

# MARKET CODE

November 2016

Pursuant to Article 109, paragraph 1, clause 12) and Article 175 paragraph 2 of the Energy Law (Official Gazette of RS no. 145/2014) and Article 28 paragraph 1 clause 29 of the Statute of the Joint Stock Company „Elektromreža Srbije” Belgrade (Official Gazette of RS no. 88/2016), the Assembly of Joint Stock Company „Elektromreža Srbije” Belgrade on 1<sup>st</sup> extraordinary session held 29<sup>th</sup> of November 2016 adopts

## MARKET CODE

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## 1. GENERAL PROVISIONS

### 1.1. SUBJECT OF MARKET CODE

1.1.1. Market Code regulate more precisely the balance responsibility of market participants, balancing market principles, determination of balancing group deviation, determination of balance responsible parties financial settlement, collaterals and criteria for determining the amount and period for which is requested, calculation of electricity for the purposes of system balancing and ensuring the safe operation of the system, provision of system services and other issues relevant for the operation of the electricity market.

1.1.2. The electricity market participants are:

- a) Electricity producer;
- b) Supplier;
- c) Wholesale supplier;
- d) Public supplier;
- e) Final customer;
- f) Transmission system operator;
- g) Distribution system operator;
- h) Operator of closed distribution system;
- i) Market operator.

1.1.3. Besides the participants referred to in point 1.1.2. market participants may also be other legal entities in accordance with the Rules governing the operation of the organized electricity market.

### 1.2. NOTIFICATION

1.2.1. The written communication among Transmission system operators, Distribution system operators, Operators of closed distribution systems, Market operators and other market participants, as well as delivery of invitations, decisions, notices and other documents is done through a direct delivery through couriers, mail, fax, e-mail or information system.

1.2.2. The delivery is deemed done:

- a) If the delivery is made through the deliverer - on the day of delivery of the item to the market participant; the person to whom the document was delivered is obliged to put the receipt date on the copy of the received item, to put its signature (in case the market participant is legal or natural entity), to put the imprint of the official seal (just in case the market participant is legal entity) and to return it to the deliverer;
- b) If the delivery is made by mail - the date of delivery of the registered mail to a market participant;
- c) If the delivery is made by fax - when the sender receives the confirmation that the document was submitted successfully;
- d) If the delivery is made via e-mail - when the sender receives the confirmation of the receipt of the e-mail sent by e-mail recipient;

- e) If the delivery is made via the information system - at the time of the publication of the information through the information system.

1.2.3. If the Transmission system operator, Distribution system operator, Operator of closed distribution system, Market operator or market participants change their place of business, phone number, fax number or e-mail address they are obliged to notify each other without undue delay.

### **1.3. COMMISSION FOR MONITORING IMPLEMENTATION OF MARKET CODE**

1.3.1. The Commission for monitoring the implementation of the Market Code (hereinafter referred to as the Commission) is an advisory body which:

- a) adopts Rules of procedure of the Commission;
- b) monitors the implementation of the Market Code;
- c) considers initiatives for amendment of the Market Code.

1.3.2. The Transmission system operator provides the conditions for the Commission's work.

1.3.3. The Commission members are:

- 5 representatives of the Transmission system operator, one of which acts as the President of the Commission;
- 1 representative of the Electricity producers which has the dominant participant status,
- 1 representative of the Electricity producers which doesn't have the dominant participant status,
- 1 representative of privileged Electricity producers,
- 1 representative of the Distribution system operators,
- 1 representative of the Operators of closed distribution system,
- 1 representative of the Market operators,
- 1 representative of the Public, or guaranteed supplier,
- 1 representative of the last resort suppliers,
- 2 representatives of the Suppliers,
- 2 representatives of the Wholesale suppliers,
- 2 representatives of Final customers whose facilities are connected to the transmission system.

1.3.4. A representative of the Energy Agency of the Republic of Serbia (hereinafter: Agency) participates in the activities of the Commission, without voting and decision making rights.

- 1.3.5. The Commission member who represents a group of participants in the electricity market is appointed for a period of two years. The two-year period starts from the date of appointment of a member to the Commission.
- 1.3.6. Within a group, the right of a participant in the electricity market to appoint members of the Commission shall be determined by the sequence list which is compiled on the basis of:
- a) the number of license from the Agency Register of issued licenses - for the Electricity producer, Distribution system operator, Operator of closed distribution system, Market operator, Supplier, Wholesale supplier, last resort supplier and the Public, i.e. the guaranteed supplier;
  - b) a list of Final customers deployed in the alphabetical order;
  - c) the sequence number in the Register of privileged Electricity producers in the Ministry responsible for energy sector.
- 1.3.7. The President of the Commission shall establish and publish a list of members of the Commission not later than one month prior to the regular session of the Commission.
- 1.3.8. The representatives of the participants in the electricity market are required to participate in the discussion, in the interest of all, namely a majority of the representatives of the participants in the electricity market, whom they represent, in the manner they mutually agree about.
- 1.3.9. The Commission shall adopt Rules of Procedure that defines:
- a) manner of convening ordinary and extraordinary sessions of the Commission;
  - b) the manner of keeping the list and the publication of the list of participants in the electricity market for each group and the manner of the publishing of the list of the Commission members;
  - c) the manner of delivery of materials for meetings of the Commission;
  - d) method of determining the quorum for holding the Commission session;
  - e) the manner of the adoption and publication of the minutes of the Commission meetings.
- 1.3.10. Minutes of the meeting of the Commission shall be delivered to the Energy Agency of the Republic of Serbia.

## 2. GLOSSARY

### 2.1. TERMS

**Balancing group** – The virtual area that can receive, namely from which the electricity may be delivered and which is used for the calculation and financial settlement in terms of the balance responsibility. It includes a set of places for injection/withdrawal of electricity in the transmission or distribution system, as well as the receipt and delivery of the electricity from the blocks of the cross-border and internal electricity exchange of individual market participants.

**Balance responsible party (BRP)** – A participant in the electricity market which is balance responsible for deviations of one Balancing group in the market area of Serbia and who has concluded the balance responsibility contract with a Transmission system operator.

**Electricity trading block** – reported electricity exchanges between two balancing groups (internal trade), or one balancing group and cross-border partner (cross border trade), in a given time interval, with defined value of the block and direction of trade (exchange).

**Daily based price** – Price published by Market operator which represents average hourly price achieved on the electricity market in Serbia for the relevant market day.

**Time interval** – The time period for which the application of daily plans is made for production, consumption and blocks of electricity exchange.

**The dominant participant** – a participant in the balancing mechanism in charge of the balancing entities whose installed power generation capacity exceeds 40% of the total installed power generation capacities in the market area of Serbia.

**Information system** – Information and telecommunication infrastructure for gathering, processing, transfer, publishing and storage of information.

**Withdrawal/Injection point (WIP)** – a place of electricity delivery, namely the place of takeover of electricity for which it is possible to provide an information on the realized delivery, namely the realized receipt of the electricity in the billing (accounting) period. This information is provided on the basis of the electricity measurements in each billing period (from one or more meters with the use of coefficients of reducing, if necessary) or on the basis of a standardized chart of consumption or production. The WIP include in particular: the place of electricity delivery to final customers, electricity delivery points from the transmission system into the distribution system, electricity delivery points from the distribution system into the transmission system, the place of taking over the electricity from the producer, the aggregate (cumulative) place of electricity delivery to the Transmission system operator to cover the losses in the transmission system, the aggregate (cumulative) place of electricity delivery to the Distribution system operator, closed distribution system operator to cover the losses in the distribution system, the place of takeover or delivery of the electricity on medium or low voltage power transmission (tie) line.

**Imbalance netting** – mechanism for exchange of secondary regulation energy between two or more regulation areas.

**Accounting interval** – the period for which calculations are performed as defined by the



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Market rules, which is 1 (one) hour.

**Accounting period** – The period for which the invoice is issued for a monthly fee, for deviation of the balancing group and the invoice for the engaged balance energy (from the second calendar day of a month at 00:00 h until the first calendar day of the following month at 24:00 h).

**Revolving bank guarantee** – the bank guarantee in which the guarantee amount does not decrease regardless of any payment made by the bank which issued that guarantee (as a guarantor) and the payment is made at the request of the Transmission system operator (as a user), for payment under the guarantee.

**Regulation area** – term with meaning established in rules governing the operation of the transmission system (Grid Code).

**Token** (Public Key Infrastructure USB token) – medium in which electronic certificate for access to information system is stored.

**Market day** – The time period that includes 24 accounting intervals, starting with the first calculating interval at 00:00 (the Central European Time). In a day of transition from summer to winter time, the market day has 25 accounting intervals. In a day of transition from winter to summer time, the market has 23 day accounting intervals.

**Market area** – The geographic area in which the single market rules apply and where there is one administrator responsible for accounting of deviations.

Other terms used in the Market Code, which are not specified, have the same meaning as in the Energy Law (hereinafter referred to as the Law).

## 2.2. ABBREVIATIONS

The **Cyrillic abbreviations** used in the Market Code:

**be** – The index, which denotes balancing entity;

**БЕН** – Total balancing energy involved;

**БЕС** – Balancing energy due to the involvement of secondary regulation;

**БЕТ** – Balancing energy due to the engagement of tertiary regulation for system balancing;

**БЕТС** – Balancing energy due to the involvement of tertiary regulation to ensure safe operation of the power system;

**БЕУ** – Balancing energy due to the activation of the contracted reserve of balancing energy;

**БОС** – Balance responsible party (BRP);

**БРИ** – Accepted block of internal exchange of electricity which one balancing group delivers to another balancing group;

**БРП** – Accepted block of internal exchange of electricity which balancing group takes over from the other balancing group;

**Г** – year Г;

**Д** – Day D;

**ЕН** – energy values used for calculation of risk value;

**ЕИ** – Accepted block of cross-border exchange of electricity which a balancing group delivers to another market area;

**ЕУ** – Accepted block of cross-border electricity exchange which a balancing group takes over from the other market area;

**ЈМБГ** – personal identification number;

**М** – Month M;

**МН1** – Monthly fee for deviation of balancing group that BRP receives;

**МН2** - Monthly fee for deviation of balancing group to be paid by BRP;

**МН3** – the total fee for unbalanced daily schedule to be paid by BRP;

**НБС** – National Bank of Serbia;

**НДП** – unbalanced daily schedule;

**НОБ1** – fee for deviation of balancing group that BRP receives;

**НОБ2** – fee for deviation of balancing group to be paid by BRP;

**НОБ3** – fee for unbalanced daily schedule to be paid by BRP;

**ОБОС** – deviation of balancing group;

**он** – index used to indicate the accounting interval;

**П** – the period for which the fee for unbalanced daily schedule is calculated;

**ПДВ** – Value Added Tax;

**ПИБ** – Tax Identification Number;

**ПОБ** – acceptable deviation of balancing group;

**Р** – risk value in case of BRPs on level of accounting period;

**систем** – index that indicates the power system;

**СРГ** – balancing energy due to the engagement of the secondary regulation upward;

**СРД** – balancing energy due to the involvement of secondary regulation downward;

**ТРГ** – balancing energy due to the engagement of tertiary regulation upward, for system balancing;

**ТРД** – Balancing energy due to engagement of tertiary regulation downward, for system balancing;

**ТРГС** –balancing energy due to the engagement of tertiary regulation upward, to ensure the safe operation of the power system;

**ТРДС** –balancing energy due to the engagement of tertiary regulation downward, to ensure the safe operation of the power system,

**y** – index that indicates contract;

**УОП** – Total reading of balancing group;

**УПО** – Total electricity taken in places of handover;

**УПП** – Total nominated position of balancing group;

**УПР** – Total delivered electricity to the places of handover;

**Ц** – Average price of balancing energy for calendar year;

**ЦП** – clearing price (CP);

Latin abbreviations used in the Market Code:

**EIC** – a unique energy code used to identify participants in the electricity market

**ENTSO-E** – European Network of Transmission System Operators for Electricity

**EUR** – euro (currency);

**RSD** – dinar (currency of Republic of Serbia)

### 3. BALANCE RESPONSIBILITY

#### 3.1. INTRODUCTION

3.1.1. The balance responsibility in the electricity market is an obligation of market participants, for each accounting interval:

- a) to provide a balance of production, consumption, and blocks of internal and cross-border electricity exchanges,
- b) to undertake financial responsibility towards the Transmission system operator for unbalanced daily schedules after deadline for intraday nomination process,
- c) to undertake financial responsibility towards the Transmission system operator for all deviations caused by differences in realized production and consumption and accepted blocks of cross-border and internal electricity exchange.

3.1.2. Market participants have the right to transfer their balance responsibility to the other participant and to take over the balance responsibility of the other participants on the basis of the contract on transfer of the balance responsibility, in accordance with the Law.

3.1.3. Supplier, or Public supplier, who, for one or several withdrawal/injection points, concluded with the final customer a full supply contract, assumes the balance responsibility for those withdrawal/injection points.

3.1.4. If Supplier, or Public supplier, referred to in Section 3.1.3, transfer their balance responsibility to another market participant, that market participant assumes the balance responsibility for all withdrawal/injection points of the final customer with whom the Supplier, or Public supplier has concluded a full supply contract.

3.1.5. In the case that Supplier, or Public supplier, who has concluded, for one or several withdrawal/injection points, with the final customer a full supply contract, hasn't arranged his balance responsibility, the final customer is treated as he doesn't have the Supplier and that he hasn't arranged balance responsibility for those withdrawal/injection points.

3.1.6. If the final customer hasn't arranged his balance responsibility but he has concluded a supply contract with the Supplier, the final customer is treated as if he doesn't have a Supplier.

#### 3.2. BALANCE RESPONSIBILITY AND BALANCING GROUPS

3.2.1. For one Balancing group, only one market participant can be BRP. This market participant shall be registered as BRP, as defined in the Section 3.3.

3.2.2. The liabilities of BRP and market participants regarding the assuming of the balance responsibility are stipulated in the Sections 3.3. and 3.6. of these Rules and in the act regulating the change of the Supplier.

- 3.2.3. Each withdrawal/injection point in the transmission and distribution system shall be assigned to a single Balancing group. The process of transferring the withdrawal/injection point from one Balancing group to another Balancing group is stipulated in the Section 3.6. and in the Rules on supplier switching.
- 3.2.4. BRP performs the nomination of a daily schedule for each Balancing group as defined in the Grid Code.
- 3.2.5. If in accordance with the regulation governing the delivery and supply of electricity it is ascertained that there was a period of unauthorized takeover of electricity through the withdrawal/injection point, that withdrawal/injection point will be, in the calculating of balance responsibility, assigned to the Balancing group to which, the summary withdrawal point of the Transmission, Distribution or closed distribution system operator belongs to, for covering energy losses in the transmission or distribution system, depending on the connection point.
- 3.2.6. Each BRP shall at its own expense provide all required communication and information systems necessary for communication with the Transmission, Distribution and closed distribution system operators, in accordance with the rules governing the operation of the transmission, distribution and closed distribution system and Market Code.

### **3.3. PROCEDURE FOR ACQUIRING STATUS OF BALANCE RESPONSIBLE PARTY**

- 3.3.1. The participant in the electricity market that wants to acquire BRP status shall submit to the Transmission system operator the application for BRP. The format and contents of the application is regulated by the Transmission system operator and published on its official website.
- 3.3.2. The application for BRP must contain at least the following information about the applicant:
- a) the business name, official address, registration number and tax identification number of the applicant (for legal entities and entrepreneurs);
  - b) full name, address and PIN (Personal Identification Number) of the applicant (for natural entities);
  - c) EIC code;
  - d) Number of the decision on issuing the License for carrying out energy activities;
  - e) the names and contact information for staff responsible for communication with the Transmission system operator;
  - f) Total approved power of all withdrawal/injection points for which the applicant takes over the balance responsibility in the transmission and distribution system;
  - g) Total nominal power of all generation units that are connected to the withdrawal/injection points for which the applicant takes over the balance responsibility;
  - h) a list of the withdrawal/injection points in the transmission system within the Balancing group with information about the approved and nominal power of the generating units, for each withdrawal/injection point, the market participant to whom that point belongs and the basis upon which

- that withdrawal/injection point is associated to the Balancing group (the contract on balance responsibility transfer, the full supply contract, the supply contract in which the amount is determined on the basis of realized production or the withdrawal/injection point is assigned to the applicant);
- h) a list of the withdrawal/injection points in the distribution system or closed distribution system within the Balancing group with information about the total number of the withdrawal/injection points, the approved and nominal power of all production units and the basis upon which withdrawal/injection points is associated to the Balancing group (the contract on balance responsibility transfer, the full supply contract, the supply contract in which the amount is determined on the basis of realized production or the withdrawal/injection point is assigned to the applicant).

3.3.3. Along with the application referred to in Section 3.3.2. the applicant must provide:

- a) A copy of the decision on obtaining the License for carrying out energy activities;
- b) Original or certified copy of the excerpt from the business or a court registry not older than 3 months for the applicant based abroad;
- c) A copy of the decision for approval of the tax proxy issued by the tax authorities for the applicant based abroad in the event that the applicant makes a taxable supply of goods and services in the Republic of Serbia;
- d) The original of the certificate which confirms that the applicant does not lead to bankruptcy and liquidation proceedings, issued by the competent domestic or foreign institution. The certificate should not be older than 3 months from the date of delivery of the application;
- e) The report on the solvency of BON-1 issued by the competent national institution for the applicant established in the country. The report should not be older than 3 months from the date of delivery of the application;
- f) The balance sheet and income statement for the previous three years or shorter period if the applicant operates shorter than three years.
- g) Independent Auditors' Report (for the previous three years or shorter period if the applicant operates shorter than three years) for the applicant who is the audit obligor in accordance with the legislation of the country where the headquarters of the applicant are, or the statement of the authorized person of the applicant that the applicant is not audit obligor.

These documents must be submitted to the Transmission system operator in Serbian or in English language. If the original documents are not in Serbian or in English language, along with the original documents the translation in Serbian or in English, certified by an authorized court interpreter, must be submitted.

3.3.4. The applicant shall submit to the Transmission system operator the original application for the BRP registration and the documents as referred to in Section 3.3.3. The transmission system operator shall verify its contents and determine its orderliness within 3 working days from the date of the receipt of the application and documentation.

If the application is incorrect or documentation from 3.3.3 is incomplete, the Transmission system operator shall notify the applicant within 3 working days and give him another deadline of 15 working days to correct the application and submit the missing documentation. If even after the subsequent period the applicant fails to submit the required information and documentation it will be deemed that the applicant did not file the application.

3.3.5. Based on the proper application data, the Transmission system operator will, for the

purpose of the nomination of daily schedules, award to the applicant one or more roles from the following list:

- a) the responsible party for nominating the electricity production (only if within the Balancing group it has, as a withdrawal/injection point, a point of withdrawal of electricity from an Electricity producer);
- b) the responsible party for nominating the electricity consumption (only if within the Balancing group, it has as a withdrawal/injection point, the delivery point of electricity to the final customer or the aggregate point for electricity delivery to the transmission or distribution or closed distribution system operator to cover energy losses in the transmission or distribution systems);
- c) the responsible party for nominating the blocks of electricity exchange (awarded to all applicants).

- 3.3.6. After the receipt of a proper application for BRP and after the submission of the information about payment security instrument, the transmission system operator shall submit to the applicant an offer for conclusion a balance responsibility agreement not later than 5 working days by e-mail.
- 3.3.7. If the applicant fails to submit the signed balance responsibility agreement within 30 days from the date of delivery of the agreement, the Transmission system operator will assume that the applicant withdrew from signing of the balance responsibility agreement.
- 3.3.8. The Transmission system operator is obliged to sign the balance responsibility agreement within 8 working days after receipt of a balance responsibility agreement signed by the applicant, with which agreement is concerned as concluded.
- 3.3.9. The balance responsibility agreement will come into force on the first day of the date on which the Transmission system operator receives payment security instrument in accordance with Section 3.8, by which the applicant has acquired the status of BRP.
- 3.3.10. The Transmission system operator shall notify the distribution and closed distribution system operators of the balance responsibility agreement conclusion with BRP, within one working day thereafter.
- 3.3.11. The Transmission system operator shall immediately after the conclusion of the balance responsibility agreement provide to BRP the access to information systems in accordance with the operating instructions that are published on the website of the Transmission system operator.
- 3.3.12. The Transmission system operator is obliged to update and to publish the list of the BRPs on its web site.
- 3.3.13. The Transmission system operator, the distribution and closed distribution system operator are required to share and coordinate information about BRP.
- 3.3.14. In case of change of any data from the application the BRP is obliged to deliver to the Transmission system operator by e-mail the updated application.

#### **3.4. BALANCE RESPONSIBILITY AGREEMENT**

- 3.4.1. The balance responsibility agreement specifically includes:



- a) the roles of the responsible party for the purposes of the nomination of daily schedules that are awarded to the BRP;
- b) the procedure for invoicing and payment method for deviations of a Balancing group;
- c) the type and the amount of payment security instrument;
- d) validity period of the payment security instrument;
- e) conditions for changing the amount of payment security instrument and his extension of the validity;
- f) validity period of the payment security instrument in case of termination of the balance responsibility agreement;
- g) the conditions for the payment security instrument activation;
- h) a list of the withdrawal/injection points in the transmission system within the Balancing group with information about the approved and nominal power of the generating units, for each withdrawal/injection point, the market participant to whom that point belongs and the basis upon which that withdrawal/injection point is associated to the Balancing group (the contract of balance responsibility transfer, the full supply contract, the supply contract in which the amount is determined on the basis of realized production or the withdrawal/injection point is assigned to the BRP);
- i) a list of the withdrawal/injection points in the distribution system or closed distribution system within the Balancing group with information about the total number of the withdrawal/injection points, the approved and total nominal power of all generating units, and the basis upon which that withdrawal/injection points are associated to the Balancing group (the contract on of balance responsibility transfer, the full supply contract, the supply contract in which the amount is determined on the basis of realized production or the withdrawal/injection point is assigned to the BRP);
- j) the list of the market participants with which BRP has concluded a contract on balance responsibility transfer;
- k) the impact of changed circumstances on the agreement;
- l) manner of termination of the agreement;
- m) dispute settlement;
- n) conditions for amending and supplementing of the agreement.

3.4.2. The Transmission system operator publishes the Model of balance responsibility agreement on its official website.

### **3.5. REGISTRY OF BALANCE RESPONSIBILITY FOR WITHDRAWAL/INJECTION POINTS**

3.5.1. The Transmission system operator is establishing and administering the register of balance responsibility for the withdrawal/injection points in the transmission system (hereinafter referred to as the Transmission registry).

3.5.2. Distribution and closed distribution system operators are establishing and administering the register of balance responsibility for the withdrawal/injection points in the distribution system (hereinafter referred to as the Distribution registry).

3.5.3. The Transmission registry shall contain at least the following information:

- a) business information about BRP: the business name, address, details about authorized persons, registration number and tax identification number of the BRP (for legal entities and entrepreneurs);
- b) BRP's EIC code;
- c) data on balance responsibility agreement, annexes of balance responsibility agreement, records and other contract documents;

- d) financial information about BRP: the type and the amount of payment security instrument, data on the issuer of the payment security instrument, the account number and the validity period of the payment security instrument;
- e) Information on the composition of the Balancing group according to which the role for responsible parties is assigned, for the purposes of the nomination of daily schedules;
- f) a list of the withdrawal/injection points in the transmission system with information about the approved and nominal power of the generating units, for each place within the balancing group;
- g) business data about market participant for which the withdrawal/injection point belongs to: business name, address, data about authorized personnel, registration number and tax identification number of market participant (for legal entities and entrepreneurs);
- h) the basis on which is that withdrawal/injection point assigned to the certain Balancing group – type of the contract with information about the effective date and the period of validity of the contract by which balance responsibility is transferred to BRP;
- i) business data about Supplier of the certain withdrawal/injection point in case that supplier is not BRP, as well as the type of the Supply contract;
- j) the manner in which is regulated access to transmission system for withdrawal/injection point (contract of access to the transmission system);
- k) total number of withdrawal/injection point on distribution system within the certain Balancing group, total approved power and total nominal power of all generating units and the basis by which withdrawal/injection point are assigned to the Balancing group, (the contract on balance responsibility transfer, the full supply contract, the supply contract in which amount is determined on the basis of realized production or the withdrawal/injection point is assigned to the applicant, as well information about the effective date and the period of validity of the contract);
- l) business data of all other Balancing group members (wholesale supplier, Supplier, public supplier) as well as the effective data and the period of validity of the contract on transfer of balance responsibility between BRP and other Balancing group members.

3.5.4. The distribution system operator or a closed distribution system operator shall provide information to the Transmission system operator as defined in clause 3.5.3. k) of the Market Code.

3.5.5. BRP is obliged to the Transmission system operator, Distribution system operator and the Operator of a closed distribution system to report any amendment or supplement of the information contained in the Transmission or Distribution registry.

3.5.6. Each BRP has access to their own data, within the Transmission and Distribution register.

### **3.6. CHANGES IN COMPOSITION OF BALANCING GROUP**

3.6.1. The composition of balancing group may be modified in the following cases:

- a) when existing withdrawal/injection point is included in the balancing group on the basis of the agreement on the transfer of balance responsibility,
- b) when existing withdrawal/injection point is included in the balancing group on the basis of the handover procedure for supplier change according to the rules on supplier switching, in case when the BRP is the full supplier;
- c) when a new withdrawal/injection point is included in the balancing group;

- d) in the balancing group includes the wholesale supplier, provider, supplier or the public on the basis of the agreement on the transfer of balance accountability;
- e) when the withdrawal/injection point is excluded from the balancing group on the basis of the expiry of the contract on the transfer of the balance responsibility;
- f) of the balancing group excludes the delivery points on the basis of the procedure of changing the supplier in case of termination of the full supply;
- g) when the withdrawal/injection point is excluded from the balancing group in case of termination of the sale contract due to non-payment.
- h) of the balancing group excludes the wholesale supplier, the supplier, or public supplier based on the termination of the contract on the transfer of balance responsibility.

3.6.2. In the case from point 3.6.1. (a) BRP accepting takeover of the balance responsibility for the existing withdrawal/injection point, is required to submit an application to the transmission system operator for change of the composition of the balancing group and it attaches a copy of the contract on transfer of balance responsibility between the BRP and the end customer for the respective withdrawal/injection point.

If the withdrawal/injection point is located in the distribution system, closed distribution system, the transmission system operator informs the relevant distribution system operator or closed distribution system operator on change in the composition of the balancing group within 2 working days as from the receipt of the application. The distribution system operator or a closed distribution system is required to confirm the transmission system date and time changes in the composition of the balancing group (date of determination of measurement data for the respective withdrawal/injection point).

3.6.3. In the case of point 3.6.1. (b) for the withdrawal/injection point in the transmission system, the transmission system operator conducts a change in the composition of the supplier, in accordance with the rules on supplier switching and the composition of the balancing group.;

3.6.4. In the case of point 3.6.1. (b) for the withdrawal/injection point in the distribution system, the distribution system operator or closed distribution system operator implements the change of the supplier in accordance with the rules on supplier switching and shall submit to the transmission system operator:

- a) a new summary approved power on the withdrawal/injection points in the distribution system
- b) the total number of withdrawal/injection points in the distribution system for BRP (full supplier) whose balancing groups has changed the composition,
- c) a new summary nominal power of all generating units connected to the handover places in the distribution system or closed distribution system for BRP (full supplier) whose balancing groups has changed the composition;
- d) the total number of delivery points in the distribution system or a closed distribution system BRP (full supplier) whose balancing group leads to changes in the composition. The transmission system operator conducts the composition of the balancing group on the basis of data submitted by the distribution system operator or operators of closed distribution system.

3.6.5. In the case of point 3.6.1. (c) for the new withdrawal/injection point in the transmission system, the transmission system operator implements the composition of the balancing group in accordance with the connecting process;

3.6.6. In case of point 3.6.1. (c) for the new withdrawal/injection point in the distribution system, the distribution system operator or closed distribution system operator implements the change of the composition of the balancing group in accordance with the connecting procedure and it shall submit to the transmission system operator as follows:

- a) a new summary approved power to the distribution system for BRP
- b) whose balancing group is new withdrawal/injection point included
- c) a new summary nominal power of all generating units connected to the withdrawal/injection points in distribution system for BRP – in whose balancing group new withdrawal/injection point is included
- d) the total number of withdrawal/injection points in the distribution system for BRP whose balancing group includes the new withdrawal/injection point.

The transmission system operator conducts the composition of the balancing group on the basis of data submitted by the distribution system operator or operators of closed distribution system.

3.6.7. In the case referred to in point 3.6.1. (d) the BRP which to take balance responsibility for the wholesale supplier, the supplier, the supplier or the public must submit a transmission system operator application for the change in composition of the balancing group and attach the Declaration of transfer of balance responsibility between the BRP and the present supplier. Transmission System Operator informs the relevant distribution system operator or operators of closed distribution system within 2 working days of receipt of the application of changes in the composition of the balancing group.

In the case of point 3.6.1. (e) BRP from whose group the withdrawal/injection point is excluded submit application to the transmission system operator for change of the composition of the balancing group and it shall submit the statement on expiry of the validity period of the contract on transfer of balance responsibility for that withdrawal/injection point.

3.6.8. If the withdrawal/injection point is in the distribution system, the transmission system operator informs the relevant distribution system operator or closed distribution system operator about the change the composition of the balancing group, within 2 working days as from the receipt of the application. The distribution system operator or a closed distribution system operator is required to confirm the transmission system date and time changes in the composition of the balancing group (date of determination of measurement data for the respective withdrawal/injection point).

3.6.9. In the case of point 3.6.1. (f) for the withdrawal/injection point in the transmission system, the transmission system operator conducts the change of the supplier on the basis of supplier's notification on termination of the contract on sale of electricity with full supply, due to the outstanding debt falling due in accordance with the rules on supplier switching and implements the changes in the composition of the balancing group.

3.6.10. In the case referred to in point 3.6.1. (f) for the withdrawal/injection point transfer in the distribution system, the distribution system operator or closed distribution system operator implements the change of the composition of the balancing group on the basis of the supplier's notification on the termination of the contract on sale of electricity with full supply accordance with the rules of supplier switching and it shall submit to the transmission system operator:

- a) a new summary, approved power for the withdrawal/injection point in the distribution system or closed distribution system for the BRP (full supplier)

- in whose balancing group the composition was changed,
- b) a new total nominal power for all the production units which are connected to the withdrawal/injection point in the distribution system, and a closed distribution system for BRP (full supplier) is in charge balancing group is a change of the composition;
  - c) the total number of the withdrawal/injection points in the distribution system or closed distribution system for the BRP (full supplier) in which the composition of the balancing group has changed.

The transmission system operator conducts the composition of the balancing group on the basis of the data distribution system operator or operators of closed distribution system.

3.6.11. In the case referred to in point 3.6.1. (g) for delivery points in the transmission system, the transmission system operator conducts a supplier switching, the supplier of a notification of termination of the contract on full supply due to unpaid debt falling due in accordance with the law and implemented changes in the composition of the balancing group.

3.6.12. In the case referred to in point 3.6.1. (g) for delivery points in the distribution system, the distribution system operator, or operator of the closed distribution system, implement a supplier switching on the basis of notifications of the supplier to terminate the contract on full supply due to unpaid the due debt in accordance with the law and shall submit to the transmission system operator:

- a) a new total approved capacity for delivery points in the distribution system or a closed distribution system for BRP (full supplier) in which the balancing group has been a change in the composition;
- b) a new total nominal power for all the production units which are connected to the delivery points in the distribution system, and a closed distribution system for BRP (full supplier) is in charge balancing group is a change of the composition;
- c) the total number of delivery points in the distribution system or a closed distribution system for BRP (full supplier) in which the balancing group has been a change in the composition.

The transmission system operator conducts the composition of the balancing group on the basis of data submitted by the distribution system operator or operators of closed distribution system.

3.6.13. In the case referred to in point 3.6.1. (h), BOS, which excludes from its balancing group wholesale suppliers, suppliers, and the public supplier, shall submit to the transmission system operator application for change of the composition of the balancing group and accompanied by a Statement of termination of the contract on the transfer of balance responsibility. Transmission System Operator of changes in the composition of the balancing group informs the relevant distribution system operator or operators distributing closed system within 2 working days of receipt of the application.

3.6.14. If in the case referred to in point 3.6.1. (F) supplier, ie public supplier has signed a contract for the sale of electricity for full supply, it will be considered that the end customer has selected the supplier and has resolved the issue of balance responsibility.

3.6.15. If all required information and documentation referred to in Section 3.6.2., 3.6.8. and 3.6.13., were not provided by BRP, the transmission system operator is obliged to inform it about that and to leave it the subsequent term of 5 working days to correct the application and submit the complete documentation. If after the subsequent period,

BRP fails to submit the requested information and documentation, it shall be deemed as if it did not submit the application for the change in the composition of the balance group.

- 3.6.16. The transmission system operator and the BRP, in which there was a change in the composition of the balancing group, will sign an annex to the contract on balance responsibility. The transmission system operator can request a new instrument of payment for BRP depending on the changes in the composition of the balancing group.
- 3.6.17. The transmission system operator is obliged to confirm the changes related to the connection, namely disconnection of the withdrawal/injection point from the balancing group from point 3.6.1. (a), 3.6.1. (d), 3.6.1. (e) and 3.6.1. (h) at least within 3 working days as from the date of the receipt of the application for the change of the composition of the balancing group. The transmission system operator notifies about the date when such a change is valid:
- a) BRP to which the changes apply,
  - b) the relevant distribution system operator or closed distribution system operator.

The distribution system operator or closed distribution system operator is obliged to make any changes in the distribution register not later than 3 working days as from the date of the notification by the transmission system operator.

- 3.6.18. The transmission system on the basis of a change in the composition of the balancing group updates the data in transmission register relating to the BRP in which balancing group has been a change in the composition.
- 3.6.19. The distribution system operator, or operator of the closed distribution system on the basis of a supplier switching or on the basis of notification by the transmission system operator about changes in the composition of the balancing group updates the data from the distribution registry relating to BRP in which balancing group has been a change of respective withdrawal/injection points.
- 3.6.20. BRP that has undertaken balance responsibility on the withdrawal/injection point of market participants assume the obligations starting from the date of the change of the supplier determined by the rules on supplier switching, namely from the date of the registration in the transmission register of the contract on the transfer of balance responsibility.
- 3.6.21. When from the BRP's balancing group the withdrawal/injection point is excluded, it shall retain obligations under the balance responsibility until the date of the supplier switching determined by the rules on supplier switching or until the day of print from the transmission register, under the contract on the transfer of balance responsibility.
- 3.6.22. Dimensions and content of application on changing the composition of the balancing group is determined by the transmission system operator and it is published on its website.

### **3.7. TERMINATION OF BALANCE RESPONSIBILITY AGREEMENT**

- 3.7.1. When BRP, who is entitled to that according to the Law, decides not to be in BRP status, is obliged to prior inform the balancing group members by a written notice and to submit to the transmission system operator a statement on the unilateral termination

of the balance responsibility agreement in written form.

- 3.7.2. In the case under point 3.7.1. for BRP in whose balancing group there are withdrawal/injection points the termination period last two months and starts from the first calendar day of the following month after the receipt the notification on termination of balance responsibility agreement. During the termination period BRP has all rights and obligations under the balance responsibility agreement. .
- 3.7.3. In the case under point 3.7.1. for BRP in whose balancing group there are no withdrawal/injection points termination period lasts no longer than 5 working days from the date of receipt of the notification on termination of the balance responsibility agreement. During the termination period BRP has all rights and obligations under the balance responsibility agreement.
- 3.7.4. The transmission system operator may unilaterally terminate the balance responsibility agreement with BRP, in the following cases:
- a) when BRP does not submit the appropriate payment security instrument two months after the conclusion of the balance responsibility agreement,
  - b) when the BRP does not extend the validity of the payment security instrument in accordance with point 3.8.12;
  - c) when BRP does not submit the new bank guarantee or prolong existing on the basis of transmission system operator's notification in defined deadline, in case of change of risk value in accordance with point 3.8.13;
  - d) when BRP does not provide the additional amount on the deposit account on the basis of transmission system operator's notification in defined deadline, in case of change of risk value in accordance with point 3.8.13;
  - e) when the BRP does not deliver adequate new payment security instrument, in the case of changing the type of payment security instrument;
  - f) when BRP does not provide the additional amount after the activating deposit account of Contract on opening and administer deposit account in defined deadline, in accordance with point 3.8.26;
  - g) when the proceedings of bankruptcy or liquidation of BRP were initiated;
  - h) when the BRP loses energy license for carrying out energy activities;
  - i) When the transmission system operator protesting bank guarantee referred to in Section 3.8.18;
  - j) when the BRP does not fulfill the other obligations under the balance responsibility agreement.
- 3.7.5. The transmission system operator is required to notify the BRP in writing on the unilateral termination with relevant explanation.
- 3.7.6. In cases under points 3.7.4 (b), (c), (d), (e), (f), (g) and (i) the balance responsibility agreement shall be ceased from the first calendar day of the following month after the receipt notification of unilateral termination of the agreement. BRP in this case has all the rights and obligations under the balance responsibility agreement until the date when the balance responsibility agreement is considered terminated.
- 3.7.7. In the case under point 3.7.4 (h) balance responsibility agreement shall be ceased from the date of revoking the license of the Agency.
- 3.7.8. In the case under point 3.7.4. (j) the transmission system operator is obliged to give to BRP an appropriate subsequent period, no longer than 5 working days, to remove or correct omissions caused by default arising from the balance responsibility agreement and the Market Code. If the BRP fails to fulfill the obligations properly, in the subsequent period, the contract will be terminated on the first calendar day of the following month. In this case BRP has all rights and obligations under the on balance

responsibility agreement up to the date when the balance responsibility agreement is considered terminated.

- 3.7.9. In the cases under points 3.7.1. and 3.7.3., the transmission system operator is obliged to submit the notification on termination of the balance responsibility agreement and cessation of BRP status to:
- a) BRP to which the cessation of the status applies due to the termination of the agreement,
  - b) suppliers or wholesale suppliers which are in the balancing group;
  - c) to end customers or producers whose withdrawal/injection points, connected to the transmission system are in the balancing group,
  - d) distribution system operators or closed distribution system operators in whose area there are withdrawal/injection points that are associated to the balancing group
  - e) market system operator;
  - f) any other registered BRP.
- 3.7.10. The distribution system operator, or operator of the closed distribution system is obliged that after receiving notification from transmission system operator, deliver a notification on termination of the balance responsibility agreement and repealing status BRP to end customers or producers whose withdrawal/injection point connected to the distribution system.
- 3.7.11. Participants in the electricity market from the points 3.7.9. and 3.7.10. shall, upon receipt of the notice, during the termination period and up to the date when the balance responsibility agreement is considered terminated, regulate balance responsibility for their withdrawal/injection points in accordance with the obligations defined by the Law, the Market Code and the Rules supplier switching.

### 3.8. DETERMINATION OF RISK VALUE IN CASE OF DEFAULT

- 3.8.1. The transmission system operator determines the risk value in case of BRP's default - on the level of the accounting period (hereinafter referred to as: the risk value), regarding deviations of balancing group as per the following formulae:

$$P = \max(EH_1, EH_2, EH_3) * D * U$$

P - risk value

EH<sub>1</sub> - average value of balancing group daily consumption of electricity during preceding twelve month period;

EH<sub>2</sub> - average value of balancing group daily generation of electricity during preceding twelve month period;

EH<sub>3</sub> - average value of daily notified blocks of internal and cross-border balancing group electric energy exchange in the direction of the receipt, during the preceding twelve-month period.

D - number of days (D = 3)



- II - average price of engaged balancing energy for a calendar year Y (II = is weighted price of engaged balancing energy in upward direction in the period from October 1, Y-2 to September 30, Y-1 in EUR/MWh).
- 3.8.2. If for new BRP it is not possible to determine the values of energy parameters (EH<sub>1</sub>, EH<sub>2</sub>, EH<sub>3</sub>) for its balancing group from point 3.8.1, the risk value due to BRP's default will be determined by the transmission system operator on the basis of the planned values of the same size for balancing group, in accordance with the Grid Code.
- 3.8.3. Upon expiration of every month, the transmission system operator determines a new risk value for each BRP on the basis of actual changing energy values referred to in point 3.8.1, changes in the structure of the balancing group or II price changes, taking into account the data for that month. The transmission system operator, based on the determined risk value may require a change of value of payment security instrument.
- 3.8.4. If the BRP requires that the estimated risk value is above those established by the operator of the transmission system, the transmission system operator will change the risk value on the basis of requests submitted by the BRP.
- 3.8.5. The value of the payment security instrument is set on risk value (P) and cannot be less than EUR 50.000,00, or more than 1.000.000,00 EUR.
- 3.8.6. Collecting payments, in case of BRP's default, is provided by the appropriate and acceptable payment security instrument which BRP provides in accordance with the balance responsibility agreement.
- 3.8.7. Payment security instruments are:
- a) For BRP, which is headquartered in the Republic of Serbia:
    - bank guarantee with revolving clause issued by bank headquartered in the Republic of Serbia;
    - bank guarantee issued by bank headquartered in the Republic of Serbia;
    - special purpose (guarantee) deposit with a revolving clause issued by bank headquartered in the Republic of Serbia.
  - b) for BRP, which is headquartered abroad:
    - bank guarantee with revolving clause issued by foreign bank;
    - bank guarantee issued by foreign bank;
    - special purpose (guarantee) non-resident deposit with a revolving clause in the bank headquartered in the Republic of Serbia.
- 3.8.8. The transmission system operator, distribution system operator, the operator of a closed distribution system and market operator or legal entity which carries on behalf of market operators in accordance with the Law, as the BRP, are not required to provide payment security instrument.
- 3.8.9. BRP can choose one of the payment security instrument in accordance with the Market Code.
- 3.8.10. BRP is entitled to change the type of payment security instrument once in a calendar year. Previous payment security instrument shall be valid until the newly selected payment security instrument became active.
- 3.8.11. BRP takes care about the maturity period of the chosen payment security instrument and its promptly extension or its replacement for a new payment security instrument in

order to maintain active status of a balance responsible party.

- 3.8.12. BRP is required to submit new or to extend the existing instrument of payment securing instrument 65 days before the date of expiry.
- 3.8.13. BRP is obliged to provide adequate payment security instrument in case of risk value change described in point 3.8.3.
- 3.8.14. Bank guarantee for the BRP headquartered in the Republic of Serbia, shall be issued by a commercial bank headquartered in the Republic of Serbia with a NBS license, and bank guarantee for the BRP headquartered abroad shall be issued by a foreign commercial bank.
- 3.8.15. The bank guarantee should be irrevocable, unconditional, payable at first demand, without objection, valid for up to one calendar year (until 31 December of the current year).
- 3.8.16. The period of validity of the bank guarantee should be extended to 60 days from the date of termination of the balance responsibility agreement.
- 3.8.17. The bank guarantee with revolving clause shall be issued on the amount determined by the risk value and guarantee amount does not decrease regardless of any payment made by the bank which issued that guarantee (as a guarantor) and the payment is made at the request of the transmission system operator (as a user), for payment under the guarantee.
- 3.8.18. The bank guarantee shall be issued on the amount of tripled determined risk value and the amount of the guarantee will be reduced in accordance with the payment by the bank guarantor executed at the request of the transmission system operator. Such a guarantee can be protested partially, up to the value of the bank guarantee.
- 3.8.19. For BRP headquartered in the Republic of Serbia, the bank guarantee is issued with foreign currency clause, ie. the value of the bank guarantee shall be expressed in EUR, payable in RSD by applying the official middle exchange rate on the day of payment.
- 3.8.20. For BRP which has headquarter abroad, a bank guarantee is issued in EUR, and payable in EUR.
- 3.8.21. In the case of BRPs default the transmission system operator will protest bank guarantee, in order to collect the entire unpaid amount of receivables plus statutory default interest, as which will inform BRP in writing notification at least 3 working days before the bank guarantee protest.
- 3.8.22. Special purpose (guarantee) deposit with revolving clause is type of the payment security instrument in which BRP deposited funds in a dedicated account with a bank headquartered in the Republic of Serbia with a license issued by the NBS. The funds in the dedicated account BRP deposited in favor of the transmission system operator for a period which may not be less than 3 years and on the amount determined by the risk value, pursuant to the balance responsibility agreement.
- 3.8.23. BRP, a bank and the transmission system operator, conclude the contract on the opening and administration of special purpose (guarantee) deposit.
- 3.8.24. For BRP headquartered in the Republic of Serbia the special purpose (guarantee) deposit with revolving clause is carried, kept and maintained in EUR, payable in RSD

by applying the official middle exchange rate on the payment, pursuant to the balance responsibility agreement.

- 3.8.25. For BRP headquartered abroad the special purpose (guarantee) non-resident deposit with revolving clause is expressed, kept and maintained in EUR and payable in EUR in accordance with the balance responsibility agreement.
- 3.8.26. In the case of BRPs default for a particular accounting period, the transmission system operator has right on the first written demand to request recovery of receivables from BRP with a Special purpose (guarantee) deposit. BRP is obliged to refill the Special purpose (guarantee) deposit within the period defined by the contract on the opening and administration of dedicated deposits.
- 3.8.27. Validity of Special purpose (guarantee) deposit should be 60 days longer than the date of termination of the balance responsibility agreement.

## 4. PROVISION OF SYSTEM SERVICES

### 4.1. SYSTEM SERVICES PURCHASE

4.1.1. This Section defines the rules and procedures for provision of the following system services by the Transmission system operator:

- a) Primary regulation;
- b) Secondary regulation;
- c) Tertiary regulation;
- d) Voltage regulation;
- e) Participation in the re-establishment of Electric power system after the breakdown (black start of generators and island operation regime of generators);
- f) Purchase and sale of electricity for compensation of inadvertent deviations of Control area.

4.1.2. Transmission system operator purchases system services referred to in Article 4.1.1. points (a) - (f) in accordance with the Ancillary services contract, which are concluded with Electricity producers, which are, in accordance with Energy Law and Grid Code, obliged to offer ancillary services to the Transmission system operator. The content of Ancillary services contract is regulated in Chapter 4.2. of this Market Code.

4.1.3. Prices of the system services referred to in Article 4.1.1. points (a) - (f) are regulated in accordance with the Energy Law.

4.1.4. In case that Transmission system operator, according to Ancillary services contracts referred to in Article 4.1.2., cannot provide system services in full amount that is required, according to the Grid Code, lack of system services is purchased from other market participants or other Transmission system operators, in accordance with this Market Code.

4.1.5. Transmission system operator may obtain system services referred to in Article 4.1.1. point (c) from the Supplier or Wholesale supplier on the basis of Ancillary services contract that is concluded with these market participants in accordance with transparent, non-discriminatory and market principles.

4.1.6. Transmission system operator may arrange, with other Transmission system operators, mechanisms for the exchange of primary, secondary and tertiary regulation energy and joint use of primary, secondary and tertiary reserve, in accordance with Rules of the interconnection.

4.1.7. Transmission system operator purchases and sells electricity for compensation of inadvertent deviations of Control Area (system services referred to in Article 4.1.1. point (f)) at the bilateral, organized and balancing electricity market, in accordance with transparent, non-discriminatory and market principles.

## 4.2. ANCILLARY SERVICES CONTRACT

- 4.2.1. Ancillary services contracts particularly regulate:
- The scope of ancillary services (primary reserve, secondary reserve, tertiary reserve, capacity for voltage regulation, capacity for re-establishment of transmission system after the breakdown etc, depending on the type of ancillary service);
  - Price, calculation method, method and terms of payment of ancillary services;
  - The manner of recording, notification and compensation in the event of non-performance of contractual obligations.
- 4.2.2. In terms of Primary regulation, Ancillary services contract, between the Transmission system operator and the Electricity producer, particularly regulate:
- Production units that provide Primary regulation and their technical characteristics that are significant for the Primary regulation;
  - The amount of the Primary reserve, that has to be provided for a continuous period on annual basis;
  - The control of the realization and reporting of the realization, by the Transmission system operator.
- 4.2.3. In terms of Secondary regulation, Ancillary services contract, between the Transmission system operator and the Electricity producer, particularly regulate:
- Production units that provide Secondary regulation and their technical characteristics that are significant for the Secondary regulation;
  - The amount of the Secondary reserve, that has to be provided for a continuous period on annual basis;
  - The control of the realization and reporting of the realization, by the Transmission system operator.
- 4.2.4. In terms of Tertiary regulation, Ancillary services contract, between the Transmission system operator and the Electricity producer, particularly regulate:
- Production units, group of production units and controllable load that provide Tertiary regulation and their technical characteristics that are significant for the Tertiary regulation;
  - The amount of the Tertiary reserve, that has to be provided for a continuous period on annual basis;
  - Obligation of the Electricity producer to make, from all available production capacities, available the full amount of Tertiary reserve in accordance to Grid Code;
  - The control of the realization and reporting of the realization, by the Transmission system operator.
- 4.2.5. In terms of Tertiary regulation, Ancillary services contract, between the Transmission system operator and the customer, particularly regulate:
- The customer's facility which presents controllable load and in which consumption can be regulated on Transmission system operator request and its technical characteristics that are significant for the Tertiary regulation;
  - The amount of the Tertiary reserve, that has to be provided for a continuous period on annual basis;
  - The control of the realization and reporting of the realization, by the Transmission system operator.

- 4.2.6. In terms of Voltage regulation, Ancillary services contract, between the Transmission system operator and the Electricity producer, particularly regulate:
- a) Generator units that provide this service with their technical characteristics that are significant for the Voltage regulation;
  - b) Obligation of the Electricity producer to perform Voltage regulation from all generator units in the facility, in accordance with their technical characteristics;
  - c) The control of the realization and reporting of the realization, by the Transmission system operator.
- 4.2.7. In terms of participation in re-establishment of the Power System after the breakdown, Ancillary services contract, between the Transmission system operator and the Electricity producer, particularly regulate:
- a) Generator units that provide black start service or that have the capability of island operation with their technical characteristics that are significant for these operating regimes;
  - b) The control of the realization and reporting of the realization, by the Transmission system operator.
- 4.2.8. The Transmission system operator is obliged to keep records on the realization of the contracted ancillary services related to Secondary and Tertiary regulation. The following data are recorded:
- a) The period in which the volume of Secondary and Tertiary regulation is fully provided, partially provided or not provided;
  - b) The availability of balancing entities for operation in Secondary and Tertiary regulation.

## 5. BALANCING ELECTRICITY MARKET

### 5.1. INTRODUCTION

5.1.1. Transmission system operator is responsible for organization and administration of the balancing electricity market.

5.1.2. Transmission system operator purchases or sells balancing electricity (hereinafter referred to as: balancing energy) in the balancing electricity market for the purpose of:

- a) maintaining the real time balance between generation, consumption and exchange of electricity;
- b) providing secure power system operation;
- c) upholding the necessary level of reserve for Secondary and Tertiary regulation;

in compliance with the Grid Code.

5.1.3. Balancing mechanism is a set of procedures that regulates the balancing electricity market.

5.1.4. Balancing energy is delivered in or from the transmission, distribution or closed distribution system over periods defined by Transmission system operator's instruction for activating the balancing reserve.

5.1.5. Balancing reserve means all available reserve on the balancing electricity market. Balancing reserve includes:

- a) all available capacities of balancing entities, whose are left after accepting daily schedules;
- b) available capacities stipulated in an Ancillary service contract between the Transmission system operator and Supplier, and Wholesale supplier;
- c) available capacities stipulated in a contract regulating the purchase and sale of cross-border tertiary regulation energy and imbalance netting between Transmission system operators.

5.1.6. Balancing entity means:

- a) production unit – means a separate generator within a generation site;
- b) group of production units – within one or more generation sites;
- c) controllable load – means reversible hydro power plant or pumped storage site when in pumping regime, or a customer's facility having the capability of controlling its consumption upon instruction of the Transmission system operator;

and whose daily schedule is nominated to the Transmission system operator.

5.1.7. Contractual balancing reserve comprises:

- a) balancing reserve stipulated in the contract on provision of ancillary services (Ancillary services contract) between the Transmission system operator and Supplier or Wholesale supplier;
- b) balancing reserve stipulated in the contract regulating the purchase and sale of cross-border tertiary regulation energy and imbalance netting between Transmission system operators.

The contracts of indent a) and b) specifically define the amount of reserve, price or method of price formation, activation time, as well as volume, and terms and conditions for delivery of balancing energy.

5.1.8. Operational use of balancing mechanism for relevant market trading day begins after Transmission System Operator's validation of accepted daily schedules for that day, in compliance to the Grid Code, and ends at 24:00h of the same day.

5.1.9. Operational use of balancing mechanism includes activation of the balancing reserve for regulation upward (when Transmission system operator purchases the balancing energy) and regulation downward (when Transmission system operator sells balancing energy).

5.1.10. Administration of balancing mechanism includes: registration of balancing mechanism (BM) participants, gathering and verification of offers for engagement in upward or downward direction, creation of merit order lists for engagement of balancing reserve in the Secondary and Tertiary regulation, calculation of the amount of injected and withdrawn balancing energy and financial settlement on the basis of withdrawn/injected balancing energy for relevant market day.

5.1.11. Regulation upward is accomplished:

- a) via instruction for the increase of active power generation by balancing entities, in case of generation site(s) and production unit(s);
- b) via instruction for reduction of active power consumption by balancing entities in case of controllable load;
- c) via instruction for purchase of balancing energy from Supplier or Wholesale supplier;
- d) via instruction for purchase of cross-border tertiary regulation energy from the Transmission system operator from another market area;
- e) via purchase of balancing energy from the Transmission system operators from another market areas based on the imbalance netting.

5.1.12. Regulation downward is accomplished:

- a) via instruction for reduction of active power generation by balancing entities, in case of generation site(s) and production unit(s);



- b) via instruction for increase of active power consumption by balancing entities in case of controllable load;
- c) via instruction for sell of cross-border tertiary regulation energy to Transmission system operator from another market area;
- d) via selling balancing energy to Transmission system operators from another market areas based on imbalance netting.

## **5.2. PARTICIPATION IN BALANCING MECHANISM**

- 5.2.1. Participation of balancing entities in the balancing mechanism is regulated by Ancillary services contract and the contract on participation in the balancing mechanism that are required to conclude the Transmission system operator and a market participant who have balancing entities in the market area of Serbia, by which the market participant acquires the status of participant in the balancing mechanism.
- 5.2.2. For the purpose of participating in the balancing mechanism, market participants who have balancing entities in the market area of Serbia shall put at Transmission system operator's disposal all available capacities of its balancing entities, which remain after accepted daily schedules.
- 5.2.3. Balance responsible party is liable for nomination of daily generation and controllable load schedules for balancing entities from its balancing group.
- 5.2.4. Participation of Suppliers or Wholesale suppliers in the balancing mechanism is regulated by Ancillary services contract that are required to be concluded by the Transmission system operator and Supplier or Wholesale supplier who will therewith obtain the status of a BM participant for the period of contract validity.
- 5.2.5. Participation of Transmission system operators from other market areas in the balancing mechanism is regulated with the contracts between Transmission system operators governing the purchasing and selling of cross-border tertiary regulation energy and imbalance netting.

## **5.3. CONTRACT ON PARTICIPATION IN THE BALANCING MECHANISM**

- 5.3.1. Contract on participation in the balancing mechanism especially regulates:
  - a) list and technical characteristics of balancing entities taking part in the balancing mechanism;
  - b) special conditions on engagement of balancing entities;
  - c) issuance of invoice and payment for engaged balancing energy;
  - d) contract validity;
  - e) conditions for contract modifications;
  - f) procedure for lodging a complaint against the accounted engaged balancing energy and complaint resolution procedure;

- g) method and format of submission of data required for the implementation and administration of balancing mechanism.

#### **5.4. REGISTRY OF BALANCING MECHANISM PARTICIPANTS**

5.4.1. Transmission system operator establishes and administrates the Registry of Balancing Mechanism Participants.

5.4.2. The Registry of Balancing Mechanism Participants contains particularly the following information:

- a) official name, address and contact details of participants in the electricity market, who have the status of BM (Balancing Mechanism) participant;
- b) date of entry into force of the contract, registration number and validity of contract on BM participation, or of Ancillary services contract between the Transmission system operator, Supplier and Wholesale supplier who are participants in the balancing mechanism;
- c) name and contact details of authorized person(s) for the Balancing Mechanism implementation;
- d) list of balancing entities under the competence of BM participant;
- e) identification code of Balance responsible party to whose Balancing group the balancing entities are associated or Supplier, Wholesale supplier who are BM participants;
- f) identification codes for each balancing entity;
- g) technical characteristics of balancing entities that are significant for the Balancing Mechanism.

5.4.3. BM participant is obliged to submit to the Transmission system operator all information necessary for maintaining the Registry of BM Participants.

5.4.4. BM participant has access to its own data within the Registry of BM Participants. BM Participant is obliged to report to the Transmission system operator any amendment or supplement of the information in the Registry of BM Participants.

#### **5.5. EXPLICIT OFFERS, PRIORITY MERIT ORDER LIST AND OFFERS FOR REDISPATCHING**

5.5.1. Each BM participant that has a balancing entities in the market area of Serbia shall submit aggregate explicit offer for engagement of upward/downward regulation for all balancing entities under its competence.

5.5.2. BM participants, who don't have The dominant participant status shall submit an explicit bid for each balancing entity separately, while The dominant participant must submit an explicit offer that includes all balancing entities under its competence.

5.5.3. The aggregate explicit offer shall contain a set of energy-price pairs from which the price of engaged upward/downward regulation can be directly determined.

- 5.5.4. The price quoted in the aggregate explicit offer must be higher than or equal to 0.10 EUR/MWh, and lower than 500 EUR/MWh. The price shall be stated in EUR/MWh with two decimal places. Energy value shall be stated in MWh as an integer.
- 5.5.5. Within the explicit offer, submitted by The dominant participant, the price difference between the downward engagement 100MWh and upward engagement 100MWh shall not be higher than 30 EUR/MWh.
- 5.5.6. The dominant participant shall submit, along with the explicit offer:
- a) a priority merit order list for engagement of balancing entities in the tertiary regulation (hereinafter referred to as: Merit Order List);
  - b) the price for engagement of respective balancing entities downward and upward when they are engaged in order to ensure the secure operation of the transmission system (hereinafter referred to as: Offer for redispatching).
- 5.5.7. The dominant participant, with an explicit offer, delivers also information about the availability of balancing entities.
- 5.5.8. In the Merit Order List and Offer for redispatching The dominant participant shall include the entire available reserve of the balancing entities under its competence.
- 5.5.9. The dominant participant shall submit separate Merit Order Lists and Offers for redispatching for upward regulation and downward regulation, respectively.
- 5.5.10. Transmission system operator determines the form, contents and method of submission of explicit offer which shall include particularly the following information:
- a) energy-price pairs for upward/downward regulation;
  - b) identification code of BM participants;
  - c) trading day and accounting interval to which the offer relates;
- 5.5.11. Transmission system operator determines the form, contents and method of submission of the priority order list offers for redispatching which shall include particularly the following information:
- a) direction of regulation (upward or downward) to which the Merit Order List and Offer for redispatching relates;
  - b) identification code (identifier) of BM participant;
  - c) market day to which the Merit Order List relates;
  - d) list of balancing entities with the following information:
    - balancing entity identification code;
    - ordinal number of priority (1 to x, where 1 implies the top engagement priority);
    - price for engagement of balancing entity when it is engaged in order to ensure the secure operation of the transmission system.

## **5.6. SUBMISSION AND VERIFICATION OF EXPLICIT OFFER, MERIT ORDER LIST AND OFFER FOR REDISPATCHING**

- 5.6.1. A BM participant submits explicit offer, Merit Order List and Offer for redispatching to the Transmission system operator for relevant market day, no later than 16:00h on the previous day.
- 5.6.2. Upon receipt of the explicit offer, Merit Order List and Offer for redispatching the Transmission system operator verifies the correctness of their form and content.
- 5.6.3. If BM participant didn't submit explicit offer, Merit Order List and Offer for redispatching in the form, content and within the time limit for their submission according to the Market Code, they shall be deemed invalid, and the Transmission system operator will, without undue delay, notify the BM participant thereof.
- 5.6.4. Upon receipt of the notification referred to in 5.6.3, the BM participant shall, without undue delay, submit the correct explicit offers, Merit Order Lists or Offers for redispatching. However, the last valid explicit offers, Merit Order Lists and Offers for redispatching are applied until delivery of a new and correct offers and Merit Order Lists.
- 5.6.5. For relevant market day, BM participant may submit modified explicit offers not later than 60 minutes before the accounting interval to which that modification relates.
- 5.6.6. For relevant market day the BM participant can submit modified Merit Order List not later than 15 minutes before the accounting interval to which that modification relates.
- 5.6.7. Submitted Offer for redispatching for relevant market day cannot be modified after submission and verification of correctness.

## **5.7. OFFERS FOR TERTIARY REGULATION FROM SUPPLIERS, WHOLESALE SUPPLIERS AND TSOs FROM ANOTHER MARKET AREAS**

- 5.7.1. Offers for purchasing of cross-border tertiary regulation energy are submitted by the Transmission system operators from another market areas within the deadlines and under the conditions determined by the contract regulating the purchase and sale of cross-border tertiary regulation energy.
- 5.7.2. Offers for purchasing balancing energy from Suppliers or Wholesale suppliers are submitted within the deadlines and under the conditions determined by the Ancillary services contract.

## **5.8. BALANCING RESERVE MERIT ORDER LIST IN THE TERTIARY REGULATION**

- 5.8.1. Transmission system operator determines two balancing reserve merit order lists engagement in the tertiary regulation for each accounting interval:

- a) balancing reserve merit order list within the accounting interval (hereinafter referred to as: fast reserve list);
- b) merit order list of contractual balancing reserve for the following accounting intervals (hereinafter referred to as: slow reserve list).

5.8.2. Fast reserve list is determined by the minimum cost principle on the basis of:

- a) explicit offers for engagement of upward/downward regulation;
- b) Merit Order List;
- c) offers for purchasing of cross-border tertiary regulation energy within the accounting interval submitted by the Transmission system operator from another market area.

5.8.3. Slow reserve list is determined by the minimum cost principle on the basis of:

- a) offers for purchasing balancing energy from the Supplier or Wholesale supplier;
- b) offers for purchasing of cross-border tertiary regulation energy for the following accounting intervals submitted by the Transmission system operator from another market area.

## 5.9. BALANCING RESERVE ENGAGEMENT IN TERTIARY REGULATION

5.9.1. Transmission system operator activates the offers in a priority order in accordance with fast reserve list. In case of an insufficient volume of the reserve, the Transmission system operator can additionally engage the contractual balancing reserve based on the slow reserve list starting from the next accounting interval.

5.9.2. In case of a threat to the security of the transmission system, regulation block or interconnection the Transmission system operator activates the offers for the balancing reserve engagement regardless to the priority order specified in the fast and slow reserve lists, in accordance with interconnection operation rules and concluded agreements with other Transmission system operators.

5.9.3. Activation of explicit offers for participation in the balancing mechanism is carried out by the Transmission system operator via instructions to the balancing entities (hereinafter referred to as: balancing entities engagement) in accordance with the Grid Code.

5.9.4. Activation of the contractual balancing reserve is carried out by the Transmission system operator in the manner prescribed by the Ancillary services contract concluded with the Supplier or Wholesale supplier and by the contract which regulates the purchase and sale of cross-border tertiary regulation energy concluded with the Transmission system operator from another market area.

5.9.5. All instructions for balancing entities engagement must be recorded by the Transmission system operator. Instruction details to be recorded contain in particular the following:

- a) reason for balancing entity engagement (eg. power system balancing, provision of secure operation of the power system, rest);
- b) identification code of the engaged balancing entity;
- c) engagement period;
- d) direction of Tertiary regulation: regulation upward or regulation downward;
- e) instruction for modification of power capacity in MW in comparison to the valid daily schedule of the balancing entity.

If the balancing entity was engaged for maintaining the required level of reserve for the Secondary and Tertiary regulation, then the system balancing would be recorded as the reason for balancing entity engagement.

5.9.6. Transmission system operator is obliged to keep records on the activated, contractual balancing reserve. The following details are to be recorded:

- a) volume of activated contractual balancing reserve (MW);
- b) engagement period;
- c) Supplier or Wholesale supplier or Transmission system operator from which the operating reserve was purchased.

## **5.10. BALANCING RESERVE ENGAGEMENT IN SECONDARY REGULATION**

5.10.1. Transmission system operator activates the Secondary regulation in accordance with the Grid Code and with the contract which regulates the imbalance netting which the Transmission system operator has concluded with Transmission system operators from other market areas.

5.10.2. Balancing entity engagement for the Secondary regulation must be recorded by the Transmission system operator. The following details are to be recorded:

- a) identification code of the engaged balancing entity;
- b) engagement period;
- c) direction of the Secondary regulation: regulation upward or regulation downward;
- d) engaged energy (MWh) for the Secondary regulation purposes.

5.10.3. Engaged balancing energy of a balancing entity for the Secondary regulation at each accounting interval is an integral of the difference between a desired power and the base load of the balancing entity, from the daily schedule. The desired power is calculated by a network load regulator (secondary regulation system) and it means the power to which the network load regulator wishes to bring the balancing entity as to eliminate an error of regulation area for which the Transmission system operator is responsible.

## 5.11. ACCOUNTING OF ENGAGED BALANCING ENERGY PER BALANCING ENTITIES

5.11.1. For each balancing entity participating in the balancing mechanism the Transmission system operator determines the quantity of engaged balancing energy at each accounting interval on the basis of:

- a) engaged Secondary regulation upward and downward;
- b) issued instructions for the Tertiary regulation followed by engagement reason.

5.11.2. Balancing energy of a balancing entity referred to in 5.11.1. a) is determined as:

$$БЕС_{\delta e,oi} = CPГ_{\delta e,oi} - CPД_{\delta e,oi}$$

where:

БЕС – balancing energy as a result of Secondary regulation engagement;

CPГ – balancing energy as a result of Secondary regulation upward engagement;

CPД – balancing energy as a result of Secondary regulation downward engagement;

$\delta e$  – index designating balancing entity;

$oi$  – index designating accounting interval.

5.11.3. Balancing energy of a balancing entity referred to in 5.11.1. b), engaged for the needs of power system balancing is determined as:

$$БЕТ_{\delta e,oi} = TPГ_{\delta e,oi} - TPД_{\delta e,oi}$$

where:

БЕТ – balancing energy as a result of Tertiary regulation engagement for the purposes of system balancing;

TPГ – balancing energy as a result of Tertiary regulation upward engagement for the purposes of system balancing;

TPД – balancing energy as a result of Tertiary regulation downward engagement for the purposes of system balancing;

$\delta e$  – index designating balancing entity;

$oi$  – index designating accounting interval.

5.11.4. Balancing energy of a balancing entity referred to in 5.11.1. b) engaged for ensuring secure power system operation is determined as:

$$БЕТС_{\delta e, oi} = ТРГС_{\delta e, oi} - ТРДС_{\delta e, oi}$$

where:

БЕТС – balancing energy as a result of Tertiary regulation engagement for ensuring secure power system operation;

ТРГС – balancing energy as a result of Tertiary regulation upward engagement for ensuring secure power system operation;

ТРДС – balancing energy as a result of Tertiary regulation downward engagement for ensuring secure power system operation;

$\delta e$  – index designating balancing entity;

$oi$  – index designating accounting interval.

## 5.12. DETERMINATION OF QUANTITY AND PRICE OF THE ENGAGED BALANCING ENERGY IN THE ELECTRIC POWER SYSTEM

5.12.1. Total balancing energy engaged in the power system in the Secondary regulation at the accounting interval is determined as:

$$БЕС_{систем, oi} = \sum_{\delta e} (СРГ_{\delta e, oi} - СРД_{\delta e, oi})$$

where:

БЕС<sub>систем</sub> – total balancing energy in the transmission system as a result of engaged Secondary regulation;

СРГ – balancing energy as a result of Secondary regulation upward engagement;

СРД – balancing energy as a result of Secondary regulation downward engagement;

$\delta e$  – index designating balancing entity;

$oi$  – index designating accounting interval;

систем – index designating electric power system.

5.12.2. Total engaged balancing energy in the power system in the Tertiary regulation for the needs of system balancing is determined as:

$$БЕТ_{систем, oi} = \sum_{\delta e} (ТРГ_{\delta e, oi} - ТРД_{\delta e, oi}) + \sum_y БЕУ_y$$

where:

БЕТ<sub>систем</sub> – total balancing energy in the transmission system as a result of Tertiary regulation engagement for the purposes of system balancing;



ТПГ – balancing energy as a result of the Tertiary regulation upward engagement for the purposes of system balancing;

ТПД – balancing energy as a result of the Tertiary regulation downward engagement for the purposes of system balancing;

БЕУ – balancing energy as a result of activation of contractual balancing reserve by issuing orders for the purchase of energy;

бе – index designating balancing entity;

ои – index designating accounting interval;

у – index designating the Ancillary services contract between Transmission system operator and Supplier/Wholesale supplier or a contract regulating the purchase and sale of cross-border tertiary regulation energy between the TSOs;

систем – index designating electric power system.

- 5.12.3. Engaged balancing energy in the power system based on engagement in the tertiary regulation upward and downward from balancing entities for the purposes of system balancing is purchased/sold on the basis of offered price approach, in accordance with explicit offers for each accounting interval.
- 5.12.4. Engaged balancing energy in the power system based on engagement of contractual balancing reserve for the purposes of system balancing is calculated as a result of issued and confirmed orders for the balancing energy purchase from the Supplier, the Wholesale supplier and Transmission system operators from other market areas.
- 5.12.5. The price or method of price formation of engaged contractual balancing reserve are defined in contracts referred to as in 5.1.7. In case that the price of engaged contractual balancing reserve is not defined in contracts which regulate the purchase and sale of cross-border tertiary regulation energy between the Transmission system operators, the natural exchange of electricity is already provided and the price of engaged contractual balancing reserve is, for the purpose of determining the imbalance settlement price, determined as twice the Daily base price achieved on an organized electricity market in Serbia on a day when the contractual balancing reserve was engaged.
- 5.12.6. If the Transmission system operator delivers to the Transmission system operators from another market area, at their request, cross-border tertiary regulation energy, engaged balancing energy in the power system for that purposes is excluded from imbalance settlement price calculation as defined in 6.4.1.1 – 6.4.1.3.
- 5.12.7. Price of engaged balancing energy in the power system in the Secondary regulation for each accounting interval is equal to:
- maximum price of the engaged balancing energy in the Tertiary regulation at accounting intervals, when  $BET_{систем,ои} > 0$  and  $BEC_{систем,ои} > 0$ ;
  - minimum price of the engaged balancing energy in the Tertiary regulation at accounting intervals, when  $BET_{систем,ои} < 0$  and  $BEC_{систем,ои} < 0$ ;
  - price quoted in the explicit offer of the dominant participant, pertaining to the regulation downward amounting to 100 MWh when  $BET_{систем,ои} > 0$  and  $BEC_{систем,ои} < 0$ ;

- price quoted in the explicit offer of the dominant participant, pertaining to the regulation upward amounting to 100 MWh when  $BET_{систем,ou} < 0$  and  $BEC_{систем,ou} > 0$ ;
- price quoted in the explicit offer of the dominant participant, pertaining to the regulation downward amounting to 100 MWh when  $BET_{систем,ou} = 0$  and  $BEC_{систем,ou} < 0$ ;
- price quoted in the explicit offer of the dominant participant, pertaining to the regulation upward amounting to 100 MWh when  $BET_{систем,ou} = 0$  and  $BEC_{систем,ou} > 0$ ;
- zero when  $BEC_{систем,ou} = 0$ .

5.12.8. Total quantity of engaged balancing energy in the power system in the Tertiary regulation, required for ensuring secure operation of the power system is determined:

$$BETC_{систем,ou} = \sum_{\delta e} (TPГC_{\delta e,ou} - TPДC_{\delta e,ou})$$

where:

$BETC_{систем}$  – total balancing energy in the transmission system as a result of the Tertiary regulation engagement required for ensuring secure power system operation;

$TPГC$  – balancing energy as a result of the Tertiary regulation upward engagement required for ensuring secure power system operation;

$TPДC$  – balancing energy as a result of the Tertiary regulation downward engagement required for ensuring secure power system operation;

$\delta e$  – index designating balancing entity;

$ou$  – index designating accounting interval;

$систем$  – index designating electric power system.

5.12.9. Price of the engaged balancing energy required for ensuring the secure power system operation per balancing entities is equal to the price from the Offer for redispatching. In this scenario, the Transmission system operator is purchasing balancing energy from the BM participant for the both upward and downward regulation.

### 5.13. REPORT ON ENGAGED BALANCING ENERGY FROM BALANCING ENTITIES OF BM PARTICIPANTS

5.13.1. Transmission system operator shall, not later than 3 working days after the relevant market day, draw up a report on engaged balancing energy from balancing entities for relevant market day, and sends it to the BM participant.

5.13.2. BM participant's report on balancing energy engaged from balancing entities must contain the following information in particular:

- a) identification code of BM participant;
- b) market day to which the report relates;
- c) identification code of the balancing entity;
- d) reason for balancing entity engagement;
- e) volume of the Tertiary regulation engaged for system balancing, including the pertinent price at particular accounting interval;
- f) compensation for total tertiary regulation engaged for system balancing for each accounting interval and for each market day to which the report relates;
- g) volume of the engaged Secondary regulation including the pertinent price (determined in 5.12.7.) at particular accounting interval;
- h) compensation for total engaged secondary regulation required for system balancing for each accounting interval and for each market day to which the report relates;
- i) volume of the tertiary regulation engaged for ensuring the secure power system operation at particular accounting interval per balancing entity including pertinent price;
- j) monetary amount equivalent of the total tertiary regulation engaged for ensuring secure power system operation for market day to which the report relates;
- k) volume of the cross-border tertiary regulation energy delivered to the Transmission system operators from another market areas at particular accounting interval.

5.13.3. BM participant may lodge complaint to the Transmission system operator in respect to the contents of the report on the engaged balancing energy from the balancing entities no later than 3 working days from the receipt of the report. If the BM participant lodges no complaint within the specified time limit, the report shall be deemed as final.

5.13.4. Within 3 working days from the receipt of the complaint the Transmission system operator will notify the BM participant on acknowledgement or rejection of the complaint. In the case of complaint acknowledgement the Transmission system operator will send the corrected report to the BM participant, which is to be deemed final.

#### **5.14. INVOICING AND PAYMENT FOR ENGAGED BALANCING ENERGY FROM BALANCING ENTITIES**

5.14.1. Transmission system operator makes an accounting of the engaged balancing energy from balancing entities for each BM participant for the accounting period on the basis of the volume and price of the engaged secondary and tertiary regulation mentioned in the final reports on engaged balancing energy from balancing entities in that accounting period.

- 5.14.2. Transmission system operator or BM participant issues an invoice for engaged balancing energy in the accounting period on the invoicing date defined in the Electricity Market Settlement and Payment Calendar which the Transmission system operator shall publish on its website no later than the first calendar day of the month M for invoices which relate to that month. Final date for payment against the invoice issued by the Transmission system operator or BM participant is the date specified in the Electricity Market Settlement and Payment Calendar. The invoice is issued in accordance with the VAT Law. Total invoiced amount must be paid in full within a specified time limit. The payment shall be effected in Serbian dinars counter value of euro amount, calculated on the payment day according to the RSD middle exchange rate established in the Serbian Central Bank's exchange rate list. In the case of delayed receipt of payments, the default interest will be charged according to the legal provisions.
- 5.14.3. The invoice is delivered by e-mail and postal service, and includes minimum the following details:
- a) accounted amount of the engaged balancing energy;
  - b) total amount to be collected;
  - c) other details in accordance with the VAT Law.

The invoice shall, as attachments, have the accounting of engaged balancing energy from balancing entities for that accounting period, and final report on engaged balancing energy in that accounting interval.

## **5.15. ENGAGED BALANCING ENERGY DATA TO BE PUBLISHED**

- 5.15.1. On its website the Transmission system operator is obliged to publish the below data for each accounting interval within 8 working days as from the market day:
- a) total quantity and the price of balancing energy engaged in the power system in the Tertiary regulation for the purpose of power system balancing;
  - b) total quantity and the price of balancing energy engaged in the power system in the Secondary regulation;
  - c) total quantity and the price of engaged contractual balancing reserve.

## **6. DETERMINATION OF BALANCING GROUP DEVIATION AND FINANCIAL ACCOUNTING**

### **6.1. BALANCING GROUP DEVIATION ACCOUNTING**

- 6.1.1. Deviation of the balancing group under the responsibility of a Balance Responsible Party is determined on the basis of total nominated Balancing group position, total metered Balancing group position, and engaged energy from balancing entities which are part of that Balancing group.
- 6.1.2. Total nominated position of each Balancing group in the electricity market (hereinafter referred to as: total nominated position) includes all accepted blocks of cross border and internal electricity exchange of that Balancing group from the last accepted daily schedule.
- 6.1.3. Total metered position of each Balancing group on the electricity market (hereinafter referred to as: total metered position) includes confirmed metered values of withdrawn and injected energy at that Balancing group's delivery points in the transmission and distribution system.
- 6.1.4. Engaged balancing energy from balancing entities of each Balancing group is determined on the basis of the engaged Secondary regulation and issued Tertiary regulation orders to the balancing entities within that Balancing group.

### **6.2. DETERMINATION OF TOTAL NOMINATED POSITION, TOTAL METERED POSITION AND ENGAGED BALANCING ENERGY OF BALANCING GROUP**

#### **6.2.1. Determination of total nominated position of the Balancing group**

- 6.2.1.1. When determining the total nominated position of a Balancing group the following is to be taken into account:
  - a) blocks of internal exchange of electricity withdrawn by a Balancing group from other Balancing groups within the Serbian market area;
  - b) blocks of internal exchange of electricity injected by a Balancing group to other Balancing groups within the Serbian market area;
  - c) blocks of cross border exchange of electricity withdrawn by a Balancing group from other market areas;
  - d) blocks of cross border exchange of electricity injected by a Balancing group to other market areas.

6.2.1.2. Total nominated position of Balancing group under the competence of Balance responsible party for the accounting interval ( $УПП_{BOC,oi}$ ) is defined as follows:

$$УПП_{BOC,oi} = \left( \sum БПП_{BOC,oi} - \sum БРИ_{BOC,oi} \right) + \left( \sum ЕУ_{BOC,oi} - \sum ЕИ_{BOC,oi} \right)$$

where:

БПП – accepted block of internal exchange of electricity withdrawn by a Balancing group from another Balancing group, within the Serbian market area;

БРИ – accepted block of internal exchange of electricity injected to another balancing group by a balancing group, within the Serbian market area;

ЕУ – accepted block of cross border exchange of electricity withdrawn from another market area by a Balancing group;

ЕИ – accepted block of cross-border exchange of electricity injected to another market areas by a Balancing group;

BOC – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

oi – index for designating the accounting interval.

6.2.1.3. Total nominated Balancing group position is determined for each accounting interval, and is based on the last accepted daily schedule for relevant day.

## 6.2.2. Determination of total metered balancing group position

6.2.2.1. For the accounting interval a total metered Balancing group position is determined according to the confirmed values read from energy meter.

6.2.2.2. When determining the total metered Balancing group position the following is taken into account:

- a) total injected electricity at the withdrawal/injection points into transmission, closed distribution system and distribution system;
- b) total withdrawn electricity at the withdrawal/injection points from the transmission, closed distribution system and distribution system.

6.2.2.3. Total metered position of Balancing group under the responsibility of the BRP, for accounting interval ( $УОП_{BOC,oi}$ ) is determined as:

$$УОП_{BOC,oi} = \left( \sum УПР_{BOC,oi} - \sum УПО_{BOC,oi} \right)$$

where:

УПР<sub>BOC,oi</sub> – total electricity injected at the withdrawal/injection points into the transmission, closed distribution system and distribution system within the Balancing group;

УПО<sub>BOC,oi</sub> – total electricity withdrawn at the withdrawal/injection points from the transmission, closed distribution system and

distribution system within the Balancing group;

BOC – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

ои – index designating accounting interval.

- 6.2.2.4. Distribution system operator (DSO) and Operator of closed distribution system are obliged to submit to the Transmission system operator the total electricity injected to/withdrawn from the distribution system or closed distribution system within the specified timeframe (no later than 15<sup>th</sup> day of M+1 month) per Balancing group separately in a format defined by the Transmission system operator. This data is taken into account when determining the total metered position of a relevant Balancing group. In the case that the metering data are not available at a accounting interval level, the DSO and Operator of closed distribution system are obliged to make accounting of such data using the standardized load diagrams for the specific category of a distribution system and closed distribution system customers and to submit them to the Transmission system operator.
- 6.2.2.5. The Transmission system operator determines the transmission energy losses per accounting interval on the basis of confirmed metered values of electricity withdrawn/injected at delivery points to the transmission system, including withdrawal/injection with neighboring transmission systems at high-voltage interconnectors.
- 6.2.2.6. Confirmed value of electricity exchanged on withdrawal/injection points with neighboring Transmission system operators in compliance with agreements with the neighboring Transmission system operators is used as accounting data on interconnectors.
- 6.2.2.7. Distribution system operator (DSO) determines the distribution energy losses per accounting interval on the basis of confirmed metered values of electricity injected/withdrawn at withdrawal/injection points to the distribution system. If metering data is unavailable at the level of accounting interval, the DSO is obliged to account them using the standardized load diagrams and to submit them to the Transmission system operator.
- 6.2.2.8. Operator of closed distribution system determines the distribution energy losses in closed distribution system per accounting interval on the basis of confirmed metered values of electricity injected/withdrawn at withdrawal/injection points to the closed distribution system. If metering data is unavailable at the level of accounting interval, the Operator of closed distribution system is obliged to account them using the standardized load diagrams and to submit them to the Transmission system operator.

### **6.2.3. Determination of balancing group's total engaged balancing energy**

- 6.2.3.1. For each balancing group the Transmission system operator determines the volume of engaged balancing energy of balancing entities belonging to the Balancing group during relevant accounting interval on the basis of:
- a) engaged secondary regulation upward and downward;

b) Issued orders for tertiary regulation upward and downward, and engagement reason.

6.2.3.2. Balancing energy referred to in 6.2.3.1. a) is determined as:

$$БЕС_{БОО,ои} = \sum_{\deltaе \in БОО} БЕС_{\deltaе,ои}$$

where:

БЕС – balancing energy as a result of Secondary regulation engagement;

БОО – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

δе – index designating balancing entity from the Balancing group;

ои – index designating accounting interval.

6.2.3.3. Balancing energy referred to in 6.2.3.1. b), which was engaged for the purpose of system balancing is determined as:

$$БЕТ_{БОО,ои} = \sum_{\deltaе \in БОО} БЕТ_{\deltaе,ои}$$

where:

БЕТ – balancing energy as a result of Tertiary regulation engagement for system balancing;

БОО – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

δе – index designating balancing entity from the Balancing group;

ои – index designating accounting interval.

6.2.3.4. Balancing energy referred to in 6.2.3.1. (b), which was engaged for ensuring the secure power system operation is determined as:

$$БЕТС_{БОО,ои} = \sum_{\deltaе \in БОО} БЕТС_{\deltaе,ои}$$

where:

БЕТС – balancing energy as a result of Tertiary regulation engagement for ensuring the secure power system operation;

БОО – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

δе – index designating balancing entity from the Balancing group;



ои – index designating accounting interval.

- 6.2.3.5. Total engaged balancing energy of each Balancing group during relevant accounting interval is calculated as the sum of:

$$БЕН_{БОО,ои} = БЕС_{БОО,ои} + БЕТ_{БОО,ои} + БЕТС_{БОО,ои}$$

where:

БЕН – total engaged balancing energy;

БЕТ – balancing energy as a result of Tertiary regulation engagement for system balancing;

БЕС – balancing energy as a result of Secondary regulation engagement;

БЕТС – balancing energy as a result of Tertiary regulation engagement for ensuring the secure power system operation;

БОО – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

ои – index designating accounting interval.

### 6.3. DETERMINATION OF BALANCING GROUP DEVIATION AND UNBLANCED DAILY SCHEDULES

#### 6.3.1. Balancing group deviation

- 6.3.1.1. Deviation of an individual balancing group ( $ОБОС_{ои}$ ) is determined for each accounting period:

$$ОБОС_{ои} = УПН_{БОО,ои} + УОП_{БОО,ои} - БЕН_{БОО,ои}$$

where:

УПН – total nominated balancing group position;

УОП – total metered Balancing group position;

БЕН – total engaged balancing energy of the Balancing group;

БОО – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

ои – index designating accounting interval.

#### 6.3.2. Unbalanced daily schedules

- 6.3.2.1. Unbalanced daily schedules of the Balancing group under the responsibility of the BRP after deadline for the intraday nomination process (НДПои) is determined for each accounting interval as sum of summary plan of production and blocks of

electricity exchange withdrawn by the Balancing group decreased by summary plan of consumption and blocks of electricity exchange delivered from the Balancing group.

- 6.3.2.2. In case when the  $H\Delta\Pi_{ou}=0$  daily scheduled plan of the Balancing group is balanced.
- 6.3.2.3. In case when  $H\Delta\Pi_{ou}>0$  the electricity surplus of the balancing group is left in the market area of Serbia.
- 6.3.2.4. In case when  $H\Delta\Pi_{ou}<0$  the electricity deficiency of the balancing group BRP is taken from the market area of Serbia.

#### 6.4. CALCULATION OF IMBALANCE SETTLEMENT PRICE

- 6.4.1.1. Imbalance settlement price ( $\Pi\Pi$ ) for each accounting interval is determined as weighted price of activated explicit offers from the Tertiary regulation, contractual engaged balancing reserve in case when the Transmission system operator purchases balancing energy from the Transmission system operators from another market areas, Suppliers or Wholesale suppliers, engaged Secondary regulation and engaged secondary regulation for the purposes of imbalance netting process.
- 6.4.1.2. In case that the  $\Pi\Pi$  is negative in the accounting interval, the  $\Pi\Pi$  equaling to 0 EUR/MWh shall be adopted.
- 6.4.1.3. Imbalance settlement price ( $\Pi\Pi$ ) can maximum be 1.5 times greater than the maximum price for the engaged balancing energy in regulation upward in that accounting interval.
- 6.4.1.4. Not later than 8 working days after the respective market day, the Transmission system operator is obliged to publish Imbalance settlement price on its website for each accounting interval within the relevant market.

#### 6.5. FINANCIAL ACCOUNTING FOR BALANCING GROUP

##### 6.5.1. Method of financial accounting of balancing group imbalance

- 6.5.1.1. For positive imbalance ( $O\text{B}OC_{ou} > 0$ ) of a Balancing group, the Transmission system operator remunerates the BRP.
- 6.5.1.2. For negative imbalance ( $O\text{B}OC_{ou} < 0$ ) of a Balancing group, the BRP remunerates the Transmission system operator.
- 6.5.1.3. For positive imbalance of a Balancing group with no withdrawal/injection points allocated, the Transmission system operator does not remunerate the BRP in the case of positive imbalance of the BRP's Balancing group.
- 6.5.1.4. Remuneration to BRP or to the Transmission system operator is determined on the basis of:
- Deviation of an individual balancing group ( $O\text{B}OC_{ou}$ ) under the responsibility of that BRP;
  - Imbalance settlement price defined in 6.4.1.1 – 6.4.1.4;
  - value of acceptable imbalance of the Balancing group (6.5.1.4).

The fee is determined in euro currency.

6.5.1.5. Value of acceptable imbalance of the balancing group (ПИБ) is determined for each market day and is equal to:

- a) higher value between 1 MWh and 3% of maximum scheduled hourly consumption from the Balancing group's daily schedule in case that the Balancing group is associated with minimum one withdrawal/injection point and that BRP has the role of Consumption Responsible Party and it does not have the role of Production Responsible Party;
- b) higher value between 1 MWh and 1.5% of maximum scheduled hourly production from the Balancing group's daily schedule in case that the Balancing group is associated with minimum one withdrawal/injection point and that BRP has the role of Production Responsible Party and it does not have the role of the Consumption Responsible Party;
- c) higher value between 1 MWh and sum of 3% of maximum scheduled hourly consumption from the Balancing group's daily schedule and 1.5% of maximum scheduled hourly production from the Balancing group's daily schedule in case that the Balancing group has the role of Consumption Responsible Party and Production Responsible Party;
- d) 0 MWh in the case that the BRP has role of Trade Responsible Party.

## 6.5.2. Determination of fee for imbalance of balancing group

6.5.2.1. Fee for balancing group's imbalance is determined as follows:

- a) if Balancing group imbalance is positive or equal to zero ( $OBOS_{oi} \geq 0$ ) in the course of observed accounting interval, then the imbalance fee to be received by BRP (НОБ1) equals the product of imbalance of the balancing group, imbalance settlement price (ЦП) and coefficient  $K_1$

$$НОБ1_{oi} = OBOS_{oi} \times ЦП \quad \text{when } OBOS_{oi} \leq ПИБ_{oi}$$

$$НОБ1_{oi} = ПИБ_{oi} \times ЦП + (OBOS_{oi} - ПИБ_{oi}) \times K_1 \times ЦП \quad \text{when } OBOS_{oi} > ПИБ_{oi}$$

whereby the coefficient value is  $K_1 = 0.5$

- b) if Balancing group imbalance is negative ( $OBOS_{oi} < 0$ ) in the course of observed accounting interval, then the fee for imbalance of the Balancing group, to be paid by BRP (НОБ2) equals the product of imbalance of the Balancing group, imbalance settlement price (ЦП) and coefficient  $K_2$ .

$$НОБ2_{oi} = |OBOS_{oi}| \times ЦП \quad \text{when } |OBOS_{oi}| \leq ПИБ_{oi}$$

$$НОБ2_{oi} = ПИБ_{oi} \times ЦП + (|OBOS_{oi}| - ПИБ_{oi}) \times K_2 \times ЦП \quad \text{when } |OBOS_{oi}| > ПИБ_{oi}$$

whereby the coefficient value is  $K_2 = 1.3$

Particularly in the case when, in the accounting interval, an outage of a generating unit of a thermal power plant having the nominal capacity greater than 150 MW occurs, and that thermal power plant is a balancing entity in the balancing group of the BRP, the coefficient  $K_2$  equaling 1 is used at that and the next accounting interval to calculate any imbalance of that Balancing group.

6.5.2.2. Fee for imbalance of a Balancing group is determined for each accounting interval.

### 6.5.3. Report of accounting of balancing group imbalance and fee for balancing group imbalance

6.5.3.1. After receiving the data according to 6.2.2.4 from Distribution system operator and Operator of closed distribution system, but no later than the invoicing day defined in the Electricity Market Settlement and Payment Calendar, the Transmission system operator will create a final report of accounting of Balancing group imbalance and fee for Balancing group imbalance for each market day in relevant accounting period.

6.5.3.2. Report from 6.5.3.1 particularly contain the following data:

- a) total metered Balancing group position;
- b) total nominated Balancing group position;
- c) total engaged balancing energy in Balancing group;
- d) Imbalance settlement price;
- e) fee for Balancing group imbalance.

for each accounting interval in a relevant market day.

### 6.5.4. Determination of monthly fee for imbalance of a balancing group, invoicing and payment

6.5.4.1. According to final reports of accounting of Balancing group imbalance and fee for Balancing group imbalance, the Transmission system operator carries out a financial accounting per BRP for each accounting period.

6.5.4.2. Monthly fee to be received the BRP for Balancing group imbalance is a sum of fees for imbalances over a relevant accounting period:

$$MH1_{BOC,oi} = \sum_{oi \in M} HOB1_{oi}$$

where:

MH1 – monthly fee to be received by BRP for Balancing group imbalance;

HOB1 – fee to be received by BRP for Balancing group imbalance;

M – index designating the accounting period;

BOC – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

oi – index designating the accounting interval.

6.5.4.3. Monthly fee to be paid by BRP for Balancing group imbalance is a sum of fees for imbalances of the Balancing group over a relevant accounting period:

$$MH2_{BOC,oi} = \sum_{oi \in M} HOB2_{oi}$$

where:

MH2 – monthly fee to be paid by BRP for Balancing group imbalance;

HOБ2 – fee to be paid by BRP for Balancing group imbalance;

M – index designating accounting period;

BOC – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

ои – index designating the accounting interval.

6.5.4.4. Transmission system operator is obliged to carry out a calculation of monthly fees per Balancing group for the accounting period and submits it to the BRP, no later than the accounting date set out in the Electricity Market Settlement and Payment Calendar.

6.5.4.5. Transmission system operator and/or BRP issues, on the basis of calculation of monthly fees, an invoice for the accounting period on the invoicing date set out in the Electricity Market Settlement and Payment Calendar. Maturity date of the invoice issued by the Transmission system operator or BRP is the maturity date defined in the Electricity Market Settlement and Payment Calendar. The invoice shall be issued according to the VAT law. The total invoiced amount must be paid in full within the specified time limit. The payment shall be effected in Serbian dinars (RSD) countervalue of euro amount for the BRP whose headquarters are in Republic of Serbia, and in euro for the BRP whose headquarters are abroad, calculated on the effected payment day according to the RSD middle exchange rate established in the Serbian Central Bank's (NBS) exchange rate list. In the case of delayed receipt of payments, the default interest will be charged according to the legal provisions.

6.5.4.6. The invoice is delivered by e-mail and postal service, and includes minimum the following details:

- a) total monthly fee amount;
- b) total amount to be paid;
- c) other data according to the VAT law.

The invoice shall, as attachment, have the accounting of monthly fee for Balancing group imbalance.

6.5.4.7. The accounting input data for monthly fee may be corrected at request of the Transmission system operator, Distribution system operator, Operator of closed distribution system or BRP, respectively if there are some changes of the input data. The Transmission system operator decides within 15 days as of request receipt whether the request is justified, and notifies the requesting person thereof. If the request is justified, the Transmission system operator will make a recalculation of monthly fees using corrected data on the following dates:

- Until 10<sup>th</sup> of M+3 or
- Until 10<sup>th</sup> of M+6 or
- Until 10<sup>th</sup> of M+12.

- 6.5.4.8. Following the modified accounting of monthly fee for the month M, the Transmission system operator and/or BRP issues debit note or credit note. The maturity date is 8 days as of issuing the credit/debit note. The credit/debit note amount must be paid in full within the specified time limit. In the case of delayed receipt of payments, the default interest will be charged according to the legal provisions.
- 6.5.4.9. Final date for submission of a request for review of monthly fee accounting, request for input data correction for the month M is the 15<sup>th</sup> calendar day of the month M+11. Any request submitted after this date shall be found ungrounded.

### 6.5.5. Determination of fee for unbalanced daily schedule

- 6.5.5.1. For unbalanced daily schedule (НДПиои), BRP is paying the fee to the Transmission system operator.
- 6.5.5.2. If the НДПиои is within -0.5 MWh to 0.5 MWh, BRP doesn't pay the fee to the Transmission system operator.
- 6.5.5.3. The fee for the imbalance shall be determined according to the unbalanced daily schedule of the Balancing group for which BRP is responsible for after the end of the intraday process of daily schedule НДПиои and price Ц defined in article 3.8.1.
- 6.5.5.4. On its web site, the Transmission system operator is obliged to publish the price Ц defined in article 3.8.1 for the year Г until 1<sup>st</sup> of December in year Г-1.
- 6.5.5.5. The fee for the unbalanced daily schedule (НОБЗ) is equal to the absolute value of НДПиои multiple by price Ц defined in article 3.8.1 and coefficient E:

$$НОБЗ_{ои} = |НДПи_{ои}| \times E \times Ц$$

Where the values of the coefficient E are:

$$E=2 \text{ for } НДПи_{ои} > 0$$

$$E=4 \text{ for } НДПи_{ои} < 0$$

- 6.5.5.6. The fee for the imbalance is defined in EURO for each accounting interval.

### 6.5.6. Defining the fee for imbalance, invoicing and billing

- 6.5.6.1. Transmission system operator performs financial settlement for each BRP for periods defined in the Electricity Market Settlement and Payment Calendar.
- 6.5.6.2. The total fee for the imbalance which is paid by BRP represent the sum of fees for unbalance daily schedules through the relevant period:

$$МНЗ_{БООС,П} = \sum_{ои \in П} НОБЗ_{ои}$$

Where are:

МНЗ – total fee for imbalance which is paid by BRP

HOБ3 – fee for the imbalance which is paid by BRP;

Π – index which marks the period defined in Electricity Market Settlement and Payment Calendar;

BOC – index for designating the Balance responsible party (BRP) in charge for that Balancing group;

ои – index which defined accounting interval.

- 6.5.6.3. Transmission system operator is obliged to perform the calculation of total fee for imbalance for each Balancing group for a relevant period Π and to deliver it to the BRP no later than the invoicing day defined in Electricity Market Settlement and Payment Calendar.
- 6.5.6.4. According to the account of total fees for imbalance Transmission system operator shall invoice for relevant period in the invoicing day defined in Electricity Market Settlement and Payment Calendar. Deadline for payment is the billing day defined in Electricity Market Settlement and Payment Calendar. The invoice is issued in accordance with the VAT law. Total amount of the invoice has to be paid in full and on time. Payments will be made in dinar equivalent value in euros, calculated at the official middle exchange rate determined by the exchange rate list of the National Bank of Serbia (NBS) on the date of payment for the BRP with headquarters in the Republic of Serbia, and payment is made in euros for BRP based abroad. In case of delayed payment, default interest is calculated in accordance with the law.
- 6.5.6.5. The invoice is delivered by e-mail and mail and contain at least the following information:
- a) total monthly fee amount;
  - b) total amount to be paid;
  - c) other data according to the VAT law.

Attached to the invoice, the calculation of total calculation for the unbalanced daily schedule is delivered.

## 7. TRANSITIONAL AND FINAL PROVISIONS

- 7.1. Transmission system operator publishes on its web site acts from article 3.3.1, 3.3.11, 3.3.12, 3.4.2, 3.6.2 of the Market Code within 2 days as of the Market Code comes into force.
- 7.2. The rights and obligations of the Public supplier, within six months as of Market Code comes into force, takes a guaranteed supplier after the appointment of guaranteed supplier in accordance with Art. 190 and 397 of the Energy Law.
- 7.3. On the effective date of Market Code shall supersede Market Code („Official Gazette of RS” no. 120/12 and 120/14).
- 7.4. After approval from the Energy Agency of the Republic of Serbia, the Market Code is published on the official web site of EMS JSC Belgrade and comes into force on the 8<sup>th</sup> (eighth) day as of its publishing.