

# Natural Gas Market Balancing Rules

Issued by the Energy and Water Regulatory Commission, promulgated in SG No 99 of 13.12.2016, in force since 1.01.2017, amended and supplemented SG No 57 of 19.07.2019, effective since 19.07.2019.

## Chapter One

### GENERAL PROVISIONS

**Article 1.** These Rules shall determine:

(1) (amended SG No 57/2019, effective since 19.07.2019) The order and procedure for submitting nominations and re-nominations for transport, processing, rejection, matching with adjacent transmission system operators, and confirmation of transport nominations and re-nominations submitted by the transmission system operator (TSO) at interconnection points;

(2) (amended SG No 57/2019, effective since 19.07.2019) The order and procedure for submitting nominations and re-nominations for transport, processing, rejection and confirmation of transport nominations and re-nominations submitted by TSO at internal entry and exit interconnection points;

(3) The terms and procedure for general data exchange with network users in relation to the process of submitting nominations and re-nominations;

(4) (amended SG No 57/2019, effective since 19.07.2019) The procedure for providing information by TSO regarding the balance status of network users;

(5) The order and procedure for using a Virtual Trading Point (VTP) to carry out natural gas transactions and submit transaction notifications;

(6) Allocation of initial and final imbalances by network users, settlement, and invoicing of imbalances;

(7) (amended SG No 57/2019, effective since 19.07.2019) The terms and procedure governing the physical (operational, residual) balancing of the gas transmission networks by TSO;

(8) (new - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) general rules for participation at a Trading platform for natural gas.

**Article 2.** (amended SG No 57/2019, effective since 19.07.2019) These Rules aim at establishing a balancing regime according to Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks, whereby:

(1) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall perform commercial balancing on the natural gas market by covering the differences in the quantities of natural gas delivered by a network user at the respective entry points and the quantities of natural gas off-taken by that user at the exit points of the network for the gas day. The TSO shall purchase and sell natural gas for balancing purposes, in order to cover the individual imbalances of network users;

(2) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall be responsible for the physical balancing of the gas transmission network, which covers a set of activities aimed at ensuring the effective functioning of the gas transmission network in real time so as to ensure at any time gas transport from the entry points of the network to its exit points, with a view to efficient and safe operation of the network and maintenance within its operating range. Physical balancing includes activities related to physical offsetting of trade imbalances (residual balancing) and activities related to ensuring the network operational integrity (operational measures); the physical balancing of the network is a function of trade balancing;

(3) (amended SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) The users shall be responsible for balancing their inputs and off-takes in their balancing portfolio; the daily imbalances allowed by users shall be subject to an imbalance charge; in order to reduce their imbalance, users may trade with natural gas at the Virtual Trading Point; Virtual Trading Point transactions can be made on a Trading platform;

(4) (amended SG No 57/2019, effective since 19.07.2019) The actual needs of the system are reflected by taking into account the resources available to TSO and users are incentivised to balance effectively their balancing portfolios;

(5) (amended SG No 57/2019, effective since 19.07.2019) Financial settlement is introduced for clearing the users' daily imbalances;

(6) (amended SG No 57/2019, effective since 19.07.2019) Residual balancing shall be carried out by TSO by balancing actions;

(7) (amended SG No 57/2019, effective since 19.07.2019) TSO shall fulfil its obligations to provide adequate information to users to be able to undertake corrective actions to adjust the within day gas flow for the purpose of effective risk management in connection with the balancing regime.

**Article 3.** These Rules shall apply with respect to the gas transmission networks' balancing zones on the territory of the Republic of Bulgaria - national balancing zone and transit balancing zone.

## Chapter Two

### NOMINATIONS AND RE-NOMINATIONS AT INTERCONNECTION POINTS

**Article 4.** Nominations and re-nominations at interconnection points shall contain at least the following information:

(1) Interconnection point;

(2) Direction of the gas flow;

(3) The user's identification data and/or its balancing portfolio;

(4) Identification data of the counterparty, the user and/or the counterparty's balancing portfolio;

(5) (amended SG No 57/2019, effective since 19.07.2019) Start and end time of the gas flow for which a nomination or re-nomination is submitted (start and end of gas day D);

(6) Gas day D for which the nomination is submitted;

(7) The natural gas quantity requested by the user to be transported on gas day D.

**Article 5.** (amended SG No 57/2019, effective since 19.07.2019) Order for submitting and processing of nominations:

(1) (amended SG No 57/2019, effective since 19.07.2019) Users are obliged to submit to the TSO a nomination for gas day D no later than 3:00 pm on gas day D-1;

(2) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall take into account the last nomination received from a user prior to 3:00 pm on gas day D-1;

(3) (amended SG No 57/2019, effective since 19.07.2019) The deadline for nomination processing shall be from 3:00 pm to 5:00 pm on gas day D-1; within that period the TSO shall send the message regarding the confirmed quantities to the user;

(4) (amended SG No 57/2019, effective since 19.07.2019) In the absence of a valid nomination submitted by the user by 3:00 pm, the TSO shall apply the default nomination rule "zero".

**Article 6.** (amended SG No 57/2019, effective since 19.07.2019) Order for submitting and processing re-nominations:

(1) (amended SG No 57/2019, effective since 19.07.2019) Users may submit re-nominations within the deadline for submitting re-nominations, which begins at 5:00 pm on gas day D-1, and ends three hours prior to the end of gas day D.

(2) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall start a re-nomination processing cycle for gas day D at the beginning of every hour within the term under item 1, whereby the first processing cycle shall begin at 6:00 pm on gas day D-1;

(3) (amended SG No 57/2019, effective since 19.07.2019) Within every re-nomination processing cycle, the TSO shall take into account the last re-nomination received from a user prior to beginning of the cycle;

(4) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall send the message for confirmed daily quantities to the user after applying the procedure under Article 8 within two hours of beginning of each re-nomination processing cycle.

(5) (amended SG No 57/2019, effective since 19.07.2019) The quantities nominated for transport for gas day D shall be hourly equally allocated for each hour from the beginning to the end of gas day D. When submitting a re-nomination, the quantities shall be equally allocated for the remaining hours by the end of the gas day.

**Article 7.** (amended SG No 57/2019, effective since 19.07.2019) Order and terms for rejecting nominations and re-nominations or for amendment of the requested natural gas quantity:

(1) (amended SG No 57/2019, effective since 19.07.2019) The TSO may reject a nomination or a re-nomination within two hours of beginning of the nomination processing period or from the beginning of every re-nomination processing cycle, in the following cases:

a) if it does not comply with the requirements for its content pursuant to Article 4;

b) if submitted by an entity other than a network user;

c) if acceptance of the nomination would result in negative quantities for the remaining time of the gas day;

d) (amended SG No 57/2019, effective since 19.07.2019) if the nomination exceeds the user's allocated capacity. In this case the TSO confirms a nomination to the amount of the allocated capacity;

(2) (amended SG No 57/2019, effective since 19.07.2019) The TSO may reject a re-nomination within two hours of beginning of each re-nomination processing cycle, if it exceeds the user's allocated capacity for the remaining hours;

(3) (amended SG No 57/2019, effective since 19.07.2019) The TSO may reject a re-nomination within two hours of beginning of each re-nomination processing cycle if it does not meet the within day obligations imposed by the TSO on users;

(4) (amended SG No 57/2019, effective since 19.07.2019) The TSO cannot reject a network user's nomination or re-nomination merely because this network user's intended inputs are not equal to its intended offtakes;

(5) (amended SG No 57/2019, effective since 19.07.2019) In case a re-nomination is rejected, the TSO shall use the network user's last confirmed quantity;

(6) (amended SG No 57/2019, effective since 19.07.2019) The TSO may amend a nomination and re-nomination in exceptional events or in emergency situations only, when there is a clear danger to system security and stability; the TSO shall notify the Energy and Water Regulatory Commission and the users of any such action undertaken.

**Article 8.** Nominations matching procedure with the adjacent transmission system operators:

(1) (amended SG No 57/2019, effective since 19.07.2019) In case TSOs have not agreed otherwise in their Interconnection Agreement, nominations and re-nominations shall be managed by the two neighbouring operators at interconnection points, pursuant to the following basic rules:

a) (amended SG No 57/2019, effective since 19.07.2019) when comparing the nominations submitted to both TSOs, the lesser rule shall apply to quantities;

b) (amended SG No 57/2019, effective since 19.07.2019) the TSO who controls the flow management equipment shall act as matching transmission system operator, whereby the other TSO shall act as an initiating TSO;

c) (amended SG No 57/2019, effective since 19.07.2019) the TSOs shall take into account any temporary reduction of capacity on the one or on both sides of the interconnection point;

(2) (amended SG No 57/2019, effective since 19.07.2019) The TSOs shall carry out the matching process in the following sequence:

a) (amended SG No 57/2019, effective since 19.07.2019) the initiating TSO shall calculate and submit the processed natural gas nomination ("the processed quantities") to the matching TSO within forty-five minutes of beginning of the nomination processing period or of beginning of each re-nomination processing cycle;

b) (amended SG No 57/2019, effective since 19.07.2019) the matching TSO shall calculate and submit the confirmed quantities of gas to the initiating TSO within ninety minutes of beginning of the nomination processing period or of beginning of the re-nomination processing cycle;

c) (amended SG No 57/2019, effective since 19.07.2019) both TSOs shall submit the confirmed natural gas quantities to the users and shall prepare a gas flow schedule at the interconnection point no later than two hours from the beginning of the nomination processing period or the beginning of the re-nomination processing cycle;

(3) (amended SG No 57/2019, effective since 19.07.2019) the lead time for implementation of a nomination or re-nomination by the TSO shall be two hours from the beginning of the nomination processing period or the beginning of the re-nomination processing cycle, respectively.

## Chapter Three

### Transport nominations and re-nominations at internal entry and exit interconnection points of the transmission networks

**Article 9.** Nominations and re-nominations at entry and exit interconnection points to users in the country shall contain at least the following information:

- (1) interconnection point;
- (2) direction of the gas flow;
- (3) user's identification data and/or balancing portfolio;
- (4) (amended SG No 57/2019, effective since 19.07.2019) the start and end time of the gas flow for which a nomination or re-nomination is submitted (the start and end of gas day D);
- (5) gas day D for which the nomination is submitted;
- (6) natural gas quantity requested by the user to be transported on gas day D.

**Article 10.** (amended SG No 57/2019, effective since 19.07.2019) Order for submitting and processing nominations:

- (1) (amended SG No 57/2019, effective since 19.07.2019) The users are obliged to submit to the TSO a nomination for gas day D no later than 3:00 pm on gas day D-1;
- (2) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall take into account the last nomination received from a user prior to 3:00 pm on gas day D-1;
- (3) (amended SG No 57/2019, effective since 19.07.2019) The deadline for nomination processing shall be from 3:00 pm to 5:00 pm on gas day D-1; within that term the TSO shall send the message regarding the confirmed quantities to the respective user;
- (4) (amended SG No 57/2019, effective since 19.07.2019) in the absence of a valid nomination submitted by the user prior to 3:00 pm, the TSO shall apply the default nomination rule "zero".

**Article 11.** (amended SG No 57/2019, effective since 19.07.2019) Order for submitting and processing re-nominations:

- (1) (amended SG No 57/2019, effective since 19.07.2019) Users may submit re-nominations within the term for submitting re-nominations, which begins at 5:00 pm on gas day D-1, and ends three hours prior to the end of gas day D.
- (2) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall start a re-nomination processing cycle for gas day D at the beginning of every hour within the term under item 1, whereby the first processing cycle shall begin at 6:00 pm on gas day D-1;
- (3) (amended SG No 57/2019, effective since 19.07.2019) Within every re-nomination processing cycle, the TSO shall take into account the last re-nomination received from a user prior to beginning of the cycle;
- (4) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall send a message for confirmed daily quantities to the user within two hours of beginning of each re-nomination processing cycle.
- (5) (amended SG No 57/2019, effective since 19.07.2019) The quantities nominated for transport for gas day D shall be hourly equally allocated for each hour from the beginning to

the end of gas day D. When submitting a re-nomination, the quantities shall be equally allocated for the remaining hours by the end of the gas day.

**Article 12.** (amended SG No 57/2019, effective since 19.07.2019) Order and procedure for rejecting nominations and re-nominations or for change of the requested natural gas quantity:

(1) (amended SG No 57/2019, effective since 19.07.2019) The TSO may reject a nomination or a re-nomination within two hours of beginning of the nomination processing period or from the beginning of every re-nomination processing cycle, in the following cases:

d) if it does comply with the requirements for its content pursuant to Article 9;

e) if submitted by an entity other than a network user;

f) if acceptance of the nomination would result in negative quantities for the remaining time of the gas day;

d) (amended SG No 57/2019, effective since 19.07.2019) when the nomination exceeds the user's allocated capacity. In this case the TSO confirms a nomination to the amount of the allocated capacity;

(2) (amended SG No 57/2019, effective since 19.07.2019) The TSO may reject a re-nomination within two hours of beginning of each re-nomination processing cycle if it exceeds the user's allocated capacity for the remaining hours, unless this re-nomination is submitted in order to request interruptible capacity where offered by the TSO;

(3) (amended SG No 57/2019, effective since 19.07.2019) The TSO may reject a re-nomination within two hours of the beginning of each re-nomination processing cycle if it does not meet the within day obligations imposed by the TSO;

(4) (amended SG No 57/2019, effective since 19.07.2019) The TSO cannot reject a network user's nomination or re-nomination merely because this network user's intended inputs are not equal to its intended offtakes;

(5) (amended SG No 57/2019, effective since 19.07.2019) In case a re-nomination is rejected, the TSO shall use the network user's last confirmed quantity for day D;

(6) (amended SG No 57/2019, effective since 19.07.2019) The TSO may change the natural gas quantity requested by a nomination and re-nomination only in exceptional events or in emergency situations only, when there is a clear danger to system security and stability; the TSO shall notify the Energy and Water Regulatory Commission and the users of any such action undertaken.

**Article 13.** (1) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall submit the confirmed gas quantities to network users and prepare a gas flow schedule at the respective interconnection point no later than two hours from the beginning of the nomination processing period or the beginning of the re-nomination processing cycle.

(2) (amended SG No 57/2019, effective since 19.07.2019) The lead time for implementation of a nomination or re-nomination by the TSO shall be two hours from the beginning of the nomination processing period or the beginning of the re-nomination processing cycle, respectively.

## Chapter Four

### GENERAL DATA EXCHANGE WITH NETWORK USERS

**Article 14.** (amended SG No 57/2019, effective since 19.07.2019) For the purposes of communication in the process of submitting, processing and confirmation of nominations and re-nominations, the TSO shall introduce and use at least one of the following types of data exchange:

(1) document-based data exchange, where data is stored in files, exchanged automatically between the respective information systems;

(2) (new SG No 57/2019, effective since 19.07.2019) integrated data exchange where data is directly exchanged between two application programs of the respective information systems;

(3) (previous item 2 - SG No 57/2019, effective since 19.07.2019) interactive data exchange, where data is exchanged in dialogue mode by a web-based application in a browser.

**Article 15.** (1) The following general data exchange solutions are used for each type of data exchange, consisting of a protocol, data format, and network:

1) for document-based data exchange:

a) (amended SG No 57/2019, effective since 19.07.2019) protocol: AS4;

b) data format: Edig@s-XML;

2) for integrated data exchange:

a) protocol: HTTP/S-SOAP;

b) data format: Edig@s-XML

3) interactive data exchange protocol: HTTP/S.

(3) (amended SG No 57/2019, effective since 19.07.2019) Internet is the network for all types of data exchange. In the event of emergencies, the TSO also provides for alternative channels for data exchange under the Transport and access contracts.

## Chapter Five

### PROVIDING INFORMATION ON USERS' BALANCE STATUS

**Article 16.** (amended SG No 57/2019, effective since 19.07.2019) The TSO shall provide users with timely and reliable information regarding their balancing status in order to provide each user with an opportunity to take the respective actions to adjust its gas flows so as to balance its inputs against its off-takes of natural gas on a respective day and, consequently, to minimise its imbalance and the need to carry out any physical (residual) balancing;

**Article 17.** (amended SG No 57/2019, effective since 19.07.2019) For communication purposes with the users, the operator shall develop and use a web-based customers' portal - a platform for publication of data and exchange of information;

**Article 18.** (amended SG No 57/2019, effective since 19.07.2019) The users shall procure, at their expense, technical devices and software for data exchange with the TSO.

**Article 19.** (amended SG No 57/2019, effective since 19.07.2019) The TSO shall apply a scheme for providing information about the user's inputs and off-takes of natural gas within the gas day, whereby:

(1) (amended SG No 57/2019, effective since 19.07.2019) For the intraday metered inputs to and off-takes from the balancing zone, where a network user's allocation equals its confirmed quantity, the TSO shall not be obliged to provide information other than the confirmed quantity;

(2) (amended SG No 57/2019, effective since 19.07.2019) In all other cases, for daily and non-daily metered input and off-taken quantities on a gas day D, the TSO shall provide each user at least twice a day, at 12.30 pm and at 4.30 pm, updated information on the metered or allocated part of the metered quantities, at least for the total metered inputs and the total off-takes, where each updated information relates to gas flows from the beginning of gas day D;

(3) Each update shall be provided within two hours from the end of the final hour of gas flows;

(4) (amended SG No 57/2019, effective since 19.07.2019) No later than 1:00 pm of gas day D+1, the TSO shall provide each user with information concerning its allocated initial inputs and off-takes on gas day D and its initial daily imbalance quantity;

(5) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall provide each network user with information concerning its allocated final inputs and off-takes and the final daily imbalance quantity no later than 5:00 pm on the 4th day of the month following the reporting month.

## **Chapter Six**

### **VIRTUAL TRADING POINT. TRANSACTION NOTIFICATIONS**

**Article 20.** (amended SG No 57/2019, effective since 19.07.2019) The TSO shall introduce and maintain Virtual Trading Points (VTP) for each balancing zone of gas transmission networks on the territory of the Republic of Bulgaria.

**Article 21.** Network users and gas traders may purchase and sell natural gas at the VTP for the respective balancing zone, also for the purpose of minimising the imbalances on their balance accounts.

**Article 22.** (amended SG No 57/2019, effective since 19.07.2019) The TSO may also trade with natural gas at the VTP if required to undertake balancing actions.

**Article 23.** Transactions for purchase and sale of natural gas at the VTP shall be carried out at prices freely negotiated between the parties.

**Article 24.** (1) (amended SG No 57/2019, effective since 19.07.2019) The conclusion of a contract for participation in a Virtual Trading Point between the TSO, on the one hand, and users having transmission capacity, and any other traders registered at the VTP, on the other hand, entitles network users and traders to trade at VTP as registered users and to submit title of transfer notifications to the TSO;

(2) (amended SG No 57/2019, effective since 19.07.2019) The contracts for participation in the VTP shall be published by the TSO and contain at least the following information:

1. subject of the contract, rights and obligations of the parties thereto;



2. (repealed SG No 57/2019, effective since 19.07.2019)
3. participation fee, deadlines, invoicing and payments;
4. conditions, order and deadlines for operational exchange of information about conclusion of transactions at VTP;
4. penalties in case of a default by a party under the contracts.

(3) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall publish on its webpage at least the following information concerning the Virtual Trading Point:

1. a list of the registered users containing information about the title, identification number, date of registration and data about the status;
2. (amended SG No 57/2019, effective since 19.07.2019) the total number of concluded natural gas transactions for the gas month, no later than the 10<sup>th</sup> day of the following gas month;
3. (amended SG No 57/2019, effective since 19.07.2019) the volume of the physical quantity of natural gas, purchased and sold at the VTP in energy units (kWh);

(4) (amended SG No 57/2019, effective since 19.07.2019) The TSO shall be bound to update the information set out in item 3.

**Article 25.** (amended SG No 57/2019, effective since 19.07.2019) Order and procedure for submitting transaction notifications to the TSO:

(1) (amended and supplemented - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) the title of transfer of natural gas between two balancing portfolios of registered VTP users within one balancing zone shall be carried out by submitting purchase and sale transaction notifications to the TSO for the respective gas day - for a day ahead or within the gas day; Transaction notifications shall be submitted also by the Trading platform Operator and the TSO shall allocate the quantities under the notifications to the respective portfolios.

(2) (amended SG No 57/2019, effective since 19.07.2019) the schedule of submission, withdrawal and amendment of the transaction notifications shall be specified by the TSO, and published on its webpage;

(3) (amended SG No 57/2019, effective since 19.07.2019) the time for processing transaction notifications by the TSO is up to two hours, whereupon confirmation shall be sent to the registered user by e-mail;

(4) Any VTP transaction notification shall contain at least the following information:

1. transaction ID (unique number);
2. gas day on which the natural gas is traded;
3. counterparties (codes) / the respective balancing portfolios;
4. date and hour of concluding a transaction;
5. type of transaction (purchase/sale);
6. quantity [...] kWh;

(5) (amended SG No 57/2019, effective since 19.07.2019) Where the TSO receives a respective set of purchase and sale transaction notifications, and where the quantities indicated in these notifications are equal, it shall allocate these quantities to the respective portfolios:

a) as off-take from the balancing portfolio of the user submitting the sale transaction notification;

b) as input in the balancing portfolio of the user submitting the purchase transaction notification;

(6) (amended SG No 57/2019, effective since 19.07.2019) Where the quantities indicated in the transaction notifications are not equal, the TSO shall allocate the lower quantity indicated in the transaction notifications;

(7) Any registered VTP user may submit a transaction notification for any gas day, regardless of whether he has submitted a transport nomination at entry or exit points for the same gas day;

(8) (amended SG No 57/2019, effective since 19.07.2019) The quantities of natural gas indicated in the transaction notification shall be included in the nomination or the re-nomination.

## **Chapter Six "a"**

**(New - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020)**

### **NATURAL GAS TRADING PLATFORM**

**Art. 25a.** (new - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) Network users and TSOs can trade on a Trading platform operated by an Operator of the respective platform.

**Art. 25b.** (new - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) Network users and traders can sell and purchase natural gas using the Natural Gas Trading Platform, and also to minimize imbalances on their balance accounts.

**Art. 25c.** (new - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) If necessary to take balancing actions on behalf of the TSO and to purchase gas for technological purposes, it may also trade natural gas at the Trading platform.

**Art. 25d.** (new - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) The natural gas purchase and sale transactions at the Trading platform are carried out under a price mechanism, determined in line with the Rules of the relevant Platform. The mechanism shall, on one hand, enable free negotiation between the parties and on the other, provide a non-discriminatory principle for conclusion of transactions for balancing purposes.

**Art. 25e.** (new - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) (1) The conclusion of a contract for participation at the Trading platform between the platform operator, on the one hand, and users having a transmission capacity and other traders registered on the Trading platform on the other hand, entitles users and traders to trade on the Trading platform as registered users.

(2) The contracts for participation on the Trading platform shall be published by the platform operator and shall include at least the following:

1. subject of the contract, rights and obligations of the parties thereto;
2. product types traded on the platform and their prices;
3. participation fees, terms and method of invoicing and payment;
4. terms and conditions, procedure and deadlines for operational exchange of information on the conclusion of transactions on the Trading platform;
5. penalties for failure to comply with the obligations of the parties under the contracts.

(3) The platform operator shall promptly publish on its webpage at least the following information:

1. data on evolution of the marginal purchase price and the marginal sale price after each transaction;
2. list of the registered participants including name, identification number, registration date and status data;
3. the total number of natural gas transactions carried out for the gas month no later than the 10<sup>th</sup> day of the next gas month;
4. the volume of purchased and sold natural gas.

(4) Where there are several Trading platform operators in the same balancing zone, each of them shall provide the TSO with the necessary data in view of publishing a marginal purchase and marginal sale price.

## **Chapter Seven**

### **ALLOCATION OF IMBALANCES BY NETWORK USERS. SETTLEMENT AND INVOICING OF IMBALANCES.**

**Article 26.** (amended and supplemented - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) The TSO shall provide information on the web-based customer's portal regarding the users' balancing account status for gas day D on an operational information level, pursuant to Article 19 in order to take timely corrective actions, namely to submit re-nominations or to conclude a transaction for title transfer of natural gas at the VTP, including on the Natural Gas Trading Platform in order to minimize their imbalance for the respective day;

**Article 27.** (amended - SG No 57/2019, effective since 19.07.2019) Where no corrective actions have been undertaken and/or imbalance is in place, the TSO shall determine the amount of the initial and final imbalance according to the order and procedure stipulated by the Methodology for determining the initial and final imbalance pursuant to Article 11, para 3 of the Natural Gas Trading Rules.

**Article 28.** (1) All daily imbalances shall be subject to financial settlement by/to the balancing account of the respective user.

(2) The imbalance charges accumulated to the financial account shall be cleared to/by the users on a monthly basis. The issuing of an invoice by the balancing entity or by the user shall be in line with the Methodology for calculation of the daily imbalance charge.

(3) At the beginning of each month, the financial account shall be reduced to zero, and the daily imbalance charges for the new month shall begin to accumulate in it.

## **Chapter Eight**

### **OPERATIONAL BALANCING**

**Article 29.** (amended - SG No 57/2019, effective since 19.07.2019) The operational balancing of the gas transmission network is a physical offsetting of the differences between the total natural gas quantities delivered at the entry points of the gas transmission network and the total natural gas quantities off-taken from the gas transmission network for the

same period. The TSO shall undertake actions to change the inputs or off-takes of natural gas in order to maintain the gas transmission network within its operational limits.

**Article 30.** There is a physical imbalance of the gas transmission network when the total inputs of natural gas in the network delivered by all users differ from the total off-takes during the respective day.

**Article 31.** (amended - SG No 57/2019, effective since 19.07.2019) Where a physical imbalance of the network is present, the TSO shall perform balancing actions, as follows:

(1) (amended and supplemented - SG No 57/2019, effective since the commencement date of trading platform functioning, but no later than 1 January 2020) conclude short-term transactions (for a day ahead or within the day) for title transfer of natural gas with other participants on the balancing market at the Trading platform; transactions are concluded at the lowest offered purchase price and at the highest sale price;

(2) store and/or use natural gas quantities in the gas transmission network (linepack);

(3) store and/or use natural gas quantities in/from a natural gas storage facility;

(4) (amended - SG No 57/2019, effective since 19.07.2019) use balancing services and shall be entitled to conclude contracts for natural gas supply at an entry point of the gas transmission network, with maximum one year validity period. The contracts shall be concluded following a transparent, non-discriminatory and market-based procedure taking into account the maximum amount of the expected natural gas imbalances in the gas transmission network; the TSO shall carry out an annual analysis of the use of balancing services compared with the use of short-term products at the VTP and shall publish information concerning the balancing services procedures undertaken by it.

**Article 32.** (amended - SG No 57/2019, effective since 19.07.2019) In the event of an objective inability for the TSO to undertake balancing actions under Article 31, whereby the cumulative imbalance of the gas transmission network exceeds a pre-defined by the TSO limit, which results in an inability to physically balance the transmission system and/or endangers its integrity and operational safety, the TSO shall undertake actions pursuant to Section VI of the Gas Transmission Networks Management and Technical Rules and/or Ordinance No 10 of 2004 on the order for introducing a restrictive mode, suspension or limitation of the generation or supply of electricity, heat and natural gas. The cumulative balance limit shall be determined and published on the TSO webpage.

## Chapter Nine

### WITHIN THE DAY OBLIGATIONS

**Article 33.** (amended - SG No 57/2019, effective since 19.07.2019) The TSO may impose on network users within day obligations to incentivise them to manage their within day balance account in order to guarantee the integrity of the transmission network and minimise the need to undertake balancing actions by the TSO.

**Article 34.** (amended - SG No 57/2019, effective since 19.07.2019) Without prejudice to the right of EWRC to take decisions on its own initiative, the TSO may submit to EWRC proposals concerning the imposition of within day obligations, in line with Article 26 of Commission Regulation (EU) No 312/2014 of 26.03.2014 establishing a Network Code on Gas Balancing of Transmission Networks. The TSO may propose different within day obligations for the different categories of entry and exit points in order to establish more effective incentives for the various categories of network users.

**Article 35.** (amended - SG No 57/2019, effective since 19.07.2019) The rules may be amended on the initiative of EWRC or on a proposal by the TSO.

## **SUPPLEMENTARY PROVISION**

§ 1. Within the meaning of these Rules:

1. Balancing portfolio means the aggregate of a network user's inputs or off-takes;
2. Virtual Trading Point (VTP) means a non-physical point by which the registered Virtual Trading Point users may title transfer of natural gas between themselves;
3. Imbalance means the difference between the natural gas quantities allocated to the user at the entry points of the transmission network and the natural gas quantities allocated to the user at the exit points of the network for the respective gas day, taking into account the natural gas for operational needs and the transactions concluded at the Virtual Trading Point. The imbalance may be positive or negative. Daily imbalance quantities shall be expressed in kWh;
4. (amended - SG No 57/2019, effective since 19.07.2019) Balancing action means an action undertaken by the TSO to change the entry or exit flows onto or off the transmission network, excluding the actions related to natural gas unaccounted for as off-taken from the system, and natural gas used by the TSO for operation of the system;
5. Balancing zone means an entry-exit system subject to a special balancing regime;
6. (amended - SG No 57/2019, effective since 19.07.2019) Within the day obligation means a set of rules regarding network users' inputs and offtakes within the gas day imposed by the TSO on the users pursuant to Article 25 of Commission Regulation (EU) No 312/2014 of 26.03.2014 establishing a Network Code on Gas Balancing of Transmission Networks;
7. (amended - SG No 57/2019, effective since 19.07.2019) Notified quantity under gas transaction means the quantity of natural gas transferred between the TSO and a network user or network users or between balancing portfolios, as the case may be;
- 7a. (new - SG No 57/2019, effective since 19.07.2019) Trading platform is an electronic platform for bilateral trade and/or exchange principle trade, maintained and operated by a trading platform operator by means of which trading participants may post and accept, including the right to amend and withdraw, bids and offers for natural gas purchase and sale required to meet short term fluctuations in gas demand or supply, in accordance with the terms and conditions applicable on the trading platform and at which the TSO trades for the purpose of undertaking balancing actions;
- 7b. (new - SG No 57/2019, effective since 19.07.2019) Natural gas Trading platform operator is an entity managing the Trading platform in line with Rules of a natural gas Trading platform.
8. Preparatory time (lead time) means a two-hour period starting on the first round hour following receipt of the nomination; after expiry of the lead time, the effective implementation of the nomination shall begin;
9. (amended - SG No 57/2019, effective since 19.07.2019) Network user means any physical or legal person registered by the TSO as network user who intends to use the transport services;
10. (amended - SG No 57/2019, effective since 19.07.2019) Confirmed quantity means the natural gas quantity confirmed by the TSO as scheduled or re-scheduled to be transported on gas day D;

- 11. (amended - SG No 57/2019, effective since 19.07.2019) Allocated quantity means natural gas quantity subscribed to a network user by the TSO as input or off-take expressed in kWh;
- 12. (amended - SG No 57/2019, effective since 19.07.2019) Registered Virtual Trading Point users means network users having a transport capacity and traders of natural gas, who have concluded a contract with the TSO for participation in the Virtual Trading Point;
- 12a. (amended - SG No 57/2019, effective since 19.07.2019) Registered participant on the Trading platform is a network user having transmission capacity, trader or TSO who has concluded contract for using the trading platform with the platform operator and who meets the requirements for carrying out transactions on the trading platform.
- 13. Information scheme means a scheme where the information on daily and non-daily metered off-takes is based on allocation of the metered flows during the gas day, according to Option 1 of the schemes under Commission Regulation (EU) No 312/2014 of 26.03.2014 establishing a Network Code on Gas Balancing of Transmission Networks;
- 14. (amended- SG No 57/2019, effective since 19.07.2019) Balancing service means a service provided to TSO via a contract for gas required to meet short-term fluctuations in gas demand or supply, and which is not a short-term standardised product;
- 15. (amended- SG No 57/2019, effective since 19.07.2019) Re-nomination processing cycle means the process carried out by the TSO in order to provide a network user with the message for confirmed quantities. The re-nomination processing cycle shall commence on the first round hour after receipt of a re-nomination.

**TRANSITIONIAL AND FINAL PROVISIONS**

**§ 2.** These rules have been adopted by the EWRC with a decision under Protocol No. 227 of 30.11.2016 on the grounds of Art. 12, para. 8 of the Rules for Trade in Natural Gas and in accordance with the requirements of Commission Regulation (EC) No 312/2014 of 26.03.2014 establishing a Network Code on Gas Balancing of Transmission Networks.

**§ 3.** These rules shall enter into force on the date of adoption of EWRC decision on their approval.

**§ 4.** These rules shall apply no earlier than 1.01.2017.

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TRANSITIONAL AND FINAL PROVISIONS  
to the Rules on Amendment and Supplement to the Balancing Rules of Natural Gas Market  
(SG, No. 57/2019, effective since 19.07.2019)

§ 33 Paragraph 1, item 5, § 2, item 4, § 22, item 2, § 23, 24 and § 27, item 2 of the Rules on Amendment and Supplement to the Balancing Rules of Natural Gas Market shall apply from the commencement date of trading platform functioning but no later than 1 January 2020.

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