Access Rules
for the Interconnexion France-Angleterre

[date to be inserted] 2019

General Provisions

1. This agreement, hereinafter referred to as the Access Rules, comprises these General Provisions, the IFA Day Ahead and Intraday Allocation Rules (Part 1) and the IFA Long Term Allocation Rules (Part 2), and shall be read and construed as one agreement and shall be legally binding and apply as such.

2. These Access Rules shall be applicable in the event that Great Britain no longer participates in market coupling and shall enter into force pursuant to a notice provided by the Allocation Platform in accordance with the relevant decision of the national regulatory authorities.

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Part 1

IFA Day Ahead and Intraday Allocation Rules

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CHAPTER 1.
General Provisions

Rule 1
Subject-matter and scope

These IFA Day Ahead and Intraday Allocation Rules set out:

a. the procedures for auctioning rights to use Daily Interconnector Capacity and the procedures for auctioning Intraday Interconnector Capacity; and

b. the terms on which Registered Participants may participate in the Auctions referred to in (a); and

c. the terms for use of Interconnector Capacity, including the use of Long Term Interconnector Capacity rights allocated under the IFA Long Term Allocation Rules.

Rule 2
Parties and participation

1. A person wishing to participate in any Daily or Intraday Auction, and/ or wishing to use Interconnector Capacity shall comply with CHAPTER 2 and must agree to be bound by and comply with these Rules.

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

Rule 3
Definitions and interpretation

1. Unless otherwise defined herein, capitalised terms used in these IFA Day Ahead and Intraday Allocation Rules shall have the meaning given to them in the IFA Long Term Allocation Rules.

2. For the purposes of interpretation, references in the Participation Agreement to the "IFA Access Rules" shall be read and construed as meaning these IFA Day Ahead and Intraday Allocation Rules. These IFA Day Ahead and Intraday Allocation Rules shall be deemed to satisfy the requirement for such "IFA Access Rules" under the Participation Agreement and shall supersede and replace all prior versions of the "IFA Access Rules".

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

4. For the purpose of these Rules the following definitions shall apply:

Accord de Participation means an *Accord de Participation* signed by a Registered Participant and RTE by which a Registered Participant agrees to abide by the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations*;

Accord de participation en qualité de Responsable d'Equilibre means an agreement between RTE and another party under which that party agrees to be responsible for payment of charges associated with imbalances between scheduled and actual generation output and demand from the RTE Transmission System;

Allocation Platform means NGIC and RTE acting jointly for the purposes of these Rules;

Amendment Notice means the notification and any associated documents issued by the Allocation Platform pursuant to Rule 6, provided to the Registered Participants and which provide Registered Participants with the Allocation Platform's proposed amendment(s) to these Rules;

Applicable Law means any statute, statutory instrument, licence (including the NGIC Interconnector Licence and the Licence Standards), law (whether English or French) or decree (*décret*) or order in council or directive, or any code including the GB Grid Code, the RTE Grid Code and the Balancing and Settlement Code, or any request, requirement, instruction, direction or rule of any Competent Authority but only, where not having the force of law, if compliance with the Applicable Law is in accordance with the general practice of persons to whom the Applicable Law is addressed;

Auction means any auction of Long Term Units under the IFA Long Term Allocation Rules or any auction of Daily or Intraday Units under CHAPTER 5;

Auction Price means the value of the Marginal Price of an Auction, and which is payable by all Unit Holders resulting from such Auction;

Auction Specification means, the specification for a day ahead or Intraday Auction published by the Allocation Platform, as described in CHAPTER 5 respectively or the specification for a Long Term Auction published by the Allocation Platform under the IFA Long Term Allocation Rules;

Auction Tool means the IT system used for conducting Auctions and other associated Interconnector Capacity activities;

Balancing and Settlement Code means the code of that name established under the NGET Transmission Licence;

Bid means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction;

Bid Price means the price which a Registered Participant is willing to pay for one (1) MW and hour of day ahead and/or Intraday capacity;

Bid Quantity means the amount of day ahead and/or Intraday capacity in MW requested by a Registered Participant;

Bidding Period means the time period within which the Registered Participants wishing to participate in a particular Auction may submit their Bids;

Business Day means a week-day on which banks in both London and Paris are open for domestic business and for dealings in sterling and euro deposits;

Business Rules means the rules for day to day use of Interconnector Capacity in Annex 1;

Capacity Shortage has the meaning given to it in Rule 51;

Capacity Subcontracting Arrangement means any arrangement between a Unit Holder and another person under which the Unit Holder allows the person, either directly or indirectly, to use the Interconnector Capacity of the Unit Holder;

Capacity Transfer means the mechanism by which a Unit Holder passes over Intraday Units and/or Daily Units to another Registered Participant in accordance with CHAPTER 6, and "Transfer Capacity", "Transferred", "Transferee" shall have corresponding meanings;

Capacity Transfer Notice has the meaning given to it in CHAPTER 6;

Capacity Transfer Period has the meaning given to it in CHAPTER 6;

Competent Authority means the Secretary of State (as defined in the Governing Act), the GB Regulator, the French Regulator and any local, national or supra-national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, the United Kingdom, France or the European Union (where applicable);

Contract Day in relation to a Contract Day D means a period of twenty four (24) hours commencing at 00:00 hours on day D;

Collateral means security for payment of amounts owed under these Rules provided in accordance with the requirements referred to in CHAPTER 3;

Collateral Incident means an incident as described in Article 25 of the IFA Long Term Allocation Rules;

Credit Limit means the amount of the collateral which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations;

Curtail means to reduce Unit Holders' Daily Transmission Rights and/or Intraday Transmission Rights and Daily MCNs and Intraday MCNs in accordance with CHAPTER 10 and "Curtailed" and "Curtailment" have corresponding meanings;

Curtailment Quantity means, in relation to an emergency situation or a Force Majeure, the quantity calculated under CHAPTER 10;

CUSC means the Connection and Use of System Code established under the NGET Transmission Licence;

Daily means processes relating to Auctions with Product Period of one (1) Contract Day and associated Interconnector Capacity activities, the business process for which is described in Annex 1;

Daily Auction means any Auction of Daily Units;

Daily Unit means a Unit offered in a Daily Auction, with a Product Period equal to a Contract Day and as specified when applicable in the relevant Auction Specification;

Day Type means any of Business Days, non-Business Days or all Days as the case may be, in the context of a Capacity Transfer Notice;

Deemed Metered Volumes means volumes of energy allocated to Registered Participants' Energy Accounts by the Allocation Platform calculated using the rules in Annex 2;

Default Bid means the automatic submission of Bids in respect of a particular Auction type (Explicit Daily Auction or Intraday Auction) pre-prepared by the Registered Participant;

Default Nomination means the automatic generation and submission of Mid-Channel Nominations in respect of a particular Timescale which are identical to the Transmission Rights notified to the Registered Participant in respect of such Timescale;

Dispute means any dispute under or in relation to these Rules;

Energy Account means in relation to a Registered Participant:

a. the Registered Participant's Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code; and

b. the account established under an Accord de participation en qualité de *Responsable d'Equilibre* linked to that Registered Participant for the purposes of the RTE Settlement Arrangements to which the Registered Participant's *Programme d'importation à Mandarins* and *Programme d'exportation à Mandarins* are submitted;

both as specified by the Registered Participant in its Participation Agreement;

Energy Transmission means the transmission of electricity across the Interconnector and "Transmitting" has a corresponding meaning;

Explicit Daily Auction means a Daily Auction

Final Results has the meaning given to it in Rule 30;

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

Forced Outage means any Outage of which notice was given after the publication of the Auction Specification for the Daily or Intraday Auctions for the Contract Day on which the Outage occurs;

French Regulator means the *Commission de Régulation de l'Energie*;

GB Grid Code means the document referred to as the Grid Code in the NGET Transmission Licence;

GB Regulator means the Gas and Electricity Markets Authority, as established under the Governing Act;

Governing Act means the Electricity Act 1989 as amended and supplemented by the Utilities Act 2000;

IFA Long Term Allocation Rules means the IFA Long Term Allocation Rules as detailed in Part 2 of these Access Rules;

IFA Registered Participant Guide means the guide to these Rules published by the Allocation Platform from time to time;

Insolvency Event means in relation to a Registered Participant, any of the following events:

a. an order of a competent court is made or a resolution is passed for its insolvent winding up or dissolution;
b. a receiver of the whole or any material part of its assets or undertaking is appointed (whether under contract or by a court) or a decision for the opening of insolvency proceedings has been made by a competent court;
c. an administration order is made or a voluntary arrangement is proposed or a decision is made to appoint a mediator or to approve a voluntary arrangement with creditors;
d. anything analogous to, or having a substantially similar effect to, any of the circumstances specified in paragraphs (a) to (c) above occurs in relation to the Registered Participant in any jurisdiction;

Interconnector means the interconnection of the NGET Transmission System with the RTE Transmission System by the National Grid Interconnector Circuits and the RTE Interconnector Circuits;

Interconnector Capacity means the right of use of the Interconnector made available by the Allocation Platform in Auctions, to facilitate the Transmission of energy by Registered Participants between England and France, to the extent that NTC permits and as provided for in these Rules;

Intraday means processes relating to Auctions with Product Periods of up to 1 Contract Day duration and associated Interconnector Capacity activities, the business process for which is described in Annex 1;

Intraday Auction means any Auction of Intraday Units;

Intraday Unit means a Unit with a Product Period shorter than a Contract Day, as specified in the relevant Auction Specification;

Licence Standards means those standards set out in or referred to in the NGET Transmission Licence;

Long Term means processes relating to Auctions with Product Periods greater than one (1) Contract Day and associated Interconnector Capacity activities;

Long Term Units means a Unit with a Product Period longer than one (1) Contract Day, as specified in the relevant Auction Specification;

Loss Factor has the meaning given to it in Annex 2;

Marginal Price means the price determined at a particular Auction to be paid by all the Registered Participants for each MW and hour of acquired day-ahead and/or Intraday capacity as the case may be;

Mid-Channel Nomination or MCN has the meaning given to it in CHAPTER 7;

National Grid or NGIC means National Grid Interconnectors Limited, a company incorporated in England and Wales;

National Grid Interconnector Circuits means the switching bays and sub-marine cables and other plant and apparatus owned by National Grid connecting the NGET Transmission System to the RTE Interconnector Circuits commencing at and including the switching bays at the sub-station known as Sellindge 400, as such switching bays and sub-marine cables and other plant, apparatus and meters are replaced, modified, developed or added to from time to time;

Net Transfer Capacity or NTC means the capability (in MW, at mid-Channel) of the Interconnector to Transmit electrical energy between England and France via the National Grid Interconnector Circuits and the RTE Interconnector Circuits taking into account the effects of any event or circumstance affecting such capability at any relevant time, including events or circumstances on the NGET Transmission System or the RTE Transmission System or disconnection or de-energisation of the Interconnector from either of those transmission systems;

Netting means the superposition of MCNs in two opposite directions (France-England and England-France), in order to release some capacity in the more congested direction for the next allocation step, and “Netted” shall have corresponding meaning;

NGET Transmission Licence means the licence granted by the Secretary of State to NGET under Section 6(1)(b) of the Governing Act permitting, inter alia, the transmission of electricity in England and Wales, as amended from time to time;

NGET Transmission System means the system comprising electric lines owned or operated by NGET for the transmission of electricity as defined in the GB Grid Code;

NGET means National Grid Electricity Transmission plc, a company incorporated in England and Wales or its successors;

Nominate means, in relation to a Registered Participant, the action to submit a MCN to the Allocation Platform, and "Nomination" shall have corresponding meaning;

Nomination Gate Closure means, for a specific Timescale and in relation to a Settlement Period, the last time at which Nominations can be made in relation to that Settlement Period (those times being listed in Annex 1);

Offered Capacity means the number of Units being made available in the respective Unit Validity Times in an Auction;

Outage means any reduction of NTC in either direction and includes Forced Outages and Trips;

Participation Agreement has the meaning given to that term in the IFA Long Term Allocation Rules;

Planned Outage Period means a period of time during a Product Period where the Offered Capacity is less than the Offered Capacity at other times during the Product Period as a consequence of a planned Outage;

Product Period means the period of time beginning on the first Contract Day in respect of a specific Auction and ending at the end of the last Contract Day in respect of such Auction;

Recipient means, in relation to an item of Confidential Information, the person to whom it is disclosed;

Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations means the *Règles d'Accès au Réseau Public de Transport Français pour des Importations et des Exportations* established by RTE in the version published on RTE's website from time to time. These rules define the conditions to access RTE Transmission System for exports and imports;

Registered Participant means a market participant which has entered into a Participation Agreement with the Allocation Platform;

Registered Participant Systems means, in relation to a Registered Participant, the hardware, software and other systems needed by the Registered Participant to exercise its rights and perform its obligations under these Rules, including communicating electronically with the Allocation Platform, participating in Auctions and using Interconnector Capacity;

Rights Document means a document issued by the Allocation Platform to a Registered Participant under the IFA Long Term Allocation Rules in respect of Long Term Interconnector Capacity rights and under these Rules in respect of Daily and Intraday Interconnector Capacity rights setting out in relation to a direction and Settlement Period the maximum amount of Interconnector Capacity that the Registered Participant can Nominate;

RTE means RTE Réseau de transport d'électricité;

RTE Grid Code means the rules, including technical rules, establishing the minimum technical design and operation requirements for connection to the RTE Transmission System;

RTE Interconnector Circuits means the switching bays and sub-marine cables and the other plant and apparatus owned by RTE connecting the RTE Transmission System to the National Grid Interconnector Circuits commencing at and including the switching bays at the sub-station known as Les Mandarins 400, as such switching bays and sub-marine cables and other plant, apparatus and meters are replaced, modified, developed or added to from time to time;

RTE Settlement Arrangements means the arrangements established or to be established under or in accordance with Article L. 321-15 of the French Energy Code including operational planning, system services and payments to and from users of the RTE Transmission System. As at the date of this agreement, the RTE Settlement Arrangements include Accords de participation en qualité de Responsable d'Equilibre;

RTE Transmission System the system of electric lines operated by RTE under concession for the transmission of electricity, as defined in the French Act, the Cahier des Charges de Concession as defined in the amendment dated 10 April 1995 of the concession rules dated 27 November 1958 or as subsequently amended by law, but excluding, for the purposes of this agreement, the RTE Interconnector Circuits;

Rules means these IFA Day Ahead and Intraday Allocation Rules, as amended from time to time;

Set of Bids means all valid Bids from a Registered Participant registered in the Auction Tool and as modified during the relevant Bidding Period, at any time;

Settlement Period means each half-hour period coinciding with Settlement Periods as defined in the Balancing and Settlement Code;

Standard Training means a set of on-line exercises designed by the Allocation Platform to enable Registered Participants to become sufficiently familiar with the Auction Tool. The exercises shall be undertaken on the test platform of the Auction Tool with remote support from the Allocation Platform and in conjunction with a Registered Participant Guide and other relevant documentation;

Taxes means all forms of taxation and statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and of any jurisdiction and any penalty, fine, surcharge, interest, charges or costs payable in connection with any Taxes;

Timescale means either Long Term, Daily or Intraday period of time;

Transmission means the transport of electricity on the extra high-voltage and high-voltage interconnected system with a view to its delivery to final customers or to distributors, but does not include supply;

Transmission System Operator means each of NGET in its capacity as operator of the NGET Transmission System and RTE in its capacity as operator of the RTE Transmission System;

Transparency Regulation means the EU regulation on submission and publication of data in electricity markets (No 543/2013);

Trip means any unforeseen event which results in an Outage;

Unit means the right to Interconnector Capacity of up to 1MW (subject to Curtailment and these Rules) in a particular direction and during the Product Period of the Unit, as defined in Rule 35 and subject to and on the terms and conditions of these Rules;

Unit Holder means a Registered Participant who has been allocated Units under these Rules (or in the case of Long Term Interconnector Capacity, allocated under the IFA Long Term Allocation Rules), any of which at the relevant time have not yet reached the end of their Product Period and, for the purposes of these Rules specified in CHAPTER 6, Registered Participants to whom a Capacity Transfer is made;

Unit Price means, for a Unit, the Auction Price (in euros per megawatt hour) resulting from the Auction at which the Unit was allocated to the Registered Participant;

Unit Quantity means, in megawatt-hours, the product of (a) the number of Units allocated to the Registered Participant at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Units;

Unit Validity Times means:

i. in the case of Long Term Units, the specific hours within the Product Period for which the Units have been offered in the applicable Auction,

ii. in the case of Daily Units, the individual hours for which the Units have been offered in the applicable Auction,

iii. in the case of Intraday Units, the individual hours for which the Units have been offered in the applicable Auction;

Unused Units has the meaning given to it respectively in CHAPTER 8, and is referred, in the Auction Tool, "Not-Nominated capacity";

Use-It-or-Lose-It or **UIOLI** has the meaning given to it in CHAPTER 8;

Use of System Interconnector Agreement means an agreement (including a Framework Agreement as defined in CUSC) between NGET and a Registered Participant in the form agreed by NGET setting out the terms on which the Registered Participant may use the NGET Transmission System in relation to Energy Transmission.

4. For the purpose of these Rules the following Interpretations shall apply unless the context requires otherwise:

a. the singular indicates the plural and vice versa;

c. references to one gender include all other genders; the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of these Rules;

d. the word "including" and its variations are to be construed without limitation;

e. any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

f. any reference to a "Rule" is a reference to a rule contained in the relevant Chapter, any reference in a Schedule to a "paragraph" is a reference to a paragraph contained in that Schedule and any reference to a "Schedule" is a reference to a Schedule to these Rules;

g. any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

h. any reference to a day, month or year is to be construed as a reference to a calendar day, month or year as the case may be;

i. a reference to time is a reference to CET time unless (otherwise specified);

j. the symbol * requires multiplication to be effected;

k. where the Allocation Platform is required to publish any information under these Rules, it may do so by making the information or data available on the NGIC and RTE websites or via the Auction Tool;

l. an obligation to use reasonable endeavours shall be construed as an *obligation de moyens*; and

m. in the English version of these Rules, words in French in italics are to be interpreted in accordance with their meaning in French and in the French version of these Rules, words in English in italics are to be interpreted in accordance with their meaning in English

Rule 4
Allocation Platform

1. The Allocation Platform shall undertake the allocation functions in accordance with these Rules and in accordance with all Applicable Laws.

2. NGIC and RTE operate the Interconnector jointly. Together, they are the Allocation Platform referred to in these Rules and are jointly and severally liable for all acts and omissions of the Allocation Platform under these Rules.

3. NGIC and RTE may commission a third party to operate the Auctions and Nominations on behalf of the Allocation Platform.

Rule 5
Effective date and application

1. Subject to paragraph (4) of Rule 6, an amendment made under this Rule takes effect on the date and time specified by the Allocation Platform in the Amendment Notice.

2. Each amendment applies to any aspect of these Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.

3. Unless expressly stated otherwise by the Allocation Platform, the amended Rules shall govern all rights to use Interconnector Capacity whether acquired under these Rules or the IFA Long Term Allocation Rules and all other rights and obligations acquired under these Rules including those acquired before but for use after the amendment takes effect.

4. Any amendment of these Rules will apply automatically to the Participation Agreement in force between the Allocation Platform and the Registered Participant, without the need for the Registered Participant to sign the amended Rules but without prejudice to the Registered Participant's right to request termination of its Participation Agreement in accordance with Rule 64.

Rule 6
Amendment

1. Subject to this Rule 6, the Allocation Platform is entitled to amend these Rules from time to time by giving an Amendment Notice to Registered Participants.

2. Nothing in this Rule 6 shall prevent a Registered Participant from proposing in writing amendments to these Rules at any time.

3. In the event that a Rule amendment is proposed by a Registered Participant, the Allocation Platform shall, within five (5) Business Days, confirm receipt of the proposed amendment and provide timescales for consideration of the proposal.

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

5. Before making any amendment to these Rules under this Rule, the Allocation Platform will, unless the amendment is urgent or minor in its nature, give Registered Participants a reasonable opportunity, and in any event not less than ten (10) Business Days, to review and give written comments to the Allocation Platform on the proposed amendment. If the Allocation Platform decides to modify a proposed amendment as a result of comments from Registered Participants, they may give Registered Participants a further opportunity to review and comment on the modified proposals under this Rule indicating timescales for provision of such comments
6. These Rules are approved by the relevant regulatory authorities. Accordingly, any Amendment Notice will be issued to Registered Participants only after such approval(s) (as required) has/have been received by the Allocation Platform. Following receipt of such approval(s) the amended Rules will be published on the websites of NGIC and RTE.

7. Annex 1 contains the timings of the IFA processes. Modifications may be made to this Annex and its Appendix by the Allocation Platform to reflect changes in either the French or British electricity markets and/or changes to IFA operational practices by giving at least ten (10) Business Days' notice to Registered Participants.

CHAPTER 2.
Requirements and process for participation in Auctions, Capacity Transfers and Nominations

Rule 7
General Provisions

1. This CHAPTER 2 of the Rules sets out the rules which are applicable to participation by Registered Participants in Auctions, Capacity Transfers and the Nominations process.

2. To qualify as a Registered Participant, a person must become a party to a Participation Agreement in accordance with the relevant provisions of Chapter 2 (*Requirements and process for participation in Auctions and Transfer*) of the IFA Long Term Allocation Rules.

3. To be eligible to participate in Daily and Intraday Auctions or in Capacity Transfers a person must fulfil all applicable conditions specified in Chapter 2 (*Requirements and process for participation in Auctions and Transfer*) of the IFA Long Term Allocation Rules. For the avoidance of doubt, participation in Daily and Intraday Auctions requires a person to be compliant with the provisions related to Collateral as specified in Chapter 3 (*Collaterals*) of the IFA Long Term Allocation Rules.

Rule 8
Costs related to the Participation Agreement

All Registered Participants will participate in Auctions and/ or Capacity Transfers and/or will Nominate at their own cost, expense and risk. The Allocation Platform shall have no liability to any person for any cost, claim, or expense of any Registered Participant in connection with the Registered Participant participating in Auctions and/ or Capacity Transfers and/or the Nominations process.

Rule 9
Regulatory and legal requirements

It is the responsibility of each Registered Participant to ensure that it has complied with all requirements, including Applicable Laws and the requirements of any Competent Authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Interconnector Capacity.

Rule 10
Other issues

1. All Registered Participants participate in Daily and Intraday Auctions and/ or Capacity Transfers on the terms of these Rules and the relevant Auction Specifications.

2. There must be no collusion by any Registered Participants with any other Registered Participants and Registered Participants must not otherwise seek improperly to influence the outcome of any Auction. As a result of evidence of collusive or other improper behaviour which might be considered as unlawful, the Allocation Platform will refer the matter to the relevant Competent Authorities or jurisdictions, inform the Regulators and, upon decision of the Competent Authority or jurisdiction that the Registered Participant's behaviour is unlawful, may disqualify the relevant Bids.

CHAPTER 3.
Collateral

Rule 11

General provisions

1. Collateral must be provided and subsequently maintained and may be increased or decreased in accordance with Chapter 3 (*Collaterals*) of the IFA Long Term Allocation Rules.

Rule 12

Credit Limit

1. A Credit Limit shall be calculated for each Registered Participant in respect of each Daily and Intraday Auction in accordance with Article 23 (*Credit Limit*) of the IFA Long Term Allocation Rules. A Registered Participant will only be able to participate in an Auction under these Rules if its Credit Limit, in respect of that Auction, is greater than zero.

2. The potential maximum commitment associated with any Bid, taking into account taxes and levies in force, will be assessed against the Credit Limit.

3. Any Bid that breaches the Credit Limit shall be automatically rejected, and the Registered Participant may submit a revised lower Bid (provided the Bidding Period has not closed).

4. Any Bid submitted to an Auction will be used to calculate a revised Credit Limit for any concurrent Auction.

Rule 13

Calls on collateral

The Allocation Platform shall be entitled to call on the Collateral of a Registered Participant in accordance with the provisions of Article 26 (*Calls on collaterals*) of the IFA Long Term Allocation.

CHAPTER 4.
Information System Rules

Rule 14
General Provisions for IS Rules

1. Each Registered Participant must establish and maintain, at its own cost, its own Registered Participant Systems. The Allocation Platform shall have no liability in the event that the Registered Participant's System fails, for any reason, to communicate with the Auction Tool.

2. A set of Bids submitted by a Registered Participant in respect of any Auction may not exceed twenty (20) Bids.

Rule 15
Interfaces with the Auction Tool

1. The Allocation Platform will give Registered Participants the information (including updates as applicable) reasonably necessary to enable Registered Participant Systems to interface with the Auction Tool.

2. Each Registered Participant must demonstrate to the reasonable satisfaction of the Allocation Platform its ability to exchange information with the Auction Tool before being eligible to participate in the Auctions and the Nominations process.

3. In this context, the Allocation Platform shall endeavour to give Registered Participants access to a test platform for the Auction Tool to test their interfaces.

Rule 16
Security and confidentiality of communications

1. The Allocation Platform may from time to time, where reasonably necessary for the purpose of protecting the security of communications under these Rules, including those between the Auction Tool and Registered Participant Systems, establish communication protocols and standards with which Registered Participants must comply.

2. Registered Participants accept that data sent to the Auction Tool is binding, and that Registered Participants are fully responsible for those individuals who have access to the Auction Tool on behalf of the Registered Participants.

Rule 17
Training

1. Standard Training for the use of the Auction Tool is available to the Registered Participants upon request to the Allocation Platform. The Allocation Platform will discuss with the Registered Participant the training required in order to determine the nature and extent of such request. When the scope of the required training is agreed, the Allocation Platform will use reasonable endeavours to organise such Standard Training to commence within ten (10) Business Days of such agreement, the duration of which Standard Training to be a maximum of two (2) days.

2. Standard Training for the use of the Auction Tool is available to the Registered Participants free of charge up to a maximum of four sessions per Registered Participant per year.

Rule 18

Bid parameters

1. The Auction Tool is designed to accept any Bid for which the values of price and/or volume fall within the Bid parameters set by the Allocation Platform under paragraph (2) of this Rule as the same may be varied by the Registered Participant under paragraph (3) of this Rule and to reject any Bid for which the values of price and/or volume fall outside the Bid parameters set by the Allocation Platform under paragraph (2) of this Rule as the same may be varied by the Registered Participant under paragraph (3) of this Rule.

2. The Allocation Platform will set default Bid parameters for price and volume within the Auction Tool applicable to all Bids, by specifying for both price and volume a minimum value of zero and a maximum value of one million.

3. The Registered Participant may in respect of its own Bids and from time to time replace the default Bid parameters for price and/or volume set by the Allocation Platform in accordance with paragraph (2) of this Rule with its own preferred values (which must be positive values).

CHAPTER 5.
Auctions

Rule 19

General provisions for Auctions

1. The Allocation Platform will use the following procedures for Auctions:

    a. Auctions for Daily Units, using the procedure described in this CHAPTER 5; and

    b. Auctions for Intraday Units, using the procedure described in this CHAPTER 5.

2. The different types of Auctions referred to above and throughout this CHAPTER 5 are explicit closed Auctions (i.e. Auctions are for Interconnector Capacity only and Registered Participants have no visibility of other Registered Participants' Bids).

3. Each category of Unit will be auctioned separately. Daily and Intraday Units will be auctioned respectively in single Auctions. Separate Auctions may be conducted concurrently.

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

5. Auctions will be conducted electronically via the Auction Tool except in the case of failure of the Auction Tool as described. In such a case, the Allocation Platform may allocate the Units using a procedure for conducting the Auctions by email or fax to be specified by the Allocation Platform.

Rule 20

Cancellation, suspension, deferral

1. The Allocation Platform may be forced to cancel an Auction for instance in the unlikely event of unavailability or technical difficulties:

    a. before and during the course of the Auction itself: Registered Participants are informed by a message that appears directly on the Auction Tool or by an electronic message;

    b. after the Final Results have been published, in the event of erroneous Final Results: Registered Participants are informed by an electronic message, corresponding Units are reduced to zero (0) and CHAPTER 10 will be applied as if a Capacity Shortage has occurred under Rule 51.

2. The Allocation Platform shall notify the Registered Participants as soon as possible of the reasons which caused the Auction cancellation.

3. With the exception of Intraday Auctions, the Allocation Platform may defer the dates or times of an Auction by notifying Registered Participants of the revised date or time of such Auction. In this event, the Bidding Period will open and close at the revised time as notified

by the Allocation Platform. Only Bids submitted during the revised Bidding Period and confirmed by the Allocation Platform will be valid.

4. If the backup procedure described in Rule 19 cannot, in the reasonable opinion of the Allocation Platform, and based on objective grounds (for example due to a lack of time or to technical difficulties), be implemented as necessary to enable an Auction to be conducted, the Auction will be deferred.

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

6. When an Explicit Daily Auction is cancelled, the daily Offered Capacity is allocated to the subsequent relevant Intraday Auctions.

Rule 21

Auction Specification

1. The Allocation Platform shall publish the Auction Specification in accordance with the provisions of this Rule 21.

2. Not later than five (5) minutes before the opening of the Bidding Period for an Explicit Daily Auction, the Allocation Platform will publish the specifications for an Explicit Daily Auction in accordance with the requirements of this Rule 21.

3. No later than fifteen (15) minutes before the opening of the Bidding Period of the relevant Intraday Auction, the Allocation Platform will publish the specification for the Intraday Auction in accordance with the requirements of this Rule 21.

4. Each Auction will be of Units. Units will be divided into categories as specified by the Allocation Platform and the Auction Specification shall state:

   (a) the code identifying the Auction in the Auction Tool;

   (b) type of Interconnector Capacity Rights (e.g. Physical Transmission Rights);

   (c) relevant Timescale (e.g. Daily, Intraday);

   (d) form of product (e.g. base, peak, off-peak);

   (e) identification of the direction covered which will either be “England to France” or “France to England”;

   (f) the Product Period;

   (g) Reduction Period(s) associated with the Product Period when applicable;

   (h) the Bidding Period;

   (i) the deadline for the publication of the final Auction results;

   (j) the Offered Capacity, as defined in Rule 22;

   (k) any other relevant information or terms applicable to the product or the Auction.

Rule 22

Offered Capacity

1. The Offered Capacity for any Contract Day in Daily Auctions will include:

   (a) Available Interconnector Capacity (in the form of Units) not already allocated to Registered Participants pursuant to Long Term Auctions under the IFA Long Term Allocation Rules and that is not unavailable due to Outages and/or due to the application of Curtailment; and

   (b) Unused Units (if any) that have become available for the Daily Auctions pursuant to Chapter 7 (*Use and remuneration of Long Term Transmission Rights*) of the IFA Long Term Allocation Rules and that are not unavailable due to Outages and/or due to the application of Curtailment; and

   (c) Units (if any) that have become available by application of Netting on Long Term Nominations and that are not unavailable due to Outages and/or due to the application of Curtailment; and

   (d) The available Interconnector Capacity rights already allocated to Registered Participants which will be reallocated as a result of suspension or termination in accordance with Rule 63 and Rule 64.

2. The Offered Capacity for any Contract Day in Intraday Auctions (subject to any limitations due to real time system security reasons) will include:

   (a) Unused Units (if any) that have become available for the Intraday Auctions under CHAPTER 8 and that are not unavailable due to Outages and/or due to the application of Curtailment; and

   (b) Potentially available Interconnector Capacity (in the form of Units) not already allocated to Registered Participants and that is not unavailable due to Outages and/or due to the application of Curtailment; and

   (c) Netted Units (if any) that have become available for the Contract Day and that are not unavailable due to Outages and/or due to the application of Curtailment; and

   (d) The available Interconnector Capacity rights already allocated to Registered Participants which will be reallocated as a result of suspension or termination in accordance with Rule 63 and Rule 64.

Rule 23

Daily Auctions

1. In accordance with this Rule, the Allocation Platform will conduct Explicit Daily Auctions for Daily Units.

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

3. Explicit Daily Auctions are held seven (7) days a week, including weekend and public holidays, provided that the Offered Capacity for Explicit Daily Auctions is at least one (1) Unit (to the extent that the NTC permits).

4. [not used].

5. [not used]

6. [not used].

7. The Bidding Period for each Explicit Daily Auction will be at such times specified by the Allocation Platform in Annex 1 of these Rules or in the relevant Auction Specification. In case of contradiction between the times specified in Annex 1 and in the relevant Auction Specification, the Auction Specification shall prevail.

Rule 24
Intraday Auctions

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

2. Intraday Units can be allocated in one or more Intraday Auctions.

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

4. Intraday Auctions are held seven (7) days a week including weekends and public holidays, provided that the Offered Capacity for Intraday Auctions is at least one (1) Unit (to the extent that the NTC permits, and subject to the outcome of UIOLI processes pursuant to CHAPTER 8).

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

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

a. the Intraday Auction held on day "D-1" is for Units relating to use of Interconnector Capacity on the Contract Day which commences at 00:00hrs on day "D" and is in respect of a specific period of such Contract Day;

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

7. The Bidding Period for each Intraday Auction will be at such times specified by the Allocation Platform in Annex 1 of these Rules or in the relevant Auction Specification. In case of contradiction between the times specified in the annex and in the relevant Auction Specification, the Auction Specification shall prevail.

Rule 25

Bid submission

1. The Registered Participant shall submit Bids in accordance with this Rule 25 and in accordance with CHAPTER 4.

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

3. The Registered Participant shall submit a Bid or set of Bids to the Allocation Platform in accordance with following requirements:

   (a) it shall be submitted electronically using the Auction Tool and during the Bidding Period as specified in Auction Specification;

   (b) it shall be in the form and include the information required by the Allocation Platform from time to time;

   (c) it shall identify the Auction via an identification code;

   (d) it shall identify the Registered Participant submitting the Bid, using the form of identification required by the Allocation Platform for the purposes of Auctions;

   (e) it shall identify the direction for which the Bid is submitted;

   (f) it shall state the price for the Bid in euros. All prices bid must be to a maximum of two decimal places and must be a price per Unit for one hour of the Product Period of the Unit. Therefore, Units Prices for any Product Period will be a price per megawatt hour (€/MWh); it shall state the number of Units being bid for, in full MW which must be expressed without decimals, minimum amount of a single Bid is one (1) MW.

4. The Registered Participants will submit their Bids either via a webform through the Auction Tool or by such other means as specified by the Allocation Platform from time to time, pursuant to CHAPTER 4. The format of such Bid submission shall be as specified by the Allocation Platform or to any other technical recommendations provided by the Allocation Platform;

5. If a Bid quantity, or a quantity calculated as a sum of the Bid quantity for several Bids submitted for the same Auction, by a Registered Participant exceeds the Offered Capacity announced in the final Auction Specification, this Bid or these Bids shall be completely rejected. Where a modification of previously submitted Bids results in exceeding the Offered Capacity, the modification shall be rejected and the previously registered Bids will stand.

6. If a Bid quantity or a quantity calculated as a sum of the Bid quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the Offered Capacity announced after the Bids submission, the Bids with the lowest Bid Price will be rejected one by one until the total allowed Bid quantity is lower or equal than the Offered Capacity.

7. The above mentioned process shall apply to all forms of an Auction product and all Long Term allocation timeframes.

8. All Bid prices are deemed to be exclusive of Taxes.

Rule 26
Bid registration

1. The Allocation Platform shall not register a Bid that:

   (a) does not comply with the requirements of Rule 25; or

   (b) is submitted by a Registered Participant who is suspended in accordance with Rule 63.

2. Provided that a Bid or a set of Bids fulfils the requirements set forth in Rule 25, the Allocation Platform shall confirm to the Registered Participant that such Bid(s) have been correctly registered by an acknowledgment of receipt via the Auction Tool. If the Allocation Platform does not issue an acknowledgment of receipt for a Bid, such Bid shall be deemed not to have been registered.

3. The Allocation Platform shall notify a Registered Participant whose Bid is rejected as invalid and the reason for this rejection, without undue delay after the Bid is rejected.

4. The Allocation Platform shall maintain a record of all valid Bids received.

5. Each valid Bid registered at closure of the Bidding Period shall constitute an unconditional and irrevocable offer by the Registered Participant to buy Units up to the Bid quantity and at prices up to the Bid Price and under the terms and conditions of these Rules and the relevant Auction Specification.

Rule 27
Default Bid

1. The Registered Participant may place Default Bids for Explicit Daily Auctions and Intraday Auctions.

2. A Default Bid, once identified as such by the Registered Participant, shall apply automatically to each subsequent relevant Auction as defined by the Registered Participant when placing the Default Bid. At the opening of a relevant Bidding Period, the registered Default Bid shall be considered as a Bid submitted by the Registered Participant for the relevant Auction. This Bid shall be considered as delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

3. If a Default Bid quantity or a quantity calculated as a sum of the Bid quantity for several Default Bids submitted for the same Auction by a Registered Participant exceeds the final Offered Capacity, the Bids with the lowest Bid Price shall be rejected one by one until the total allowed Bid quantity is reached.

4. A Registered Participant may modify a Default Bid for a future Auction by changing the Bid quantity and the Bid Price of its Default Bids before the applicable Auction Bidding Period opening.

5. A Registered Participant not wishing to submit the Default Bid on the Auction Tool for future Auctions can cancel its Default Bids before the subsequent Auction Bidding Period opening.

Rule 28
Credit Limit verification

Upon submission by a Registered Participant of a Bid or Set of Bids to the Auction Tool, a Credit Limit verification shall be conducted in accordance with Article 34 (*Credit Limit verification*) of the IFA Long Term Allocation Rules.

Rule 29
Auction Results Determination

1. After the expiration of the Bidding Period for a Daily or Intraday Auction and the Credit Limit verification pursuant to Rule 28, the Allocation Platform shall determine the Auction results and allocate Daily and Intraday Units in accordance with this Rule 29.

2. The Auction results determination shall include the following:

   (a) determination of the total quantity of the allocated Daily and Intraday Units per direction;

   (b) identification of winning Bids to be fully or partially satisfied; and

   (c) determination of the Marginal Price for the France-England border and direction.

3. The Allocation Platform shall determine the Marginal Price and direction based on the following criteria:

   (a) if the total quantity of Units for which valid Bids have been submitted is lower than or equal to the Offered Capacity for the relevant Auction, then such valid Bids will be accepted and the Marginal Price shall be zero;

   (b) if the total quantity of Units for which valid Bids have been submitted exceeds the Offered Capacity for the Auction in question, the Marginal Price shall be set at the lowest Bid(s) Price(s) allocated in full or in part using the respective Offered Capacities.

4. If two (2) or more Registered Participants have submitted for one direction valid Bids with the same Bid Price, that cannot be accepted in full for the total requested quantity of Daily or Intraday Units, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Units per Registered Participant based on a pro rata approach as follows:

(a) the Units available for the Bids which set the Marginal Price shall be divided equally between the number of the Registered Participants which submitted these Bids;

(b) if the quantity of Units requested by a Registered Participant at the Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;

(c) if the requested quantity of Units by a Registered Participant at the Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;

(d) any remaining Units after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.

5. Whenever the calculation set forth in this Rule does not result in a whole MW amount, the allocated Units shall be rounded down to the nearest full MW.

6. The Units are deemed to have been allocated to a Registered Participant after the publication of the Final Results of the relevant Auction.

7. Registered Participants acknowledge and accept that their Bids may be partially accepted according to the methodology above.

Rule 30

Notification of final Auction results

1. The Allocation Platform will publish on the Auction Tool the final Auction Results:

(a) for each Explicit Daily Auction as soon as practicable after the end of the Bidding Period; and

(b) for each Intraday Auction as soon as practicable and within fifteen (15) minutes after the end of the Bidding Period.

2. The publication of the final Auction results in the Auction Tool shall comprise at least the following data:

(a) total requested Interconnector Capacity rights (expressed in MW);

(b) total allocated Interconnector Capacity rights (expressed in MW);

(c) Marginal Price (expressed in EUR/MW per hour);

(d) number of Registered Participants participating in the Auction;

(e) list of names and number of Registered Participants who placed at least one winning Bid in the Auction;

(f) list of registered Bids without identification of the Registered Participants (bid curve); and

(g) Auction income.

3. The Allocation Platform shall make available via the Auction Tool to each Registered Participant who submitted a Bid to a specific Auction at least the following data:

(a) allocated Interconnector Capacity rights for each hour of the Product Period (expressed in MW);

(b) Marginal Price (expressed in EUR/MW per hour); and

(c) due amount for allocated Interconnector Capacity rights (expressed in EUR, rounded to two decimal places).

4. Should the Allocation Platform not publish the Final Results within the relevant timeframe, the Allocation Platform will keep Registered Participants informed of the new timeframe of publication and/or any other consequences related to the relevant results.

Rule 31

Contestation of Auction Results

1. Any query on Explicit Daily Auction results shall be considered as a Dispute and must be made in accordance with Rule 62. Only queries where the Registered Participant believes there is an error in the Auction results shall be considered as a Dispute.

2. Due to time constraints in the Intraday process, there is no time for checking Auction results after an Intraday Auction. Any query on Intraday Auction results shall be considered as a Dispute and must be made in accordance with Rule 62. Only queries where the Registered Participant believes there is an error in the Auction results shall be considered.

CHAPTER 6.
Transfer of Daily Units and Intraday Units

Rule 32
General provisions

1. Daily Unit and Intraday Unit holder(s) may transfer their Units to another Registered Participant once the Auction results in respect of those rights are final. Regardless of how the transfer was concluded, it shall be notified to the Allocation Platform following the process pursuant to Rule 33 and via the Auction Tool according to a format specified on the Allocation Platform's website.

2. The minimum volume of Units that may be transferred shall be one (1) MW over one (1) hour.

3. [not used].

4. The Allocation Platform will not charge a transaction fee for allocated Capacity Transfers.

Rule 33
Process of the transfer

1. The transferor shall send a notification of the transfer to the Allocation Platform via the Auction Tool with the following information:

   (a) the EIC codes of the transferor and transferee;

   (b) the time period of the transfer including the start and end dates and hours; and

   (c) the Volume (MW) of the transferred Units defined per hour.

2. The notification of the transfer shall be delivered to the Allocation Platform in accordance with the relevant timings specified in Annex 1.

3. In order to be able to transfer the Units the following requirements must be fulfilled:

   (a) the transferor and transferee have a valid and effective Participation Agreement with the Allocation Platform at least for Capacity Transfers;

   (b) the transferor holds the concerned Interconnector Capacity rights at the time of the notification of the transfer;

   (c) the transferor has fulfilled its financial obligations pursuant to these Rules regardless of whether the transferor transfers all or only part of its Units and regardless of whether the transferor transfers Units to a single Registered Participant or to several Registered Participants; and

   (d) the transferor has delivered the notification of the transfer before the deadline pursuant to paragraph 2 of this Rule.

4. The Allocation Platform shall issue without undue delay an acknowledgement of receipt of the notification to the transferor. Where the notification fulfils the requirements pursuant to

paragraph 3 of this Rule the Allocation Platform shall inform the transferee about the notification of the transfer.

5. In the event that the acknowledgement is not sent by the Allocation Platform, the concerned notification shall be deemed not to have been submitted.

6. The notification of transfer shall be confirmed by the transferee within the relevant period of time in accordance with Annex 1.

7. In the event that the transferee does not confirm the transfer by the deadline pursuant to paragraph 6, the Allocation Platform shall automatically cancel the process of the transfer notification.

8. The Allocation Platform shall then issue without undue delay to the transferor and the transferee a second acknowledgement via the Auction Tool stating either:

   (a) that the transfer notification has been accepted and is effective; or

   (b) that the transfer notification has been rejected including the reason(s).

9. If for any technical reason the acknowledgement is not sent by the Allocation Platform, the concerned transfer is deemed not to have been submitted.

10. The Transferor shall not be entitled to withdraw the transfer notification once the transferee has accepted it. The transferee may initiate another transfer to transfer the Units further.

11. If the Auction Tool fails and, in the reasonable opinion of the Allocation Platform, it is not practicable to operate Capacity Transfers electronically, the Allocation platform may use a backup procedure by email or fax, as specified from time to time, in order to conduct Capacity Transfers and to allocate the Units resulting from Capacity Transfers.

12. If the backup procedure described in paragraph (11) cannot, in the reasonable opinion of the Allocation platform, be implemented as necessary to enable Capacity Transfers to be operated, the Capacity Transfers will be deferred. If the deferral of Capacity Transfers is not considered possible by the Allocation Platform, the Capacity Transfers will be cancelled and all Capacity Transfers notices already submitted will be automatically cancelled.

Rule 34

Legal consequences of the transfer

All rights and obligations resulting from these Rules, with exception of the payment obligation of the original Unit holder regarding the allocation of Units pursuant to CHAPTER 11, shall be transferred together with the Units.

CHAPTER 7.
Nomination Rules

Rule 35
General principles

1. Each Unit entitles the Registered Participant that acquires it (whether at an Auction and whether pursuant to these Rules or the IFA Long Term Allocation Rules) to use Interconnector Capacity by issuing a Mid-Channel Nomination in accordance with this CHAPTER 7, for an Energy Transmission of 1MW at mid channel but only:

    a. in the direction specified for that category of Unit; and

    b. in Settlement Periods during the Unit Validity Times of that Unit,

    and subject to and on the terms and conditions of these Rules including Curtailment and as specified in the relevant Auction Specification.

2. The Allocation Platform shall make available via the Auction Tool, at its sole discretion, the Registered Participants' summary of acquired Units for any given Contract Day.

3. Unit Holders must comply with the Business Rules in Annex 1, including the timing of Mid-Channel Nominations.

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

5. A Registered Participant will not be entitled to use any Interconnector Capacity (including Long Term Interconnector Capacity allocated under the IFA Long Term Allocation Rules) other than at the times, in the manner and to the extent provided for under these Rules.

Rule 36
Rights Document

1. The Rights Document for a Unit Holder for a Contract Day in a direction and for Daily and Intraday Timescales is a schedule showing, the total number of MW of Interconnector Capacity the Unit Holder is entitled to Nominate during each hour of that Contract Day in that direction and for the relevant Timescale determined in accordance with these Rules. Each Registered Participant will for a Contract Day and in each direction be notified of its Daily and Intraday Interconnector Capacity rights in the Rights Documents. Long Term Interconnector Capacity rights for a Contract Day in a direction will be as set out in the Rights Document issued under the IFA Long Term Allocation Rules

2. The Allocation Platform will notify each Registered Participant of its Daily and Intraday Interconnector Capacity rights for the Contract Day "D" by issuing a Rights Document before the gate-opening of the relevant Timescale for that Contract Day at the times specified in Annex 1.

Rule 37

Mid-Channel Nominations (or MCNs)

1. For each hour in a Contract Day for which a Daily or Intraday Rights Document has been issued by the Allocation Platform under these Rules, or a Long Term Rights Document has been issued under the IFA Long Term Allocation Rules, each Unit Holder may Nominate to the Allocation Platform an Energy Transmission at mid-channel up to but not exceeding the Registered Participant's Interconnector Capacity rights set out in the Rights Document in the relevant direction in that hour ("Mid-Channel Nomination").

2. The Unit Holder shall Nominate its Mid-Channel Nominations no later than the relevant Nomination Gate Closure for all relevant hours as referred in the Rights Document. The timescales for submitting Nominations are contained in Annex 1.

3. Annex 1 specifies the Intraday Nomination Gate Closures. Where a Unit Holder Nominates a Mid-Channel Nomination for a specific hour at an Intraday Nomination Gate Closure that is not the final Nomination Gate Closure for such hour, the Unit Holder may subsequently modify its Mid-Channel Nomination prior to the last Nomination Gate Closure that applies in respect of such hour(s).

4. The Allocation Platform will reject a Nomination in its entirety for the Contract Day where the corresponding Mid-Channel Nomination(s) in one or more hours exceed(s) the Registered Participant's Interconnector Capacity rights set out in the Rights Document.

5. The Mid-Channel Nomination for each hour in the Contract Day must be expressed in whole MW, with a single value, greater than or equal to zero, for each hour.

6. Mid-Channel Nominations are not subject to any modification by the Registered Participants after the relevant Gate-Closure pursuant to Annex 1.

7. In the absence of a Nomination by a Unit Holder in a direction, the corresponding Mid-Channel Nominations are assumed to be equal to zero.

Rule 38

Nominations submission

1. Each Registered Participant must notify its Nominations electronically.

2. Nominations shall be submitted in the formats specified by the Allocation Platform and pursuant to any other technical recommendations provided by the Allocation Platform to the Registered Participants.

3. Subject to paragraph (4) of Rule 37, and provided that the format of the Nomination is in accordance with paragraph (2) of this Rule, the Allocation Platform will acknowledge receipt of the Nomination to Registered Participants by a message indicating that the Nomination has been correctly registered.

4. Only Nominations confirmed as correctly registered shall be valid.

5. In the event of a problem of communication between the Unit Holder and the Auction Tool due to an Auction Tool failure, the Unit Holder may contact the Allocation Platform to request, in respect of Nominations periods of which gate-closure has not occurred, that the Unit Holder be permitted to send its Mid-Channel Nominations by email or fax to the Allocation Platform.

Rule 39

Cancellation of a Nomination Gate Closure

1. In the event of technical difficulties with the Auction Tool, the Allocation Platform may be forced to cancel a Nomination Gate Closure. In that case, the Allocation Platform shall inform the Registered Participants as soon as practicable of such cancellation.

2. Should the Allocation Platform cancel a Daily Nomination Gate Closure, the Unit Holder's corresponding Interconnector Capacity rights set out in the Rights Document will be compensated at the price of the Units corresponding to such rights.

3. Should the Allocation Platform cancel an Intraday Nomination Gate Closure, the Unit Holder's corresponding Interconnector Capacity rights set out in the Rights Document will be compensated at the price of the Units corresponding to such rights, for Settlement Periods for which the cancelled Gate-closure is the last one.

4. Notwithstanding the above paragraph (3) of this Rule, where the cancellation of an Intraday Nomination Gate Closure is due to a national time change notified to the Registered Participants three (3) days in advance by the Allocation Platform, the Unit Holder's corresponding Interconnector Capacity rights will not be compensated.

Rule 40

Default Nominations

1. Default Nominations can be activated by the Unit Holder per Timescale. Where they are activated, all MCNs for the relevant Timescale would be automatically generated at the value of the relevant Interconnector Capacity rights set out in the Rights Document for each hour of that Contract Day.

2. Unit Holders may activate Default Nominations independently for Long Term, Daily and Intraday Timescales.

3. The registered Default Nomination is considered as a schedule of Mid-Channel Nominations submitted by the Unit Holder for the relevant Timescale at the opening of the relevant period for Nomination. This Mid-Channel Nomination is considered as valid once confirmed as such by the Allocation Platform.

4. The Unit Holder may modify the Mid-Channel Nomination resulting from the Default Nomination within the relevant Nomination period.

5. The Unit Holder may deactivate its Default Nomination on the Auction Tool at any time. Where such deactivation is during a relevant Nomination period, any existing valid Mid-Channel Nomination resulting from a Default Nomination remains unchanged.

Rule 41

Deemed Metered Volumes

If a Registered Participant submits a valid Mid-Channel Nomination for an Energy Transmission for a Settlement Period, then the Allocation Platform will ensure that a corresponding Deemed Metered Volume, adjusted for losses on the Interconnector and for any reductions in MCNs as a result of Curtailment, is allocated to the relevant Energy Accounts of the Registered Participant for the purposes of each of the Balancing and Settlement Code and the RTE Settlement Arrangements using the Deemed Metered Volume allocation rules set out in Annex 2.

Rule 42

Submission of Physical Notifications

NGIC will calculate and submit to NGET Physical Notifications for each Settlement period on behalf of each Registered Participant, based on the aggregate of MCNs received from each Registered Participant across all Timescales in respect of each Settlement Period.

CHAPTER 8.
Use It or Lose It (UIOLI)

Rule 43
General principles

1. The provisions of this CHAPTER 8 detail the means by which capacity unused by a Unit Holder can be made available for other Registered Participants to acquire.

2. If following the cancellation of any Explicit Daily Auction such that Long Term Unused Units are not made available in any Daily Auction, each relevant Unit Holder will be compensated for such Long Term Unused Units on the basis of CHAPTER 10.

Rule 44
UIOLI applying on Daily Nominations

1. To the extent that any Unit Holder does not Nominate any Daily Unit(s) associated with its Daily Interconnector Capacity rights (derived from an Explicit Daily Auction) for any hour of a Contract Day, it will lose the right to use such Daily Unit(s) on that Contract Day in accordance with this Rule.

2. [not used].

3. Unused Units resulting from the process described in this Rule 44 are then subject to the following:

   (a) these Unused Unit(s) will be unavailable for subsequent use by the Unit Holder;

   (b) the Unit Holder's rights and obligations in relation to its other Units, whether Unused or not Unused, will not be affected;

   (c) the Unit Holder shall still pay the Allocation Platform for its Unused Unit(s), except where such Unused Units were acquired in a Capacity Transfer;

   (d) the Allocation Platform will make Unused Unit(s) available in the appropriate Intraday Auction for the same Contract Day; and

   (e) the proceeds of the sale of the Unused Units in the relevant Intraday Auction will not be paid by the Allocation Platform to the Unit Holder.

4. To the extent that any Intraday Units remain unused such Intraday Units shall be treated as Unused Units and shall be subject to the following:

   (a) these Unused Unit(s) will be unavailable for subsequent use by the Unit Holder;

   (b) the Unit Holder's rights and obligations in relation to its other Units, whether Unused or not Unused, will not be affected;

   (c) the Unit Holder shall still pay the Allocation Platform for these Unused Unit(s), except where such Unused Units were acquired in a Capacity Transfer; and

(d) these Unused Units will not be made available in any subsequent Auction.

5. If an Intraday Auction is cancelled, Unit Holders will not be compensated for Daily Unused Units.

CHAPTER 9.
Outages

Rule 45
General provisions for Outages

1. The Allocation Platform will give Registered Participants information about Outages in accordance with this Rule.

2. The Allocation Platform will publish an indicative schedule of Outages for the forthcoming year, specifying the expected start and end dates of each Outage and the expected NTC during each Outage and otherwise as necessary to comply with the requirements of the Transparency Regulation and/or any applicable national legislation.

Rule 46
Changes in outages

1. The Allocation Platform will update the information given under Rule 45 as soon as practicable after any changes are known.

2. The Allocation Platform will use reasonable endeavours to ensure that the information provided under this Chapter is accurate and that Outages take place as indicated by the information.

3. Notwithstanding paragraph (1) of Rule 45, each Registered Participant acknowledges that circumstances may arise that require the Allocation Platform to take Outages at times other than those planned and therefore the Allocation Platform remains free to plan and execute any Outages that it considers necessary.

4. Without prejudice to Rule 61, the Allocation Platform excludes any and all liability for any claims, payments, costs and expenses arising out of any differences between the information provided under this Chapter and actual Outages (other than credits calculated under Rule 55), whether the claim arises in contract or on any other basis, except to the extent that liability cannot be excluded by law.

Rule 47
Unexpected availability

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

Rule 48
Forced Outages and Trips

The Allocation Platform will notify Registered Participants of any Forced Outages or Trips as soon as practicable after the Forced Outage is arranged or the Trip occurs. Following this initial notice, the Allocation Platform will as soon as practicable give Registered Participants information about the Forced Outage or the Trip including where possible the expected

NTC and its expected duration. These details will be given for information purposes only and they are not binding on the Allocation Platform and Rule 46 will apply to this information.

CHAPTER 10.
Curtailment

Rule 49

General provisions for Curtailment

1. This Rule 49 permits the Curtailment of Daily and Intraday Interconnector Capacity secured by Registered Participants under these Rules and Daily and Intraday Mid-Channel Nominations. Long Term Interconnector Capacity and Long Term Mid-Channel Nominations shall be subject to Curtailment under the relevant provisions of the IFA Long Term Allocation Rules.

2. The Allocation Platform will Curtail Daily and Intraday Interconnector Capacity secured by all Unit Holders, and if necessary their Mid-Channel Nominations, during each Settlement Period in which there is an emergency situation or force majeure in accordance with this Chapter. Registered Participants acknowledge that an emergency situation or force majeure, or any increase or decrease in the Curtailment Quantity during an emergency situation or force majeure, which arises after the relevant Nomination Gate Closure will be reflected in the calculation of Deemed Metered Volumes in accordance with Annex 2.

3. A Capacity Shortage shall be automatically deemed by the Allocation Platform as requiring a curtailment in the event of an emergency situation and/or Force Majeure to the extent it occurs after the Day-Ahead Firmness Deadline.

4. Each Unit Holder whose Units are Curtailed by the Allocation Platform in the event of an emergency situation or force majeure will lose its entitlement to use Interconnector Capacity to the extent of that Curtailment.

Rule 50

Notice to the Registered Participants

1. The Allocation Platform shall inform Registered Participants of any Curtailment, as soon as practicable, after the need for Curtailment is known stating the reason as an emergency situation or force majeure, the effect of which will be available on the Auction Tool.

2. The Allocation Platform will inform Registered Participants of the anticipated duration of such emergency situation or force majeure as soon as practicably possible after any change.

Rule 51

Capacity Shortage

1. A Capacity Shortage occurs in any minute in a direction if:

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

   where:

   a. NTC_{dir} is the value of the Net Transfer Capacity at that time in that direction; and

   b. Σ CapaGNCdir is the sum of the Interconnector Capacity rights across all Registered Participants in that direction, including Daily and Intraday rights allocated under these Rules, for any Timescale for which Nomination Gate Closure has not yet occurred, (before curtailment of these rights in respect of the relevant Capacity Shortage); an

c. Σ MCN^{GC}_{dir} is the sum of the MCN values across all Registered Participants in that direction for all Timescales for which Nomination Gate Closure has occurred, (before curtailment of that MCN in respect of the relevant Capacity Shortage in accordance with these Rules); and

d. Σ MCN^{GC}_{opp} is the sum of the MCN values across all Registered Participants in the opposite direction for all Timescales, for which Nomination Gate Closure has occurred, (before curtailment of that MCN in respect of the relevant Capacity Shortage in accordance with these Rules).

And the "Curtailment Quantity" is the positive number equal to the difference between NTC_{dir} in such direction and (Σ $Capa^{GNC}_{dir}$ + Σ MCN^{GC}_{dir} – Σ MCN^{GC}_{opp}) when there is an emergency situation and/or Force Majeure.

Rule 52

Curtailment of Intraday and Daily units

1. If there is an emergency situation or force majeure in any Settlement Period and there is a Capacity Shortage, the Daily and Intraday capacity rights of all Registered Participants in that Settlement Period may be Curtailed by the Allocation Platform under this Rule. If necessary Mid-Channel Nominations for all Timescales in that Settlement Period may also be curtailed as described in this Rule.

2. If there is an emergency situation or force majeure in any Settlement Period and there is a Capacity Shortage, the Daily and Intraday Interconnector Capacity rights, in respect of which Rights Documents have not been published at the time of the Curtailment incident being recorded in the Auction Tool, in that Settlement Period, are Curtailed pro rata for all Registered Participants. Each relevant Unit Holder will lose its entitlement to use such Curtailed Interconnector Capacity.

   For the avoidance of any doubt, the Interconnector Capacity rights are curtailed in the following order:

   i) Intraday Interconnector Capacity rights (where Intraday Rights Documents have not been published) in accordance with these Rules;

   ii) Daily Interconnector Capacity rights (where Daily Rights Documents have not been published) in accordance with these Rules; and

   iii) Long Term Interconnector Capacity rights (where Long Term Rights Documents have not been published) in accordance with the IFA Long Term Allocation Rules in the following order: from the shortest Product Period duration to the longest Product Period duration. Products with the same Product Period duration (e.g. both calendar annual and financial annual) will be curtailed in the same proportions.

3. If there is an emergency situation or force majeure in any Settlement Period being recorded in the Auction Tool between the issue of Rights Documents and Nomination Gate-Closure for a given Timescale, the Curtailment process, in that Settlement Period, is deferred until such Nomination Gate-Closure, following which the Curtailment provisions of this Rule shall apply.

4. For each affected Registered Participant, the remaining of Units which have not been curtailed shall be rounded down to the nearest MW.

Rule 53

Curtailment of nominated Intraday and Daily Units

If the sum of all Daily and Intraday Interconnector Capacity rights, in respect of which Rights Documents have not been published at the time of the emergency situation or force majeure being recorded in the Auction Tool, in that Settlement Period, is Curtailed, and if further Curtailment is required, the MCN values, in that Settlement Period, for which Nomination Gate Closure had occurred prior to the time of the emergency situation or force majeure being recorded in the Auction Tool, are Curtailed provided that there is a Capacity Shortage in the following order:

i) Intraday MCNs (where Intraday Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with these Rules;

ii) Daily MCNs where Daily Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with these Rules;

iii) and finally the following products on a pro rata basis:

- Long Term Interconnector Capacity rights (where Long Term Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with the IFA Long Term Allocation Rules;

- Long Term MCNs (where Long Term Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with the IFA Long Term Allocation Rules.

Rule 54

Curtailment of Daily and Intraday Units notified for Transfer

If there is an emergency situation or Force Majeure and there is a Capacity Shortage in any Settlement Period to the potential Curtailment of Daily Units and/or Intraday Units notified for Capacity Transfer by a Registered Participant to the Allocation Platform:

i) if the Capacity Transfer has been confirmed by the party to whom the Capacity Transfer was made before the Curtailment, the Units are Curtailed and a credit is made to such Party in accordance with Rule 55;

ii) if the Capacity Transfer has not been confirmed by the party to whom the Capacity Transfer is being made before the Curtailment, the Capacity Transfer is cancelled in its entirety by the Allocation Platform, the corresponding Units are returned to the party which submitted the associated Capacity Transfer Notice and no credit is due to the party which had not confirmed the Capacity Transfer. These Units are then subject to Curtailment in accordance to Rule 52 and 53.

Rule 55

Compensation of curtailed Intraday and Daily Units and nominated Units

1. Holders of curtailed Intraday and Daily Units under Rule 52, Rule 53 and Rule 54(i) shall be entitled to receive compensation/reimbursement for a force majeure or emergency situation at the Marginal Price paid at the initial auction.

CHAPTER 11
Invoicing and Payment

Rule 56
General principles

1. Each Registered Participant must pay the Allocation Platform the Unit Prices for all Unit Quantities acquired pursuant to these Rules even if all or some of the Units have been Capacity Transferred as set out in CHAPTER 6, or if the Registered Participant does not use the corresponding Interconnector Capacity;

1. All prices set out according to this CHAPTER 11 are indicated in Euros;

2. All payments made according to this CHAPTER 11must be in Euros;

3. Unless notified otherwise, NGIC will invoice the Registered Participant for the Units acquired in the direction "England to France", and RTE will invoice the Registered Participant for the Units acquired in the direction "France to England".

Rule 57
Calculation of due amounts

1. Registered Participants shall pay for each of the Units allocated to them an amount equal to:

   (a) the Marginal Price (per MW per hour); multiplied by

   (b) the sum of Units in MW allocated in individual hours of the Product Period in accordance with Rule 29.

2. The amount due plus any applicable taxes, duties or other charges, shall be rounded to two decimal places.

Rule 58
Invoicing and payment conditions

1. No later than the 11th Business Day of each month M, the Allocation Platform will send by postmail (or by any other means as indicated from time to time by the Allocation Platform) to the Registered Participant an invoice or credit note stating:

   a. the amount payable by the Registered Participant in respect of Daily and Intraday Units, calculated as the product of the Unit Quantity and the Unit Price;

   b. Intraday Units subject to Capacity Transfer by or to the Registered Participant;

   c. any amounts payable or credits due to the Registered Participant by the Allocation Platform under CHAPTER 10;

   d. any amount payable by the Registered Participant to the Allocation Platform for any training requested by the Registered Participants, in addition to the Standard Training provided to the use of the Auction Tool pursuant to Rule 17;

   e. any Taxes payable by the Registered Participant or the Allocation Platform in respect of amounts in the invoice;

f. the total amounts payable by the Registered Participant to the Allocation Platform under that invoice (or receivable by the Registered Participant from the Allocation Platform under that credit note);

g. any other information required to be included in the invoice under English or French law.

2. Where an invoice issued by the Allocation Platform does not contain full background data for the derivation of invoice summary amounts, then the Registered Participant may consult the Auction Tool to obtain such background data;

3. The Allocation Platform may fulfil the requirements of this Rule 58 by issuing a consolidated invoice in accordance with Article 65 (*Invoicing and payment conditions*) of the IFA Long Term Allocation Rules;

4. Article 65 (*Invoicing and payment conditions*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to the payment of any amount invoiced in accordance with this Rules.

Rule 59

Payment disputes

Article 66 (*Payment disputes*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to the payment of any amount invoiced in accordance with Rule 58.

Rule 60

Late payment and payment incident

Article 67 (*Late payment and payment incident*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis in respect of any amounts invoiced in accordance with Rule 58.

CHAPTER 12.
Miscellaneous

Rule 61
Liability

1. Subject to paragraph (2) of Rule 61, the provisions of Article 69 (*Liability*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis in respect of any liability of the Allocation Platform or any Registered Participant arising under or in connection with these Rules.

2. A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) which any of them may suffer or incur by reason of any claim by any third party ("claimant") on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with any Capacity Subcontracting Arrangement to which that Registered Participant is a party.

Rule 62
Dispute resolution

1. Subject to this Rule, the provisions of Article 70 (*Dispute resolution*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to any Dispute.

2. The seat of arbitration for any dispute referred to arbitration under the rules of the International Chamber of Commerce shall be Geneva.

Rule 63
Suspension of the Participation Agreement

1. The Allocation Platform may by notice to the Registered Participant suspend temporarily the Registered Participant's rights in connection with these Rules with immediate effect if the Registered Participant commits a breach of an obligation in connection with these Rules which may have a material impact on the Allocation Platform as follows:

    a. if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform;

    b. if a Registered Participant fails to provide and maintain Collateral in accordance with the requirements referred to in CHAPTER 3 or if a Collateral Incident occurs under Article 25 (Collateral Incident) of the IFA Long Term Allocation Rules;

    c. any breach which may have a material financial impact on the Allocation Platform;

    d. the Allocation Platform considers on reasonable grounds that the Registered Participant no longer satisfies one or more of the conditions to participate in Auctions; or

    e. if a Registered Participant's rights have been suspended in accordance with Article 71 (Suspension of the Participation Agreement) of the IFA Long Term Allocation Rules.

2. In the case of any minor breach in relation to these Rules, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant that its rights in

connection with these Rules shall be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed and the breach remains unremedied.

3. After the suspension takes effect in accordance with paragraph (1) or (2) of Rule 63, the suspended Registered Participant may no longer participate in any Explicit Daily Auction or an Intraday Auction and the suspended Registered Participant shall not be entitled to Nominate its Interconnector Capacity rights. For the avoidance of doubt, the Interconnector Capacity rights which the Registered Participant is prohibited from using as a result of such suspension may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not be required to compensate the Registered Participant.

4. The Allocation Platform may withdraw a notice under this Rule at any time. Having given a notice under paragraph (1) or (2) of Rule 63, the Allocation Platform may give a further or other notice at any time in respect of the same or a different suspension event.

5. Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to use of its allocated Interconnector Capacity rights and its ability to participate in Auctions by written notice to the Registered Participant. As from the date of effect of the reinstatement, the Interconnector Capacity rights allocated prior to the suspension and which remain unused may be Nominated.

6. If the Allocation Platform gives a notice to a Registered Participant under paragraph (1) or (2) of Rule 63, such notice of suspension does not relieve the Registered Participant from its obligations to pay for allocated Interconnector Capacity rights.

Rule 64

Termination of the Participation Agreement

1. A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Business Days after receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled.

2. A Registered Participant may terminate the Participation Agreement to which the Registered Participant is a party for good cause when the Allocation Platform has committed a major breach of an obligation connected with these Rules or the Participation Agreement in the following cases:

    a. where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact;

    b. where there is a significant breach of the confidentiality obligations.

3. The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Business Days to remedy the breach. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. A holder of Interconnector Capacity rights whose Participation Agreement is terminated under this paragraph is under no obligation to pay remaining instalments for the Interconnector

Capacity rights and is entitled to a refund to the extent that any instalment includes an amount in respect of products which have a starting date after the date of termination, to be calculated pro-rata from the date termination takes effect.

4. If any of the termination events in this Rule occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement, including the Registered Participant's rights connected with these Rules. A termination under this paragraph (4) takes effect from the time of the notice or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform unless the circumstances of termination cease to exist or the Allocation Platform is sufficiently satisfied that the breach will not occur again.

5. The termination events referred to in paragraph (4) of this Rule shall be the following:

    a. if the rights of the Registered Participant are suspended in accordance with Rule 63 for longer than thirty (30) Business Days;

    b. if a Registered Participant repeatedly breaches these Rules or its Participation Agreement, whether or not the breach is capable of remedy;

    c. if an Insolvency Event occurs in relation to a Registered Participant;

    d. if a Registered Participant breaches any of the provisions of the RTE Grid Code or the GB Grid Code applicable to it and such breach has or can reasonably be expected to have an adverse effect on the operation of the Interconnector or the arrangements contemplated by these Rules and (if capable of remedy) the breach has not been remedied within ten (10) Business Days of a notice from the Allocation Platform requiring remedy;

    e. if a Competent Authority (i) determines that the Registered Participant has committed a misuse or fraudulent act and (ii) requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or (iii) agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions;

    f. if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tool (it being understood that such an action is deemed to happen in case of any behaviour amounting to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack); or

    g. a termination event occurs under Article 72 (Termination of the Participation Agreement) of the IFA Long Term Allocation Rules.

6. After the termination takes effect in accordance with this Rule and from that time, the Registered Participant may no longer participate in an Auction. For the avoidance of doubt, the Interconnector Capacity rights, which the Registered Participant is prohibited from using as a result of termination, may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not be required to compensate the Registered Participant.

7. Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these Rules which arose prior to that termination unless otherwise specified in this Rule. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with the Allocation Rules, in respect of all such rights and liabilities. This Rule shall apply without prejudice to other remedies available to the Allocation Platform under these Rules.

Rule 65
Force Majeure

The provisions of Article 73 (*Force Majeure*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules following the occurrence of any event of Force Majeure affecting the obligation and duties of the Allocation Platform or any Registered Participant under these Rules.

Rule 66
Notices

1. Subject to paragraph (2) of Rule 66, the provisions of Article 74 (*Notices*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to any notice or other communication to be given under or in connection with these Rules.

2. Notices from a Registered Participant to the Allocation Platform must be sent to both NGIC and RTE.

Rule 67
Confidentiality

1. Subject to paragraph (2) of Rule 67, the provisions of Article 75 (*Confidentiality*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to any information exchanged between the Allocation Platform and any Registered Participant under or in connection with these Rules.

2. The Allocation Platform shall (in addition to the rights set out in Article 75(4) of the IFA Long Term Allocation Rules) be permitted to disclose confidential information:

    a. to NGET and/or RTE in their respective capacities as Transmission System Operators; or

    b. as may be required to comply with the requirements of the GB Grid Code, the RTE Grid Code, the Balancing and Settlement Code, or the RTE Settlement Arrangements.

Rule 68
Assignment and subcontracting

1. Subject to paragraph (2) of Rule 68, the provisions of Article 76 (*Assignment and subcontracting*) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to any assignment, novation or transfer by the Allocation Platform or any Registered Participant of any rights or obligations under these Rules.

2. Each of NGIC and RTE may assign, novate or otherwise transfer its obligations under Participation Agreements and these Rules to any entity which is to succeed it as joint operator of the Interconnector and joint provider of the services sold to Registered Participants under these Rules and these Rules shall be binding upon and ensure for the benefit of the assigns and successors in title of each of NGIC and RTE. Each Registered

Participant will do all things reasonably requested of it by the Allocation Platform to assist with such assignment and novation.

Rule 69

Governing law

The provisions of Article 77 (Governing law) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 70

Language

The provisions of Article 78 (Language) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 71

Intellectual property

The provisions of Article 79 (Intellectual property) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 72

Relationship of the Parties

The provisions of Article 80 (Relationship of the parties) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 73

No third-party rights

The provisions of Article 81 (No third-party rights) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 74

Waiver

The provisions of Article 82 (Waiver) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 75

Entire agreement

The provisions of Article 83 (Entire agreement) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 76

Remedies exclusive

The provisions of Article 84 (Remedies exclusive) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Rule 77

Severability

The provisions Article 85 (Severability) of the IFA Long Term Allocation Rules shall apply mutatis mutandis to these Rules.

Annexes list

Annex 1: Business Rules for Use of Interconnector

Capacity Annex 2: Deemed Metered Volume Allocation

Annex 1
Business Rules for Use of Interconnector Capacity

1. Introduction

1.1 This Annex describes the business process and timings of the following activities:

(a) calculation and notification by the Allocation Platform of the Settlement Period values of the Interconnector Capacity rights per Timescale for each Registered Participant in each direction for each Contract Day;

(b) notification by each Registered Participant of Capacity Transfers; and

(c) submission by each Registered Participant of Long Term, Daily and Intraday Nominations in each direction for each Contract Day.

1.2 Notwithstanding paragraph (7) of Rule 6, timings given in this Annex are nominal timings, which may be subject to change from time to time and under exceptional circumstances. In this case, Registered Participants would be informed of new timings to follow in due time.

1.3 Times are given in CET.

1.4 Registered Participants should note that in addition to these Business Rules, in using the Interconnector they must comply with the GB Grid Code, the Registered Participant's Accord de Participation with RTE and any other binding GB or French rule.

2. Energy Accounts

2.1 Each Registered Participant must identify its Production and Consumption Interconnector BM Units under the BSC and the Accord de Participation under the RTE Settlement Arrangements in its Participation Agreement.

2.2 Each Registered Participant may notify an Energy Transmission against one of each of the types of Energy Account referred to above in any one Settlement Period.

3. Long Term Business Process

3.1 Long Term Auctions will be conducted by the Allocation Platform under the IFA Long Term Allocation Rules.

3.2 Unit Holders can submit Long Term Mid-Channel Nominations of Long Term Units for the Contract Day D, from opening of the gate for LT MCNs at 13:15 on the day D-2 until LT MCNs gate-closure at 09:30 on day D-1, in accordance with CHAPTER 7 (or at any other time specified in advance by the Allocation Platform).

4. Day-Ahead Business Process

4.1 The Auction Specification of an Explicit Daily Auction of Units for Contract Day D is published by the Allocation Platform no later than 09:35 on day D-1, in accordance with CHAPTER 5.

4.2 An Explicit Daily Auction of Units for Contract Day D opens at 09:40 and closes at 10:00 on Day D-1 (or at any other times specified by the Allocation Platform in the relevant Auction Specification or after publication of the Auction Specification). During this period of time, Registered Participants can submit bids to the Allocation Platform, in accordance with CHAPTER 5.

4.3 Once the Explicit Daily Auction is closed, Units are allocated, pursuant to CHAPTER 5.

4.4 The Final Results of an Explicit Daily Auction are published as soon as reasonably practicable after the end of the Bidding Period. Capacity Transfer Notices of Units initially allocated at such Explicit Daily Auction can be submitted to the Allocation Platform, in accordance with CHAPTER 6, from 10:20 on the day D-1.

4.5 Any Daily Unit for the Contract Day D can be subject to a Capacity Transfer Notice until 11:45 on the day D-1. Any Capacity Transfer of Daily Units must be confirmed by the Registered Participant to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Allocation Platform and no later than 11:45 on the day D-1.

4.6 The Allocation Platform will notify each Unit Holder of its Daily Interconnector Capacity rights for Contract Day D in each Direction, pursuant to Rule 36, at 12:00 on the day D-1 (or at any other time specified in advance by the Allocation Platform).

4.7 Unit Holders can submit Daily Mid-Channel Nominations of Daily Units for the Contract Day D, from opening of the gate for Daily MCNs at 12:05 on the day D-1 until Daily MCNs gate-closure at 14:00 on day D-1, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

5. **[not used]**.

6. Intraday Business Process

6.1 The Specification of the first Intraday Auction of Units for Contract Day D is published by the Allocation Platform no later than 18:45 on day D-1, in accordance with CHAPTER 5. This first Intraday Auction covers hours from 00:00 to 13:59.

6.2 The first Intraday Auction for the Contract Day D opens at 19:00 on day D-1 and closes at 19:30 on day D-1 (or at any other times specified by the Allocation Platform in the relevant Auction Specification or after publication of the Auction Specification). During this period of time, Registered Participants can submit bids to the Allocation Platform, in accordance to CHAPTER 5.

6.3 Once the first Intraday Auction is closed, Units are allocated, pursuant to Rule 29, and Final Results of this Intraday Auction are published.

6.4 The Allocation Platform will notify each Unit Holder of its Intraday Interconnector Capacity rights for the period from 00:00 to 13:59 of the Contract Day D in each Direction, pursuant to Rule 36, at 19:45 on the day D-1 (or at any other time specified in advance by the Allocation Platform).

6.5 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 00:00 to 13:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 19:50 on the day D-1 until Intraday MCNs gate-closure at 21:00 on day D-1, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

6.6 Any Intraday Unit for the period from 06:00 to 13:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 21:15 on the day D-1 until 02:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the Registered Participant to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Allocation Platform and no later than 02:00 on the day D.

6.7 The Allocation Platform will notify each Unit Holder of its Intraday Interconnector Capacity rights for the period from 06:00 to 13:59 of the Contract Day D in each Direction, pursuant to Rule 36, at 02:15 on the day D (or at any other time specified in advance by the Allocation Platform).

6.8 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 06:00 to 13:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 02:20 on the day D until Intraday MCNs gate-closure at 03:00 on day D, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

6.9 Any Intraday Unit for the period from 11:00 to 13:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 03:15 on the day D until 07:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the Registered Participant to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Allocation Platform and no later than 07:00 on the day D.

6.10 The Allocation Platform will notify each Unit Holder of its Intraday Interconnector Capacity rights for the period from 11:00 to 13:59 of the Contract Day D in each Direction, pursuant to Rule 36, at 07:15 on the day D (or at any other time specified in advance by the Allocation Platform).

6.11 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 11:00 to 13:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 07:20 on the day D until Intraday MCNs gate-closure at 08:00 on day D, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

6.12 The Specification of the second Intraday Auction of Units for Contract Day D is published by the Allocation Platform no later than 08:05 on day D, in accordance with CHAPTER 5. This second Intraday Auction covers hours from 14:00 to 23:59.

6.13 The second Intraday Auction for the Contract Day D opens at 08:20 and closes at 08:50 (or at any other times specified by the Allocation Platform in the relevant Auction Specification or after publication of the Auction Specification).
During this period of time, Registered Participants can submit bids to the Allocation Platform, in accordance to CHAPTER 5.

6.14 Once the second Intraday Auction is closed, Units are allocated, pursuant to CHAPTER 5, and Final Results of this Intraday Auction are published.

6.15 Any Intraday Unit for the period from 14:00 to 23:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 09:05 on the day D until 10:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the Registered Participant to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Allocation Platform and no later than 10:00 on the day D.

6.16 The Allocation Platform will notify each Unit Holder of its Intraday Interconnector Capacity rights for the period from 14:00 to 23:59 of the Contract Day D in each Direction, pursuant to Rule 36, at 10:15 on the day D (or at any other time specified in advance by the Allocation Platform).

6.17 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 14:00 to 23:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 10:20 on the day D until Intraday MCNs gate-closure at 11:00 on day D, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

6.18 Any Intraday Unit for the period from 17:00 to 23:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 11:15 on the day D until 13:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the Registered Participant to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Allocation Platform and no later than 13:00 on the day D.

6.19 The Allocation Platform will notify each Unit Holder of its Intraday Interconnector Capacity rights for the period from 17:00 to 23:59 of the Contract Day D in each Direction, pursuant to Rule 36, at 13:15 on the day D (or at any other time specified in advance by the Allocation Platform).

6.20 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 17:00 to 23:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 13:20 on the day D until Intraday MCNs gate-closure at 14:00 on day D, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

6.21 Any Intraday Unit for the period from 20:00 to 23:59 of the Contract Day D can be subject to a Capacity Transfer Notice from 14:15 on the day D until 16:00 on the day D. Any such Capacity Transfer of Intraday Units must be confirmed by the Registered Participant to whom the Capacity Transfer was made within 20 minutes of the Capacity Transfer Notice being received by the Allocation Platform and no later than 16:00 on the day D.

6.22 The Allocation Platform will notify each Unit Holder of its Intraday Interconnector Capacity rights for the period from 20:00 to 23:59 of the Contract Day D in each Direction, pursuant to Rule 36, at 16:15 on the day D (or at any other time specified in advance by the Allocation Platform).

6.23 Unit Holders can submit Intraday Mid-Channel Nominations of Intraday Units for the period from 20:00 to 23:59 of the Contract Day D, from opening of the gate for Intraday MCNs at 16:20 on the day D until Intraday MCNs gate-closure at 17:00 on day D, in accordance with Rule 37 (or at any other time specified in advance by the Allocation Platform).

Intraday Timings summary (CET time)

Units Validity Times	…are auctioned in…	can be Capacity Transferred during	relevant Rights Documents are published	relevant Nomination Gate-Closures
00:00-06:00	ID auction 1 (end 19:30)	-	19:45	21:00
06:00-11:00	ID auction 1 (end 19:30)	21:15-02:00	19:45, 02:15	21:00, 03:00
11:00-14:00	ID auction 1 (end 19:30)	21:15-02:00, 03:15-07:00	19:45, 02:15, 07:15	21:00, 03:00, 08:00
14:00-17:00	ID auction 2 (end 08:50)	09:05-10:00	10:15	11:00
17:00-20:00	ID auction 2 (end 08:50)	09:05-10:00, 11:15-13:00	10:15, 13:15	11:00, 14:00
20:00-00:00	ID auction 2 (end 08:50)	09:05-10:00, 11:15-13:00, 14:15-16:00	10:15, 13:15, 16:15	11:00, 14:00, 17:00

Annex 2

Deemed Metered Volume Allocation

1. Introduction

The Allocation Platform will calculate the Deemed Metered Volumes for each Registered Participant for each direction for each Settlement Period in each Contract Day and allocate those amounts to the Energy Accounts of Registered Participants in accordance with this Annex.

2. Deemed Metered Volumes

For each Settlement Period, the Deemed Metered Volume of each Registered Participant for a direction is equal to the maximum between 0 and the net of the Long Term, Daily and Intraday Mid-Channel Nominations (as amended by any Curtailment) of that Registered Participant for that Settlement Period integrated over the Settlement Period to give a kWh figure.

3. Losses

The physical flow on the Interconnector is subject to losses. The Allocation Platform will apply a Loss Factor ("LF") to calculate each Registered Participant's share of the losses, and Deemed Metered Volumes in accordance with paragraph 4. The Loss Factor is symmetrical between Mid-Channel and either end of the Interconnector (Sellindge and Les Mandarins).

The Loss Factor to be applied is published on the RTE and NGIC websites. If there is a requirement to change the Loss Factor at any time, then Registered Participants shall be notified in accordance with Rule 66, such notification to be made at least five (5) Business Days before the change is to take effect.

4. Adjustment for losses

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

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

BMUMV = (1-LF) * DMV; and

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

BMUMV = (1+LF) * DMV.

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

PEM = (1+LF) * DMV

For the purpose of the RTE Settlement Arrangements and for an import from England to France, the Allocation Platform will send to RTE a program called "Programme d'Import à Mandarins" expressed in kWh at Les Mandarins in half-hourly points and calculated by this formula:

PIM = (1-LF)*DMV.

In the above paragraphs, "DMV" means the Deemed Metered Volume calculated for that Registered Participant for that Settlement Period under section 2 above.

Part 2

IFA Long Term Allocation Rules

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CHAPTER 1
General Provisions

Article 1
Subject-matter and scope

These IFA Long Term Allocation Rules contain the terms and conditions for the allocation of Long Term Transmission Rights on the Interconnexion France-Angleterre (IFA) it being understood that the Registered Participant will accede to these rules by the signature of the Participation Agreement. In particular, the IFA Long Term Allocation Rules set out the rights and obligations of Registered Participants as well as the requirements for participation in Auctions, they describe the process of Auction, including the determination of Marginal Price as a result of Auction, the conditions for transfer and return of Long Term Transmission Rights, for remuneration of holders of such returned Long Term Transmission Rights, and the processes for curtailment of Long Term Transmission Rights and invoicing/payment.
The Auctions and transfer of Long Term Transmission Rights refer to Cross Zonal Capacity only and Registered Participants may invoke no other right in connection with the Long Term Transmission Rights allocated to them than the rights in accordance with the provisions of these IFA Long Term Allocation Rules.

Article 2
Definitions and interpretation

1. Unless otherwise defined herein, capitalised terms used in these IFA Long Term Allocation Rules shall have the meaning given to them in the IFA Day Ahead and Intraday Allocation Rules.

2. For the purposes of interpretation references in the Participation Agreement to the "Allocation Rules for Forward Capacity Allocation", "IFA Annex" and "Allocation Rules" shall be read and construed as meaning these IFA Long Term Allocation Rules. These IFA Long Term Allocation Rules shall be deemed to satisfy the requirement for such "Allocation Rules for Forward Capacity Allocation", "IFA Annex" and "Allocation Rules" accordingly under the Participation Agreement and shall supersede and replace all prior versions of those agreements.

3. In addition, the following definitions shall apply:

   Affiliate means, in relation to any person, any other person that directly or indirectly controls, is controlled by or is under direct or indirect common control with that person where control is defined as rights, contracts or any other means which, either separately or in combination and having regard to the considerations of fact or law involved, confer the possibility of exercising decisive influence on an undertaking, in particular by:(a) ownership or the right to use all or part of the assets of an undertaking.(b) rights or contracts which confer decisive influence on the composition, voting or decisions of the organs of an undertaking;

   Allocation Platform means either the responsible TSO(s) at the respective Bidding Zone border(s) or an entity appointed and commissioned by them or nominated in accordance to national regulations to act on their behalf and on its own name it being a single allocation platform or regional platform(s) for the attribution of Long Term Cross Zonal Capacity through the Auctions as defined in the Participation Agreement;

   Auction Tool means the information technology system used by the Allocation Platform to perform Auctions and to facilitate other procedures described in these IFA Long Term Allocation Rules such as transfer or return of Long Term Transmission Rights;

Auction Specification means a list of specific characteristics of a particular Auction, including the nature of offered products and relevant dates;

Bank Guarantee means an unconditional and irrevocable standby letter of credit or letter of guarantee issued by a bank;

Bid means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction;

Bid Price means the price which a Registered Participant is willing to pay for one (1) MW and hour of Long Term Transmission Rights;

Bid Quantity means the amount of Long Term Transmission Rights in MW requested by a Registered Participant;

Bidding Period means the time period within which the Registered Participants wishing to participate in an Auction may submit their Bids;

Business Account means a dedicated deposit account opened at the financial institution selected by the Allocation Platform in the name of the Allocation Platform or at the discretion of the Allocation Platform opened by the Registered Participant, but with the Allocation Platform as the beneficiary of the dedicated cash deposit;

Capacity Allocation means the attribution of cross zonal capacity;
Capacity Shortage has the meaning set out in Article 56A of these IFA Long Term Allocation Rules;
Congestion Income means the revenues received as a result of Capacity Allocation;
Cross Zonal Capacity means the capability of the interconnected system to accommodate energy transfer between bidding zones;
Credit Limit means the amount of the collaterals which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations;

EIC Code means the ENTSO-E Energy Identification Coding Scheme identifying the parties in a cross-border trade;

Firmness Deadline the point in time after which Cross Zonal Capacity becomes firm as further described in Article 58.

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

IFA Day Ahead and Intraday Allocation Rules shall mean the Day Ahead and Intraday Allocation Rules relating to the IFA as further specified in Part 1 of these Access Rules;

Information System Rules means the terms and conditions for access to and use of the Auction Tool by Registered Participants as set out in Chapter 4 (*Information System Rules*) of the IFA Day Ahead and Intraday Allocation Rules;

Interconnector means IFA;

Marginal Price means the price determined at a particular Auction to be paid by all the Registered Participants for each MW and hour of acquired Long Term Transmission Right;

National Regulatory Authorities means the relevant GB and French regulatory authorities

NGIC means National Grid Interconnectors Limited a company registered in England and Wales with company number 3385525 whose registered office is at 1-3 Strand, London, WC2N 5EH, United Kingdom

Operational Security Limits means the limits within which the transmission system is capable of retaining a normal state or returning to a normal state as soon as possible;

Participation Agreement means the agreement, by which the Parties undertake to comply with the terms and conditions for Cross Zonal Capacity Allocation as contained in these IFA Long Term Allocation Rules;

Party/ Parties means the Allocation Platform and/or a Registered Participant referred to individually as Party or collectively as Parties;

Physical Transmission Right means a right entitling its holder to physically transfer a certain volume of electricity in a certain period of time across IFA in a specific direction;

Product Period means the time and date on which the right to use the Long Term Transmission Right commences and the time and date on which the right to use the Long Term Transmission Right ends;

Reduction Period means a period of time, i.e. specific calendar days and/or hours, within the Product Period in which Cross Zonal Capacities with a reduced amount of MW are offered taking into account a foreseen specific network situation (e.g. planned maintenance, long-term outages, foreseen balancing problems);

Registered Participant means a market participant which has entered into a Participation Agreement with the Allocation Platform;

Rights Document means a document containing the information of the maximum amount of allocated Physical Transmission Rights that can be nominated by a market participant on IFA per day per hour and per direction taking into account the volume of Long Term Transmission Rights initially acquired, the subsequent transfers and returns, and any possible curtailments which occurred before the issuance of the Rights Document.;

RTE means RTE Réseau de Transport d'Electricité a French société anonyme whose registered office is at Immeuble WINDOW, 7C Place du Dôme, 92073 Paris La Défense cedex, France and with Commercial Register in Nanterre number 444619258

Working Day means the calendar days from Monday to Friday, with the exception of public holidays as specified on the website of the Allocation Platform;

Working Hours means the hours on Working Days specified within the Participation Agreement;

4. In these IFA Long Term Allocation Rules, including its annexes, unless the context requires otherwise:

   (a) the singular indicates the plural and vice versa;

   (b) references to one gender include all other genders;

   (c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the IFA Long Term Allocation Rules;

   (d) the word "including" and its variations are to be construed without limitation;

   (e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;

(f) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;

(g) a reference to time is a reference to CET/CEST time unless otherwise specified;

(h) where the Allocation Platform is required to publish any information under these IFA Long Term Allocation Rules, it shall do so by making the information or data available on its website and/or via the Auction Tool.

Article 3
Allocation Platform

1. The Allocation Platform shall undertake the allocation functions in accordance with these IFA Long Term Allocation Rules and in accordance with applicable national legislation.

2. For the purposes of these IFA Long Term Allocation Rules the Allocation Platform shall be the party signing the Participation Agreement with the Registered Participant.

3. For the purpose of the Participation Agreement with the Registered Participant, the Allocation Platform shall publish a consolidated version of these IFA Long Term Allocation Rules, including the annexes thereto as they enter into force in accordance with the applicable national regulatory regimes.

Article 4
Regional specificities

[not used]

Article 5
Effective date and application

1. These IFA Long Term Allocation Rules shall enter into force in accordance with the applicable national regulatory regimes and on the date as notified by the Allocation Platform.

2. These IFA Long Term Allocation Rules apply to Capacity Allocation for Long Term Transmission Rights with the delivery period to be specified by the Allocation Platform on its website upon the entry into force of these IFA Long Term Allocation Rules.

3. Unless expressly stated otherwise or otherwise required by the applicable governing law, these IFA Long Term Allocation Rules shall govern all rights and obligations in connection with Long Term Transmission Rights acquired before the entry into force of these IFA Long Term Allocation Rules but with the delivery date after the entry into force of these IFA Long Term Allocation Rules.

CHAPTER 2
Requirements and process for participation in Auctions and Transfer

Article 6
General Provision

1. Market participants may acquire a Long term Transmission Right only from participation in Auctions or/and via transfer.

2. The participation both in Auctions and in transfers requires that the market participant:

   (a) concludes a valid and effective Participation Agreement in accordance with Article 7 to Article 15; and

   (b) has access to the Auction Tool in accordance with Article 16.

3. The participation in Auctions requires that market participants, in addition to the conditions set forth in the previous paragraph, fulfil also the following conditions:

   (a) they comply with the requirements for provision of collaterals as specified in CHAPTER 3; and

   (b) they accept additional financial terms where needed in accordance with Article 17.

4. In any case, market participants have to fulfil the obligations as specified in the relevant Chapters of these IFA Long Term Allocation Rules.

Article 7
Participation Agreement conclusion

1. At least seven (7) Working Days before the first participation in an Auction, any market participant may apply to be a party to a Participation Agreement by submitting, to the Allocation Platform, three (3) signed copies of the Participation Agreement, as published on the website of the Allocation Platform, together with all duly completed information and documents required by Article 8 to Article 16. The Allocation Platform shall assess the completeness of the information submitted in accordance with Article 9 and Article 13 within five (5) Working Days of receipt of the completed and signed Participation Agreement.

2. The Allocation Platform shall before the expiration of the five (5) Working Days deadline ask the market participant to provide any outstanding information which the market participant fails to submit with its Participation Agreement. On receipt of the outstanding information, the Allocation Platform shall within an additional five (5) Working Days review the information and inform the market participant if any further information is required.

3. Once the Allocation Platform has received all necessary information, it shall return one copy of the Participation Agreement signed by it to the market participant without undue delay. Signature of the Participation Agreement by the Allocation Platform shall not itself indicate compliance with any other condition set in these IFA Long Term Allocation Rules for the participation in the Auctions. The Participation Agreement comes into force on the date of signature by the Allocation Platform.

4. The Allocation Platform shall publish a list of Registered Participants eligible to transfer long-term transmission rights.

Article 8

Form and content of the Participation Agreement

1. The form of the Participation Agreement and the requirements for its completion shall be published by the Allocation Platform and may be amended from time to time by the Allocation Platform without changing any terms and conditions specified in these IFA Long Term Allocation Rules unless otherwise stated in these IFA Long Term Allocation Rules.

2. As a minimum, the Participation Agreement will require the market participant to:

   (a) provide all necessary information in accordance with Article 9 and Article 13; and

   (b) agree to be bound by and comply with these IFA Long Term Allocation Rules.

3. Nothing in these IFA Long Term Allocation Rules shall prevent the Allocation Platform and the Registered Participant from agreeing in the Participation Agreement additional rules, out of the scope of these IFA Long Term Allocation Rules, including but not limited to the participation in day-ahead or Intraday Explicit Allocation.

4. In the event of difficulty of interpretation, contradiction or ambiguity between these IFA Long Term Allocation Rules and the Participation Agreement, the text of the IFA Long Term Allocation Rules shall prevail.

Article 9

Submission of information

1. The market participant shall submit the following information with its completed and signed Participation Agreement:

   (a) name and registered address of the market participant including general email, facsimile and telephone number of the market participant for notifications in accordance with Article 74.

   (b) if the market participant is a legal person, an extract of the registration of the market participant in the commercial register of the competent authority;

   (c) contact details and names of persons authorised to represent the market participant and their function;

   (d) EU VAT registration number where applicable;

   (e) Taxes and levies to be considered for invoices and collateral calculations;

   (f) Energy Identification Code (EIC);

   (g) bank account information for payment to the applicant to be used by the Allocation Platform for the purposes of Article 65 paragraphs 8 and 9.

   (h) financial contact person for collaterals, invoicing and payment issues, and their contact details (email, facsimile and telephone number) for notifications where required in these IFA Long Term Allocation Rules in accordance with Article 74;

   (i) commercial contact person and their contact details (email, facsimile and telephone number) for notifications where required in these IFA Long Term Allocation Rules in accordance with Article 74; and

(j) operational contact person and their contact details (email, facsimile and telephone number) for notifications where required in these IFA Long Term Allocation Rules in accordance with Article 74.

2. A Registered Participant shall ensure that all data and other information that it provides to the Allocation Platform pursuant to these IFA Long Term Allocation Rules (including information in its Participation Agreement) is and remains accurate and complete in all material respects and must promptly notify the Allocation Platform of any change.

3. A Registered Participant shall notify the Allocation Platform if there is any change to the information, submitted in accordance with paragraph 1 of this Article, at least seven (7) Working Days before the change comes into effect and, where that is not possible, without delay after the Registered Participant becomes aware of the change.

4. The Allocation Platform will confirm the registration of the change or send a refusal note of registration of the change to the Registered Participant, at the latest, five (5) Working Days after the receipt of the relevant notification of change. The confirmation or refusal note will be sent via email to the commercial and operational contact person specified by the Registered Participant in accordance with paragraph 1 of this Article. If the Allocation Platform refuses to register the change, the reason shall be provided in the refusal note.

5. The change becomes valid on the day of the delivery of the confirmation to the Registered Participant.

6. If additional information is required from a Registered Participant as a consequence of an amendment to these IFA Long Term Allocation Rules, then the Registered Participant shall submit the additional information to the Allocation Platform within ten (10) Working Days after the request for such submission by the Allocation Platform.

Article 10
Warranties

1. By the signature of the Participation Agreement the market participant warrants that:

(a) it has not commenced any proceedings seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights;

(b) no insolvency, bankruptcy or other similar legal proceeding affecting creditors' rights have been commenced in relation to the applicant;

(c) no winding-up or liquidation proceedings have been commenced with regard to the applicant; and

(d) it has no overdue payment obligations towards any current, previous or future Allocation Platform.

Article 11
Declaration for participation in transfer only

As part of the submission of the information in accordance with Article 7 and Article 9, the market participant shall declare to the Allocation Platform whether it intends to participate in transfer of Long Term Transmission Rights only. In such a case, it shall not be entitled to participate in any Auction.

Article 12

Dedicated Business Account

As part of the submission of the information in accordance with Article 7 and Article 9, the market participant shall declare to the Allocation Platform whether it intends to open a dedicated Business Account for the purposes of depositing cash collaterals.

Article 13

Acceptance of the Information System Rules

By signing the Participation Agreement the market participant accepts the applicable Information System Rules, as amended from time to time and published on the website of the Allocation Platform.

Article 14

Costs related to the Participation Agreement

All applications to become a Registered Participant and any subsequent participation in Auctions and/or the notification of transfer or the return of Long Term Transmission Rights shall be at the Registered Participants' own cost, expense and risk. The Allocation Platform shall not be liable to any person for any cost, damages, or expense in connection with the Registered Participant participating in Auctions and/or transfer or return of Long Term Transmission Rights unless otherwise explicitly stated in these IFA Long Term Allocation Rules.

Article 15

Refusal of application

1. The Allocation Platform may refuse to enter into a Participation Agreement with a market participant in the following circumstances:

   (a) when the applicant has not submitted a duly completed and signed Participation Agreement in accordance with Article 7, Article 8 and Article 9; or

   (b) the Allocation Platform has previously terminated a Participation Agreement with the applicant as a result of a breach of the Participation Agreement by the Registered Participant in accordance with Article 72(3) and (4) and unless the circumstances leading to termination have ceased to exist or the Allocation Platform is reasonably satisfied that the breach will not occur again; or

   (c) if entering into a Participation Agreement with the applicant would cause the Allocation Platform to breach any condition of any mandatory legal or regulatory requirement; or

   (d) if any of the warranties of the Registered Participant under Article 10 are found to be not valid or false.

Article 16

Access to the Auction Tool

1. The Allocation Platform shall grant access to the Auction Tool free of charge if the following requirements are satisfied:

   (a) the Registered Participant has signed and delivered a completed form included in the Information System Rules identifying the person(s) for which the user account(s) in the Auction Tool shall be established, including any third parties authorised to act on behalf

of the Registered Participant for the purposes of return and transfer of Long Term Transmission Rights in accordance with Article 39 and Article 42; and

(b) the Registered Participant has fulfilled the requirements on authentication as set forth by the Information System Rules published by the Allocation Platform; such requirements may include but are not limited to the obligation to provide an electronic certificate for signing and encryption or other technology for authentication purposes.

2. The Allocation Platform shall confirm the creation of the user account or may send a refusal note to the Registered Participant, at the latest, five (5) Working Days after the receipt of the relevant signed and completed form by the Registered Participant. The confirmation or refusal note shall be sent via email to the operational contact person specified by the Registered Participant in accordance with Article 9.

3. The Allocation Platform shall send the duly justified refusal note if the requirements listed in paragraph 1 of this Article are not fulfilled and access to the Auction Tool will not be granted.

Article 17

Conclusion of additional financial terms

The Allocation Platform may develop and publish additional standard financial terms to be accepted by the Registered Participants. These additional financial terms may include provisions to enable joint collaterals for long term and other processes organized by the Allocation Platform in accordance with the Participation Agreement, as long as these additional financial terms comply with these IFA Long Term Allocation Rules.

Article 18

Regulatory and legal requirements

It is the responsibility of each market participant to ensure that it complies with relevant national legislation, including requirements of any relevant competent authority, and obtained all necessary authorisations in connection with its participation in Auctions or in transfer and the use of Long Term Transmission Rights.

CHAPTER 3
Collaterals

Article 19
General provisions

1. Registered Participants shall provide collaterals in order to secure payments to the Allocation Platform resulting from Auctions of Long Term Transmission Rights and, where applicable, potential other payments falling due under the additional financial terms in accordance with Article 17.

2. Only the following forms of collaterals shall be accepted:

   (a) a Bank Guarantee;

   (b) a cash deposit in a dedicated Business Account.

3. Collaterals may be provided in one of the forms mentioned in paragraph 2 of this Article or a combination of these forms, provided that the Allocation Platform is entitled as beneficiary to the full collateral.

4. Credit Limit shall always be greater or equal to zero.

5. The collaterals shall be provided in Euros (€).

Article 20
Form of cash deposit

1. For collaterals that are provided in the form of a cash deposit in a dedicated Business Account the following conditions shall apply:

   (a) the money shall be deposited in a dedicated Business Account at a financial institution selected by the Allocation Platform;

   (b) the dedicated Business Account shall be opened and used in accordance with additional financial terms to be concluded between the Allocation Platform, or where relevant the financial institution and the Registered Participant;

   (c) until withdrawal as permitted by the following provisions of Article 26, the cash deposit in the dedicated Business Account belongs to the Registered Participant if not stated otherwise in the additional financial terms in accordance with Article 17;

   (d) withdrawals from the dedicated Business Account pursuant to Article 24 and Article 26 may be made solely on the instruction of the Allocation Platform;

   (e) the dedicated Business Account will not be used by the Allocation Platform for the purposes of settlement and must in all cases be opened in the name of the Allocation Platform at a financial institution selected by the Allocation Platform ; and

   (f) interest on the amount deposited in the dedicated Business Account shall accrue for the benefit of the Registered Participant, after deduction of taxes and bank charges if any.

Article 21

Form of Bank Guarantee

1. Collaterals that are provided in the form of a Bank Guarantee shall comply with the following specifications:

   (a) the Bank Guarantee shall be provided in the form of the template that is available on the website of the Allocation Platform and updated from time to time or in a form that substantially follows the template;

   (b) the Bank Guarantee shall be written in English;

   (c) the Bank Guarantee covers all Auctions organized by the Allocation Platform subject to these IFA Long Term Allocation Rules;

   (d) the Bank Guarantee shall allow partial and multiple drawing by the Allocation Platform, up to the maximum amount guaranteed;

   (e) the Bank Guarantee shall provide for payment upon first request of the Allocation Platform. It shall further provide that, if the Allocation Platform calls upon the Bank Guarantee, the bank shall pay automatically without any other condition than the receipt of a written demand by registered letter from the Allocation Platform.

   (f) the Bank Guarantee shall be irrevocable, unconditional and non-transferable;

   (g) the bank issuing the Bank Guarantee shall be permanently established, including via a branch in a EU member state, European Economic Area or Switzerland.

   (h) the bank issuing the Bank Guarantee or the financial group it belongs to shall have a long term credit rating of not less than A- by Standard and Poor's Corporation, A- by Fitch or A3 by Moody's Investors Service Inc. If the issuer (the "Issuer") of the Bank Guarantee or the Alternative Guarantee ceases to have the required long term credit rating, the Registered Participant shall within five (5) Working Days submit to the Allocation Platform a substitute Bank Guarantee or Alternative Guarantee by a bank or other financial institution holding the required long term credit rating or replace the Bank Guarantee or Alternative Guarantee with a cash collateral deposit. If the Issuer has two or more credit ratings and such credit ratings are not of the same level of parity (commonly known as "split ratings") then, for the purposes of determining the Issuer's long term credit rating, if the Issuer holds three credit ratings, the median credit rating will apply or, if the Issuer holds two ratings, the lower credit rating will apply. If there are industry-wide downgrades of financial institutions, the Allocation Platform may investigate what the new standards are and, at its own discretion if deemed necessary, decrease the required rating for a limited period of time..

   (i) the bank issuing the Bank Guarantee shall not be an Affiliate of the Registered Participant for which the Bank Guarantee is issued.

2. A Bank Guarantee shall contain the following:

   (a) a maximum amount guaranteed;

   (b) the Allocation Platform's identification as beneficiary, as specified on the website of the Allocation Platform;

(c) the Allocation Platform's bank account, as specified on the website of the Allocation Platform;

(d) the Allocation Platform's bank's address, as specified on the website of the Allocation Platform;

(e) the Registered Participant's full identification, including name, address, commercial/company register;

(f) full identification of the providing bank; and

(g) the validity time.

3. The Registered Participant shall submit the Bank Guarantee at least two (2) Working Days before the Bidding Period closure of the Auction for which it shall be used as collateral or otherwise, it shall be considered for the subsequent Auctions.

4. The Allocation Platform shall accept the Bank Guarantee provided by a Registered Participant if the Bank Guarantee is provided in line with the specifications set out in paragraph 1 to 2 of this Article and the original of the Bank Guarantee has been received by the Allocation Platform. The requirement to provide a Bank Guarantee may be satisfied by delivery of an equivalent instrument ("Alternative Guarantee") in terms acceptable to the Allocation Platform, issued by a financial institution other than a bank, with a long term credit rating meeting the requirements of paragraph 1(h) above.

5. The Allocation Platform shall confirm the acceptance of the Bank Guarantee or send a refusal note to the Registered Participant, at the latest, two (2) Working Days after the receipt of the original of the Bank Guarantee. The confirmation or refusal note shall be sent via email to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 9. The refusal note shall include reasoning for refusal.

Article 22
Validity and renewal of the Bank Guarantee

1. Collaterals in the form of a Bank Guarantee shall be valid for the minimum periods as follows:

(a) for product(s) with a duration of more than one month, until at least thirty (30) days after the end of each next calendar month within the Product Period(s);

(b) for product(s) with a duration of one month, until at least thirty (30) days after the end of the Product Period(s); and

(c) for product(s) with a duration of less than one month, until at least sixty (60) days after the end of the Product Period(s).

2. The Registered Participant shall replace or renew the collaterals in form of a Bank Guarantee to fulfil the requirements of paragraph 1 of this Article.

Article 23
Credit Limit

1. The Allocation Platform shall calculate and continuously update the Credit Limit of each Registered Participant in respect of each subsequent Auction. For the purpose of calculating the Credit Limit under this Article 23 and Chapter 3 (Collateral) of the IFA Day Ahead and Intraday Allocation Rules, any outstanding payment obligations of the Registered Participant under any set of rules applicable to IFA Capacity Allocation (this may include, but is not limited

to, the IFA Day Ahead and Intraday Allocation Rules) shall be taken into account). This shall include but not be limited to day-ahead explicit auctions and explicit intraday auctions In case of a Bank Guarantee such Bank Guarantee shall be only considered if the requirements in Article 22 related to its validity for the respective Auction are fulfilled. The Allocation Platform shall make this information available to each Registered Participant individually through the Auction Tool.

2. Outstanding payment obligations are calculated according to Article 63 subject to additional rules in paragraph 3 to 5 of this Article and in Article 34.

3. For the purpose of the Credit Limit calculation, outstanding payment obligations shall be increased to include the taxes and levies in force subject to Article 64.

4. Reduction Periods are taken into consideration for the calculation of the Credit Limit as set forth in Article 63.

5. Maximum payment obligations for a Registered Participant resulting from its Bid(s) registered at the closure of the Bidding Period, calculated according to Article 34, shall be considered provisionally as the outstanding payment obligations. From the publication of the provisional Auction results until the moment when the Auction Results become final the due amount notified according to Article 36 paragraph 3(b) and (c) shall be provisionally considered as outstanding payment obligations for Credit Limit calculation for any concurrent Auction. The Credit Limit shall be revised based on the actual allocated Long Term Transmission Rights when the provisional Auction results are published as described in CHAPTER 4.

Article 24

Modifications of the collaterals

1. A Registered Participant may request in written form an increase of the collaterals in form of a Bank Guarantee, a decrease of the collaterals in form of a Bank Guarantee and/or cash deposit or change of the form of the collaterals at any time in accordance to paragraphs 2 and 3 of this Article.

2. A decrease of the collaterals of a Registered Participant shall only be allowed if the Credit Limit after applying the requested decrease of the collaterals would be greater than or equal to zero.

3. The Allocation Platform shall accept the modification of the collaterals if the request for a modification of collaterals is compliant with the condition set out in paragraph 2 of this Article in case of a decrease or with the conditions set out in Article 21 and Article 22 in case of an increase of collaterals in the form of a Bank Guarantee and in case of a change in the form of the collaterals from cash on deposit to Bank Guarantee.

4. The modification of the collaterals shall become valid and effective only when the Allocation Platform has made the requested modification of the collaterals of the Registered Participant within the Auction tool.

   The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the latest, two (2) Working Days after the receipt of the request. The confirmation or refusal note shall be sent via email to the commercial and operational contact persons specified by the Registered Participant in accordance with Article 9. The refusal note shall include reasoning for refusal.

Article 25

Collateral incident

1. A collateral incident occurs in the following cases:

   (a) the collaterals are insufficient to secure the amount due for the Long Term Transmission Rights held by a Registered Participant on the next payment date as set forth in Article 65 considering the amount and the validity of the collaterals; or

   (b) the collaterals are not renewed in accordance with Article 22 paragraph 2; or

   (c) the collaterals are not restored after a payment incident in accordance with Article 26 or new collateral was provided that is not compliant with the conditions specified in Article 19(3), Article 20 and Article 21.

2. The Allocation Platform shall notify the collaterals incident to the Registered Participant by email. The Registered Participant shall increase its collaterals within two (2) Working Days from sending of the notification if this is done during Working Hours or two (2) Working Days starting from the next Working Day if sent after Working Hours. If the collaterals provided by the Registered Participant remains insufficient after this period, the Allocation Platform may suspend or terminate the Participation Agreement in accordance with Article 71 and Article 72.

Article 26

Calls on collaterals

1. The Allocation Platform is entitled to call upon collaterals of a Registered Participant in the event of a registered payment incident in accordance with Article 67 and in relation to any sum invoiced under any set of rules applicable to IFA Capacity Allocation (this may include, but not limited to, the IFA Day Ahead and Intraday Allocation Rules and the Fallback Procedures methodology defined by Article 44) that a Registered Participant has failed to pay by the due date for payment. This shall include but not be limited to day-ahead explicit auctions and explicit intraday auctions.

2. The Registered Participant shall restore its collaterals after a payment incident or collaterals incident by following the conditions as set forth in Article 19(3), Article 20 and Article 21 unless the Participation Agreement is suspended or terminated in accordance with Article 71 and Article 72.

CHAPTER 4
Auctions

Article 27
General provisions for Auctions

1. The Allocation Platform shall allocate Long Term Transmission Rights to Registered Participants by way of Explicit Allocation. Prior to the Auction the Allocation Platform shall publish Auction Specifications on its website.

2. The Auctions shall be organised via the Auction Tool. Each Registered Participant fulfilling the requirements for participating in the Auction may place Bids in the Auction Tool until the relevant deadline for placing Bids in the specific Auction expires according to the respective Auction Specification.

3. After the relevant deadline for placing Bids in the specific Auction has expired, the Allocation Platform shall evaluate the Bids including against the respective Credit Limits of the Registered Participants. The results of the Auction will be notified to Registered Participants via the Auction Tool.

4. The Allocation Platform shall provide information on forthcoming Auctions by publishing on its website a provisional Auction calendar with the dates of Auctions reasonably in advance before the Auctions take place. A provisional Auction calendar for each calendar year shall be published no later than 1 December of the year preceding including provisional information on the form of the product, Product Period and Bidding Period.

Article 28
Capacity Allocation timeframe and form of product

1. The Allocation Platform shall offer capacity on annual and monthly timeframes, and in addition may offer capacity on other long term timeframes such as seasonal, quarterly, weekly.

2. [not used]

3. The standard form of the Auction products shall be a base product by which a fixed amount of MW throughout the Product Period is allocated subject to announced Reduction Periods. Additional products may be offered.

Article 29
Auction Specification

1. The Allocation Platform shall publish a provisional version of the Auction Specification and a final version of the Auction Specification as set forth in paragraphs 2 to 3 of this Article.

2. For yearly Auctions the Allocation Platform shall publish the provisional and the final Auction Specification no later than one (1) week and for any other shorter Capacity Allocation timeframe no later than two (2) Working Days before the end of the Bidding Period of an Auction. The provisional Auction Specification shall state in particular:

   (a) the code identifying the Auction in the Auction Tool;

   (b) type of Long Term Transmission Rights;

   (c) Capacity Allocation timeframe (e.g. yearly, monthly or other, as described in Article 28);

(d) form of product (e.g. base, peak, off-peak as described in Article 28);

(e) identification of direction covered;

(f) deadline for return of the Long Term Transmission Rights allocated in previous Auctions;

(g) the Product Period;

(h) Reduction Period(s) associated with the Product Period when applicable;

(i) the Bidding Period;

(j) the deadline for the publication of the provisional Auction results;

(k) the contestation period in accordance with Article 37;

(l) the provisional Offered Capacity which shall not include Cross Zonal Capacity released via return of Long Term Transmission Rights and Cross Zonal Capacity released in accordance with Article 71 and Article 72.

(m) any other relevant information or terms applicable to the product or the Auction.

3. Not earlier than four (4) hours after publication of the provisional Auction Specification, the Allocation Platform shall publish the final Auction Specification for that Auction stating the final Offered Capacity and any other update of relevant information or terms applicable to the product or the Auction

4. The final Offered Capacity shall consist of:

(a) the provisional Offered Capacity;

(b) the available Cross Zonal Capacity already allocated to Registered Participants for which a valid request for return of Long Term Transmission Rights has been submitted for this Auction in accordance with Article 38 and Article 39; and

(c) the available Cross Zonal Capacity already allocated to Registered Participants which will be reallocated as a result of suspension or termination in accordance with Article 71 and Article 72.

5. The Allocation Platform shall publish the format of the bids to be used.

Article 30

Reduction Periods of Offered Capacity

1. The Allocation Platform may announce one or more Reduction Periods in the Auction Specification. In this case, the Auction Specification shall include for each Reduction Period information on the duration of the Reduction Period and the amount of Offered Capacities.

2. For the avoidance of doubt, Reduction Periods do not apply to already allocated Long Term Transmission Rights and shall not be considered for any purpose including compensation as a curtailment according to CHAPTER 9.

Article 31

Bids submission

1. The Registered Participant shall submit a Bid or set of Bids to the Allocation Platform in accordance with following requirements:

   (a) it shall be submitted electronically using the Auction Tool and during the Bidding Period as specified in the Auction Specification;

   (b) it shall identify the Auction via an identification code as specified in Article 29 paragraph 2 (a);

   (c) it shall identify the Registered Participant submitting the Bid through its EIC code;

   (d) it shall identify the direction for which the Bid is submitted;

   (e) it shall state the Bid Price, which shall be different for each Bid of the same Registered Participant unless otherwise provided for in the Information System Rules, exclusive of taxes and levies, in Euros per MW for one (1) hour of the Product Period, i.e. Euro/MW and hour, expressed to a maximum of two (2) decimal places, and equal to or greater than zero (0);

   (f) it shall state the Bid Quantity in full MW which must be expressed without decimals, minimum amount of a single Bid is one (1) MW.

2. The Registered Participant may modify its previously registered Bid or set of Bids at any time during the Bidding Period including its cancellation. In case the Bid has been modified only the last valid modification of the Bid or set of Bids shall be taken into account for the Auction results determination.

3. If a Bid Quantity, or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction, by a Registered Participant exceeds the Offered Capacity announced in the final Auction Specification, this Bid or these Bids shall be completely rejected. Where a modification of previously submitted Bids results in exceeding the Offered Capacity, the modification shall be rejected and the previously registered Bids will stand.

4. If a Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several Bids submitted for the same Auction by a Registered Participant exceeds the Offered Capacity announced after the Bids submission, the Bids with the lowest Bid Price will be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity. In case where the Information System Rules allows submission of Bids with the same Bid Price by one Registered Participant the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the information System Rules and shall be one or more from the following:

   (a) chronological submission (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

5. The above mentioned process shall apply to all forms of an Auction product and all Forward Capacity Allocation timeframes.

Article 32
Bid registration

1. The Allocation Platform shall not register a Bid that:

   (a) does not comply with the requirements of Article 31; or

   (b) is submitted by a Registered Participant who is suspended in accordance with Article 71.

2. Provided that a Bid or a set of Bids fulfils the requirements set forth in Article 31, the Allocation Platform shall confirm to the Registered Participant that such Bid(s) have been correctly registered by an acknowledgment of receipt via the Auction Tool. If the Allocation Platform does not issue an acknowledgment of receipt for a Bid, such Bid shall be deemed not to have been registered.

3. The Allocation Platform shall notify a Registered Participant whose Bid is rejected as invalid and the reason for this rejection, without undue delay after the Bid is rejected.

4. The Allocation Platform shall maintain a record of all valid Bids received.

5. Each valid Bid registered at closure of the Bidding Period shall constitute an unconditional and irrevocable offer by the Registered Participant to buy Long Term Transmission Rights up to the Bid Quantity and at prices up to the Bid Price and under the terms and conditions of these IFA Long Term Allocation Rules and the relevant Auction Specification.

Article 33
Default Bid

1. The Registered Participant has the option to place default Bids for Auctions.

2. A default Bid, once identified as such by the Registered Participant, shall apply automatically to each subsequent relevant Auction as defined by the Registered Participant when placing the default Bid. At the opening of a relevant Bidding Period, the registered default Bid shall be considered as a Bid submitted by the Registered Participant for the relevant Auction. This Bid shall be considered as a delivered when the Allocation Platform sends an acknowledgment of receipt to the Registered Participant.

3. If a default Bid Quantity or a quantity calculated as a sum of the Bid Quantity for several default Bids submitted for the same Auction by a Registered Participant exceeds the final Offered Capacity, the Bids with the lowest Bid Price shall be rejected one (1) by one (1) until the total allowed Bid Quantity is lower than or equal to the Offered Capacity. In case where the Information System Rules allows submission of Bids with the same Bid Price by one Registered Participant the Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the information System Rules and shall be one or more from the following:

   (a) chronological submission (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

4. A Registered Participant who wants to modify a default Bid for a future Auction shall change the Bid Quantity and the Bid Price of its default Bids before the applicable Auction Bidding Period opening.

5. A Registered Participant not wishing to submit the default Bid on the Auction Tool for future Auctions can cancel its default Bids before the subsequent Auction Bidding Period opening.

Article 34
Credit Limit verification

1. Upon submission by a Registered Participant of a Bid or set of Bids to the Auction Tool the Allocation Platform shall check whether the maximum payment obligations (MPO) connected with that Registered Participant's registered Bid(s) calculated according to paragraphs 4 and 5 of this Article at the time of Bid(s) submission exceed the Credit Limit. If the maximum payment obligation connected with such registered Bids exceed the Credit Limit, the Allocation Platform shall issue automatically via the Auction Tool a warning to the Registered Participant to modify the Credit Limit. Bids shall not be rejected automatically if the maximum payment obligation attributed to registered Bids exceeds the Credit Limit at Bid submission but only after the process described in paragraph 2 of this Article.

2. At closure of the Bidding Period the Allocation Platform shall check again whether the maximum payment obligations connected with registered Bids calculated according to paragraph 5 of this Article exceed the Credit Limit. If the maximum payment obligations connected with these Bids exceed the Credit Limit, these Bids, starting with the Bid with the lowest Bid Price, shall be one (1) by one (1) excluded, until the maximum payment obligations are less than or equal to the Credit Limit. The Allocation Platform may apply additional criteria or rules to decide which Bid shall be rejected. Such additional criteria or rules shall be included in the information System Rules and shall be one or more from the following:

   (a) chronological submission (time stamp); and/or

   (b) Bid identification assigned by the Auction Tool; and/or

   (c) rejection of all relevant Bids with the same Bid Price.

3. The Allocation Platform shall indicate insufficient collaterals as the reason for the Bid exclusion in the Auction results notification to the Registered Participant.

4. The Allocation Platform shall continuously assess all the Bids irrespectively to which Auction and with regard to which direction they are submitted. In case of Bids connected with various and overlapping Auctions the Allocation Platform shall consider all calculated maximum payment obligations as outstanding payment obligations according to Article 23

5. For the calculation of the maximum payment obligations related to one direction the Allocation Platform shall sort the registered Bids of a Registered Participant by Bid Price in descending order (merit-order). Bid 1 shall be the Bid with the highest Bid Price and Bid n shall be the Bid with the lowest Bid Price. The Allocation Platform shall calculate the maximum payment obligations according to the following equation:

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

6. When calculating the maximum payment obligations according to paragraph 5 of this Article, the Allocation Platform shall also take the following into account:

(a) if applicable, for each individual hour of the Reduction Period the maximum quantity of Long Term Transmission Rights which can be allocated to the Registered Participant during the Reduction Period;

(b) increase of the maximum payment obligations with applicable taxes and levies in force subject to Article 64; and

(c) in respect of Long Term Transmission Rights with a Product Period of one (1) or more months, one (1) or two (2) monthly instalments respectively should be secured in compliance with due amount calculation according to Article 63(5).

Article 35

Auction Results Determination

1. After the expiration of the Bidding Period for an Auction and the Credit Limit verification pursuant to Article 34, the Allocation Platform shall determine the Auction results and allocate the Long Term Transmission Rights in accordance with this Article.

2. The Auction results determination shall include the following:

   (a) determination of the total quantity of the allocated Long Term Transmission Rights per direction;

   (b) identification of winning Bids to be fully or partially satisfied; and

   (c) determination of the Marginal Price per direction.

3. The Allocation Platform shall determine the Auction results using an optimisation function aiming at maximisation of the sum of the Registered Participants' surplus and the Congestion Income generated by the winning Bids while respecting the constraints of the optimisation function in form of Offered Capacities. The Allocation Platform shall publish additional explanatory information on the optimisation function of the algorithm on its website.

4. The Allocation Platform shall determine the Marginal Price at each direction based on the following criteria:

   (a) if the total quantity of Cross Zonal Capacity for which valid Bids have been submitted is lower than or equal to the Offered Capacity for the relevant Auction, then the Marginal Price shall be zero;

   (b) if the total quantity of Cross Zonal Capacity for which valid Bids have been submitted exceeds the Offered Capacity for the relevant Auction, the Marginal Price shall be set at the lowest Bid(s) Price(s) allocated in full or in part using the respective Offered Capacities.

5. If two (2) or more Registered Participants have submitted for one direction valid Bids with the same Bid Price, that cannot be accepted in full for the total requested quantity of Long Term Transmission Rights, the Allocation Platform shall determine the winning Bids and the quantity of the allocated Long Term Transmission Rights per Registered Participant as follows:

   (a) the Cross Zonal Capacity available for the Bids which set the Marginal Price shall be divided equally between the number of the Registered Participants which submitted these Bids;

(b) in case the quantity of Long Term Transmission Rights requested by a Registered Participant at Marginal Price is lower than or equal to the share calculated according to item (a) above, the request of this Registered Participant shall be fully satisfied;

(c) in case the requested quantity of Long Term Transmission Rights by a Registered Participant at Marginal Price exceeds the share calculated according to item (a) above, the request of this Registered Participant shall be satisfied up to the amount of the share as calculated according to item (a) above;

(d) any remaining Cross Zonal Capacity after the allocation according to items (b) and (c) shall be divided by the number of the Registered Participants whose requests have not been fully satisfied and allocated to them applying the process described in items (a), (b) and (c) above.

6. Where a Reduction Period is indicated in the Auction Specification for an Auction, the Allocation Platform shall determine the Auction Results in accordance with the provisions of paragraphs 3 to 5 of this Article, modified as follows:

(a) winning Bids and Marginal Prices for respective directions are determined according to paragraphs 3 to 5 of this Article;

(b) for each Reduction Period the quantity of Long Term Transmission Rights to be allocated to individual Registered Participants shall be calculated on a pro-rata basis taking into account the quantity of Long Term Transmission Rights corresponding to the respective winning Bids of each Registered Participant and the respective reduced Offered Capacities. The Allocation Platform shall publish on its website clarifications and examples concerning the calculation of the quantity of Long Term Transmission Rights to be allocated to individual Registered Participants in the Reduction Period.

7. Whenever the calculation set forth in paragraphs 3 to 6 of this Article does not result in a whole MW amount in accordance with Article 31 paragraph 1(f), the Long Term Transmission Rights shall be rounded down to the nearest full MW. The case when Long Term Transmission Rights allocated to individual Registered Participants are equal to zero after rounding shall not impact the Marginal Price determination.

8. The Long Term Transmission Rights are deemed to have been allocated to a Registered Participant from the moment the Registered Participant has been informed of the Results and the contestation period is closed in accordance with Article 37. In the event that the Auction was not successfully performed, the fallback procedures as set forth in CHAPTER 8 shall apply.

Article 36

Notification of provisional Auction results

1. The Allocation Platform shall publish on its website the provisional Auction results as soon as possible but not later than specified in the final Auction Specification.

2. The publication of the provisional Auction results shall comprise at least the following data:

(a) total requested Long Term Transmission Rights in MW;

(b) total allocated Long Term Transmission Rights in MW;

(c) Marginal Price in Euros/MW per hour;

(d) number of Registered Participants participating in the Auction;

(e) list of names and number of Registered Participants who placed at least one winning Bid in the Auction;

(f) list of registered Bids without identification of the Registered Participants (bid curve); and

(g) Congestion Income.

3. No later than thirty (30) minutes after the publication of the provisional Auction results the Allocation Platform shall make available via the Auction Tool to each Registered Participant who submitted a Bid to a specific Auction at least the following data:

(a) allocated Long Term Transmission Rights for each hour of the Product Period in MW;

(b) Marginal Price in Euros/MW per hour; and

(c) due amount for allocated Long Term Transmission Rights in Euro, rounded to two decimal places; and

(d) due amount for one monthly instalment for allocated Long Term Transmission Rights in Euro, rounded to two decimal places, in the event that the Product Period is longer than one month.

4. In the event that the Auction Tool is unavailable, the Allocation Platform shall inform the Registered Participants of the provisional Auction Results in accordance with CHAPTER 8.

Article 37

Contestation of Auction Results

1. Registered Participants shall check the Auction results and, where reasonably appropriate, may contest Auction results within the contestation period set out in paragraph 2 of this Article. The Allocation Platform shall only consider a contestation where the Registered Participant is able to demonstrate an error by the Allocation Platform in the Auction results.

2. The Registered Participant may contest the Auction results within the deadline set out in the relevant Auction Specification but no later than two (2) Working Days after the provisional Auction results have been notified to the Registered Participant.

3. The contestation shall be notified to the Allocation Platform and headed as “contestation”.

4. Any contestation shall contain the following:

(a) Date of contestation;

(b) identification of contested Auction;

(c) identification of the Registered Participant;

(d) name, e-mail address and telephone number of the Registered Participant;

(e) detailed description of the facts and the reason for contestation; and

(f) evidence of erroneous Auction results.

5. The Allocation Platform shall notify its decision on the contestation to the Registered Participant no later than four (4) Working Days after the provisional Auction results have been notified to the Registered Participant.

6. At the end of the fourth (4th) Working Day after the publication of the provisional Auction Results and unless an Auction is cancelled, the provisional Auction results shall be considered as final and binding with no further notification.

CHAPTER 5
Return of Long Term Transmission Rights

Article 38
General Provision

1. Long Term Transmission Right holder(s) may return some or all of their Long Term Transmission Rights to the Allocation Platform for reallocation at any subsequent long term Auction once the final Auction results are published.

2. Returned Long Term Transmission Rights shall be a constant band of whole MW(s) over the specific timeframe of the subsequent Auction. The Auction at which the Long Term Transmission Rights were allocated and the subsequent Auction to which the Long Term Transmission Rights are to be returned shall be for the same form of products.

3. The minimum volume for a returned Long Term Transmission Right shall be one (1) MW over the specific timeframe of the subsequent Auction.

4. The Allocation Platform shall make the volumes of returned Long Term Transmission Rights available at the subsequent long term Auction, increasing the Offered Capacity announced in the provisional Auction Specification accordingly and equally for each hour of the Product Period. The same applies for where the Offered Capacity announced in the provisional Auction Specification for the subsequent long term Auction contains a Reduction Period.

5. If the returned Long Term Transmission Rights are rounded down in accordance with the process described in Article 35(7), the Allocation Platform shall remunerate the Market Participant for the full amount of the returned Long Term Transmission Rights in accordance with Article 40.

Article 39
Process of the return

1. Long Term Transmission Right holder(s) wishing to return their Long Term Transmission Rights shall send a notification, directly via the Auction Tool to the Allocation Platform in line with the corresponding Information System Rules no later than the deadline specified in the provisional Auction Specification for the subsequent Auction to which the Long Term Transmission Right is to be returned. For the avoidance of doubt the sending of a notification indirectly through a third party will not be accepted.

2. A valid notification of the return pursuant to paragraph 1 of this Article shall contain the following information:

   (a) EIC code of the Long Term Transmission Right holder;

   (b) identity of the subsequent Auction to which the Long Term Transmission Right is returned; and

   (c) the volume of the Long Term Transmission Rights for return.

3. In order to be able to return Long Term Transmission Rights the Registered Participant shall:

   (a) have a valid and effective Participation Agreement with the Allocation Platform;

(b) hold the relevant Long Term Transmission Rights at the time of the notification of the return;

(c) send the notification before the deadline pursuant to paragraph 1 of this Article; and

(d) fulfil or secure its financial obligations pursuant to these IFA Long Term Allocation Rules.

4. If the requirements set forth in paragraph 3 of this Article are fulfilled, the Allocation Platform shall send without undue delay a notification to the Registered Participant via the Auction Tool containing:

(a) a message confirming the acceptance of the return subject to paragraph 7 of this Article; or

(b) a message rejecting the return including the reasons for rejection subject to paragraph 7.

5. If the return is accepted, the Allocation Platform shall decrease the total volume of the Long Term Transmission Rights held by the respective Long Term Transmission Right holder by the amount returned.

6. Long Term Transmission Right holder(s) wishing to modify their return as notified in accordance with paragraphs 1 and 2 of this Article, shall send a notification via the Auction Tool with the adjusted volume of the Long Term Transmission Rights to be returned before the deadline for return of Long Term Transmission Rights pursuant to paragraph 1 expires. Where the volume of the Long Term Transmission Rights to be returned is adjusted to zero (0) MW, the related return shall be deemed as cancelled.

7. If the Allocation Platform is unable to register a return as set forth in this Chapter, the Allocation Platform may apply a fallback procedure for data exchange pursuant to Article 53. If no fallback procedure for return is technically possible, no financial compensation may be claimed by the Registered Participants.

Article 40

Remuneration of Long Term Transmission Right holders

1. Registered Participants who returned Long Term Transmission Right are entitled to receive a remuneration equal to the value of the returned Long Term Transmission Rights set during the relevant subsequent Auction(s) calculated for each hour as follows:

(a) the Marginal Price of the Auction at which the returned Long Term Transmission Right was reallocated in Euros/MW per hour multiplied by

(b) the amount of MW which was reallocated.

2. On return the Registered Participant ceases to be holder of Long Term Transmission Right for the returned amount of Long Term Transmission Right. This means that all rights and obligations of the Registered Participant connected to the returned amount of Long Term Transmission Right will cease except those connected to its payments obligations pursuant to CHAPTER 10 and the remuneration set forth in this CHAPTER 5. All rights and obligations of the Registered Participant related to the not returned proportion of Long Term Transmission Right will remain unaffected.

CHAPTER 6
Transfer of Long Term Transmission Rights

Article 41
General provisions

1. Long Term Transmission Right holder(s) may transfer some or all of their Long Term Transmission Rights to another Registered Participant once the Auction results in respect of those rights are final. Regardless of how the transfer was concluded, it shall be notified to the Allocation Platform following the process pursuant to Article 42 and via the Auction Tool according to a format specified on the Allocation Platform's website.

2. The minimum volume of Long Term Transmission Rights that may be transferred shall be one (1) MW over one (1) hour.

Article 42
Process of the transfer

1. The transferor shall send a notification, directly (for the avoidance of doubt the sending of a notification indirectly through a third party will not be accepted) of the transfer to the Allocation Platform via the Auction Tool with the following information. :

   (a) the EIC codes of the transferor and transferee;

   (b) the time period of the transfer including the start and end dates and hours; and

   (c) the volume (MW) of the transferred Long Term Transmission Right in whole MW(s) defined per hour.

2. The notification of the transfer shall be delivered to the Allocation Platform no later than at 12:00 p.m. on the second (2^{nd}) day preceding the day of delivery.

3. In order to be able to transfer the Long Term Transmission Rights the following requirements shall be fulfilled:

   (a) the transferor and transferee have a valid and effective Participation Agreement with the Allocation Platform at least for transfer of Long Term Transmission Rights; the transferor holds the concerned Long Term Transmission Rights at the time of the notification of the transfer;

   (b) the transferor has fulfilled or secured its financial obligations pursuant to these IFA Long Term Allocation Rules regardless whether the transferor transfers all or only part of its Long Term Transmission Rights and even in the case of multiple transfers among several Registered Participants; and

   (c) the transferor has delivered the notification of the transfer before the deadline pursuant to paragraph 2 of this Article.

4. The Allocation Platform shall issue without undue delay an acknowledgement of receipt of the notification to the transferor. Where the notification fulfils the requirements pursuant to paragraph 3 of this Article the Allocation Platform shall inform the transferee about the notification of the transfer.

5. In the event that the acknowledgement is not sent by the Allocation Platform, the concerned notification shall be deemed not to have been submitted.

6. The notification of transfer shall be confirmed by the transferee within four (4) hours upon receiving the transfer information from the Allocation Platform and no later than at 12:00 p.m. the second (2^{nd}) day preceding the day of delivery

7. In the event that the transferee does not confirm the transfer by the deadline pursuant to paragraph 6, the Allocation Platform shall automatically cancel the process of the transfer notification.

8. The Allocation Platform shall then issue without undue delay to the transferor and the transferee a second acknowledgement via the Auction Tool stating either:

   (a) that the transfer notification has been accepted and is effective; or

   (b) that the transfer notification has been rejected including the reason(s).

9. If for any technical reason the acknowledgement is not sent by the Allocation Platform, the concerned transfer is deemed not to have been submitted.

10. The Transferor shall not be entitled to withdraw the transfer notification once the transferee has accepted it. The transferee may initiate another transfer to transfer the Long Term Transmission Rights further.

11. In the event of Auction Tool failure, a fallback procedure pursuant to CHAPTER 8 shall apply. If the process of the transfer notification cannot be completed in accordance with this Article due to an IT system and/or fallback procedure failure, Registered Participants shall not be entitled to claim any financial compensation from the Allocation Platform.

Article 43

Legal consequences of the transfer

All rights and obligations resulting from these IFA Long Term Allocation Rules, with exception of the payment obligation of the original Long Term Transmission Right holder regarding the allocation of Long Term Transmission Right pursuant to Article 62(1), shall be transferred together with the Long Term Transmission Right.

Article 44

Notice board

1. The notice board shall facilitate only the exchange of information between the Registered Participants regarding their interest in buying and/or selling Long Term Transmission Rights. No agreements may be concluded via this notice board. Use of the notice board is free of charge.

2. Any notices published via the notice board by the Registered Participants shall not be considered as an evidence for a valid and effective contract for the transfer of Long Term Transmission Rights.

3. The Allocation Platform shall not be held liable for the accuracy and completeness of the information published by a Registered Participant on the notice board.

4. The Allocation Platform may delete from the notice board any information it considers not relevant for the purpose of the notice board. In case of such a deletion, the Allocation Platform shall provide the reasons for the deletion to the respective Registered Participant.

CHAPTER 7
Use and remuneration of Long Term Transmission Rights

Article 45
General principles

1. Physical Transmission Rights shall be subject to the Use it or Sell it principle.

2. The holder of allocated Physical Transmission Rights may nominate the Physical Transmission Rights for its physical use in accordance with Article 46.

3. In case the Registered Participant does not nominate its Physical Transmission Rights, the Allocation Platform shall make the underlying Cross Zonal Capacity of the non-nominated Physical Transmission Rights available for the relevant daily allocation. The Physical Transmission Right holders who do not nominate their Physical Transmission Rights for physical use of their rights shall be entitled to receive remuneration in accordance with Article 48.

4. In case the Long Term Transmission Rights holder reserves its Long term Transmission Rights for the balancing services, such Cross Zonal Capacity shall be excluded from the application of the remuneration processes as detailed in Chapter 7. The process of notification of such reservation shall be subject to the relevant rules entered into force in accordance with the applicable national regulatory regime and published by the responsible Allocation Platform.

Article 46
Nomination of Physical Transmission Rights

1. Persons eligible to nominate Physical Transmission Rights shall fulfil the requirement described in applicable Nomination Rules. Eligible persons may be the following:

   (a) the Physical Transmission Rights' holder; or

   (b) the person notified by the Physical Transmission Rights' holder during the Nomination process to the respective TSOs in line with the relevant Nomination Rules; or

   (c) the person authorised by the Physical Transmission Rights' holder to nominate in line with the relevant Nomination Rules and notified to the Allocation Platform.

2. The Allocation Platform shall provide on its website an overview of the options listed in paragraph 1 of this Article which are applicable.

3. For the process of the notification of the eligible persons to the Allocation Platform in accordance with paragraph 1(c) of this Article the following criteria should be met:

   (a) the eligible person shall have an EIC Code in order to allow its identification in the Rights Document; and

   (b) the Physical Transmission Rights' holder shall notify the eligible person to the Allocation Platform via the Auction Tool in accordance with the Information System Rules and at the latest one (1) hour before the sending of the Rights Document for a specific day.

4. The Allocation Platform shall not take into account notifications of eligible persons which do not meet the criteria in accordance with paragraph 3 of this Article when sending the Rights Document in respect of a day of delivery of electricity.

5. The Nomination shall be done in compliance with the Rights Document.

6. The Allocation Platform shall publish a list with the relevant Nomination Rules on its website.

7. The long term nomination deadlines are set forth in the relevant Nomination Rules. The Allocation Platform shall publish information on its website on the long term nomination deadlines on IFA. In case of any discrepancy between the deadlines published by the Allocation Platform and those of the valid and legally binding relevant Nomination Rules, the latter shall prevail and the Allocation Platform shall not be held liable for any damages due to such a discrepancy.

Article 47

Rights Document

1. The Rights Document shall contain the information about the volume in MW that eligible persons are entitled to nominate on IFA and directions and for hourly periods in case of Physical Transmission Rights.

2. The Allocation Platform shall send the Rights Document daily and no later than at 16:15 on the second (2nd) day preceding the delivery day via the Auction Tool to the Registered Participant.

Article 48

Remuneration of Long Term Transmission Rights holders for non-nominated Physical Transmission Rights

1. The Allocation Platform shall remunerate the Long Term Transmission Rights holder for the Long Term Transmission Rights which are reallocated at the daily allocation. The Allocation Platform shall remunerate the Long Term Transmission Rights holder for each MW which was non-nominated for the relevant hourly period. The remuneration shall be calculated as the difference between the volumes stated in the Rights Document and the final volumes nominated and accepted by the relevant TSO, multiplied by the Marginal Price of the daily Auction at which that Physical Transmission Right was reallocated, for the concerned hourly period.

2. The Allocation Platform shall compensate the Long Term Transmission Rights holder for non-nominated Physical Transmission Rights which are not reallocated at the relevant daily allocation in accordance with CHAPTER 9 in case of the triggering event listed in Article 56.

3. The Allocation Platform shall compensate the Long Term Transmission Rights holder in accordance with Article 59(1) non-nominated Physical Transmission Rights which are not reallocated at the relevant daily allocation for other reasons than these mentioned in paragraph 2 of this Article.

Article 48A

Cancellation of a Long Term Nomination Gate

In the event of technical difficulties with the Auction Tool, the Allocation Platform may be forced to cancel a Long Term Nomination Gate Closure. In that case, the Allocation Platform shall inform the Registered Participants as soon as practicable of such cancellation. Physical Transmission Rights will be considered as non-nominated by the Allocation Platform, and the holder shall therefore be entitled to receive remuneration in accordance with Article 48. For the avoidance of doubt the remuneration described in this Article 48A shall be included in the calculation of the monthly compensation cap pursuant to Article 59(2).

Article 48B

Deemed Metered Volumes

When a Registered Participant submits a valid Mid-Channel Nomination, then the Allocation Platform will ensure that a corresponding Deemed Metered Volume, adjusted for losses on the IFA and for any reductions in Mid Channel Nominations as a result of curtailment, is allocated to the relevant Registered Participant using the Deemed Metered Volume Rules set out in Annex 2: "Deemed Metered Volumes Allocation" of the IFA Day Ahead and Intraday Allocation Rules.

CHAPTER 8
Fallback Procedures

Article 49
General provisions

1. The Allocation Platform shall, to the extent reasonably practicable, organize a fallback procedure in the following cases of failure of a standard process:

   (a) if it is technically not possible to hold an Auction following the process set forth in CHAPTER 4;

   (b) if it is technically not possible to register a return of Long Term Transmission Rights following the process as set forth in CHAPTER 5;

   (c) if it is technically not possible to register a notification of transfer of Long Term Transmission Rights following the process as set forth in CHAPTER 6; and

   (d) if it is technically not possible to register a notification of an eligible person in following the process as set forth in CHAPTER 7.

2. The Allocation Platform may use one or all of the following fallback procedures:

   (a) introduction of a fallback procedure for data exchange according to Article 50;

   (b) postponement of the Auction to a later date/time;

   (c) another ad hoc fallback procedure if considered appropriate by the Allocation Platform to overcome any technical obstacles.

3. The Allocation Platform shall, to the extent practicable and without undue delay, inform Registered Participants of possible deviations from the standard processes and the application of a fallback procedure via email and the Allocation Platform's website and using the Auction Tool.

4. Registered Participants shall immediately inform the Allocation Platform of any observed problems with the use of the Auction Tool and all potential consequences via e-mail. In case of an urgent problem, which shall be solved immediately and which is identified during Working Hours, the Registered Participant shall immediately contact the Allocation Platform by phone at the telephone number indicated on the website of the Allocation Platform for this type of problems.

Article 50
Fallback procedure for data exchange

1. In case of a failure at the site of the Allocation Platform of the standard processes for data exchange via the Auction Tool as described in these IFA Long Term Allocation Rules, the Allocation Platform may inform Registered Participants that a fallback procedure for data exchange may be used as follows:

   (a) by the applicable deadlines unless otherwise announced by the Allocation Platform the Registered Participant shall request via email the Allocation Platform to enter the relevant data into the Auction Tool by using this fallback procedure for data exchange;

(b) with the request the Registered Participant shall provide to the Allocation Platform in the format specified in the Information System Rules the relevant data to be entered in the Auction Tool;

(c) the Allocation Platform shall enter the submitted data into the Auction Tool;

(d) the Allocation Platform may set in Information System Rules an identification process for the Registered Participant at the moment when the Registered Participant submits the relevant operational or commercial data and requests the Allocation Platform to enter this data into the Auction Tool on its behalf by means of the fallback procedure. If the Registered Participant or the person authorized by the Registered Participant for this purpose does not clearly identify itself, the Allocation Platform shall be entitled not to perform the data entry;

(e) the Registered Participant shall provide the Allocation Platform with a telephone number, which can be used in case of a necessary communication;

(f) once the Allocation Platform has entered the provided data into the Auction Tool on behalf of the Registered Participant, the Allocation Platform shall inform, without undue delay, the Registered Participant by telephone and/or via e-mail of the entry; and

(g) the Allocation Platform shall under no circumstances be held responsible if it fails to reach the Registered Participant through the means of communication above.

2. In case of application of the fallback procedure for data exchange , all necessary information which is made available via the Auction Tool during the standard processes may be distributed to the Registered Participants via email by the Allocation Platform or where appropriate published on the website of the Allocation Platform.

Article 51

Fallback procedures for Auction

1. The postponement of the Auction shall be the default fallback procedure for Auctions before the Bidding Period has opened. The Allocation Platform may postpone an Auction by notifying Registered Participants of the revised date and/or time of the new Auction.

2. After the Bidding Period has opened, the Allocation Platform shall:

(a) where reasonably practicable postpone the end of the Bidding Period by notifying Registered Participants about the revised deadlines in the Auction Specification; or

(b) cancel the initial Auction according to Article 52 and organise a new Auction for the same Product Period.

3. If the fallback procedure described in paragraph 1 and 2 of this Article cannot be implemented for the same Product Period, the respective Cross Zonal Capacities shall be offered in subsequent Capacity Allocation process.

4. The Allocation Platform shall inform all Registered Participants, without undue delay, of the postponement by notification published in the Auction Tool and/or on the webpage of the Allocation Platform and/or by e-mail.

Article 52

Auction cancellation

1. In case the Allocation Platform cancels an Auction, all Bids already submitted, all returns already accepted and any results of the respective Auction shall be deemed null and void.

2. The Allocation Platform shall inform all Registered Participants without undue delay, of the Auction cancellation by notification published in the Auction Tool or on webpage of Allocation Platform and by e-mail.

3. An Auction cancellation may be announced in the following cases:

   (a) before the end of the contestation period in case the Allocation Platform faces technical obstacles during the Auction process like a failure of standard processes and fallback procedures in the event of erroneous results due to incorrect Marginal Price calculation or in the event of incorrect allocation of Long Term Transmission Rights to Registered Participants or similar reasons; and

   (b) after the end of the contestation period, in the event of erroneous results due to incorrect Marginal Price calculation or incorrect allocation of Long Term Transmission Rights to Registered Participants or similar reasons.

4. In case of Auction cancellation before the contestation period elapses, no compensation shall be paid to the Registered Participants.

5. The Allocation Platform shall publish on its website, without undue delay, the reasons for the Auction cancellation.

Article 53

Fallback procedure for return of Long Term Transmission Rights

1. In case of failure in the standard process for the registration of the return of Long Term Transmission Rights via the Auction Tool as set forth in CHAPTER 5, the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for Long Term Transmission Rights return.

3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the return of Long Term Transmission Rights, all requests for Long Term Transmission Rights return already submitted that cannot be registered in the Auction Tool shall be automatically cancelled.

Article 54

Fallback procedure for transfer of Long Term Transmission Rights

1. In case of failure in the standard process for the registration of the transfer of Long Term Transmission Rights organised via the Auction Tool as set forth in CHAPTER 6 the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for Long Term Transmission Rights transfer.

3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the transfer of Long Term Transmission Rights, all requests for Long Term Transmission Rights transfer already submitted and not confirmed by transferee shall be automatically cancelled.

Article 55

Fallback procedure for eligible person notification

1. In case of failure in the standard process of eligible person notification to the Allocation Platform via the Auction Tool as set forth in CHAPTER 6, the Allocation Platform may apply the fallback procedure for data exchange in accordance with Article 50.

2. The Allocation Platform shall publish information about the possibility to use the fallback procedure for data exchange in due time before the expiration of the deadline for eligible person notification.

3. In case the fallback procedure for data exchange cannot be executed as necessary to enable the registration of the eligible person, the eligible person shall be deemed notified as set forth in Information System Rules.

CHAPTER 9
Curtailment

Article 56

Triggering events and consequences of curtailment on Long Term Transmission Rights

1. Long Term Transmission Rights irrespectively of the Product Period may be curtailed in the event of Force Majeure, or to ensure operation remains within Operational Security Limits before the Firmness deadline specified in Article 58. For the avoidance of doubt a Capacity Shortage shall be automatically deemed by the Allocation Platform as requiring a curtailment to ensure operation remains within the applicable operational security limits to the extent it occurs before the Firmness Deadline.

2. Curtailment may be applied on allocated Long Term Transmission Rights including, where the case may be, on nominated Physical Transmission Rights.

3. Long Term Transmission Rights may be curtailed after the Firmness Deadline in the case of Force Majeure or emergency situation. For the avoidance of doubt, Long Term Transmission Rights when curtailed after the Firmness Deadlines shall be curtailed in the same way as day-ahead and intraday capacity.

4. Long Term MCNs may be curtailed ex-post after Long Term Nomination Gate Closure whether before or after the Firmness Deadline in accordance with these IFA Long Term Allocation Rules.

5. Each Registered Participant affected by curtailment shall lose its right to transfer, return or nominate for physical use the concerned Physical Transmission Rights or to receive remuneration based on the Use-It-Or-Sell-It principle.

6. This Chapter 9 should be read in conjunction with Chapter 10 (Curtailment) of the IFA Day Ahead and Intraday Allocation Rules published on the websites of NGIC and RTE which cover the curtailment of Daily and Intraday Interconnector Capacity and Daily and Intraday MCNs.

Article 56A

Capacity Shortage

1. A Capacity Shortage occurs on IFA for any minute in a direction if:

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

Where:

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

b. $\Sigma\ Capa^{GNC}{}_{dir}$ is the sum of the Interconnector Capacity rights across all Registered Participants in that direction, including Daily and Intraday rights allocated under the IFA Day Ahead and Intraday Allocation Rules, for any Timescale for which Nomination Gate Closure has not yet occurred, (before curtailment of these rights in respect of the relevant Capacity Shortage); and

c. $\Sigma\ MCN^{GC}{}_{dir}$ is the sum of the MCN values across all Registered Participants in that direction for all Timescales for which Nomination Gate Closure has occurred, (before curtailment of that MCN in respect of the relevant Capacity Shortage in accordance with these IFA Long Term Allocation Rules or the IFA Day Ahead and Intraday Allocation Rules); and

d. $\Sigma\ MCN^{GC}_{opp}$ is the sum of the MCN values across all Registered Participants in the opposite direction for all Timescales, for which Nomination Gate Closure has occurred, (before curtailment of that MCN in respect of the relevant Capacity Shortage in accordance with these IFA Long Term Allocation Rules or the IFA Day Ahead and Intraday Allocation Rules),

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

Article 57
Process and notification of curtailment

1. In all cases curtailment shall be carried out by the Allocation Platform based on a request by one or more TSO(s) where Long Term Transmission Rights have been allocated.

2. The Allocation Platform shall notify the affected holders of Long Term Transmission Rights as soon as possible of a curtailment of Long Term Transmission Rights including the triggering event via email and on the webpage of the Allocation Platform. The notification shall identify the affected Long Term Transmission Rights, the affected volume in MW per hour for each concerned period, the triggering events for curtailment as described in Article 56 and the amount of Long Term Transmission Rights that remain after the curtailment.

3. The Allocation Platform shall publish the triggering events for curtailment in accordance with Article 56 including their estimated duration on its website as soon as possible.

4. Compensation rules according to Article 59 to Article 60 and where applicable Article 61 and Article 61A also apply if offered day-ahead Cross Zonal Capacities are lower than the amount of non-nominated Long Term Transmission Rights.

5. For each affected Registered Participant, remaining Long Term Transmission Rights which have not been curtailed shall be rounded down to the nearest MW. The same rounding applies for the curtailment of both nominated and non-nominated Physical Transmission Rights.

6. In cases of curtailment, any transfer of Long Term Transmission Rights to be curtailed, which is not yet accepted by the transferee, shall be automatically cancelled and the transferor shall remain the holder of the Long Term Transmission Rights. If the transfer has already been notified to the Allocation Platform and accepted by the transferee, the compensation or reimbursement for curtailed Long Term Transmission Rights shall be paid to the transferee.

7. The Allocation Platform shall cancel all notifications for return of Long Term Transmission Rights that have been accepted for a subsequent long term Auction for which curtailment is necessary and for which the final Auction Specifications have not yet been published. By this cancellation, the Long Term Transmission Rights are given back to the Long Term Transmission Right holders that have requested the return. If the final Auction Specification has already been published the return shall not be cancelled and the compensation or reimbursement for curtailed Long Term Transmission Rights shall be paid to the holder who returned the Long Term Transmission Rights.

Article 58 **Firmness deadline**

The Allocation Platform shall take into account for the calculation of compensation for curtailed Long Term Transmission Rights the following Firmness Deadline of : 11:00 a.m. on the first (1st) day preceding the delivery day, unless otherwise specified by the Allocation Platform on its website.

Article 58A

Curtailment of Long Term Transmission Rights to ensure operation remains within Operational Security Limits before the Firmness Deadline

1. In order to ensure operation remains within applicable Operational Security Limits in any Settlement Period, the Long Term Transmission Rights of all Registered Participants in that Settlement Period in the required direction may be curtailed by the Allocation Platform in accordance with these IFA Long Term Allocation Rules.

2. Further to paragraph 1, the Long Term Transmission Rights, in respect of which Long Term Nomination gate has not closed at the time of the curtailment incident being recorded on the Auction Tool, in that Settlement Period and in that direction, shall be curtailed pro rata for all Registered Participants. Each relevant Registered Participant shall lose its entitlement to use such curtailed Long Term Transmission Rights.

3. For the avoidance of doubt, the long term capacity rights shall be curtailed in the following order: from the shortest Product Period duration to the longest Product Period duration. Products with the same Product Period duration will be curtailed in the same proportions.

4. In the event of a need of curtailment in order to ensure operation remains within Operational Security Limits between Long Term Nomination Gate Closure and the Firmness Deadline , Long Term Transmission Rights shall be curtailed on a pro rata basis between nominated and non-nominated rights and on a pro rata basis for all Registered Participants.

5. In the event of a need of curtailment in order to ensure operation remains within Operational Security Limits between Rights Documents publication and Long Term Nomination Gate-Closure, the curtailment process, in that Settlement Period and in that direction, is deferred until such Long Term Nomination Gate-Closure, following which the curtailment provisions described in Article 60B.

Article 59

Compensation for curtailments to ensure operation remains within Operational Security Limits before the Firmness Deadline

1. In cases of curtailment to ensure operation remains within Operational Security Limits before the Firmness Deadline the compensation for each affected hour and Registered Participant shall be calculated. Holders of curtailed Long Term Transmission Rights shall therefore be entitled to receive reimbursement per hour equal to the difference between the allocated Long Term Transmission Rights held by the Registered Participant before and after the curtailment multiplied by the Marginal Price of the initial auction.

2. A cap shall be applied to the compensations calculated according to this Article. The cap shall be determined as the total amount of Congestion Income collected by RTE and NGIC on IFA in the relevant month, deducting all remunerations paid according to Article 40 and Article 48 and compensations paid according to Articles 60 and where applicable Article 61 for the considered month. The total amount of Congestion Income in one month is defined as the sum of a twelfth of the revenues raised at yearly Auction on IFA and the revenues generated by the monthly Auction and congestion income from other timeframes which occurred during this month.

3. If, before application of the relevant cap described in paragraph 2 of this Article, the total calculated compensations of curtailed Long Term Transmission Rights exceed the relevant cap, the compensations of curtailed Long Term Transmission Rights shall be reduced on a pro rata basis. This will be based on the proportion of uncapped compensation of allocated Long Term Transmission Rights due to each Registered Participant in the relevant period (calendar month or calendar year). The compensations due to each Registered Participant will be calculated as follows:

   [(Uncapped compensations of curtailed Long Term Transmission Rights due to Registered Participant)/(Total uncapped compensations of curtailed Long Term Transmission Rights due to all Registered Participants)] x (Relevant Cap as described in paragraph 2 of this Article)

Article 60

Reimbursement for curtailments due to Force Majeure before the Firmness Deadline

1. In the case of Force Majeure before the Firmness Deadline, holders of curtailed Long Term Transmission Rights shall be entitled to receive a reimbursement equal to the price of the Long Term Transmission Rights set during the Long Term Transmission Rights Allocation Process, which for each affected hour and Registered Participant shall be calculated as:

   (a) the Marginal Price of the initial auction; or

   (b) in case the Marginal Price of the initial Auction cannot be identified, the weighted average of Marginal Prices of all the Auctions for which the Registered Participant holds Long Term Transmission Rights where the weight is given by Long Term Transmission Rights which the Registered Participant holds before the curtailment; multiplied by

   (c) the volume in MW per hour corresponding to the difference between the Long Term Transmission Rights held by the Registered Participant before and after the curtailment.

Article 60A

Curtailment of non-nominated and nominated Physical Transmission Rights due to an emergency situation after the Firmness Deadline

1. If curtailment is required due to an emergency situation, the non-nominated and nominated Physical Transmission Rights, in that Settlement Period and in that direction, for which Nomination Gate Closure has occurred, are curtailed on a pro-rata basis for all Registered Participants.

2. The non-nominated and nominated Physical Transmission Rights shall be curtailed in the following order:

   i. Intraday nominated Physical Transmission Rights (where Intraday Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with the IFA Day Ahead and Intraday Allocation Rules;
   ii. Daily nominated Physical Transmission Rights (where Explicit Daily Auctions have been invoked and Daily Nomination Gate Closure has occurred) for all

Registered Participants on a pro rata basis in accordance with the IFA Day Ahead and Intraday Allocation Rules;

iii. and finally the following products on a pro-rata basis:
   - Long Term non-nominated Physical Transmission Rights (where Long Term Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with these IFA Long Term Allocation Rules; and
   - Long Term nominated Physical Transmission Rights (where Long Term Nomination Gate Closure has occurred) for all Registered Participants on a pro rata basis in accordance with these IFA Long Term Allocation Rules.

3. Should an Explicit Daily Auction be cancelled, leading to the curtailment of all non-nominated Physical Transmission Rights, the Registered Participant will be compensated by the Allocation Platform for the corresponding curtailed Physical Transmission Rights in accordance with Article 61A.

Article 60B

Curtailment due to Force Majeure

In the event of curtailment of Long Term Transmission Rights under Force Majeure circumstances, the rights will be curtailed in the order defined under Article 60A for curtailment after the Firmness Deadline and curtailed in the order defined in Article 59 for curtailment before the Firmness Deadline.

Article 61

Reimbursement or compensation for curtailments due to Force Majeure after the Firmness Deadline

In the event of Force Majeure after the Firmness Deadline, holders of curtailed Long Term Transmission Rights shall be entitled to receive reimbursement of the Marginal Price of the initial auction.

Article 61A

Reimbursement or compensation for curtailments due to an emergency situation after the Firmness Deadline

Holders of curtailed Long Term nominated and non-nominated Physical Transmission Rights under Article 60A shall be entitled to receive reimbursement for the corresponding curtailed units, based on the number of curtailed units multiplied by the Marginal Price of the initial auction.

CHAPTER 10
Invoicing and Payment

Article 62
General principles

1. A Registered Participant shall pay the amounts due as calculated in accordance with Article 63 for all Long Term Transmission Rights allocated to him. This obligation shall be fulfilled irrespective of any return or transfer or curtailment of all or some of these Long Term Transmission Rights in accordance with these IFA Long Term Allocation Rules.

2. The Registered Participant may upon payment use the Cross Zonal Capacity connected with the allocated Long Term Transmission Rights as described in these IFA Long Term Allocation Rules only. Any right for physical use of the transmission system in case of a Physical Transmission Rights may be subject to separate agreements between the Registered Participant and the concerned TSOs.

3. All financial information, prices and amounts due shall be expressed in Euros (€), except if deviations are required by applicable law or regulations.

4. The payment shall be settled on the date upon which the given amount is credited to the account of the beneficiary. Any interest for late payment shall be considered as settled on the date when the payment was credited from the account of the payer.

5. Payments shall be done in Euros (€).

6. The Allocation Platform shall consider taxes and levies at the rate and to the extent applicable when assessing payment obligations and issuing invoices under these IFA Long Term Allocation Rules subject to Article 64.

7. The Registered Participant shall provide the Allocation Platform with relevant information for justifying whether or not respective taxes and levies are applicable when signing the Participation Agreement as well as any changes in this respect without undue delay.

8. .

Article 63
Calculation of due amounts

1. Registered Participants shall pay for each of the Long Term Transmission Rights allocated to them an amount equal to:

   (a) the Marginal Price (per MW per hour); multiplied by

   (b) the sum of Long Term Transmission Rights in MW allocated in individual hours of the Product Period incorporating any Reduction Period where relevant in accordance with Article 35.

2. The amount due plus any applicable taxes and levies, duties or other charges subject to Article 64, shall be rounded to two decimal places.

3. The Allocation Platform shall calculate the due payments in monthly instalments when the Cross Zonal Capacity product has a duration of more than a month.

4. Monthly instalments shall be equal for each month and determined by dividing the amount due as set forth in paragraph 1 of this Article by the duration of the Cross Zonal Capacity products expressed in months and rounded to two decimal places. The last instalment shall in addition include the balance due to the rounding down applied in the other monthly instalments.

5. If the first payment date of the Cross Zonal Capacity product with a duration of more than one (1) month occurs after the start of the Product Period, then the first payment shall include two (2) monthly instalments.

Article 64
Tax Gross-up

1. Each Registered Participant must make all payments to be made by it under the IFA Long Term Allocation Rules without any tax deduction, unless a tax deduction is required by law.

2. If a tax deduction is required by law to be made by a Registered Participant, the amount of the payment due from the Registered Participant to the Allocation Platform will be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.

3. Paragraph 2 of this Article does not apply with respect to any tax assessed on the Allocation Platform on any payment received in connection with the IFA Long Term Allocation Rules under the laws of the jurisdiction in which the Allocation Platform is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Allocation Platform is treated as resident for tax purposes or has or is deemed for tax purposes to have a permanent establishment or a fixed place of business to which any payment under the IFA Long Term Allocation Rules is attributable. Paragraph 2 of this Article does not apply to value added tax as provided for in the VAT directive 2006/112/EC and/or any other applicable national legislation as amended from time to time and any other tax of a similar nature.

Article 65
Invoicing and payment conditions

1. Payments shall be settled before the start of the Product Period if the Auction timeline allows so. If the Cross Zonal Capacity product has a duration of more than one (1) month, each monthly instalment shall be settled before the start of each respective month if the Auction timeline allows so. If the settlement of an amount due for allocated Long Term Transmission Rights is not possible before the start of the Product Period then the payment will be settled at the next fixed invoice date.

2. Unless notified otherwise, NGIC will invoice the Registered Participant for the Long Term Transmission Rights acquired in the direction “England to France”, and RTE will invoice the Registered Participant for the Long Term Transmission Rights acquired in the direction “France to England”.

3. Not later than the eleventh (11th) Working Day of each month M, NGIC and RTE will send by postmail (or by any other means as indicated from time to time by the Allocation Platform) to the Registered Participant an invoice or credit note stating::

   (a) the monthly instalments payable by the Registered Participant in respect of the portion related to month M+1 of Long Term Transmission Rights, the Product Period of which is equal or greater than one month, and the allocation of which will have taken place before the third (3rd) Working Day of month M; the monthly instalments payable by the Registered Participant in respect of the portion related to month

M of Long Term Transmission Rights, the Product Period of which is equal to or greater than one month, and the allocation of which will have taken place after or on the third (3rd) Working Day of month M-1;

(b) the amount payable by the Registered Participant in respect of Long Term Transmission Rights, the Product Period of which is less than one (1) month and starts in month M-1;the monthly instalments payable by the Allocation Platform to the Registered Participant in respect of the portion related to month M+1 of Long Term Transmission Rights reallocated in Auctions, the Product Period of which is equal or greater than one month, and the allocation of which will have taken place before the 3rd Working Day of month M;

(c) the monthly instalments payable by the Allocation Platform to the Registered Participant in respect of the portion related to month M of Long Term Transmission Rights reallocated in Auctions, the Product Period of which is equal to or greater than one month, and the reallocation of which will have taken place after or on the third (3rd) Working Day of month M-1;

(d) the amount payable by the Allocation Platform in respect of the Long Term Transmission Rights returned for reallocation in Auctions in accordance with Chapter 5 (Return of Long Term Transmission Rights), the Product Period of which is less than one (1) month and starts M-1

(e) the amount payable by the Allocation Platform in respect of non-nominated Long Term Transmission Rights;

(f) where practicable, the notification of the portion related to month M-1 of the Long Term Transmission Rights subject to transfer in accordance with Chapter 6 (*Transfer of Long Term Transmission Rights*) by or to the Registered Participant;

(g) any amounts payable or credits due to the Registered Participant by the Allocation Platform under Chapter 9 (Curtailment);

(h) any taxes payable by the Registered Participant or the Allocation Platform in respect of amounts in the invoice;

(i) the total amounts payable by the Registered Participant to the Allocation Platform under that invoice (or receivable by the Registered Participant from the Allocation Platform under that credit note); and

(j) any other information required to be included in the invoice under English or French law.

4. Where an invoice issued by the Allocation Platform does not contain full background data for the derivation of invoice summary amounts, then the Registered Participant may consult the Auction Tool to obtain such background data.

5. The invoice may include other payment obligations of the Registered Participant under any set of rules applicable to IFA Capacity Allocation (this may include, but not limited to, the IFA Day Ahead and Intraday Allocation Rules and the Fallback Procedures methodology).

6. Payments by the Registered Participant under this Article shall be made as follows:

(a) the Registered Participant shall ensure payment through a non-automated transaction to the account of the Allocation Platform specified on the invoice by indicating the invoice reference; or

(b) alternatively, the Allocation Platform shall, subject to prior agreement with the Registered Participant, collect the payment automatically from any bank account other than the dedicated Business Account (which, for the avoidance of doubt, may only be used for the purposes of holding collateral) of the Registered Participant on the due date of the invoice.

The alternative procedure set out in sub-paragraph b may only be used upon request of the Registered Participant and with the consent of the Allocation Platform. The Registered Participant may request the Allocation Platform to use the alternative procedure by email at least two (2) Working Days before the date of issuing of the next invoice under paragraph 2 of this Article. Once the alternative procedure is agreed, it shall be deemed to be valid until otherwise agreed between the Registered Participant and the Allocation Platform

7. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the Registered Participant to the Allocation Platform, the Registered Participant shall settle this balance within five (5) Working Days after the date of issuance of the invoice.

8. If the balance of the payments as set forth in paragraph 3 and 5 of this Article results in a net payment from the Allocation Platform to the Registered Participant, the Allocation Platform shall pay this balance within seven (7) Working Days after the date of issuance of the invoice to the bank account as announced during the accession process in accordance with Article 9 paragraph 1(g) by the Registered Participant who is entitled to the payments at the due date.

9. Upon the collection of the payment as set forth in paragraph 8 of this Article, the Allocation Platform shall update the Credit Limit accordingly.

10. In case of an erroneous invoice resulting in an additional payment of the Allocation Platform or the Registered Participant the Allocation Platform shall correct the invoice and any due amount shall be settled as soon as they have been notified to Registered Participant.

11. Bank fees of the payer's bank shall be covered by the payer. Bank fees of the receiving bank shall be covered by the beneficiary. Bank fees of any intermediary bank, shall be covered by the Registered Participant.

12. The Registered Participant shall not be entitled to offset any amount, or withhold any debts arising in connection with obligations resulting from an Auction, against any claims towards the Allocation Platform, whether or not arising out of an Auction. Nevertheless, the right to offset and the right to withhold are not excluded in case the Registered Participant's claim against Allocation Platform is established by a legally binding judgement or is uncontested.

Article 66

Payment disputes

1. A Registered Participant may dispute the amount of an invoice, including any amounts to be credited to the Registered Participant. In this case, the Registered Participant shall notify the nature of the dispute and the amount in dispute to the Allocation Platform as soon as practicable and in any event within fifteen (15) Working Days after the date of issuance of the invoice or credit note by registered mail and email. Beyond this period, the invoice shall be deemed to have been accepted by the Registered Participant.

2. If the Registered Participant and the Allocation Platform are unable to resolve the difference within ten (10) Working days after the notification, the procedure for the dispute resolution in accordance with Article 70 shall apply.

3. A dispute shall in no way relieve the Party from the obligation to pay the amounts due as set forth in Article 65.

4. If it is agreed or determined based upon the dispute resolution procedure as set forth in Article 70 that an amount paid or received by the Registered Participant was not properly payable, the following process shall apply:

   (a) the Allocation Platform shall refund any amount including interest to be calculated according Article 62(4) to the Registered Participant in case that the amount paid by the Registered Participant as set forth in Article 65(3) and (6) was higher or the amount paid by the Allocation Platform was lower than the due amount. The Allocation Platform shall make the payment to the bank account indicated by the Registered Participant for this reimbursement in accordance with Article 9 paragraph 1 (g).

   (b) the Registered Participant shall pay any amount including interest to be calculated according to Article 62(4) to the Allocation Platform in case that the amount paid by the Registered Party as set forth in Article 65(3) and (6) was lower or the amount paid by the Allocation Platform was higher than the due amount. The Registered Participant shall make the payment in accordance with the procedure set forth in Article 65(8). Upon such payment the Allocation Platform shall update the Credit Limit of the Registered Participant as set forth in Article 65(10).

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

Article 67

Late payment and payment incident

1. In case the Registered Participant has not fully paid an invoice by the due date specified on the invoice, the Allocation Platform shall notify the Registered Participant that a payment incident will be registered if the amount including applicable interest due is not received within three (3) Working Days upon sending of the notification. In case of no payment within the deadline, the Allocation Platform shall notify the Registered Participant that the payment incident was registered.

2. Immediately after registration of the payment incident the Allocation Platform may invoke the collaterals.

3. The Allocation Platform may suspend or terminate the Participation Agreement in case of registered payment incident in accordance with Article 71 and Article 72.

4. In case of late payment or refund, the Parties shall pay interest on the amount due including taxes and levies from the first (1^{st}) day following the date on which the payment was due until the date on which the payment is done. The interest shall be equal to the highest amount of:

   (a) a flat rate of one hundred (100) €; or

(b) eight (8) percentage points per annum above the reference interest rate as officially published by the national authorities of the country in which the Allocation Platform is located and round up to the nearest half percentage point.

CHAPTER 11
Miscellaneous

Article 68

Duration and amendment of IFA Long Term Allocation Rules

1. The IFA Long Term Allocation Rules are of indefinite duration and are subject to amendment in accordance with this Article. These IFA Long Term Allocation Rules and any amendments thereof shall be consulted upon subject to paragraph 7 of this Article, proposed by the relevant TSOs and enter into force in accordance with the applicable national regulatory regime. The Allocation Platform shall publish the amended IFA Long Term Allocation Rules and send an amendment notice to Registered Participants.

2. Subject to paragraph 7 of this Article, an amendment shall enter into force at the date and time specified in the amendment notice but not earlier than thirty (30) calendar days after the amendment notice is sent to Registered Participants by the Allocation Platform.

3. Each amendment shall apply to all aspects of these IFA Long Term Allocation Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.

4. Unless expressly stated otherwise by the Allocation Platform the amended IFA Long Term Allocation Rules shall govern all rights and obligations in connection with these IFA Long Term Allocation Rules including those acquired before the date of amendment but with the delivery date after the amendment takes effect.

5. Any amendment of these IFA Long Term Allocation Rules shall apply automatically to the Participation Agreement in force between the Allocation Platform and the Registered Participant, without the need for the Registered Participant to sign a new Participation Agreement but without prejudice to the Registered Participant's right to request the termination of its Participation Agreement in accordance with Article 72(1). By participating in the Auction after the Registered Participant was informed about the changes and/or adaptations of the IFA Long Term Allocation Rules and after these changes and/or adaptations of the IFA Long Term Allocation Rules entered into force, it is deemed that the Registered Participant has accepted the changed, i.e. the valid and effective version of the IFA Long Term Allocation Rules.

6. The IFA Long Term Allocation Rules shall be periodically reviewed by the Allocation Platform and/or the relevant TSOs at least every two years involving the Registered Participants. In case the relevant TSOs consider the amendment of these IFA Long Term Allocation Rules as a result of this review, the procedure described in this Article shall apply. This biennial review is without prejudice of the competence of National Regulatory Authorities to request at any time amendments of the IFA Long Term Allocation Rules and the annexes included thereto in accordance with the existing legislation and for the avoidance of doubt the biennial review shall be treated as satisfied to the extent that any such review is undertaken in accordance with the requirements of competent National Regulatory Authorities.

7. These IFA Long Term Allocation Rules are subject to the legislation prevailing at the time at which they take effect. In the event that there is a change in legislation or any action by competent authorities at national level which have an effect on these IFA Long Term Allocation Rules and/or their annexes then, notwithstanding any other provision of these IFA Long Term Allocation Rules, the IFA Long Term Allocation Rules shall be amended accordingly and pursuant to this Article.

Article 69
Liability

1. The Allocation Platform and the Registered Participants are solely responsible for the fulfilment of any obligation they undertake or are subject to and which arises from or is in connection with the IFA Long Term Allocation Rules and the Participation Agreement.

2. Subject to any other provisions of these IFA Long Term Allocation Rules the Allocation Platform shall only be liable for damages caused by:

   (a) fraud, gross negligence or wilful misconduct;

   (b) death or personal injury arising from its negligence or that of its employees, agents or subcontractors.

3. A Registered Participant shall indemnify and keep indemnified the Allocation Platform and its officers, employees and agents from and against any and all loss or liability (including legal costs) related to a damage that it has caused, which any of them may suffer or incur by reason of any claim by any third party on account of any and all loss (whether direct or indirect) suffered by the claimant or any of the claimant's officers, agents, subcontractors or employees in connection with these IFA Long Term Allocation Rules.

4. The Allocation Platform and each Registered Participant acknowledges and agrees that it holds the benefit of paragraph 3 of this Article for itself and as trustee and agent for its officers, employees and agents.

5. The Registered Participant shall be solely responsible for its participation in Auctions including but not limited to the following cases:

   (a) the timely arrival of Bids and transfer and return notifications by the Registered Participant;

   (b) technical failure of the information system on the side of the Registered Participant preventing the communication via the channels foreseen in accordance with these IFA Long Term Allocation Rules.

6. In case of remuneration in accordance with Article 48 or curtailment compensation due to Force Majeure or in order to ensure operation remains within Operational Security Limits or in Emergency Situation in accordance with Article 59 and Article 60 and Article 61 Registered Participants shall not be entitled to other compensation than the compensation described in these IFA Long Term Allocation Rules.

7. The Registered Participant shall be liable with respect to any sanctions, penalties, or charges that may be imposed by financial authorities on the Allocation Platform for incorrect tax treatment due to wrong or incomplete information provided by the Registered Participant.

8. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 70
Dispute resolution

1. Without prejudice to paragraphs 6 and 8 of this Article, where there is a dispute the Allocation Platform and the Registered Participant shall first seek amicable settlement through mutual consultation pursuant to paragraph 2. For this purpose, the Party raising the dispute shall send a notification to the other party indicating:

(a) the existence of a Participation Agreement between the Parties;

(b) the reason for the dispute; and

(c) a proposal for a future meeting, physical or not, with a view to settle the dispute amicably.

2. The Parties shall meet within twenty (20) Working Days after the matter has been referred to them and seek to resolve the dispute. If no agreement is reached or no response received within a period of thirty (30) Working Days from the date of the aforementioned notification, either Party may refer the matter to the senior management of the Parties to resolve the dispute pursuant to paragraph 3.

3. The senior representative of each of the Allocation Platform and the Registered Participant with authority to resolve the dispute shall meet within twenty (20) Working Days of a request to meet and seek to resolve the dispute. If the representatives are unable to resolve the dispute within twenty (20) Working Days of the meeting or such longer time as may be agreed then the dispute shall be determined by arbitration in accordance with paragraph 4.

4. Where a dispute is to be referred to arbitration under paragraph 3, either the Allocation Platform or the Registered Participant may give notice to the other stating the nature of the dispute and referring the dispute to arbitration. Arbitration shall be conducted in accordance with the Rules of Arbitration of the Chamber of Commerce (ICC). The arbitration shall be conducted before one (1) arbitrator to be nominated upon agreement of the Parties unless a Party requests the appointment of three (3) arbitrators. In case of one (1) arbitrator, the Parties shall agree on the nomination of the arbitrator within two (2) months after the notice was given by the Party referring the dispute to arbitration. If no agreement can be found, the arbitrator shall be appointed by the ICC Court. In case of three (3) arbitrators the claimant shall nominate one (1) arbitrator and the respondent shall nominate one (1) arbitrator. The arbitrators nominated by each Party shall then nominate the chairman of the arbitral tribunal within three (3) Working Days from the confirmation of the appointment of the second arbitrator by the respondent. If the arbitrators nominated by each party cannot agree on the appointment of the chairman, the chairman shall be appointed by the ICC Court. The arbitration shall take place in the location of the Allocation Platform unless otherwise defined in the Participation Agreement and in accordance with the governing law of these IFA Long Term Allocation Rules while the language of the arbitration proceedings shall be English. The emergency arbitrator provisions according to the Rules of Arbitration of the Chamber of Commerce shall not apply but the interim or injunctive relief measures under the governing law shall apply.

5. Arbitration awards shall be final and binding on the Allocation Platform and the relevant Registered Participant as from the date that they are made. The Allocation Platform and the Registered Participant shall carry out any award of an arbitration relating to any dispute without delay and each waive their right to any form of appeal or recourse to a court of law or other judicial authority, in so far as such waiver may validly be made.

6. Notwithstanding paragraphs 3 and 4 of this Article, the Parties may jointly agree to apply court proceedings instead of arbitration to settle a dispute arisen in connection with these IFA Long Term Allocation Rules.

7. In cases of late payment and notwithstanding Article 67 and paragraphs 1 to 4 of this Article, a Party may bring court proceedings against the other Party for any amount due under or in connection with these IFA Long Term Allocation Rules and unpaid for more than twenty (20) Working Days after the date the amounts were due.

8. The Parties agree that proceedings referred to in paragraph 6 or paragraph 7 may be brought in any competent court to hear such claim. The Registered Participant irrevocably waives any objection which it may have now or hereafter regarding the venue of such proceedings in any competent court and any claim that any such proceedings have been brought in an inconvenient forum.

9. Notwithstanding any reference to amicable settlement, expert resolution or arbitration under this Article, the Allocation Platform and the Registered Participant shall continue to perform their respective obligations under these IFA Long Term Allocation Rules and the Registered Participant's Participation Agreement.

10. This Article survives the termination of the Registered Participant's Participation Agreement.

Article 71

Suspension of the Participation Agreement

1. The Allocation Platform may by notice to the Registered Participant suspend temporarily the Registered Participant's rights in connection with these IFA Long Term Allocation Rules with immediate effect if the Registered Participant commits a major breach of an obligation in connection with these IFA Long Term Allocation Rules which may have a significant impact to the Allocation Platform as follows:

   (a) if a Registered Participant fails to pay any amount properly due and owing to the Allocation Platform pursuant to Article 67;

   (b) if a Registered Participant fails to provide and maintain collaterals in accordance with Article 25;

   (c) any breach which may have a significant financial impact to the Allocation Platform;

   (d) the Allocation Platform has reasonable grounds to believe that the Registered Participant no longer satisfies one or more of any other conditions to participate in Auctions according to these IFA Long Term Allocation Rules unless termination applies according to Article 72.

2. In any case of a minor breach in relation to these IFA Long Term Allocation Rules such as but not limited to the failure of the Registered Participant to notify a change in the submitted information in accordance with Article 9, the Allocation Platform may by notice to the Registered Participant inform the Registered Participant's that its rights in connection with these IFA Long Term Allocation Rules may be suspended unless the Registered Participant remedies the suspension event in the time period specified in the notice. The suspension shall take effect when the period specified for remedy has elapsed without that such remedy has taken place. After the suspension takes effect in accordance with paragraphs 1 and 2 of this Article, the suspended Registered Participant may no longer participate in an Auction or in the transfer or return of Long Term Transmission Rights and unless the payment of the Long Term Transmission Right is fully settled or fully secured by collaterals by the suspended Registered Participant, the suspended Registered Participant shall not be entitled to use Long Term Transmission Rights according to CHAPTER 7. For the avoidance of doubt, the Long Term Transmission Rights which the Registered Participant is prohibited from using as a result of such suspension may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not return the remuneration for Long Term Transmission Rights in accordance with Article 48.

3. The Allocation Platform may withdraw a notice under paragraphs 1 or 2 of this Article at any time. Having given a notice under paragraphs 1 or 2 of this Article, the Allocation Platform may

give a further or other notice at any time in respect of the same or a different suspension event.

4. Once the Registered Participant has fulfilled or remedied the suspension event as notified to it in the notice sent by the Allocation Platform, the Allocation Platform shall reinstate as soon as reasonably practicable the Registered Participant's rights in relation to use of its allocated Long Term Transmission Rights and its ability to participate in Auctions and/or the transfer and return of Long Term Transmission Rights by written notice to the Registered Participant. As from the date of effect of the reinstatement, the Long Term Transmission Rights allocated prior to the suspension and which remain unused may be nominated in the case of Physical Transmission Rights and the Registered Participant may participate in Auctions and/or the transfer and return of Long Term Transmission Rights and is entitled to receive remuneration for Long Term Transmission Rights in accordance with Article 48.

5. If the Allocation Platform gives a notice to a Registered Participant under paragraph 1 or 2 of this Article, such notice of suspension does not relieve the Registered Participant from its payment obligations under CHAPTER 10, including its payment obligations in relation to the Long Term Transmission Rights for which the Registered Participant loses the right of use pursuant to paragraph 2.

Article 72

Termination of the Participation Agreement

1. A Registered Participant may at any time request the Allocation Platform to terminate the Participation Agreement to which the Registered Participant is a Party. The termination shall take effect after thirty (30) Working Days upon receipt of the termination request by the Allocation Platform and if all outstanding payment obligations are settled.

2. A Registered Participant may terminate the Participation Agreement to which the Registered Participant is a Party for good cause when the Allocation Platform has committed a major breach of an obligation connected with these IFA Long Term Allocation Rules or the Participation Agreement in the following cases:

   (a) where the Allocation Platform repeatedly fails to pay any amount properly due and owing to the Registered Participant with a significant financial impact;

   (b) where there is a significant breach of the confidentiality obligations in accordance with Article 75.

   The Registered Participant shall send a notice to the Allocation Platform stating the reason for termination and giving the Allocation Platform twenty (20) Working Days to remedy the breach. Unless the Allocation Platform remedies the breach within the abovementioned deadline, the termination shall take effect immediately upon expiration of such deadline. A holder of Long Term Transmission Rights whose Participation Agreement is terminated under this paragraph is under no obligation to pay remaining instalments for the Long Term Transmission Rights' and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.

3. If any of the termination events in paragraph 4 occurs in relation to a Registered Participant, the Allocation Platform may by notice to the Registered Participant terminate the Participation Agreement, including the Registered Participant's rights connected with these IFA Long Term Allocation Rules. A termination under this paragraph takes effect from the time of the notice

or any later time specified in it. The Registered Participant may not at a later stage enter into the Participation Agreement with the Allocation Platform until the circumstances of termination continue to exist or it is not sufficiently guaranteed that the breach may not occur again.

4. The termination events referred to in paragraph 3 shall be the following:

   (a) if the rights of the Registered Participant are suspended for longer than thirty (30) Working Days;

   (b) if a Registered Participant does not qualify for the participation in the Auction as set forth in Article 10;

   (c) if a Registered Participant repeatedly breaches these IFA Long Term Allocation Rules or a Participation Agreement, whether or not the breach is capable of remedy;

   (d) if a competent authority (i) determines that the Registered Participant has committed a misuse or fraudulent act and (ii) requests the Allocation Platform to terminate the Participation Agreement to which such Registered Participant is a Party or (iii) agrees that the Allocation Platform has reasonable grounds to believe that the Registered Participant has committed a misuse or fraudulent act in participating in Auctions and transfer/return of Long Term Transmission Rights; or

   (e) if the Registered Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Auction Tool (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack).

5. After the termination takes effect in accordance with paragraphs 1 to 3 of this Article and from that time, the Registered Participant may no longer participate in an Auction or in the transfer or return of Long Term Transmission Rights it has acquired. CHAPTERS 5,6 and 7 shall not apply to such acquired Long Term Transmission Rights. For the avoidance of doubt, the Long Term Transmission Rights, which the Registered Participant is prohibited from using as a result of termination, may be offered by the Allocation Platform in subsequent Auctions and the Allocation Platform shall not return the remuneration for Long Term Transmission Rights in accordance with Article 48.

6. Termination of a Participation Agreement does not affect any rights and obligations under or in connection with the Participation Agreement and these IFA Long Term Allocation Rules which arose prior to that termination unless otherwise specified in this Article. Accordingly, any Registered Participant whose Participation Agreement is terminated will remain liable, subject to and in accordance with the IFA Long Term Allocation Rules, in respect of all such rights and liabilities. This paragraph shall apply without prejudice to other remedies available to the Allocation Platform under these IFA Long Term Allocation Rules.

Article 73

Force Majeure

1. The Allocation Platform or a Registered Participant, which invokes Force Majeure, shall promptly send to the other Party a notification describing the nature of Force Majeure and its probable duration and shall continue to furnish reports with respect thereto with reasonable frequency during the period of Force Majeure. The Party invoking the Force Majeure shall make every possible effort to limit the consequences of the Force Majeure.

2. The affected obligations, duties and rights of a Party subject to Force Majeure shall be suspended from the beginning of Force Majeure, with the exception of the confidentiality provisions in accordance with Article 75.

3. Suspension under paragraph 2 is subject to the following:

   (a) suspension will be of no greater scope and of no longer duration than is required by the Force Majeure;

   (b) the suspension applies only for so long as the Party invoking to Force Majeure is using reasonable efforts to remedy their inability to perform.

4. The consequences of a Force Majeure event, which is not subject to any discussion or litigation between the Allocation Platform and the Registered Participant, are:

   (a) the Party invoking Force Majeure cannot be held responsible to pay compensation for any damage suffered, due to the non-performance or partial performance of all or any of its obligations during the Force Majeure and when such non-performance or partial performance is due directly to Force Majeure;

   (b) the acquired Long Term Transmission Rights which have been entirely paid and become subject to Force Majeure are reimbursed for the duration of the Force Majeure in accordance with any applicable legislation and these IFA Long Term Allocation Rules; and

   (c) where the Long Term Transmission Rights' holder is the party claiming the Force Majeure event, the Allocation Platform may, for its own benefit, reallocate the holder's Long Term Transmission Rights to the subsequent Auctions and for the duration of the Force Majeure event.

5. If the Force Majeure continues for a period longer than six (6) months, the Allocation Platform or each Registered Participant may, by notice to the other given at any time while the Force Majeure continues beyond that period, unilaterally terminate the Participation Agreement. The termination shall take effect ten (10) Working Days after the notice is given or any later date specified in the notice. A holder of Long Term Transmission Rights whose Participation Agreement is terminated under this paragraph is under no obligation to pay remaining instalments for the Long Term Transmission Rights' and is entitled to a refund to the extent that any instalment includes an amount in respect of use after the date of termination, to be calculated pro-rata from the date termination takes effect.

6. For avoidance of doubt this Article is without prejudice to the provisions of CHAPTER 9 regarding the curtailment of Long Term Transmission Rights.

Article 74

Notices

1. Any notice or other communication to be given under or in connection with these IFA Long Term Allocation Rules shall be in English.

2. Unless otherwise expressly provided in these IFA Long Term Allocation Rules, all notices or other communications shall be in writing between the Allocation Platform and each Registered Participant and shall be sent to the email address and if not possible, by facsimile number and marked for the attention of the other Party's representative as set out in the Participation Agreement or as notified by the Registered Participant from time to time in accordance with Article 9.

3. All notices or other communications shall be given by letter delivered by hand against receipt or sent by registered mail or courier in the following cases:

   (a) the conclusion of the Participation Agreement in accordance with Article 6;

   (b) the suspension and termination according to Article 71 and Article 72; and

   (c) the submission of the bank Guarantee in accordance with Article 21 paragraph 3 .

4. All notices or other communications shall be deemed to have been received:

   (a) in the case of delivery by hand, when delivered against receipt; or

   (b) in the case of recorded delivery prepaid post, on the day following the recorded day of delivery; or

   (c) in the case of facsimile, on acknowledgement of receipt by the addressee's facsimile receiving equipment; or

   (d) in the case of email, when delivered to the other party but only if an acknowledgement of receipt is requested and obtained by the Party sending the e-mail.

5. If a notice or other communication has been received outside normal Working Hours on a Working Day), it is deemed to have been received at the opening of business on the next Working Day.

Article 75
Confidentiality

1. The Participation Agreement and any other information exchanged relating to its preparation and the application of a market participant shall be considered as confidential.

2. Subject to paragraph 3 of this Article, the Allocation Platform and each Registered Participant who is a recipient of confidential information in relation to these IFA Long Term Allocation Rules shall preserve the confidentiality of such information and shall not directly or indirectly reveal, report, publish, disclose, transfer or use any item of the confidential information otherwise than for the purpose for which it was disclosed.

3. Notwithstanding paragraph 2 of this Article, the Allocation Platform or a Registered Participant may disclose confidential information of a disclosing Party to a third party with the other Party's prior consent expressed in writing and subject to the condition that the receiving Party has given assurance that such third party is bound by equivalent confidentiality obligations as set out in these IFA Long Term Allocation Rules directly enforceable by the other Party.

4. Notwithstanding paragraph 2 of this Article the Allocation Platform or a Registered Participant may disclose confidential information of a disclosing Party:

   (a) to the extent expressly permitted or contemplated by the IFA Long Term Allocation Rules;

   (b) to any person who is one of the directors, officers, employees, agents, advisers or insurers of the recipient and who needs to know the confidential information in connection with these IFA Long Term Allocation Rules;

   (c) as far as required in order to comply with applicable national legislation or any other relevant domestic administrative acts such as grid codes;

(d) as far as required by a court, arbitrator or administrative tribunal or an expert in the course of proceedings before it to which the recipient is a Party;

(e) as may be required by the relevant TSOs for the proper fulfilment of their mission and their obligations in accordance with applicable laws and these IFA Long Term Allocation Rules by themselves or through agents or advisers; or

(f) as far as required in order to obtain clearances or consents from a competent authority.

5. Moreover, the obligations arising from this Article shall not apply:

(a) if the Party which receives the information can prove that at the time of disclosure, such information was already publicly available;

(b) if the receiving Party provides proof that, since the time of disclosure, the said information has been legally received from a third party or has become publicly available;

(c) to confidential information communicated, in accordance with the legal and regulatory provisions, in an incorporated form from which no item of information specific to a market participant can be deduced;

(d) to information whose publication is explicitly provided for by the present IFA Long Term Allocation Rules.

6. The obligations of confidentiality in this Article shall remain valid for a period of five (5) years after termination of the Registered Participant's Participation Agreement.

7. The signature of a Participation Agreement and the exchange of confidential information do not confer any rights to patents, knowledge or any other form of intellectual property concerning information or tools made available or sent by one Party to the other under the terms of these IFA Long Term Allocation Rules.

Article 76

Assignment and subcontracting

1. The Allocation Platform may assign, novate or otherwise transfer any of its rights or obligations under a Participation Agreement or these IFA Long Term Allocation Rules to another Allocation Platform. The Allocation Platform shall notify the Registered Participants of the change by sending an email with acknowledgment of receipt as soon as possible and in any event at least ten (10) Working Days before the date on which the change takes effect.

2. Without prejudice to Article 41, a Registered Participant may not assign, novate or otherwise transfer any of its rights or obligations under its Participation Agreement or these IFA Long Term Allocation Rules without the prior written consent of the Allocation Platform.

3. Nothing in this Article shall prevent an Allocation Platform or Registered Participant from entering into a subcontracting agreement in relation to this IFA Long Term Allocation Rules. Entry into a subcontracting agreement by a Registered Participant does not relieve the Registered Participant of any obligation or liability under its Participation Agreement or these IFA Long Term Allocation Rules.

Article 77

Governing law

These IFA Long Term Allocation Rules shall be governed by and construed in all respects in accordance with the law of the location of the registered office of the Allocation Platform unless otherwise specified in the Participation Agreement.

Article 78

Language

The applicable language for these IFA Long Term Allocation Rules shall be English. For the avoidance of doubt, where TSOs need to translate these IFA Long Term Allocation Rules into their national language, in the event of inconsistencies between the English version published by the Allocation Platform and any version in another language, the English version published by the Allocation Platform shall prevail.

Article 79

Intellectual property

No Party shall acquire any right, title, licence or interest in or to any intellectual property rights of the other Party in connection with these IFA Long Term Allocation Rules.

Article 80

Relationship of the Parties

1. The relationship of the Allocation Platform and the Registered Participant is that of service provider and service user respectively. Except as expressly provided in these IFA Long Term Allocation Rules, nothing contained or implied in these IFA Long Term Allocation Rules constitutes or is deemed to constitute the Allocation Platform or a Registered Participant, the partner, agent or legal representative of the other for any purpose whatsoever including transfer of Long Term Transmission Rights or create or be deemed to create any partnership, agency or trust between the Parties.

2. The Registered Participant acknowledges that neither the Allocation Platform nor any person acting on behalf of or associated with the Allocation Platform makes any representation, gives any advice or gives any warranty or undertaking of any kind in respect of these IFA Long Term Allocation Rules, the Participation Agreements or the disclosed information or otherwise in relation to or in connection with these IFA Long Term Allocation Rules, the Participation Agreements and the disclosed information or any transaction or arrangement contemplated by these IFA Long Term Allocation Rules, the Participation Agreements and the disclosed Information except as specifically provided in these IFA Long Term Allocation Rules or the Participation Agreement.

Article 81

No third party rights

The Allocation Platform and each Registered Participant acknowledge and agree that a person who is not a party to the Participation Agreement between them, including any other market participant, has no rights to enforce these IFA Long Term Allocation Rules or the Participation Agreement as between the Allocation Platform and that Registered Participant.

Article 82

Waiver

1. No omission to exercise or delay in exercising any right, power or remedy provided by law or under these IFA Long Term Allocation Rules shall impair or constitute a waiver of such or any other right, power or remedy. No single or partial exercise of any such right, power or remedy

precludes or impairs any other or further exercise thereof or the exercise of any other right, power or remedy provided by law or under these IFA Long Term Allocation Rules.

2. Any waiver of any right, power or remedy under these IFA Long Term Allocation Rules must be in writing and may be given subject to any conditions thought fit by the grantor. Unless otherwise expressly stated, any waiver is effective only in the instance and only for the purpose for which it is given.

Article 83
Entire agreement

These IFA Long Term Allocation Rules and the Participation Agreement contain or expressly refer to the entire agreement between the Allocation Platform and each Registered Participant with respect to the subject matter hereof and expressly exclude any warranty, condition or other undertaking implied at law or by custom and supersedes all previous agreements and understandings between the Allocation Platform and each Registered Participant with respect thereto. The Allocation Platform and each Registered Participant acknowledge and confirm that none of them accede to these IFA Long Term Allocation Rules or the Participation Agreement in reliance on any representation, warranty or other undertaking (other than where made fraudulently) not fully reflected in the terms of these IFA Long Term Allocation Rules or the Participation Agreement.

Article 84
Remedies exclusive

The rights and remedies provided by these IFA Long Term Allocation Rules and the Participation Agreement to the Allocation Platform and each Registered Participant are exclusive and not cumulative and, to the extent permissible by law, shall exclude and be in place of all substantive (but not procedural) rights or remedies expressed or implied and provided by law or statute in respect of the subject matter of these IFA Long Term Allocation Rules and the Participation Agreement. Accordingly, the Allocation Platform and each Registered Participant hereby waives to the fullest extent possible all such rights and remedies provided by law or statute, and releases each other of them if it is liable to any other of them, its officers, employees and agents to the same extent from all duties, liabilities, responsibilities or obligations provided by law or statute in respect of the matters dealt with in these IFA Long Term Allocation Rules and the Participation Agreement and undertakes not to enforce any of the same except as expressly provided herein.

Article 85
Severability

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