before the start of each respective month if the auction timeline allows so. If the settlement of an amount due for allocated long-term transmission rights is not possible before the start of the product period then the payment will be settled at the next fixed invoice date.
2. The single allocation platform shall issue invoices for payments for all long-term transmission rights on a monthly basis and no later than the tenth (10th) working day of each month.
3. The invoices shall be issued for the following payment:
 - (a) the amount of the monthly instalment(s) if the long-term transmission right has a duration of more than a month as set forth in Article 63(4) and (5);
 - (b) the amount due set forth in Article 63(2) if the long-term transmission right has a duration equal to a month or less;
 - (c) if requested by the registered participant amounts for advanced payment of monthly instalments that would otherwise be settled with subsequent invoices; and
 - (d) any relevant taxes and levies subject to Article 64.
4. The single allocation platform shall ~~send~~ provide the invoice via electronic means as specified by the single allocation platform on its website to the registered participant ~~at the e-mail address of the financial contact person submitted in accordance with Article 9(i) or it should make it available to the registered participant via the auction tool~~. The date of issuance of the invoice shall be the date on which the invoice is sent provided by electronic means as specified by the single allocation platform on its website ~~or the date when the invoice is made available via the auction tool~~ if this is done during working hours or the next working day if sent provided

after working hours.

5. In the cases of curtailment of long-term transmission rights, return of long-term transmission rights according to Article 40 or remuneration of long-term transmission rights according to Article 48, the invoices shall take into account any payments to be credited to the registered participant. the payments to be credited to the registered participants shall:
 - (a) be settled through self billing mechanism which shall allow the single allocation platform to issue invoices in the name and on behalf of the registered participant; and
 - (b) be notified through the same invoice as the one used for the payments of the registered participant as set forth in paragraph 3 of this Article.
6. Where compensations are due to the registered participant in respect of curtailment of long-term transmission rights and are subject to a cap set forth in Article 59(2) and 59(3), such compensations shall be settled with the first invoice to be issued after the end of the relevant month and subject to a cap determined as the total amount of congestion income collected by the concerned TSOs on the bidding zone border in the relevant month, deducting all remunerations paid according to Article 40 and Article 48 and compensations paid according to Article 60 and where applicable Article 61 for the considered month. The total amount of congestion income in one month is defined as the sum of a twelfth of the revenues raised at yearly auction on the concerned bidding zone border and the revenues generated by the monthly auction and congestion income from other timeframes which occurred during this month on the concerned bidding zone border.
7. An invoice shall be issued after the end of the relevant period over which caps on compensation are calculated in accordance with Article 59(2) and 59(3), reconciling any discrepancy between the compensations paid out on a monthly basis and the compensations required to be paid out in accordance with Article 59(2) and 59(3). In the case of default of a market participant, TSO cost recovery shall be ensured by relevant regulatory authorities in accordance with the applicable legislation.
8. The payments due shall be netted by the single allocation platform taking into account the amount as set forth in paragraph 3 and 5 of this Article.
9. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the registered participant to the single allocation platform, the registered participant shall settle this balance within five (5) working days after the date of issuance of the invoice.
10. Payments by the registered participant as set forth in paragraph 7 of this Article shall be collected automatically from the dedicated business account of the registered participant on the respective due date of the invoice.
11. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the single allocation platform to the registered participant, the single allocation platform shall pay this balance within seven (7) working days after the date of issuance of the invoice to the bank account as announced during the accession process in accordance with Article 9 paragraph 1(h) by the registered participant who is entitled to the payments at the due date.
12. Upon the collection of the payment as set forth in paragraph 8 of this Article, the single allocation platform shall update the credit limit accordingly.
13. Erroneous invoices shall be corrected and settled as follows:
 - (a) in case of an erroneous invoice resulting in an additional payment of the single allocation platform or the registered participant, the single allocation platform shall correct the invoice and any due amount shall be settled as soon as possible and at the latest within thirty (30) working days to the registered participant or the Single Allocation Platform.

- (b) in case of an erroneous invoice based on erroneous information provided by third parties, the single allocation platform shall, correct the amount and settle the amount to the registered participant as soon as possible and at the latest within given ninety (90) working days, from the date the registered participant informed the single allocation platform of the erroneous information.
 - (c) in case the error in the invoice occurred due to technical constraint and if the resolution of technical constraint requires the single allocation platform to update the auction tool, the single allocation platform shall resolve the technical constraint, correct the invoice and settle the amount to the registered participant as soon as possible and at the latest within one hundred eighty (180) working days.
14. Bank fees of the payer's bank shall be covered by the payer. Bank fees of the receiving bank shall be covered by the beneficiary. Bank fees of any intermediary bank shall be covered by the registered participant.
15. The registered participant shall not be entitled to offset any amount, or withhold any debts arising in connection with obligations resulting from an auction, against any claims towards the single allocation platform, whether or not arising out of an auction. Nevertheless, the right to offset and the right to withhold are not excluded in case the registered participant's claim against the single allocation platform is established by a legally binding judgement or is uncontested.

Article 66 **Payment disputes**

1. A registered participant may dispute the amount of an invoice, including any amounts to be credited to the registered participant. In this case, the registered participant shall notify the nature of the dispute and the amount in dispute to the single allocation platform as soon as practicable and in any event within fifteen (15) working days after the date of issuance of the invoice or credit note by registered mail and electronic means as specified by the single allocation platform on its website. Beyond this period, the invoice shall be deemed to have been accepted by the registered participant.
2. If the registered participant and the single allocation platform are unable to resolve the difference within fifteen (15) working days after the notification, the procedure for the dispute resolution in accordance with Article 70 shall apply.
3. A dispute shall in no way relieve the Party from the obligation to pay the amounts due as set forth in Article 65.
4. If it is agreed or determined based upon the dispute resolution procedure as set forth in Article 70 that an amount paid or received by the registered participant was not properly payable, the following process shall apply:
 - (a) the single allocation platform shall refund any amount including interest to be calculated according to Article 62(4) to the registered participant in case that the amount paid by the registered participant as set forth Article 65(3) and (6) was higher or the amount paid by the single allocation platform was lower than the due amount. The single allocation platform shall make the payment to the bank account indicated by the registered participant for this reimbursement in accordance with Article 9 paragraph 1 (h) provided the single allocation platform has received the amount due from the relevant TSOs if applicable.
 - (b) the registered participant shall pay any amount including interest to be calculated according to Article 62(4) to the single allocation platform in case that the amount paid by the registered party as set forth in Article 65(3) and (6) was lower or the amount paid by the single allocation platform was higher than the due amount. The registered participant shall make the payment in accordance with the procedure set forth in Article 65(10). Upon such payment the single allocation platform shall update

the credit limit of the registered participant as set forth in Article 65(12).

5. The interest paid in case of a payment in accordance with paragraph 4 of this Article shall be applied from the first (1st) day following the date on which the payment was due up to the date on which the disputed amount was refunded and it shall apply also to all taxes and levies required by law.

Article 67 **Late payment and payment incident**

1. In case the registered participant has not fully paid an invoice by the due date specified on the invoice, the single allocation platform shall notify the registered participant that a payment incident will be registered if the amount including applicable interest due is not received within three (3) working days upon sending of the notification. In case of no payment within the deadline, the single allocation platform shall notify the registered participant that the payment incident was registered.
2. Immediately after registration of the payment incident the single allocation platform may invoke the collaterals. After a recurring payment incident, the single allocation platform may require from the registered participant to change its bank guarantee collateral to a cash deposit collateral.
3. The single allocation platform may suspend or terminate the participation agreement in case of a registered payment incident in accordance with Article 71 and Article 72.
4. In case of late payment or refund, the parties shall pay interest on the due amount, including taxes and levies as from the first (1st) day following the date on which the payment was due until the date on which the payment is settled. The interest shall be equal to the highest amount of:
 - (a) a flat rate of 100 €; or
 - (b) in accordance with Article 5 of Directive 2011/7/EU, eight (8) percentage points per annum above the reference interest rate as officially published by the national authorities of the country in which the single allocation platform is located and rounded up to the nearest half percentage point.

TITLE 11 - MISCELLANEOUS

Article 68 **Duration and amendment of the HAR**

1. The HAR are of indefinite duration and are subject to amendment in accordance with Article 4(12) of the FCA Regulation. The single allocation platform shall publish the amended HAR and ~~send~~provide an amendment notice to registered participants.
2. The amendment shall apply at the date and time specified in the amendment notice but not earlier than thirty (30) calendar days after the amendment notice is ~~sent~~provided to registered participants by the single allocation platform.
3. Unless expressly stated otherwise by the single allocation platform the amended HAR shall govern all rights and obligations in connection with these HAR including those acquired before the date of amendment but with the delivery date after the amendment takes effect. In case financial transmission rights are introduced at a respective bidding zone border replacing physical transmission rights, transitional arrangements may be introduced in a regional or border specific annex with regards to the return of already acquired physical transmission rights according to Title 5 and with regards to the right to nominate such physical transmission rights according to Title 7 after the amendment takes place.
4. Any amendment of these HAR shall apply automatically to the participation agreement in force

between the single allocation platform and the registered participant, without the need for the registered participant to sign a new participation agreement but without prejudice to the registered participant's right to request the termination of its participation agreement in accordance with Article 72(1). By participating in the auction after the registered participant was informed about the changes and/or adaptations of the HAR and after these changes and/or adaptations of the HAR entered into force, it is deemed that the registered participant has accepted the changed, i.e. the valid and effective version of the HAR.

~~5.—~~The HAR and the border and /or regional specific annexes included thereto shall be periodically reviewed by the single allocation platform and the relevant TSOs at least every two years involving the registered participants. This biennial review is without prejudice to the competence of ACER to request at any time amendments of the HAR and of competence of the concerned regulatory authorities and/or the single allocation platform to request at any time amendments of the annexes included in the HAR.

~~5.~~

~~6.— All TSOs shall analyse and explore more efficient methods for calculating the maximum payment obligations for flow based allocation in accordance with Article 34(6) and (7) and may propose amendments to the HAR.~~

~~6.~~ 67. These HAR are subject to the legislation prevailing at the time at which they take effect. In the event that there is a change in legislation or any action by competent authorities at national or European Union level which have an effect on these HAR and/or their annexes then, notwithstanding any other provision of these HAR, the HAR shall be amended accordingly and pursuant to the Article 4, paragraph 12 of the FCA Regulation.

Article 69 **Liability**

1. The single allocation platform and the registered participants are solely responsible for the fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the HAR and the participation agreement.
2. Subject to any other provisions of these HAR the single allocation platform shall only be liable for damages caused by:
 - (a) fraud, gross negligence or wilful misconduct.
 - (b) death or personal injury arising from its negligence or that of its employees, agents or subcontractors.
3. In derogation to paragraph 2(a) of this Article, liability for indirect, consequential damages including, but not limited to, loss of profit, loss of opportunity, loss of chance, trading losses is excluded in all cases.
4. For the avoidance of doubt, the single allocation platform shall not be liable for damages suffered by registered participants as a result of technical problems unless such act or omission is a result of fraud, gross negligence or wilful misconduct. The single allocation platform shall have tested the computer systems and other technical equipment in their responsibility sufficiently before putting them into operation and shall be responsible for their adequate maintenance.
5. A registered participant shall indemnify and keep indemnified the single allocation platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a direct damage that it has caused, which any of them may suffer or incur by reason of any claim by any third party on account of any and all direct loss suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with these HAR. Liability of registered participants for indirect, consequential damages is excluded in all cases.

6. The single allocation platform and each registered participant acknowledges and agrees that it holds the benefit of paragraph 3 of this Article for itself and as trustee and agent for its officers, employees and agents.
7. The registered participant shall be solely responsible for its participation in auctions including but not limited to the following cases:
 - (a) the timely arrival of bids and transfer and return notifications by the registered participant;
 - (b) technical failure of the information system on the side of the registered participant preventing the communication via the channels foreseen in accordance with these HAR.
8. In case of remuneration in accordance with Article 48 or curtailment compensation due to force majeure or in order to ensure operation remains within operational security limits or in emergency situation in accordance with Article 59 and Article 60 and Article 61 or in accordance with any regional or border specific annex registered participants shall not be entitled to other compensation than the compensation described in these HAR.
9. The registered participant shall be liable with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on the single allocation platform for incorrect tax treatment due to wrong or incomplete information provided by the registered participant.
10. This Article survives the termination of the registered participant's participation agreement.

Article 70 Dispute resolution

1. Without prejudice to paragraphs 6 and 8 of this Article, where there is a dispute the single allocation platform and the registered participant shall first seek amicable settlement through mutual consultation pursuant to paragraph 2. For this purpose, the party raising the dispute shall send a notification to the other party indicating:
 - (a) the existence of a participation agreement between the parties;
 - (b) the reason for the dispute; and
 - (c) a proposal for a future meeting, physical or not, with a view to settle the dispute amicably.
2. The parties shall meet within twenty (20) working days after the matter has been referred to them and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) working days from the date of the aforementioned notification, either party may refer the matter to the senior management of the parties to resolve the dispute pursuant to paragraph 3.
3. The senior representative of each of the single allocation platform and the registered participant with authority to resolve the dispute shall meet within twenty (20) working days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) working days of the meeting or such longer time as may be agreed then the dispute shall be determined by arbitration in accordance with paragraph 4.
4. Where a dispute is to be referred to arbitration under paragraph 3, either the single allocation platform or the registered participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one (1) arbitrator to be nominated upon agreement of the parties unless a party requests the appointment of three (3) arbitrators. In case of one (1) arbitrator, the parties shall agree on the nomination of the arbitrator within two (2) months after the notice was given by the party referring the dispute to arbitration. If no agreement can be found, the arbitrator shall be appointed

by the ICC Court. In case of three (3) arbitrators the claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each party shall then nominate the chairman of the arbitral tribunal within three (3) working days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in the location of the single allocation platform unless otherwise defined in the participation agreement and in accordance with the governing law of these HAR while the language of the arbitration proceedings shall be English. The emergency arbitrator provisions according to the Rules of Arbitration of the Chamber of Commerce shall not apply but the interim or injunctive relief measures under the governing law shall apply.

5. Arbitration awards shall be final and binding on the single allocation platform and the relevant registered participant as from the date that they are made. The Single allocation platform and the registered participant shall carry out any award of an arbitration relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.
6. Notwithstanding paragraphs 3 and 4 of this Article, the parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arising in connection with these HAR.
7. In cases of late payment and notwithstanding Article 67 and paragraphs 1 to 4 of this Article, a party may bring court proceedings against the other party for any amount due under or in connection with these HAR and unpaid for more than twenty (20) working days after the date the amounts were due.
8. the parties agree that proceedings referred to in paragraph 6 or paragraph 7 may be brought in any competent court to hear such claim. The registered participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum.
9. Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Article, the single allocation platform and the registered participant shall continue to perform their respective obligations under these HAR and the registered participant's participation agreement.
10. This Article survives the termination of the registered participant's participation agreement.

Article 71 Suspension of the participation agreement

1. The single allocation platform may by notice to the registered participant suspend temporarily the registered participant's rights in connection with these HAR with immediate effect if the registered participant commits a major breach of an obligation in connection with these HAR which may have a significant impact on the single allocation platform as follows:
 - (a) if a registered participant fails to pay any amount properly due and owing to the single allocation platform pursuant to Article 67;
 - (b) if a registered participant fails to provide and maintain collaterals in accordance with Article 25;
 - (c) any breach which may have a significant financial impact on the single allocation platform;
 - (d) if the single allocation platform has reasonable grounds to believe that the registered participant no longer satisfies one or more of any other conditions to participate in auctions according to these HAR, unless termination applies according to Article 72;

- (e) if the registered participant does not meet the legal requirements imposed by Article 9(1) of Regulation (EU) 1227/2011;
 - (f) if the registered participant is an affiliate of a company suspended under these HAR;
 - (g) if the registered participant is under economic, financial and/or trade sanctions which may have a significant impact on the single allocation platform.
 2. In any case of a minor breach in relation to these HAR such as but not limited to the failure of the registered participant to notify a change in the submitted information in accordance with Article 9, the single allocation platform may by notice to the registered participant inform the registered participant that its rights in connection with these HAR may be suspended, unless the registered participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed without that such remedy has taken place.
 3. After the suspension takes effect in accordance with paragraphs 1 and 2 of this Article, the following applies:
 - (a) in cases of suspension in accordance with Article 71(1)(a) to (f), the registered participant may no longer participate in an auction or in the transfer or return of long-term transmission rights and unless the payment of the long-term transmission right is fully settled or fully secured by collaterals by the suspended registered participant, the suspended registered participant shall not be entitled to use (nominate or get remunerated) long-term transmission rights according to Title 7.
 - (b) in cases of suspension in accordance with Article 71(1)(g), the registered participant may no longer participate in an auction or in the transfer or return of long-term transmission rights. The suspended registered participant shall not be entitled to use (nominate or get remunerated) long-term transmission rights according to Title 7 and/or receive reimbursement or compensation according to Title 8 and Title 9.
 4. For the avoidance of doubt, the long-term transmission rights, which the registered participant is prohibited from using as a result of such suspension, may be offered by the single allocation platform in subsequent auctions and the single allocation platform shall not remunerate those long-term transmission rights in accordance with Article 48.
 5. The single allocation platform may withdraw a notice under paragraphs 1 or 2 of this Article at any time. Having given a notice under paragraphs 1 or 2 of this Article, the single allocation platform may give a further or other notice at any time in respect of the same or a different suspension event.
 6. Once the registered participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the single allocation platform, the single allocation platform shall reinstate as soon as reasonably practicable the registered participant's rights in relation to use of its allocated long-term transmission rights and its ability to participate in auctions and/or the transfer and return of long-term transmission rights by written notice to the registered participant. As from the date of effect of the reinstatement, the long-term transmission rights allocated prior to the suspension which remain unused, may be nominated in the case of physical transmission rights
 7. If the single allocation platform gives a notice to a registered participant under paragraph 1 or 2 of this Article, such notice of suspension does not relieve the registered participant from its payment obligations under Title 10, including its payment obligations in relation to the long-term transmission rights for which the registered participant loses the right of use pursuant to paragraph 2. For the avoidance of doubt and only in the event of a suspension in accordance with Article 71 paragraph 1 (e), the registered participant is entitled to receive all or part of the amount paid of the original product. The single allocation platform shall perform the return of the amount paid for the original product following the approval of the transfer by the single allocation

platform's banking partner(s).

Article 72 Suspension of the participation agreement

1. A registered participant may at any time request the single allocation platform to terminate the participation agreement to which the registered participant is a party. The termination shall take effect after thirty (30) working days upon receipt of the termination request by the single allocation platform and if all outstanding payment obligations are settled, which for the avoidance of doubt shall include any and all remaining instalments for the entire product period of long-term transmission rights with a product period of one (1) or more months.
2. A registered participant may terminate the participation agreement to which the registered participant is a party for good cause when the single allocation platform has committed a major breach of an obligation connected with these HAR or the participation agreement in the following cases:
 - (a) where the single allocation platform repeatedly fails to pay any amount properly due and owing to the registered participant with a significant financial impact;
 - (b) where there is a significant breach of the confidentiality obligations in accordance with Article 75.
3. The registered participant shall send a notice to the single allocation platform stating the reason for termination and giving the single allocation platform twenty (20) working days to remedy the breach. Unless the single allocation platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. A holder of long-term transmission rights whose participation agreement is terminated under this paragraph is under no obligation to pay remaining instalments for the long-term transmission rights and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.
4. If any of the termination events in paragraph 5 occurs in relation to a registered participant, the single allocation platform may by notice to the registered participant terminate the participation agreement, including the registered participant's rights connected with these HAR. A termination under this paragraph takes effect from the time of the notice or any later time specified in it. The registered participant may not at a later stage enter into the participation agreement with the single allocation platform as long as: (a) the circumstances of termination continue to exist; or (b) it is not sufficiently guaranteed that the breach may not occur again.
5. The termination events referred to in paragraph 4 shall be the following:
 - (a) (a) if the rights of the registered participant are suspended for longer than thirty (30) working days; if a registered participant does not qualify for the participation in the auction as set forth in Article 10;
 - (b) if a registered participant received three single payment incident notifications within the same calendar year from the single allocation platform, as described in Article 67~~8~~ paragraph (3) of these HAR;
 - (c) if a registered participant repeatedly breaches these HAR or a participation agreement, whether or not the breach is capable of remedy;
 - (d) if a competent authority determines that the registered participant has committed a misuse or fraudulent act and requests the single allocation platform to terminate the participation agreement to which such registered participant is a party or agrees that the single allocation platform has reasonable grounds to believe that the registered participant has committed a misuse or fraudulent act in participating in auctions and transfer/return of long-term transmission rights;
 - (e) if the registered participant has taken any action which may lead to the damaging or reduction in effectiveness of the auction tool (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack);
 - (f) if the registered participant has been inactive in the business relationship with the

single allocation platform for more than fifteen (15) months. For the sake of clarity, the single allocation platform shall have notified the registered participant ahead of the upcoming termination;

- (g) if the registered participant is an affiliate of a company suspended under these HAR; or
 - (h) if the single allocation platform's banking partner(s) refuse to put at disposal of the registered participant a dedicated business account.
2. After the termination takes effect in accordance with paragraphs 1 to 3 of this Article and from that time, the registered participant may no longer participate in an auction or in the transfer or return of long-term transmission rights it has acquired. Titles 5, 6 and 7 shall not apply to such acquired long-term transmission rights. For the avoidance of doubt, the long-term transmission rights, which the registered participant is prohibited from using as a result of termination, may be offered by the single allocation platform in subsequent auctions and the single allocation platform shall not remunerate those long-term transmission rights in accordance with Article 48.
 3. Termination of a participation agreement does not affect any rights and obligations under or in connection with the participation agreement and these HAR which arose prior to that termination unless otherwise specified in this Article. Accordingly, any registered participant whose participation agreement is terminated will remain liable, subject to and in accordance with the HAR, in respect of all such rights and liabilities. This paragraph shall apply without prejudice to other remedies available to the single allocation platform under these HAR.

Article 73 Force majeure

1. The single allocation platform or a registered participant, which invokes force majeure, shall promptly send to the other party a notification describing the nature of force majeure and its probable duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of force majeure. The party invoking the force majeure shall make every possible effort to limit the consequences of the force majeure.
2. The affected obligations, duties and rights of a party subject to force majeure shall be suspended from the beginning of force majeure, with the exception of the confidentiality provisions in accordance with Article 75.
3. Suspension under paragraph 2 is subject to the following:
 - (a) suspension will be of no greater scope and of no longer duration than is required by the force majeure;
 - (b) the suspension applies only for so long as the party invoking to force majeure is using reasonable efforts to remedy their inability to perform.
4. The consequences of a force majeure event, which is not subject to any discussion or litigation between the single allocation platform and the registered participant, are:
 - (a) the party invoking force majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations during the force majeure and when such non-performance or partial performance is due directly to force majeure;
 - (b) the acquired long-term transmission rights which have been entirely paid and become subject to force majeure are reimbursed for the duration of the force majeure in accordance with any applicable legislation and these HAR; and
 - (c) where the long-term transmission rights' holder is the party claiming the force majeure event, the single allocation platform may, for its own benefit, reallocate the holder's long-term transmission rights to the subsequent auctions and for the duration of the force majeure event.

5. If the force majeure continues for a period longer than six (6) months, the single allocation platform or each registered participant may, by notice to the other given at any time while the force majeure continues beyond that period, unilaterally terminate the participation agreement. The termination shall take effect ten (10) working days after the notice is given or any later date specified in the notice. A holder of long-term transmission rights whose participation agreement is terminated under this paragraph is under no obligation to pay remaining instalments for the long-term transmission rights' and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.
6. For avoidance of doubt this Article is without prejudice to the provisions of Title 9 regarding the curtailment of long-term transmission rights.

Article 74 Notices

1. Any notice or other communication to be given under or in connection with these HAR shall be in English.
2. Unless otherwise expressly provided in these HAR, all notices or other communications shall be in writing and shall be sent by electronic means as specified by the single allocation platform on its website and marked for the attention of the other party's representative as set out in the participation agreement or as notified by the registered participant from time to time in accordance with Article 9.
3. All notices or other communications shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:
 - (a) the conclusion of the participation agreement in accordance with Article 6;
 - (b) the suspension and termination according to Article 71 and Article 72; and
 - (c) the submission of the bank guarantee, in the event the bank guarantee includes handwritten signature(s), in accordance with Article 21(3).
4. All notices or other communications shall be deemed to have been received:
 - (a) in the case of delivery by hand, when delivered against receipt; or
 - (b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or
 - (c) in the case of sent by electronic means as specified by the single allocation platform on its website, when delivered to the other party but only if an acknowledgement of receipt is requested and obtained by the party sending by electronic means as specified by the single allocation platform on its website.
5. If a notice or other communication has been received outside normal working hours on a working day, it is deemed to have been received at the opening of business on the next working day.

Article 75 Confidentiality

1. The participation agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.
2. Subject to paragraph 3 of this Article, the single allocation platform and each registered participant who is a recipient of confidential information in relation to these HAR shall preserve the confidentiality of such information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.

3. Notwithstanding paragraph 2 of this Article, the single allocation platform or a registered participant may disclose confidential information of a disclosing party to a third party with the other party's prior consent expressed in writing and subject to the condition that the receiving party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in these HAR directly enforceable by the other party.
4. Notwithstanding paragraph 2 of this article the single allocation platform or a registered participant may disclose confidential information of a disclosing party:
 - (a) to the extent expressly permitted or contemplated by the HAR;
 - (b) to any person who is one of the directors, officers, employees, agents, advisers or insurers of the recipient and who needs to know the confidential information in connection with these HAR;
 - (c) as far as required in order to comply with applicable national or EU legislation such as Regulation (EU) No 1227/2011 and Regulation (EU) No 543/2013 or any other relevant domestic administrative acts such as grid codes;
 - (d) as far as required by a court, arbitrator or administrative tribunal or an expert in the course of proceedings before it to which the recipient is a party;
 - (e) as may be required by the relevant TSOs for the proper fulfilment of their mission and their obligations in accordance with applicable laws and these HAR by themselves or through agents or advisers; or
 - (f) as far as required in order to obtain clearances or consents from a competent authority.

Article 76 Assignment and subcontracting

1. The single allocation platform may assign, novate or otherwise transfer any of its rights or obligations under a participation agreement or these HAR to another single allocation platform. The single allocation platform shall notify the registered participants of the change by electronic means as specified by the single allocation platform on its website with acknowledgment of receipt as soon as possible and in any event at least ten (10) working days before the date on which the change takes effect.
2. Without prejudice to Article 41, a registered participant may not assign, novate or otherwise transfer any of its rights or obligations under its participation agreement or these HAR without the prior written consent of the single allocation platform.
3. Nothing in this Article shall prevent the single allocation platform or registered participant from entering into a subcontracting agreement in relation to these HAR. Entry into a subcontracting agreement by a registered participant does not relieve the registered participant of any obligation or liability under its participation agreement or these HAR. Entry into a subcontracting agreement by the single allocation platform does not relieve the single allocation platform of any obligation or liability under these HAR.

Article 77 Governing law

These HAR shall be governed by and construed in all respects in accordance with the law of the location of the registered office of the single allocation platform unless otherwise specified in the participation agreement.

Article 78 Language

The reference language for these HAR shall be English. For the avoidance of doubt, where TSOs need to translate these HAR into their national language(s), in the event of inconsistencies between the English version published by TSOs in accordance with Article 4(13) of the FCA Regulation and any version in another language, the relevant TSOs shall, in accordance with national legislation, provide the relevant national regulatory authorities with an updated

translation of these HAR.

Article 79 Intellectual property

No Party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other Party in connection with these HAR.

Article 80 Relationship of the parties

1. The relationship of the single allocation platform and the registered participant is that of service provider and service user respectively. Except as expressly provided in these HAR, nothing contained or implied in these HAR constitutes or is deemed to constitute the single allocation platform or a registered participant, the partner, agent or legal representative of the other for any purpose whatsoever including transfer of long-term transmission rights or create or be deemed to create any partnership, agency or trust between the parties.
2. The registered participant acknowledges that neither the single allocation platform nor any person acting on behalf of or associated with the single allocation platform makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these HAR, the participation agreements or the disclosed information or otherwise in relation to or in connection with these HAR, the participation agreements and the disclosed information or any transaction or arrangement contemplated by these HAR, the participation agreements and the disclosed information except as specifically provided in these HAR or the Participation Agreement.

Article 81 No third party rights

The single allocation platform and each registered participant acknowledge and agree that a person who is not a party to the participation agreement between them, including any other market participant, has no rights to enforce these HAR or the participation agreement as between the single allocation platform and that registered participant.

Article 82 Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under these HAR shall impair or constitute a waiver of such or any other right, power or remedy. No single or partial exercise of any such right, power or remedy precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under these HAR.
2. Any waiver of any right, power or remedy under these HAR must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 83 Entire agreement

These HAR and the participation agreement contain or expressly refer to the entire agreement between the single allocation platform and each registered participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersedes all previous agreements and understandings between the single allocation platform and each registered participant with respect thereto. The single allocation platform and each registered participant acknowledge and confirm that none of them accede to these HAR or the participation agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these HAR or the participation agreement.

Article 84 **Remedies exclusive**

The rights and remedies provided by these HAR and the participation agreement to the single allocation platform and each registered participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of these HAR and the participation agreement. Accordingly, the single allocation platform and each registered participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these HAR and the participation agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 85 **Severability**

If any provision of these HAR or a participation agreement is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration or by order of any competent authority, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of these HAR and the participation agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality. Any invalid, illegal, void and/or unenforceable part(s) or provision(s) shall be replaced by valid, legal and/or enforceable part(s) or provision(s) in order to achieve the intended economic and legal effect.

ANNEX 1

List of TSOs subject to the approved HAR:

- APG - Austrian Power Grid AG
- AST - AS “Augstsprieguma tīkls”
- BCAB – Baltic Cable AB
- Elia - Elia Transmission Belgium SA/NV
- ESO - Electroenergien Systemen Operator EAD
- Croatian Transmission System Operator Plc. (HOPS d.d.)
- ČEPS - ČEPS a.s.
- Energinet - Energinet
- Elering - Elering AS
- Fingrid - Fingrid Oyj
- RTE - Réseau de Transport d'Electricité, S.A.
- Amprion - Amprion GmbH
- TransnetBW -TransnetBW GmbH
- TenneT GER - TenneT TSO GmbH
- 50Hertz - 50Hertz Transmission GmbH
- IPTO - Independent Power Transmission Operator S.A.
- MAVIR ZRt. - MAVIR Magyar Villamosenergia-ipari Átviteli Rendszerirányító Zártkörűen Működő Részvénytársaság ZRt.
- EirGrid - EirGrid plc
- Terna S.p.A.
- TenneT TSO - TenneT TSO B.V.
- PSE - Polskie Sieci Elektroenergetyczne S.A.
- REN - Rede Eléctrica Nacional, S.A.
- CNTEE Transelectrica SA – Compania Nationala de Transport al Energiei Electrice
- SEPS - Slovenská elektrizačná prenosová sústava, a.s.
- ELES - ELES, d.o.o.
- Red Eléctrica – Red Eléctrica de España, S.A. unipersonal
- SONI - System Operator for Northern Ireland Lt