



POWER EXCHANGE TRADING RULES, "CENTRALIZED  
MARKET FOR SALE/PURCHASE OF ELECTRICITY  
THROUGH BILATERAL CONTRACTS"

INDEPENDENT BULGARIAN ENERGY EXCHANGE

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## **Chapter I**

### **Terms**

- **Active registration on CMBC** – period, in which a Trading participant has signed a Participation Contract for CMBC and Standardized Contract for Sale/Purchase of Electricity and has paid all applicable fees under IBEX Tariff.
- **Auction** – an online auction for purchase or sale of electricity initiated by the Trading participant via the trading platform where bids submitted are ranked and transactions are concluded according to the ranking.
- **Auctions screen** – a trading screen where bids are submitted and transactions are concluded through auctions for sale/purchase of electricity.
- **Business day** – all days from Monday to Friday, excluding public holidays in compliance with the Labor Code of Bulgaria.
- **Buyer** - a Trading participant that has submitted a bid for purchase or concluded a transaction for purchase of electricity.
- **Centralized market for sale/purchase of electricity through bilateral contracts** – represents the centralized market segment, part of the power exchange, as per Energy Act and the Electricity market rules.
- **Collateral for good performance** - collateral provided by a Trading participant in accordance with the Rules after a Transaction concluded on CMBC to fulfill the obligations for delivery and acceptance of electricity under a concluded Supplementary agreement.
- **Collateral for participation** - collateral provided by a Trading participant in accordance with the Rules based on which the Financial limit of the Trading participant is calculated and the Trading participant is entitled to submit bids through the Trading screens.
- **Collateral for payment** - collateral provided by a Trading participant in accordance with the Rules after a Transaction concluded on CMBC to secure the payment obligations under a concluded Supplementary agreement.
- **Continuous trading** – a trading mechanism where during market operation hours participants may continuously submit bids and conclude transactions for purchase and sale of electricity.
- **Continuous trading screen** - a trading screen where bids are submitted and transactions are concluded through "Continuous trading".
- **EA** – Energy Act
- **Early termination** – termination of a Supplementary agreement before expiry of its term in case of a refusal to meet commitments under a Supplementary agreement or in case of valid reason.
- **Electricity System Operator EAD /ESO/-** the company which owns the licenses under art. 39 (1) (2) of the Energy Act.
- **Eligibility list** – It is set up by the Operator for all Trading participants on the basis of concluded and signed SCSPes between them. Each Trading participant is entitled to conclude transactions on CMBC with other Trading participants that are included in the participant's "Eligibility" list.
- **EMR** – Electricity Market Rules

- **Energy and Water Regulatory Commission (EWRC)** – the regulatory body that issues licenses for the activities referred to in art. 39 of the Energy Act.
- **Failure to accept** – a refusal by the buyer to perform their obligations under a Supplementary agreement to SCSPE related to accepting electricity sold.
- **Failure to deliver** – a refusal by the sellers to fulfill their obligations pursuant a Supplementary agreement to a Standard Contract sale/purchase of electricity /SCSPE/SCSPE.
- **Financial limit** - a mechanism for financial risk management when submitting orders and concluding transactions on CMBC. It reflects the participation collaterals provided and it does not include the Minimum collateral. Trading participants may submit bids for purchase or sale up to the amount calculated based on their Financial limit in accordance with the Rules.
- **Hourly products screen** – a trading screen where bids are submitted and transactions are concluded for hourly products with a delivery on the following day.
- **IBEX Tariff** – up-to-date fees list, published on the web site of the Operator.
- **Independent Bulgarian Energy Exchange EAD /IBEX, the Operator/** – the company, which organizes and administrates the centralized market for bilateral contracts /CMBC/.
- **Individual terms** – an integral part of the Supplementary agreement, signed as a result of a concluded transaction.
- **Insurance-guarantee** – insurance contract (policy) concluded in accordance with the provisions of Code on insurance, Annex 1 "Classes of Insurance", Section II "General Classes of Insurance" A 15 "Guarantees".
- **Market rules for the centralized market for sale/purchase of electricity through bilateral contracts (the Rules)** - the Rules regulating the operation of CMBC.
- **Minimum collateral** - collateral provided by a Trading participant in accordance with the Rules and Fee tariff of IBEX which gives the market participant the right to access to the Trading screens.
- **Orders submission session** – Period of time, which is used by the Trading participants for submission of orders for purchase and/or sale on "Continuous trading" screen, as the orders are ranked automatically according to the prices defined without concluding transactions.
- **Participation contract for CMBC /Participation contract/** – a contract between the Operator and any legal person expressed will to participate in CMBC.
- **Power Exchange Trading Rules, "Centralized Market for Sale/Purchase of Electricity through Bilateral Contracts"** – represents Centralized market for sale/purchase of electricity through bilateral contracts /CMBC/, part of the Power Exchange in accordance with Electricity Market Rules.
- **Product with Deviation (modulation)** - non-standardized product which is traded through "Auctions" screen and provides an opportunity for deviation from the nominal capacity (power) until in predefined limits, represented as a deviation percentage compared to the nominal power.
- **Seller** - a Trading participant that has submitted a bid for sale and concluded a transaction for sale of electricity.

- **Standardized contract for sale/purchase /SCSPE/** – a contract settling the rights and obligations of parties as a result of a transaction concluded on the Trading screen of CMBC.
- **Supplementary agreement** - an agreement settling the parameters of a particular transaction concluded through a Trading screen, an integral part of the Standardized Contract for Sale/Purchase of Electricity. The Supplementary agreement is a standardized by the Operator template, which is published on the IBEX web site and is mandatory for the Trading participants.
- **Trading participant** - a legal person that has concluded a Participation contract with the Operator and SCSPE with other Trading participants.
- **Trading platform** – an information trading system used for administration of the process for submission of bids and concluding transactions on CMBC.
- **Trading screen** – market mechanism, part of the trading platform of CMBC, operated by IBEX which allows bids for purchase and/or sale to be submitted. It is characterized by a defined method of transactions conclusion.
- **Transaction concluded** - a transaction for purchase and/or sale of electricity shall be considered concluded when a bid for purchase and a bid for sale are matched/correspond in the Trading system through any of the Trading screens.
- **User** – a natural person authorized by the registered trading participant to submit bids on their behalf on CMBC that has been granted access to the trading platform through a username and a password issued.
- **Valid reason** – an objective fact from reality in whose presence a Supplementary agreement may be terminated earlier and unilaterally from the regular party. The reason for such an early termination could be insolvency proceedings, bankruptcy or initiated liquidation proceedings initiated against the defaulting party.

## ***Chapter II***

### ***Main provisions***

- 1.The Operator organizes CMBC pursuant to the Energy Act, bylaws adopted in accordance with it and the Rules. The Operator is not a party to any transaction, concluded on CMBC.
- 2.The rules shall be mandatory for all Trading participants registered on CMBC and the Operator.
- 3.CMBC has been established with a view to providing an opportunity to all registered Trading participants to trade products with varying delivery periods in a transparent and non-discriminatory manner.
- 4.The Operator offers to Trading participants registered on the market to trade through the following Trading screens: Auctions screen, "Continuous trading" screen and "Hourly products" screen.
- 5.CMBC shall be accessible to all legal entities in the Trading participants register by ESO with an "active" status and that have fulfilled all requirements for registration on CMBC in accordance with the Rules.

### **Chapter III**

#### **Purpose of the Rules**

6. The rules set:

- 6.1 Rights and obligations of the Operator and Trading participants;
- 6.2 Operational procedures for auction sessions organization;
- 6.3 Electricity price - setting mechanisms of the electricity, traded on CMBC;
- 6.4 The process of management financial risks inherent for trading;

### **Chapter IV**

#### **Operation of CMBC**

7. CMBC:

- 7.1 Offers to Trading participants products of different load profiles and different terms of delivery;
- 7.2 Integrates complex mechanisms for calculating the electricity price;
- 7.3 Provides equality to all Trading participants.

8. Main principles of CMBC operation are:

- 8.1 An open, transparent and non-discriminatory mechanism for electricity trading;
- 8.2 Forming reference prices for all products traded;
- 8.3 Concluding transactions in an easy, fast and secure way.

9. Only Trading participants that have already concluded Participation contract with the Operator shall be allowed for trading on CMBC

10. Bids for purchase and sale submitted by Trading participants on CMBC are anonymous, excluding the Initiator's bid for an auction through Auctions screen. In this case the Initiator is published in advance.

11. All upcoming auctions on CMBC shall be announced simultaneously for all Trading participants through the Trading platform and shall be published on the website of the Operator with a view to securing a maximum level of equality and transparency.

12. The trading platform shall be accessible for trading to Trading participants, each business day, except when there is a technical interruption or software update of which registered participants shall be duly notified by the Operator.

13. All Trading participants registered on CMBC may initiate auctions and conclude transactions for purchase and sale of electricity in accordance with the provisions of the Rules, the Participation contract and SCSPE.

14. Each bid for purchase or sale submitted in the Trading platform shall be a firm commitment and shall be binding for the Trading participant that has submitted the respective bid.

15. In case of a transaction concluded the Trading participant that has submitted a bid shall be obliged to deliver or to accept the electricity for the defined period, in a quantity and at a price in accordance with the offered terms.

16. With a view to avoiding one and the same bid being published by two Users on behalf of one Trading participant, it is recommended to Trading participants on CMBC to

develop internal operational rules where to regulate the way in which different Users of the respective Trading participant may submit bids in the Trading platform.

## **Chapter V**

### **Registration procedure for CMBC**

17. In order to be able to participate on CMBC, applicants should have successfully completed the registration procedure.
18. In order to start the registration procedure, applicants shall submit a registration application for CMBC as per a template published by the Operator.
19. The registration application contains as a minimum the following information:
  - 19.1 Applicant's full name, VAT identification number, unified identification code under which the legal person is entered into the Registry Agency and unified identification code (UIC);
  - 19.2 The applicant's category as a trading participant pursuant to art. 100 of the Energy Act;
  - 19.3 Management address and contact address of the applicant;
  - 19.4 Name/s and details of the contact person/s who represent the applicant;
  - 19.5 Information concerning the license held by the candidate pursuant to the Energy Act (license Nº, activity, period of validity);
  - 19.6 Information about the Energy Identification Code (EIC) and membership in a balancing group;
  - 19.7 Information concerning the persons/users with an active access - authorized to submit bids on CMBC on behalf of the applicant and the persons with passive access pursuant to art. 36;
  - 19.8 VAT registration certificate;
  - 19.9 Corporate standing certificate as per court registration;
  - 19.10 A declaration that the applicant will purchase electricity for the purposes of its own consumption - it shall be filled in only by electricity consumers;
  - 19.11 A declaration that the applicant has not been declared insolvent, it is not in insolvency proceedings and is not in liquidation proceedings;
  - 19.12 Tariff.
20. After filling in the application and the appendices, the document package shall have to be sent to e-mail address: [otc.application@ibex.bg](mailto:otc.application@ibex.bg) or to the correspondence address of IBEX.
21. By receiving the application by the Operator and the information required for registration, the applicant starts a procedure for registration on CMBC.
22. The Operator shall consider the registration application within 5 /five/ business days as of the date following the date of submission of the application or in cases under art. 23 as of the date the applicant remedies irregularities.
23. The application shall be verified for compliance with the requirements. In case an irregularity is detected by the Operator, a message is sent to the applicant at the e-mail address provided in the application to remedy it within 3 /three/ business days. The period indicated in art. 22 shall start as of the date of remedying the irregularities by the candidate.

24. If within the period under art. 23 the applicant fails to remedy the irregularities, the application shall not be considered by the Operator and the registration procedure shall be terminated, informing the applicant that the application is not subject to consideration. The applicant shall be entitled to launch a new registration procedure at least 2 (two) months after the previous one has been terminated.
25. During the registration procedure the market Operator may request additional information, including from third parties, related to the applicant's registration.
26. Based on the information received under art. 23 and art. 25 the Operator shall register the applicant or shall terminate the registration procedure.
27. The Operator admits to trading only applicants which it deems capable and suitable to become participants in CMBC and applicants that, based on a grounded assessment of the Operator, do not expose it to reputational or financial risk.
28. The Operator shall refuse registration if the applicant does not meet the conditions set in accordance with these Rules.
29. In case of a refusal of registration of an applicant in accordance with art. 28 the Operator presents the reasons for refusal in writing to the applicant.
30. Upon accepting the registration application, the Operator shall contact the applicant and send them a Participation contract which regulates the rights and obligations of the Operator and the trading participant in reference with their participation on CMBC.
31. After receiving the contracts under art. 30, the applicant shall have to sign and send them to the up-to-date correspondence address of the Operator. If within one month after receiving the contracts under art. 30 the Operator has not received signed contracts by the applicant, the registration procedure shall be considered terminated.
32. In accordance with item 19.7 in the registration application each applicant shall list the number of persons (users) that will be authorized to have access to the trading platform:
  - 32.1 With active access- users responsible for submitting bids on CMBC on behalf of the respective trading participant;
  - 32.2 With passive access- users that have access to information in the Trading system but may not submit bids.
33. Each User shall have to complete a training course for operation with the Trading platform and introduction to the Rules for which the respective person shall receive a certificate. Each trading participant upon registration shall have one trading user with an active access and for any additional trading user a fee shall be paid in accordance with the Tariff of IBEX.
34. Responsible for trading person /User/, holding a certificate in accordance with art. 33, is not obliged to complete a new training course again.
35. Communication via an email or telephone in reference with the participation of a trading participant, is carried out by the defined under art. 32 responsible for trading persons, representatives or officially authorized by the TP persons.
36. Upon signing the contracts under art. 31 the Trading participant shall have to provide a Minimum collateral in the form of a bank guarantee and/or a cash deposit in accordance with art. 70.
37. After the provision of a Minimum collateral, each Trading participant is not entitled to require its release during the participants' active registration on CMBC.
38. Upon signing the contracts under art. 31 the Trading participant shall have to pay all applicable fees and provide a collateral for participation in the form of a bank guarantee and/or a cash deposit in accordance with art. 70.



39. After signing the contracts under art. 31, completion of training in accordance with art. 33, payment of the applicable fees and payment of the collateral under art. 38 and under art. 70 the respective participant shall get access to the Trading platform in accordance with Chapter VIII and may submit bids.

## **Chapter VI** **SCSPE**

40. SCSPE settles the rights and obligations of the parties as a result of transactions concluded for purchase and sale of electricity through "Auctions" screen, "Continuous trading" screen and "Hourly products" screen.
41. The Rules and all Supplementary agreements concluded between the parties as a result of transactions effected on CMBC are an integral part of SCSPE and together and in their totality they settle the rights and obligations of the parties, including but not only terms, schedules, volumes of electricity, conditions, prices and all other parameters relevant to the Transactions concluded that are subject of the agreement.
42. By signing SCSPE any Trading participant agrees that for each transaction for purchase and sale of electricity concluded between the parties the quantity and price and terms and conditions set in advance referring to payment, collaterals and penalties shall be reflected in the Individual terms and conditions to the Supplementary agreement.
43. After conclusion of SCSPE between two registered on CMBC trading participants, they shall inform the Operator through sending scanned copies of the signed contract to email address [otc.operations@ibex.bg](mailto:otc.operations@ibex.bg). On the basis of the copies the Operator set up and administrate "Eligibility list" for each Trading participant. Each Trading participant can conclude transactions on CMBC with other participants who are part of its "Eligibility" list. In the "Eligibility" list each Trading participant can select which products, on basis of the delivery profile and term, will be traded with other trading participants through the trading screens on CMBC. For the purpose each Trading participant shall send information to email address - [otc.operations@ibex.bg](mailto:otc.operations@ibex.bg) concerning the tradable products from Appendix 1 with other trading participant within 3 (three) days after signing and sending of the scanned copy to the Operator of CMBC. If the deadline specified is not met, the Operator take all products from Appendix 1 as tradable between the parties. If trading participants, signed SCSPE, send different information concerning the tradable products, The Operator take in account only these products that are defined by both of the participants.

## **Chapter VII**

### **Withdrawal and suspension of a Trading participant from CMBC**

44. The Operator is entitled to suspend or expel a Trading Participant from the Power Exchange, CMBC.
45. The Operator is entitled to suspend TP from the Power Exchange, CMBC, in presence of the following circumstances:
- 45.1 The participant does not comply with the obligations under Energy Act, Electricity Market Rules or any other statutory document, which relates to the participation of a Trading Participant on the Power Exchange, CMBC.
- 45.2 The participant does not comply with the obligations under this Document or its Appendixes.

- 45.3 The participant does not meet the requirements for registration on the Power Exchange, CMBC, contained in Energy Act, Electricity Market Rules and/or this document and it's Appendixes because of a change in the circumstances which the participant informed the Operator for.
- 46.If some of the circumstances under Art. 45 occurs, the Operator notifies the Trading Participant concerning the infringement, prescribing a deadline for resolving the issue. If the prescription is defaulted, the Trading Participant shall be suspended from participation.
- 47.After the expiration of the deadline under Art. 46, in case of the prescriptions default the Operator suspend the Trading Participant from CMBC by terminating the access of TP to the electronic trading system and the opportunity for participation on this market segment, operated by IBEX.
- 48.The Operator officially notifies the Trading Participant for the act of suspending from CMBC by defining a deadline for resolving the issues under Art. 45. After that IBEX will proceed to expelling the Trading Participant from CMBC under Art. 50.
- 49.In case the normal functioning of CMBC is under a threat, The Operator has a right to suspend a Trading Participant from participation on CMBC, before the notification under Art. 46, as well as to delete already registered orders for sale and/or purchase of electricity.
- 50.The Operator is entitled to expel a Trading Participant from CMBC when:
- 50.1 Until the deadline, defined by the Operator under Art. 48, the Trading Participant had not resolved the issues under Art. 45, and as a result the TP was suspended from participation.
- 50.2 There is an enforceable decision by EWRC for a termination of the license which is required for a registration on the Power Exchange.
- 51.Under the circumstances of Art. 50.1, after the expiry of the deadline under Art. 48, in case of prescriptions default, IBEX expel the Trading Participant from CMBC and notify TP as define the date of expelling.
- 52.Under Art. 50.1 IBEX immediately expel a Trading Participant from CMBC from the EWRC Decision's date for a termination of the Trading Participant's license. The Operator notify the Trading Participant for the expelling officially and notify all other Trading participants, registered on CMBC.
- 53.The expelling of a Trading Participant, shall be recorded on the trading participants list, published on the IBEX web site.
- 54.When a TP is expelled from CMBC, the same is entitled to start a new procedure for registration not earlier than 6 /six/ month after the expelling date.
- 55.On the date, defined in Art. 51 and Art. 32, The Operator terminate the Trading Participants' access to the electronic trading system.
- 56.The contract under Art. 30 is considered to be terminated when all the financial liabilities towards IBEX are paid.
- 57.The Operator releases the Minimum collateral and the Collateral for participation of the Trading Participant up to 10 /ten/ business days after the termination of the Trading Participant's participation, provided that all invoices, issued to the Trading Participant, are paid.
- 58.In case of unpaid liabilities, the Minimum collateral and the Collateral for participation are used up to the amount of the liabilities. Trading Participant shall be notified accordingly for the collateral usage and the residual amount is released.

59. CMBC's Trading Participant is entitled to withdraw from a participation of the market on a basis of a written request, sent at least 10 /ten/ business days before the date, on which the Operator shall terminate the registration.
60. The Operator considers the request under Art. 59 within 5 /five/ business days.
61. The termination of the registration and the change recording into the Trading Participants register will be done after a written notification to the Trading Participant and after the settling of reciprocal liabilities until the termination date.
62. The contract under Art. 30 is considered to be terminated when all financial liabilities are met under these Rules.
63. When the Operator terminates a Trading Participant's registration on CMBC, the Trading Participant is obliged to meet all obligations, resulting from concluded until the termination moment transactions and supplementary agreements to the SCSPE.

## **Chapter VIII**

### **Access to the Trading platform**

64. In order to submit bids and conclude transactions on CMBC each User shall need to have access to the Trading platform.
65. The Trading platform is accessed through a personal username and an individual password.
66. The Operator of CMBC in accordance with the data declared by the Trading participant under art. 19.7 generates and send a personal username and issues an assigned password for each User with the respective level of access following signing the contracts under art. 30, completion of training and providing the collateral under art. 36 and art. 39. After the first entry into the system, the assigned password shall have to be changed by the respective User. The personal password changed by the User shall not be known to anybody, including the Operator.
67. In case a User has forgotten their password, they shall have to notify the Operator at the following e-mail address - [otc.operations@ibex.bg](mailto:otc.operations@ibex.bg) and to contact them via phone. The Operator shall issue a new assigned password and send it to the contact e-mail address of the respective User, having identified the User.
68. Each User, having obtained assigned data for access in accordance with art. 66, shall be responsible for storing his/her username and password for access.

## **Chapter IX**

### **Organization of trading on CMBC**

69. Trading on CMBC shall be performed as per Central European Time (CET).
70. In order to participate in CMBC, each trading participant have to fulfil all the financial obligations that have arisen as a result of transactions concluded on the market, as each Trading participant shall have to maintain a participation collateral in leva (BGN) in the form of:
- 70.1 A bank guarantee that has been accepted by IBEX, in leva /BGN/ or euro /EUR/ According to the official fixing of Bulgarian National Bank. IBEX publish a template of the bank guarantee and all acceptability conditions on its web site.

- The amounts specified in the provided bank guarantees are not taken into consideration 1 (one) month before the respective bank guarantee's expiry.
- 70.2 A cash amount, available in bank account, specified by IBEX in leva /BGN/. Interest shall not be due by IBEX.
- 70.3 A combination of a bank guarantee under art. 70.1 and a cash amount under art. 70.2.
71. When trading participants provide collateral as a bank guarantee, they undertake to pay all the costs of providing it to both the issuing bank and the beneficiary's bank, including (but not limited to) the fees and commissions for advising bank guarantees on presentation through the service bank(s). The issuing bank of the guarantees shall explicitly indicate to the beneficiary's bank that the commissions for advising bank guarantees are at the expense of the trading participant and are negotiable.
72. Upon providing Minimum collateral each Trading Participant receives username and password, different than these username and password under art. 54, that are sent to a specified by the Participant email address, with provide information about the available, blocked and free financial limit.
73. The amount of the collaterals for participation provided by a respective Trading participant sets the amount of their financial limit. The minimum collateral shall not be taken into account when calculating the financial limit of a Trading participant.
74. When submitting a bid that does not meet the requirements for available Financial limit in accordance with art. 139, it is automatically rejected by the Trading platform.
75. The financial limits of Trading participants, part of the submitted under Art. 70 collaterals for participation shall, be updated by the Operator in the following cases:
- 75.1 Upon provision of a collateral for participation at an amount exceeding the Minimum collateral amount or under a release of a collateral upon a request of a Trading Participant in accordance with art. 77.2 and art. 141.3.
- 75.2 After concluding a transaction;
- 75.3 After deleting or withholding a submitted into the electronic trading system order.
- 75.4 The Operator shall update the financial limits of the Trading Participants each business day on an hourly basis from 08:00 /CET/ to 15:00 /CET/.
76. All Trading participants that have concluded a transaction on CMBC shall have to sign a Supplementary agreement within 3 (three) business days of concluding each transaction. Any Trading Participant who has entered into a Transaction on the Hourly Products screen is obliged to conclude Supplementary Agreements for all the transactions for the periods from 1st until 15th of the calendar month and from 16th until the end of the calendar month, within 3 days of the end of the respective period.
77. The market Operator shall release the funds blocked from the financial limit for a Transaction concluded on CMBC if the following conditions are met:
- 77.1 The Parties of a transaction sign a Supplementary agreement to a SCSPE and send a scanned copy of it to the Operator.
- 77.2 The Buyers and the Sellers fulfil all of the requirements under Chapter XIII and Chapter XIV on basis of the product, subject of the concluded deals, as a result of which the trading participants – counterparties send confirmations for fulfilment of obligations. The confirmations shall be in accordance with a template, published on the Operator's web site.
78. If the provisions under art. 76 and art. 77 are not complied by a Trading participant the Operator shall utilize from the collateral of the defaulting party:
- 78.1 All fees due by the two parties to the Operator under the respective transaction;

- 78.2 A penalty at the amount of the financial limit blocked under the respective transaction.
79. The penalty utilized by the Operator in accordance with art. 78.2 shall be transferred by the Operator to the non-defaulting party or in case of more than one contractual party, proportionately to the quantity of electricity purchased/sold, within 3 (three) business days following utilization.
80. The Operator shall publish the name of the Trading participant that has rejected to sign a Supplementary agreement related to a transaction concluded or that has not fulfilled their obligations arising from a Supplementary agreement concluded, on its website in a "Defaulting participants" list for a period of one year in case of there being no subsequent defaults for the period.

## **Chapter X** **"Continuous trading" and "Hourly products" screen**

### **Description**

81. On "Continuous trading" and "Hourly products" screens all Trading participants may submit bids for purchase and/or sale of electricity and as the prices and quantities of the already submitted order are visible through the trading platform.
82. The minimum quantity offered has a capacity of 1 /one/ MW. The minimum step for quantity when submitting a bid is 1 MW. The minimum bid price is 0.01 BGN/MWh and the minimum step for a price when submitting a bid is 0.01 BGN/MWh.
83. All transactions on "Continuous trading" screen shall be concluded through "Auto-Matching" algorithm or "Click-trading" algorithm.
84. All products that will be traded through "Continuous trading" screen are listed in Appendix 1 to the Rules.
85. All products that will be traded through "Hourly products" screen are with a delivery term 1 /one/ hour in the day, after the trading day.
86. At the end of each business day the Operator shall withhold all bids that have not been satisfied on "Continuous trading" screen and "Hourly products" screen. The bids remain withheld until they have not been activated by the respective Trading Participant.

### **Auto-matching Algorithm for concluding transactions**

87. When a registered participant inserts a counter bid (for purchase or sale) which contains conditions that meet the conditions of a bid already existing in the system, a transaction is concluded.
88. The transaction is concluded at the bidding price, indicated by the Trading Participant, submitted first the order into the trading platform.
89. In the course of trading there is an on-going comparison of sale and purchase bids according to price.
90. When a new bid is inserted and/or an already existing one is changed, the system automatically checks whether the price compatibility condition has been met in the following way:
- 90.1 When inserting or changing a purchase bid, whether the price offered is greater or equal to the price offered of a sale bid existing in the system.

- 90.2 When inserting or changing a sale bid, whether the price offered is lower or equal to the price offered of a purchase bid existing in the system.

### **Click-trading Algorithm for concluding transactions**

91. In order to conclude a transaction through the "Click-trading" algorithm each Trading Participant shall have to select a bid existing on "Continuous trading" screen or "Hourly products" screen and to accept it.
92. The transaction is concluded at the bidding price, defined into the already submitted into the trading platform order.

### **Error when submitting an order ("Mistrade")**

93. In case a Trading participant makes a mistake when submitting an order ("Mistrade") through "Continuous trading" screen and "Hourly products" screen, it shall have the right to notify the Operator of the mistake as the latest may cancel the Transaction concluded if the other counterparty to the transaction accepts the cancellation.
94. In order to cancel a transaction, the Trading participant that has submitted a bid shall have to address its cancellation request to the duty phone number of the Operator but not later than 5 minutes after the transaction has been concluded following which it has to send a written request via e-mail, to [otc.cancellation@ibex.bg](mailto:otc.cancellation@ibex.bg) but not later than 10 minutes after concluding the transaction.
95. The Operator shall be responsible to try to get in touch with the other party under the transaction and to establish whether it agrees with the cancellation of the concluded transaction.
96. In case the Operator cannot get in touch with the other counterparty to cancel the transaction or the counterparty rejects the cancellation, the Operator shall inform the requesting party via an e-mail that the cancellation request has been rejected in the following cases:
- 96.1 The Operator cannot get in touch with the other counterparty for cancellation of the transactions.
  - 96.2 The other counterparty refuse to cancel the transaction.
  - 96.3 The other counterparty, through the representatives under 19.4 do not inform the Operator about the decision under the sent by the Operator request under art. 95 within 30 /thirty/ minutes after concluding the transaction.
97. In case the counterparty confirms cancellation of the transaction, the Operator shall inform the requesting party via e-mail that the transaction has been cancelled. In this case the Operator shall charge a cancellation fee at an amount set in the Fee tariff of IBEX and does not charge fees on the volume of electricity for which the transaction has been concluded. The cancellation fee should be payed within 3 /three/ business days after cancellation by the trading participant who requested the cancellation. The blocked financial limit under the respective transaction is released after the cancellation fee's payment.
98. In case the other counterparty refuses to accept a cancellation, the Trading Participant, initiated a procedure for "Mistrade" and the other participant notify the Operator that refuse to comply with the obligation under the concluded transaction:
- 98.1 The Operator utilize funds at the amount of the blocked financial limit under the concluded transaction and transfer it in the form of a bank transfer to the defined by the other counterparty bank account as a penalty.
  - 98.2 The Operator utilize all fees due as a result of the concluded transaction.

- 98.3 First 5 (five) refusals for not complying with the obligations of the Trading Participant, initiated a "Mistrade" procedure, are not threatened by The Operator as an infringement of the Rules.
- 98.4 The Operator reserves the right to cancel a concluded transaction with a defined delivery period on its sole discretion in case of submitted request under art. 93 if the price of the concluded transaction differs with more than +/- 50% from the price of the last concluded transaction for the same delivery period or, if there is no such a transaction, from the average price of the Power Exchange, Day Ahead market for the same period of the preceding calendar year.

## Trading terms

99. Through "Continuous trading" and "Hourly products" screen all Trading participants may conclude transactions for purchase and/or sale of standardized and "Hourly products".
100. Standardized products on "Continuous trading" screen are traded from 08:30 to 14:00 CET each business day of the year except for the cases in accordance with art. 12, as Trading Participants have the opportunity to submit bids for the following products in accordance with the terms defined.
- 100.1 Products with a delivery term of one day - as of the respective trading day daily products are accessible for the following 7 days. The deadline for submission of bids for a daily product is the day, preceding the delivery day.
- 100.2 Products with a delivery term of one weekend - as of the respective trading day weekend products are accessible for the following 4 weekends. The deadline for submission of bids for a weekly product is 2 /two/ complete business days before the first delivery day.
- 100.3 Products with a delivery term of one calendar week- as of the respective trading day weekly products are accessible for the following 4 weeks. The deadline for submission of bids for a weekly product is 2 /two/ complete business days before the first delivery day.
- 100.4 Products with a delivery term of one calendar month - as of the respective trading day monthly products are accessible for the following 4 months. The deadline for submission of bids for a monthly product is 3 /three/ complete business days before the first delivery day.
- 100.5 Products with a delivery term of three calendar months - as of the respective trading day products with a delivery term of three months are accessible for the following 3 quarters. The deadline for submission of bids for products with a delivery term of three months is 5 /five/ complete business days before the first delivery day.
- 100.6 Products with a delivery term of six calendar months - as of the respective trading day products with a delivery term of six calendar months are available for the next 2 half years. The deadline for submission of bids for products with a delivery term of six months is 7 /seven/ complete business days before the first delivery day.
- 100.7 Products with a delivery term of one calendar year as of the respective trading day yearly products are accessible for the following 2 calendar years. The deadline for submission of bids for annual products is 7 /seven/ complete business days before the first delivery day.
101. Each business day from 07:30 to 08:00 /CET/ on the "Continuous trading" screen is held "Order submission session", when:
- 101.1 Trading Participants submit orders for purchase and/or sale which are ranked automatically according to the defined prices.

- 101.2 Sale/purchase transactions on the "Continuous trading" screen are not concluded.
- 101.3 Transactions are concluded in accordance with the period under art. 100.
102. "Hourly products" are traded from 13:10 to 13:50 CET every business day, from Monday to Friday, through "Hourly products" screen. Hourly products have delivery term – the respective hours on the day, after the trading day.

## **Chapter XI**

### **Auctions screen**

#### **Procedure for initiating an Auction**

103. The Operator organizes an Auction for sale or purchase of electricity after receiving a request for initiation of an Auction and received payment of the fee for initiation of an auction in compliance with the IBEX Tariff by the respective Trading Participant as into the request shall be defined the following parameters:
- 103.1 Minimum or Maximum price for participation on basis of the auction type;
  - 103.2 Delivery load profile;
  - 103.3 Capacity and quantity of electricity for purchase or sale (MW and MWh);
  - 103.4 Delivery term;
  - 103.5 Date and time for holding the Auction;
  - 103.6 Requirement for a minimum quantity offered;
  - 103.7 Method of payment;
  - 103.8 Collateral for payment - amount, deadline and type (bank transfer to an account, bank guarantee or Insurance-guarantee);
  - 103.9 Collateral for good performance - amount, deadline and type (bank transfer to an account, bank guarantee or Insurance-guarantee);
  - 103.10 Penalty for late payment;
  - 103.11 Penalty for non-delivery/non-acceptance of the contracted electricity;
  - 103.12 Requirement submitted offers for sale not to be visible for all market participants;
  - 103.13 Requirement trading participant to be limited to submit only one order;
  - 103.14 Flexibility of the hourly quantity – to define the flexibility in %;
  - 103.15 Deadline for nomination of flexibility on the day before the delivery day (D-1)
  - 103.16 Penalty for suspension of the effect of a supplementary agreement to the contract.
104. For the purposes of holding of Auctions through the "Auctions" screen, the Operator administrates a trading calendar, containing information about forthcoming, held and cancelled auctions, which is published on the Operator's web site and is updated timely.
105. A request for initiating an auction may be submitted by each Trading participant to the following e-mail address [auctions@ibex.bg](mailto:auctions@ibex.bg), as per a template published on the website of the Operator or through an online based application and the provided under Art. 138 username and password.



- 106.The minimum quantity offered per auction is 1 (one) MW except if any other requirement has been indicated in the Request for initiating an auction, the minimum step being 1 (one) MW.
- 107.The minimum price step when submitting an order is 0,01 BGN/MWh.
- 108.The Operator accepts as default that all submitted offers' parameters are visible for trading participants, unless the initiator has requested in the tender intention the offers not to be visible.
- 109.The Operator accepts as default that every market participant could submit more than one offers, unless the initiator has requested in the tender intention to have maximum 1 /one/ offer per trading participant.

### **Auction for purchase**

- 110.Each Trading participant shall have the option to organize an Auction for purchase, hence it shall have to send a Request for initiating an auction to the Operator under art. 103.
- 111.Information under art. 103 for each initiated Auction, as well as the Initiator's name, are published on the website of the Operator indicating also the options in accordance with the trading calendar administrated by the Operator.
- 112.After the start of the auction for purchase each Trading Participant that has provided collateral for participation to the benefit of the Operator and has the right to participate, could submit their bid for purchase indicating a bid price and a quantity of electricity for sale.
- 113.If the initiator requires a limit of only 1 /one/ offer per participant, in case of two or more bids submitted by one participant, the Operator shall cancel all bids submitted before the latest one.
- 114.Each Trading participant may submit, modify or cancel their bid for sale before the deadline for submission of bids.
- 115.The bid price of the bid submitted by the Seller shall have to be equal or lower than the one indicated by the Auction initiator in the Request for initiating an auction.
- 116.All bids submitted are ordered in ascending order as per their prices, each bid being marked for time of entry. In case of two or more submitted bids of equal bid prices, the bid that was submitted earlier in the Trading platform shall have priority.
- 117.Following completion of the Auction the Operator submits a bid for purchase using the active under art. 33 Initiator's username with the same parameters as those indicated in the Request for initiating an auction and concludes transactions with the admitted Trading participants and after the Auction the Initiator has an access to the concluded transactions. The Operator inform the Initiator of the respective auction via an email about the total bided quantities for sale.
- 118.All trading participants in an auction for purchase which in the role of Sellers have concluded transactions for sale/purchase shall provide Collaterals, if so requested under art. 103.8 and 103.9 within 3 /three/ business days after signing the Supplementary Agreement but no later than 13:00 /CET/ on the third day of the delivery if the auction is held up to 1 /one/ business day before the first delivery day.
- 119.Auctions for purchase are held each Business day are held every business day, on every hour from 09:00 to 15:00 CET, the duration of each auction being 20 minutes.

## **Auction for sale**

120. Each Trading participant shall have the option to organize an Auction for sale, henceit shall have to send a Request for initiating an auction to the Operator under art. 103.
121. Information under art. 103 for each initiated Auction, as well as the Initiator's name, is published on the website of the Operator indicating also the options in accordance with the trading calendar administrated by the Operator.
122. After the start of the auction for sale each Trading Participant that has provided collateral for participation to the benefit of the Operator and has the right to participate, could submit their bid for sale indicating a bid price and a quantity of electricity for sale.
123. If the initiator requires a limit of only 1 /one/ offer per participant, in case of two or more bids submitted by one participant, the Operator shall cancel all bids submitted before the latest one.
124. Each Trading participant may submit, modify or cancel their bid for purchase before the deadline for submission of bids.
125. The bid price of the bid submitted by the Buyer shall have to be greater or equal to the one indicated by the Auction initiator in the Request for initiating an auction.
126. All bids submitted are ordered in descending order as per their prices, each bid being marked for time of entry. In case of two or more submitted bids of equal bid prices, the bid that was submitted earlier in the Trading platform shall have priority.
127. Following completion of the Auction the Operator submits a bid for sale using the active under art. 33 Initiator's username with the same parameters as those indicated in the Request for initiating an auction and concludes transactions with the admitted Trading participants and after the Auction the Initiator has an access to the concluded transactions. The Operator inform the Initiator of the respective auction via an email about the total bided quantities for purchase.
128. All trading participants in an auction for sale which in the role of Buyers have concluded transactions for sale/purchase shall provide Collaterals, if so requested under art. 103.8 and 103.9 within 3 /three/ business days after signing the Supplementary Agreement but no later than 13:00 /CET/ on the third day of the delivery if the auction is held up to 1 /one/ business day before the first delivery day.
129. Auctions are held every business day on an hourly basis from 09:00 to 15:00 CET, the duration of each auction is 20 minutes.

## **Conditions for holding of an Auction**

130. The deadline for submitting a Request for initiating an auction is by 14:00 CET, on the business day preceding the date of holding the auction. The request for initiating an auction shall to be sent by the authorized person, specified in the contract for participation on the CMBC.
131. After a Request for initiating an auction has been received, the Operator shall consider it within the same business day and if all the required information is available, the required financial limit is submitted and the Auction initiation fee in compliance with IBEX tariffs is paid, IBEX sends confirmation for holding the auction to the e-mail address, provided by the Trading participant.
132. When the Operator identifies missing information in the sent Request for initiating an auction, the Operator requires the missing information from the Trading participant. In case it is not submitted by 16:00h CET on the day the proposal was sent, the proposal shall be then considered as invalid.

- 133.If the trading participant who is initiating an Auction has not paid the Auction initiation fee in compliance with IBEX tariffs, the Operator informs the trading participant. In case the fee is not paid till 16:00 CET in the day of sending the intention, it is considered as invalid.
- 134.In case a request for initiation of an auction is sent for sale or purchase of electricity with a delivery term which start on the next day after the day of holding the auction, it can be organized latest at 11:00 CET on the day of holding the auction.
- 135.The Operator publishes on its web site as well as on the trading screen a message for an initiated auction until 16:30 CET in the day of sending the confirmation under art. 131. The Operator publishes information in accordance with art. 103, including the name of the Trading Participant.
- 136.The Operator of CMBC does not organize two or more auctions simultaneously.

### **Auction cancellation procedure**

- 137.Each participant that has submitted a Request for initiating an auction shall be entitled to cancel the Auction only subject to the following:
- 137.1 The initiator shall send to the Operator a request for cancellation of the auction by 16:00 CET on the day preceding business day before the date of holding the Auction. If the Operator has not received a cancellation request, the Auction shall be considered active and the Operator holds the auction session.
- 137.2 In case of Auction cancellation by the Initiator, the Operator does not reimburse the Auction initiation fee.
- 137.3 The information about a cancelled Auction is available on the website of the Operator and the Auction has "Cancelled" status.
- 137.4 The name of each Trading participant that within one year as of the date of the first cancelled Auction, cancels 3 /three/ auctions, shall be published on the website of the Operator in "Defaulting participants" list for a period of one year.
- 137.5 Participants that are on Defaulting participants list due to cancellation of Auctions shall pay a double fee for initiating an auction, for a period of one year if for the said period they do not have other breaches and are removed from the said list.

## ***Chapter XII*** **Financial limits**

### **Financial limit for submission of bids and initiation of Auction**

- 138.Each trading Participant has an access through an online based application to information about the available financial limit.
- 139.Upon submission a bid for purchase or sale or upon initiation of an Auction the Financial limit of a Trading participant shall have to cover the following conditions:
- 139.1 100% of the value of the electricity on basis of the submitted order with a delivery term from 1 /one/ hour to 1 /one/ day.
- 139.2 4% of the value of the electricity on basis of the submitted order with a delivery term from 2 /two/ days to 31 /thirty one/ days;
- 139.3 1% of the value of the electricity on basis of the submitted order with a delivery term longer than 32 /thirty two/ days;

140. When submitting more than one order for purchase and/or sale by a Trading Participant the Operator compare all required financial limits according to the submitted bids and block only the highest one. Upon concluding a transaction, as a result of a submitted order with the highest required financial limit, the software application for risk management checks for the second highest financial limit and again blocks it only. In case of not enough financial limit for already submitted active orders, they are deactivated automatically by the electronic trading system.
141. Participation collaterals which are not blocked under concluded transactions are released:
- 141.1 Upon a termination of the participation of a Trading Participant on CMBC.
  - 141.2 Upon deleting or withholding of an already submitted order into the electronic trading platform.
  - 141.3 With a request for a release using a template, submitted 2 (two) business days before the date of release and up to the amount if the Minimum collateral.
142. In case of a refusal by both of the parties to sign a Supplementary agreement, as a result of a concluded transaction, IBEX release the blocked financial limits after the penalties due under art. 169 are paid.

### ***Chapter XIII*** ***Collaterals for payment and good performance***

143. In case of concluding transactions through "Continuous trading" screen and "Hourly products" screen for sale/purchase of products with a delivery term shorter or equal to 31 /thirty one/ days Collateral for payment is not required.
144. In case of concluding transactions through "Continuous trading" with a delivery term longer than 32 /thirty two/ days the following collateral shall be submitted:
- 144.1 The Buyer is obliged to submit to the Seller a Collateral for payment which shall cover the value of the contracted electricity for 21 (twenty one) calendar days.
  - 144.2 The Seller is obliged to submit to the Buyer a Collateral for good performance which shall cover the value of the contracted electricity at amount of 10 % of the value of the contracted electricity.
145. The requested collaterals under art. 144 shall be submitted no later than 3 (three) working days after Supplementary agreement is signed and shall be released within ten /10/ business days after the date of expiry of the Supplementary agreement provided that the Operator has been informed that all invoices issued at the name of the Buyer up to the expiry date have been paid in due time and with no default payments and no amounts withheld by the Seller to the Buyer in transactions for sale/purchase of electricity with a delivery term longer than 32 /thirty two/ days. Collaterals shall to be provided in one or in a combination of the following types – bank transfer to an account, bank guarantee, Insurance-guarantee.
146. In case the period between the day of transaction concluding and the first delivery day is equal or longer than 5 /five/ days the Collaterals under art. 144.1 and art. 144.2 shall be submitted no later than 5 (five) business days before the first day of delivery.
147. In case the Trading participant who has to submit a collateral for payment is an energy consumer, when calculating the collateral will be added:
- 147.1 Price, set by the Energy and Water Regulatory Commission in compliance with art. 30 (1) (17) in Energy Act.
  - 147.2 Tax, in compliance with Excise Duties and Tax Warehouses Act.

148. In case of concluding transactions through "Auction" screen for sale/purchase of electricity the Buyer and the Seller shall submit Collaterals for payment and/or good performance in accordance with the predefined condition under art. 103.8 and art. 103.9 of the Auction's Initiator.
149. In case the Trading participant who has to submit a collateral for payment is an energy consumer, when calculating the collateral will be added:
- 149.1 Price, set by the Energy and Water Regulatory Commission in compliance with art. 30 (1) (17) in Energy Act.
- 149.2 Tax, in compliance with Excise Duties and Tax Warehouses Act.

## ***Chapter XIV Payments and invoicing***

150. Each Trading participant shall be responsible for timely and systemic payment of its obligations that have arisen as a result of transactions concluded on CMBC.
151. Each Trading participant shall be obliged to pay the fees in accordance with the Fee Tariff of IBEX payable in relation to trading on CMBC.
152. Each Trading participant shall be obliged to pay the amounts due including applicable fees via non-cash payment.
153. All payments shall be made in BGN.
154. Payments under each Supplementary agreement shall be deemed made after verification of the bank account of the Seller.
155. IBEX sends invoices for payment of amounts due under art. 151 in connection with trading on CMBC within terms as follows:
- 155.1 By 16:00 CET every sixteenth /16/ day of the month or on the first business day after the term indicated the Operator shall issue invoices for payment of all fees due to the Operator and shall send them to all Trading participants that have concluded transactions on the Trading platform for the period between the 1 (first) and the 15 (fifteenth) day of the current month.
- 155.2 By 16:00 CET every first /1/ day of the month or on the first business day after the term indicated the Operator shall issue invoices for payment of all fees due to the Operator and shall send them to all Trading participants that have concluded transactions on the Trading platform for the period between the 16 (sixteenth) day until the end of the preceding month.
156. The deadline for payment of invoices issued by the Operator under art. 155 is within five /5 / business days after issuing the invoice.
157. Upon a Trading participant's failure to comply with the obligations under art. 156, the Operator shall have the right to suspend the respective participant from CMBC at any time after expiry of the term by sending a written notice to the respective participant.
158. Products offered on „Continuous trading" screen and „Hourly products" screen shall be paid in accordance with the delivery term as follows:
- 158.1 Products with a delivery term from 1 /one/ hour to 1 /one/ day, shall be paid no later than 14:30 CET on the delivery day.
- 158.2 Products with a delivery term longer than 31 (thirty one) days shall be paid in advance.
- 158.3 Products with a delivery term longer than 32 (thirty two) days shall be paid subsequently (twice a month).

159. When invoicing a concluded Transaction on „Continuous trading“ screen and „Hourly products“ screen for sale/purchase of electricity with a delivery term longer than 32 (thirty two) days under art. 158.3, the Seller shall be obliged to send an invoice to the Buyer twice a month to be paid within terms as follows:

159.1 on the sixteenth /16/ day of the month or on the first business day after the term indicated – for the period from 1 (the first) to 15 (the fifteenth) day of the current month of delivery;

159.2 on the last day of the month or on the first business day after the term indicated – for the period from 16 (the sixteenth) to the end of the current month of delivery.

160. In case of a concluded Transaction for sale/purchase of electricity with a delivery term longer than 32 (thirty two) days, the Buyer shall be obliged to pay the electricity based on a Supplementary agreement signed and an invoice issued in accordance with art. 159. The Buyer shall have to make a payment within five /5/ business days after the invoice has been issued.

161. In case the Buyer fails to fulfill the obligations under art. 160, the Seller shall have the right to early terminate the Supplementary agreement relevant to the respective payment at any time after expiry by sending a written notification to the other party.

162. In case of concluding transactions through “Auction” screen for sale/purchase of electricity the Buyer and the Seller shall sign a Supplementary agreement to SCSPE in accordance with the predefined condition under art. 103.7 of the Auction’s Initiator.

## **Chapter XV VAT**

163. VAT shall be charged to Trading participants registered on the territory of the Republic of Bulgaria:

163.1 On all amounts due as a result of transactions concluded.

163.2 When calculating the required collateral for payment.

164. For Trading participants registered outside the territory of the Republic of Bulgaria, payment of all taxes, VAT included, shall be an obligation of the respective Trading participant in accordance with applicable law in the country of registration.

165. The required financial limits and Collaterals for good participants shall not include VAT.

## **Chapter XVI Penalties**

### **“Continuous trading” screen and “Hourly products” screen**

166. In case of the Buyer’s failure to comply with the terms for payment in accordance with Chapter XIV, the Seller shall have the right to terminate the Supplementary agreement relevant to the respective payment at any time after expiry of the payment term indicated.

167. Besides the right of the Seller to terminate the Supplementary agreement under art. 166, the Buyer shall owe a default interest which shall be charged as of the maturity date until the payment date at the rate of the Bulgarian National Bank + /plus/ 10 /ten/ percentage points.

168. In the event of non-performance (non-acceptance or non-delivery of agreed electricity as defined in article 171), the incorrect party owes the 25% of the undelivered/unaccepted electricity, including VAT due. Such penalty must be paid within five (5) business days of the date of the receipt of the written claim..

169. In case of refusal by both of the counterparties to sign a Supplementary agreement as a result of a concluded transaction, or if the Supplementary agreement is signed with parameters that are different from these that shall be applicable for the respective transaction, both of the parties shall owe penalties at amount of the fees due in accordance with the IBEX Tariff.

### **"Auctions" screen**

170. Upon conclusion of a transaction on the Auctions screen for purchase or sale of electricity, the buyer and seller shall conclude an Additional Agreement with the SCSPE under conditions, depending on the pre-specified ones under art. 103.10 and 103.11, subject to the following:

170.1 In the event of non-compliance with the Payment terms by a Buyer in accordance with the payment conditions as defined in 162, the Seller shall be entitled to terminate the Additional Agreement relating to the respective payment at any time after the expiration of the period specified for payment.

170.2 Besides the right of the Seller to terminate the Additional Agreement under the procedure of Art. 170.1, the Buyer owes to the Seller the interest for late payment under the terms defined in 103.10.

170.3 In the event of non-performance /non-acceptance or non-delivery of the contracted electricity under Art. 171/, the defaulting party owes a penalty at the amount of the defined one by the Initiator of the auction under Art. 103.11. The penalty shall be subject to payment within 5 /five/ working days, after being claimed in writing.

## **Chapter XVII Delivery and schedules**

171. Delivery schedules shall be prepared in accordance with the parameters of each Transaction concluded, reflected in the Supplementary agreement, and shall be mandatory for each of the parties. Any incompliance in the schedules submitted to ESO which has not been agreed between the parties shall be considered a failure to perform the Supplementary Agreement, and result in the application of penalties for non-performance (failure to deliver/accept) as defined in Art. 168 and Art.170.3.

172. The seller and the buyer shall prepare and agree hourly daily schedules for their sales/purchases of electricity in accordance with the Instruction for schedules nomination of ESO EAD.

173. In case of a Supplementary agreement for purchase and sale of electricity with deviations, concluded through the "Auctions" screen, the parties shall agree on the hourly daily schedule no later than 11:45 CET.

174. In accordance with the effective Electricity Trading Rules /ETR/ the Seller and the Buyer shall register the daily schedule agreed by the parties in ESO system on day (D-1) in accordance with the format and terms approved by ESO. Following registration of the schedule, it becomes mandatory for the parties in accordance with EMR.

175. In case ESO requires a change in the schedule and notifies one of the parties, the notified party shall be obliged to agree on the modification to the first submitted schedule with the other counterparty.

176. In case of non-compliance between the electricity delivery schedules submitted by the parties under the Supplementary agreement, the party that has established the non-compliance shall notify the other party by proposing revisions of the schedule.

177. In case of partial restrictions under Energy Act which have been imposed by ESO, the parties under the Supplementary agreement shall not be liable for its non-performance for this period of the restriction imposed.

### ***Chapter XVIII*** ***Temporary Suspension of a Supplementary agreement execution***

178. Each of the parties under a Supplementary agreement with a delivery term longer than 31 (thirty one) days may temporarily suspend the execution of a supplementary agreement concluded subject to the following conditions:

178.1 The suspension initiating party shall send a written request for temporary suspension of delivery/acceptance of electricity to the contractual party under a respective Supplementary agreement at least 10 (ten) days before the date of the expected suspension;

178.2 The request for temporary suspension shall contain at least information on: the Supplementary agreement, the beginning and the end of the suspension period, quantity of electricity which will not be delivered/accepted and the amount of the penalty temporary suspension.

179. Within 5 (five) days after receiving the request under the previous paragraph the party that has received the request accepts or rejects the request sent under art. 178.1.

180. Accepting the request for a temporary suspension of the Effectiveness of a Supplementary agreement shall be certified with a written consent of the party that has received the request.

180.1 In case of a request that has been accepted by the party that has received the request, the effectiveness of the Supplementary agreement shall be suspended for the period under Art. 178.2 after paying the penalty for a temporary suspension at the amount of 20 /twenty/ % of the non-delivered/non-accepted electricity for "Continuous trading" screen or at the respective amount, defined by the Initiator of an auction under Art. 103.16 for "Auctions" screen, including VAT before the beginning of the suspension period agreed;

180.2 In case of an unaccepted request by the party that has received the request, the Supplementary agreement shall remain in force and the obligations of the parties shall remain unchanged.

### ***Chapter XIX*** ***Termination of a Supplementary agreement***

181. Any Supplementary agreement may be terminated by the non-defaulting party in case of a valid reason or in compliance with the condition defined under Art. 166 and Art. 170.

182. Any supplementary agreement may also be terminated ahead of term by the non-defaulting party in case if:

182.1 If collateral is not provided according to the deadlines in Art. 118, Art. 128, and Art. 145.



- 182.2 The defaulting party does not pay the penalties for non-performance according to the deadline in Art. 168.
- 182.3 If non-performance according to Art. 171 is lasting for more than seven (7) consecutive days or for more than seven (7) days in aggregate within a period of sixty (60) days .

## ***Chapter XX*** **Publishing of information**

183. With a purpose to create a maximum level of transparency the Operator shall daily publish on its website information on:
- 183.1 Forthcoming Auctions on the "Auctions" screen;
- 183.2 All transactions concluded on CMBC.
184. The information published on Transactions concluded through the "Continuous trading" screen contains products traded for the respective day, volumes traded and average prices on the transactions concluded.
185. The information published on Transactions concluded through the "Auctions" screen contains:
- 185.1 Products traded for the respective day, the respective traded volumes and weighted average prices for each Auction held;
- 185.2 A list of all participants that have participated through the "Auctions" screen.
186. In case upon publishing the results in accordance with art. 186 there is only one Trading participant that has concluded a transaction, the Operator shall not publish the name of the respective participant.
187. For Trading participant, the information under art. 184 is available also through the Trading platform through a screen redirecting to the website of the Operator.

## ***Chapter XXI*** **Market conduct and control**

188. At any time the Operator shall monitor the market so as to guarantee that trading and all actions are in accordance with applicable law.
189. Pursuant to the provision of art. 15 of REMIT<sup>1</sup> in case of an infringement established under art. 3 or art. 5 of REMIT, the Operator of CMBC informs EWRC.
190. At any time the Operator may file a request to a Trading participant for information to be submitted regarding its activity related to the physical and financial aspects of the trading performed on CMBC.

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<sup>1</sup> Regulation (EU) No 1227/2011 of the European Parliament and the Council of 25.11.2011 on wholesale energy market transparency and integrity

## ***Chapter XXII*** ***Responsibilities and force majeure***

191. The Operator shall not be liable for losses incurred, liquidated damages or damages to Trading participants as a result of their participation in CMBC except when losses or damages have been caused by culpable breach of the Operator.
192. If the Operator and/or the Trading participant fails to fulfil their obligations under these Rules as a result of force majeure / unforeseen or unpreventable event of urgent nature which prevents fulfilment of the obligations under the Rules/, the latter shall not owe a compensation for the default. In case that as of the time the force majeure occurs the Operator has already been in default of any of its obligations, the latter shall owe a compensation only for the period until the force majeure occurred.
193. The Operator and/or the Trading participant shall not be liable for damages caused to Trading participants as a result of technical difficulties, partial or total inability to operate with computer systems used by Trading participants or regarding mistakes in entering data in connection with trading or payments as a result of transactions effected on CMBC, except where losses are caused by culpable breach by the Operator.

## ***Chapter XXIII*** ***Information ownership***

194. Information submitted in the form of bids for purchase and/or sale by Trading participants through the Trading platform or otherwise shall belong to the Operator. Copyright and all other intellectual property rights or ownership rights of any nature contained in information on transactions effected on the CMBC (including for the avoidance of doubt any rights on databases and similar rights) arising from trading on CMBC are and any time shall remain property of the Operator.

## ***Chapter XXIV*** ***Publicity***

195. The Operator shall have right to use, process, copy, adapt, provide, distribute, sell, transfer, deliver, lease, charge or otherwise treat the information on bids submitted and transactions effected and any other information regarding physical and financial relationships with no confidentiality obligation towards Trading participants to the extent that such information does not refer to a particular Trading participant. Trading participants shall not have the right to remuneration regarding such activities.
196. The Operator provides information to competent authorities and ESO in accordance with applicable law. The Operator shall inform Trading participants about providing information to the extent that applicable law provides for this.

## ***Chapter XXV*** ***Ancillary provisions***

197. In case of discrepancy between the Bulgarian and English texts of these Rules and the SCSPE, the Bulgarian texts shall prevail and shall represent the authentic texts for the interpretation purposes.

198. The Operator shall provide at an accessible place the Rules and other documents relevant to them in a format which allows Trading participants to save and store them.

***Chapter XXVI***  
***Applicable law***

199. Any claims, disputes or differences that may arise out of or in connection with the Rules shall be settled in accordance with current Bulgarian law.

***Chapter XXVII***  
***Amendments to the Rules***

200. All amendments to the Rules shall take effect within 7 (seven) days of being published on the website of the Operator.

201. Irrespective of the provisions of art. 217 an amendment to the Rules may be done with immediate effect following notification to Trading participants if:

- 201.1 required by applicable law;
- 201.2 amendments are needed to ensure correct and effective operation of CMBC;
- 201.3 amendments are related to removing technical mistakes in the Rules;
- 201.4 amendments are of editorial nature and do not lead to material changes;
- 201.5 amendments come as a result of launching new products.
- 201.6 Changes are as a result of directions by EWRC.

Trading Instrument	Description
IBEX Base Load Daily Delivery	Base load with a delivery term of 1 day
IBEX Base Load Weekly Delivery	Base load with a delivery term of 1 week
IBEX Base Load Monthly Delivery	Base load with a delivery term of 1 month
IBEX Base Load Quarterly Delivery	Base load with a delivery term of 1 quarter
IBEX Base Load Half-Yearly Delivery	Base load with a delivery term of half a year
IBEX Base Load Yearly Delivery	Base load with a delivery term of 1 year
IBEX Peak Load Daily Delivery (12 hours)	Peak load with a delivery term of 1 day (12 hours)
IBEX Peak Load Weekly Delivery (12 hours)	Peak load with a delivery term of 1 week (12 hours)
IBEX Peak Load Monthly Delivery (12 hours)	Peak load with a delivery term of 1 month (12 hours)
IBEX Peak Load Quarterly Delivery (12 hours)	Peak load with a delivery term of 1 quarter (12 hours)
IBEX Peak Load Half-Yearly Delivery (12 hours)	Peak load with a delivery term of half a year (12 hours)
IBEX Peak Load Yearly Delivery (12 hours)	Peak load with a delivery term of 1 year (12 hours)
IBEX Peak Load Daily Delivery (16 hours)	Peak load with a delivery term of 1 day (16 hours)
IBEX Peak Load Weekly Delivery (16 hours)	Peak load with a delivery term of 1 week (16 hours)
IBEX Peak Load Monthly Delivery (16 hours)	Peak load with a delivery term of 1 month (16 hours)
IBEX Peak Load Quarterly Delivery (16 hours)	Peak load with a delivery term of 1 quarter (16 hours)
IBEX Peak Load Half-Yearly Delivery (16 hours)	Peak load with a delivery term of half a year (16 hours)
IBEX Peak Load Yearly Delivery (16 hours)	Peak load with a delivery term of 1 year (16 hours)
IBEX Off-peak Load Daily Delivery (12 hours)	Off-peak load with a delivery term of 1 day (12 hours)
IBEX Off-peak Load Weekly Delivery (12 hours)	Off-peak load with a delivery term of 1 week (12 hours)
IBEX Off-peak Load Monthly Delivery (12 hours)	Off-peak load with a delivery term of 1 month (12 hours)
IBEX Off-peak Load Quarterly Delivery (12 hours)	Off-peak load with a delivery term of 1 quarter (12 hours)

IBEX Off-peak Load Half-Yearly Delivery (12 hours)	Off-peak load with a delivery term of 1 half a year (12 hours)
IBEX Off-peak Load Yearly Delivery (12 hours)	Off-peak load with a delivery term of 1 year (12 hours)
IBEX Base Load Weekly Delivery (Mon – Fri)	Base load with delivery term Monday-Friday for 1 week
IBEX Base Load Monthly Delivery (Mon – Fri)	Base load with delivery term Monday-Friday for 1 month
IBEX Peak Load Weekly Delivery (12 hours) – (Mon – Fri)	Peak load with a delivery term of 1 week (12 hours) – from Monday to Friday
IBEX Peak Load Monthly Delivery (12 hours) – (Mon – Fri)	Peak load with a delivery term of 1 month (12 hours) – from Monday to Friday
IBEX Peak Load Weekly Delivery (16 hours) – (Mon – Fri)	Peak load with a delivery term of 1 week (16 hours) – from Monday to Friday
IBEX Peak Load Monthly Delivery (16 hours) – (Mon – Fri)	Peak load with a delivery term of 1 month (16 hours) – from Monday to Friday
IBEX Off-peak Load Weekly Delivery (12 hours) – (Mon – Fri)	Off-peak load with a delivery term of 1 week (12 hours) – from Monday to Friday
IBEX Off-peak Load Monthly Delivery (12 hours) – (Mon – Fri)	Off-peak load with a delivery term of 1 month (12 hours) – from Monday to Friday
IBEX Base Load Weekly Delivery - Weekend	Base load with a delivery term from Saturday to Sunday for 1 week
IBEX Base Load Monthly Delivery - Weekend	Base load with a delivery term from Saturday to Sunday for 1 month
IBEX Peak Load Weekly Delivery (12 hours) - Weekend	Peak load with a delivery term of 1week (12 hours) – from Saturday to Sunday
IBEX Peak Load Monthly Delivery (12 hours) - Weekend	Peak load with a delivery term of 1month (12 hours) – from Saturday to Sunday
IBEX Peak Load Weekly Delivery (16 hours) - Weekend	Peak load with a delivery term of 1week (16 hours) – from Saturday to Sunday
IBEX Peak Load Monthly Delivery (16 hours) - Weekend	Peak load with a delivery term of 1month (16 hours) – from Saturday to Sunday
IBEX Off-peak Load Weekly Delivery (12 hours) - Weekend	Off-peak load with a delivery term of 1week (12 hours) – from Saturday to Sunday
IBEX Off-peak Load Monthly Delivery (12 hours) - Weekend	Off-peak load with a delivery term of 1month (12 hours) – from Saturday to Sunday