

Interconnexion France-Angleterre (France-England Interconnector)

IFA Access Rules

Issue 7.0

IFA Access Rules

Preamble (not forming part of the Rules)

The French and British transmission systems are connected by a 2,000MW Interconnector between Les Mandarins in France and Sellindge in England known as the Interconnexion France-Angleterre. The Interconnector will support electricity trading in both directions. The Interconnector is jointly operated by NGIL and RTE.

NGIL and RTE have opened the Interconnector to third parties by offering rights to use the Interconnector commencing on 1 April 2001.

These are the IFA Access Rules established by NGIL and RTE for allocating rights to use the Interconnector by auction and setting out the terms of use.

Please refer to the IFA User Guide for general guidance about participation in auctions and background information about use of the Interconnector.

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SECTION A: GENERAL INTRODUCTION

Rule A1: Introduction

Scope

A1.1 These Rules set out:

- (a) the procedures for auctioning rights to use Interconnector Capacity;
- (b) the terms on which Users may participate in Auctions; and
- (c) the terms for use of Interconnector Capacity.

Structure

A1.2 The Rules are divided into six sections as follows:

- (a) Section A: General Introduction;
- (b) Section B: Rules Applicable to Participation;
- (c) Section C: Financial Matters Applicable to these Rules;
- (d) Section D: Auction Rules;
- (e) Section E: Capacity Usage Rules; and
- (f) Section F: General Conditions.

A1.3 The Rules also contain five Schedules as follows:

- 1. Definitions and Interpretation;
- 2. Form of IFA User Agreement;
- 3. Standing Data;
- 4. Business Rules for User of Interconnector Capacity; and
- 5. Deemed Metered Volume Allocation.

Rule A2: Parties and participation

Participation in Auctions and Use of Interconnector

- A2.1 A person wishing to participate in any Auction and/or Secondary Market, and wishing to use Interconnector Capacity shall comply with Rule B2 and agrees to be bound by and comply with these Rules.

Operators

- A2.2 NGIL and RTE operate the Interconnector jointly. Together, they are the Operators referred to in these Rules and are jointly and severally liable for all acts and omissions of the Operators under these Rules.
- A2.3 NGIL and RTE may commission a third party to operate the Auctions and/or the processes in relation to Secondary Market and Nominations on behalf of the Operators.

IFA User Forum

- A2.4 The Operators will from time to time, and at least once per year, invite Users to meet with the Operators to discuss future Auctions and the commercial and operational aspects in relation to the Interconnector. Details of those who may attend the meetings, the agenda and location will be notified by the Operators within a reasonable time before the meeting.

Rule A3: Definitions and interpretation

Definitions

A3.1 In these Rules, unless the context otherwise requires, capitalised words and phrases have the meaning given to them in Part I of Schedule 1.

Interpretation

A3.2 The rules of interpretation applicable to these Rules are set out in Part II of Schedule 1.

Time

A3.3 All timings referred to within these Rules are CET time, unless otherwise stated.

Rule A4: Amendment

Amendment

- A4.1.1 The Operators are entitled to amend these Rules from time to time by giving an Amendment Notice to Users.
- A4.1.2 Nothing in this Rule A4 shall prevent a User from proposing in writing amendments to these Rules at any time.
- A4.1.3 In the event that a Rule amendment is proposed by a User, the Operators shall, within 5 Business Days, confirm receipt of the proposed amendment and provide timescales for consideration of the proposal.

Effective time

- A4.2 Subject to Rule A4.5, an amendment made under Rule A4.1.1 takes effect from the later of:
- (a) the start of the Contract Day commencing 10 Business Days after the Amendment Notice is notified to Users by the Operators; or
 - (b) the date and time specified in the Amendment Notice.

Application

- A4.3.1 Each amendment applies to any aspect of these Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.
- A4.3.2 Unless expressly stated otherwise by the Operators, the amended Rules shall govern all rights to use Interconnector Capacity and all other rights and obligations acquired under these Rules including those acquired before but for use after the amendment takes effect.
- A4.3.3 Any amendment of these Rules will apply automatically to the IFA User Agreement in force between the Operators and the User, without the need for the IFA User to sign the amended Rules but without prejudice to the IFA User's right to request termination of its IFA User Agreement in accordance with Rule F6.2.

User comments

- A4.4 Before making any amendment to these Rules under Rule A4.1.1, the Operators will, unless the amendment is urgent or minor in its nature, give Users a reasonable opportunity, and in any event not less than 10 Business Days, to review and give written comments to the Operators on the proposed amendment. If the Operators decide to modify a proposed amendment as a result of comments from Users, they may give Users a further opportunity to review and comment on the modified proposals under this Rule indicating timescales for provision of such comments.

Amendments due to legal requirements

A4.5 These Rules are subject to the law prevailing at the time at which they take effect. In the event that there is a change in law or any action by Competent Authorities at national or international level which have an effect on these Rules then, notwithstanding any other provision of these Rules, the Rules will be amended accordingly and, where possible, pursuant to this Rule A4.

Rules approval

A4.6 These Rules are approved by the relevant regulatory authorities. Accordingly, any Amendment Notice will be issued to Users only after such approval(s) (as required) has/have been received by the Operators. Following receipt of such approval(s) the amended Rules will be published on the websites of the Operators.

Business process timings

A4.7 Schedule 4 and its Appendix contain the timings of the IFA processes. Modifications may be made to this Schedule 4 and its Appendix by the Operators to reflect changes in either the French or British electricity markets and/or changes to IFA operational practices by giving at least 10 Business Days notice to Users.

Long Term products

A4.8 Schedule 6 contains the list of Long Term products available on the Interconnector at the time of entry into force of these Rules. Modifications may be made to Schedule 6 by means of notification on the Operators' website and/or as specified in the relevant Auction Specification.

SECTION B: RULES APPLICABLE TO PARTICIPATION

Rule B1: Introduction

Scope

B1.1 This Section B of the Rules sets out Rules which are applicable to participation by Users in Auctions, the Secondary Market and the Nominations process.

Structure

B1.2 Section B is divided into four Rules as follows:

- (a) Rule B1: Introduction;
- (b) Rule B2: Participation Requirements;
- (c) Rule B3: IFA User Agreement; and
- (d) Rule B4: User Systems.

Rule B2: Participation Requirements

Eligibility

- B2.1 To be eligible to participate in the Auctions, the Secondary Market and the Nominations process, a person must satisfy the following conditions:
- (a) be a party to an IFA User Agreement with the Operators (see Rule B3);
 - (b) not have had its eligibility to participate suspended under Rule F6.3.1 (unless it has been reinstated under Rule B2.3);
 - (c) have provided Payment Security in accordance with Rule C3;
 - (d) have given its Standing Data to the Operators in accordance with Rule B3.8;
 - (e) have established its interface between its User System and the CMS in accordance with Rule B4 to the reasonable satisfaction of the Operators;
 - (f) be a party to the following agreements:
 - (i) a Use of System Interconnector Agreement with NGET and the Framework Agreement established under CUSC;
 - (ii) a Framework Agreement as defined in the Balancing and Settlement Code; and
 - (iii) an *Accord de Participation* with RTE.

Eligibility Notice

- B2.2.1 A User may not submit any Bid in an Auction and/or participate in the Secondary Market and/or, as the case may be, Nominate, until the Operators have provided the User with a notice (“Eligibility Notice”) stating that the Operators are satisfied that the User has complied with the requirements of Rule B2.1. Subject to receipt by the Operators of an acknowledgement of receipt of the Eligibility Notice from the User pursuant to Rule B2.2.2 below, the Eligibility Notice will take immediate effect.
- B2.2.2 The User shall immediately (and in any case before submitting any Bid in an Auction and/or participating in the Secondary Market and/or, as the case may be, Nominating) acknowledge receipt of the Eligibility Notice by e-mail.
- B2.2.3 Once effective in accordance with Rule B2.2.1, the User is eligible to participate in Auctions and the Secondary Market and/or, as the case may be, to make Nominations.

Suspension and Reinstatement

- B2.3 A User, in receipt of a notice under Rule F6.3.1, is prohibited from submitting Bids in any Auction and/or participating in the Secondary Market and/or, as the case may be, from Nominating, from the date its eligibility is suspended until the Operators give the User a further Eligibility Notice.

Regulatory and legal requirements

- B2.4 It is the responsibility of each User to ensure that it has complied with all requirements, including Applicable Laws and the requirements of any Competent Authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Interconnector Capacity. Examples of such requirements include licences or other forms of authorisation from the electricity or financial services regulators.

Costs of participation

- B2.5 All Users will participate in Auctions and/or the Secondary Market, and/or will Nominate at their own cost, expense and risk. Neither Operator will be liable to any person for any cost, claim, or expense of any User in connection with the User participating in Auctions, Secondary Market and/or Nominations process.

Other issues

- B2.6.1 All Users participate in Auctions on the terms of these Rules and the relevant Auction Specifications.
- B2.6.2 There must be no collusion by any User with any other User and Users must not otherwise seek improperly to influence the outcome of any Auction. As a result of evidence of collusive or other improper behaviour which might be considered as unlawful, the Operators will refer the matter to the relevant Competent Authorities or jurisdictions, inform the Regulators and, upon decision of the Competent Authority or jurisdiction that the User's behaviour is unlawful, may disqualify the relevant Bids.

Rule B3: IFA User Agreement

Application for an agreement

- B3.1 Any person (“Applicant”) may apply to enter into an IFA User Agreement with NGIL and RTE by submitting a completed Application Form to the Operators together with all the information and documents required by the Application Form.
- B3.2 The Applicant must complete one Application Form only and can only enter into one IFA User Agreement at any one time. These documents shall apply until terminated in accordance with the terms of these Rules and may be amended from time to time, in respect of all IFA activities.

Form of Application Form

- B3.3 The form of the Application Form and the requirements for its completion will be specified by the Operators from time to time. As a minimum, the Application Form will require the Applicant to:
- (a) identify itself and provide its contact details and names of authorised representatives; and
 - (b) agree to be bound by and comply with Rule B3.7 (Costs of application).

Return of agreements

- B3.4 Once the Applicant has submitted an Application form and sent the relevant information required under this Rule B3, the Applicant can sign the IFA User Agreement and thus send it in triplicate to the Operators. The Operators will return one copy of the IFA User Agreement executed by them to the Applicant concerned within 20 Business Days of the IFA User Agreement being received. Execution of the IFA User Agreement by the Operators will not waive any Eligibility Condition and does not itself confer Eligibility or indicate compliance with any other Eligibility Condition.

Additional information

- B3.5 The Operators may ask an Applicant to provide additional or outstanding information reasonably required to enable the Operators to execute the IFA User Agreement (for example if the Applicant fails to include all necessary information with its Application Form). In such case, the 20 Business Days referred to in Rule B3.4 ceases to run from the date of the request until the information is provided.

Refusal

- B3.6 The Operators may refuse to enter into an IFA User Agreement with an Applicant:
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- (a) if the Operators have previously terminated an IFA User Agreement with the Applicant pursuant to Rule F6 as a result of a failure by the User (as it was at the time) to pay any amount owed under or in connection with these Rules and the User has not paid all amounts owed by it to the Operators in connection with that termination;
- (b) if the act of the User causes NGIL to breach any condition of the NGIL Interconnector Licence; or
- (c) if the act of the User causes RTE to breach any condition of the French Electricity law or regulation.

Costs of application

B3.7 Applicants apply for eligibility to participate in Auctions at their own cost and expense.

Information provided by Users

B3.8.1 Applicants and Users must provide the Operators with the data and information in Schedule 3 (“Standing Data”) before they are eligible to participate in any Auction. Initially, the information will be provided by Users in their Application Forms.

B3.8.2 An Applicant or a User must notify the Operators if there is any change to the Standing Data at least 10 Business Days before the change comes into effect and, where that is not possible, as soon as practicable after the User becomes aware of the change.

B3.8.3 An Applicant or User must notify the Operators if it does not consent to the Operators publishing its name as Unit Holder for the facilitation of the Secondary Market. For the avoidance of doubt, an Applicant or User need only send notification of lack of its consent in this regard once in relation to all subsequent Auctions and/or the Secondary Market. An Applicant or User may subsequently decide to allow publication of its name by notifying the Operators accordingly.

B3.8.4 Pursuant to any notification sent by the User in accordance with Rule B3.8.3, the Operators will reflect such notification in the CMS as soon as practicable and in any event within two (2) Business Days of the receipt of the notification.

Accuracy and completeness

B3.9 Each User must ensure that all data and other information that it provides to the Operators pursuant to these Rules (including information in its Application Form) is and remains accurate and complete in all material respects and must promptly notify the Operators of any change.

Rule B4: User Systems

General requirement

- B4.1 Each User must establish and maintain, at its own cost, its own User Systems. The Operators shall have no liability in the event that the User's System fails, for any reason, to communicate with the CMS.

Interfaces with the Capacity Management System (CMS)

- B4.2 The Operators will give Users the information (including updates as applicable) reasonably necessary to enable User Systems to interface with the CMS.

Interface testing

- B4.3.1 Each User must demonstrate to the reasonable satisfaction of the Operators its ability to exchange information with the CMS before being eligible to participate in the Auctions, the Secondary Market and the Nominations process.
- B4.3.2 In this context, the Operators shall endeavour to give access to Users to a CMS test platform to test their interfaces.

Security and confidentiality of communications

- B4.4.1 The Operators may from time to time, where reasonably necessary for the purpose of protecting the security and authenticity of communications under these Rules, including those between the CMS and User Systems, establish communication protocols and standards with which Users must comply.
- B4.4.2 Users accept that data sent to CMS is binding, and that Users are fully responsible for those individuals who have access to the CMS on behalf of the User.

Training

- B4.5 Standard Training for the use of CMS is available to the IFA User upon request to the Operators. The Operators will discuss with the User the training required in order to determine the nature and extent of such request. When the scope of the required training is agreed, the Operators will use reasonable endeavours to organise such Standard Training to commence within 10 Business Days of such agreement, the duration of which Standard Training to be a maximum of 2 days.
- B4.6 Standard Training for the use of CMS is available to the Users free of charge up to a maximum of four sessions per User per year.

SECTION C: FINANCIAL MATTERS APPLICABLE TO THESE RULES

Rule C1: Introduction

Scope

C1.1 This Section C of the Rules sets out Rules which are applicable to invoicing, payments and payment security.

Structure

C1.2 Section C is divided into three Rules as follows:

- (a) Rule C1: Introduction;
- (b) Rule C2: Invoicing and Payment; and
- (c) Rule C3: Payment Security.

Rule C2: Invoicing and Payment

Obligation to pay independent of use

C2.1 Each User must pay the Operators the Unit Prices for all Unit Quantities acquired even if all or some of the Units have been Resold or Capacity Transferred as set out in Rule E4, or if the User does not use the corresponding Interconnector Capacity.

Currency

C2.2.1 All prices set out according to Rule C2 are indicated in euros, except for the Transmission system charge described in paragraph C2.3.2.

C2.2.2 All payments made according to Rule C2 must be in euros, except for the Transmission system charge described in paragraph C2.3.2.

Transmission system charge

C2.3.1 Each Unit Holder must, in addition to the payment of Units, pay the Transmission Pass-Through Charges in relation to the Interconnector. The basis of the Transmission Pass-Through Charges are described in NGIL's annual Charging Methodology Statement .

C2.3.2 NGIL will invoice separately for the Transmission Pass-Through Charge. Amounts due under this Rule C2.3.1 must be paid in pounds sterling to the bank account notified in the invoice.

Invoices

C2.4.1 Unless notified otherwise, NGIL will invoice the User for the Units acquired in the direction "England to France", and RTE will invoice the User for the Units acquired in the direction "France to England".

C2.4.2 No later than the 11th Business Day of each month M, each Operator will send by postmail (or by any other means as indicated from time to time by the Operators) to the User an invoice or credit note stating:

- (a) the monthly instalments payable by the User in respect of the portion related to month M+1 of Long-Term Units, the Product Period of which is equal or greater than one month, and the allocation of which will have taken place before the 3rd Business Day of month M. The monthly instalment payable is calculated as the product of the Unit Quantity and the Unit Price across the total Product Period, prorated by one month over the total number of months in the Product Period, rounded down to the nearest Euro cent for each monthly instalment, with the balance in the last monthly instalment. For example, a Unit with Product Period

of a calendar year allocated before the 3rd Business Day of December will be invoiced in twelve (12) monthly instalments, starting in December and ending in November of the following year;

- (b) the monthly instalments payable by the User in respect of the portion related to month M of Long-Term Units, the Product Period of which is equal or greater than one month, and the allocation of which will have taken place after or on the 3rd Business Day of month M-1. The monthly instalment payable is calculated according to the same rule as in Rule C2.4.2(a);
- (c) the amount payable by the User in respect of Units, the Product Period of which is less than one (1) month and starts in month M-1, calculated as the product of the Unit Quantity and the Unit Price ;
- (d) the monthly instalments payable by the Operators to the User in respect of the portion related to month M+1 of Units Resold in Long-Term Auctions, the Product Period of which is equal or greater than one month, and the allocation of which will have taken place before the 3rd Business Day of month M. The monthly instalment receivable is calculated as the product of the Resold Unit Quantity and the Unit Resale Price, prorated by one month over the total number of month in the Product Period, rounded down to the nearest Euro cent for each monthly instalment, with the balance in the last monthly instalment. For example the Resale of a Unit having a Product Period from January to March is credited in 3 monthly instalments, starting in December the year before and ending in February;
- (e) the monthly instalments payable by the Operators to the User in respect of the portion related to month M of Units Resold in Long-Term Auctions, the Product Period of which is equal or greater than one month, and the Resale of which will have taken place after or on the 3rd Business Day of month M-1. The monthly instalment receivable is calculated according to the same rule as in Rule C2.4.2(d);
- (f) the amount payable by the Operators in respect of the Units Resold in Auctions, the Product Period of which is less than one month and starts M-1, calculated as the product of the Resold Unit Quantity and the Unit Resale Price;
- (g) the amount payable by the Operators in respect of Unused Units (as set out in Rule E5.2), and in respect of Contract Days within M-1, calculated as the product of the Unused Unit Quantity and the corresponding Auction Price of the Auction at which the Unused Units are re-allocated;
- (h) where practicable, the notification of the portion related to month M-1 of the Units subject to Capacity Transfer by or to the User;
- (i) any amounts payable or credits due to the User by the Operators under Rule E8 (Curtailed Reconciliation);
- (j) any amount payable by the User to the Operators for any training requested by the Users, in addition to the Standard Training provided to the use of the CMS pursuant to Rules B4.5 and B4.6;

- (k) any Taxes payable by the User or the Operators in respect of amounts in the invoice;
- (l) the total amounts payable by the User to the Operators under that invoice (or receivable by the User from the Operators under that credit note); and
- (m) any other information required to be included in the invoice under English or French law.

C2.4.3 Where an invoice issued by the Operators does not contain full background data for the derivation of invoice summary amounts, then the User may consult the CMS to obtain such background data.

Payment of invoices

- C2.5.1 In case of a debit, the User must pay the full value invoiced to it under this Rule C2 in full, free of any charge, set off or counterclaim, by the due date for payment, even if it disputes any amount in the invoice, by making payment to the bank account notified from time to time to the User by the Operators for the purpose of these Rules.
- C2.5.2 In case of a credit note, the Operator must pay the full value invoiced to it under this Rule C2 in full, free of any charge, set off or counterclaim, by the due date for payment, even if it disputes any amount in the invoice, by making payment to the bank account notified from time to time to the Operator by the User for the purpose of these Rules.
- C2.5.3 Payments are due no later than fourteen (14) calendar days after the date of issuance of the invoice. If the day that payment is due is not a Business Day, then the payment is due on the next Business Day.

Payment disputes

- C2.6.1 Subject to Rule C2.8, if a User disputes an invoice (or credit note) rendered under this Rule C2, then it must as soon as practicable and in any event within ten (10) Business Days after the date of issuance of the invoice (or credit note) notify the Operators by registered mail of the nature of the dispute and the amount in dispute. The Notification of a dispute does not suspend any obligation to pay the amounts invoiced. If the User and the Operators are unable to resolve the difference within ten (10) Business Days of the notice then such difference will constitute a Dispute which will be submitted for resolution in accordance with Rule F8 (Dispute resolution).
- C2.6.2 If it is agreed or determined pursuant to Rule F8 that an amount paid by the User was not properly payable then the Operators will refund such amount to the User no later than twenty (20) Business Days after the agreement or determination.
- C2.6.3 If it is agreed or determined pursuant to Rule F8 that an amount paid by the Operator was not properly payable then the User will refund such amount to the Operator no later than twenty (20) Business Days after the agreement or determination.

Late payments

C2.7 Without prejudice to the other rights of the Operators and Users, interest will be charged without further notice on amounts due for payment by a User or by the Operators but unpaid at the date due for payment at the rate of ten percent (10%) per annum above the interest rate applied by the European Central Bank for the main refinancing operations. This interest shall be charged from the date due for payment until the date of actual payment. In all cases the minimum amount to be charged for late payment is one hundred and forty euros (€140). Interest will be charged without further notice. Interest will be increased to include taxes and levies in force.

Payment Incident

C2.8.1 Without prejudice to the other rights of the Operators, if all amounts due for payment by the User to the Operators are not paid in full by the User within five (5) Business Days after the due date for payment, the Operators will register a Payment Incident and inform the User by formal notice.

C2.8.2 Immediately after registering a Payment Incident pursuant to Rule C2.8.1, the Operators may invoke the Credit Cover.

C2.8.3 From the day of notice of a Payment Incident, the rights of the User to participate in Auctions or in the Secondary Market and to Nominate the Units that are the subject of the Payment Incident may be suspended by the Operators as set out in Rule F6. This suspension will run until the two following conditions are cumulatively met:

- (a) The User pays the Operators all overdue invoices and all interests for late payments, and
- (b) the User readjusts its Credit Cover as necessary to the level required pursuant to Rule C3.5 to cover its unpaid commitments.

Provided that the two above conditions are met, the User is entitled to request the Operators to end its suspension. The Operators will formally end the suspension by notice to the User as described in B2.3.

C2.8.4 The User agrees that, at anytime during the period of suspension of this User pursuant to rule C2.8.3, the Operators may Resell the Units acquired by it and that are the subject of the Payment Incident. In this event the proceeds of the Resale shall not be returned to the User, and the Operators shall not be liable for any direct or indirect loss or liabilities which the User may suffer or incur as a result of a Resale under this Rule.

Taxes

C2.9 Taxes at the rate and to the extent applicable will be applied to all amounts invoiced under these Rules.

Rule C3: Payment Security

Credit Cover for Unit Holders

C3.1 Credit Cover must be provided and subsequently maintained in accordance with this Rule C3.

Form of Credit Cover

C3.2 Credit Cover must be in the amount calculated under Rule C3.5, in Euros and must be in the form of:

- (a) a Letter of Credit; and/or
- (b) a cash deposit in a Deposit Account established and notified by the Operators.

C3.3 If the Credit Cover is provided in the form of a Letter of Credit, the letter must have a Validity Period extending until at least one month after the first date on which the User, if its Bid is accepted, would be required to make a payment of an instalment for the Units acquired.

C3.4 Credit Cover that is provided by means of cash on deposit will receive interest, and be subject to relevant bank charges.

Amount of Credit Cover

C3.5 The minimum amount of Credit Cover required by the Operators at any time shall be such that the Auction Credit Limit, as described in Rule C3.6, shall be greater than or equal to zero at all times.

Auction Credit Limit

C3.6 An Auction Credit Limit is calculated for each User in respect of each Auction. A User will only be able to participate in an Auction if its Auction Credit Limit, in respect of that auction, is greater than zero. The Auction Credit Limit is calculated as follows:

$$ACL = CC - UNL$$

Where: **CC = Credit Cover**, as confirmed in place immediately prior to the Auction commencement.

UNL = Unpaid Net Liabilities, calculated as: $UNL = UL - UC$, where:

UL = Unpaid liabilities, in respect of Units allocated to the User, calculated at the commencement of the Auction in question. In respect of Units of Product

Period greater than one (1) month, one (1) continuous month of liability will be considered in this calculation from the day of allocation of the Unit until the day of payment of the last instalment of this Unit.

UC = Unpaid Compensations in respect of Units Resold and Unused Units, calculated at the commencement of the Auction in question. In respect of Units resold in Auctions of Product Period greater than one (1) month, one (1) continuous month of liability will be considered in this calculation from the day of Resale of the Unit until the day of payment of the last instalment of this Unit.

For the purpose of Auction Credit Limit calculation, unpaid liabilities and unpaid compensations are increased to include the taxes and levies in force.

- C3.7 The potential maximum commitment associated with any Bid, taking into account taxes and levies in force, will be assessed against the Auction Credit Limit. In the case of Long Term Auctions with a Product Period greater than one (1) month, one (1) month of potential maximum commitment associated with the Bid will be considered. (For example, in an Auction with a Product Period of a year where the Auction Credit Limit is one hundred Euros (€100), Bids will be permitted up to a level that create a total Product Period commitment of one thousand and two hundred Euros (€1,200)).
- C3.8 Any Bid that breaches the Auction Credit Limit shall be automatically rejected, and the User may submit a revised lower Bid (provided the Bidding Period has not closed).
- C3.9 Any Bid submitted to an Auction will be used to calculate a revised Auction Credit Limit for any concurrent Auction.

Changes to Credit Cover

- C3.10 A User may request an increase of its Credit Cover at any time. All such requests must be received and approved by the Operators. The increased Credit Cover shall be reflected in the User's Auction Credit Limit:
- (a) at the time specified by the User and approved by the Operators; or
 - (b) in the absence of any time specified by the User, within two (2) hours of the Operators' approval.
- C3.11 A User may at any time request a decrease of its Credit Cover, such request to specify a certain time in the future at which such decrease in credit cover is requested to take effect. All such requests must be received and approved by the Operators. Provided that the reduced value at the specified time does not cause the Auction Credit Limit to be reduced below zero (0) at such specified time then the requested decrease shall be approved by the Operators, otherwise the request shall be rejected by the Operators.
- C3.12 Where a User has requested a decrease of Credit Cover that is in the form of a cash deposit, and where such request has been approved by the Operators

pursuant to Rule C3.11, the associated funds shall be returned to the User within ten (10) Business Days of the approval.

Calls on Credit Cover

C3.13.1 The Operators are entitled to call the Credit Cover of a User in the event of a Payment Incident pursuant to Rule C2.8.

C3.13.2 If the Credit Cover of a User is called in accordance with Rule C3.13.1, and where such call would cause the Auction Credit Limit to fall below zero (0), the User shall restore the Credit Cover to at least the minimum amount required by Rule C3.5 within two (2) Business Days of the call.

Credit Cover Renewal

C3.14.1 If the Credit Cover of a User, in the form of a Letter of Credit, is due to expire, the User shall renew the Credit Cover to at least the minimum amount required by Rule C3.5 and with a Validity Period in no shorter than that specified in Rule C3.3, not less than thirty (30) Business Days before it is due to expire.

C3.14.2 Where a User wishes to renew its Letter of Credit, it shall use its reasonable endeavours to achieve this by providing a new Letter of Credit and not an amendment to its existing Letter of Credit.

Credit Cover Incident

C3.15.1 Without prejudice to the other rights of the Operators, if the Credit Cover is not renewed in accordance with Rule C3.14.1, or not restored in accordance with Rule C3.13.2, or a substitute Letter of Credit is not procured in accordance with C3.16, the Operators will register a Credit Cover Incident and inform the User by formal notice.

C3.15.2 From the day of notice of a Credit Cover Incident, the rights of the User to participate in Auctions or in the Secondary Market and to Nominate Units may be suspended as set out in Rule F6.3.1(a) and F6.3.1(b). This suspension will run until the User restores its Credit Cover to the minimum amount required pursuant to Rule C3.5 and the User's eligibility is reinstated as described in B2.3.

C3.15.3 The User agrees that, at anytime during its suspension pursuant to Rule C3.15.2, the Operators may Resell the Units that such User is prohibited from using during the period of such suspension in accordance with Rule F6.3.1. In this event the proceeds of the Resale shall not be returned to the User, and the Operators shall not be liable for any direct or indirect loss or liabilities which the User may suffer or incur as a result of a resale under this Rule.

Bank's credit rating

C3.16 If the bank issuing a User's Letter of Credit ceases to have the credit rating set out in the definition of Letter of Credit, the User shall within two (2) Business Days

procure the issue of a substitute Letter of Credit by a bank that has such a credit rating or shall deposit cash in a Deposit Account.

SECTION D: AUCTION RULES

Rule D1: Introduction

Scope

D1.1 This Section D of the Rules sets out the Rules relating to the Auction processes.

Structure

D1.2 Section D is divided into seven Rules as follows:

- (a) Rule D1: Introduction;
- (b) Rule D2: Types of Auctions;
- (c) Rule D3: Long Term Auctions;
- (d) Rule D4: Daily Auctions;
- (e) Rule D5: Intraday Auctions;
- (f) Rule D6: Submission of Bids; and
- (g) Rule D7: Allocation.

Rule D2: Types of Auctions

Types of Auctions

D2.1.1 Subject to Rule D2.8, the Operators will use the following procedures for Auctions:

- (a) Auctions for Long Term Units, using the procedure described in Rule D3;
- (b) Auctions for Daily Units, using the procedure described in Rule D4; and
- (c) Auctions for Intraday Units, using the procedure described in Rule D5.

D2.1.2 The different types of Auctions referred to above are explicit closed Auctions (i.e. Auctions are for Interconnector Capacity only and Users have no visibility of other Users' Bids).

What will be auctioned?

D2.2 Each Auction will be of Units. Units will be divided into categories as specified by the Operators by designating, in respect of each category of Unit:

- (a) the direction of Units in that category, which will either be "England to France" or "France to England";
- (b) the duration of the Product Period of Units in that category;
- (c) the applicable Unit Validity Times of Units being sold in a relevant Auction;
- (d) any other terms applicable to that category of Unit; and
- (e) the Reservation Subperiod(s), if any.

Separate and concurrent Auctions

D2.3 Each category of Unit will be auctioned separately. Units having non-overlapping Unit Validity Times may be auctioned in the same Auctions. Daily and Intraday hourly Units will be auctioned respectively in single Auctions. Separate Auctions may be conducted concurrently.

Acquisition of Units

D2.4 Where the Operators accept any Bid by allocating one or more Units to a User in accordance with these Rules, then the User will acquire such Unit(s) for the Unit Price on the terms and conditions of these Rules and the relevant Auction Specification. The rights and obligations of Unit Holders are set out in these Rules.

Publication of preliminary results

D2.5.1 The preliminary results will be published only on the CMS:

(a) for each Long Term Auction as soon as practicable and within two (2) Hours after the end of the Bidding Period;

(b) for each Daily Auction as soon as practicable and within thirty (30) minutes after the end of the Bidding Period.

D2.5.2 The preliminary results are non-binding and shall be for information purposes only.

D2.5.3 Each User may consult only its own preliminary results on the CMS. The preliminary results are detailed per Auction and per User.

D2.5.4 Should the Operators not publish the preliminary results within the relevant timeframe, the Operators will keep the Users informed of the new timeframe of publication and/or any other consequences related to the relevant results.

Checking of the Results by Users

D2.6.1 The User agrees to check the Auction results and, where reasonably appropriate, query Long Term and Daily Auction results within the times as follows:

- for Long Term Auctions: no later than two (2) hours after the Auction preliminary results have been published on the CMS;
- for Daily Auctions: no later than ten (10) minutes after the Auction preliminary results have been published on the CMS.

This time for checking is referred to in the CMS as “contestation period”.

D2.6.2 Any query pursuant to D2.6.1 has to be marked as such, supported with full details and be sent by fax to the Operators. Only queries where the User believes there is an error in the Auction results shall be considered.

D2.6.3 If the User does not query the Auction result within the times specified in D2.6.1 and under the conditions specified above, the User agrees that it loses all rights to query such Auction results.

D2.6.4 The Operators shall endeavour to reply to the User no later than:

- (a) one (1) Business Day after receipt of the query for Long Term Auctions;
- (b) no later than two (2) hours after receipt of the query for Daily Auctions.

D2.6.5 Due to time constraints in Intraday process, there is no time for checking after an Intraday Auction. Any query on Intraday Auction results shall be considered as a Dispute and must be made in accordance with Rule F8. Only queries where the User believes there is an error in the Auction results shall be considered.

Publication of final results

D2.7.1 The Operators will publish on the CMS the final results:

- (a) for each Long Term Auction as soon as practicable and within thirty (30) minutes after the end of the Period dedicated to checking of Auction results;
- (b) for each Daily Auctions as soon as practicable and within thirty (30) minutes after the end of the Period dedicated to checking of Auction results; and
- (c) for each Intraday Auctions as soon as practicable and within fifteen (15) minutes after the end of the Bidding Period.

D2.7.2 The final Auction results are binding.

D2.7.3 The final results shall comprise :

- (a) each User's own final results, available only to that User on the CMS, with the number of Units allocated to that User in the Auction and the Unit Prices;
- (b) the Auction's statistics, available to all Users on the CMS, which shall comprise the Auction Price and the total number of allocated Units;
- (c) unless otherwise notified by the User in respect of Rule B3.8.3, the Operators may publish a list of Units Holders for facilitation of the Secondary Market.

D2.7.4 Should the Operators not publish the final results within the relevant timeframe, the Operators will keep Users informed of the new timeframe of publication and/or any other consequences related to the relevant results.

Electronic operation of the Auctions

D2.8 Auctions will be conducted electronically via CMS except in case of CMS failure as described in Rule D2.9.

Fall back procedure in case of CMS failure

D2.9 If the CMS fails, and in the reasonable opinion of the Operators it is not practical to conduct an Auction electronically, the Operators may allocate the Units using a procedure for conducting the Auctions by email or fax to be specified by the Operators.

Cancellation, suspension, deferral

D2.10.1 In the unlikely event of unavailability or technical difficulties, the Operators may be forced to cancel an Auction:

- a. before and during the course of the Auction itself: Participants are informed by a message that appears directly on CMS or by an electronic message;
- b. after the preliminary Auction Results have been published, in the event of erroneous Results: Participants are informed by an electronic message. The Results of the Auction are thereupon cancelled;
- c. after the final Auction Results have been published, in the event of erroneous Results: Participants are informed by an electronic message, corresponding Units are reduced to zero (0) and Rules E7 and E8 will be applied as if a Capacity Shortage has occurred under Rule E7.

D2.10.2 The Operators shall notify the Participants as soon as possible of the reasons which caused the Auction cancellation.

D2.10.3 With the exception of Intraday Auctions, the Operators may defer the dates or times of an Auction by notifying Users of the revised date or time of such Auction. In this event, the Bidding Period will open and close at the revised time as notified by the Operators. Only Bids submitted during the revised Bidding Period and confirmed by the Operators will be valid.

D2.10.4 If the fallback procedure described in D2.9 cannot, in the reasonable opinion of the Operators, and based on objective grounds (for example due to a lack of time or to technical difficulties), be implemented as necessary to enable an Auction to be conducted, the Auction will be deferred.

D2.10.5 If deferral of an Auction is not considered by the Operators as being possible, based on objective grounds (for example due to a lack of time or to technical difficulties), the Auction will be cancelled and all Bids already submitted will automatically be cancelled.

D2.10.6 The effect of a cancelled auction on Resales and UIOSI are specified in Rules E4.3.16 and E5.2.3.

Rule D3: Long Term Auctions

Application

- D3.1.1 The Operators will conduct Long Term Auctions in accordance with this Rule D3 for Units having a Product Period longer than one Contract Day.
- D3.1.2 The list of Long Term products available at the time of entry into force of these Rules is annexed in Schedule 6.

Dates of Auctions

- D3.2 The Operators will give reasonable notice of Long Term Auctions referred to in Rule D3.1 by publishing, before the first of December , a provisional calendar with the dates of all Long Term Auctions for the following calendar year.

Volumes

- D3.3 The number of Units auctioned in a Long Term Auction will include:
- (a) a proportion (as determined by the Operators) of the available Interconnector Capacity (in the form of Units) not already allocated to Users; and
 - (b) Resale Units (if any) made available for Resale at such Long Term Auctions pursuant to Rule E4.

Auction Specification

- D3.4.1 At least five (5) Business Days before the day of the start of the Bidding Period of a Long Term Auction, the Operators will publish the initial Specification for that Long Term Auction stating in particular:
- (a) the code identifying the Auction in the CMS;
 - (b) the category of Units being auctioned (see Rule D2);
 - (c) the provisional number of Units to be made available in the Auction, coming from a proportion (as determined by the Operators) of the available Interconnector Capacity not already allocated to Users;
 - (d) the Product Period of the Units, by specifying the time and date on which the right to use the Units commences and the time and date on which the right to use the Units ends;
 - (e) if necessary, any Reservation Subperiod(s) associated with this Product Period;

- (f) the Unit Validity Times;
- (g) the dates and times of the Bidding Period for that Auction; and
- (h) any other relevant information or terms applicable to the Units or the Auction.

The Offered Capacity in this initial Specification does not include Units submitted by any Unit Holder for Resale at this Long-Term Auction.

D3.4.2 At least thirty (30) minutes before the opening of the Bidding Period of a Long Term Auction, the Operators will publish the Final Specification for that Long Term Auction stating in particular:

- (a) the number of Units to be made available in the Auction, comprising of:
 - (i) the proportion (as determined by the Operators) of the available Interconnector Capacity not already allocated to Users, and;
 - (ii) valid Resale Requests submitted for this Long-Term Auction in accordance with Rule E4.3; and
- (b) any other update of relevant information or terms applicable to the Units or the Auction.

Bidding Period

D3.5 The Bidding Period for each Long-Term Auction will be at such times specified by the Operators in Schedule 4 of these Rules or in the relevant Auction Specification. In case of contradiction between the times specified in Schedule 4 and in the relevant Auction Specification, the Auction Specification shall prevail.

Rule D4: Daily Auctions

Introduction

D4.1 The Operators will conduct Daily Auctions, ~~for Units~~ having a Product Period of a Contract Day, in accordance with this Rule D4.

Timing

D4.2.1 Daily Units will be allocated in advance of use and the Daily Auction held on day “D-1” is for Units relating to use of Interconnector Capacity on the Contract Day commencing at 00:00hrs on day “D”.

D4.2.2 Daily Auctions are held seven (7) days a week, including weekend and public holidays, provided that the Offered Capacity for Daily Auctions is at least of one (1) Unit (to the extent that the Interconnector Capability permits, and subject to the outcome of UIOSI processes pursuant to Rule E5).

Offered Capacity

- D4.3 The total Offered Capacity for any Contract Day in Daily Auctions will include:
- (a) available Interconnector Capacity (in the form of Units) not already allocated to Users and that is not unavailable due to Outages and/or due to the application of Curtailment;
 - (b) Unused Units (if any) that have become available for the Daily Auctions pursuant to Rule E5 and that are not unavailable due to Outages and/or due to the application of Curtailment; and
 - (c) Units (if any) that have become available by application of Netting on Long Term Nominations and that are not unavailable due to Outages and/or due to the application of Curtailment.

Auction Specifications

- D4.4 No later than fifteen (15) minutes before opening of the Bidding Period of a Daily Auction, the Operators will publish the specification for that Daily Auction stating:
- (a) the code identifying that Auction in the CMS;
 - (b) the category of Units being auctioned (see Rule D2);
 - (c) the number of Units being auctioned;

- (d) the Product Period for the Auction, by stating the Contract Day on which the Unit can be used;
- (e) the Unit Validity Times;
- (f) the times of opening and closure of the Bidding Period for that Auction; and
- (g) any other relevant information or terms applicable to the Units or the Auction.

Bidding Period

D4.5 The Bidding Period for each Daily Auction will be at such times specified by the Operators in Schedule 4 of these Rules or in the relevant Auction Specification. In case of contradiction between the times specified in Schedule 4 and in the relevant Auction Specification, the Auction Specification shall prevail.

Rule D5: Intraday Auctions

Introduction

D5.1 The Operators will conduct Intraday Auctions, having a Product Period of up to one Contract Day, in accordance with this Rule D5.

Frequency

D5.2.1 Intraday Units can be allocated in one or more Intraday Auctions.

D5.2.2 Separate Intraday Auctions may be conducted each day for each category of Intraday Unit.

D5.2.3 Intraday Auctions are held seven (7) days a week including weekend and public holidays, provided that the Offered Capacity for Intraday Auctions is at least of one (1) Unit (to the extent that the Interconnector Capability permits, and subject to the outcome of UIOLI processes pursuant to Rule E5).

D5.2.4 Intraday Units will be allocated in several Intraday Auctions, one held on day “D-1”, the other(s) on day “D”, in accordance with this Rule D5, and pursuant to the number of auctions and times of Intraday Auctions which are set out in Schedule 4.

Timing

D5.3 Intraday Units will be allocated in advance of use and each Intraday Auction will be in respect of separate periods of the day as follows:

- (a) the Intraday Auction held on day “D-1” is for Units relating to use of Interconnector Capacity on the Contract Day which commences at 00:00hrs on day “D” and is in respect of a specific period of such Contract Day;
- (b) the Intraday Auction(s) held on day “D” is for Units relating to use of Interconnector Capacity on the Contract Day which commences at 00:00hrs on day “D”, and which is in respect of all or part of the remaining period of such Contract Day not covered by the previous Intraday Auction(s) relating to Contract Day D.

Offered Capacity

D5.4 The number of Units auctioned for any part of a Contract Day in an Intraday Auction, being subject to any limitations due to real time system security reasons, will include:

- (a) Unused Units (if any) that have become available for the Intraday Auctions under Rule E5 and that are not unavailable due to Outages and/or due to the application of Curtailment; and

- (b) potentially available Interconnector Capacity (in the form of Units) not already allocated to Users and that is not unavailable due to Outages and/or due to the application of Curtailment;
- (c) Netted Units (if any) that have become available for the Contract Day and that are not unavailable due to Outages and/or due to the application of Curtailment.

Auction Specifications

D5.5 No later than fifteen (15) minutes before the opening of the Bidding Period of the relevant Intraday Auction, the Operators will publish the specification for the Intraday Auction stating:

- (a) the code identifying that Auction in the CMS;
- (b) the category of Units being auctioned (see Rule D2);
- (c) the number of Units being auctioned;
- (d) the Product Period of the Auction, by stating the Contract Day on which the Units can be used;
- (e) the Unit Validity Times;
- (f) the times of the opening and closure of the Bidding Period for that Auction; and
- (g) any other relevant information or terms applicable to the Units or the Auction.

Bidding Period

D5.6 The Bidding Period for each Intraday Auction will be at such times specified by the Operators in Schedule 4 of these Rules or in the relevant Auction Specification. In case of contradiction between the times specified in Schedule 4 and in the relevant Auction Specification, the Auction Specification shall prevail.

Rule D6: Submission of Bids

Introduction

D6.1 Bids in Auctions must be submitted in accordance with this Rule D6.

Nature of Bids and Set of Bids

D6.2.1 A Bid or a Set of Bids become valid when acknowledged as such by the Operators.

D6.2.2 Each valid Bid or Set of Bids registered at closure of the Bidding Period will constitute an unconditional and irrevocable offer by the User to the Operators to buy Units up to the quantity and at prices up to those specified in the Bid or the Set of Bids and on the terms and conditions of these Rules and the relevant Auction Specification.

D6.2.3 Once submitted, a Bid or a Set of Bids cannot be withdrawn but the User may modify its previous Bid or Set of Bids at any time during the Bidding Period. The modified Bid or Set of Bids will supersede the previous Bid or Set of Bids. Irrespective of whether the previous submission was a Bid or a Set of Bids, only the updated valid Bid or Set of Bids will be taken into account for the Auctions allocation.

Requirements for Bids

D6.3.1 Each Bid must:

- (a) be submitted electronically using the CMS during the Bidding Period as specified in Schedule 4;
- (b) be in the form and include the information required by the Operators from time to time;
- (c) identify the User submitting the Bid, using the form of identification required by the Operators for the purposes of Auctions;
- (d) state the price for the Bid in euros. All prices bid must be to a maximum of two decimal places and must be a price per Unit for one hour of the Product Period of the Unit. Therefore, Units Prices for any Product Period will be a price per Mega Watt per hour (€/MW/h); and
- (e) state the number of Units being bid for.

D6.3.2 The User must not submit more than twenty (20) Bids within a Set of Bids for any Auction.

D6.3.3 The Users will submit their Bids either via a webform through CMS or by such other means as specified by the Operators from time to time, pursuant to Rule B4.2. The format of such Bid submission shall be as specified by the Operators

and pursuant to the ETSO recommendations or to any other technical recommendations provided by the Operators.

Registration of Bids

D6.4.1 Provided that the format of the Bid file is in a compliant format pursuant to Rule D6.3.3, the Operators will acknowledge receipt of Bids to Users by a message indicating whether the Bids have been correctly registered.

D6.4.2 Only Bids confirmed as being registered correctly by the Operators shall be valid.

Rejection of Bids

D6.5.1 The Operators may reject any Bid that:

- (a) causes the User to exceed its Auction Credit Limit, pursuant to Rule C3; or
- (b) does not comply with the requirements of this Rule D6; or
- (c) is received from a User which is suspended pursuant to Rule F6.3.1.

D6.5.2 The Operators will notify any User whose Bid is rejected as invalid and the reason of this rejection, as soon as reasonably practicable after the Bid is submitted.

Taxes

D6.6 All Bid prices are deemed to be exclusive of Taxes.

Manifest Error

D6.7.1 A Manifest Error means a human error in submitting Bids, if the price or the volume of the concerned Bid is unmistakably too high in comparison with Bids which are usually submitted for the concerned Auctions.

D6.7.2 Where a User considers that it has made a Manifest Error, such User shall endeavour to modify its erroneous Bid(s) as necessary before the end of the Bidding Period. Where the User fails to modify its erroneous Bid(s) it shall immediately notify the Operators, initially by telephone and confirmed by e-mail, of the occurrence and the nature of the alleged Manifest Error and in any event no later than ten (10) minutes after the end of the Bidding Period of the relevant Auction.

D6.7.3 Following the User's notification, the Operators will consider the circumstances of the occurrence of the alleged Manifest Error, taking into account for instance : the User's compliance with this Rule D6, the repetition of Manifest Error by such User, the type of Auction to which the alleged Manifest Error occurred, the need to preserve equity and the interests of the other Users which have submitted Bids to the relevant Auction, the potential impacts of the alleged Manifest Error on the conduct of the relevant Auction, the potential that Users may choose to place unusually highly priced Bids as a matter of Bidding strategy.

- D6.7.4 Where the Operators cannot conclude that the User has made a Manifest Error, the Operators shall notify the relevant User of their decision. If the User disagrees with the Operators' decision, then it may raise a Dispute under Rule F8.
- D6.7.5 Where the Operators consider that the User has made a Manifest Error, the Operators shall inform the relevant User and where necessary all other IFA Users of their decision. The Operators shall determine the consequences of their decision and inform the relevant User and, as the case may be, the other Users of such consequences.

Time stamps

- D6.8 The Operators will maintain a record of all acknowledgments of bids received.

Default Bids

- D6.9.1 The Users may define, at any time, in the CMS, Default Bids for Daily and /or Intraday Auctions which shall be identified as such in the CMS by the User.
- D6.9.2 The User shall specify under the specific form its Default Bids and whether such Default Bids apply to Daily or Intraday Auctions.
- D6.9.3 A Default Bid will apply automatically to each subsequent and relevant Auction. On the opening of a relevant Bidding Period, the registered Default Bid is considered as a Bid submitted by the User for the relevant Auction. This Bid is considered as a valid Bid once confirmed by the Operators. A Set of Default Bids may only be prepared with a maximum of twenty (20) Bids within the Set of Bids per Auction. In the event that more than twenty (20) Bids are within the Set of Bids, the submission of such a Default Set of Bids will be invalid and therefore automatically rejected.
- D6.9.4 If the number of Units submitted in a Default Bid for a given Auction is greater than the Offered Capacity of this Auction, the number of Units of the Bid resulting from this Default Bid is set at the value of the Offered Capacity of the relevant Auction.
- D6.9.5 The User may modify a Bid resulting from a Default Bid for a specific Auction within the Bidding Period of such Auction.
- D6.9.6 A User not wishing to submit a Default Bid on the CMS anymore for a given Timescale must set the volume and the price of its Default Bids for this Timescale to zero.

Rule D7: Allocation

Determination of Auction Results

- D7.1 After the close of the Bidding Period for an Auction, the Operators will determine such Auction's results and allocate Units in accordance with this Rule D7.
- D7.2 If the total number of Units for which valid Bids have been submitted is equal to or lower than the Offered Capacity for the relevant Auction, then all such valid Bids will be accepted and the Marginal Price will be zero.
- D7.3 If the total number of Units for which valid Bids have been submitted exceeds the Offered Capacity for the Auction in question, the Marginal Price is equal to the lowest Bid price allocated in full or in part, and the Auction results are obtained using the methodology described below:
1. First, for each Auction the Operators rank the valid Bids in decreasing Bid Price order. (Different Bids with the same Bid Price receive the same rank. Only valid Bids that comply with the terms of Rule D6 are taken into account in this ranking).
 2. The highest ranked valid Bid(s) received for a number of Units requested which in aggregate does(do) not exceed the Offered Capacity is (are) allocated. Any residual available Offered Capacity is then allocated to the next highest ranked valid Bid(s). If the number of Units requested in such next highest ranked valid Bid(s) does/do not exceed in aggregate the residual Offered Capacity, this process is then repeated for the remainder of the residual Offered Capacity;
 3. Following the iterative process described in 2., when the number of Units requested under the next highest ranked valid Bid is equal to or greater than the residual Offered Capacity, the Bid is allocated either in full, or partially up to the limit of the residual Offered Capacity, as the case may be. The price of this Bid constitutes the Marginal Price;
 4. If two (2) or more Users have submitted valid Bids with the same Bid price, for a total requested number of Units which exceeds the residual Offered Capacity, the residual Offered Capacity is allocated in proportion to the number of Units requested in the Bids by these Users, in Units of at least one (1) MW. The Units attributed are rounded down to the nearest Megawatt. The price of these Bids constitutes the Marginal Price.
- D7.4 The Units are deemed to have been allocated to a User after the publication of the final results of the relevant Auction.
- D7.5 Users acknowledge and accept that their Bids may be partially accepted according to the methodology above.

SECTION E: CAPACITY USAGE RULES

Rule E1: Introduction

Scope

E1.1 This Section E of the Rules sets out terms for use of Interconnector Capacity.

Structure

E1.2 Section E is divided into nine Rules as follows:

- (a) Rule E1: Introduction;
- (b) Rule E2: Interconnector Capacity Entitlements;
- (c) Rule E3: Mid-Channel Nominations;
- (d) Rule E4: Secondary Market;
- (e) Rule E5: Use-it-or-Lose-It and Use-it-or-Sell-It;
- (f) Rule E6: Outages;
- (g) Rule E7: Curtailment; and
- (h) Rule E8: Curtailment Reconciliation.

Rule E2: Interconnector Capacity Entitlements

Introduction

- E2.1 Each Unit entitles the User that acquires it (whether at an Auction or in the Secondary Market) to use Interconnector Capacity by requesting, in accordance with Rule E3, an Energy Transmission of 1MW at mid-channel but only:
- (a) in the direction specified for that category of Unit; and
 - (b) in Settlement Periods during the Unit Validity Times of that Unit, and subject to and on the terms and conditions of these Rules including any Curtailment and as specified in the relevant Auction Specification.
- E2.2 The Operators shall make available via the CMS, at their sole discretion, the Users' summary of acquired Units for any given Contract Day.

Interconnector Capacity Entitlement (ICE)

- E2.3.1 The ICE of a Unit Holder for a Contract Day in a direction and per Timescale is a schedule showing, the total number of MW of Interconnector Capacity the Unit Holder is entitled to Nominate during each hour of that Contract Day in that direction and for the relevant Timescale determined in accordance with these Rules . Each User will for a Contract Day and in each direction be notified of its three ICEs, one per Timescale.
- E2.3.2 The Operators will notify each User of its ICEs for each Timescale for the Contract Day "D" before the Gate-Closure of the relevant Timescale for that Contract Day at the times specified in Schedule 4.

Rule E3: Mid-Channel Nominations

Principles applicable to Mid-Channel Nominations

- E3.1 For each hour in a Contract Day for which an ICE has been published by the Operators, each Unit Holder may Nominate to the Operators an Energy Transmission at mid-channel up to but not exceeding the User's ICE in the relevant direction in that hour ("Mid-Channel Nomination").
- E3.2 The Unit Holder shall Nominate its Mid-Channel Nominations no later than the relevant Nomination Gate Closure for all relevant hours as referred in the corresponding ICE. The timescales for submitting Nominations are contained in Schedule 4.
- E3.3 Schedule 4 specifies the Intraday Nomination Gate Closures. Where a Unit Holder Nominates a Mid-Channel Nomination for a specific hour at an Intraday Nomination Gate Closure that is not the final Nomination Gate Closure for such hour, the Unit Holder may subsequently modify its Mid-Channel Nomination prior to the last Nomination Gate Closure that applies in respect of such hour(s).
- E3.4 The Operators will reject a Nomination in its entirety for the Contract Day where the corresponding Mid-Channel Nomination(s) in one or more hours exceed(s) the User's relevant ICE.
- E3.5 The Mid-Channel Nomination for each hour in the Contract Day must be expressed in whole MW, with a single value, greater than or equal to zero, for each hour.
- E3.6 Mid-Channel Nominations are not subject to any modification by the Users after the relevant Gate-Closure pursuant to Schedule 4.
- E3.7 In the absence of a Nomination by a Unit Holder in a direction, the corresponding Mid-Channel Nominations are assumed to be equal to zero.

Electronic submission of Nominations

- E3.8.1 Each User must notify its Nominations electronically
- E3.8.2 Nominations shall be submitted in the formats specified by the Operators and pursuant to the ETSO recommendations and/or to any other technical recommendations provided by the Operators to the IFA Users.
- E3.8.3 Subject to E3.4, and provided that the format of the Nomination is in accordance with E3.8.2, the Operators will acknowledge receipt of the Nomination to Users by a message indicating that the Nomination has been correctly registered.
- E3.8.4 Only Nominations confirmed as correctly registered shall be valid.

Default Nominations

- E3.9.1 Default Nominations can be activated by the Unit Holder per Timescale. Where they are activated, all MCNs for the relevant Timescale would be automatically generated at the value of the relevant ICE for each hour of that Contract Day.
- E3.9.2 Unit Holders may activate Default Nominations independently for Long Term, Daily and Intraday Timescales.
- E3.9.3 The registered Default Nomination is considered as a schedule of Mid-Channel Nominations submitted by the Unit Holder for the relevant Timescale at the opening of the relevant period for Nomination. This Mid-Channel Nomination is considered as valid once confirmed as such by the Operators.
- E3.9.4 The Unit Holder may modify the Mid Channel Nomination resulting from the Default Nomination within the relevant Nomination period.
- E3.9.5 The Unit Holder may deactivate its Default Nomination on the CMS at any time. Where such deactivation is during a relevant Nomination period, any existing valid Mid Channel Nomination resulting from a Default Nomination remains unchanged.

Fall back procedure in case of communication problems between the Unit Holder and the CMS due to CMS failure

- E3.10 In case of problem of communication between the Unit Holder and the CMS due to a CMS failure, the Unit Holder may contact the Operators to request, in respect of Nominations periods of which gate-closure has not occurred, that the Unit Holder be permitted to send its Mid-Channel Nominations by email or fax to the Operators.

Cancellation of a Nomination Gate Closure

- E3.11.1 In the event of technical difficulties with the CMS, the Operators may be forced to cancel a Nomination Gate Closure. In that case, the Operators shall inform the Users as soon as practicable of such cancellation.
- E3.11.2 Should the Operators cancel a Long Term or a Daily Nomination Gate Closure, the Unit Holder's corresponding ICE is compensated at the weighted average price of the Units corresponding to such ICE.
- E3.11.3 Should the Operators cancel an Intraday Nomination Gate Closure, the Unit Holder's corresponding ICE is compensated at the price of the Units corresponding to such ICE, for Settlement Periods for which the cancelled Gate-closure is the last one.
- E3.11.4 Notwithstanding the above Rule E3.11.3, where the cancellation of an Intraday Nomination Gate Closure is due to a national time change notified to the Users 3 days in advance by the Operators, the Unit Holder's corresponding ICE is not compensated.

Business Rules for use of Interconnector Capacity

- E3.12 Unit Holders must comply with the Business Rules in Schedule 4, including the timing of Mid-Channel Nominations.

Allocation of Deemed Metered Volumes

- E3.13 If a User submits a valid request for a Energy Transmission for a Settlement Period, then the Operators will ensure that a corresponding Deemed Metered Volume, adjusted for losses on the Interconnector and for any reductions in MCNs as a result of Curtailment, is allocated to the relevant Energy Accounts of the User for the purposes of each of the Balancing and Settlement Code and the RTE Settlement Arrangements using the Deemed Metered Volume allocation rules set out in Schedule 5.

Submission of Physical Notifications

- E3.14 NGIL will calculate and submit to NGET Physical Notifications for each Settlement period on behalf of each User, based on the aggregate of MCNs received from each User across all Timescales in respect of each Settlement period.

Potential limitation to the operation of the Interconnector

- E3.15 Each User acknowledges that, without prejudice to the rights of Users under this Rule E3, Unit Holders do not have a right to control Energy Transmissions over the Interconnector and the actual level of Energy Transmissions over the Interconnector at any time is determined by the Operators having regard to a range of factors including other Mid-Channel Nominations, operational requirements and use of the Interconnector by NGET and/or RTE as Transmission System Operators (including any limitation due to emergency or reasons of operational system security or under other arrangements such as the provision of emergency support and balancing services). Nothing in these Rules restricts the Operators from Transmitting electricity over the Interconnector at any time in either direction.

Restrictions on use

- E3.16 A User will not be entitled to use any Interconnector Capacity other than at the times and, in the manner and to the extent provided for under these Rules.

Rule E4: Secondary Market

Introduction

E4.1 The Secondary Market means the mechanisms of Resale of the Interconnector Capacity by a Unit Holder, as specified under Rule E4.3, and of Capacity Transfer of Interconnector Capacity between Unit Holders, as specified under Rule E4.4. These mechanisms enable a User to acquire or surrender Units which have previously been Auctioned by the Operators.

Electronic operation of the Secondary Market

- E4.2.1 The Secondary Market will be conducted electronically via CMS except in case of CMS failure as described in Rule E4.2.4.
- E4.2.2 Resale Request and Capacity Transfer Notices shall comply with the format specified from time to time by the Operators , which shall be consistent with the ETSO format recommendations.
- E4.2.3 The Operators will acknowledge receipt of the Resale Request and Capacity Transfer Notices to Users by a message indicating whether the Request and Capacity Transfer Notices have been correctly registered. This message of acknowledgment will be sent manually if the CMS fails. Only Resale Requests and Capacity Transfer Notices confirmed as correctly registered shall be valid.
- E4.2.4 If the CMS fails and, in the reasonable opinion of the Operators, it is not practicable to operate the Secondary Market electronically, the Operators may use a fallback procedure by email or fax, as specified from time to time, in order to conduct the Secondary Market and to allocate the Units resulting from the Secondary Market.
- E4.2.5 If the fallback procedure described in E4.2.4 cannot, in the reasonable opinion of the Operators, be implemented as necessary to enable the Secondary Market to be operated, the Secondary Market will be deferred.
- E4.2.6 If deferral of the Secondary Market is not considered by the Operators as being possible, the Secondary Market will be cancelled and all Resale Requests and Capacity Transfer Notices already submitted will automatically be cancelled

Resale

Resale Requests

E4.3.1 A Unit Holder may make a Resale Request for a forthcoming Long Term Auction in accordance with this Rule E4.3.

Conditions

E4.3.2 Resale of a Unit by a Unit Holder is permitted under these Rules only if the following conditions are satisfied:

- (a) the Unit Holder must specify at which forthcoming Long Term Auction it intends to Resell Units; and
- (b) the Resale Request must be for Resale of Units with a Product Period that wholly includes the Product Period of the Units being offered in the relevant forthcoming Long Term Auction;
- (c) all Units the subject of the Resale Request must have been allocated from one Long Term Auction;
- (d) the Unit Validity Times of the relevant forthcoming Long Term Auction are also Unit Validity Times of the Auction in which they were previously allocated;
- (e) the Resale Request must be for the same number of Units across all Unit Validity Times within the Product Period of the Units being offered in the relevant forthcoming Long Term Auction ; and
- (f) only one Resale Request may be registered per Unit Holder in respect of a forthcoming Long Term Auction for Units acquired in a certain previous Long Term Auction.

E4.3.3 Each Resale Request must state the number and category of the Units requested to be Resold. This must be a whole number of Units and must not exceed the number of Units in that category in all applicable Unit Validity Times held by the Unit Holder making the Resale Request (taking into account any Capacity Transfer of Interconnector Capacity under Rule E4.4 and Curtailment under Rule E7).

E4.3.4 A Resale Request can be made or modified in respect of a forthcoming Auction within the applicable times specified under Schedule 4.

Resale Request

E4.3.5 A Resale Request submitted by a Unit Holder to the Operators must:

- (a) identify the Unit Holder making the Resale;
- (b) identify the Long Term Auction in which the Units are requested to be Resold;
- (c) state the Product Period of the Units which are requested to be Resold; and

(d) state the number of the Units being requested to be Resold.

E4.3.6 A Unit Holder making a Resale Request must promptly respond to the Operators' satisfaction to any request by the Operators for clarification of such Resale Request.

E4.3.7 The Operators will acknowledge receipt of Resale Requests pursuant to Rule E4.2.3. The Operators may reject any Resale Request that is invalid or that purports to Resell capacity in circumstances not permitted by this Rule E4.3 or if the Unit Holder has failed to respond satisfactorily to a request under Rule E4.3.6.

Conditions of withdrawal

E4.3.8 A Unit Holder may modify its Resale Request within the relevant period as detailed under Schedule 4.

Effect of Resale Request

E4.3.9 Where one or more Resale Request(s) is (are) made for a forthcoming Long Term Auction, the Operators will include the total associated Units ("Resale Units") from such Resale Request(s) in the forthcoming Auction Specification, but only to the extent that Interconnector Capacity is available.

E4.3.10 The price at which Resale Units are sold is the Marginal Price of the Auction specified in the Resale Request.

Nature of relationship

E4.3.11 Resale Units are made available in Auctions (to the extent that Interconnector Capability is available), and are allocated by the Operators, as principal and not as agent of the Unit Holder making the Resale Request. No rights or obligations arise or exist in connection with allocation of Resale Units as between the Unit Holder making the Resale Request and the User to whom the Resale Units are allocated.

Obligations of Operators

E4.3.12 The Operators' obligations in respect of a Resale Request to the Unit Holder making the Resale Request are only those expressly set out in this Rule E4.3. For the avoidance of doubt, the Operators are under no obligation, express or implied, to ensure that demand in any Auction is such that Resale Units will be allocated in that Auction.

Effect of allocation of Resale Units

E4.3.13 Rules E4.3.14 to E4.3.17 apply if Resale Units are allocated to Users in an Auction. In those Rules, "Relevant Unit Holder" means, in relation to an Auction, a Unit Holder who made a Resale Request in respect of that Auction.

Payment

E4.3.14 Each Relevant Unit Holder will be entitled to a payment calculated as follows:

$$A = (B * C)$$

where:

- A is the amount of the payment;
- B is the Marginal Price of the Auction in which the Resale was made;
- C is the number of MW specified in the Relevant Unit Holder's Resale Request to the extent allowed by the Operators under Rule E4.3.9.

Effect on Unit Holder's rights and obligations

E4.3.15 Each Relevant Unit Holder will lose its entitlement to use corresponding Interconnector Capacity for the Resale Period stated in its Resale Request and accordingly its rights will be reduced except in the circumstances specified in Rule E4.3.16. In all other respects, Relevant Unit Holders' rights and obligations relating to Units will not be affected. For example, they are still required to pay the full Unit Price for all Units acquired in Auctions (whether or not subsequently Resold).

Cancellation of an Auction including Units resulting from a Resale

E4.3.16 In the case where an Auction in which Units have been requested to be Resold is cancelled, any associated Resale Request(s) is/are cancelled and the corresponding Units are returned to the Relevant Unit Holder.

Invoicing and payment

E4.3.17 Resale invoicing and payments are made pursuant to Rule C2.

Capacity Transfer

Conditions

E4.4.1 Capacity Transfer of a Unit Holder's rights to use Units is permitted under these Rules only if the following conditions are satisfied:

- (a) the Unit Holder gives the Operators a notice of the Capacity Transfer ("Capacity Transfer Notice") that complies with Rule E4.4.5;
- (b) Units are being subject to Capacity Transfer across whole hours and in at least one hour of one Contract Day;
- (c) the Capacity Transfer is made to an existing User who has not been suspended in any way pursuant to Rule F6.3.1;

- (d) the duration of the Capacity Transfer (“Capacity Transfer Period”) is one or more consecutive Contract Days of the specified Day Type, and is within the Product Period of the Units being subject to Capacity Transfer;
- (e) at least 1 Unit is being subject to Capacity Transfer and shall be whole number;
- (f) the MW profile being subject to Capacity Transfer is the same for each Contract Day associated with the Capacity Transfer;
- (g) the Unit Holder has at least as many Units as the number it wishes to Capacity Transfer in each Hour of each associated Contract Day (taking into account any reduction(s) due to previous Capacity Transfer(s), Resale(s) or Curtailment(s)); and
- (h) at the time it gives the Capacity Transfer Notice, the Unit Holder is not in default under these Rules and its rights to use Interconnector Capacity and participate in Auctions have not been suspended.

E4.4.2 A Unit Holder may give more than one Capacity Transfer Notice covering the same period of time, subject to each notice complying with this Rule. Any Capacity Transfer covering more than one calendar month must be notified in separate Capacity Transfer Notices, one for each affected month.

E4.4.3 The Capacity Transfer does not modify the Timescale or any other categorisation upon which the Capacity Transferred Units were initially acquired.

Timing

E4.4.4 Following the publication of the final results of an Auction, a Unit Holder may make a Capacity Transfer Notice in relation to Interconnector Capacity acquired in such Auction to the Operators in accordance with the relevant timings specified in Schedule 4.

Capacity Transfer Notice

E4.4.5 The Capacity Transfer Notice submitted by the Unit Holder making the Capacity Transfer must:

- (a) identify the Unit Holder making the Capacity Transfer;
- (b) identify the User to whom the Units are being subject to Capacity Transfer;
- (c) state the Capacity Transfer Period;
- (d) state the Day Types for which the Capacity Transfer is to apply;
- (e) specify the hours of the Contract Days in which the Capacity Transfer is to be made; and
- (f) state the number and category (including the hour period) of the Units the subject of the Capacity Transfer Notice.

- E4.4.6 A Unit Holder giving a Capacity Transfer Notice must promptly respond to the Operators satisfaction to any request by the Operators for clarification of the Capacity Transfer Notice.
- E4.4.7 The Operators will acknowledge receipt of Capacity Transfer Notices pursuant to Rule E4.4.9. The Operators may reject any Capacity Transfer Notice that is invalid or that purports to make a Capacity Transfer in circumstances not permitted by this Rule E4 or if the Unit Holder has failed to respond satisfactorily to a request under Rule E4.4.6 in relation to that Capacity Transfer Notice.
- E4.4.8 A Capacity Transfer Notice cannot be withdrawn without the consent of the Operators and the User to whom that Capacity Transfer has been made.

Capacity Transfer Confirmation / acknowledgment

- E4.4.9.1 Both Users party to a Capacity Transfer are informed by the Operators whether the Capacity Transfer Notice is registered.
- E4.4.9.2 A Capacity Transfer Notice is valid only when confirmed by the User to whom the Capacity Transfer was made, during the period of time specified in Schedule 4 for each relevant Timescale. Both Users who are party to the Capacity Transfer are informed by the Operators of its successful registration.
- E4.4.9.3 Where the User to whom the Capacity Transfer was made does not confirm the Capacity Transfer Notice during the relevant period of time, the Capacity Transfer Notice is not valid and the User who had sought to make the Capacity Transfer remains the Unit Holder of the Units. Both Users who had been party to the attempted Capacity Transfer are informed by the Operators of the failure of completion of the Capacity Transfer.

Effect of Capacity Transfer

- E4.4.10 If a Capacity Transfer Notice is confirmed in accordance with this Rule E4.4, then for the duration of the Capacity Transfer Period:
- (a) the User to whom the Capacity Transfer was made is treated as the Unit Holder of those Units for the purpose of Rules A2.1, E2, E3, E4, E5, E8 and Schedules 4, 5; and
 - (b) the original Unit Holder, although obliged to pay for the capacity that has been the subject of a Capacity Transfer, loses its entitlement to use such Interconnector Capacity. In all other respects, the original Unit Holder's rights and obligations relating to its Units being subject to Capacity Transfer will not be affected, except in the case of Curtailment Reconciliation pursuant to Rule E8.
- E4.4.11 The Operators may, by giving notice to both the Unit Holder who made a Capacity Transfer and the User to whom it was Capacity Transferred, terminate any Capacity Transfer under this Rule E4.4 with immediate effect upon:

- (a) termination of the IFA User Agreement of the User to whom the capacity was Capacity Transferred; and
- (b) if a notice of suspension under Rule F6.3.1 is given to the User to whom the capacity was Capacity Transferred.

Rule E5: Use-It-or-Sell-It and Use-It-or-Lose-It

Introduction

E5.1 These provisions under this Rule E5 detail the means by which capacity unused by a Unit Holder can be made available for other Users to acquire.

Use-It-or-Sell-It applying on Long Term Nominations

E5.2.1 To the extent that any Unit Holder does not Nominate any Long-Term Unit(s) associated with its Long-Term ICE for any hour of a Contract Day, it will lose the right to use such Long-Term Unit(s) in accordance with this Rule E5.2.

E5.2.2 Unused Units resulting from the process described in E5.2.1 are then subject to the following :

- (a) these Unused Unit(s) will be unavailable for subsequent use by the Unit Holder;
- (b) the Unit Holder's other rights and obligations in relation to its Units, whether Unused or not Unused, will not be affected;
- (c) the Unit Holder shall still pay to the Operators for its Unused Unit(s), subject to whether such Unused Units were acquired in a Capacity Transfer ;
- (d) the Operators will make Unused Unit(s) available in the appropriate Daily Auction for the same Contract Day; and
- (e) the proceeds of the sale of Unused Units in the Daily Auction will be paid by the Operators to the Unit Holder according to the Auction Price of such Daily Auction.

Impact of Daily Auction Cancellation on the application of UIOSI

E5.2.3 If a Daily Auction is cancelled for any IT and/or communication problems, , compensation to Unit Holders for Long-Term Unused Units will be based on the weighted average price of Long-Term Units of the Unit Holder, the aggregate of which forms its Long-Term ICE.

Use-It-or-Lose-It applying on Daily Nominations

- E5.3.1 To the extent that any Unit Holder does not Nominate any Daily Unit(s) associated with its Daily ICE for any hour of a Contract Day, it will lose the right to use such Daily Unit(s) on that Contract Day in accordance with this Rule E5.3.
- E5.3.2. Unused Units resulting from the process described in E5.3.1 are then subject to the following:
- (a) these Unused Unit(s) will be unavailable for subsequent use by the Unit Holder;
 - (b) the Unit Holder's other rights and obligations in relation to its Units, whether Unused or not Unused, will not be affected;
 - (c) the Unit Holder shall still pay to the Operators for its Unused Unit(s), subject to whether such Unused Units were acquired in a Capacity Transfer ;
 - (d) the Operators will make Unused Unit(s) available in the appropriate Intraday Auction for the same Contract Day; and
 - (e) the proceeds of the sale of the Unused Units in the relevant Intraday Auction will not be paid by the Operators to the Unit Holder.

Impact of an Intraday Auction Cancellation on the application of UIOLI

- E5.4 If an Intraday Auction is cancelled for any IT and/or communication problems, Unit Holders for Daily Unused Units will not be compensated.

Rule E6: Outages

Introduction

E6.1 The Operators will give Users information about Outages in accordance with this Rule E6.

Annual Indicative Outage Schedule

E6.2 In November of each year the Operators will publish an indicative schedule of Outages for the forthcoming year. The schedule will specify the expected start and end dates of each Outage and the expected Interconnector Capability during each Outage.

Updates

E6.3 The Operators will update the information given under Rule E6.2 as soon as practicable after any changes are known.

Changes

E6.4.1 The Operators will use reasonable endeavours to ensure that the information provided under this Rule E6 is accurate and that Outages take place as indicated by the information.

E6.4.2 Notwithstanding Rule E6.4.1, each User acknowledges that circumstances may arise that require the Operators to take Outages at times other than those planned and therefore the Operators remain free to plan and execute any Outages that they consider necessary.

E6.4.3 Without prejudice to Rule F7, the Operators exclude any and all liability for any claims, payments, costs and expenses arising out of any differences between the information provided under this Rule E6 and actual Outages (other than credits calculated under Rule E8), whether the claim arises in contract or on any other basis, except to the extent that liability cannot be excluded by law.

Unexpected availability

E6.5 Interconnector Capacity at any time may be greater than expected due to circumstances such as early return to service after an Outage or rescheduling of an Outage. If Interconnector Capacity becomes available, the Operators will use reasonable endeavours to notify all Users of its availability promptly and will allocate the Interconnector Capacity to Users for the direction in question using the Intraday or Daily Auction as applicable.

Forced Outages and Trips

E6.6 The Operators will notify Users of any Forced Outages or Trips as soon as practicable after the Forced Outage is arranged or the Trip occurs. Following this

initial notice, the Operators will as soon as practicable give Users information about the Forced Outage or the Trip including where possible the expected Interconnector Capability and its expected duration. These details will be given for information purposes only and they are not binding on the Operators and Rule E6.4.3 will apply to this information.

Rule E7: Curtailment

Curtailment

- E7.1.1 The Operators will Curtail Interconnector Capacity secured by all Unit Holders, and if necessary their Mid-Channel Nominations, during each Settlement Period in which there is a Capacity Shortage in accordance with this Rule E7. Users acknowledge that a Capacity Shortage, or any increase or decrease in the Curtailment Quantity during a Capacity Shortage, which arises after the relevant Nomination Gate Closure will be reflected in the calculation of Deemed Metered Volumes in accordance with Schedule 5.
- E7.1.2 Each relevant Unit Holder will lose its entitlement to use Interconnector Capacity Curtailed by the Operators in the event of a Capacity Shortage.

Notice

- E7.2.1 The Operators shall inform Users of any Curtailment, as soon as practicable, after the need for Curtailment is known stating the Capacity Shortage, the effect of which will be available on the CMS.
- E7.2.2 Capacity Shortage may change from time to time and the Operators will inform Users of the anticipated duration of such Capacity Shortage, with associated updates as soon as practicably possible.

Capacity Shortage

- E7.3 A Capacity Shortage occurs in any minute in a direction if:

$$IC_{dir} < \Sigma \text{Capa}_{dir}^{GNC} + \Sigma \text{MCN}_{dir}^{GC} - \Sigma \text{MCN}_{opp}^{GC}$$

where:

IC_{dir} is the value of the Interconnector Capability at that time in that direction; and

$\Sigma \text{Capa}_{dir}^{GNC}$ is the sum of the Capacity rights across all Users in that direction, for any Timescale for which Nomination Gate Closure has not yet occurred, (before Curtailment of these rights in respect of the relevant Capacity Shortage); and

$\Sigma \text{MCN}_{dir}^{GC}$ is the sum of the MCN values across all Users in that direction for all Timescales for which Nomination Gate Closure has occurred, (before Curtailment of that MCN in respect of the relevant Capacity Shortage); and

ΣMCN^{GC}_{opp} is the sum of the MCN values across all Users in the opposite direction for all Timescales, for which Nomination Gate Closure has occurred, (before Curtailment of that MCN in respect of the relevant Capacity Shortage).

and the “Curtailment Quantity” is the positive number equal to the difference between IC in such direction and $(\Sigma Capa^{GNC}_{dir} + \Sigma MCN^{GC}_{dir} - \Sigma MCN^{GC}_{opp})$.

Curtailment in respect of a Capacity Shortage

- E7.4.1 If there is a Capacity Shortage in any Settlement Period, the capacity rights of all Users and if necessary their Mid-Channel Nominations, in that Settlement Period in the direction of the Capacity Shortage will be Curtailed by the Operators under this Rule E7.4.
- E7.4.2 If there is a Capacity Shortage in any Settlement Period in a given direction, the capacity rights, in respect of which ICEs have not been published at the time of the curtailment incident being recorded in the CMS, in that Settlement Period and in that direction, are Curtailed pro rata for all Users. Each relevant Unit Holder will lose its entitlement to use such Curtailed Interconnector Capacity.
- E7.4.3 If the sum of all capacity rights, in respect of which ICEs have not been published at the time of the curtailment incident being recorded in the CMS, in that Settlement Period and in that direction, is Curtailed, and if further Curtailment is required, the MCN values, in that Settlement Period and in that direction, for which Nomination Gate Closure had occurred prior to the time of the curtailment incident being recorded in the CMS, are Curtailed pro rata for all Users, in the following order:
- i) Intraday MCNs (where Intraday Nomination Gate Closure has occurred),
 - ii) Daily MCNs (where Daily Nomination Gate Closure has occurred),
 - iii) Long-Term MCNs (where Long-Term Nomination Gate Closure has occurred).
- E7.4.4 If there is a Capacity Shortage in any Settlement Period in a given direction being recorded in the CMS between ICEs publication and Nomination Gate-Closure for a given Timescale, the Curtailment process, in that Settlement Period and in that direction, is deferred until such Nomination Gate-Closure, at following which the Curtailment provisions of E7.4.3 shall apply.
- E7.4.5 To the extent that the calculations under Rules E7.4.2 and/or E7.4.3 result in capacity rights and/or MCN values for a User that are not whole numbers, the Operators will round the result down to the nearest whole number. Any Interconnector Capacity remaining as a result of the rounding down process will,

to the extent it is a whole number, be allocated by the Operators to Users at the next relevant Auction, where practicable.

Rule E8: Curtailment Reconciliation

Introduction

- E8.1 If there is a Capacity Shortage in any Settlement Period in a given direction, any Curtailed capacity or MCN of a User will be shown by the Operators as a credit on the relevant invoice(s), in accordance with this Rule E8.
- E8.2 For the avoidance of doubt, whilst the relevant invoice will show as payable by the Unit Holder all Units acquired in the Auctions and the Unit Holder shall pay the total amount shown on such invoice, any Curtailed Units shall be shown as a credit on the relevant invoice.

Financial reconciliation

- E8.3 Unit Holders will be credited in full for the Unit Price of Curtailed Units where practicable except in circumstances including (but not limited to) E8.4 to E8.8.
- E8.4 If there is a Capacity Shortage in any Settlement Period in a given direction leading to the Curtailment of the Long-Term MCN of a Unit Holder, the corresponding Curtailed Units will be credited to the Unit Holder at a price based on the weighted-average price of the Units within its Long-Term ICE for that Settlement Period.
- E8.5 If there is a Capacity Shortage in any Settlement Period in a given direction leading to the Curtailment of the Daily MCN of a Unit Holder, the corresponding Curtailed Units will be credited to the Unit Holder at a price based on the weighted-average price of the Units within its Daily ICE for that Settlement Period.
- E8.6 If there is a Capacity Shortage in any Settlement Period in a given direction leading to the potential Curtailment of Units notified for Resale by a User to the Operators (but not already Resold), the corresponding notifications for Resale are cancelled in their entirety, without credit from the Operators and the corresponding Units are retained by the User. These Units are then subject to Curtailment in accordance with Rule E7.
- E8.7 If there is a Capacity Shortage in any Settlement Period in a given direction leading to the potential Curtailment of Units notified for Capacity Transfer by a User to the Operators:
- (i) if the Capacity Transfer has been confirmed by the party to whom the Capacity Transfer was made before the Curtailment, the Units are Curtailed and a credit is made to such Party in accordance with Rules E7 and E8,

- (ii) if the Capacity Transfer has not been confirmed by the party to whom the Capacity Transfer is being made before the Curtailment, the Capacity Transfer is cancelled in its entirety by the Operators, the corresponding Units are returned to the party which submitted the associated Capacity Transfer Notice and no credit is due to the party which had not confirmed the Capacity Transfer. These Units are then subject to Curtailment in accordance to Rules E7 and E8.

E8.8 If there is a Capacity Shortage in any Settlement Period in a given direction before the relevant Daily Auction Specification is published, leading to the Curtailment of Long-Term Units of a Unit Holder which were not Nominated before Long-Term Nomination Gate Closure and then which were subject to UIOSI, the corresponding Curtailed Units will be credited by the Operators to the Unit Holder at a price based on the weighted-average price of the Units within its Long-Term ICE for that Settlement Period.

SECTION F: GENERAL CONDITIONS

Rule F1: Introduction

Scope

F1.1 This Section F of the Rules sets out the general conditions applicable to the arrangements established by these Rules.

Structure

F1.2 Section F is divided into nine Rules as follows:

- (a) Rule F1: Introduction;
- (b) Rule F2: Notices and other communications;
- (c) Rule F3: Confidentiality;
- (d) Rule F4: Assignment and subcontracting;
- (e) Rule F5: Force Majeure;
- (f) Rule F6: Termination and suspension;
- (g) Rule F7: Liability;
- (h) Rule F8: Dispute resolution; and
- (i) Rule F9: Miscellaneous.

Rule F2: Notices and other communications

Language

F2.1 Any notice or other communication to be given under or in connection with the matters contemplated by these Rules shall be in English.

Contact details

F2.2 Save as otherwise expressly provided in these Rules, all notices or other communications between the Operators and each User shall be sent to the address or facsimile number or email address and marked for the attention of the addressee's representative as set out in the User's IFA User Agreement or as notified by the addressee from time to time.

Notice to Operators

F2.3 Notices from a User to the Operators must be sent to both Operators.

Method and time of delivery

F2.4.1 Save as otherwise expressly provided in these Rules, all notices or other communications shall be in writing and shall be given by letter delivered by hand against receipt, sent by prepaid post (airmail if overseas) and using a recorded delivery service (registered post, *lettre RAR* or equivalent) or sent by facsimile or email and 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 facsimile, on acknowledgement of receipt by the addressee's facsimile receiving equipment; or
- (d) in the case of email, when delivered to the other Party but only if an acknowledgement of receipt is requested and obtained by the Party sending the e-mail and a printed copy of the transmission is retained by that Party.

F2.4.2 If a notice or other communication would otherwise be deemed to have been received outside normal business hours (being 08:30hrs to 17:00hrs (local time) on a Business Day) under this Rule F2.4, it is deemed to have been received at the opening of business on the next Business Day.

Rule F3: Confidentiality

Obligation of confidentiality

F3.1 Subject to Rule F3.2 (exceptions), each of the Operators and each User who is a Recipient must, in relation to the Confidential Information of a Disclosing Party, preserve the confidentiality of each item of Confidential Information of the Disclosing Party and must not directly or indirectly reveal, report, publish, disclose or transfer any item of Confidential Information of the Disclosing Party and must not use any item of Confidential Information of the Disclosing Party other than for the purpose for which it was disclosed.

Exceptions

F3.2 Notwithstanding Rule F3.1, a Recipient may disclose Confidential Information of a Disclosing Party:

- (a) to the extent expressly permitted or contemplated by the Rules;
- (b) where the Recipient is NGIL, NGET or RTE, to each other, including in their capacity as Transmission System Operators;
- (c) with the prior written consent of the Disclosing Party;
- (d) 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 Rules;
- (e) as may be directed or ordered under or required in order to comply with any Applicable Law;
- (f) as may be required to comply with the requirements of the GB Grid Code, the RTE Grid Code, the Balancing and Settlement Code, or the RTE Settlement Arrangements;
- (g) as may be 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; or
- (h) in order to obtain clearances or consents from a Competent Authority.

Survival

F3.3 The obligations of confidentiality in this Rule F3 shall continue for a period of 5 years after termination of the User's IFA User Agreement.

Rule F4: Assignment and subcontracting

Operator Assignment

F4.1 Each Operator may assign its rights and novate its obligations under IFA User Agreements and these Rules to any entity which is to succeed it as joint operator of the Interconnector and joint provider of the services sold to Users under these Rules and these Rules shall be binding upon and enure for the benefit of the assigns and successors in title of each Operator. Each User will do all things reasonably requested of it by the Operators to assist with such assignment and novation.

User Assignment

F4.2 Subject to Rule E4 and Rule F4.3, a User may not assign, novate or otherwise transfer any of its rights or obligations under its IFA User Agreement or these Rules without the prior written consent of the Operators.

Capacity Subcontracting Arrangement

F4.3 Nothing in Rule F4.2 prevents a User from entering into a Capacity Subcontracting Arrangement. Entry into a Capacity Subcontracting Arrangement by a User does not relieve the User of any obligation or liability under its IFA User Agreement or these Rules and is subject to the indemnity in Rule F7.4.

Rule F5: Force Majeure

Definition of Force Majeure

F5.1 Force Majeure means, in relation to the Operators or a User, any unforeseeable event or any situation which is beyond the reasonable control of that person, and not due to a fault of such person, which cannot be reasonably avoided or overcome, and which makes it impossible for such person to fulfil temporarily or permanently its obligations under these Rules.

Notification

F5.2 The Operators (either individually or jointly) or a User, which invokes Force Majeure, shall promptly send to the other a notification describing the nature of Force Majeure, its probable duration and must continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The person invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.

Suspension of the obligations

F5.3 The obligations of a Party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions contained within Rule F3.

Limits of suspension of performance

F5.4 Suspension under Rule F5.3 is subject to the following:

- (a) suspension of performance will be of no greater scope and of no longer duration than is required by the Force Majeure;
- (b) the suspension of performance applies only for so long as the person relying on Rule F5.3 is using reasonable efforts to remedy their inability to perform.

Other consequences of Force Majeure

F5.5 The consequences of Force Majeure which is not subject to any discussion or litigation between the Operators and the User, are :

- (i) the person 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;

- (ii) the acquired Units which have been entirely paid and become subject to Force Majeure are reimbursed for the duration of the Force Majeure and;
- (iii) where the Unit Holder is the Party claiming the Force Majeure event, the Operators may, for their own benefits, reallocate the Unit Holder's Units to the subsequent Daily Auctions and for the duration of the Force Majeure event.

Termination

F5.6 If suspension under Rule F5.3 claimed and relied on by the affected person continues for a period of 6 months then the Operators or each User may, by notice to the other given at any time while the suspension continues beyond that period but not thereafter, terminate the User's IFA User Agreement. Termination takes effect 10 Business Days after the notice is given or any later date specified in the notice. A Long Term Unit Holder whose IFA User Agreement is terminated under this Rule F5.6 is under no obligation to pay remaining instalments of the Unit Price 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.

Rule F6: Termination and suspension

Introduction

- F6.1.1 A User may cease to be a User only in accordance with Rule F6.2 (termination by mutual consent), Rule F5 (termination for Force Majeure) or Rule F6.4 (compulsory termination).
- F6.1.2 A User's rights may be suspended under Rule F6.3.
- F6.1.3 This Rule F6 is without prejudice to other remedies available to the Operators under these Rules.

Termination by mutual consent

- F6.2 A User and the Operators may agree at any time to terminate the IFA User Agreement to which the User is a party. Termination takes effect at the time and on the terms agreed by the User and the Operators.

Suspension by the Operators

- F6.3.1 If any of the events in Rule F6.3.2 (each a "Suspension Event of Default") occurs in relation to a User, the Operators may by notice to the User :
- (a) suspend temporarily the User's rights to participate in Auctions and/or Secondary Market until the User has remedied the Suspension Event of Default specified in the notice; and/or
 - (b) suspend temporarily the User's rights to use Interconnector Capacity accordingly, (and reduce its ICEs to zero) until the User has remedied the Suspension Event of Default specified in the notice and, consequently, the User will no longer be entitled to Nominate, Resell or Capacity Transfer the Units it has acquired and such Units will not be taken into account in relation to the "Use It Or Sell It" provisions within these Rules.

For the avoidance of doubt, the Units which the Unit Holder is prohibited from using as a result of suspension may be offered by the Operators in subsequent Daily Auctions and the Operators shall not return the corresponding proceeds to the Unit Holder.

- F6.3.2 The Suspension Events of Default referred to in Rule F6.3.1 are the following:
- (a) subject to Rule C2.8.3, if a User fails to pay any amount properly due and owing to the Operators pursuant to these Rules;
 - (b) if a User fails to provide and maintain Credit Cover in accordance with Rule C3.15.2;

- (c) the Operators are satisfied on reasonable grounds that the User no longer satisfies one or more of the Eligibility Conditions; or
- (d) if the Operators have required a User, based on reasonable grounds and prior to the application of Rule F6.4.2 (d), to remedy its breach of these Rules or its breach of his IFA User Agreement (other than a failure to pay) ;
- (e) if the User has taken any action which may lead to the damaging or reduction in effectiveness of the CMS or of the CMS's hosting system (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).

F6.3.3 A notice under Rule F6.3.1 takes effect from the time it is given or any later time specified in it. The Operators may withdraw a notice under Rules F6.3.1(a) or F6.3.1(b) at any time. Having given a notice under Rule F6.3.1, the Operators may give a further or other notice at any time in respect of the same or a different Event of Default.

F6.3.4 Once the User has fulfilled or remedied the Suspension Event of Default as notified to it in the notice sent by the Operators , the Operators will reinstate as soon as reasonably practicable the User's rights in relation to use of the Interconnector and its ability to participate in Auctions and/or the Secondary Market by written notice to the User ("Reinstatement Notice"). As from the date of effect of the Reinstatement Notice, the Units allocated prior to the suspension and which remain unused may be Nominated and the User shall also be entitled to participate in Auctions and/or Secondary Market.

Termination by the Operators

F6.4.1 If any of the events in Rule F6.4.2 (each an "Termination Event of Default") occurs in relation to a User, the Operators may by notice to the User terminate the IFA User Agreement to which the User is a party, including the User's rights to use Interconnector Capacity. A notice under this Rule F6.4.1 takes effect from the time it is given or any later time specified in it.

For the avoidance of doubt, as from the time at which the notice referred to at F6.4.1 takes effect, the User will no longer be entitled to participate in an Auction or in the Secondary Market, or Nominate, or Resell, or Capacity Transfer the Units it has acquired and such Units will not be taken into account in relation to the "Use It Or Sell It" provisions within these Rules.

For the avoidance of doubt, the Units which the Unit Holder is prohibited from using as a result of termination may be offered by the Operators in subsequent Daily Auctions or in the Secondary Market and the Operators shall not return the corresponding proceeds to the Unit Holder.

F6.4.2 The Termination Events of Default referred to in Rule F6.4.1 are the following:

- (a) if a User fails to remedy within 10 Business Days of a notice (or any other time period specified in the notice, if any) any failure to pay the amount properly due and owed to the Operators pursuant to Rule F6.3.2.(a);
- (b) if a User fails to remedy within 10 Business Days of a notice (or any other delay specified in the notice, if any) any failure to provide and maintain the relevant Credit Cover pursuant to Rule F6.3.2.(b);
- (c) subject to Rule F6.5, if a User undergoes an Insolvency Event;
- (d) if a User commits a breach of these Rules or an IFA User Agreement (other than a failure to pay) and (if capable of remedy) the breach has not been remedied within 10 Business Days of a notice (or any other delay specified in the notice, if any) from the Operators requiring remedy;
- (e) if a User persistently breaches these Rules or an IFA User Agreement, whether or not the breach is capable of remedy;
- (f) if the User commits a breach of any of the provisions of the RTE Grid Code or NGET Grid Code applicable to it and such breach has or can reasonably be expected to have an adverse effect on the operation of the Interconnector or the arrangements contemplated by these Rules and (if capable of remedy) the breach has not been remedied within 10 Business Days of a notice from the Operators requiring remedy; or
- (g) if a Competent Authority (i) determines that the User has committed a misusing or fraudulent act and (ii) requests the Operators to terminate the IFA User Agreement to which such User is a Party or (iii) agrees that the Operators have reasonable grounds to believe that the User has committed a misusing or fraudulent act in participating in Auctions, Secondary Market or in Nominating on IFA.

French insolvency law

F6.5 A right of termination under Rule F6.4.2(c) will not be deemed to exist where the User has its registered office in France and is the subject of a financial reorganisation under the headings of Articles L.620-1 et seq of the French Commercial Code, referred to as *de la sauvegarde*, and under the headings of Articles L.631-1 et seq of French Commercial Code, referred to as *du redressement judiciaire*.

Payments

F6.6.1 If the Operators give a notice to a User under Rule F6.3.1 and Rule F6.4.1, then respectively such notice of suspension or termination does not relieve the User from its payment obligations pursuant to Rule C2, including its payment obligations in relation to the Units for which the User loses the right of use pursuant to Rule F6.3.

F6.6.2 Where the Operators give a notice to a User pursuant to Rule F6.4.2 (c), the User shall be obliged to fulfill its payment obligations, including its payment obligations

in relation to the Units for which the User loses the right of use pursuant to Rule F6.3. Nevertheless, for the sole application of this Rule F6.4.2 (c) and notwithstanding Rule F6.4.1, the User's debt shall be reduced by the amounts of the Units initially acquired by him and finally re-auctioned by the Operators.

Preservation of rights

F6.7 Termination of an IFA User Agreement does not affect any rights and liabilities under or in connection with the IFA User Agreement and these Rules which arose prior to that termination. Accordingly, any User whose IFA User Agreement is terminated will remain liable, subject to and in accordance with the Rules, in respect of all such rights and liabilities.

Rule F7: Liability

Liability for breach

- F7.1 Subject to Rule F7.2 and Rule F7.4, each of the Operators and each User agrees and acknowledges that neither the Operators nor a User nor any of their respective officers, employees or agents shall be liable to any other of them for loss arising from any breach of these Rules other than for loss directly resulting from such breach and which at the date of these Rules was foreseeable as not unlikely to occur in the ordinary course of events from such breach in respect of:
- (a) physical damage to the property of the Operators or the User (as the case may be), or their respective officers, employees or agents; or
 - (b) the liability of the Operators or the User (as the case may be) to any other User for loss in respect of physical damage to the property of that other User.

Death and personal injury

- F7.2 Nothing in these Rules excludes or limits the liability of the Operators or a User for death or personal injury resulting from that person's negligence or the negligence of any of its officers, employees or agents and the Operators and each User shall indemnify and keep indemnified the other and their respective officers, employees or agents, from and against all such and any loss or liability (including legal costs) which the person having the benefit of the indemnity may suffer or incur by reason of any claim on account of death or personal injury resulting from the negligence of the person giving the indemnity or any of its officers, employees or agents.

Excluded losses

- F7.3 Subject to Rule F7.2 and Rule F7.4, none of the Operators or any User nor any of their respective officers, employees or agents shall in any circumstances whatsoever be liable to any other of them for:
- (a) any loss of profit, loss of revenue, loss of use, loss of contract or loss of goodwill; or
 - (b) any indirect or consequential loss; or
 - (c) loss resulting from the liability of the Operators or User (as the case may be) to any other person (including another User) howsoever and whensoever arising save as provided in rules F7.1(a) and F7.2.

Indemnity

F7.4 A User shall indemnify and keep indemnified the Operators and their respective officers, employees and agents from and against any and all loss or liability (including legal costs) which any of them may suffer or incur by reason of any claim by any third party (“claimant”) on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant’s officers, agents, subcontractors or employees in connection with any Capacity Subcontracting Arrangement to which that User is a party.

General

F7.5.1 Each of the provisions of this Rule F7 shall survive termination of any IFA User Agreement.

F7.5.2 The Operators and each User acknowledges and agrees that it holds the benefit of Rules F7.1, F7.2, F7.3 and F7.4 above for itself and as trustee and agent for its officers, employees and agents.

F7.5.3 For the avoidance of doubt, nothing in this Rule F7 prevents or restricts either the Operators or a User from enforcing any obligation (including suing for a debt) owed to it under or pursuant to these Rules.

Rule F8: Dispute Resolution

Application

F8.1 Any disagreement, difference of opinion or other dispute between the Operators and a User under or in relation to these Rules (“Dispute”) must be resolved in accordance with this Rule F8.

Debt Proceedings

F8.2.1 The Operators or a User may bring proceedings (“Debt Proceedings”) against the other for any amount owing under or in connection with these Rules and unpaid for more than 20 Business Days after the date the monies were due.

F8.2.2 The proceedings referred to in Rule F8.2.1 may be brought in any court having jurisdiction to hear such claim. Each User hereby consents for the purposes of such proceedings to submit to the jurisdiction of any court having jurisdiction to hear such claim. Each User irrevocably waives any objection which it may have now or hereafter to the laying of a venue of such proceedings in any court in accordance with Rule F8.2.1 and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any such proceedings brought in any such court may be enforced in the courts of any other jurisdiction.

Prescribed procedure

F8.3 Where there is a Dispute (other than Debt Proceedings) the Operators and Users shall first seek amicable settlement through mutual consultation pursuant to Rule F8.4

Amicable resolution

F8.4 If there is any Dispute, including any Technical Dispute, a senior representative of each of the Operators and the User with authority to resolve the Dispute must meet within 20 Business Days of a request to meet and seek to resolve the Dispute. If the representatives are unable to resolve the Dispute within 20 Business Days of the meeting (or such longer time as may be agreed) then the Dispute (other than a Debt Proceeding) must be determined by arbitration in accordance with Rule F8.5. This Rule F8.4 does not prevent the commencement of proceedings under Rule F8.2.1.

Arbitration

F8.5.1 Subject to Rule F.8.4, where a Dispute is to be referred to arbitration under this Rule F8, either the Operators or the User may give notice to the other stating the nature of the Dispute and referring the Dispute to arbitration. Arbitration under this Rule F8.5 shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one

arbitrator, of neutral origin and appointed by agreement between the Operators and the User or, if such agreement is not reached within 20 Business Days of the reference to arbitration, then by the ICC. The arbitration shall take place in Geneva and the language of the arbitration proceedings shall be English. The arbitrator shall decide in law and not as an *amiable compositeur*. In the case of a Dispute, including any Technical Dispute, referred to arbitration, the arbitration will be a first hearing and the arbitrator shall hear arguments and evidence anew.

F8.5.2 Arbitration awards under this Rule F8.5 shall be final and binding on the Operators and the relevant User as from the date that they are made. Each of the Operators and the User must carry out any award of an arbitrator 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.

Other issues

F8.6.1 Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Rule F8 the Operators and the User shall continue to perform their respective obligations under these Rules and the User's IFA User Agreement.

F8.6.2 This Rule F8 survives termination of the User's IFA User Agreement.

Rule F9: Miscellaneous

Governing law

F9.1 These Rules shall be governed by and construed in all respects in accordance with French Law.

Language

F9.2 These Rules will be produced both in English and French. For the avoidance of doubt, in the event of inconsistency between the English and French versions, the English language version shall prevail.

Intellectual Property

F9.3.1 No User shall acquire any right, title, licence or interest in or to any Intellectual Property, including the Intellectual Property referred to in Rule F9.3.2, used by the Operators in connection with these Rules.

F9.3.2 Save where the Operators agree in writing otherwise, all Intellectual Property relating to the subject matter of these Rules, including the Rules themselves, as conceived, originated, devised, developed or created by an Operator (including jointly with the other) or their respective officers, employees, agents or consultants during the currency of these Rules shall vest, as against Users, in the Operators jointly as sole beneficial owners and shall remain the confidential information of the Operators.

Relationship and nature of rights

F9.4.1 The relationship of the Operators and Users is that of service provider and service user respectively. Except as expressly provided in these Rules, nothing contained or implied in these Rules constitutes or is deemed to constitute the Operators or a User, the partner, agent or legal representative of the other for any purpose whatsoever or create or be deemed to create any partnership, agency, trust or comprising of any nature whatsoever, in particular, but not limited to, any *société créée de fait* or *société en participation* (as those terms are defined under French law).

F9.4.2 The rights granted to Users under these Rules are in the form of physical transmission rights of electrical energy. The Auctions and Secondary Market are in respect of capacity only and the Users can invoke no other right that capacity made available to them in accordance with the provisions of these Rules.

No third party rights

F9.5 The Operators and each User each acknowledges and agree that a person who is not a party to the IFA User Agreement between them (including any other User) has no rights to enforce these Rules or the IFA User Agreement as between the Operators and that User.

Waiver

- F9.6.1 No omission to exercise or delay in exercising any right, power or remedy provided by law or under these Rules shall constitute a waiver of such right, power or remedy or any other right, power or remedy or impair such 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 Rules.
- F9.6.2 Any waiver of any right, power or remedy under these Rules 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.

Variation

- F9.7 No variation to these Rules or an IFA User Agreement shall be effective unless made in accordance with Rule A4.

No advice

- F9.8 The User acknowledges that neither the Operator nor any person acting on behalf of or associated with the Operator makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these Rules, the IFA User Agreements or the Disclosed Information or otherwise in relation to or in connection with these Rules, the IFA User Agreements and the Disclosed Information or any transaction or arrangement contemplated by these Rules, the IFA User Agreements and the Disclosed Information except as specifically provided in these Rules or the IFA User Agreement.

Entire agreement

- F9.9 These Rules and the IFA User Agreement contain or expressly refer to the entire agreement between the Operators and each User 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 Operators and each User with respect thereto and each of them acknowledges and confirms that it does not enter into these Rules on the IFA User Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these Rules or the IFA User Agreement.

Remedies exclusive

- F9.10 The rights and remedies provided by these Rules and the IFA User Agreement to the Operators and each User 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 express or implied and provided by law (whether French or English) or statute in respect of the subject matter of these Rules and the IFA User Agreement. Accordingly, each of the Operators and each User hereby waives to the fullest extent possible all such rights and remedies provided by law (whether French or English) 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 (whether French or English) or statute in respect of the matters dealt with in these Rules and the IFA User Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Severance of terms

- F9.11 If any provision of these Rules or an IFA User 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 Rules and the IFA User Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality.
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Schedule 1: Definitions and interpretation

Part I: Definitions

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

“Accord de Participation”	means an <i>Accord de Participation</i> signed by a User and RTE by which a User agrees to abide by the <i>Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations</i> ;
“Accord de participation en qualité de Responsable d'Equilibre”	means an agreement between RTE and another party under which that party agrees to be responsible for payment of charges associated with imbalances between scheduled and actual generation output and demand from the RTE Transmission System;
“Auction Credit Limit”	means a credit limit established by a User under Rule C3 in respect of participation in any Auction;
“Amendment Notice”	means the notification and any associated documents issued by the Operators pursuant to Rule A4, provided to the Users and which provide Users with the Operators’ proposed amendment(s) to the Rules;
“Applicable Law”	means any statute, statutory instrument, licence (including the NGIL Interconnector Licence, NGET Transmission Licence and the Licence Standards) law (whether English or French) or decree (<i>décret</i>) or order in council or directive, or any code including the NGET Grid Code, the RTE Grid Code and the Balancing and Settlement Code, or any request, requirement, instruction, direction or rule of any Competent Authority but only, where not having the force of law, if compliance with the Applicable Law is in accordance with the general practice of persons to whom the Applicable Law is addressed;
“Applicant”	has the meaning given to it in Rule B3.1;
“Application Form”	means the form designated by the Operators as such for the purposes of these Rules from time to time and included in the Application Pack;
“Application Pack”	means the package of information and other documents

	designated by the Operators as such for the purposes of these Rules from time to time;
“Auction”	means any auction conducted under these Rules;
“Auction Price”	means the value of the Marginal Price of an Auction, and which is payable by all Unit Holders resulting from such Auction;
“Auction Specification”	means, the specification for the Auction published by the Operators, as described in Rules D3, D4, D5 for the respective Timescales;
“Balancing and Settlement Code”	means the code of that name established under the NGET Transmission Licence;
“Bid”	means a User’s offer to buy Units in an Auction, and made in accordance with these Rules;
“Bidding Period”	means, in relation to an Auction, the time during which Bids may validly be submitted in that Auction in accordance with these Rules;
“Business Day”	means a week-day on which banks in both London and Paris are open for domestic business and for dealings in sterling and euro deposits;
“Business Rules”	means the rules for day to day use of Interconnector Capacity in Schedule 4;
“Capacity Shortage”	has the meaning given to it in Rule E7.3;
“Capacity Subcontracting Arrangement”	means any arrangement between a Unit Holder and another person under which the Unit Holder allows the person, either directly or indirectly, to use the Interconnector Capacity of the Unit Holder;
“Capacity Management System” or “CMS”	means the IT system used for conducting Auctions and other associated Interconnector Capacity activities ;
“Capacity Transfer”	means the mechanism by which a Unit Holder passes over Units to another User in accordance with Rule E4.4, and “Transfer Capacity”, “Transferred”, “Transferee” shall have corresponding meanings;
“Capacity Transfer Notice”	has the meaning given to it in Rule E4.4.1(a);
“Capacity Transfer Period”	has the meaning given to it in Rule E4.4.1(d);
“Competent Authority”	means the Secretary of State (as defined in the Governing Act), the GB Regulator, the French Regulator and any local, national or supra-national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom, France or the European Union;

“Confidential Information”	means any item of information, regardless of its form, disclosed by the Operators or a User to the other under or in connection with these Rules, other than any item of information which: <ul style="list-style-type: none"> (a) was, at the time of the disclosure, within the public domain; (b) not being within the public domain at the time of disclosure, enters the public domain otherwise than as a result of a breach of a confidentiality obligation owed in relation to that item of information of which the Recipient is aware; or (c) was already known to the Recipient or was independently (of the Disclosing Party) acquired or developed by the Recipient without being in breach of its obligations under the Rules;
“Contract Day”	in relation to a Contract Day D, means a period of 24 hours commencing at 00:00 hours on day D;
“Credit Cover”	means security for payment of amounts owed under these Rules provided under Rule C3;
“Credit Cover Incident”	means the failure of a User to provide the renewal of Credit Cover as specified under Rule C3.15;
“Curtail”	means to reduce Unit Holders’ Interconnector Capacity and MCNs in accordance with Rule E7 and “Curtailed”, “Curtailedment” have corresponding meanings;
“Curtailedment Quantity”	means, in relation to a Capacity Shortage, the quantity calculated under Rule E7.3;
“CUSC”	means the Connection and Use of System Code established under the NGET Transmission Licence;
“Daily”	means processes relating to Auctions with Product Period of one (1) Contract Day and associated Interconnector Capacity activities, the business process for which is described in Schedule 4;
“Daily Auction”	means any Auction of Daily Units;
“Daily Auction – Hourly ”	means a Daily Auction in which all hours have an independent Auction Price, therefore each hour being a Unit Validity Time;
“Daily Auction – Grouped Hours”	means a Daily Auction in which a group of hours has a single Auction Price. The Unit Validity Times in this case are the hours that are grouped together with a common Offered Capacity and a common Auction Price. For the avoidance of doubt, separate groups of

	hours may have different Auction Prices. CMS refers to this as “Daily Block Auctions”;
“Daily ICE”	means the ICE described under Rule E.2.3.1 pertaining to Interconnector Capacity being allocated (subject to any Curtailment) to a Unit Holder pursuant to Daily Auctions and Secondary Market within the Daily Timescale;
“Daily Unit”	means a Unit offered in a Daily Auction, with Unit Validity Times as specified in the relevant Auction Specification;
“Day Type”	means any of Working Days, non-Working Days or all Days as the case may be, in the context of a Capacity Transfer Notice;
“Debt Proceedings”	has the meaning given to it in Rule F8.2.1;
“Deemed Metered Volumes”	means volumes of energy allocated to Users’ Energy Accounts by the Operators calculated using the rules in Schedule 5;
“Default Bid”	means the automatic submission of Bids in respect of a particular Auction type (Daily or Intraday) pre-prepared by the User;
“Default Nomination”	means the automatic generation and submission of Mid-Channel Nominations in respect of a particular Timescale which are identical to the ICE notified to the User in respect of such Timescale;
“Deposit Account”	means a deposit account at a bank that satisfies the criteria outlined in the definition of Letter of Credit where: <ul style="list-style-type: none"> (a) the account is in the joint name of one or both of the Operators and the User; (b) interest on the amount deposited in the account accrues for the benefit of the User, after deduction for any tax or bank charges; (c) the Operators and the User have irrevocably instructed the bank to make a payment against the sole signature of the Operators jointly; (d) the bank has agreed that the amounts deposited in the account must not be set off or otherwise applied by the bank in respect of any indebtedness of the User or other person; and (e) amounts (other than interest) standing to the credit of the account will not be paid to the User without the prior written agreement of the Operators;

“Disclosed Information”	means all information and data provided by or on behalf of the Operators to Users and Applicants in connection with the Rules including the Application Pack and the IFA User Guide;
“Disclosing Party”	means, in relation to an item of Confidential Information, the person that disclosed the item;
“Dispute”	has the meaning given to it in Rule F8;
“Eligibility Conditions”	means the conditions set out in Rule B2.1;
“Eligibility Notice”	has the meaning given to it in Rule B2.2;
“Energy Account”	means in relation to a User: <ul style="list-style-type: none"> (a) the User’s Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code; and (b) the account established under an Accord de participation en qualité de <i>Responsable d’Equilibre</i> linked to that User for the purposes of the RTE Settlement Arrangements to which the User’s <i>Programme d’importation à Mandarins</i> and <i>Programme d’exportation à Mandarins</i> are submitted; both as specified by the User in its Standing Data;
“Force Majeure”	has the meaning given to it in Rule F5.1;
“Forced Outage”	means any Outage of which notice was given after the publication of the Auction Specification for the Daily Auction for the Contract Day on which the Outage occurs;
“French Electricity Law”	means Law no. 2000-108 of 10 February 2000 as amended from time to time and relating to the modernisation and development of public electricity services (<i>Loi no 2000-108 du 10 février 2000 relative à la modernisation et au développement du service public de l’électricité</i>);
“French Regulator”	means the <i>Commission de Régulation de l’Energie</i> established under the French Electricity Law;
“GB Grid Code”	means the document referred to as the Grid Code in the NGET Transmission Licence;
“GB Regulator”	means the Gas and Electricity Markets Authority, as established under the Governing Act;
“Governing Act”	means the Electricity Act 1989 as amended and supplemented by the Utilities Act 2000;
“ICE” or “Interconnector Capacity Entitlement”	has the meaning given to it in Rule E2.3.1;
“IFA User Agreement”	means an agreement between the Operators and a User in or substantially in the form set out in Schedule 2;

“IFA User Guide”	means the guide to these Rules published by the Operators from time to time;
“Insolvency Event”	means in relation to a User, any of the following events: <ul style="list-style-type: none"> (a) an order of a competent court is made or a resolution is passed for its insolvent winding up or dissolution; (b) a receiver of the whole or any material part of its assets or undertaking is appointed (whether under contract or by a court) or a decision for the opening of insolvency proceedings (except in application of Rule F6.5) has been made by a competent court; (c) an administration order is made or a voluntary arrangement is proposed or a decision is made to appoint a mediator or to approve a voluntary arrangement with creditors; (d) anything analogous to, or having a substantially similar effect to, any of the circumstances specified in paragraphs (a) to (c) above occurs in relation to the User in any jurisdiction;
“Intellectual Property”	means patents, trade marks, design rights, copyright, database rights, know-how (whether registrable or otherwise), information including these Rules (whether patented or not), applications for any of the foregoing, and other similar rights or obligations, whether registrable or not, in any country (including the United Kingdom and France);
“Interconnector”	means the interconnection of the NGET Transmission System with the RTE Transmission System by the National Grid Interconnector Circuits and the RTE Interconnector Circuits;
“Interconnector Capability”	means the capability (in MW, at mid-Channel) of the Interconnector to Transmit electrical energy between England and France via the National Grid Interconnector Circuits and the RTE Interconnector Circuits taking into account the effects of any event or circumstance affecting such capability at any relevant time, including events or circumstances on the NGET Transmission System or the RTE Transmission System or disconnection or de-energisation of the Interconnector from either of those transmission systems;
“Interconnector Capacity”	means the right of use of the Interconnector made available by the Operators in Auctions, to facilitate the Transmission of energy by Users between England and France, to the extent that Interconnector Capability

	permits and as provided for in these Rules;
“Intraday”	means processes relating to Auctions with Product Periods of up to 1 Contract Day duration and associated Interconnector Capacity activities, the business process for which is described in Schedule 4.
“Intraday Auction”	means any Auction of Intraday Units;
“Intraday Unit”	means a Unit with a Product Period shorter than a Contract Day, as specified in the relevant Auction Specification;
“Letter of Credit”	means an irrevocable stand by letter of credit in the currency in which the User intends to pay for its Units in such form as the Operators may reasonably approve issued for the account of the User in favour of the Operators, allowing for partial drawings and providing for the payment to the Operators forthwith on demand by any United Kingdom clearing bank or banks or any other bank or banks which has (have) a long term debt rating of not less than A by Standard and Poor’s Corporation or by Moody’s Investors Service Inc. or such other bank or banks as the Operators may approve, and which shall be available for payment at a branch of the issuing bank as specified by the issuing bank, provided that the branch so specified shall be located within the boundaries of the mainland of Great Britain;
“Licence Standards”	means those standards set out in or referred to in the NGET Transmission Licence;
“Long Term”	means processes relating to Auctions with Product Periods greater than 1 Contract Day and associated Interconnector Capacity activities, the business process for which is described in Schedule 4;
“Long Term Units”	means a Unit with a Product Period longer than one Contract Day, as specified in the relevant Auction Specification;
“Loss Factor”	has the meaning given to it in Schedule 5;
“Manifest Error”	has the meaning given to it in Rule D6.7;
“Marginal Price”	means the lowest winning Bid received by the Operators in an Auction;
“Mid-Channel Nomination” or “MCN”	has the meaning given to it in Rule E3.1;
“National Grid” or “NGIL”	means National Grid Interconnectors Limited, a company incorporated in England and Wales;
“National Grid Interconnector Circuits”	means the switching bays and sub-marine cables and other plant and apparatus owned by National Grid connecting the NGET Transmission System to the RTE

	Interconnector Circuits commencing at and including the switching bays at the sub-station known as Sellindge 400, as such switching bays and sub-marine cables and other plant, apparatus and meters are replaced, modified, developed or added to from time to time;
“Netting”	means the superposition of MCNs in two opposite directions (France-England and England-France), in order to release some capacity in the more congested direction for the next allocation step, and “Netted” shall have corresponding meaning;
“NGET Transmission Licence”	means the licence granted by the Secretary of State to NGET under Section 6(1)(b) of the Governing Act permitting, inter alia, the transmission of electricity in England and Wales, as amended from time to time;
“NGET Transmission System”	means the system comprising electric lines owned or operated by NGET for the transmission of electricity as defined in the GB Grid Code;
“NGET”	means National Grid Electricity Transmission plc, a company incorporated in England and Wales;
“Nominate”	means, in relation to a User, the action to submit a MCN to the Operators, and “Nomination” shall have corresponding meaning;
“Nomination Gate Closure”	means, for a specific Timescale and in relation to a Settlement Period, the last time at which Nominations can be made in relation to that Settlement Period (those times being listed in Schedule 4);
“Offered Capacity”	means the number of Units being made available in the respective Unit Validity Times in an Auction;
“Operators”	means National Grid and RTE, acting jointly;
“Outage”	means any reduction of Interconnector Capability in either direction and includes Forced Outages and Trips;
“Product Period”	means the period of time beginning on the first Contract Day in respect of a specific Auction and ending at the end of the last Contract Day in respect of such Auction.
“Recipient”	means, in relation to an item of Confidential Information, the person to whom it is disclosed;
“Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations”	means the <i>Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations</i> established by RTE in the version published on RTE’s web site from time to time. These rules define the conditions to access RTE Transmission System to do exports and imports;
“Relevant Unit Holder”	has the meaning given to it in Rule E4.3.13;

“Resale”	means the offering of Units in an Auction by the Operators on behalf of a Unit Holder, and the resulting reallocation of those Units to another User in accordance with Rule E4.3, and “Resell”, “Resold” shall have corresponding meanings;
“Resale Period”	means the period of time specified as such by a User in a Resale Request;
“Resale Request”	means a written notice from a Unit Holder to the Operators requesting them to Resell the Unit Holder’s Units during the Resale Period;
“Resale Unit”	has the meaning given to it in Rule E4.3.9;
“Reservation Subperiod”	means a period of time during a Product Period where the Offered Capacity is less than the Offered Capacity at other times during the Product Period as a consequence of a planned Outage;
“Resold Unit Quantity”	means (in megawatt-hours) equals the product of the (a) number of Units Resold by the User at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Auction;
“RTE” or “Réseau de Transport d’Electricité”	means RTE EDF Transport, trading as “RTE” or “Réseau de Transport d’Electricité”;
“RTE Grid Code”	means the rules, including technical rules, establishing the minimum technical design and operation requirements for connection to the RTE Transmission System established or to be established under Article 14 of the French Electricity Law;
“RTE Interconnector Circuits”	means the switching bays and sub-marine cables and the other plant and apparatus owned by RTE connecting the RTE Transmission System to the National Grid Interconnector Circuits commencing at and including the switching bays at the sub-station known as Les Mandarins 400, as such switching bays and sub-marine cables and other plant, apparatus and meters are replaced, modified, developed or added to from time to time;
“RTE Settlement Arrangements”	means the arrangements established or to be established under or in accordance with Article 15 of the French Electricity Law including operational planning, system services and payments to and from Users of the RTE Transmission System. As at the date of this agreement, the RTE Settlement Arrangements include <i>Accords de participation en qualité de Responsable d’Equilibre</i> ;
“RTE Transmission System”	the system of electric lines operated by RTE under

	concession for the transmission of electricity, as defined in the French Act, the Cahier des Charges de Concession as defined in the amendment dated 10 April 1995 of the concession rules dated 27 November 1958 or as subsequently amended by law, but excluding, for the purposes of this agreement, the RTE Interconnector Circuits;
“Rules”	means these IFA Access Rules, as amended from time to time;
“Secondary market”	means Resale and Capacity Transfer of Interconnector Capacity, as described in Rule E4;
“Set of Bids”	means all valid Bids from a User registered in the CMS and as modified during the relevant Bidding Period, at any time;
“Settlement Period”	means each half-hour period coinciding with Settlement Periods as defined in the Balancing and Settlement Code;
“Standard Training”	means a set of on-line exercises designed by the Operators to enable Users to become sufficiently familiar with the CMS. The exercises shall be undertaken on the test platform of the CMS with remote support from the Operators and in conjunction with a User Guide and other relevant documentation;
“Standing Data”	means, in relation to a User, the data and other information to be given by the User to the Operators described in Schedule 3;
“Suspension Event”	means, in relation to a User, any of the following events: <ul style="list-style-type: none"> (a) the User’s rights referred to in Section H3.2.2(c) of the Balancing and Settlement Code are suspended under Section H3.2.1 of that Code; (b) the User becomes a Dormant CUSC Party (as defined in CUSC); (c) any request is made under CUSC for National Grid or RTE to cease or procure the cessation of the transport of power across the Interconnector by or on behalf of the User;
“Suspension Event of Default”	has the meaning given to it in Rule F6.3.2;
“Taxes”	means all forms of taxation and statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and of any jurisdiction and any penalty, fine, surcharge, interest, charges or costs payable in connection with any Taxes;
“Technical Dispute”	means any dispute relating to technical matters in

	relation to Parts A, B, C, D or E of these Rules, including but not limited to technical matters relating to the CMS;
“Termination Event of Default”	has the meaning given to it in Rule F6.4.2;
“Timescale”	means either Long-Term, Daily or Intraday period of time;
“Energy Transmission”	means the transmission of electricity across the Interconnector and “Transmitting” has a corresponding meaning;
“Transmission Pass-Through Charge”	means the charge, specified by National Grid from time to time, in pence per Unit per Hour payable by Unit Holders, reflecting a pass through by National Grid of the charges paid by it for connection of the Interconnector to the NGET Transmission System and use of the NGET Transmission System, (including those charges applicable to the Interconnector Error Administrator as defined in the Balancing and Settlement Code) as calculated under the statement made by NGET under Condition 10 of the NGET Transmission Licence;
“Transmission System Operator”	means each of NGET in its capacity as operator of the NGET Transmission System and RTE in its capacity as operator of the RTE Transmission System;
“Trip”	means any unforeseen event which results in an Outage;
“Unit”	means the right to an ICE of up to 1MW (subject to Curtailment and these Rules) in a particular direction and during the Product Period of the Unit, as defined in Rule E2.1 and subject to and on the terms and conditions of these Rules;
“Unit Holder”	means a User who has been allocated Units under these Rules, any of which at the relevant time have not yet reached the end of their Product Period and, for the purposes of the Rules specified in Rule E4.4.10(a), Users to whom a Capacity Transfer is made;
“Unit Price”	means, for a Unit, the Auction Price (in euros per megawatt hour) resulting from the Auction at which the Unit was allocated to the User;
“Unit Quantity”	means, in megawatt-hours, the product of (a) the number of Units allocated to the User at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Units;
“Unit Resale Price”	means, for a Unit, the Auction Price (in euros per megawatt hour) resulting from the Auction at which the

Unit was Resold by the User, as set out in Rule E4.3.10;

“Unit Validity Times”	means : <ul style="list-style-type: none">i) in the case of Long Term Units, the specific hours within the Product Period for which the Units have been offered in the applicable Auction,ii) in the case of Daily Units, the individual hours (in the case of Daily Auction – Hourly product) or the relevant groups of hours (in the case of a Daily Auction – Grouped Hours product) for which the Units have been offered in the applicable Auction,iii) in the case of Intraday Units, the individual hours for which the Units have been offered in the applicable Auction;
“Unused Units”	has the meaning given to it respectively in Rules E5.2.1 and E5.3.1, and is referred, in the CMS, “Non-Nominated capacity”;
“Use-It-or-Lose-It” (UIOLI)	has the meaning given to it in Rule E5;
“Use-It-or-Sell-It” (UIOSI)	has the meaning given to it in Rule E5;
“Use of System Interconnector Agreement”	means an agreement (including a Framework Agreement as defined in CUSC) between NGET and a User in the form agreed by NGET setting out the terms on which the User may use the NGET Transmission System in relation to Energy Transmission;
“User”	means any person, other than the Operators, who for the time being is a party to an IFA User Agreement;
“User Systems”	means, in relation to a User, the hardware, software and other systems needed by the User to exercise its rights and perform its obligations under these Rules, including communicating electronically with the Operators, participating in Auctions and using Interconnector Capacity; and
“Validity Period”	has the meaning given in Rule C3.

Part II: Interpretation

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

- (a) the singular indicates the plural and vice versa;
- (b) references to one gender include all other genders;
- (c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the Rules;
- (d) the word “including” and its variations are to be construed without limitation;
- (e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;
- (f) any reference to a “Rule” is a reference to a rule contained in the relevant Section, any reference in a Schedule to a “paragraph” is a reference to a paragraph contained in that Schedule and any reference to a “Schedule” is a reference to a Schedule to the Rules. Rules are identified by reference to the relevant Section and Rule number. For example Rule D4 refers to Rule 4 in Section D;
- (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) any reference to a day, month or year is to be construed as a reference to a calendar day, month or year as the case may be;
- (i) a reference to time is a reference to CET time unless (otherwise specified);
- (j) the symbol * requires multiplication to be effected;
- (k) where the Operators are required to publish any information under these Rules, they may do so by making the information or data available on their respective websites or via the CMS;
- (l) an obligation to use reasonable endeavours shall be construed as an *obligation de moyens*; and
- (m) in the English version of these Rules, words in French in italics are to be interpreted in accordance with their meaning in French and in the French version of these Rules, words in English in italics are to be interpreted in accordance with their meaning in English.

“IFA Access Rules”	means the rules of that name established by the Operators providing for the sale and use of rights to use the Interconnector as amended from time to time, the current version of which has been made available to the Users;
“IFA User Guide”	means the guide to the IFA Access Rules, published by the Operators and designated as such by them from time to time;
“Interconnector”	means the 2,000MW DC interconnector between Sellindge in England and Les Mandarins in France;
“Operators”	means RTE and National Grid; and
“Party”	means each of the Operators and the User.

1.2 The rules of interpretation in the IFA Access Rules apply to this Agreement.

2. IFA Access Rules

2.1 The IFA Access Rules are hereby given effect between and made binding upon each Party with effect from the date of execution of this Agreement by both Parties.

2.2 With effect from the date of execution of this Agreement by both Parties, each Party undertakes to the other Party to comply with and perform its obligations in accordance with and subject to the IFA Access Rules.

3. Warranties

3.1 The User warrants to the Operators at the time of entering into this Agreement that:

- (a) the information and data provided by the User to the Operators in its Application Form (as defined in the IFA Access Rules) is true, accurate and complete in all respects;
 - (b) the User will not by entering into this Agreement or acquiring rights under the IFA Access Rules infringe any anti-trust or competition legislation or any undertaking or other obligation arising under any anti-trust or competition legislation;
 - (c) in the case of a User that is not a natural person, it is duly incorporated and validly existing under the laws of its country of incorporation;
 - (d) the User has full power and authority to enter into and perform this Agreement and to acquire and exercise rights under the IFA Access Rules and all necessary action has been taken on its part to authorise
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entry into and performance of this Agreement and rights under the IFA Access Rules;

- (e) this Agreement and rights acquired under the IFA Access Rules constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (f) the User has taken the steps necessary to ensure that it has access to all the relevant documentation issued by the Operators including but not limited to the IFA Access Rules and the IFA User Guide;
- (g) the User warrants that it is not insolvent and that it has no knowledge of any possible insolvency proceedings that may be brought against it in the immediate future.

3.2 If any of the above ceases to be true with regard to the User at any time prior to termination of this Agreement, the User shall promptly notify the Operators of that fact and shall provide full details.

4. Notices

4.1 All notices and other communications between the Parties under or in connection with this Agreement and the IFA Access Rules must be given in accordance with the IFA Access Rules.

4.2 The address and contact details for the Operators are set out in Item 3 of the Schedule below. The address and contact details for the User are set out in Item 2 of the Schedule.

4.3 Contact details of a Party can be amended from time to time by notice from that Party.

5. Termination

This Agreement may be terminated only as provided for in the IFA Access Rules.

6. General

6.1 This Agreement and the IFA Access Rules are governed by and construed in accordance with French law.

6.2 This Agreement and the IFA Access Rules must be read and construed as one document. References in the IFA Access Rules to the IFA User Agreement must be read and construed as references to the IFA Access Rules and this Agreement.

6.3 If any provision of this Agreement or the IFA Access Rules is declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject or pursuant to arbitration under the IFA Access Rules or by order of any Competent Authority (as defined in the IFA Access Rules), such invalidity, unenforceability

or illegality shall not prejudice or affect the remaining provisions of the IFA Access Rules and this Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality.

SIGNED by the Parties as an Agreement.

The Schedule

Item 1: The User

Name:	<i>[Insert]</i>
Registered address:	<i>[Insert]</i>

Item 2: Notices to the User

Address for notices:	<i>[Insert]</i>
Facsimile:	<i>[Insert]</i>
Telephone:	<i>[Insert]</i>
Attention:	<i>[Insert]</i>

Item 3: Notices to the Operators

RTE EDF Transport SA Centre National d'Exploitation du Système La Rotonde 204 boulevard Anatole France 93206 Saint Denis Cedex FRANCE Telephone: +33 (0) 1 41 66 72 53 Fax number: +33 (0) 1 41 66 72 65 Contact: Account Manager	National Grid Interconnectors Limited National Grid House Warwick Technology Park Gallows Hill Warwick CV34 6DA ENGLAND Telephone: + 44 (0)1926 656655 Fax number: + 44 (0)1926 656603 Contact: IFA Manager, Interconnectors
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Schedule 3: Standing Data

This Schedule 3 lists the Standing Data to be provided by each User. Rule B3 requires Users to keep their Standing Data up to date.

1. Name.
2. Registered address.
3. Address for correspondence.
4. Telephone number.
5. Facsimile number.
6. Commercial contact person and their contact details.
7. Operational contact person and their contact details. (CMS Main Contact).
8. Invoicing contact person and their contact details.
9. Identification of the User's Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code.
10. Identification of the *Accord de Participation* of the User with RTE.
11. EIC Code.
12. E-mail address for operational communications.

Schedule 4: Business Rules for Use of Interconnector Capacity

1. Introduction

- 1.1 This Schedule 4 describes the business process and timings of the following activities:
- (a) calculation and notification by the Operators of the Settlement Period values of the ICEs per Timescale for each User in each direction for each IFA Contract Day;
 - (b) notification by each User of Resales and Capacity Transfers at each relevant Timescale; and
 - (c) submission by each User of Long-Term, Daily and Intra-Day Nominations in each direction for each IFA Contract Day.
- 1.2 Timings given in this Schedule 4 are nominal timings, which may be subject to change in case of emergency. In this case, Users would be informed of new timings to follow in due time.
- 1.3 Times are given in CET.
- 1.4 Users should note that in addition to these Business Rules, in using the Interconnector they must comply with the NGET Grid Code, the User's Accord de Participation with RTE and any other binding GB or French rule.

2. Energy Accounts

- 2.1 Each User must identify its Production and Consumption Interconnector BM Units under the BSC and the Accord de Participation under the RTE Settlement Arrangements in its Standing Data.
- 2.2 Each User may notify an Energy Transmission against one of each of the types of Energy Account referred to above in any one Settlement Period.

3. Long-Term Business Process

- 3.1 Dates of Long-Term Auctions are published in advance (end of year Y-1 for Long-Term Auctions taking place in year Y) by the Operators.
- 3.2 Five days before the day when a Long-Term Auction is planned, the Operators shall publish an initial Auction Specification, pursuant to Rule D3. The Offered Capacity in this initial Specification does not include Units offered for Resale at this Long-Term Auction.

- 3.3 After the Final Results publication of any previous Long-Term Auction and no later than 30 minutes before the Final Specification of another Long-Term Auction, Capacity Transfer Notices and Resale Requests of Units initially allocated in any previous Long-Term Auction can be submitted to the Operators, in accordance to Rule E4.
- 3.4 Thirty minutes before the opening of a Long-Term Auction, the final Specification of this Long-Term Auction is published by the Operators, pursuant to Rule D3. The Offered Capacity in this Final Specification includes Units submitted for Resale at this Long-Term Auction, subject to any Curtailment, pursuant to Rules D3 and E7.
- 3.5 A Long-Term Auction opens and closes at the times given in the relevant Long-Term Auction Specification (or at any other times specified by the Operators after publication of the Auction Specification). During this period of time, Users can submit Bids to the Operators, in accordance with Rules D3 and D5.
- 3.6 Once the Auction is closed, at the time specified in the Auction Specification (or at any other time specified by the Operators), Units are allocated, pursuant to Rule D6, and preliminary Results of this Long-Term Auction are published.
- 3.7 Two hours after the publication of the preliminary Results of a Long-Term Auction (or at any other time specified in advance by the Operators), the Final Results of this Auction are published, and Capacity Transfer Notices and Resale Requests can be submitted to the Operators, in accordance with Rule E4.
- 3.8 Capacity Transfer Notices and Resale Requests of Units initially allocated in any previous Long-Term Auction can be submitted to the Operators, in accordance to Rule E4, up to 30 minutes before the Final Specification of another Long-Term Auction. Any Capacity Transfer of Long-Term Units must be confirmed by the User to whom the Capacity Transfer was made within 3 hours of the Capacity Transfer Notice being received by the Operators, and no later than 30 minutes before the Final Specification of another Long-Term Auction.
- 3.9 Any Long-Term Unit for the Contract Day D can be subject to a Capacity Transfer Notice until 15:30 on the day D-2.
- 3.10 The Operators will notify each Unit Holder of its Long-Term ICE for Contract Day D in each Direction, pursuant to Rule E2, at 16:15 on the day D-2.
- 3.11 Unit Holders can submit Long-Term Mid-Channel Nominations of Long-Term Units for the Contract Day D, from opening of the gate for LT MCNs at 16:30 on the day D-2 until LT MCNs gate-closure at 09:30 on day D-1, in accordance with Rule E3 (or at any other time specified in advance by the Operators).
- 3.12 When D-2, in respect of a Contract Day D, is not a Business Day, then the opening of the gate for LT MCNs shall take place on the last Business Day preceding D-2, at 16:30.

4. Day-Ahead Business Process

- 4.1 The Specification of a Daily Auction of Units for Contract Day D is published by the Operators no later than 09:35 on day D-1, in accordance with Rule D4.

- 4.2 A Daily Auction of Units for Contract Day D opens at 09:40 and closes at 10:00 on Day D-1 (or at any other times specified by the Operators in the relevant Auction Specification or after publication of the Auction Specification). During this period of time, Users can submit bids to the Operators, in accordance with Rules D4 and D6.
- 4.3 Once the Daily Auction is closed, Units are allocated, pursuant to Rule D7, and preliminary Results of this Daily Auction are published.
- 4.4 Ten minutes after the publication of the preliminary Results of a Daily Auction (or at any other time specified in advance by the Operators), the Final Results of this Daily Auction are published, and Capacity Transfer Notices of Units initially allocated at such Daily Auction can be submitted to the Operators, in accordance with Rule E4.
- 4.5 Any Daily Unit for the Contract Day D can be subject to a Capacity Transfer Notice until 11:45 on the day D-1. Any Capacity Transfer of Daily Units must be confirmed by the User to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Operators, and no later than 11:45 on the day D-1.
- 4.6 The Operators will notify each Unit Holder of its Daily ICE for Contract Day D in each Direction, pursuant to Rule E2, at 12:00 on the day D-1 (or at any other time specified in advance by the Operators).
- 4.7 Unit Holders can submit Daily Mid-Channel Nominations of Daily Units for the Contract Day D, from opening of the gate for Daily MCNs at 12:05 on the day D-1 until Daily MCNs gate-closure at 14:00 on day D-1, in accordance with Rule E3 (or at any other time specified in advance by the Operators).

5. Intra-day Business Process

- 5.1 The Specification of the first Intraday Auction of Units for Contract Day D is published by the Operators no later than 18:45 on day D-1, in accordance with Rule D5. This first Intraday Auction covers hours from 00:00 to 13:59.
- 5.2 The first Intraday Auction for the Contract Day D opens at 19:00 and closes at 19:30 (or at any other times specified by the Operators in the relevant Auction Specification or after publication of the Auction Specification). During this period of time, Users can submit bids to the Operators, in accordance to Rules D6.
- 5.3 Once the first Intraday Auction is closed, Units are allocated, pursuant to Rule D7, and Final Results of this Intraday Auction are published.
- 5.4 The Operators will notify each Unit Holder of its Intraday ICE for the period from 00:00 to 13:59 of the Contract Day D in each Direction, pursuant to Rules E2, at 20:15 on the day D-1 (or at any other time specified in advance by the Operators).
- 5.5 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 00:00 to 13:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 20:20 on the day D-1 until Intraday MCNs gate-closure at 21:00 on day D-1, in accordance with Rule E3 (or at any other time specified in advance by the Operators).

- 5.6 Any Intraday Unit for the period from 06:00 to 13:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 21:15 on the day D-1 until 02:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the User to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Operators, and no later than 02:00 on the day D.
- 5.7 The Operators will notify each Unit Holder of its Intraday ICE for the period from 06:00 to 13:59 of the Contract Day D in each Direction, pursuant to Rule E2, at 02:15 on the day D (or at any other time specified in advance by the Operators).
- 5.8 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 06:00 to 13:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 02:20 on the day D until Intraday MCNs gate-closure at 03:00 on day D, in accordance with Rule E3 (or at any other time specified in advance by the Operators).
- 5.9 Any Intraday Unit for the period from 11:00 to 13:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 03:15 on the day D until 07:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the User to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Operators, and no later than 07:00 on the day D.
- 5.10 The Operators will notify each Unit Holder of its Intraday ICE for the period from 11:00 to 13:59 of the Contract Day D in each Direction, pursuant to Rule E2, at 07:15 on the day D (or at any other time specified in advance by the Operators).
- 5.11 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 11:00 to 13:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 07:20 on the day D until Intraday MCNs gate-closure at 08:00 on day D, in accordance with Rule E3 (or at any other time specified in advance by the Operators).
- 5.12 The Specification of the second Intraday Auction of Units for Contract Day D is published by the Operators no later than 08:05 on day D, in accordance with Rule D5. This second Intraday Auction covers hours from 14:00 to 23:59.
- 5.13 The second Intraday Auction for the Contract Day D opens at 08:20 and closes at 08:50 (or at any other times specified by the Operators in the relevant Auction Specification or after publication of the Auction Specification). During this period of time, Users can submit bids to the Operators, in accordance to Rules D6.
- 5.14 Once the second Intraday Auction is closed, Units are allocated, pursuant to Rule D7, and Final Results of this Intraday Auction are published.
- 5.15 Any Intraday Unit for the period from 14:00 to 23:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 09:05 on the day D until 10:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the User to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Operators, and no later than 10:00 on the day D.

- 5.16 The Operators will notify each Unit Holder of its Intraday ICE for the period from 14:00 to 23:59 of the Contract Day D in each Direction, pursuant to Rule E2, at 10:15 on the day D (or at any other time specified in advance by the Operators).
- 5.17 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 14:00 to 23:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 10:20 on the day D until Intraday MCNs gate-closure at 11:00 on day D, in accordance with Rule E3 (or at any other time specified in advance by the Operators).
- 5.18 Any Intraday Unit for the period from 17:00 to 23:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 11:15 on the day D until 13:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the User to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Operators, and no later than 13:00 on the day D.
- 5.19 The Operators will notify each Unit Holder of its Intraday ICE for the period from 17:00 to 23:59 of the Contract Day D in each Direction, pursuant to Rule E2, at 13:15 on the day D (or at any other time specified in advance by the Operators).
- 5.20 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 17:00 to 23:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 13:20 on the day D until Intraday MCNs gate-closure at 14:00 on day D, in accordance with Rule E3 (or at any other time specified in advance by the Operators).
- 5.21 Any Intraday Unit for the period from 20:00 to 23:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 14:15 on the day D until 16:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the User to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Operators, and no later than 16:00 on the day D.
- 5.22 The Operators will notify each Unit Holder of its Intraday ICE for the period from 20:00 to 23:59 of the Contract Day D in each Direction, pursuant to Rule E2, at 16:15 on the day D (or at any other time specified in advance by the Operators).
- 5.23 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 20:00 to 23:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 16:20 on the day D until Intraday MCNs gate-closure at 17:00 on day D, in accordance with Rule E3 (or at any other time specified in advance by the Operators).

Timings summary (UK local time)

Units Validity Times	...are auctioned in...	can be Capacity Transferred during	relevant ICEs are published	relevant Nomination Gate-Closures
00:00-06:00	ID auction 1 (end 18:30)	-	20:15	21:00
06:00-11:00	ID auction 1 (end 18:30)	21:15-02:00	20:15, 02:15	21:00, 03:00
11:00-14:00	ID auction 1 (end 18:30)	21:15-02:00, 03:15-07:00	20:15, 02:15, 07:15	21:00, 03:00, 08:00
14:00-17:00	ID auction 2 (end 08:50)	09:05-10:00	10:15	11:00
17:00-20:00	ID auction 2 (end 08:50)	09:05-10:00, 11:15-13:00	10:15, 13:15	11:00, 14:00
20:00-00:00	ID auction 2 (end 08:50)	09:05-10:00, 11:15-13:00, 14:15-16:00	10:15, 13:15, 16:15	11:00, 14:00, 17:00

Schedule 5: Deemed Metered Volume Allocation

1. Introduction

The Operators will calculate the Deemed Metered Volumes for each User for each direction for each Settlement Period in each Contract Day and allocate those amounts to the Energy Accounts of Users in accordance with this Schedule 5.

2. Deemed Metered Volumes

2.1 For each Settlement Period, the Deemed Metered Volume of each User for a direction is equal to the net of the Long-Term, Daily and Intraday Mid-Channel Nominations (as amended by any Curtailment) of that User for that Settlement Period integrated over the Settlement Period to give a kWh figure.

3. Losses

3.1 The physical flow on the Interconnector is subject to losses. The Operators will apply a Loss Factor (“LF”) to calculate each User’s share of the losses. The Loss Factor is symmetrical between Mid-Channel and either end of the Interconnector (Sellindge and Les Mandarins).

3.2 The Loss Factor to be applied by the Operators is 1.17%. This Loss Factor is used to calculate Deemed Metered Volumes in accordance with paragraph 4.

4. Adjustment for losses

4.1 For the purpose of the Balancing and Settlement Code, the Operators will send to the SAA (as defined in that Code) a program called BM Unit Metered Volume expressed in kWh at Sellindge in half-hourly points and calculated by this formula:

(a) for a BM Unit in the direction from France to England:

$$\text{BMUMV} = (0.9883) * \text{DMV}; \text{ and}$$

(b) for a BM Unit in the direction from England to France:

$$\text{BMUMV} = (1.0117) * \text{DMV}.$$

4.2 For the purpose of the RTE Settlement Arrangements and for an export from France to England, the Operators will send to RTE (in its capacity as Transmission System Operator) a program called “*Programme d'Export à Mandarins*” expressed in kWh at Les Mandarins in half-hourly points and calculated by this formula:

$$\text{PEM} = (1.0117) * \text{DMV}$$

4.3 For the purpose of the RTE Settlement Arrangements and for an import from England to France, the Operators will send to RTE a program called “*Programme*”

d'Import à Mandarins' expressed in kWh at Les Mandarins in half-hourly points and calculated by this formula:

$$\text{PIM} = (0.9883) * \text{DMV}.$$

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

Schedule 6: List of Long Term products

On the date of entry into force of these Rules, the following products are offered under Long Term Auctions :

- calendar annual ;
 - financial annual;
 - seasonal : six months period (winter period being from October to March inclusive, summer period being from April to September inclusive);
 - quarterly : three months period (January to March inclusive, April to June inclusive, July to September inclusive, October to December inclusive);
 - calendar month; and
 - weekend (Saturday and Sunday).
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