

**REGULATORY OFFICE FOR NETWORK INDUSTRIES**

**D E C I S I O N**

Number: 0007/2023/E-PP

Bratislava 29 March 2023

**Operational Rules  
of the Transmission System Operator  
Slovenská elektrizačná prenosová sústava, a. s.**

## Table of Contents

<b>1</b>	<b>PREAMBLE .....</b>	<b>8</b>
1.1	<i>CHARACTERISTICS OF THE TRANSMISSION SYSTEM OPERATOR.....</i>	<i>8</i>
1.2	<i>DEFINITION OF THE STATUS OF THESE OPERATIONAL RULES .....</i>	<i>10</i>
1.3	<i>INTERPRETATION OF TERMS, LIST OF ABBREVIATIONS, TYPES OF CONTRACTS.....</i>	<i>13</i>
1.3.1	<i>Interpretation of Terms.....</i>	<i>13</i>
1.3.2	<i>List of Abbreviations .....</i>	<i>20</i>
1.3.3	<i>Types of Contracts .....</i>	<i>22</i>
1.4	<i>RELATED LEGISLATION.....</i>	<i>24</i>
<b>2.</b>	<b>TRADING CONDITIONS FOR THE CONTRACT ON CONNECTION TO THE TRANSMISSION SYSTEM AND FOR THE FRAMEWORK CONTRACT ON CONNECTION TO THE TRANSMISSION SYSTEM .....</b>	<b>26</b>
2.1	<i>INTRODUCTORY PROVISIONS .....</i>	<i>26</i>
2.2	<i>PROCEDURE FOR CONCLUSION OF THE CONTRACT .....</i>	<i>27</i>
2.3	<i>CONTRACT TERMINATION .....</i>	<i>31</i>
2.4	<i>CONNECTION TO TS, USER RESPONSIBILITIES .....</i>	<i>32</i>
2.5	<i>COSTS OF CONNECTION.....</i>	<i>34</i>
2.6	<i>CONTRACT ON COMMON PROCEDURE FOR CONSTRUCTION OF A FACILITY .....</i>	<i>37</i>
2.7	<i>METERING IN THE CONNECTION POINT .....</i>	<i>38</i>
2.8	<i>DAMAGE PREVENTION, COMPENSATION FOR DAMAGES AND CONTRACTUAL PENALTIES .....</i>	<i>40</i>
2.9	<i>DISPUTE RESOLUTION.....</i>	<i>41</i>
2.10	<i>TRANSITIONAL PROVISIONS .....</i>	<i>41</i>
2.11	<i>FINAL PROVISIONS.....</i>	<i>42</i>
<b>3.</b>	<b>TRADING CONDITIONS FOR THE CONTRACT ON ACCESS TO THE TRANSMISSION SYSTEM AND ELECTRICITY TRANSMISSION .....</b>	<b>44</b>
3.1	<i>INTRODUCTORY PROVISIONS .....</i>	<i>44</i>
3.2	<i>PROCEDURE FOR CONCLUSION OF THE CONTRACT .....</i>	<i>44</i>
3.3	<i>CONTRACT TERMINATION .....</i>	<i>46</i>
3.4	<i>ACCESS TO THE TRANSMISSION SYSTEM AND ELECTRICITY TRANSMISSION .....</i>	<i>46</i>
3.5	<i>SUBMISSION OF DATA RELATED TO TRANSMISSION AND TECHNICAL SPECIFICATIONS OF THE USER FACILITY .....</i>	<i>47</i>
3.6	<i>ELECTRICITY TRANSMISSION RESTRICTION AND INTERRUPTION .....</i>	<i>48</i>
3.7	<i>METERING, METHOD OF MAKING MEASURED DATA AVAILABLE,</i>	

	<i>METHOD OF ENSURING REPLACEMENT VALUES .....</i>	<i>49</i>
3.8	<i>CONDITIONS OF TSO ACCESS TO THE USER BUILDINGS .....</i>	<i>49</i>
3.9	<i>CHANGE OF A SUPPLIER AND CHANGE OF THE BALANCE GROUP .....</i>	<i>50</i>
3.10	<i>METHOD OF PAYMENT SPECIFICATION.....</i>	<i>51</i>
3.11	<i>INVOICING AND PAYMENT CONDITIONS FOR ACCESS TO TS, ELECTRICITY TRANSMISSION AND LOSSES DURING ELECTRICITY TRANSMISSION .....</i>	<i>52</i>
3.12	<i>INVOICING AND PAYMENT CONDITIONS FOR ACCESS TO TS, ELECTRICITY TRANSMISSION AND LOSSES DURING ELECTRICITY TRANSMISSION OF THE ELECTRICITY GENERATOR CONNECTED TO TS EXCLUSIVELY FOR THE PURPOSE OF ELECTRICITY OFFTAKE FROM TS .....</i>	<i>54</i>
3.13	<i>PREVENTION OF LOSSES, DAMAGE COMPENSATION AND CONTRACTUAL PENALTIES .....</i>	<i>56</i>
3.14	<i>DISPUTE RESOLUTION.....</i>	<i>57</i>
3.15	<i>RULES AND CONDITIONS FOR SYSTEM SERVICE PROVISION.....</i>	<i>58</i>
3.16	<i>RULES AND CONDITIONS OF INVOICING AN EFFICIENT LEVY RATE TO COVER THE DEBT IN THE NATIONAL NUCLEAR FUND.....</i>	<i>58</i>
3.16.1	<i>Method of Determining the Payment to the National Nuclear Fund .....</i>	<i>58</i>
3.16.2	<i>Conditions of Payments to the Nuclear Fund.....</i>	<i>59</i>
3.16.3	<i>Procedure for Data Submission .....</i>	<i>59</i>
3.16.4	<i>Invoicing and Payment Conditions .....</i>	<i>59</i>
3.17	<i>FINAL PROVISIONS.....</i>	<i>60</i>
<b>4.</b>	<b>TRADING CONDITIONS OF ELECTRICITY TRANSMISSION USING INTERCONNECTORS.....</b>	<b>62</b>
4.1	<i>CONDITIONS FOR SECURING ELECTRICITY TRANSMISSION USING INTERCONNECTORS .....</i>	<i>62</i>
4.2	<i>PRINCIPLES AND RULES OF AUCTIONS ON INDIVIDUAL TSO CROSS- BORDER PROFILES .....</i>	<i>63</i>
4.3	<i>RESERVATION OF THE TRANSMISSION CAPACITY ON THE TSO CROSS- BORDER PROFILES .....</i>	<i>64</i>
4.3.1	<i>Obtaining Capacity in an Explicit Auction.....</i>	<i>64</i>
4.3.2	<i>Application of Commission Regulation (EU) No. 2016/1719 Establishing a Guideline on Forward Capacity Allocation.....</i>	<i>65</i>
4.3.3	<i>Allocation of Capacities in the Form of Implicit Auction.....</i>	<i>65</i>
4.3.4	<i>Intraday Allocation of Capacities .....</i>	<i>66</i>
4.3.5	<i>Reserved Capacity Transfer.....</i>	<i>66</i>
4.3.6	<i>Use of Reserved Capacity.....</i>	<i>66</i>
4.4	<i>CONDITIONS AND CIRCUMSTANCES UNDER WHICH ELECTRICITY</i>	

	<i>TRANSMISSION RESTRICTION CAN OCCUR.....</i>	<i>66</i>
<b>4.5</b>	<i>METHOD OF DETERMINING AND CONDITIONS OF PROVISION OF COMPENSATION AT RESTRICTION OF THE AGREED ELECTRICITY TRANSMISSION .....</i>	<i>67</i>
<b>4.6</b>	<i>PROCEDURE TO BE FOLLOWED BY AN APPLICANT AT THE CONTRACT CONCLUSION.....</i>	<i>68</i>
<b>4.7</b>	<i>CONTRACT TERMINATION .....</i>	<i>69</i>
<b>4.8</b>	<i>PRICING METHOD .....</i>	<i>69</i>
<b>4.9</b>	<i>INVOICING CONDITIONS AND PAYMENT CONDITIONS .....</i>	<i>70</i>
<b>4.10</b>	<i>DEALING WITH CASES OF CONGESTION ON INTERCONNECTORS.....</i>	<i>71</i>
4.10.1	<i>Change of Deployment of Electricity Generating Facilities in the ES of SR.....</i>	<i>71</i>
4.10.2	<i>Change of Deployment of the Electricity Generating Facilities in the Neighbouring Systems at Congestion Management of International Profiles.....</i>	<i>72</i>
4.10.3	<i>Use of Counter-Trades for Congestion Management of International Profile.....</i>	<i>72</i>
<b>4.11</b>	<i>DEALING WITH CASES OF NON-PERFORMANCE OF THE CONTRACTUAL CONDITIONS RELATED TO THE RULES OF TRANSMISSION USING INTERCONNECTORS .....</i>	<i>73</i>
<b>4.12</b>	<i>DATA PUBLICATION.....</i>	<i>75</i>
<b>5.</b>	<b><i>RULES FOR PURCHASE OF ANCILLARY SERVICES AND ACQUISITION OF REGULATION ELECTRICITY.....</i></b>	<b><i>76</i></b>
<b>5.1</b>	<i>CONDITIONS OF ANCILLARY SERVICE PROVISION .....</i>	<i>76</i>
5.1.1	<i>Framework Contract on Provision of Regulation Services .....</i>	<i>78</i>
5.1.2	<i>Contract on PpS Provision .....</i>	<i>79</i>
<b>5.2</b>	<i>DEFINITION OF ANCILLARY SERVICES IN TERMS OF THE SUBJECT OF SERVICES .....</i>	<i>80</i>
5.2.1	<i>Primary Regulation of Active Power (Frequency Containment Reserve, FCR) .....</i>	<i>80</i>
5.2.2	<i>Reserve of Active Power for Frequency Restoration (Frequency Restoration Reserve positive, FRR).....</i>	<i>80</i>
5.2.3	<i>Secondary Regulation of ActivePower and Frequency Positive (automatic Frequency Restoration Reserve positive, aFRR+) and Secondary Regulation of Active Power and Frequency Negative (automatic Frequency Restoration Reserve negative, aFRR- ) .....</i>	<i>80</i>
5.2.4	<i>Tertiary Regulation of Active Power 3-Minute Positive (TRV3MIN+) and 3-minute Negative (TRV3MIN-).....</i>	<i>81</i>
5.2.5	<i>Tertiary Regulation of Active Power Positive (manual Frequency Restoration Reserve positive, mFRR+), Tertiary Regulation of Active Power Negative (manual Frequency Restoration Reserve negative, mFRR-) .....</i>	<i>81</i>
5.2.6	<i>Secondary Regulation of Voltage (SRN) .....</i>	<i>82</i>
5.2.7	<i>Black Start .....</i>	<i>82</i>

5.2.8	<i>Emergency Assistance from Synchronously Working Systems .....</i>	<i>83</i>
5.2.9	<i>Details of PpS Characteristics .....</i>	<i>83</i>
5.3	<i>DEFINITION OF THE RANGE OF ENTITIES AUTHORIZED TO OFFER PPS .....</i>	<i>83</i>
5.4	<i>PROCESS OF THE APPLICANT FOR THE PPS PROVISION .....</i>	<i>83</i>
5.5	<i>METHOD OF PURCHASE OF INDIVIDUAL PPS TYPES .....</i>	<i>87</i>
5.5.1	<i>Tender .....</i>	<i>88</i>
5.5.2	<i>Daily Purchase of PpS .....</i>	<i>89</i>
5.5.3	<i>Multi-day purchase of PpS (if approved by the Office) .....</i>	<i>89</i>
5.6	<i>METHOD OF SELECTION OF BIDS FOR ANCILLARY SERVICES AND THE CRITERION OF THEIR SELECTION .....</i>	<i>90</i>
5.6.1	<i>Quotation Structure .....</i>	<i>90</i>
5.6.2	<i>Tender Evaluation .....</i>	<i>90</i>
5.6.3	<i>Criterion for Bid Selection .....</i>	<i>91</i>
5.7	<i>PROCEDURES FOR EVALUATION OF THE VOLUME OF PROVIDED PPS .....</i>	<i>91</i>
5.8	<i>CONTRACTUAL PENALTY FOR NON-FULFILMENT OF THE CONTRACTUALLY AGREED PPS AVAILABILITY .....</i>	<i>93</i>
5.9	<i>COMPLAINT PROCEDURE .....</i>	<i>97</i>
5.10	<i>ACTIVATION OF THE ANCILLARY SERVICES AT SUPPLY OF THE REGULATION ELECTRICITY ON THE FACILITIES PROVIDING ANCILLARY SERVICES OF THE mFRR OR TRV3MIN TYPE THROUGH OPTIMAL DEPLOYMENT OF ELECTRICITY GENERATING FACILITIES .....</i>	<i>98</i>
5.11	<i>REGULATION ELECTRICITY PROCUREMENT OPTIONS .....</i>	<i>99</i>
5.11.1	<i>Regulation Electricity from the PpS Providing Facilities .....</i>	<i>100</i>
5.11.2	<i>Imbalance Netting Process (INP) .....</i>	<i>100</i>
5.11.3	<i>Emergency Aid from Abroad .....</i>	<i>101</i>
5.11.4	<i>Supply of Non-Guaranteed Regulation Electricity When Operational Capability of the ES of SR is at Threat .....</i>	<i>101</i>
5.12	<i>ECONOMIC EFFICIENCY AT USE OF ANCILLARY SERVICES AND PROCUREMENT OF REGULATION ELECTRICITY .....</i>	<i>102</i>
5.13	<i>PROCEDURES FOR EVALUATION OF THE QUANTITY OF PROCURED REGULATION ELECTRICITY AND DETERMINING ITS PRICE .....</i>	<i>103</i>
5.13.1	<i>Regulation Electricity Procured from the PpS Providing Facilities .....</i>	<i>103</i>
5.13.2	<i>Establishing the Regulation Electricity Price .....</i>	<i>104</i>
5.13.3	<i>Submission of Data Required for RE Billing .....</i>	<i>104</i>
5.14	<i>SCOPE, METHOD AND BINDING CHARACTER OF SUBMISSION OF DIAGRAMS FOR GENERATION OF ELECTRICITY AND PPS IN WEEKLY AND DAILY PPS OPERATION PREPARATION AND CHANGES IN PPS OPERATION PREPARATION .....</i>	<i>104</i>
5.15	<i>INVOICING CONDITIONS AND PAYMENT CONDITIONS .....</i>	<i>108</i>

5.16	<i>DEALING WITH CASES OF NON-FULFILMENT OF THE CONTRACTUAL CONDITIONS RELATED TO THE PROVISION OF ANCILLARY SERVICES AND REGULATION ELECTRICITY SUPPLY .....</i>	110
5.17	<i>CONDITIONS FOR TRADE SECRET PROTECTION AND DATA STORAGE .....</i>	111
5.18	<i>DATA PUBLICATION.....</i>	112
<b>6.</b>	<b>RULES AND CONDITIONS FOR ELECTRICITY PURCHASE TO COVER LOSSES IN THE TRANSMISSION SYSTEM AND/OR FOR TSO SELF-CONSUMPTION .....</b>	<b>113</b>
6.1	<i>CONDITIONS FOR ELECTRICITY PURCHASE TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION.....</i>	113
6.2	<i>PROCEDURE FOR PURCHASE OF ELECTRICITY TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION .....</i>	113
6.2.1	<i>Time Horizon of Purchase.....</i>	113
6.2.2	<i>Invitation to Tender.....</i>	114
6.2.3	<i>Specification of the Tender Conditions.....</i>	114
6.2.4	<i>Content of Bid Outside TSO IS .....</i>	114
6.2.5	<i>Delivery of Bids Outside TSO IS .....</i>	115
6.3	<i>DELIMITATION OF ENTITIES WHICH MAY SUPPLY ELECTRICITY TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION.....</i>	115
6.4	<i>METHOD OF BID EVALUATION FOR ELECTRICITY SUPPLY TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION .....</i>	115
6.4.1	<i>Announcement of Tender Results and Contract Conclusion .....</i>	116
6.4.2	<i>Tender Cancellation .....</i>	116
6.5	<i>DISPUTE RESOLUTION.....</i>	116
<b>7.</b>	<b>PROVISION OF DATA BY MARKET PARTICIPANTS .....</b>	<b>118</b>
<b>8</b>	<b>CLAIM PROCEDURE RELATED TO CHAPTER 3 .....</b>	<b>119</b>
	<i>FORM FOR COMPLAINT IN REGARD TO METERED DATA .....</i>	121
<b>9.</b>	<b>REQUEST FOR A TSO OPINION ON THE APPLICATION FOR ISSUANCE OF THE CERTIFICATE FOR BUILDING THE ENERGY FACILITY .....</b>	<b>122</b>
<b>10.</b>	<b>PROCEDURE FOR REMOVING AND DE-BRANCHING THE TREES AND OTHER VEGETATION ENDANGERING THE SAFETY OR RELIABILITY OF ENERGY FACILITY OPERATION .....</b>	<b>124</b>
<b>11.</b>	<b>FINAL PROVISIONS .....</b>	<b>126</b>
11.1	<i>COMMUNICATION .....</i>	126
11.2	<i>PREVENTION OF DAMAGES, CIRCUMSTANCES EXCLUDING LIABILITY .....</i>	127

11.3	<i>PERSONAL DATA PROTECTION .....</i>	128
11.4	<i>FORCE.....</i>	128

# **1 Preamble**

## **1.1 CHARACTERISTICS OF THE TRANSMISSION SYSTEM OPERATOR**

1. Transmission system (hereinafter referred to as “TS”) is a specific network subsystem of electric systems representing a so-called natural monopoly due to its nature. The transmission system operator (hereinafter referred to as “TS Operator” or “TSO”) and its activities are defined by Directive (EU) No. 2019/944 of the European Parliament and of the Council (hereinafter referred to as “EPaC”) of 5 June 2019 concerning common rules for the internal market in electricity and amending Directive 2012/27/EU with the obligation of its transposition into the legislation of the Slovak Republic. The competence of this entity and the related business effects are not exposed to direct effect of market mechanisms based on presence of competition, therefore they are subject to regulatory oversight by an independent regulatory body.
2. Specific attention is paid to transfer via interconnectors. The conditions for such transfer and access to the system are laid down by the EPaC Regulation (EU) No. 2019/943 of 5 June 2019 on the internal market for electricity with direct effectiveness to all Member States.
3. Act No. 251/2012 Coll. on Energy and on amendment of certain acts (hereinafter referred to as “Energy Act”) transposes and adapts provisions of the EU legislation into the legislation of the Slovak Republic and establishes the rights and responsibilities of the TS Operator in the Slovak Republic as well as other electricity market participants.
4. Slovenská elektrizačná prenosová sústava, a.s. (hereinafter referred to as “SEPS”) as the TS Operator in the Slovak Republic is a holder of the authorization for electricity transmission. The basic task of TSO is to provide transmission services to TS users (hereinafter referred to as “User”), system services (hereinafter referred to as “SyS”) necessary for safe and reliable operation of the electricity system of the Slovak Republic (hereinafter referred to as “ES of SR”). The mission of SEPS is to operate the transmission system reliably, to provide for the dispatch management of the system, its maintenance, renewal, and development to ensure reliable and quality supply of electricity to all Users as well as its parallel operation with the neighbouring transmission systems.
5. Provision of transmission services is defined as transfer of TS electricity from the supply point to the delivery point in TS and from TS to offtake points in the quality and in accordance with the conditions established in the Technical Conditions for Access and Connection, regulations for operation of the transmission system (hereinafter referred to as “Technical Conditions”) and in the Contract for Access to the Transmission System and Transmission of Electricity. TSO guarantees continuity of electricity transmission via TS to the electricity consumer’s equipment within the scope of the Technical Conditions and of these Operational Rules of Slovenská elektrizačná prenosová sústava, a.s., the transmission system operator (hereinafter referred to as “Operational Rules”).
6. Provision of SyS means the activities of TSO carried out for the purpose of ensuring operational reliability of the ES of SR by dispatch management of the ES of SR in real time, by continuous maintaining of balance between immediate consumption and electricity production in real time within the defined territory, by compliance with the conditions of synchronous interconnection with the neighbouring electricity systems and activities for provision of restoring synchronous operation in case of the ES of SR breakdown. Moreover, it includes services provided by TSO necessary for provision of safe operation of manufacturing facilities of the electricity generator. Furthermore, provision of SyS means the TSO activities aimed at coordination of the medium-



term and long-term development of the ES of SR to be able to provide for eligible development activities and needs of the ES of SR users continuously.

7. SyS are provided by the TS facilities and equipment as well as by individual Users providing ancillary services (hereinafter referred to as “PpS”) and supplying regulation electricity (hereinafter referred to as “RE”). PpS are services purchased by TSO to ensure SyS provision necessary to maintain the electricity supply quality and for provision of the system operational reliability and compliance with the international standards valid for the interconnected systems while the result of the provision thereof is usually supply of RE for the purpose of maintaining the balance between the actual production and consumption of electricity in real time within the defined territory.
8. Description of individual PpS and their technical specifications are provided in the Technical Conditions. The method of the PpS provision and characteristics of contractual relationships between the ancillary service provider (hereinafter referred to as “PpS Provider” or “Provider”) and TSO are included in these Operational Rules.
9. TSO is responsible for:
  - a) provision of long-term reliable, safe and efficient operation of the system in cooperation with the transmission system operators of the neighbouring countries and the distribution system operators to which the transmission system is interconnected;
  - b) management of electricity transmission in the system on the defined territory while considering electricity transmission between the interconnected transmission system of the neighbouring countries;
  - c) provision of coordination and development of the system;
  - d) maintaining balancing the system imbalance on the defined territory in compliance with the international rules;
  - e) dispatch management of the ES of SR in real time by continuous maintaining of balance between electricity production and consumption in real time within the defined territory;
  - f) provision of reasonable capacity of the transmission system and the system operability;
  - g) allocation of transmission capacity in a transparent and non-discriminatory manner;
  - h) elaboration of annual, monthly, weekly, and daily preparation of the ES of SR operation;
  - i) electricity flow management in TS while respecting electricity transmissions between interconnected systems of other countries and in cooperation with the regional distribution system operators (hereinafter referred to as “RDSO”).
  - j) dispatch management of electricity generating facilities within the defined territory in accordance with the concluded contracts and approved preparation of the ES of SR operation;
  - k) provision of electricity transmission under the concluded contracts in the quality set by the Technical Conditions;
  - l) provision of system services within the defined territory including the services required for ensuring safe operation of the electricity generating facilities of the electricity producer and the services provided as response to the demand;
  - m) provision of purchase of ancillary services that are necessary to ensure provision of systemic services for maintaining quality of electricity supply and to ensure operational reliability of the system;
  - n) definition and publishing of the Technical Conditions;

- o) systematic inspection and evaluation of ancillary service provision quality;
  - p) provision of electricity for balancing of immediate imbalance between electricity production and consumption;
  - q) provision of measurement in TS and provision of the measured data to individual participants of the market in electricity is connected to TS.
10. From the point of TS utilization, the TS Users are classified in the following categories:
- a) operators of electricity generating facilities;
  - b) operators of electricity storage facilities;
  - c) regional distribution system operators;
  - d) local distribution system operators;
  - e) energy communities;
  - f) final electricity consumers;
  - g) operators of neighbouring transmission systems.
11. When providing services, TSO takes the same approach towards all market participants based on open, transparent, and non-discriminatory conditions. TSO makes no difference between individual Users or groups of Users except for the specifics determined by the Technical Conditions and by these Operational Rules. When providing services, TSO follows the provisions of these Operational Rules and of the Technical Conditions.
12. Conditions and rules for provision of the TSO services are based on transparent and non-discriminatory principle and they are available on the TS Operator website (hereinafter referred to as "Website") [www.sepsas.sk](http://www.sepsas.sk). Such conditions and rules are under the public supervision, in the form of the approval process by the Regulatory Office for Network Industries (hereinafter referred to as "Office" or "RONI"). For such purpose, the rules of the TSO competence are specified transparently:
- a) in the Technical Conditions establishing the technical conditions and standards for connection and use of TS, TS operation rules and dispatch management of the ES of SR;
  - b) in the Operational Rules establishing principles and conditions of business relationships for provision of the TS services including connection to TS between the User and TSO.

## **1.2 DEFINITION OF THE STATUS OF THESE OPERATIONAL RULES**

1. Inclusion of the legislative standards set out in Chapter 1.1 in the Operational Rules is the TSO obligation laid down by Act No. 250/2012 Coll. on Regulation in Network Industries (hereinafter referred to as "Regulation Act"). Pursuant to this Act, the Operational Rules, following the approval by the Office, are binding for the electricity market participants.
2. The aforesaid obligations of TSO are specified further by the Energy Act and by RONI Decree No. 24/2013 Coll. laying down the rules for operation of the internal market in electricity and the rules for operation of the internal market in gas (hereinafter referred to as "Market Rules").
3. The objective of the Operational Rules is to provide principles, rules, and standards of the TSO competence transparently to all Users.

4. Moreover, these Operational Rules define:
  - a) Determination and definitions of relevant system, ancillary, and transmission services, conditions to be met by applicants for connection, for access to the transmission system and electricity transmission.
  - b) Requirements for necessary data, information or scope of cooperation that the Users are obliged to provide to TSO and that condition proper operation of TS.
  - c) Conditions under which the Users may offer PpS and the rules and conditions TSO follows at selection of Providers of these services;
  - d) Rules TSO follows at provision of transmission services via interconnectors and rules for allocation of capacities for transmission over these lines;
  - e) TSO method of information publication.
5. The Operational Rules serve to the Users as a list of conditions necessary for reliable cooperation with TSO and commercial terms under which TSO provides transmission services and purchases PpS in a way so as to avoid misuse of its natural monopoly position, and to ensure respecting the legitimate interests of TSO when exercising its business activities and safe and reliable management of the TS operation.
6. Due to the synchronous connection of the ES of SR to the interconnected Europe's energy system, there are standards adopted on the European level. Access of the third parties into the system upon the legislation of the Slovak Republic and in accordance with the European legislation is ensured for all Users, both domestic and foreign ones in the area of transmission via interconnectors.
7. Due to continuous development of the market in electricity and reshaping the market rules and functioning of market institutions, the content of the Operational Rules will be gradually adjusted in accordance with the amendments, improvements or updates based on development of this process in the Slovak Republic and in the EU.
8. The Operational Rules govern large area of TS services, purchasing and provision of PpS and procurement of RE. They lay down the rules for the Users connected to TS as well as for the Users whose facilities are not connected to TS, however, they use TS for execution of their trades in electricity within transmissions via interconnectors or within the Slovak Republic.
9. Services provided by TSO are of the monopoly nature and they are regulated by the Office. These services mean provision of transmission services and provision of SyS including balancing the system imbalances within the defined territory. TSO provides the services according to these Operational Rules to all natural and legal persons within the defined territory and within their competence.
10. The conditions for connection to TS are governed by Chapter 2 of the Operational Rules. The conditions for provision of transmission, conditions for provision and invoicing of SyS as well as the conditions and invoicing of payments to the National Nuclear Fund are governed by Chapter 3 of the Operational Rules. The conditions for transmission via interconnectors are governed by Chapter 4 of the Operational Rules.
11. For purchase of PpS necessary for provision of SyS, for procurement of RE and for purchase of electricity dedicated to cover losses in TS, TSO acts in a monopoly manner on the side of demand as a single entity requesting and purchasing these services. The conditions providing

for non-discriminatory approach towards all potential Providers, are outlined in Chapter 5 or Chapter 6 of the Operational Rules.

12. The commercial terms established in these Operational Rules as well as the Technical Conditions form an integral part of contracts concluded by and between TSO and other electricity market participants for all regulated activities set out in these Operational Rules.
13. The wording of these Operational Rules was approved by the Office and it is binding for the electricity market participants. All potential amendments must be approved by the Office Decision. The valid version of the Operational Rules is published on the TSO website.

## 1.3 INTERPRETATION OF TERMS, LIST OF ABBREVIATIONS, TYPES OF CONTRACTS

### 1.3.1 Interpretation of Terms

- **Aggregation** – an activity by which an aggregator merges flexibility from several offtake points and supply points for the purpose of offer and sale of aggregated flexibility on organized markets in electricity or on the market in ancillary services or to minimize imbalance within the balance group of the aggregator (see the Energy Act);
- **Aggregator** – a person with a license for electricity supply and which performs the activity of aggregation (see the Energy Act);
- **Activation of flexibility** – managed change in electricity offtake from the system or managed change in electricity supply into the system caused by the response to the market signals including the changes of market changes in time or payments settled as a remuneration for the change of electricity offtake or supply (see the Energy Act);
- **Balancing Group** - a group of offtake points and supply points of the participants of the market in electricity where the responsibility for imbalance was assumed by one joint accounting entity; it is designated with a balancing group identification number (see the Market Rules);
- **Cross-Border Profile** - a set of lines interconnecting two neighbouring transmission systems (see the Market Rules);
- **Daily Diagram** - a sequence of values of the agreed quantity of electricity offtake or electricity supply in MW for each trading hour of the trading day, in 15-minute intervals (see the Market Rules);
- **Day** - a calendar day;
- **Dispatching Rules** - a document establishing the rules for dispatch management of the ES of SR in accordance with the Energy Act approved by the Office decision;
- **Distribution System** - means mutually interconnected electricity lines of very high voltage up to 110 kV inclusive, and of high voltage or low voltage and electro-energetic facilities necessary for distribution of electricity in a part of the defined territory; the distribution system includes also metering, protection, control, security, information, and telecommunication equipment and electronic communication networks the basic purpose of which is ensuring operation necessary for the distribution system operation; moreover, the distribution system includes the electricity line and electro-energetic facility used for transmission of electricity from a part of the territory of the European Union or a part of the territory of the third countries to the defined territory or to a part of the defined territory, unless such electricity line or electro-energetic facility connects the transmission system with the transmission system of the Member State or with the transmission system of the third countries (see the Energy Act);
- **Electricity Distribution** - transmission of electricity via the distribution system in a part of the defined territory for the purpose of its transmission to electricity consumers (see the Energy Act);
- **Electricity Supplier** – a person with permission for electricity supply and, who, concurrently, does not assume responsibility for imbalance in the offtake place or in the place of flexibility provider caused by flexibility activation at the time in which flexibility is activated except for the

cases when the electricity supplier is at the same time an aggregator or active consumer or energy community if they supply electricity to another person (see the Energy Act);

- **Regulation Electricity Supplier in the IGCC System** - a TSO supplying regulation electricity exclusively in the form of automatic activation of the regulation electricity with the parameters of secondary regulation of power by means of a control information system of the TSO dispatching in cooperation with the neighbouring transmission system operators within the IGCC system (see the Market Rules);
- **Electricity Supply** - sale of electricity (see the Energy Act);
- **Electricity Import** - a flow of the contractually agreed amount of electricity from a member state or the third country to the defined territory;
- **Energetic Week** - seven consecutive trading days, starting at 00:00 a.m. on Saturday and ending at 00:00 p.m. on Friday;
- **Explicit Auction** - a method for allocation of cross-border transmission capacity in the form of an auction (see the Market Rules);
- **Physical Supply of Electricity** - the amount of supplied electricity metered at the offtake point or supply point;
- **Physical Offtake of Electricity** - the amount of demanded electricity metered at the offtake point or supply point;
- **Identification Number** - a sixteen-digit code allocated in accordance with the standard of operator association;
- **Implicit Auction** - an electricity trading method through an auction where the successful electricity trading participant is allocated a cross-border transmission capacity (see the Market Rules);
- **Connection Capacity for Offtake from TS or for Supply to TS for the Regional Distribution System Operator** – maximum usability of technical dimensioning of connection in each individual connection point of its facilities to TS in a basic connection approved by the TS operator;
- **Connection Capacity for Offtake from TS or for Supply to TS for the Final Electricity Consumers from TS, Energy Community, Local Distribution System Operators Connected to TS, for Electricity Generators Connected to TS and for the operator of the facility for electricity storage connected to TS** – actual usability of technical dimensioning of connection in each individual connection point of their facilities to TS in a basic connection approved by the TS operator;
- **Positive Imbalance** – the imbalance has a positive sign if the Accounting Entity causes the electricity surplus in the system due to its actions;
- **Positive Regulation Electricity** - regulation electricity that balances a negative imbalance in the system, i.e. it represents increase in the output of electricity generating facilities or decrease in the consumption on the side of consumers;
- **Local Identification Number Issuer** - it may be a TSO or an organizer of the market in electricity or other legal entity with officially defined electricity market position and that is appointed by the European Network of Transmission System Operators (hereinafter referred to as "Operators Association") within the defined territory to assign and keep records of identification numbers of

accounting entities and balancing groups in accordance with the Operators Association standard; Local Identification Number Issuer defines the procedure for determining the offtake point identification numbers in accordance with the Operators Association standard assigned and recorded by the system operators (see the Market Rules);

- **Market Coupling** - an implicit auction method based on market principles which couples the energy trading and capacity allocation processes; the transmission capacities are actually used to their maximum extent since the option of non-utilization of the nominated capacity is eliminated.
- **Measuring Scheme** – defines metering points from the supply/offtake points between the facilities of the User and TS. It contains schematically outlined components: transformers, generators, bus bars, outlets, metering methods and patterns of supply/offtake points for individual services provided by the transmission system;
- **Metering Point** - a point of connection of the User to the system equipped with a designated meter (see the Energy Act);
- **Month** - a calendar month;
- **Local Distribution System** - a distribution system to which maximum of 100,000 offtake points are connected (see the Energy Act);
- **Costs Induced by TSO** - eligible costs of TSO related to connection of the electro-energetic facility or electricity demand facility of the Applicant to the transmission system;
- **Non-Frequency Ancillary Service** - a service used by transmission system operator to ensure regulation voltage regulation in the stabilized state, reactive power flows, system stability in the stabilized and failure state, ability of the "Black Start" or ability of an island operation (see the Energy Act);
- **Trading Hour** - a basic time period for which the electricity supply or electricity offtake is agreed; the first trading hour of the trading day starts at 00:00:00 and ends at 01:00:00 and it is marked with the figure one (see the Market Rules);
- **Bidding Area** - a territory on which the organized short-term cross-border electricity market in electricity is organized and evaluated by the short-term electricity market organizer for the organized short-term cross-border electricity market participants (see the Market Rules);
- **Trading Day** - 24 trading hours except for the transition of the trading day from the Central European Time to the Central European Summer Time and back; the trading day starts with the first trading hour at 00:00:00 and ends at 24:00:00; in case of transition to the Central European Summer Time, the trading day consists of 23 trading hours and in case of transition to the Central European Time, the trading day consists of 25 trading hours (see Market Rules);
- **Electricity Consumer** - an entity who purchases electricity for the purpose of resale or a final electricity consumer (see the Energy Act);
- **Electricity Consumer with Permission for Energy Business in the Field of Electricity Distribution** - an entity that purchases electricity for the purpose of resale or a final electricity consumer (see the Energy Act) with permission for electricity distribution;
- **Offtake Point** - an electricity offtake point consisting of one or several metering points (see the Energy Act);

- **Demand Electricity Facility Providing PpS** - an independent demand unit capable of remote or autonomous regulation of active power;
- **System Imbalance** – the amount of procured regulation electricity (see the Energy Act); the system imbalance has a positive sign in case of prevailing Negative Regulation Electricity in the given accounting period and a negative sign in case of prevailing Positive Regulation Electricity in the given accounting period;
- **Imbalance of the Electricity Market Participant** - an imbalance that arose in a certain period of time as a difference between the contractually agreed quantity of electricity supply or electricity offtake and the actually supplied or taken quantity of electricity in real time (see the Energy Act);
- **Supply Point** - an electricity supply point consisting of one or several metering points (see the Energy Act);
- **Eligible Consumer** - an entity authorized to select an electricity supplier (see the Energy Act);
- **Short-Term Electricity Market Organizer** - an entity that has a license for the activity of the short-term electricity market organizer (see the Energy Act);
- **Other Electricity Self-Consumption of the System Operator** - electricity consumption of the system operator except for electricity self-consumption of the system operator for operation of the system (see the Market Rules);
- **Ancillary Service** – a service that is purchased by TSO for the transmission system operation including regulation services and non-frequency ancillary services; ancillary service does not include congestion management (see the Energy Act);
- **Flexibility Provider** - an entity operating the electro-energetic facility or demand electricity facility with the ability of flexibility;
- **Ancillary Service Provider** – a participant of the market in electricity which concluded a contract on ancillary service provision with the transmission system operator;
- **Preliminary Approval Procedure** - a procedure to verify whether the availability provider complies with the requirements defined by the transmission system operators;
- **License** - an authorization to conduct business in the energy sector (see the Energy Act);
- **Electricity Transmission** - the transit of electricity through the transmission system within the defined territory or the transit of electricity through the transmission system from and to the interconnected systems of member states or the third countries for the purpose of its transit to electricity consumers (see the Energy Act);
- **Transmission Capacity of Integrated Markets** - the daily transmission capacity intended for an implicit auction conducted in two or several integrated bidding areas; to ensure electricity transmission between integrated markets, it is not necessary to obtain the right to use the transmission capacity by the electricity market participants in the explicit daily auction (see the Market Rules);
- **Transmission System** - mutually interconnected ultra-high and very-high voltage electricity lines and electro-energetic facilities necessary for the transmission of electricity within the defined territory, mutually interconnected ultra-high and very-high voltage and electro-energetic facilities necessary for the interconnection of the transmission system with a transmission system outside the defined territory; the transmission system includes also metering, protection, control, security,



information, and telecommunication equipment necessary for the transmission system operation (see the Energy Act);

- **Shipping Agent** - a legal entity ensuring export and import of electricity between particular bidding areas within the Market Coupling, which concluded a contract with the Short-Term Electricity Market Organizer on performing the shipping agent function for the needs of the day-ahead market in electricity;
- **Distribution System Operator** – an entity who has the license for electricity distribution in a part of the defined territory (see the Energy Act);
- **Transmission System Operator** – an entity who has the license for electricity distribution in the part of the defined territory (see the Energy Act); *The transmission system operator in Slovakia is Slovenská elektrizačná prenosová sústava, a.s.*
- **Operational Rules** - the document “Operational Rules of Slovenská elektrizačná prenosová sústava, a.s., Transmission System Operator” with incorporated market rules and which governs the relations between TSO and electricity market participants, prepared by TSO and approved by the Office (see the Regulation Act);
- **Connection to the Transmission System** - ensuring the necessary capacity for connection in the transmission system and physical connection of an electro-energetic facility or demand electricity facility to the transmission system (see the Energy Act);
- **Access to the Transmission System** – access to the transmission system means the right of the electricity market participant to use the transmission system within the scope of the contractually agreed transmission capacity and if it is a participant supplying electricity in the connection point, access to the transmission system means the right of to supply electricity to the transmission system (see the Energy Act);
- **Counter-Imbalance** – an imbalance of the Accounting Entity with an opposite sign than the System Imbalance);
- **Regional Distribution System** - a distribution system to which more than 100,000 offtake points are connected (see the Energy Act);
- **Regulation Electricity** - electricity procured in real time by the transmission system operator in order to ensure balance between immediate consumption and electricity production in the system, within the defined territory (see the Energy Act);
- **Regulation Service** - provision of availability, regulation electricity supply pro provision of both these services to the transmission system operator (see the Energy Act);
- **Reserved Capacity of Electricity Offtake of the Transmission System User for Access to the System** – a reserved capacity in MW in the year t for every electricity consumer is determined as an arithmetic average of its monthly maxima of 15-minute output from four months, i.e. November in year t-2 to February in year t-1. The values of outputs are determined in MW with three decimal places (see the Decree by the Office on Price Regulation);
- **Reserved Capacity of Electricity Supply of the Transmission System User** – a sum of capacities for connection to the transmission system in the supply points of the transmission system user provided in the contract on connection to the transmission system except for the capacities of connection to the transmission system in the supply points:
  - of the electricity generator through which other electricity generating facilities are not connected to the transmission system but for the electricity generating facilities serving

exclusively for provision of ancillary services for the transmission system operator or exclusively for the purpose of regulation electricity supply,

- of local distribution network to which other electricity generating facilities are not connected but for the electricity generating facilities serving exclusively for provision of ancillary services for the transmission system operator or exclusively for supply of regulation electricity (see the Decree on Price Regulation);

- **Decisive Day, Decisive Time** - the time by which a specific act must be carried out, for example submission of application or publishing the information;
- **Group Activation** - a method of optimization of activation of a certain group of facilities providing PpS of the mFRR or TRV3MIN type based on economically efficient principle that is approved by the TS operator;
- **Interconnector** - a line connecting the transmission system with the transmission system of member states or the transmission system of the third countries (see the Energy Act);
- **Electricity Losses in the System** - a difference between the amount of electricity entering the system operated by the system operator and the amount of electricity exiting the system, lowered by the self-consumption of the system operator;
- **Accounting Entity** - an electricity market participant who selected a regime of its own responsibility for an imbalance and concluded a contract on imbalance settlement (see the Energy Act);
- **Grid Control Cooperation System** - a system of cooperation among operators of synchronously interconnected transmission systems aimed at elimination of mutual secondary regulation of power in the opposite directions (see the Market Rules);
- **System Service** - a service of the transmission system operator required to ensure operational reliability of the system within the defined territory; this includes also services provided by the transmission system operator necessary for safe operation of the generating facilities of the electricity generator (see the Energy Act);
- **15-minute Interval of the Trading Hour** - a sequence of four consecutive periods of time with duration of 15 minutes (see the Market Rules);
- **Technical Conditions** - the document "Technical Conditions for Access and Connection, Operational Rules for the Transmission System" issued by TSO in accordance with the provisions of the Energy Act;
- **Technical Dimensioning of Connection to the Transmission System** - technological dimensioning of a facility for connection of an electricity generator, electricity storage facility operator, final electricity consumer, energy community or a distribution system operator to the transmission system set individually for each individual connection point in the contract on connection to the transmission system, in accordance with the Market Rules (see the Energy Act);
- **Electricity Transit** - a flow of contractually agreed amount of electricity via the defined territory to the territory of a member state or the third country;
- **Electricity Storage** - postponing of electricity consumption for later time than its production time or conversion of electricity into the form of energy that may be stored, storage of such energy and subsequent back conversion of such energy into electricity within one offtake point or supply point;

- **Closed Distribution System** – a distribution system classified by a member state as a closed one pursuant to the Directive (EU) 2019/944 of the European Parliament and of the Council on common rules for the internal market for electricity;
- **User (TS)** - an entity supplying electricity or consuming electricity through the transmission system or has a contractual relationship with the TS operator (see the Energy Act);
- **Electricity Market Participant** - an electricity generator, transmission system operator, distribution system operator, electricity supplier, final electricity consumer, short-term electricity market organizer, electricity repurchaser, aggregator, electricity storage facility operator, energy community, direct line operator (see the Energy Act);
- **Electricity Self-Consumption of the System Operator** - consumption of electricity required for operation of construction parts of the system facilities and technological equipment of the system related to operation of the system, except for electricity losses in the system (see the Market Rules);
- **Available Trading (Transmission) Capacity** - available transmission capacity of a cross-border profile that may be used by accounting entities for import or export of electricity (see the Market Rules);
- **Electricity Generator** - an entity authorized to produce electricity in the electricity generating facility (see the Energy Act);
- **Generating Facility** - a facility capable of electricity generation, capable of distance or autonomous regulation of active power. It can be a generating facility of a central or decentral type while electricity is produced by applying any method (e.g. from nuclear fuel, coal, gas, water, biomass, biogas, solar radiation, wind);
- **Electricity Export** - flow of contractually agreed amount of electricity from the defined territory to the member state or to the third country;
- **Supply/Offtake Point Formulae** - define the resulting offtake/supply at the particular supply/offtake point of the User for individual provided services by the transmission system, taking into account the impact of losses on performance and block transformers;
- **Website** – an internet site of the transmission system operator ([www.sepsas.sk](http://www.sepsas.sk));
- **Facility** – an appliance, mechanism or the coherent summary of appliances or mechanisms used for performance of a certain activity; in some chapters of the Operational Rules as an electricity generating facility;
- **Electricity Storage Facility** – a facility for electricity storage;
- **Basic Connection** - is connection of the TS/RDS network which is optimal in terms of current and voltage conditions while taking into account the distribution of offtake points; it is usually defined for one year ahead in the document called “Study on the ES of SR Operation for the Year N+1”;
- **Negative Imbalance** – the imbalance has a negative sign if the Accounting Entity causes the electricity shortage in the system due to its actions;
- **Resinous Regulation Electricity** - regulation electricity balancing the positive imbalance in the system, i.e. reduction of power of electricity generating facilities or increase of consumption on the part of consumers;
- **Facility Providing PpS** - a facility contractually used by TSO to provide ancillary services;

- **Imbalance Biller** - a person ensuring settlement of imbalances (see the Energy Act). *The imbalance biller is OKTE, a.s.*

### 1.3.2 List of Abbreviations

- **aFRR** – secondary regulation of active power and frequency (automatic Frequency Restoration Reserve)
- **aFRR+** – secondary regulation of active power and frequency, positive (automatic Frequency Restoration Reserve positive)
- **aFRR-** – secondary regulation of active power and frequency, negative (automatic Frequency Restoration Reserve negative)
- **ASDR** - automated dispatch management system
- **ASZD** - automated data collection system
- **BESS** - system for electricity storage on the basis of batteries (Battery Energy Storage System)
- **EURIBOR** - a reference interest rate for European currency transactions applied to trade between banks within Europe, published by the European Central Bank (Euro Interbank Offered Rate)
- **VAT** - value added tax
- **DS** - distribution system
- **EIC** - a standard of operator association for unambiguous identification of accounting entities, balancing groups, offtake and supply points (Energy Identification Coding Scheme)
- **ENTSO-E** - European Network of Transmission System Operators for Electricity, operator association
- **ESP** - a standard of operator association for data exchange within the process of imbalance settlement (ENTSO-E Settlement Process)
- **ESS** - a standard of operator association for registration of daily electricity diagrams (ENTSO-E Scheduling System)
- **ES of SR** - Electricity system of the Slovak Republic
- **FCR** – Frequency Containment Reserve – a term from valid Commission Regulations (EU), in the ES of SR the older term primary regulation of active power and frequency (PRV) is used)
- **FRR** – Frequency Restoration Reserve – a term from valid Commission Regulations (EU), in principle regulation services with activation/deactivation period up to 15 minutes (inclusive), they are divided according to the activation/deactivation method into automatic regulation (aFRR – in the ES of SR the term secondary regulation of power is used) and manual regulation (mFRR – in the ES of SR the term tertiary regulation of power, demand reduction, demand increase is used)
- **INP** – Imbalance Netting Process (uses the IGCC - International Grid Control Cooperation platform)
- **IS** – Information System
- **TSO IS** – information system of the transmission system operator (ePortal Damas Energy)

- **IS ZO** – Information System of Imbalance Biller
- **ITC** - Agreement on compensation for use of infrastructure (Inter-TSO Compensation)
- **CC** - capacity of connection to the transmission system
- **LER** - facilities with a limited energy reserve (Limited Energy Reservoirs)
- **MCC** - daily transmission capacity for Market Coupling (Market Coupling Capacity)
- **mFRR** – tertiary regulation of active power (manual Frequency Restoration Reserve)
- **MH SR** - the Ministry of Economy of the Slovak Republic, Ministry
- **MDS** – local DS
- **NRE** – non-guaranteed regulation electricity
- **OKTE, a.s.** – Short-term electricity market organizer
- **OOM** – offtake and supply point
- **P<sub>dg</sub>** – diagram point of block
- **DSO** – Distribution System Operator
- **LDSO** – Local Distribution System Operator
- **RDSO** – Regional Distribution System Operator
- **PP ES of SR** – preparation of operation of the electricity system of the Slovak Republic
- **PP** - preparation of operation of ancillary services
- **PpS** - ancillary services
- **TSO** – Transmission System Operator
- **TS** – transmission system
- **PTN** - instrument voltage transformer
- **PTP** - instrument current transformer
- **PVE** – pump-storage hydroelectric power plant
- **RDS** – regional distribution system
- **RE** – regulation electricity
- **RIS SED** – control and information system of TSO dispatching
- **RIS ZD** – stand-by control and information system of TSO dispatching
- **SEPS** – Slovenská elektrizačná prenosová sústava, a.s.
- **SRN** – secondary voltage regulation
- **SyS** – system services
- **SZ** – accounting entity
- **TDP** – technical dimensioning of connection to the transmission system
- **TRV3MIN+** – 3-minute positive tertiary regulation of active power
- **TRV3MIN-** – 3-minute negative tertiary regulation of active power

- **RONI** – Regulatory Office for Network Industries, Office
- **VK** – tender procedure
- **VOPK** - available trading (transmission) capacity
- **XML** – Extensible Markup Language

### **1.3.3 Types of Contracts**

- Contract on Common Procedure for Construction of Facilities

This contract precedes conclusion of a contract on connection to TS, if, for the purpose of connection, it, at first, is necessary to build electro-energetic facility for connection on the side of TS. Further details are included in the Trading Conditions to the contract on connection to TS.

- Contract on Connection to the Transmission System

By conclusion of the Contract on Connection to the Transmission System, after fulfilment of the trading conditions and technical conditions, TSO undertakes to connect the facility of an applicant for generation, distribution, storage or offtake of electricity to the transmission system and to ensure the agreed technical dimensioning of connection to the transmission system in the amount pursuant to the contract and to provide for CC for offtake from TS and for supply to TS in the connection point of the TS User in the amount according to the contract applicable to the basic connection of the ES of SR approved by TSO. The applicant undertakes to pay the determined share of costs induced for the TS operator due to connection of an electro-energetic facility and not to exceed the TDP and CC values defined in the Contract.

- Framework Contract on Connection to the Transmission System

By conclusion of the Framework Contract on Connection to the Transmission System, after fulfilment of the trading conditions and technical conditions, TSO undertakes to connect the facility of an applicant for generation, distribution, storage or offtake of electricity to the transmission system, to ensure the agreed technical dimensioning of the connection to the transmission system in the amount pursuant to the contract and to set the CC values for offtake from TS and for supply to TS in the connection points of the TS User applicable to the basic connection of the ES of SR approved by TSO. The applicant undertakes to pay the determined share of costs induced for the TS operator due to connection of an electro-energetic facility and not to exceed the TDP and CC values defined in the partial contract for individual connection points.

- Contract on Access to the Transmission System and Electricity Transmission

By conclusion of the Contract on Access to the Transmission System and Electricity Transmission, TSO undertakes to enable access to the system and to transmit the amount of electricity limited in output by the amount of the reserved capacity in the transmission system for an electricity market participant but for the market participant supplying electricity to the transmission system in the connection point and this electricity market participant undertakes to pay the price for provision of the transmission and related services. The value of the reserved capacity will be determined in the Contract on Access to the Transmission System and Electricity Transmission.

- Framework Contract on Electricity Transmission via Interconnectors

By conclusion of the Framework Contract on Electricity Transmission via Interconnectors, under the conditions specified for cross-border electricity transmissions and the rules for cooperation of transmission system operators, the transmission system operator undertakes to transmit the agreed

amount of electricity for the accounting entity from or to the defined territory and the accounting entity undertakes to respect the conditions defined for the cross-border electricity transmissions.

- Framework Contract on Electricity Supply to Cover Losses in the Transmission System (and/or for Self-Consumption of Electrical Substations)

By conclusion of the Contract on Electricity Supply to Cover Losses in the Transmission System (and/or for Self-Consumption of Electrical Substations), the provider of electricity undertakes to provide the agreed amount of electricity to the transmission system operator to cover losses in the transmission system (and/or for self-consumption of electrical substations). The transmission system operator undertakes to pay the agreed price for provision of electricity to cover losses in the transmission system (and/or for self-consumption of electrical substations).

- Contract on Supply of Electricity to Cover Losses (and/or for Self-Consumption)

The contract is concluded by and between TSO, of the one part, and a generator or supplier, of the other part. The subject-matter of the Contract is supply of electricity to cover losses and/or for self-consumption, under the tender conditions of a tender organized by TSO.

- Framework Contract on Provision of Ancillary Services and the Supply of Regulation Electricity (Framework Contract on Provision of Regulation Services)

By conclusion of the Framework Contract on Provision of Ancillary Services and Supply of Regulation Electricity or using the terminology of the EB GL Regulation, by conclusion of the Framework Contract on Provision of Regulation Services, the ancillary services provider undertakes to provide the agreed amount of ancillary services and to supply the requested amount of regulation electricity in the specified quality to the transmission system operator upon the request from the transmission system operator and the transmission system operator undertakes to pay the agreed price for the ancillary services provided; the payment for the supplied regulation electricity shall be paid by the Imbalance Biller under the Contract on Imbalance Settlement or under the Contract on Regulation Electricity Settlement.

- Contract on Provision of Ancillary Services

By conclusion of the Contract on Provision of Ancillary Services, the provider of ancillary services undertakes to provide ancillary services to the transmission system operator and the transmission system operator undertakes to pay the agreed price for the ancillary services provided.

- Contract on Settlement of Cross-Border Exchanges in Electricity

By conclusion of the Contract on Settlement of Cross-Border Exchanges in Electricity, the transmission system operator and the participants of the interconnected electricity market who are the national operators of transmission systems and organizers of the electricity market undertake to follow the procedures and conditions for payment related to transport of electricity between neighbouring transmission systems involved in the organized short-term cross-border electricity market in the form of implicit allocation of the transmission capacities on the joint cross-border profiles via the organized short-term electricity market.

- Framework Contract on Non-Guaranteed Regulation Electricity Supply

The Contract on Non-Guaranteed Regulation Electricity Supply is concluded with the electricity participant holding a valid certificate for ancillary service provision capable of increasing or decreasing electricity supply in its offtake point upon the order given by the TSO dispatching within the agreed scope while complying with the Technical Conditions.

## 1.4 RELATED LEGISLATION

- Act No. 251/2012 Coll. on Energy and on amendment of certain acts, as amended (Energy Act)
- Act No. 250/2012 Coll. on Regulation in Network Industries as amended (Regulation Act)
- Act No. 222/2004 Coll. on Value Added Tax as amended (Value Added Tax Act)
- Act No. 609/2007 Coll. on the Excise Duty on Electricity, Coal and Natural Gas supplementing Act No. 98/2004 Coll. on the Excise Duty on Mineral Oil, as amended (Act on Excise Duty on Electricity)
- Act No. 513/1991 Coll. Commercial Code, as amended (Commercial Code)
- Act No. 40/1964 Coll. Civil Code, as amended (Civil Code)
- Act No. 211/2000 Coll. on Free Access to Information and on amendment to certain acts, as amended (Act on Freedom of Information)
- Act No. 71/1967 Coll. on Administrative Proceedings, as amended (Administrative Procedure Code)
- Act No. 136/2001 Coll. on Protection of Economic Competition and on amendment to the Act of the Slovak National Council No. 347/1990 Coll. on Organisation of Ministries and Other Central Bodies of State Administration of the Slovak Republic, as amended (Act on Protection of Economic Competition)
- Act No. 241/1993 Coll. on State Holidays, Public Holidays and Memorial Days, as amended
- Regulation of the Government of the Slovak Republic No. 21/2019 Coll. laying down the amount of the annual levy intended for payment of a historical debt from the supplied electricity to final electricity consumers and details on the method of its selection for the National Nuclear Fund, its use and on the method and time periods of its payment (Government Regulation on the National Nuclear Fund)
- Regulation of the Government of the Slovak Republic No. 498/2011 Coll. laying down details on publication of contracts in the Central Register for Contracts and the required information regarding conclusion of a contract.
- Decree of the Office No. 18/2017 Coll. laying down the price regulation in electrical engineering and certain conditions for execution of regulated activities in electrical engineering, as amended (Decree on Price Regulation)
- Decree of the Office No. 236/2016 Coll. laying down quality standards of electricity transmission, electricity distribution and electricity supply
- Decree of the Office No. 24/2013 Coll. laying down the rules of operation of the internal electricity market and the rules of operation of the internal gas market, as amended (Market Rules)
- Decree of the Ministry of Labour, Social Affairs and Family No. 508/2009 Coll. laying down the details for occupational safety and health in working with pressure, lifting, electric and gas technical equipment and specifying technical equipment considered as classified technical equipment, as amended (Safety Decree)
- Decree of the Ministry of Labour, Social Affairs and Family No. 46/2010 Coll. laying down details for occupational safety and health at forest work and details of professional qualifications for performance of certain working activities and for operation of certain technical equipment



- Office Decision - a valid and effective price decision of the Office for SEPS
- Regulation (EU) of the European Parliament and of the Council No. 2019/943 of 5 June 2019 on internal market in electricity (Internal Market Regulation)
- Regulation (EU) of the European Parliament and of the Council No. 1227/2011 on wholesale energy market integrity and transparency
- Commission Implementing Regulation (EU) No. 1348/2014 on data reporting implementing Article 8 par. 2 and Article 8 par. 6 of Regulation (EU) No. 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency
- Commission Regulation (EU) No. 543/2013 on submission and publication of data in electricity markets and amending Annex I to Regulation (EC) No. 714/2009 of the European Parliament and of the Council
- Commission Regulation (EU) No. 2015/1222 establishing a guideline on capacity allocation and congestion management (CACM Regulation)
- Commission Regulation (EU) No. 2016/631 establishing a network code on requirements for grid connection of generators (RfG Regulation)
- Commission Regulation (EU) No. 2016/1388 establishing a Network Code on Demand Connection (DCC Regulation)
- Commission Regulation (EU) No. 2016/1447 establishing a network code on requirements for grid connection of high voltage direct current systems and direct current-connected power park modules (HVDC Regulation)
- Commission Regulation (EU) No. 2016/1719 establishing a guideline on forward capacity allocation (FCA Regulation)
- Commission Regulation (EU) No. 2017/1485 establishing a guideline on electricity transmission system operation (SO GL Regulation)
- Commission Regulation (EU) No. 2017/2195 establishing a guideline on electricity balancing (EB GL Regulation)
- Commission Regulation No. 2017/2196 establishing a network code on electricity emergency and restoration (ER Regulation)
- Regulation (EU) of the European Parliament and of the Council 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
- Directive (EU) of the European Parliament and of the Council 2019/944 of 5 June 2019 on common rules for the internal market in electricity and on amendment of Directive 2012/27/EU.

## **2. Trading Conditions for the Contract on Connection to the Transmission System and for the Framework Contract on Connection to the Transmission System**

### **2.1 INTRODUCTORY PROVISIONS**

1. The Trading Conditions for the Contract on Connection to the Transmission System and Framework Contract on Connection to the Transmission System (for the purpose of Chapter 2 hereinafter referred to as "Trading Conditions") form an inseparable part of the Contract on Connection to the Transmission System and of the Framework Contract on Connection to the Transmission System and an inseparable part of the Operational Rules.
2. These Trading Conditions in accordance with Art. 273 par. 1 of the Commercial Code No. 513/1991 Coll., as amended, regulate mutual rights and obligations of the Contracting Parties resulting from the subject-matter of the Contract on Connection to the Transmission System and of the Framework Contract on Connection to the Transmission System.
3. Pursuant to the Energy Act, the transmission system operator is obliged to conclude the Contract on Connection with everyone who requests it provided the technical conditions and trading conditions for connection to the system are fulfilled.
4. The Contract on connection must be concluded in writing with the owner of the electro-energetic facility to be connected.
5. The transmission system operator (hereinafter referred to as "TSO") concludes the Contract on Connection for a single connection point. For connection of several points, TSO concludes a Framework Contract on Connection which defines the basic scope of contractual rights and obligations of the contracting parties applicable to all connection points. For each connection point the technical parameters and the conditions defined in a separate partial contract which forms and inseparable part of the Framework Contract on Connection to the Transmission System are required.
6. Based on the delivered invitation from TSO on conclusion of a new Contract on Connection to the Transmission System/Framework Contract on Connection to the Transmission System due to change of the legislative or technical conditions, the User is obliged to conclude such contract. In case of several existing connection points to TS, the User is obliged to conclude the Framework Contract on Connection to the Transmission System based on the invitation from TS.
7. The Contract on Connection to the Transmission System and the Framework Contract on Connection to the Transmission System are for the purpose of Chapter 2 hereinafter jointly referred to as "Contract".
8. Any amendments of the Contract must be in writing in the form of a numbered addendum signed by the statutory representatives of the User and TSO or in any other manner agreed in the Contract.
9. The connection of a new demand electricity facility, electricity generating facility, electricity storage facility, a regional or local distribution system to the transmission system, re-connection as well as the change of technical parameters of the existing demand electricity facility, electricity generating facility, electricity storage facility, a regional or local distribution system is ensured by TSO under the Contract or under the addendum to the Contract concluded with the User after meeting the technical conditions and trading conditions set by TSO.

10. For the purpose of the Commercial Terms herein, the User is defined as an owner of the demand electricity facility or other electro-energetic facility connected to the transmission system with a valid Contract.

## **2.2 PROCEDURE FOR CONCLUSION OF THE CONTRACT**

1. The Contract is concluded by and between TSO, of the one part and the User, of the other part. However, the User must request for conclusion of the Contract by submitting an application for connection, in which they act as an applicant for connection (hereinafter referred to as "Applicant").
2. The submission of the application for connection to TS of the Applicant is preceded by the procedure of issuing the TSO opinion on construction of electro-energetic facilities pursuant to Art. 12 of the Energy Act including the obligation to process the study of impact on the ES of SR described in Chapter 9.
3. The applicant must be an owner of the electro-energetic facility subject to connection or of the demand electricity facility (for the purposes of this Chapter, hereinafter referred to as "Facility") subject to the application for connection to the transmission system. The ownership of the facility to be connected shall be proved by the relevant document proving undoubtable ownership of the facility to be connected or by the relevant accounting document on the property mentioned in the Applicant report or by other relevant document proving acquiring the future ownership rights to the relevant facility to be connected.
4. If it is necessary, at first, to build the facility to be connected, the application for connection to TS shall be submitted by its future owner.
5. The application form for connection to TS for individual categories of Applicants is available on the website. After its downloading, filling and signing by the statutory representatives of the Applicant, it may be sent in the scanned form to the following email address: [pripojeniedops@sepsas.sk](mailto:pripojeniedops@sepsas.sk) or by postal mail to the address of the registered office of TSO or it may be submitted in person to the registry office of TSO. Moreover, it is possible to send the form by electronic mail and to deliver the compulsory attachments to the application by postal mail or in person to the address of the registered office of TSO, marking the envelope with the text "Attachments to the Application for Connection to TS".
6. Application for connection to TS is submitted to TSO in the prescribed form by each new Applicant applying for a new connection to TS.
7. After delivery of the application for connection, TSO will evaluate this application within 25 working days. In case of incomplete filling of the application for connection, TSO will invite the Applicant to supplement it. Based on the complete application for connection and based on the conclusions of the Study, if it has been elaborated pursuant to point 18 or 20 of this chapter of Chapter 9, TSO will define the commercial and technical conditions of connection to TS not later than 30 working days, unless the longer time period is agreed with the Applicant in regard to particular specifics for connection to TS.
8. The Applicant is obliged to submit the Certificate from the Ministry of Economy of the Slovak Republic pursuant to the Energy Act together with the application, unless otherwise agreed with TSO.

9. After assessment and evaluation of the application for connection to TS, if it is necessary to build a new electro-energetic facility on the part of TSO, the Applicant and TSO conclude the Contract on Common Procedure which will define the expected date of connection of the Applicant to TS provided that the obligations defined by both contracting parties are fulfilled.
10. The User requesting re-connection to TS is also obliged to submit the application for connection to TS. For the purpose of these Trading Conditions, the re-connection means the connection of the same electro-energetic facility to TS after the expiry of the period for which the Contract was concluded as well as the connection of the facility after it was disconnected from TS by TSO. In such case, the procedure to follow is the same as in case of a new facility connection.
11. Evaluation of fulfilling the conditions for connection to TS and the final decision on connection of the facility of the Applicant requesting for a new connection to TS as well as the existing User facility is exclusively in the competence of TSO who is the guarantor for optimal development of TS. In case of conflict of interests of potential new Applicants and of the existing Users, the interests of the existing Users will prevail to the extent of the already concluded Contracts as of the date of application for connection of the Applicant over the interests of potential new Applicants for connection to TS.
12. After setting the trading conditions and the technical conditions, TSO will send the draft Contract to the Applicant by e-mail.
13. After delivery of the draft Contract from the Applicant, TSO will re-verify completeness and correctness of information in the Contract. In case of a completely new draft Contract, TSO will confirm the draft Contract for the Applicant and will send the final wording of the Contract.
14. The statutory representatives of TSO will sign the final wording of the Contract and will deliver the signed Contract to the Applicant in the agreed number of counterparts. The statutory representatives of the Applicant will then sign the delivered Contract and the Applicant will send it back to TSO in the agreed number of counterparts.
15. The Contract comes into force on the date of its signing by both contracting parties. Effect of the Contract is always agreed directly in the provisions of the Contract.
16. The period for which the Contract with RDSO is concluded is agreed as an indefinite period of time. The period for which the Contract is concluded with other Applicants is established by the agreement for a definite period of time, however, for the maximum period of 30 years, i.e. for the life cycle of a new facility serving for connection to TS. If TSO installs new facilities in the connection point and if, concurrently, the User is in delay with construction and connection of their facilities to TS, the Contract may be concluded also for the period less than 30 years. Establishment of the period for which the Contract is concluded is one of the trading conditions specified by TSO.
17. The facility will be physically connected to TS only after fulfilment of the trading condition – payment of the connection fee (costs of connection) and cumulative fulfilment of other defined trading conditions and established technical conditions of connection in order to maintain reliable, safe and efficient TS operation. Basic technical conditions mean especially establishment of the connection point to TS, requirements for equipment of the connection point to TS (for the purposes of metering, protection, management, restoration, data transmission, resilience), establishment of TDC (technical dimensioning of connection), CC and other parameters defined by TSO. Property boundaries between the TS facilities and Applicant's facilities as well as between secondary facilities of TSO and the Applicant (metering equipment, management

information system, protection equipment, telecommunication equipment, etc.) will be specified by TSO.

18. If for the User classified as a final electricity consumer from TS, RDSO, LDSO (local distribution system operator) or energy community there is a change of nominal parameters of its facility, it is obliged to notify this reality to TSO in the form stipulated in the Contract. The following intention of the User classified as a final consumer from TS, RDSO, LDSO or energy community is deemed to be the change of nominal parameters of the existing facility:
- a) increase of the existing load to the value higher than the existing technical dimensioning of connection (hereinafter referred to as "TDC") or change of connection from the 220 kV to 400 kV voltage level in point of the existing RDSO connection which will cause replacement of the existing 220/110 kV transformation by the new 400/110 kV transformation.
  - b) increase of the existing level of reliability of the TS/RDS transformation if such request requires extension of the existing TS/RDS transformation by a new transformer (this requirement will be accepted in case it is proven by a system study that increase of the existing reliability level of the TS/RDS transformation will be cheaper by installing a new transformer rather than by adjustments in the RDSO system - the system study will be elaborated at the RDSO costs).
  - c) significant change of the demand technological conditions, while it is necessary to eliminate adverse effect of offtake change on electricity quality (costs of changes arising in relation to the aforementioned in TS will be borne by the User in full extent),
  - d) with the User classified as energy community, LDSO or final electricity consumer from TS, increase of the existing TDP (and subsequently increase of connection capacity in the connection point), or change of voltage in the point of the existing connection or change of level of reliability of connection from TS with the User classified as energy community. All costs of changes caused by the aforementioned in TS will be paid by the User in full extent,
  - e) with the User classified as final electricity consumer from TS, building a new electro-energetic facility with the User classified as a final electricity consumer from TS,
  - f) with the User classified as RDSO, connection of an electro-energetic facility into its LDS.

Consequently, TSO will decide whether it is necessary to conclude an addendum to the Contract or whether it is necessary to carry out adjustments of the TSO facilities on the side of TSO in relation to changes on the part of the User. In such case, it is necessary to act as if it is a new connection of the facility to TS ([http://www.sepsas.sk/Dokumenty/Aktuality/2017/Priloha\\_2\\_Graficke\\_znazornenie\\_pripojenia\\_odberatela\\_do\\_PS.xls](http://www.sepsas.sk/Dokumenty/Aktuality/2017/Priloha_2_Graficke_znazornenie_pripojenia_odberatela_do_PS.xls)). If necessary, TSO will decide on inevitability to elaborate the Study of Impact of the User Facility on the ES of SR according to Chapter 9 of these Operational Rules. The existing Contract will be terminated by the agreement of the contracting parties. In case of failure to reach an agreement of the contracting parties in order to terminate the Contract, the TSO is entitled to withdraw from the Contract if the User fulfils its intention regarding the change of nominal parameters without pre-defined trading and technical conditions of the change of connection. Moreover, TSO is entitled to withdraw from the Contract if the User failed to notify TSO immediately of the change of nominal parameters of the facility to be connected and these fail to comply with the conditions stipulated in the Contract.

19. If the User classified as an electricity generator (hereinafter referred to as "Generator") replaces the existing electricity generating facility by a new one, such change is considered to be

construction of a new facility and the Generator is obliged to act as in case of construction of a new facility and submit the application for connection ([http://www.sepsas.sk/Dokumenty/Aktuality/2017/Priloha\\_1\\_Graficke\\_znazornenie\\_pripojenia\\_vyrobcu\\_do\\_PS.xls](http://www.sepsas.sk/Dokumenty/Aktuality/2017/Priloha_1_Graficke_znazornenie_pripojenia_vyrobcu_do_PS.xls)). The existing Contract will be terminated by the agreement of the contracting parties. In case of failure to reach an agreement of the contracting parties in order to terminate the Contract, TSO is entitled to withdraw from the Contract if the User classified as the Generator acts without the pre-defined trading and technical conditions of the change of connection.

20. If the User classified as the electricity Generator or operator of the electricity storage facility changes the technical parameters of the electricity generating facility or of the electricity storage facility in a significant way, the User is obliged to notify this fact to TSO in writing without undue delay. It is related mainly to the following cases where there is an intention to:
- a) increase/decrease the installed capacity of the electricity generating facility or of the electricity storage facility (change of TDP in the connection point and subsequently change of the connection capacity in the connection point), to change voltage on the outlet from the existing electricity generating facility or from the electricity storage facility to TS or to change the electricity generation or electricity storage technological principle.
  - b) achieve increase of the technical life-cycle of the existing electricity generating facilities or of the electricity storage facilities compared to the projected life-cycle via the technical-organizational measures,
  - c) build new electricity generating or electricity storage facilities in the existing area of the electricity generating facility or of the electricity storage facility which will be connected to TS,
  - d) connect to TS the electricity generating facility or the electricity storage facility which has not been connected to TS yet.

Subsequently, TSO will decide whether it is necessary to conclude an addendum to the contract on connection of the User to TS or whether it is necessary to carry out adjustments of the TSO facilities on the part of TSO in relation to changes on the part of the User. In such case, it is necessary to act as if it is a new connection of electricity generating facility to TS ([http://www.sepsas.sk/Dokumenty/Aktuality/2017/Priloha\\_1\\_Graficke\\_znazornenie\\_pripojenia\\_vyrobcu\\_do\\_PS.xls](http://www.sepsas.sk/Dokumenty/Aktuality/2017/Priloha_1_Graficke_znazornenie_pripojenia_vyrobcu_do_PS.xls)). If necessary, TSO will decide on inevitability to elaborate the Study of Impact of the User Facility on the ES of SR according to Chapter 9 of these Operational Rules. The existing Contract will be terminated by the agreement of the contracting parties. In case of failure to reach an agreement of the contracting parties in order to terminate the Contract, the TSO is entitled to withdraw from the Contract if the User classified as the Generator or an owner of the electricity storage facility acts without the pre-defined trading and technical conditions of the change of connection. Moreover, TSO is entitled to withdraw from the Contract if the User classified as the Generator or an owner of the electricity storage facility failed to notify TSO immediately of the change of the technical parameters of the electricity generating facility or of the electricity storage facility and these fail to comply with the conditions stipulated in the Contract.

21. TSO is obliged to connect the facility of the Applicant to TS only within the value of TDP contractually agreed for the specific connection point.
22. TDP to TS and CC is determined in accordance with the methodology published in the Technical Conditions. The relevant parameters are exactly bindingly defined in the Contract. Any change of the relevant parameters is subject to the amendment of the Contract in the form stipulated in the Contract.

23. The electro-energetic facilities having the character of electric connection are not considered to be a part of TS. The electric connection is in compliance with the Energy Act defined as the equipment of high voltage, very high voltage or ultra-high voltage intended for connection of the demand electricity facility to the transmission system. Electric connection, as it is defined in the Energy Act is determined only for the direction of offtake from the system, i.e. demand electricity facility. For the purposes of these trading conditions, the electro-energetic facility which is a connection and serves not only for electricity offtake from TS, but also for electricity supply to TS, is referred to as a “single-purpose electro-energetic facility”. A single-purpose electro-energetic facility serves for connection of one final electricity consumer from TS or for connection of the electricity generating or electricity storage facility serving merely for this purpose. The Applicant is the owner of a single-purpose facility.
24. If a consumer with a license for electricity distribution operates the distribution system in a way that it actively performs electricity distribution for other final consumers, a facility through which the consumer with the license for electricity distribution is connected to the transmission system is not deemed to a single-purpose facility.
25. In case of change of the owner of the facility to be connected or already connected to TS, the Applicant or the original owner is obliged to notify this fact to TSO immediately in writing and based on the submitted evidence proving this change, TSO will conclude the Contract or addendum to the Contract with a new owner of the facility, if necessary.
26. If there is an offtake point for electricity offtake to be connected to TS and there is physical electricity supply from the electricity generating facility at the same facility, TSO will conclude contracts on connection to TS separately for this offtake point for physical offtake of electricity and separately for the supply point for physical supply of electricity.
27. TSO will allocate a unique identification number to every offtake and supply point (hereinafter referred to as “OOM”).
28. If the application for connection is submitted by the Applicant for whom TSO registers overdue receivables or the Applicant is an affiliate undertaking with the debtor, TSO may condition conclusion of the Contract by settlement of the receivable.
29. Offtake of electricity without the concluded Contract is considered to be an unauthorized electricity offtake from TS. Supply of electricity without the concluded Contract is considered to be unauthorized electricity supply to TS.
30. The graphical presentation of the procedure for “Connection of the electricity Generator to TS” is available on the website: [priloha 1 graficke znazornenie pripojenia vyrobcu do ps.xls \(live.com\)](#). Graphical description of the procedure for „Connection of a Final Electricity Consumer to PS“ is available on website: [priloha 2 graficke znazornenie pripojenia odberatela do ps.xls \(live.com\)](#).

## 2.3 CONTRACT TERMINATION

1. The Contract may be terminated by a written agreement of the contracting parties.
2. The Contract is terminated by expiry of the period for which it was concluded.
3. The Contract may be terminated by withdrawal from the Contract on the part of TSO in case of serious breach of the Contract by the User, after the prior request for remedy and failure to

respect this request. In case of unauthorized offtake or supply, it is possible to withdraw from the Contract immediately without a prior notice.

4. TSO is entitled to withdraw from the Contract also in other cases of the Contract breach, Energy Act or trading conditions defined in particular in the Contract or in the trading conditions.
5. Non-fulfilment of the valid technical conditions and trading conditions as well as exceeding the values of CC and the failure to assimilate the operation of the User facility based on the instruction of the TSO dispatching is deemed to be the serious breach of the Contract.
6. The Contract may be terminated by withdrawal from the Contract by the User if the serious breach of the Contract by TSO occurred.
7. Such withdrawal from the Contract is effective on the delivery date of withdrawal to the other contracting party.
8. The Contract may be terminated also by a notice from the User. The notice may also be used if the Contract is concluded for the definite period of time. There is no need to provide the reason for the notice. The notice period is 1 month and it starts to run on the first day in the month following the month in which the notice was delivered to TSO.

## **2.4 CONNECTION TO TS, USER RESPONSIBILITIES**

1. Connection to TS is defined as provision of the requested value of TDP in the connection point to TS and physical connection of electro-energetic facility or demand electricity facility of the Applicant to TS.
2. Connection to TS shall be executed by TSO in accordance with the Contract, within 5 working days after meeting the technical conditions and trading conditions on the part of the Applicant.
3. If the final electricity consumer is connected to TS, LDSO (if it is connected to TS only in one connection point), the Generator, energy community or electricity storage facility operator does not use CC stipulated in the Contract at least up to 80 % pursuant to the Contract for the period of 24 consecutive months, such matter will be consulted with the User upon proposal submitted by TSO and in the justified cases TSO is entitled to reduce the CC value for the User in the connection point to TS by its decision.
4. If by the relevant analysis TSO proves that in the course of time, reasons of connection of an electricity generator, electricity storage facility operator, energy community or a final electricity consumer or a connected to TS or connection of DSO to TS in any point of its connection ceased or ceases and this connection will become technically and economically ungrounded for TSO, TSO is entitled to request the Office to cancel the connection point in question. TSO will notify the relevant User in writing and justify its decision on the cessation of reasonableness of connection in a particular connection point at least 36 months prior to the planned physical cancellation of connection to TS. In case of disagreement with cancellation of the connection in question, the User will deliver its disagreement including written justification to TSO and to the Office, not later than 60 calendar days from the delivery date of the notification of the connection cancellation and will request TSO to negotiate such matter. If there is no agreement reached between TSO and the User within 120 calendar days from the delivery date of the notification of the connection cancellation, TSO will inform the Office on the matter. TSO is entitled to carry out disconnection and removal of its affected facilities based on the Office decision.



5. CC in each individual connection point of the User facilities to TS in basic connection of ES of SR is:

- a) maximum usability of TDP if it is a user classified as the RDS Operator and
- b) real usability of TDP if it is a user classified as the final electricity consumer, LDS Operator, electricity storage facility operator, energy community or the generator.

CC is set in the direction for offtake from TS and supply to TS in megawatts. The CC values for offtake from TS and supply to TS are provided in the Contract and they are binding for the TS User. The methodology for setting CC in individual connection points of users to TS is provided in the SEPS Technical Conditions.

6. The CC value set by the TS Operator for offtake from TS or CC for supply to TS in each individual connection point of a user to TS may not be exceeded by the users connected to TS in the basic connection of ES of SR. In case of a user classified as the RDS Operator, in addition to the set CC value for offtake from TS, neither the value of maximum balance of the node area (hereinafter referred to as "NA") established under the methodology in the SEPS Technical Conditions may be exceeded in the basic connection of ES of SR.
7. During the planned changes of the basic connection of TS of SR, the TS Operator is entitled to adjust the KP value for offtake from TS or KP for supply to TS in each individual connection point of the User to TS in a way so as not to exceed the TDP value for an inevitable period of time. The updated values will be notified to the Users within the monthly preparation of the ES of SR operation or via an e-mail to the contact persons of the TS User provided in the Contract.
8. In case of unplanned changes of the basic connection of ES of SR it is possible to exceed the KP values in the direction of offtake from TS or supply to TS provided in the Contract based on the agreement on the dispatcher level between the DS and TS operator, for an inevitable period of time due to the need to ensure safety of the ES of SR operation.
9. In case of planned replacement of the existing TS/RDS transformer due to reaching the end of its physical life-cycle, TSO will notify this fact to particular RDSO. If RDSO confirms the need of a new transformer also for the further period of time, TSO will provide for installation of the new transformer with similar nominal output as the one of the original transformer. If the existing installed nominal output of the particular transformer is insufficient to cover the future needs, RDSO may ask for installation of a new transformer with higher nominal output while justifying the newly-requested nominal output of the transformer. TSO will evaluate the request of RDSO and will provide for installation of a new transformer with a higher nominal output.
10. The User is responsible for operation, maintenance and technical condition of its facilities up to the property boundary with TS. The User is obliged to ensure the method of operation and the technical condition of its facilities so as these cannot threaten life, health, property of persons or cause malfunctions in TS.
11. The User undertakes to adjust the operation of its related facilities to the dispatch management of the TS Operator by means of the TSO dispatching in accordance with the basic documents of the TS Operator establishing the obligations for the Users, which include the Operational Rules, Technical Conditions, Dispatching Rules and relevant Operating Instructions of TSO (hereinafter referred to as "TS Operator Rules"). In case of failure to adjust the operation of its related facilities to the dispatch management, such activity of the User will be deemed to be a serious breach of the Contract.

12. The User is obliged to provide information to the TS Operator on every change of configuration of its system on the secondary side of the transformer that transforms voltage from TS to the voltage on the User side.
13. TSO and the User are responsible for compliance of the set electricity quality parameters pursuant to the relevant legislation and the TS Operator Rules.

## 2.5 COSTS OF CONNECTION

1. Costs incurred by TSO by the Applicant for the purpose of its connection to TS are paid by the Applicant. Their amount is set by TSO in compliance with the relevant provisions of the valid price decree.
2. The amount of costs incurred by TSO for the User classified as RDSO is set as an amount of actual costs incurred by TSO by connecting the electro-energetic facility of RDSO to TS while these costs of connection are divided between the relevant system operators in a way that the share of RDSO is 40 % of the costs and the share of TSO is 60 % of the costs. RDSO is obliged to pay 40 % of these costs while these costs include the costs of procurement, purchase and installation of all types of electro-energetic facilities of connection, automatic fire extinguishing equipment and control system equipment including their construction parts, their transport to the specified location as well as other costs related to preparation, designing, construction and installation of the relevant electro-energetic facility and the costs incurred by adjustments of the electro-energetic facilities of the transmission system. The costs incurred by TSO include also capital costs of TSO related to financing the construction of facilities on the part of TSO. Building of electro-energetic facilities on the part of RDSO is ensured and paid in full by RDSO. All newly-built electro-energetic facilities of TSO up to the defined property boundary between TSO and RDSO remain in the property of TSO.
3. In case of replacement of the existing TS/RDS transformer due to end of its physical life-cycle by a similar new TS/RDS transformer, all costs related to replacement of this transformer will be borne by TSO. In case of increase of the installed nominal output of the new TS/RDS transformer in comparison with the existing TS/RDS transformer upon request by RDSO, the relevant RDSO is obliged to share the costs by TSO in relation to replacement of the relevant TS/RDS transformer by a new one which will be calculated according to the following formula:

$$UN_{NovýTr} = C_{NovýTr} \cdot \left( \frac{Sinšt_{NovýTr} - Sinšt_{PôvodnýTr}}{Sinšt_{NovýTr}} \right) \cdot 0,4$$

where

$UN_{NovýTr}$  - payment of costs to the TS operator for installation of a new transformer with a higher nominal output than the one of the original transformer

$C_{NovýTr}$  - acquisition price of a new transformer with a higher nominal output than the one of the original transformer including its installation costs

$Sinšt_{NovýTr}$  - installed nominal output of a new transformer in MVA

$Sinšt_{PôvodnýTr}$  - installed nominal output of the original transformer in MVA

0.4 - coefficient representing a 40 %-share of RDSO.

4. If in the connection point of RDSO to TS, TSO transits from the 220 kV voltage level to the 400 kV voltage level, the relevant RDSO participates in settlement of the costs necessary for the change of the voltage level within the following scope:

- a) 400/110 kV transformers for provision of TS/RDS transformation including accessories, the related secondary technology and objects necessary for operation of the 400/110 kV transformer.
  - i. If it is a transformer with the identical installed nominal output as the installed nominal output of the original 220/110 kV transformer, contribution of RDSO is not contemplated.
  - ii. If it is a transformer with the higher installed nominal output upon the request by RDSO in comparison with the installed nominal output of the original transformer, the contribution to the costs incurred by TSO will be calculated according to the formula in Section 3;
- b) The transformer bay serving for connection of the 400/110 kV transformer to the 400 kV switchyard including the related secondary technology and objects required for operation of this 400 kV bay.

Contribution of RDSO to the costs incurred by TSO due to construction of a new 400 kV transformer bay will be calculated according to the following formula:

$$UN_{TP} = C_{TP} \cdot \left( \frac{U_{n1} \cdot \frac{I_{dyn\ 400\ kV}}{I_{th\ 400\ kV}} - U_{n2} \cdot \frac{I_{dyn\ 220\ kV}}{I_{th\ 220\ kV}}}{U_{n1} \cdot \frac{I_{dyn\ 400\ kV}}{I_{th\ 400\ kV}}} \right) \cdot 0,4$$

where

- $UN_{TP}$  - settlement of costs to the TS operator for building a new 400 kV transformer bay
  - $C_{TP}$  - acquisition price for building a new 400 kV transformer bay including all related pieces of equipment and objects necessary for the operation of this bay
  - $U_{n1}$  - 400 kV voltage level
  - $U_{n2}$  - 220 kV voltage level
  - $I_{dyn}$  - the lowest value of the nominal dynamic current of facilities in the 400 kV and 220 kV switchyard
  - $I_{th}$  - the lowest value of nominal short-term one-second current of facilities in the 400 kV and 220 kV switchyard.
  - 0.4 - coefficient representing a 40 % share of RDSO from the product of the total price of a new 400 kV bay and the coefficient set by the short-circuit conditions in the connection point of TS/RDS transformer primary side.
- c) The bay of the combined bus bar breaker serving for connection of the TS/RDS transformer to the 400 kV switchyard in case of maintenance or failure of the 400 kV transformer bay including the related secondary technology and objects necessary for operation of this 400 kV bay.
    - i. Contribution of RDSO to the costs incurred by TSO by building a new bay of the combined bus bar breaker in case there was no bay for the combined bus bar breaker built in the original 220 kV switchyard, will be calculated according to the following formula:

$$UN_{KSP} = 0,4 \cdot C_{KSP}$$

where

- $UN_{KSP}$  - settlement of the costs to the TS operator for building a new 400 kV bay of the combined bus bar breaker
- $C_{KSP}$  - acquisition price for building a new bay of the 400 kV combined bus bar breaker including all related pieces of equipment and objects necessary for the operation of this bay
- 0.4 - coefficient representing a 40 %-share of RDSO,
- ii. Contribution of RDSO to the costs incurred by TSO due to building a new bay of the combined bus bar breaker in case there was a bay for the combined bus bar breaker built in the original 220 kV switchyard, will be calculated according to the following formula:

$$UN_{KSP} = C_{KSP} \cdot \left( \frac{U_{n1} \cdot \frac{I_{dyn\ 400\ kV}}{I_{th\ 400\ kV}} - U_{n2} \cdot \frac{I_{dyn\ 220\ kV}}{I_{th\ 220\ kV}}}{U_{n1} \cdot \frac{I_{dyn\ 400\ kV}}{I_{th\ 400\ kV}}} \right) \cdot 0,4$$

where

- $UN_{KSP}$  - settlement of the costs to the TS operator for building a new 400 kV bay of the combined bus bar breaker
  - $C_{KSP}$  - acquisition price for building a new 400 kV bay of the combined bus bar breaker including all related equipment and objects necessary for the operation of this bay
  - $U_{n1}$  - 400 kV voltage level
  - $U_{n2}$  - 220 kV voltage level
  - $I_{dyn}$  - the lowest value of the nominal dynamic current of facilities in the 400 kV and 220 kV switchyard
  - $I_{th}$  - the lowest value of nominal short-term one-second current of facilities in the 400 kV and 220 kV switchyard.
  - 0.4 - coefficient representing a 40 % share of RDSO from the product of the total price of a new 400 kV bay and the coefficient set by the short-circuit conditions in the connection point of TS/RDS transformer primary side.
5. The amount of the costs incurred by TSO for the User classified as the electricity generator, electricity storage facility operator, energy community and the final electricity consumer connected to TS is set as the sum of all actual costs incurred by TSO by connection of the electro-energetic facility of the Generator/final electricity consumer/electricity storage facility operator/energy community to TS. The generator/final electricity consumer/electricity storage facility operator/energy community connected to TS is obliged to pay 100 % of all these costs incurred by TSO while these costs include the costs of procurement, purchase, and installation of all types of electro-energetic facilities of connection, automatic fire extinguishers and control system equipment including their construction parts, their transport to the specified location as well as other costs related to preparation, designing, building, and installation of the relevant electro-energetic facility and the costs due to adjustments of the transmission system electro-energetic facilities. The costs incurred by TSO include also capital costs of TSO related to financing the construction of facilities on the part of TSO. Construction of the line for connection of the Generator/final electricity consumer/electricity storage facility operator/energy community to TS and electro-energetic facilities on the part of the Generator/final electricity consumer/electricity storage facility operator/energy community connected to TS are provided for and paid for by the Generator/final electricity consumer/electricity storage facility operator/energy community connected to TS. All newly-built electro-energetic facilities of TSO

up to the set property boundary between TSO and the Generator/final electricity consumer/electricity storage facility operator/energy community connected to TS remain the property of TSO.

6. The amount of costs incurred by TSO for the User classified as LDSO is set as an amount of actual costs incurred by TSO by connecting the User electro-energetic facility of the LDSO type while these costs of connection are divided between the relevant system operators in a way that the share of LDSO is 40 % of the costs and the share of TSO is 60 % of the costs. LDSO is obliged to pay 40 % of these costs while these costs include the costs of procurement, purchase and installation of all types of electro-energetic facilities of connection, automatic fire extinguishing equipment and control system equipment including their construction parts, their transport to the specified location as well as other costs related to preparation, designing, construction and installation of the relevant electro-energetic facility and the costs incurred by adjustments of the electro-energetic facilities of the transmission system. The costs incurred by TSO include also capital costs of TSO related to financing the construction of facilities on the part of TSO. Building of electro-energetic facilities on the part of LDSO is ensured and paid in full by LDSO. All newly-built electro-energetic facilities of TSO up to the defined property boundary between TSO and LDSO remain in the property of TSO.

## **2.6 CONTRACT ON COMMON PROCEDURE FOR CONSTRUCTION OF A FACILITY**

1. If based on the Application, TSO set the technical conditions including the need to build new electro-energetic facilities or the inevitable adjustment of the existing facilities on the part of TSO upon the Application, TSO will conclude the Contract on Common Procedure for Construction of a Facility with the Applicant which has the character of the Pre-Contract on Connection.
2. In case of change of the existing facilities of the Applicant connected to TS, the Applicant and TSO will conclude the Contract on Common Procedure for adjustment of the relevant facilities provided that the need of adjustment or building the facilities also on the part of TSO arises. The Contract on Common Procedure stipulates the method of the Contract termination for the facilities which are subjected to change. In case of several existing facilities of the User connected to TS, the Contract remains in force for other facilities connected to TS.
3. The proposal of a technical solution for connection of the Applicant facility to TS, prepared by an authorized designer at the expense of the Applicant will serve as a basis for processing of the Contract on Common Procedure.
4. The Contract on Common Procedure governs the substantive and time collaboration of TSO and the Applicant at construction of new or adjustment of the existing facilities of TSO and of the Applicant necessary for connection of the Applicant to TS.
5. The Contract on Common Procedure governs the responsibilities of the contracting parties for financial coverage of induced adjustments of the TSO facilities.
6. The Contract on Common Procedure does not replace the Contract on Connection to TS.

## 2.7 METERING IN THE CONNECTION POINT

1. Offtake or supply of electricity in the connection point is continuously metered (type A flow meter) via a system of business metering. Business metering system of TSO consists of metering sets and automated data collection system (hereinafter referred to as "ASZD"). The metering set consists of instrument voltage transformers (hereinafter referred to as "PTN"), instrument current transformers (hereinafter referred to as "PTP"), terminal boxes, connecting conductors of individual secondary circuits and electric meters. Automated data collection system consists of encoders, transmission equipment, main and standby central point. The up-to-date types of electric meters may have an integrated encoder and a communication device.
2. Within the system of business metering in the connection points of business metering, there is a quality monitoring system of the transmitted electricity installed. It consists of electricity quality analyzers connected to identical PTN and PTP as business metering, ASZD communication pathways and central points dedicated for data collection and evaluation.
4. PTP and PTN are a part of the User technology and they are its property (unless otherwise specified in the Contract). The User is obliged to consult the technical parameters of PTP and PTN with TSO prior to their ordering.
5. For metering electricity supply and offtake in the connection point, there is a main electric meter installed providing the invoicing values and a standby electric meter providing invoicing values in case of failure of the main electric meter.
6. The main electric meter is owned by TSO. There is a web interface from the system of the business metering (with an authorized access) available to the User which shows validated invoicing values in its connection points.
7. The standby electric meter is owned by TSO. In case of the existing Users, the standby electric meter may be owned by the User, upon mutual agreement between TSO and the existing User. The standby electric meter must be compatible with the TSO business metering system and it must fulfil the technical parameters set in the Technical Conditions. If the standby electric meter is owned by the User, the User is obliged to take care of it as of the specified meter pursuant to the relevant legislation of the Slovak Republic. In such case, the User will provide the required output (invoicing data as well as data for electricity quality measurement) from the standby electric meter for the ASZD systems of TSO. All connectors in the current and voltage circuits from PTP, PTN up to the electric meter must be designed in a way so as to enable using a seal.
8. Monitoring of the transmitted electricity quality (monitoring of the technical parameters of the electricity quality) is provided pursuant to the valid legislation of the Slovak Republic in offtake and supply points of the User by two independent metering systems (primary, secondary). Both metering systems are owned by TSO.
9. Location and parameters of the metering set as well as of electricity quality analyzers correspond with the technical specifications provided in the Technical Conditions. The required electricity quality parameters are provided in the Technical Conditions and the User must respect them. If the User fails to respect the electricity quality technical parameters, the User will be notified of this fact by the TS operator and the User is obliged to eliminate these shortcomings in as short time as possible. If despite that the User fails to take remedial actions and continues in non-compliance with the electricity quality technical parameters, it may be a reason for TSO to disconnect the User from TS.

10. If the connection point is located in the User object, the User is obliged to provide a place in its object for location of metering sets, electricity quality analyzers and transmission facilities of TSO. Moreover, for the need of supply of the TSO business metering equipment, the User is obliged to provide for two independent supply lines from the distribution system of self-consumption.
11. In its objects, according to the Technical Conditions, the User will ensure two communication pathways, based on the requirements of TSO, for transmission of data from metering to the TSO central point. Connection technology and elements for connection of further transmission systems immediately related to the distance data collection system owned by TSO are administered by TSO.
12. In case of new or reconstructed facilities, prior to approval of the electricity metering project, the User is obliged to obtain the consent with connection of the metering set from the administrator of the business metering system of TSO while respecting all conditions for metering projects for new and reconstructed facilities according to the Technical Conditions.
13. At least one month prior to commissioning of the designed facility, the User is obliged to hand over the detail project design for the purpose of checking compliance with the Technical Conditions and ensuring eventual remedy to the administrator of the business metering system of TSO.
14. The User that carries out reconstruction of the original or builds new facilities is obliged to invite the administrator of the business metering system of TSO to the takeover procedure, to submit protocols on official authentication of standby electric meters (if these are owned by the User), instrument transformers and protocols on measurement of voltage drops of PTN and load of secondary circuits of PTP along with the as-built documentation and starting revision reports.
15. If there were changes made in the metering method, these must be recorded in all counterparts of the as-built documentation no later than three months from the work completion.
16. Replacements of electric meters (if these are administered by the User) must be notified to the administrator of the business metering system of TSO in advance. The data necessary to define the electric meter for the TSO collection systems and activation of the metered value collection must be submitted by the user immediately, not later than 24 hours after the electric meter replacement.
17. Administration of metering equipment for metering of electricity supplies to TS and electricity offtakes from TS and for electricity quality measuring must be provided for by the owner of the metering equipment.
18. In case of justified doubts concerning correctness of business metering, the TS operator will ensure testing of the specified meter. In case such doubts are confirmed, the costs related to testing and replacement of the specified meter will be borne by TSO as the owner of the meter, otherwise the costs will be borne by the User.
19. The actual values of supplies and offtakes are kept by TSO for the minimum period of 5 years, the quality measurement data are kept for 2 years.
20. The User is entitled to complain about the values metered by TSO. The form of complaint is described in Chapter 8 of these Operational Rules.

## **2.8 DAMAGE PREVENTION, COMPENSATION FOR DAMAGES AND CONTRACTUAL PENALTIES**

1. TSO and the User undertake to mutually provide immediate information on the facts which could result in damages and strive for their averting.
2. TSO and the User are relieved from the responsibility for non-compliance with the obligation resulting from the Contract or from legal regulations or from the Technical Conditions providing such acting was caused by the circumstances excluding the responsibility pursuant to Article 374 of the Commercial Code.
3. TSO is entitled to require compensation of damages from the User amounting to the amount of the actual damage provided that such damage was caused mainly by any acting or non-acting by the User in conflict with the Contract, with the related legal regulations and the Technical Conditions of TSO.
4. Exercising of the contractual penalty does not affect the right of TSO for compensation of damages in full extent.
5. If the User breaches the Regulations of the TS Operator related to the subject-matter of the Contract, the obligations or conditions under the Contract or these Trading Conditions, TSO is entitled to impose a contractual penalty of EUR 20,000,- to the User for each such breach.
6. The User is obliged to pay the imposed contractual penalty within 30 calendar days from the delivery date of the invoice.
7. In case of unauthorized electricity offtake without the concluded Contract or in conflict with such Contract, the User is obliged to pay the actually incurred damage.
8. In case of unauthorized supply caused by electricity supply without the concluded Contract or in conflict with such Contract, the User is obliged to pay the actually incurred damage.
9. In case the operation of the User facilities causes non-compliance with the electricity qualitative parameters thus causing damage to the TSO facilities, the User is obliged to pay the contractual penalty to TSO amounting to the proven caused damage.
10. If the operation of the User facilities causes non-compliance with the electricity qualitative parameters thus causing damage to the facilities of another User, the User causing non-compliance with the electricity quality parameters is obliged to pay the contractual penalty to TSO amounting to the proven caused damage claimed by the injured party to TSO.
11. The operator of each distribution system on the territory of the Slovak Republic is obliged to immediately notify TSO in advance on every change of the system topology resulting in synchronous interconnection of a part of the electricity system outside the defined territory with ES of SR or interconnection of a part of the distribution system on the defined territory to island operation. Each failure to report such change of the distribution system topology on the territory of the Slovak Republic is considered to be the serious breach of the Contract and TSO is entitled to apply the contractual penalty of EUR 10,000,- for each commenced hour of such interconnection.



## **2.9 DISPUTE RESOLUTION**

1. The following procedure will be applied by TSO and the User in the event of dispute resolution:
  - a) TSO and the User will act in a way so as the disputable situation is objectively explained and they will provide any necessary collaboration for such purpose.
  - b) The claiming contracting party is obliged to invite the other contracting party in writing to resolve the dispute while it will describe the dispute in detail and refer to the provisions of a legal regulation, the Operational Rules or the Contract, and it will submit copies of evidence supporting the claim. If the claim is financially measurable, the contracting party will also state an amount expressing the value of the claim;
  - c) The invitation will be delivered to the other contracting party in person or by a registered letter to the address of its registered office in case of a legal entity or to the address in case of a natural person;
  - d) Authorized persons of both contracting parties will meet on the agreed date and in the agreed venue. Unless the agreement is reached on the date and place of the meeting, the authorized persons of both contracting parties will meet on the 7th working day from the invitation delivery at 10 a.m. in the registered office of the contracting party invited for discussion;
  - e) The subject of the invitation will be discussed at the meeting of the authorized persons of both contracting parties and the minutes will be executed from the meeting, including a proposed solution. If an agreement is been reached regarding the proposed solution of the disputable issue in full extent, the minutes are signed by the authorized persons of both contracting parties and submitted for subsequent approval and comments to the persons appointed by both contracting parties for such case. If an agreement is reached only about a part of the disputable issue, the part about which an agreement has been reached regarding the proposed solution and the part which remains disputable will be exactly divided and described in the minutes.
  - f) The statutory representatives of TSO and of the User are obliged to comment on the proposed solution of disputable issues not later than 20 working days after the minutes were taken and to deliver their written comments on the proposal to the other contracting party to the address of its registered office or to the addresses provided in the Contract;
  - g) Unless a different agreement is reached in the period of 30 days after delivery of the invitation, the contracting party interested in that may address its complaint to the competent administrative authority or bring an action before the competent court while notifying the other contracting party thereof by a registered letter. Both contracting parties are obliged to act in accordance with the Operational Rules and the Contract during the period of the dispute existence.

## **2.10 TRANSITIONAL PROVISIONS**

1. These Trading Conditions to the contract on connection to TS prevail over the Technical Conditions in the part regulating the process and trading conditions of connection to TS.

## 2.11

## FINAL PROVISIONS

1. In order to ensure the necessary coordination of the system development according to the Regulations of the TS Operator, preparation of the ES of SR operation, the ES of SR operative management, update of the Protection Plan against Occurrence and Spreading of System Failures in the ES of SR and the Recovery Plan after a Black-Out Type of Failure, the User is obliged to cooperate with TSO and provide the necessary information and data for such purpose.
2. Both Contracting Parties mutually undertake to protect and not to disclose confidential information to the third parties. None of the contracting parties may provide information on business data of the Contract to the third party without a written consent of the other contracting party, not even partially, but for the publicly disclosed information. Similarly, the parties will protect confidential information and facts forming a trade secret of the third party provided by such third party to any of the contracting parties with a permission for their further use. The confidentiality obligation lasts during the entire period of existence of facts forming the trade secret or existence of the interest to protect confidential information. This Article does not apply to the information obligation resulting from the generally binding legal regulations. At the same time, it has been agreed that with regard to the ES of SR management obligation, TSO may use the information of technical nature in the necessary extent.
3. TSO is obliged to maintain information confidentiality pursuant to Art. 94 of the Energy Act.
4. Legal relations not regulated in these Trading Conditions are governed by the legal regulations of the Slovak Republic.
5. The Trading Conditions to the Contract are amended by a valid and effective Office Decision. The Trading Conditions to the Contract in the current wording are automatically deemed to be a binding part of the Contract by the effective date of the Office Decision.
6. Other annexes to the Contract not bound to the Office Decision may only be amended by an amendment to the Contract, unless otherwise stipulated in the Contract.
7. TSO is authorized to invite the User to conclude a new Contract or an amendment to the Contract at any time in case of amendment of the legislation, in case of the technical solution of the User connection to TS on the part of TS or in case of amendment of the contractual provisions.
8. Should any provisions of the Contract or of these Trading Condition be or become ineffective or non-feasible, it will not affect the remaining provisions. In such case the contracting parties will replace the ineffective or non-feasible provision by another provision which is as close as possible to it by its content and purpose.
9. These Trading Conditions ensure a unified and non-discriminatory approach of TSO to all Users. It is possible to deviate from these Trading Conditions only based on the Contract and only in those provisions the change of which will not be contradictory to the content and purpose of these Operational Rules.
10. Since TSO is an obliged person pursuant to Act No. 211/2000 Coll. on Free Access to Information and on amendment of certain acts, as amended (hereinafter referred to as the "Freedom of Information Act"), the Applicant is aware of the fact that information on the Contract will be disclosed in a way specified in provision of Art. 5a par. 3 of the Freedom of Information Act and in the extent pursuant to Regulation of the Government of the Slovak Republic No. 498/2011 Coll. laying down details about publishing contracts in the Central Register of Contracts and the required information regarding conclusion of the Contract.



### **3. Trading Conditions for the Contract on Access to the Transmission System and Electricity Transmission**

#### **3.1 INTRODUCTORY PROVISIONS**

1. Trading Conditions to the Contract on Access to the Transmission System and Electricity Transmission (for the purposes of Chapter 3 hereinafter referred to as "Trading Conditions") form an inseparable part of the Contract on Access to the Transmission System and Electricity Transmission (for the purposes of Chapter 3 hereinafter referred to as "Contract") and an inseparable part of the Operational Rules.
2. In accordance with Art. 273 par. 1 of Act No. 513/1991 Coll. the Commercial Code, as amended, these Trading Conditions regulate mutual rights and obligations of the contracting parties resulting from the subject-matter of the Contract.
3. The Contract must be in a written form.
4. Any amendments in the Contract must be made in writing in the form of a numbered amendment signed by the statutory representatives of the User and of TSO or in the manner agreed in the Contract. A document considered to be a part of the Contract, pursuant to the Contract, must be signed by the statutory representatives of both contracting parties, unless otherwise stipulated in the Contract.
5. Electricity transmission is provided for by the TS Operator based on the Contract concluded with the User.
6. For the purposes of these Trading Conditions, a User means a DSO, final electricity consumer or electricity generator connected to TS or an electricity supplier who concludes the Contract for its electricity consumer, aggregator, electricity storage facility operator.
7. Pursuant to the Energy Act, TSO is obliged to conclude the Contract with everyone who applies for it upon meeting the technical conditions and trading conditions for access to TS and for electricity transmission.
8. Concurrently, apart from fulfilment of the obligations in the general economic interest, TSO is obliged to ensure access to the system and electricity transmission on a transparent and non-discriminatory principle.

#### **3.2 PROCEDURE FOR CONCLUSION OF THE CONTRACT**

1. The Contract is concluded by and between TSO of the one part, and an applicant for access to TS and electricity transmission, who may be DSO, final electricity consumer, electricity supplier, electricity generator or electricity storage facility operator (hereinafter referred to as "Applicant") of the other part. If an electricity supplier provides for electricity transmission for a final electricity consumer, the electricity supplier may conclude the Contract with TSO based on a power of attorney granted by the final electricity consumer. In such case the Applicant has a contract concluded with the electricity supplier on shifting the responsibility for an imbalance to the

electricity supplier who has a valid and effective contract on imbalance settlement concluded with the imbalance biller.

2. Conclusion of the Contract with a TS User for electro-energetic facility and for the demand electricity facility which it uses is conditioned by a valid and effective contract on connection to TS, concluded by and between TSO and the owner of the electro-energetic facility and demand electricity facility.
3. If the Applicant is not an owner of the electro-energetic facility and demand electricity facility which is connected to TS to which the Applicant requires electricity transmission, the Applicant is obliged to prove to TSO the contractual relation between the Applicant and the owner of the electro-energetic facility and demand electricity facility that authorizes the Applicant to operate the electro-energetic facility and demand electricity facility in question.
4. In order to enter into the Contract, it is necessary to have a contractual obligation to conclude the Contract as of the certain date specified in the contract on connection to TS or to deliver a written request for conclusion of the Contract to TSO to the address of the registered office of the company or to the e-mail address [zmluvy@sepsas.sk](mailto:zmluvy@sepsas.sk). The application form is available on the website. A filled in application form for conclusion of the Contract must be delivered to TSO not later than 21 days before the required date of electricity transmission commencement to the offtake point of the Applicant, otherwise TSO may refuse the electricity transmission.
5. Further conditions necessary for conclusion of the Contract include:
  - a) valid and effective contract on connection to the transmission system,
  - b) valid and effective contract on imbalance settlement (if the Applicant is responsible for an imbalance) or contract on assumption of responsibility for an imbalance according to the Market Rules concluded by and between the Applicant and a registered (with an effective contract on imbalance settlement) accounting entity. If the Contract is concluded with an electricity supplier, the electricity supplier is obliged to be responsible for an imbalance.
6. Based on the delivered Application for conclusion of the Contract or a declared obligation in a contract on connection to TS, the TS Operator will send a draft Contract to the Applicant.
7. Having received the draft Contract from the Applicant, TSO will verify completeness and correctness of the data. If the Contract draft is complete, TSO will confirm the draft Contract to the Applicant and will send a final agreed wording of the Contract.
8. The statutory representatives of the Applicant will immediately sign the final Contract wording and deliver the signed Contract to TSO in four counterparts. Subsequently, the statutory representatives of TSO will sign the delivered Contract and TSO will send it back to the Applicant in two counterparts.
9. The Contract comes into force on the date of its signing by both contracting parties. Effect of the Contract is always agreed directly in the Contract provisions.
10. The period for which the Contract is concluded is identical to the period which the contract on connection to TS is concluded for, unless the contracting parties agreed upon a shorter period of the Contract validity.
11. TSO is entitled to ask the Applicant to conclude a new Contract at any time.
12. Electricity offtake with no Contract concluded and with no valid and effective contract on connection to TS as well as with no valid and effective contract on imbalance settlement or the

contract on assumption of responsibility for an imbalance is considered to be illegal electricity offtake.

13. Since pursuant to the Freedom of Information Act TSO is an obliged person, the Applicant is aware of the fact that information on the Contract will be disclosed in the manner specified in provision of Art. 5a par. 3 of the Freedom of Information Act and in the extent pursuant to Regulation of the Government of the Slovak Republic No. 498/2011 Coll. laying down details about publishing contracts in the Central Register of Contracts and the required information regarding conclusion of the Contract.

### **3.3 CONTRACT TERMINATION**

1. The Contract may be terminated by a written agreement of the contracting parties.
2. The Contract is terminated by expiry of the period for which it was concluded.
3. The Contract may be terminated by a written withdrawal from the Contract by TSO in case of a serious breach of the Contract by the User, if the User fails to take remedial action not even in the period defined by TSO in the request of TSO for remedy. In the event of an illegal electricity consumption, TSO shall be authorized to withdraw from the Contract immediately without a prior notice. In case of illegal electricity offtake, TSO is entitled to withdraw from the Contract immediately without a prior notice.
4. Exceeding the connection capacity values in the offtake direction from TS or in the supply direction to TS and the failure to adjust the operation of the electro-energetic facility of the User to the instructions of the TSO dispatching is deemed to be a serious breach of the Contract by the User.
5. The Contract may be terminated by a written withdrawal from the Contract by the User if the serious breach of the Contract by TSO occurred. Such withdrawal from the Contract is effective on the delivery date of withdrawal to the other contracting party.
6. The Contract is terminated on the date of termination of the contract on connection to TS or of the contract on imbalance settlement or of the contract on assumption of responsibility for an imbalance.
7. Moreover, the Contract is terminated on the expiry date of the authorization of the User to operate a foreign electro-energetic facility (withdrawal of an owner consent, expiry of a lease contract, etc.).
8. The Contract may also be terminated by a written notice from the Contract by the User without stating a reason, even in case of conclusion of the Contract for a definite period of time. The notice period is 1 month and it starts to run on the first day in the month following the month in which the notice was delivered to TSO.

### **3.4 ACCESS TO THE TRANSMISSION SYSTEM AND ELECTRICITY TRANSMISSION**

1. Access to TS means access under the Contract while access means the right of the electricity market participant to use the transmission system within the scope of the contractually agreed

transmission capacity and if it is a participant supplying electricity in the connection point, access to the transmission system means the right of to supply electricity to the transmission system.

2. TSO provides for electricity transmission to the User based on and within the extent of the valid legal regulations, Technical Conditions, and Operational Rules.
3. OOMs of the User are defined in the contract on connection to TS.
4. Electricity transmission is performed based on a request for transmission. Request for transmission shall be understood as a request for an amount of the transmitted electricity in the following calendar year announced by the User to the TS Operator in the form of a registered letter signed by the statutory representatives of the User and sent annually not later than on the 20 November of the previous year. Based on this requirement, TSO will prepare a payment schedule for advance payments of the User for the reserved capacity, electricity transmission and for losses during electricity transmission.
5. Metering in TS including processing of the metered data for the purposes of data provision to the organizer of the short-term electricity market, will be ensured by TSO.
6. Prior to the transmission commencement, TSO must verify the TSO business metering system functionality according to the valid Technical Conditions.
7. Business schemes and OOM formulae of the User, based on which the amount of the supplied, consumed and transmitted electricity is assessed, will form an annex to the Contract. Business schemes and formulae must be approved by the User and TSO. Any changes in business schemes or OOM formulae of the User may be performed exclusively with a consent of TSO and of the User. The procedure in case of change of business schemes and formulae is provided in the Contract.
8. TSO and the User are responsible for compliance with the set electricity quality parameters according to the relevant legislation and the TS Operator Regulations.

### **3.5 SUBMISSION OF DATA RELATED TO TRANSMISSION AND TECHNICAL SPECIFICATIONS OF THE USER FACILITY**

1. The User is obliged to hand over the data to TS Operator related to the expected electricity offtake from TS to the User OOM or to the electricity supply to TS from the User OOM for the need to prepare ES of SR operation (annual, monthly, weekly and daily) which is defined in the valid legislation and in the Technical Conditions.
2. DSO and a final consumer of electricity connected to TS will report their expected amounts of electricity in the year  $t$  and the planned amounts of electricity for the year  $t+1$  in megawatt hours in the following structure:
  - a) the amount of electricity which DSO and the final consumer of electricity will take from TS,
  - b) the amount of electricity which DSO and final consumers of electricity will take from its distribution system, including DSO and electricity consumers connected within the operation provably separated from ES of SR.
  - c) the amount of electricity which DSO and final electricity consumers will take from its distribution system within the operation provably separated from ES of SR.

3. DSO connected to TS will report to TSO the data on actual electricity amount in megawatt hours for the relevant month until 8th calendar day of the following month in the following structure:
  - a) the amount of electricity which DSO and final electricity consumers will take from its distribution system, including DSO and electricity consumers connected within the operation provably separated from ES of SR.
  - b) the amount of electricity which DSO and final electricity consumers will take from its distribution system within the operation provably separated from ES of SR.
4. DSO connected to TS will report other additional data to TSO on the dates specified in the Technical Conditions (Document D) in the following structure:
  - a) offtake forecast for the year  $n+1$ ,
  - b) updated installed capacity of photovoltaic power plants,
  - c) updated installed and achievable capacity of electricity generating facilities except for photovoltaic power plants.
5. For the purposes of price regulation, the electricity generator connected to TS will report to TSO up to 30 March of the common year and it will specify not later than 1 July of the relevant year the planned amounts of electricity for the following calendar year in megawatt hours generated in the electricity generating facilities of such electricity generator and supplied to the electricity consumers by direct lines or consumed by such electricity generator, and electricity consumed for electricity self-consumption during electricity generation taken from TS.
6. Electricity generator connected to TS will report to TSO the data concerning the actual amount of electricity in megawatt hours generated in the electricity generating facility of such electricity generator and supplied to electricity consumers by direct lines or consumed by such electricity generator, with the exception of the electricity consumed for electricity self-consumption during electricity generation, always for the relevant month up to the seventh calendar day of the following month.
7. The User will report actual amounts of electricity to TSO, always for the relevant month in the prescribed form, to the web portal of the information system of TSO business metering and/or to the e-mail K\_spotreba@sepsas.sk and it will confirm them in writing not later than on the 10th day of each month.
8. If the User fails to report the amounts of electricity to TSO, TSO will be entitled to estimate these data.

### **3.6 Electricity Transmission Restriction and Interruption**

1. TSO will have the right to restrict or interrupt electricity transmission to the extent necessary and for the necessary period of time and will not be entitled to compensation of damage with the exception of cases when the damage was caused by TSO in cases enumerated in Art. 28 par. 1 subpar. g) of the Energy Act.
2. Operation-related handling resulting in a different system topology will not be deemed to be transmission interruption, unless electricity transmission has been restricted or interrupted.



### **3.7 METERING, METHOD OF MAKING MEASURED DATA AVAILABLE, METHOD OF ENSURING REPLACEMENT VALUES**

1. The form of electricity metering is defined in the Technical Conditions, in the Contract on Connection to TS as well as in these Operational Rules. The amount of the transmitted electricity will be assessed by TSO based on the business metering in OOM of the User and based on the approved business schemes and formulae.
2. The User has a web interface available from the TSO business metering system in which validated measured values are displayed from the User connection points to TS.
3. After signing the Contract, the User may ask the administrator of the TSO business metering system for an authorized access to the above-mentioned web interface. A person entitled to obtain an authorized access must be specified in the Contract. The administrator of the business metering system will provide the person with all requirements necessary for access to this interface.
4. In case of unavailability of the data in the TSO business metering system, the data from the User billing measurement system (a measurement set) will be used for invoicing of individual services while the User is obliged to provide such data to the administrator of the TSO business metering system in the required form.
5. If the measured values readings are unknown on the date of sending detailed monthly values, replacement values set by TSO according to the Technical Conditions are verified and approved by the User. In case of disputable issues, replacement values set by TSO are used in the monthly assessment and, concurrently, both contracting parties will act in line with the rules and conditions applicable to resolution of disputes according to the Operational Rules.
6. If it is necessary to make changes in the method of metering, these changes must be mutually approved by the User and TSO and they must be recorded in the business scheme and in the User OOM formulae not later than on the date of their execution.
7. If the conditions for handover of the measured values are not fulfilled, TSO is entitled to set and use the replacement values in the relevant User OOM as the binding values for settlement. If data has not been measured or transmitted for a long time due to reasons attributable to the User, what results in the use of the replacement values, TSO will notify this fact to the Office and inform the User of the potential transmission interruption.
8. The User is entitled to complain about the values metered by TSO. The form of complaint is described in Chapter 8 of these Operational Rules.

### **3.8 CONDITIONS OF TSO ACCESS TO THE USER BUILDINGS**

1. TSO provides for electricity metering in TS. If there is business metering system equipment located in the User buildings, the User is obliged to allow TSO employees to access its buildings for the purpose of metering administration performance.
2. The TSO employees are obliged to inform on their scheduled arrival in advance to the relevant employee of the User in charge. This employee is appointed by the User.

3. The User will allow the TSO employees to access the TSO business metering system equipment at least on working days during the working hours from 8 a.m. to 4 p.m.
4. If more than two days of bank holiday (public holiday) follow the working day, it is inevitable, if necessary, to allow access, on the last working day before the bank holidays also after the working hours.
5. If necessary, the User is obliged to enable the TSO employees and the employees of the TSO communication art without delay fast performance of administration of the metering and communication equipment in its building also at the time outside regular working hours.
6. In case of need of an operational intervention to be performed on the equipment of the TSO business metering system, the User will enable access of TSO employees within four hours from the request.
7. If necessary, the User is obliged to enable access to TSO also with the required technology, including motor vehicles.
8. If the User fails to enable prompt elimination of technical problems, the User assumes full responsibility for all damages caused by hindering the service intervention. The mentioned damages will be borne by the User.
9. The TSO employees must comply with all conditions imposed by the User in relation to entry and they must respect local operating and safety regulations of the User.

### **3.9 CHANGE OF A SUPPLIER AND CHANGE OF THE BALANCE GROUP**

1. In accordance with the Market Rules, each participant of the electricity market may either be responsible for an imbalance (it creates its own balance group) or it may transfer its responsibility for an imbalance to another accounting entity (it becomes a part of the balance group of this accounting entity).
2. Balance group is a group of offtake points and supply points of the electricity market participants for which one common accounting entity has assumed responsibility for an imbalance; it is designated with an identification number of the balance group.
3. The electricity supplier and the balance group may be changed in one of the following methods according to the Market Rules:
  - a) when the regime of responsibility for an imbalance at the offtake point has changed, the electricity consumer who is responsible for an imbalance and forms a balance group itself, is transferring the responsibility for an imbalance to the accounting entity under the contract;
  - b) when the regime of responsibility for an imbalance at the offtake point has changed, the electricity consumer who transferred its responsibility for an imbalance to the accounting entity will terminate the contract on assumption of responsibility for an imbalance with the current accounting entity and creates its own balance group;
  - c) when the electricity supplier has been changed at the offtake point, the electricity consumer who concluded the electricity composite supply contract or electricity supply contract including the transfer of responsibility for an imbalance of the electricity market participant terminates this contract and concludes a contract with a new electricity supplier thus changing

the electricity supplier at the offtake point; each change of the electricity supplier at the offtake point is concurrently a change of the balance group and it is free of charge.

- d) when the regime of responsibility for an imbalance has changed at the supply point, the electricity market participant who is responsible for an imbalance and forms a balance group itself, is transferring its responsibility for an imbalance to another electricity market participant under the contract on assumption of responsibility for an imbalance or the contract on compulsory assumption of responsibility for an imbalance;
- e) when the regime of responsibility for an imbalance has changed at the supply point, the electricity market participant who transferred its responsibility for an imbalance to another electricity market participant will terminate the contract on assumption of responsibility for an imbalance or the contract on compulsory assumption of responsibility for an imbalance concluded with the electricity market participant who assumed responsibility instead of them for an imbalance and creates its own balance group;
- f) when the accounting entity has been changed at the supply point, the electricity market participant who transferred its responsibility for an imbalance to another electricity market participant under the contract on assumption of responsibility for an imbalance or the contract on compulsory assumption of responsibility for an imbalance terminates this contract and concludes a contract with another electricity market participant thus changing the accounting entity at the supply point; each change of the accounting entity at the supply point is concurrently a change of the balance group and it is free of charge.

- 4. Every change of the electricity supplier means concurrently a change of the balance group.
- 5. TSO will perform registration of the User OOM connected to TS and its allocation to the balance group of a new electricity supplier based on a written application of the new electricity supplier (based on the authorization of the User) sent to TSO not later than 21 days prior to the required date of change. The application form is available on the website.
- 6. The process of the supplier change does not apply to the changes of a supplier in cases when the supplier will be a supplier of the last resort in accordance with the Energy Act.
- 7. The process of the balance group change and of the supplier change is specified in the Market Rules.

### **3.10 METHOD OF PAYMENT SPECIFICATION**

- 1. TSO invoices the User for access to TS, for electricity transmission and for losses during electricity transmission (tariff for losses) in accordance with the valid price decisions of RONI and the valid Decree on Price Regulation.
- 2. The payment for the reserved capacity and for the electricity transmission is not charged to the User in cases specified in the Market Rules and/or in price decisions of RONI and/or in the Decree on Price Regulation.
- 3. The prices are valid throughout the period when the relevant price decision of RONI is in effect. If a different decision of RONI begins to apply, TSO will apply the changed amount of payments after the effective date specified in the new RONI Decision.
- 4. If RONI decision changes during the year, TSO will prepare a draft repayment schedule for advance payments not later than 15 calendar days after the new RONI decision has become

definitive. The draft repayment schedule for advance payments signed by the statutory representatives will be sent by TSO to the User for approval.

5. Within 7 calendar days after the delivery date of the draft repayment schedule for advance payments, the User is obliged to approve it and send it to TSO signed by the statutory representatives.
6. If not later than 7 calendar days, the User fails to approve the repayment schedule for advance payments without justification, TSO is entitled to use the draft repayment schedule for advance payments sent to the User.
7. If there are any price differences resulting from the change in the RONI decisions, the financial settlement of the price differences incurred will be applied not later than one month after a new RONI decision has become definitive, unless otherwise agreed between TSO and the User.
8. TSO will disclose the valid prices on its website. Moreover, TSO will publish the data and information related to the provision of services, price conditions and the form of accounting on its website.
9. Payments for losses during the electricity transmission are invoiced for each megawatt hour of electricity supplied from TS to the User OOM based on the values from the TSO business metering system or based on alternative values mutually approved with the User in the case of metering failure.
10. Payments for losses during the electricity transmission are invoiced for each megawatt hour of electricity supplied from TS to the User OOM based on the values from the TSO meter or based on alternative values mutually approved with the User in case of metering failure.

### **3.11 INVOICING AND PAYMENT CONDITIONS FOR ACCESS TO TS, ELECTRICITY TRANSMISSION AND LOSSES DURING ELECTRICITY TRANSMISSION**

1. The User will effect the payment for the reserved capacity on a monthly basis in the form of one advance payment and via payment based on the final invoice in which the paid advance of the given month is considered. The repayment schedule for advance payments will be approved by the responsible representatives according to the conditions stipulated in the Contract.
2. The advance payment amounting to 50 % of the set monthly payment for the reserved capacity rounded to integers, will be paid by 10th day of the given month.
3. TSO issues a final invoice for the reserved capacity, not later than 15th day of the month following the month to which the settlement relates. The final invoice will contain the price for the reserved capacity and the corresponding VAT; the advance payments credited to the TSO account in the month to which the settlement relates will be deducted from the total value of the invoice.
4. The User will effect payment for the transmitted electricity and payment for losses during electricity transmission on a monthly basis in the form of one advance payment for the transmitted electricity and one advance payment for losses and by payment based on settlement invoices in which the paid advance payments in a given month are considered. The repayment schedules for advance payments will be approved by the responsible representatives according to the conditions stipulated in the Contract:

- a) the advance payment in the amount of 60 % of the product of the assumed amount of electricity transmitted in the common month in compliance with the repayment schedule for the User and the tariff for the transmitted electricity, rounded to integers;
  - b) the advance payment in the amount of 60 % of the product of the assumed amount of electricity transmitted in the common month for the User and the tariff for losses incurred during electricity transmission, rounded to integers;
5. The advance payments are due within 16th day of the given month.
  6. TSO will issue final monthly invoices for the transmitted electricity and final invoices for the losses incurred during electricity transmission, not later than 15th day of the month following the month to which the settlement relates. Final invoices will contain the price for the transmitted electricity and the price for the losses incurred during electricity transmission and the corresponding VAT; the advance payments credited to the TSO account in the month to which the settlement relates will be deducted from the total value of the invoice.
  7. If the advance payment for the relevant month is credited to the TSO account in the following month, this payment will not be deemed to be a partial payment of the final invoice for the relevant month to which the advance payment relates.
  8. TSO will send final invoices to the User not later than 15th day of the month following the month to which the settlement relates. Invoices will be sent by e-mail to the contact addresses provided in the Contract and, at the same time, they will be delivered via registered mail to the address of the User registered office or to the invoicing address provided in the Contract. The Operator and the User may agree in writing on issuance of electronic invoices. The aforementioned must be agreed in the Contract and it must include e-mail addresses for sending and receiving electronic invoices.
  9. Maturity of final invoices is 14 days from their delivery date to the User by e-mail.
  10. If the due date of the advance payment or of the final invoice falls on Saturday, Sunday or a public holiday, the due date is the closest following working day. Crediting of the invoiced amount to the TSO account is deemed to be the payment of the advance payment or of the final invoice.
  11. Invoices must comply with the requirements pursuant to Act No. 222/2004 Coll. on Value Added Tax as amended (hereinafter referred to as "VAT Act").
  12. Not later than 10 days from the invoice delivery date, the User is entitled to complain about the invoice issued by TSO and sent by postal mail or by e-mail. Not later than 20 days from the complaint delivery date, TSO is obliged to provide the User with a written opinion on the complaint eligibility. Any potential difference from the complaint procedure is a separate performance invoiced in the taxation period in which the complaint procedure was terminated. Lodging a complaint will not affect the run of the maturity period of the original invoice. The maturity period of the amended invoice is 14 days from its delivery date to the User by e-mail.
  13. If the electricity supplier concludes the Contract on behalf of the consumer, the payments for the reserved capacity, payments for the transmitted electricity and for the losses during electricity transmission will be paid by the electricity supplier.
  14. TSO is entitled to set off its receivables from the outstanding payments against potential liabilities to the User that result from other contracts.
  15. Unless, based on the repeated written request, the due liabilities are paid by the User, TSO is entitled to interrupt electricity transmission to the User offtake point until these liabilities are settled.

16. In case of delay with settlement of the due payment, the TS Operator is entitled to invoice the late payment interest amounting to 1M EURIBOR + 8 % p.a. from the due amount for each started day of delay (with a 360-day accounting year). The value of 1M EURIBOR valid as of the first day of delay with a payment will be used for the interest calculation. If 1M EURIBOR does not reach a positive value (negative value), 1M EURIBOR equal to zero will be used for interest calculation. The late payment interest is due within 14 calendar days after the invoice delivery date. At the same time, the invoice will be sent to the address of the User registered office by registered mail.
17. If one of the contracting parties pays the late payment interest to the other contracting party which was invoiced without authorization, the contracting party in favour of which such interest was paid is obliged to return it immediately.

### **3.12 INVOICING AND PAYMENT CONDITIONS FOR ACCESS TO TS, ELECTRICITY TRANSMISSION AND LOSSES DURING ELECTRICITY TRANSMISSION OF THE ELECTRICITY GENERATOR CONNECTED TO TS EXCLUSIVELY FOR THE PURPOSE OF ELECTRICITY OFFTAKE FROM TS**

1. Electricity generator the electricity generating facility of which is connected to TS exclusively for the purpose of electricity offtake (prior to commencement of electricity generation and supply to TS or after termination of electricity generation and supply to TS) is for the purposes of application of tariffs for access to TS, electricity transmission and for the losses during electricity transmission deemed to be a final electricity consumer from TS and it proceeds pursuant to Chapter 3.2 at conclusion of the "Contract on Access to TS and Electricity Transmission for Electricity Offtake".
2. Pursuant to par. 1, the TS Operator is obliged to inform RONI on conclusion of the Contract on Access to TS and Electricity Transmission for Electricity Offtake with the Generator not later than 30 days from the conclusion thereof.
3. Prior to commissioning the electricity generating facility and prior to supply of electricity to TS, the Generator is obliged to conclude the Contract on Access to TS and Electricity Transmission the subject-matter of which is electricity supply and offtake, to and from TS with effect not later than the date of first phasing of the electricity generating facility to TS. The validity of the Contract on Access to TS and Electricity Transmission for Electricity Offtake expires by coming into effect of the Contract on Access to TS and Electricity Transmission.
4. If the Generator phases the electricity generating facility to TS earlier than stipulated in the Contract on Access to TS and Electricity Transmission for Electricity Offtake and the TS Operator meters the electricity supply to TS in the connection point of the concerned electricity generating facility, the TS Operator is entitled to proceed pursuant to Chapter 2.8 and to interrupt access to TS for the Generator.
5. The Generator will effect payment for the system services and for the system operation based on the data sent by the TS Operator according to the Operational Rules of OKTE, a.s. and in the amount determined in compliance with the valid legislation and RONI decisions.
6. The Generator's reserved capacity pursuant to par. 1 will be set by the TS Operator monthly based on the metered monthly maximum of a 15-minute active power. The values of outputs are determined in megawatts with three decimal places. The reserved capacity set in this way may

not exceed the connection capacity for offtake from TS stipulated in the contract on connection to TS in the connection point of the electricity generating facility.

7. The Generator will effect payment for the transmitted electricity and payment for losses during electricity transmission on a monthly basis in the form of one advance payment for the transmitted electricity and one advance payment for losses during electricity transmission and payment based on the final invoices which will consider paid advances in the given month. The repayment schedules for advance payments will be approved by the responsible representatives according to the conditions stipulated in the Contract on Access to TS and Electricity Transmission for Electricity Offtake as follows:
  - c) the advance payment in the amount of 60 % of the product of the assumed amount of electricity transmitted in the common month in compliance with the payment schedule for the Generator and the tariff for the transmitted electricity, rounded to integers;
  - d) the advance payment in the amount of 60 % of the product of the assumed amount of electricity transmitted in the common month for the Generator and the tariff for losses incurred during electricity transmission, rounded to integers.
8. The advance payments are due within 16th day of the current month.
9. The TS Operator issues a final monthly invoice for the reserved capacity, not later than 15th day of the month following the month to which the settlement relates. The final invoice will contain the price for the reserved capacity and the corresponding VAT.
10. The TS Operator will issue final monthly invoices for the transmitted electricity and final invoices for the losses during electricity transmission, not later than 15th day of the month following the month to which the settlement relates. Final invoices will contain the price for the transmitted electricity and the price for the losses during electricity transmission and the corresponding VAT; the advance payments credited to the TS Operator account in the month to which the settlement relates will be deducted from the total value of the invoices.
11. If the advance payment for the relevant month is credited to the TS Operator account in the following month, this payment will not be deemed to be a partial payment of the final invoice for the relevant month to which the advance payment relates.
12. The TS Operator will send final invoices to the Generator not later than 15th day of the month following the month to which the settlement relates. Invoices will be sent by e-mail to the contact addresses provided in the Contract on Access to TS and Electricity Transmission for Electricity Offtake and, at the same time, they will be delivered via registered mail to the address of the Generator registered office or to the invoicing address provided in the Contract on Access to TS and Electricity Transmission for Electricity Offtake.
13. Maturity of final invoices is 14 days from their delivery date to the Generator by e-mail.
14. If the due date of the advance payment or of the final invoice falls on Saturday, Sunday or a public holiday, the due date is the closest following working day. Crediting of the invoiced amount to the TS Operator account is deemed to be the payment of the advance payment or of the final invoice.
15. Invoices must comply with the requirements pursuant to Act No. 222/2004 Coll. on Value Added Tax as amended (hereinafter referred to as "VAT Act").
16. Not later than 10 days from the invoice delivery date, the Generator is entitled to complain about the invoice issued by the TS Operator and sent by postal mail or by e-mail. Not later than 20 days from the complaint delivery date, the TS Operator is obliged to provide the Generator with a written opinion on the complaint eligibility. Any potential difference from the complaint

procedure is a separate performance invoiced in the taxation period in which the complaint procedure was terminated. Lodging a complaint will not affect the run of the maturity period of the original invoice. The maturity period of the amended invoice is 14 days from its delivery date to the Generator by e-mail.

17. If the electricity supplier concludes the Contract on Access to TS and Electricity Transmission for Electricity Offtake on behalf of the Generator, the payments for the reserved capacity, payments for the transmitted electricity and for the losses during electricity transmission will be paid by the electricity supplier.
18. The TS Operator is entitled to set off its receivables from the outstanding payments against eventual liabilities to the Generator that result from other contracts.
19. Unless the due liabilities are paid by the Generator, the TS Operator is based on the repeated written request entitled to interrupt electricity transmission to the Generator offtake point until these liabilities are settled.
20. In case of delay with settlement of the due payment, the TS Operator is entitled to invoice the late payment interest amounting to 1M EURIBOR + 8 % p.a. from the due amount for each started day of delay (with a 360-day accounting year). The value of 1M EURIBOR valid as of the first day of delay with a payment will be used for the interest calculation. If 1M EURIBOR does not reach a positive value (negative value), 1M EURIBOR equal to zero will be used for interest calculation. The late payment interest is due within 14 calendar days after the invoice delivery date. At the same time, the invoice will be sent to the address of the Generator registered office by registered mail.
21. If one of the contracting parties pays the late payment interest to the other contracting party which was invoiced without authorization, the contracting party in favour of which such interest was paid is obliged to return it immediately.

### **3.13 PREVENTION OF LOSSES, DAMAGE COMPENSATION AND CONTRACTUAL PENALTIES**

1. TSO and the User undertake to mutually provide immediate information on the facts which could result in damages and strive for their averting.
2. TSO and the User are relieved from the responsibility for non-compliance with the obligation resulting from the Contract or from legal regulations or from the Technical Conditions providing such acting was caused by the circumstances excluding the responsibility pursuant to Article 374 of the Commercial Code.
3. TSO is entitled to require compensation for damages from the User amounting to the amount of the actual damage provided that such damage was caused mainly by any acting or non-acting in conflict with the Contract, with the related legal regulations and the Technical Conditions.
4. If the User breaches the Regulations of the TS Operator related to the subject-matter of the Contract, the obligations or conditions under the Contract or these Trading Conditions, TSO is entitled to impose a contractual penalty of EUR 2,000,- to the User per each such breach.
5. By exercising the contractual penalty, the right of TSO for compensation for damages amounting to the damage exceeding the contractual penalty will not be affected.



6. In case of unauthorized offtake caused by electricity offtake without the concluded Contract or without the Contract of Connection to TS or in conflict therewith, the User is obliged to pay the actually incurred damage. If it is impossible to fully quantify the actual damage, the User is obliged to settle the damage calculated according to the generally binding legal regulation.
7. The failure to hand over the data within the scope, time limit and in the method according to these Trading Conditions is deemed to be the substantial breach of the terms and conditions and it gives entitlement of TSO to accounting of the contractual penalty amounting to EUR 2,000,- per each individual breach.
8. The relevant provisions of the part Invoicing and Payment Terms provided in these Trading Conditions are applied to settlement and invoicing of contractual penalties.

### **3.14 DISPUTE RESOLUTION**

1. The following procedure will be applied by TSO and the User in the event of dispute resolution:
  - a) TSO and the User will act in a way so as the disputable situation is objectively explained and they will provide necessary collaboration for this purpose;
  - b) The claiming contracting party is obliged to invite the other contracting party in writing to resolve the dispute while it will describe the dispute in detail and refer to the provisions of a legal regulation, the Operational Rules or the Contract, and it will submit copies of evidence supporting the claim. Moreover, if the claim is financially measurable, the contracting party will state the amount expressing the value of the claim;
  - c) The invitation will be delivered to the other contracting party in person or by a registered letter to the address of its registered office in case of a legal entity or to the address in case of a natural person;
  - d) Authorized persons of both contracting parties will meet on the agreed date and in the agreed venue. Unless the agreement is reached on the date and place of the meeting, the authorized persons of both contracting parties will meet on the 7th working day from the invitation delivery at 10 a.m. in the registered office of the contracting party invited for discussion;
  - e) The subject of the invitation will be discussed at the meeting of the authorized persons of both contracting parties and the minutes will be executed from the meeting, including a proposed solution. If an agreement is been reached regarding the proposed solution of the disputable issue in full extent, the minutes are signed by the authorized persons of both contracting parties and submitted for subsequent approval and comments to the persons appointed by both contracting parties for such case. If an agreement is reached only about a part of the disputable issue, the part about which an agreement has been reached regarding the proposed solution and the part which remains disputable will be precisely divided and described in the minutes.
  - f) Statutory bodies of TSO and the User or their authorized representatives are obliged to comment on the proposed solution of disputable issues not later than 20 working days after the minutes were taken and to deliver their written opinion on the proposal to the other contracting party to the address of its registered office or to the addresses provided in the Contract;
  - g) Unless a different agreement is reached in the period of 30 days after delivery of the invitation, the contracting party interested in that may address its complaint to the competent administrative authority or bring an action before the competent court while notifying the other

contracting party thereof by a registered letter. Both contracting parties are obliged to proceed in accordance with the Operational Rules and the mutual Contract during the period of the dispute existence.

### **3.15 RULES AND CONDITIONS FOR SYSTEM SERVICE PROVISION**

1. SyS ensure the quality of electricity supply and reliability of the transmission system, help maintain an even performance balance of the ES of SR in real time and help restore synchronous operation in case of breakdown of the ES of SR.
2. Payments for SyS are performed in accordance with the Market Rules, valid RONI Decree on Price Regulation and valid RONI Decisions.

### **3.16 RULES AND CONDITIONS OF INVOICING AN EFFICIENT LEVY RATE TO SETTLE THE DEBT IN THE NATIONAL NUCLEAR FUND**

#### **3.16.1 Method of Determining the Payment to the National Nuclear Fund**

1. Payment to the National Nuclear Fund (hereinafter referred to as "Nuclear Fund") is paid pursuant to the Government Regulation No. 21/2019 Coll. laying down the amount of the annual levy intended for payment of a historical debt from the supplied electricity to final electricity consumers and details on the method of its selection for the National Nuclear Fund, its use and on the method and time limits of its payment (hereinafter referred to as "Government Regulation on the National Nuclear Fund").
2. The payment is determined in the form of an efficient levy rate for the particular year (hereinafter referred to as the "Efficient Rate") determined by the Government Regulation on the National Nuclear Fund.
3. A final electricity consumer connected to TS will send a payment to the Nuclear Fund based on the Contract or based on a special contract with TSO.
4. If the final electricity consumer connected to TS has concluded a contract on electricity supply and the related services with the electricity supplier, the payment to the Nuclear Fund will be settled by the electricity supplier.
5. If an electricity generator connected to TS supplies electricity to the final electricity consumer without using the system, the payment for the final electricity consumer will be paid by the electricity generator to the TS Operator.
6. The payment to the Nuclear Fund is not be charged to the electricity generator who take electricity from the system for the purposes of pumping in pump-storage hydroelectric power plants or who take electricity from the system exclusively for the purposes of electricity self-consumption during electricity generation or for the purposes of other electricity self-consumption of the electricity generator.

### **3.16.2 Conditions of Payments to the Nuclear Fund**

1. The payment to the Nuclear Fund is invoiced to a final electricity consumer connected to TS (User) based on the data metered or assessed by TSO in the User offtake points according to these Operational Rules. The levy does not form a part of the price for electricity transmission and it is paid based on a separate invoice.
2. If the User has concluded a contract on electricity supply and the related services with an electricity supplier, the payment to the Nuclear Fund will be invoiced to the electricity supplier under the conditions specified in the Government Regulation on the National Nuclear Fund.
3. The payment to the Nuclear Fund is invoiced based on the amount of the electricity supplied and generated in a local distribution system (hereinafter referred to as "LDS") connected to TS based on the data reported by the LDS operator.
4. The payment to the Nuclear Fund is invoiced to the electricity generator supplying electricity to the electricity final consumer without using TS, based on the data reported by the electricity generator. The electricity generator will report to TSO the data on the amount of electricity supplied to the electricity final consumer without using TS for the relevant month not later than on the 7th day of the following calendar month.

### **3.16.3 Procedure for Data Submission**

1. The User who is also an MDS operator and/or electricity generator will report the data to TSO for the relevant month pursuant to the Government Regulation on the National Nuclear Fund to the web portal of the TSO business metering information system and/or to the e-mail address K\_spotreba@sepsas.sk not later than 7th day of the following calendar month.
2. If the User who is also an MDS Operator and/or electricity generator fails to provide the data to TSO pursuant to par. 1 within 7th day of the following calendar month for the relevant month, TSO is entitled to estimate such data. Such estimate is applicable to determining a monthly settlement and its invoicing.
3. The User will send eventual differences between reality and the reported data or estimated data pursuant to par. 2 in the required form to the web portal of the TSO business metering information system and/or to the e-mail K\_spotreba@sepsas.sk and will confirm it in writing in a letter. The difference will be invoiced to the User in an amended invoice.

### **3.16.4 Invoicing and Payment Conditions**

1. TSO will issue a monthly invoice for payment to the Nuclear Fund not later than 15th day of the month following the month to which the invoice relates. The invoice maturity is within 7 calendar days after its delivery to the User. At the same time, the invoice will be sent by postal mail in a registered letter. The Operator and the User may agree in writing on issuance of electronic invoices. The aforementioned must be agreed in the Contract and it must include e-mail addresses for sending and receiving electronic invoices.

2. If the due date of an invoice is Saturday, Sunday or a day off, the closest following working day will be deemed to be the due date. Crediting the invoiced amount to the TSO account is deemed to be the payment of the invoice.
3. In case of delay with settlement of the due payment, the TS Operator is entitled to invoice the late payment interest amounting to 1M EURIBOR + 8 % p.a. from the due amount for each started day of delay (with a 360-day accounting year). The value of 1M EURIBOR valid as of the first day of delay with a payment will be used for the interest calculation. If 1M EURIBOR does not reach a positive value (negative value), 1M EURIBOR equal to zero will be used for interest calculation. The late payment interest is due within 14 calendar days after the invoice delivery date. At the same time, the invoice will be sent to the address of the User registered office by registered mail.
4. If one of the contracting parties pays the late payment interest from the amount due to the other contracting party which were invoiced improperly, the contracting party in favour of which such interest was paid is obliged to return it immediately.

### **3.17 FINAL PROVISIONS**

1. In support of the necessary coordination of the programme of development of generating and transmission facilities, preparation of the ES of SR operation and ES of SR operative management, both contracting parties will cooperate and provide each other with the necessary information for this purpose.
2. Both Contracting Parties mutually undertake to protect and not to disclose confidential information to the third parties. None of the contracting parties may provide information on business data of the Contract to the third party without a written consent of the other contracting party, not even partially, but for the publicly disclosed information. Similarly, the parties will protect confidential information and facts forming a trade secret of the third party provided by such third party to any of the contracting parties with a permission for their further use. The confidentiality obligation must be fulfilled throughout the entire period of existence of facts representing a trade secret or existence of the interest to protect confidential information. This Article does not apply to the information obligation resulting from the generally binding legal regulations. At the same time, it is agreed that with regard to the obligation of the ES of SR management, the TS Operator may use the information of technical nature in the necessary extent.
3. TSO is obliged to maintain information confidentiality pursuant to Art. 94 of the Energy Act.
4. Legal relations not regulated in these Trading Conditions are governed by the legal regulations of the Slovak Republic.
5. The Trading Conditions to the Contract are amended by the valid and effective Office Decision. They are deemed to be a binding and inseparable part of the Contract on the validity date of the Office Decision.
6. The annexes to the Contract not bound to the RONI Decision may be amended by an amendment to the Contract or by a document confirmed by the statutory representatives of the contracting parties, unless stipulated otherwise in the Contract.

7. Should any provisions of the Contract or of these Trading Conditions be or become ineffective or non-feasible, it will not affect the remaining provisions. In such case the contracting parties will replace the ineffective or non-feasible provision by another provision which is as close as possible to it by its content and purpose.
8. These Trading Conditions ensure a uniform and non-discriminatory access of TSO to all Users. It is possible to deviate from these Trading Conditions only based on the Contract and only in those provisions the change of which will not be contradictory to the content and purpose of these Operational Rules.

## **4. Trading Conditions of Electricity Transmission Using Interconnectors**

### **4.1 CONDITIONS FOR SECURING ELECTRICITY TRANSMISSION USING INTERCONNECTORS**

1. TSO provides for electricity transmission using interconnectors for electricity import or export, while electricity import is defined as electricity transmission from a neighbouring transmission system to the transmission system of the Slovak Republic and electricity export is defined as electricity transmission from the transmission system of the Slovak Republic to a neighbouring transmission system. The User must ensure electricity transit via the transmission system of the Slovak Republic by concurrent arrangement of import and export on the relevant cross-border profiles in the equal amount.
2. Electricity import and export may be performed by the User who meets the conditions pursuant to par. 3 of this Chapter.
3. The necessary condition for the User to perform electricity import and/or export includes:
  - a) a valid and effective contract on imbalance settlement concluded by and between the User and the Imbalance Biller pursuant to the Operational Rules of OKTE, a. s.;
  - b) valid and effective Framework Contract on Electricity Transmission Using Interconnectors (for the purposes of Chapter 4 hereinafter referred to as the "Contract") concluded with TSO;
  - c) ensuring the reserved capacity in the extent of the required electricity import and/or export (by obtaining the capacity in an auction/allocation pursuant to Chapter 4.3.1, or 4.3.2 or 4.3.4 by transfer from other market participant pursuant to Chapter 4.3.5 or by reservation of capacity by a foreign partner of the User in accordance with the valid auction rules). The condition of ensuring the reserved capacity applies to all SEPS cross-border profiles.
  - d) agreement of transmission by handing over performance diagrams in accordance with the rules described in the Contract;
  - e) confirmation of transmission by the operator of the neighbouring TS from/to which the transmission is performed.
4. If any of the above-stated conditions is not met, TSO is entitled to refuse to perform execution of other transmissions and it is also entitled to interrupt execution of the already agreed transmission in necessary cases.
5. The Contract contains, in particular:
  - a) identification data of the contracting parties;
  - b) contract validity and conditions for withdrawal from the contract;
  - c) method and deadlines for agreement of a transmission diagram;
  - d) conditions and method for data submission;
  - e) method of determining the amount of the transmitted electricity;
  - f) instruction on the place, method and time periods for applying complaints and the place, method and time periods for applying available means to settle disputes;

- g) conditions for electricity transmission interruption or restriction;
- h) invoicing and payment conditions;
- i) method of applying indemnification and compensation for damage.

## **4.2 PRINCIPLES AND RULES OF AUCTIONS ON INDIVIDUAL TSO CROSS-BORDER PROFILES**

1. The aim of TSO at provision of transmission using interconnectors is to create conditions for optimal use of the transmission networks in a transparent and non-discriminatory manner for all authorized electricity market participants while ensuring safe and reliable operation of the electricity system and complying with the accepted international obligations.
2. Since transmission using interconnectors is strictly subject to the rules for operation of international interconnections and to coordination with operators of neighbouring TS, the allocation rules respect agreements with the operators of neighbouring TS concerning coordination for ensuring transmissions on the common profile. The mentioned procedure is aimed at ensuring maximum coordination of procedures of neighbouring TSO and facilitate making agreements and performance of transmissions using interconnectors for the market participants.
3. Allocation of capacities is carried out:
  - a) in a joint auction with the operator of neighbouring TS or in the coordinated auction of several TS operators. Within the agreement between TS operators, the registered office of the auction office performing the auctions for reservation of capacity rights for the relevant cross-border profiles is set;
  - b) in a unilateral auction organized by TSO.
4. Auctions are organized by an auction office which is an organizational unit of TSO or by other auction office with the determined rules. The auction rules are provided in Annex A and Annex B of the Operational Rules. The auction rules include auction dates, publication dates of capacity offer and dates of announcement of the auction results.
5. The capacities offered in the auction stem from the principle of maximum use of available capacities while concurrently respecting maintenance works and other impacts influencing this usable capacity.
6. Auction office means an organization or its organizational unit which has been assigned by TSO to organize auctions. It may be an organizational unit of TSO in case of a unilateral auction or a joint auction organized by TSO, or an organization or the organizational unit of a foreign TS operator or other organization which organizes auctions based on a common agreement with TSO.

## **4.3 RESERVATION OF THE TRANSMISSION CAPACITY ON THE TSO CROSS-BORDER PROFILES**

1. The market participant will obtain reservation of the capacity on a cross-border profile:
  - a) as an Applicant in line with the conditions specified in the rules of the relevant auction
    - i) in a long-term auction (annual, monthly); or
    - ii) in a daily auction; or
    - iii) in an intraday auction;
  - b) by a transfer of capacity from a different market participant.

### **4.3.1 Obtaining Capacity in an Explicit Auction**

1. In order to achieve maximum transparency and non-discriminatory approach in allocation of capacity rights on the TSO cross-border profiles, a method of the capacity right allocation in the form of explicit auctions is introduced.
2. The rules of auctions applicable to individual cross-border profiles and periods of auctions (annual, monthly, daily) are published on the website of the relevant auction office.
3. Rules of auctions determine:
  - a) conditions of participation in an auction;
  - b) risk management tools used;
  - c) method of submitting an application for capacity reservation;
  - d) auction procedure description;
  - e) auction evaluation algorithm, method of determining an auction price;
  - f) method of announcing auction results;
  - g) payment method for capacity right reservation;
  - h) conditions for using the allocated capacity rights;
  - i) method of capacity right transfer;
  - j) restriction of allocated capacity rights and method of determining compensation for the restriction;
  - k) time schedule
    - i) publishing of available tradable transmission capacities;
    - ii) auction procedures;
    - iii) publishing of auction results;
    - iv) issuance of invoices and execution of payments for capacity right reservation.
4. There are links to the websites of auction offices responsible for capacity right allocation on the TSO cross-border profiles or the auction rules provided for by the TSO auction office published on the website.



#### **4.3.2 Application of Commission Regulation (EU) No. 2016/1719 Establishing a Guideline on Forward Capacity Allocation**

1. By Decision No. 0007/2017/E-EU , the Office approved the Proposal of all transmission system operators regarding establishment of a Single Allocation Platform (SAP) pursuant to the FCA Regulation". SAP allocates long-term capacities starting on the trading day 1 January 2019 on the cross-border profiles published in the List of Boundaries of the Bidding Zones to which "Harmonized Rules for Allocation of Long-Term Transmission Rights in compliance with Art. 51 of the FCA Regulation" apply including the information on the type of the allocated long-term capacities (<http://jao.eu/support/resourcecenter/overview>).
2. By Decision No. 0006/2017/E-EU , the Office approved the Proposal of the regional arrangement of the long-term transmission rights submitted by the transmission system operators of the Core capacity calculation region in compliance with Art. 31 par. 3 of the FCA Regulation. By Decision No. 0008/2018/E-EU , the Office approved the Proposal of the change of regional arrangement of the long-term transmission rights submitted by the transmission system operators of the Core capacity calculation region in compliance with Art. 31 par. 3 of the FCA Regulation. By Decision No. 15/2019 of 30 October 2019, ACER approved the Second proposal of the change of regional arrangement of the long-term transmission rights submitted by the transmission system operators of the Core capacity calculation region. By Decision No. 0004/2020/E-EU of 18 September 2020, the Office approved the Third proposal of the change of regional arrangement of the long-term transmission rights submitted by the transmission system operators of the Core capacity calculation region in compliance with Art. 31 par. 3 of the FCA Regulation. In compliance with the mentioned decisions, the long-term capacities are allocated on the SK cross-border profiles which form a part of the Core capacity calculation region.
3. The long-term capacities on the SK-UA cross-border profile which is not a part of the Core capacity calculation region are allocated according to the valid auction rules published on the SEPS website.

#### **4.3.3 Allocation of Capacities in the Form of Implicit Auction**

1. If the Market Coupling is introduced on the TSO cross-border profiles on a daily basis, the capacities on the TSO concerned profiles are not allocated within explicit daily auctions. The capacities are allocated to the short-term electricity market organizers responsible for implicit capacity allocation in compliance with the Market Coupling rules approved by the Office. If an implicit auction is used, TSO may act as a transmitter of electricity among individual bidding zones (Shipping Agent) on the relevant profile.
2. If the Market Coupling procedure fails, a shadow explicit daily auction, the rules of which are published on the website, may be performed as a backup solution based on agreement with the relevant operator of a neighbouring TS. Rules of a daily shadow explicit auction for the SK/CZ, SK/HU and SK/PL profile are contained in Annex C of the Operational Rules.

#### **4.3.4 Intraday Allocation of Capacities**

1. The trading conditions within the intraday market including the rules for intraday allocation of capacities are mentioned in the Operational Rules of the short-term electricity market organizer, OKTE, a.s.
2. If a continuous cross-border intraday trading on the defined territory within an organized short-term cross-border market in electricity, TSO may act as a transmitter of electricity among individual bidding zones (Shipping Agent) on the relevant profile.

#### **4.3.5 Reserved Capacity Transfer**

1. The Applicant may transfer the capacity reserved in an annual and/or monthly auction (i.e. allocated in an auction and settled in line with the auction conditions) to another market participant. The rules for transmission of capacity rights are described in the relevant auction rules and published on the website of the relevant auction office.
2. The conditions and the method of arranging electricity transmission using interconnectors by handing over cross-border transmission diagrams is described in the Contract. The confirmed cross-border nominations are provided by TSO to the imbalance biller for the settlement purposes.

#### **4.3.6 Use of Reserved Capacity**

1. The conditions and the method of arranging electricity transmission using interconnectors by handing over the requirements for transmission (cross-border nominations) is described in the Contract. The confirmed cross-border nominations are provided by TSO to the imbalance biller for the settlement purposes.
2. If cross-border nomination is not confirmed according to Annex No. 3 or 4 or 5 or 6 of the Contract due to the fact that because of non-availability/non-functionality or a technical error of the TS operator business system it will be impossible to confirm/match the cross-border nomination, such situation does not give any entitlement to compensation for damage for the User from TSO.
3. Proposal of the rules of nominations for physical transmission rights for the bidding zone border(s) among Austria, Croatia, the Czech Republic, Germany, Hungary, Poland, Slovakia and Slovenia in compliance with Art. 36 of the FCA Regulation was approved by the Office by its Decision No. 0012/2018/E-EU published on the SEPS website.

### **4.4 CONDITIONS AND CIRCUMSTANCES UNDER WHICH ELECTRICITY TRANSMISSION RESTRICTION CAN OCCUR**

1. The required electricity transmission using interconnectors may be refused by TSO:
  - a) in cases specified in the Energy Act;
  - b) in case the operator of the neighbouring TS on the entry and/or exit refuses to confirm electricity transmission in the extent agreed pursuant to the Contract;

- c) in cases of provable lack of capacity of the transmission facilities or in case of threatening the reliable operation of the transmission system;
  - d) if the User contract on imbalance settlement is terminated or registration of the User as the accounting entity is suspended based on the contract on imbalance settlement;
  - e) if the amount of a disposable financial security which the User, as an accounting entity, has paid based on the contract on imbalance settlement is not sufficient to cover the required electricity transmission;
  - f) if the User fails to fulfil the conditions of the Contract;
  - g) if the User failed to comply with the payment conditions pursuant to the Operational Rules and the Contract;
  - h) if the User fails to have the capacity rights pursuant to Chapter 4.1 par. 3 subpar. c);
  - i) if the User does not have a valid and effective Contract for the given period of time.
2. The agreed electricity transmission using interconnectors may be interrupted or restricted by TSO:
    - a) in case of occurrence of the circumstances excluding responsibility (see Chapter 11.2);
    - b) in cases specified in the Energy Act;
    - c) in case the operator of the neighbouring TS on the entry and/or exit refuses to confirm electricity transmission in the extent agreed pursuant to the Contract;
    - d) in cases of provable lack of capacity of the transmission facility or in case of threatening the reliable operation of the transmission system;
    - e) if registration of the User, as the accounting entity, is suspended pursuant to the contract on imbalance settlement.
  3. In the above-mentioned cases pursuant to paragraph 1 and 2, TSO is not responsible for damages, material damage or costs incurred by such transmission refusal or interruption.
  4. TSO undertakes to immediately inform the persons assigned with communication on behalf of the User on the electricity transmission interruption pursuant to paragraph 2 in the manner stipulated in the Contract.
  5. Transmission will be restored after elimination of the causes of interruption.

#### **4.5 METHOD OF DETERMINING AND CONDITIONS OF PROVISION OF COMPENSATION AT RESTRICTION OF THE AGREED ELECTRICITY TRANSMISSION**

1. TSO plans operation of the system in individual stages of the ES of SR operation preparation so as to ensure reliable and safe operation of the system while fulfilling the obligations and the rules of international connection. It provides for reservation of capacity on cross-border profiles and the relevant electricity transmission only up to the amount allowing reliable operation of the system. The maintained capacity reserves serve for ensuring uninterrupted transmission also in case of outage of some element in the system. In case of extensive failures of the transmission system facilities or generating facilities which will consume the available reserves and threaten

safe operation of the system, TSO is forced to take measures to prevent failure spreading and to minimize consequences of failures. Basic measures include congestion management measures applied by TSO in accordance with the Market Rules. All measures are taken with the aim to minimize the impact on the market participants. However, in cases of very extensive failures or a lack of reserve transmission or generation capacities, TSO may take measures which will lead to restriction or interruption of already agreed transmissions using interconnectors in order to prevent vaster damage or for safety reasons. Interruption or restriction is executed by TSO in a non-discriminatory manner against all concerned market participants. The procedure is described in the Technical Conditions.

2. Restriction of the agreed electricity transmission and determining the compensation for such restriction is governed by the relevant provisions of the Energy Act, relevant provisions of the relevant auction rules, relevant provisions of the CACM Regulation and relevant provisions of the FCA Regulation.

## **4.6 PROCEDURE TO BE FOLLOWED BY AN APPLICANT AT THE CONTRACT CONCLUSION**

1. A Contract is concluded by and between TSO, of the one part, and an accounting entity (hereinafter referred to as the "Applicant"), of the other part, based on a filled-in draft Contract published on the website. The draft Contract published on the website contains all obligatory data and a list of annexes required for the Contract conclusion.
2. In case of a new Applicant or a change in data of the existing Applicant, the Applicant will file a motion for conclusion of the Contract not later than 10 working days prior to the required effective date of the Contract.
3. In case of a change in the trading conditions resulting from the changed legislation, the Office Decision or the Operational Rules, a motion for conclusion of the Contract or an amendment to the Contract with the affected accounting entities is filed by the TS Operator.
4. After takeover of the draft Contract, TSO will verify the data completeness and correctness. If the draft Contract is complete, TSO will confirm the draft Contract and will send the confirmed draft Contract to the Applicant not later than 5 working days from the receipt date of the draft Contract. In case of incomplete or incorrect data, TSO will return the draft Contract back to the Applicant and will invite the Applicant to eliminate the shortcomings. The period from sending the invitation for completing the data to the delivery of a new draft Contract will not be included in the period specified in paragraph 2.
5. A statutory body or an authorized representative/s of the Applicant will sign the confirmed draft Contract immediately and deliver the signed Contract to TSO in two counterparts. The authorized representative/s will present an authenticated power of attorney authorizing him/them to sign this Contract. The statutory body of TSO will immediately sign the delivered Contract and will send one counterpart back to the Applicant.
6. The Contract comes into force on the date of its signing by both contracting parties.

## **4.7 CONTRACT TERMINATION**

1. The Contract may be terminated by an agreement of both Contracting Parties, by notice from the Contract by the accounting entity or by withdrawal from the Contract by TSO.
2. The accounting entity may terminate this Contract at any time even without giving any reason. The notice period is 1 month and it starts to run by the first day in a month following the month in which the notice was delivered to TSO.
3. TSO is entitled to withdraw from the Contract in case of substantial breach of the Contract by the accounting entity which shall include the following:
  - a) Despite the repeated written notice the accounting entity fails to meet the obligations according to the Contract or according to the valid legislation,
  - b) The accounting entity fails to meet the general trading conditions according to the TSO Rules for any of the types of cross-border transmission, i.e. import and export,
  - c) The accounting entity refuses to conclude the amendment to this Contract resulting from the change of the Energy Act, Decrees of the Slovak Republic, TS Operator Rules, RONI Decisions and other generally binding legal regulations, EU legislation, and international obligations and standards which result from the membership in ENTSO-E.
4. Withdrawal from the Contract shall be effective by the date of its delivery to the User.
5. The notice as well as withdrawal from this Contract must be performed in writing and it must be sent via a registered letter to the other Contracting Party to the address of its registered office.
6. In case the notice or withdrawal from the Contract submitted by one of the Contracting Parties could not be delivered to the other Contracting Party, the 3rd working day following the original sending via a registered letter to the addressee to the address of its registered office shall be deemed to be the delivery date.
7. The Contract expires on the date of termination of the contract on imbalance settlement or of the contract on assumption of responsibility for an imbalance.
8. Both Contracting Parties undertake to settle their eventual mutual liabilities not later than 30 days after the valid termination of this Contract.

## **4.8 PRICING METHOD**

1. The price for transmission using interconnectors is determined by TSO in accordance with the international obligations.
2. The price for electricity transmission using interconnectors to/from the states which are the members of the TSO compensation mechanism is zero in accordance with the Regulation No. 714/2009 of the European Parliament and of the Council.
3. The price for transmission is invoiced to the User in accordance with paragraph 1 of this Chapter based on the data about amounts of the transmitted electricity which the User has arranged and TSO supplied in accordance with the conditions of the Contract.

4. The price for the transmission to/from the states which are not the members of the compensation mechanism is determined by TSO in accordance with the relevant international agreements and it is published on the website.
5. The published price is valid throughout the validity period of the relevant international agreement. If a different international agreement or a generally binding legal standard specifying a different price starts to be valid, TSO will apply this changed price from the period determined in such agreement or in a legal standard. Both contracting parties are obliged to reflect such change immediately and in full extent in the contract in the form of a numbered amendment which both contracting parties undertake to accept and it will be in effect from the effective date of the new agreement or the generally binding legal standard.
6. Both contracting parties perform the financial settlement of potentially incurred price differences not later than one month (from the effective date of the changes), unless otherwise mutually agreed.
7. The price for reservation of capacity obtained in an auction is specified in the auction mechanism according to the rules of the relevant auction published by the auction office.
8. The price for capacity transfer pursuant to Chapter 4.3 is contractually agreed between the transferee and the transferor and it is not registered.

## **4.9 INVOICING CONDITIONS AND PAYMENT CONDITIONS**

1. The User will pay for the transmitted electricity using interconnectors for the current month in the form of two monthly payments.
2. TSO issues an invoice for transmission using interconnectors twice a month, i.e. for the period from 1st to 15th day and from 16th day to the last day of the relevant month, within 7 calendar days after termination of the relevant period. The invoice will contain settlement of the price for transmission and the corresponding VAT. If the User is not registered for VAT in the Slovak Republic, settlement of VAT at invoicing is governed by the legislation valid in the EU.
3. The maturity of a final invoice is not later than 14 calendar days after it was sent to the User by e-mail. At the same time, the invoice will be sent to the User to the address of its registered office by a postal mail. If the due date of the invoice is Saturday, Sunday or a public holiday, the closest following working day will be deemed to be the due date. Crediting the invoiced amount to the TSO account is deemed to be the payment of the invoice.
4. Invoices must meet the requirements in accordance with the VAT Act.
5. The User is entitled to complaint about the invoice issued by TSO in writing or by e-mail. In case of an invoice complaint, not later than 20 calendar days from the delivery date of the complaint, TSO is obliged to provide a written commentary on eligibility of the complaint to the User. Any potential difference from the complaint procedure is a separate performance invoiced in the taxation period in which the complaint procedure was terminated. Lodging a complaint will not affect the run of the maturity period of the original invoice. The maturity period of an amended invoice is 14 calendar days from its issuance date.
6. In case of delay with settlement of the due payment, the TS Operator is entitled to invoice the late payment interest amounting to 1M + 8 % p.a. from the due amount for each started day of delay (in case of a 360-day accounting year). The value of 1M EURIBOR valid as of the first day

of delay with a payment will be used for the interest calculation. If 1M EURIBOR does not reach a positive value (negative value), 1M EURIBOR equal to zero will be used for interest calculation. The late payment interest is due within 14 calendar days after the invoice delivery date. At the same time, the invoice will be sent to the address of the User registered office by registered mail.

7. If the User or TSO pays the late payment interest from the due amount to the other contracting party which has been improperly invoiced, the contracting party which has been paid such interest is obliged to return it without undue delay.
8. The User will pay the auction price for reservation of capacity to the auction office in accordance with the rules of the relevant auction.
9. The payment conditions in case of settlement of the auction price for reservation of capacity of the cross-border profile form a part of the relevant auction rights.

## **4.10 DEALING WITH CASES OF CONGESTION ON INTERCONNECTORS**

1. The aim of the process of capacity allocation is to ensure control over the total amount of cross-border transmissions and to ensure the total amount of the agreed transmissions does not exceed the available capacity of the lines. Close cooperation of TS operators within the coordinated auctions then allows the market participants to provide the maximum possible profile capacity while complying with the reliability and safety criteria of the system operation.
2. During operation, even if the N-1 planning criterion is respected, the step changes may occur in the transmission system of the Slovak Republic or in a foreign transmission system within already approved daily programmes which may lead to sudden or fast congestions of interconnectors or other TS facilities. In such case both affected TS operators must take such coordinated actions which will decrease the congestion to a level not causing activation of protections and tripping of the line. In general, the following mechanisms may be used within the international cooperation:
  - a) system topology change;
  - b) change of deployment of electricity generating facilities in the neighbouring systems (re-dispatch among the neighbouring systems);
  - c) arranging the counter-trade.
3. In certain cases it is possible to ensure the necessary effect by a change in the structure of electricity generating facility only in one control area.

### **4.10.1 Change of Deployment of Electricity Generating Facilities in the ES of SR**

1. Any change in deployment of electricity generating facilities is carried out by the TSO dispatching in cases when a change in the structure of the electricity generating facilities in the TSO control area is sufficient to prevent congestion origination or to deal with congestion. Within such change, mainly outputs provided within PpS by their Providers are used. The change consists in re-distribution of outputs among individual generating facilities so as to cause the required change of flows on the affected profiles. In such cases the TSO dispatching is entitled to change generation also at generating facilities exported to the distribution system and managed by the DSO

2. dispatching. In such case, a request for change is submitted by the TSO dispatching to the relevant DSO dispatching. During the requested change of output, the agreed PpS available at the time of the announcement will be paid for the electricity generator.
3. The changes in electricity supply caused by the requirements of the TSO dispatching are within the imbalance settlement evaluated as positive or negative RE supplied by the relevant Provider with bidding electricity prices in EUR/MWh determined for RE in case of threat to the ES of SR operability by the Office Decision.

#### **4.10.2 Change of Deployment of the Electricity Generating Facilities in the Neighbouring Systems at Congestion Management of International Profiles**

1. Any changes in deployment of electricity generating facilities in the neighbouring systems during congestion management of international profiles shall be performed by a coordinated change in the balance of both control areas between which congestion occurred. On the basis of network calculations coordinated by the relevant dispatching offices, localities and particular electricity generating facilities are identified where the change of deployment and scope need to be made to reach the required flow reduction on the profile.
2. The change of outputs in particular locations will be approved and then performed by both TS operators in their control areas along with a change in the balance of both control areas.
3. For the purposes of imbalance settlement, a change in the balance is defined as export or import of RE, similarly as delivery of positive or negative RE from the particular ES generating facility the output of which has changed as required.
4. Within such change mainly outputs provided within PpS by their Providers are used.
5. The changes in electricity supply caused in accordance with Chapter 4.10.2 by the requirements of the TSO dispatching are within the imbalance settlement assessed as positive or negative RE delivered by the particular Provider.

#### **4.10.3 Use of Counter-Trades for Congestion Management of International Profile**

1. Use of counter-trades is usually performed by one of the TS operators, the one on part of which the reason of congestion arose if this reason can be unambiguously identified.
2. Use of counter-trades consists in agreeing upon transmission directed against profile congestion between the TS operator of the one part, and the market participant of the other part. It is thus ensuring RE import or export to the ES of SR or from the ES of SR.
3. If possible, the TS operator will also set-off the balance by apply a counter-trade on a different profile where this exchange is possible. If such complementary counter-trade is impossible, the TS operator will deregulate the change in the balance by outputs on the facilities providing PpS.



## **4.11 DEALING WITH CASES OF NON-PERFORMANCE OF THE CONTRACTUAL CONDITIONS RELATED TO THE RULES OF TRANSMISSION USING INTERCONNECTORS**

1. The procedure applied at failure to fulfil the contractual conditions is in particular cases specified in individual chapters of the Operational Rules.
2. In case of failure to meet the conditions, the authorized person of the affected contracting party always informs the other contracting party immediately on the non-performance and will invite it for remedy. TSO and the User will always act in a way so that all information on non-performance of the conditions and potential consequences is given to the other contracting party on time and, if possible, so that the non-performing contracting party has the possibility to perform remedy on time.
3. Both contracting parties will always act with regard to the provisions on general damage prevention as results from the relevant provisions of the Commercial Code.
4. In case of a dispute regarding the failure to fulfil the terms and conditions, TSO and the User act in accordance with the following provisions of this Chapter.
5. The User and TSO will do their best to settle potential disputes resulting from contracts on transmission provision in an amicable manner. However, if there is a dispute, both contracting parties will act in a way so as the situation is described in detail and there is a sufficient time period to obtain documents.
6. The disputable issues are discussed by the persons assigned with communication in the particular area of the dispute specified in the Contract and/or authorized representatives of the contracting parties. The complaining contracting party is obliged to invite the other contracting party in writing to resolve the dispute, while describing the dispute in detail and if the claim has a monetary value, the amount expressing the value of the claim is provided or the requirement is defined and the evidence supporting its claim is submitted. Such invitation will be delivered to the person of the other contracting party who is assigned with communication in person or by a registered letter.
7. Authorized representatives of both contracting parties are obliged to negotiate on the agreed date and at the agreed place. Unless the agreement is reached on the date and place of the meeting, the negotiation will take place on the 7th working day after delivery of the invitation in the registered office of the contracting party against which the invitation is directed.
8. The subject of the invitation is discussed at the meeting of the authorized representatives of both contracting parties and the minutes must be taken from the meeting, including a proposed solution. If a full agreement has been reached regarding the proposed solution of a disputable issue, the minutes are signed by the representatives of both contracting parties and submitted for subsequent approval and commentary to the authorized representatives of both companies. If an agreement has been reached only about a part of the disputable issue, the part about which an agreement has been reached regarding the proposed solution and the part which remains to be disputable shall be precisely specified in the minutes.
9. The authorized representatives will comment on the proposed solution of the disputable issues not later than 20 working days after the minutes were taken and they will deliver their written commentaries on the proposal to the other contracting party.
10. If the issue is not settled within 4 months after delivery of the invitation, TSO or the User may:

- a) file a request for the dispute resolution to the Office pursuant to the valid regulations;
- b) lodge a complaint to the competent court in the Slovak Republic - in case of the User - the Slovak legal entity with the registered office in the Slovak Republic;
- c) forward the dispute for decision in an arbitration to the Court of Arbitration of the Slovak Chamber of Commerce and Industry in Bratislava in accordance with the Slovak law and applying arbitration rules of such Court of Arbitration - in case of the User with the registered office outside the territory of the Slovak Republic, also in case when it runs business in the Slovak Republic, while it immediately informs the other contracting party thereof in writing.

All disputes arising from this contract, including the disputes related to its validity, interpretation, or cancellation will be resolved before the Court of Arbitration of the Slovak Chamber of Commerce and Industry in Bratislava in accordance with its basic internal legal regulations and pursuant to the Slovak law. The parties will obey the decision of this Court. Its decision will be binding for the parties.

- 11. In case pursuant to subpar. a) and b) of par. 10 of this Chapter, the wording of the Contract in the Slovak language will be used.
- 12. Both contracting parties will not doubt the transactions performed based on the Contract or declare them invalid only based on the argument that agreement about transmission in TSO IS environment was accepted in the form of an electronic exchange of data, and they will consider their mutual data logs from the TSO databases as well as recorded phone calls between TSO and the User, processed in accordance with the Contract, to be trustworthy evidence of the facts they demonstrate, unless the contrary is proved.
- 13. If a dispute arises, the trading through TSO IS will be organized in a special mode in accordance with the following paragraph of this Chapter.
- 14. The special mode of the TSO IS operation applies to an entity against which the dispute is brought and it starts at the moment of exercising a claim pursuant to par. 6 of this Chapter and/or after one of the contracting parties has lodged a complaint to the state administration authority in the decision-making competence of which such issue may fall (Office, Ministry, Antimonopoly Office of the Slovak Republic, Slovak Trade Inspection, etc.), legal action or other filing or has forwarded the dispute for decision in arbitration. The contracting party which has lodged such complaint, brought a legal action or filing or has exercised a claim in accordance with this Chapter is obliged to immediately inform the other contracting party thereof in writing. From the next business day, all communication between both contracting parties through TSO IS will be held not only in an electronic form but also by e-mail or fax, within the time rules applicable to such case in accordance with the Rules. The given entity will send by e-mail or fax a completely identical copy of the data sent through TSO IS, while the data must be formally arranged in the same way as in the application itself (e.g. the given entity will print the relevant form from the application, the person assigned with communication will sign it and it will be sent in a legible form by e-mail or fax). If there is any contradiction between the data sent by the User in an electronic form and the data sent by the User by e-mail or fax, TSO will immediately inform the User thereof and the data are deemed not to be sent/delivered until all differences are clarified. In such case, the special mode will apply until resolution of the dispute between both contracting parties what will be proved by a document declaring full resolution and settlement of the dispute which, moreover, must be signed by the authorized representatives of both contracting parties.

## 4.12 DATA PUBLICATION

1. TSO publishes basic data and information necessary for the auction participant on the website or through a hypertext link to the website of the auction office that organizes allocation of capacity rights on the TSO cross-border profile/s. The data are published as follows:
  - a) information on the expected available tradable capacities on individual cross-border profiles and directions
    - i) the expected available traded capacities for the next year are published not later than the end of November;
    - ii) the expected available traded capacities detailed for individual months are published within the deadlines specified in the auction calendar of the relevant auction office;
    - iii) the expected available tradable capacities for individual days and hours are published not later than 12 p.m. of the previous day;
  - b) summary data on the allocated capacities on individual cross-border profiles and their use
    - i) the capacities allocated in an annual auction and in monthly auctions are published on the website or on the website of the auction office on the dates in accordance with the rules of the relevant auctions;
    - ii) the capacities allocated in a daily auction are published in the daily auction statistics on the website of the auction office without undue delay after termination of the daily auction;
    - iii) the summary data on the use of allocated capacities for individual profiles and for each trading hour are published on the website on the following working day, in particular:
      - (a) a summary value of the agreed import in MWh;
      - (b) a summary value of the arranged export in MWh.
2. The price for the allocated capacity for each individual annual and monthly auction is published by the auction office on its website, together with the data on the total required and allocated capacity. The price for the capacity allocated in a daily auction for each trading hour is published by the auction office on its website, together with the data on the total required and allocated capacity.
3. TSO publishes locations in TS on the website which are threatened by the lack of transmission capacity.
4. In accordance with the provisions of Article 10 of Commission Regulation (EU) No. 543/2013 on submission and publication of data in electricity markets, TSO provides the data on the scheduled unavailability and actual unavailability of the transmission capacities of cross-border lines within the extent required by the aforementioned document, to the Central Information Transparency Platform which is operated by ENTSO-E and it is available for all market participants on the website <https://transparency.entsoe.eu/>.
5. In compliance with the provisions of Article 12 of Commission Regulation (EU) No. 543/2013 on submission and publication of data in electricity market, TSO provides the data concerning the use of cross-border capacities within the scope required by the aforementioned document to the Central Information Transparency Platform which is operated by ENTSO-E and it is available for all market participants on the website <https://transparency.entsoe.eu/>.

## **5. Rules for Purchase of Ancillary Services and Acquisition of Regulation Electricity**

### **5.1 CONDITIONS OF ANCILLARY SERVICE PROVISION**

1. PpS are services purchased by TSO to ensure the transmission system operation including regulation services and non-frequency PpS and to ensure SyS provision needed to maintain the quality of electricity supply and to ensure the operational reliability of the ES of SR and fulfilment of the international standards valid for the interconnected systems while the result of their activation is RE supply.
2. Non-Frequency Ancillary Service is a service used by TSO to ensure regulation voltage regulation in the stabilized state, reactive power flows, system stability in the stabilized and failure state, ability of the "Black Start" or ability of an island operation while the technical requirements for acquired non-frequency PpS and conditions for their acquisition are mentioned in Document B of the Technical Conditions approved by the Office decision.
3. Regulation Service means provision of availability, regulation electricity supply or provision of both these services to TSO.
4. SyS is a TSO service needed to ensure operational reliability of the system on the defined territory, including the services provided by TSO to ensure safe operation of generating facilities of the electricity generator.
5. RE is the electricity acquired in real time by TSO to ensure the balance between the immediate consumption and electricity generation in the system on the defined territory.
6. Pursuant to the Energy Act, TSO is entitled to purchase PpS needed to ensure provision of SyS to maintain the quality of electricity supply and to ensure operational reliability of the system based on transparent, non-discriminatory and market procedures; to purchase PpS from PpS Providers on the defined territory in case of prevention of threat to the safety and stability of the system based on the Framework Contract on Provision of Regulation Services or using the EB GL Regulation terminology based on the Framework Contract on Provision of Regulation Services (hereinafter referred to as the "Framework Contract") or based on the Contract on Ancillary Service Provision (hereinafter referred to as the "Contract on Pps Provision"), in case of threat to the TS safety for the inevitable period of time also directly; direct purchase of PpS and the contractual conditions for direct purchase of PpS must be notified to the Ministry and the Office without undue delay by TSO.
7. TSO publishes the current version of the Framework Contract and of the Contract on PpS Provision on the website.
8. Pursuant to the Energy Act, the electricity generator is obliged to install and certify continuously the facility for the PpS provision if the total installed electric power of the electricity generating facility exceeds 50 MW. Metering (including the prescribed metering set of the invoice metering consisting of the officially calibrated electric meters installed in the point of the PpS provision, coder, communication device and other set elements), signalling and ASDR terminal for the purposes of the ES of SR dispatch management is deemed to be a part of the facility for the PpS provision.
9. TSO purchases various types of PpS needed to ensure SyS from the PpS Providers who comply with the criteria set by the Technical Conditions and the Trading Conditions determined by the

Operational Rules by selection from their offers according to the Operational Rules in order to achieve minimum costs of ensuring PpS and under the transparent and non-discriminatory conditions, in particular based on the Framework Contract. The technical requirements for acquired regulation services and non-frequency ancillary services form a part of the Document B of the Technical Conditions approved by the Office decision.

10. TSO purchases PpS from their Providers. The purchase is organized in an open, transparent, non-discriminatory, and market manner with regard to all Providers pursuant to the provisions of the Operational Rules.
11. TSO monitors the following goals in the given order when purchasing PpS:
  - a) assurance of quality and reliability of electricity supply on the TS level in compliance with the standards defined in the Technical Conditions, especially at setting the volume of requirements for PpS types;
  - b) minimisation of costs of ensuring PpS;
  - c) minimisation of costs related to procurement of regulation electricity.
12. Rules of PpS purchase are governed by the following principles:
  - a) Openness - openness towards each entity that proved and verified meeting of the requirements for the Provider in the defined manner;
  - b) transparency – all rules and conditions of ensuring PpS are clear, comprehensible, and published on the website;
  - c) non-discriminatory approach – rules of tenders are equally binding for all entities and their bids as well as for TSO;
  - d) verifiability of all procedures – there is a provable history of all important data;
  - e) security of all transferred data and ensuring their confidentiality.
13. The Provider must not participate in the agreements with other Providers and/or entities that would lead to restriction of the market environment in the form of cartel agreements, other agreements on prices or other procedures leading to violation of provisions of the Commercial Code or the Act on Protection of Economic Competition. Violation of this obligation entitles TSO to an immediate withdrawal from the Framework Contract. If a potential abuse of the dominant position of any of the market entities is indicated, TSO hands over the relevant information and analyses to the Office or the Ministry.
14. The technical competence of the PpS Providers is proved by the certification metering the procedure of which is defined by the Technical Conditions.
15. The Provider must be technically capable of providing PpS on the facilities providing PpS which are specified in the Framework Contract and in the Contract on PpS Provision and it must prove this capability by the procedures set in the Technical Conditions in their valid wording as of the date of the Framework Contract (certification) and in the Contract on PpS Provision (certification) conclusion or by the procedure agreed with TSO. During PpS provision, the Provider must comply with the technical conditions and the criteria set in the Operational Rules, Technical Conditions and in the Framework Contract or in the Contract on PpS Provision.
16. If the Provider's facility providing PpS fails to meet the set conditions due to technical failure, the Provider is obliged to immediately inform TSO on this fact and to agree upon further steps considering PpS provision.

17. The PpS Provider is obliged to supervise the facilities providing PpS and to report their failures to TSO if they have negative impact on activation, management, deactivation or monitoring of PpS.
18. Every Provider with the concluded Framework Contract or the Contract on PpS Provision is obliged to immediately report any changes in the operability of the certified facility and in the restricted ability to provide PpS compared to the certified data in a provable manner to TSO. This obligation must always be fulfilled, regardless the fact whether the facility providing PpS is actually providing or should provide PpS. The failure to meet this obligation is a serious violation of the contractual obligation.
19. By deadlines set by TSO, the Provider is obliged to hand over the data for preparation and planning of the TS operation and analysis of the ES of SR balance concerning availability of its facilities providing PpS and their planned operation in the upcoming period as well as potential changes in the technical parameters of the facility providing PpS, especially the parameters affecting the PpS provision. The Provider hands over the data to TSO in compliance with the TSO requirements. The deadlines are provided in the Technical Conditions (Document D).
20. The place of fulfilment for each facility providing PpS of the Provider is the agreed handover place with the installed meter stated in the certificate stored in the database of TSO certificates. The place of the data handover for evaluation of the PpS provision is the access to the database of the TSO dispatching management system.
21. The PpS Providers are obliged to have the immediate measurement of power in compliance with the conditions specified in the Technical Conditions.
22. The PpS Provider can create fictitious blocks, facilities, and virtual blocks for the PpS provision. The conditions and definitions are provided in the Technical Conditions.
23. The PpS Provider is obliged to ensure all technical requirements of TSO without the right to the compensation of the costs incurred.

### **5.1.1 Framework Contract on Provision of Regulation Services**

1. Conclusion of the Framework Contract between TSO and the PpS Provider is one of the conditions for provision of PpS of the FCR, aFRR $\pm$ , mFRR $\pm$ , TRV3MIN+ and TRV3MIN- type.
2. The Framework Contract stems from the provisions of the Operational Rules, it specifies the conditions of purchase and provision of PpS based on a binding contract for PpS (hereinafter referred to as the "Contract") performed by accepting the offer of the Provider pursuant to the results of individual tenders. Individual Contracts executed in compliance with the Framework Contract will define the period of provision, particular quantity and price of provided PpS. The price of the PpS provided must be in compliance with the Office Decision.
3. Moreover, the Framework Contract specifies the conditions of procuring RE that is procured by TSO to ensure balance of generation and consumption on the market in electricity on the defined territory with regard to electricity import and export.
4. The Provider that has not provided PpS so far or whose effect of its current Framework Contract has expired, must conclude the Framework Contract not later than 2 working days prior to PpS provision in case of a daily purchase.
5. The Framework Contract must be in writing. It contains especially the following:

- a) data on the contracting parties;
  - b) conditions of ancillary service provision;
  - c) method of price calculation for the provided ancillary services;
  - d) method of price calculation for the regulation electricity supply;
  - e) payment method including advance payments for ancillary services;
  - f) payment and invoicing conditions for ancillary services and for setting contractual penalties;
  - g) method of ancillary service activation;
  - h) procedures and conditions of ancillary service evaluation;
  - i) procedures for regulation electricity evaluation and method of price calculation for the supplied regulation electricity;
  - j) contract validity, conditions of withdrawal from the contract and conditions of termination of the ancillary service provision and supply of regulation electricity;
  - k) instruction on the place, method and time periods for applying complaints and the place, method and time periods for applying available means to settle disputes;
  - l) methods of communication;
  - m) method of applying indemnity and damage for compensation in case of contract non-fulfilment.
6. PpS are purchased mainly through a daily tender that is open to bids of all entities having a valid certification for the facility providing PpS and meeting the terms and conditions defined in the Framework Contract.
7. Acceptance of the offer by TSO is executed electronically in compliance with the Framework Contract and the rules of communication through TSO IS (<https://www.sepsas.sk/Damas.asp?kod=190>).
8. The Contract is binding for the contracting parties by the moment of sending this acceptance electronically or by making it available in TSO IS. Unless otherwise stipulated in the relevant call for tenders for PpS or in the demand for PpS, TSO is entitled to accept only a part of the bid in the specified period or not to accept any of the submitted bids. The Provider confirms that the submitted bids for individual time sections of PpS within the relevant business interval are independent and that the acceptance of only a part of the offered time sections of PpS does not mean a counter-offer of TSO, but the Contract is binding for both contracting parties.

### **5.1.2 Contract on PpS Provision**

1. Conclusion of the Contract on PpS Provision between TSO and the PpS Provider is one of the conditions for provision of non-frequency PpS of the SRN type and the Black Start type.
2. The Contract on PpS Provision defines the detailed terms and conditions between TSO and the Provider.
3. The Contract on PpS Provision must be in writing. It contains especially the following:
  - a) identification data of the contracting parties;
  - b) conditions of ancillary service provision;
  - c) method of price calculation for the provided ancillary services;
  - d) payment method including advance payments for ancillary services;
  - e) scope of ancillary services;

- f) payment and invoicing conditions for ancillary services, calculation of contractual penalties;
- g) procedures and conditions of ancillary service evaluation;
- h) instruction on the place, method and time periods for applying complaints and the place, method and time periods for applying available means to settle disputes;
- i) methods of communication;
- j) method of applying indemnity and damage for compensation in case of contract non-fulfilment.

## **5.2 DEFINITION OF ANCILLARY SERVICES IN TERMS OF THE SUBJECT OF SERVICES**

### **5.2.1 Primary Regulation of Active Power (Frequency Containment Reserve, FCR)**

1. Provision of primary regulation means reservation and use of the agreed value of the regulation power for primary regulation according to the Technical Conditions. Reservation of the primary regulation power means its constant functioning to provide primary regulation in the trading hour for which it was reserved. In the terminology by the Commission, it is a reserve of active power for maintaining frequency in case of imbalance in the balance between generation and consumption in the control area.

### **5.2.2 Reserve of Active Power for Frequency Restoration (Frequency Restoration Reserve positive, FRR)**

1. In the terminology by the Commission, it is a reserve of active power for restoration of frequency in case of imbalance in the balance between generation and consumption in the control area. In principle these are reserves of active power serving for frequency restoration to its nominal level. They are divided according to the activation/deactivation into automatic (aFRR) or manual (mFRR).

### **5.2.3 Secondary Regulation of ActivePower and Frequency Positive (automatic Frequency Restoration Reserve positive, aFRR+) and Secondary Regulation of Active Power and Frequency Negative (automatic Frequency Restoration Reserve negative, aFRR-)**

1. Provision of secondary regulation positive or negative means reservation and use of the agreed value of the regulation power for secondary regulation positive or negative according to the Technical Conditions. Reservation of the secondary regulation power positive or negative means its constant functioning to provide secondary regulation in the trading hour for which it was reserved. In the terminology by the Commission, it is a reserve of active power for automatic restoration of frequency in case of imbalance in the balance between generation and consumption in the control area.



2. The regulation zone of the secondary regulation consists of the power of positive secondary regulation or the power of negative secondary regulation. The speed of loading and speed of release in the regulation zone of secondary regulation for individual electro-energetic facilities providing PpS are determined by the Provider while respecting the requirements according to the Technical Conditions. The sum of regulation zones of secondary regulation of electro-energetic facilities providing PpS of the Provider connected to the secondary regulation creates the aggregate regulation zone of secondary regulation of the Provider.

#### **5.2.4 Tertiary Regulation of Active Power 3-Minute Positive (TRV3MIN+) and 3-minute Negative (TRV3MIN-)**

1. Provision of TRV3MIN positive and negative means reservation of the agreed value of the electric power on the Provider's facilities providing PpS, maintenance of constant alert for their activation and operation on the power according to the needs of TSO expressed by RIS SED signals or orders of the dispatcher of the TSO dispatching, according to the conditions provided in the Technical Conditions. The Provider guarantees the operation for a period set in the Technical Conditions or in the tender conditions. The delivery or offtake of electricity upon the instruction of the TSO dispatching will be evaluated as the RE delivery. In case of successful activation in accordance with point 2, the Provider will have RE evaluated at PpS provision up to the service deactivation. In such case, the RE price equals the price of the last trading hour in which the service is provided by the Provider.
2. In case of the technically possible provision of TRV3MIN+ and TRV3MIN- beyond the minimum time (defined in the Technical Conditions to 6 hours or 3 hours) and the continuing extraordinary situation in the ES of SR, the extension of the activation period is possible after agreement of the dispatcher of the TSO dispatching with the Provider also in case if the corresponding operation preparation is not submitted. If during the activation period beyond the minimum time, failures of the provided PpS on the part of the Provider occur, it is not deemed to be breach of the quality of supplied PpS. In such case the RE supply is evaluated according to the actually supplied RE and PpS availability is recognized only within the range of the provided TRV3MIN+ and TRV3MIN- values according to the submitted operation preparation. The delivery or offtake of electricity upon the instruction of the TSO dispatching will be evaluated as the RE delivery.

#### **5.2.5 Tertiary Regulation of Active Power Positive (manual Frequency Restoration Reserve positive, mFRR+), Tertiary Regulation of Active Power Negative (manual Frequency Restoration Reserve negative, mFRR-)**

1. Provision of tertiary regulation means reservation and use of the agreed value of the regulation zone of tertiary regulation in the trading hour for which it was reserved. In the terminology by the Commission, it is a reserve of active power for manual restoration of frequency in case of imbalance in the balance between generation and consumption in the control area.
2. The reservation of the agreed value of the regulation zone means its constant availability for the use in tertiary regulation. The use of tertiary regulation means the management of active power of the electro-energetic facility providing PpS in its regulation zone of tertiary regulation based on the order of the dispatcher of the TSO dispatching.

3. The regulation zone of tertiary regulation consists of the power of positive tertiary regulation or the power of negative tertiary regulation. This regulation zone is reduced by the regulation zone of primary regulation and the regulation zone of secondary regulation positive and/or negative, if these PpS on the electro-energetic facility providing PpS are provided simultaneously with tertiary regulation. The sum of regulation zones of tertiary regulation of electro-energetic facilities providing PpS of the Provider connected to the tertiary regulation creates the aggregate regulation zone of tertiary regulation of the Provider.
4. Provision of mFRR positive and negative means reservation of the agreed value of the electric power on the facilities providing PpS of the Provider, maintenance of constant alert for their activation and operation on the power according to the needs of TSO expressed by RIS SED signals or orders of the dispatcher of the TSO dispatching, according to the conditions provided in the Technical Conditions. The Provider guarantees the operation for a period set in the Technical Conditions or in the tender conditions. The delivery or offtake of electricity upon the instruction of the TSO dispatching will be evaluated as the RE delivery. In case of successful activation in accordance with point 5, the Provider will have RE evaluated at PpS provision up to the service deactivation. In such case, the RE price equals the price of the last trading hour in which the service is provided by the Provider.
5. In case of the technically possible provision of mFRR+ and mFRR- beyond the time of the agreed availability according to the submitted operation preparation and the continuing extraordinary situation in the ES of SR, the extension of the activation period is possible after agreement of the dispatcher of the TSO dispatching with the Provider also in case if the corresponding operation preparation is not submitted. If during the activation period beyond the original time, failures of the provided PpS on the part of the Provider occur, it is not deemed to be breach of the quality of supplied PpS. In such case the RE supply is evaluated according to the actually supplied RE and PpS availability is recognized only within the range of the provided mFRR+ and mFRR- values according to the submitted operation preparation.

#### **5.2.6 Secondary Regulation of Voltage (SRN)**

1. Provision of secondary regulation of voltage means reservation and use of the regulation range of reactive power of the generating facility for voltage regulation and reactive power through the automatic voltage regulator or through the compensation operation of the facility.
2. The reservation of the regulation range means its constant preparedness for the use within voltage regulation. The use of voltage regulation of the generating facility means management of the reactive power of the generating facility or a group of facilities in its regulation range by the voltage regulator in the given location of the transmission system and/or based on the orders of the TSO dispatching.

#### **5.2.7 Black Start**

1. Provision of the black start means constant preparedness for the use and in case of the state without voltage (black-out) the use of the strategic facility capable to start operation without support of the external source (voltage of the system) for nominal revolutions, to achieve nominal voltage, to connect to the network and capable of operation in an island regime.

### **5.2.8 Emergency Assistance from Synchronously Working Systems**

1. Emergency assistance means the assistance from or to the neighbouring synchronously working system to ensure SyS of primary, secondary, and tertiary regulation based on the contract concluded between TSO and the operator of the neighbouring TS . This service is not certified because the reserved power is guaranteed by the operator of the neighbouring TS.

### **5.2.9 Details of PpS Characteristics**

1. Details of individual PpS are stated in the Technical Conditions.
2. The definition of the relevant service stated in the documentation of the relevant tender is binding at procurement of individual PpS.
3. For the purposes of ensuring sufficient regulation reserve within the process of the PpS purchase, TSO can adjust technical characteristics and categories of PpS to minimize risks at the ES of SR management and to minimize costs to ensure reliable operation of the ES of SR. All potential changes must be published so that this information is available to all concerned entities.

## **5.3 DEFINITION OF THE RANGE OF ENTITIES AUTHORIZED TO OFFER PPS**

1. The PpS Provider is every participant of the electricity market with the concluded valid Framework Contract or the Contract on PpS Provision with TSO using the facilities for provision of PpS with a valid certificate according to the Technical Conditions. The Operator of every facility used to provide PpS must have the valid Contract on Connection to TS or DS (RDS/LDS).
2. The condition for the provision of services from the facilities is submission of the valid certificate according to the technical requirements for procured regulation services and non-frequency ancillary services approved by the Office Decision which form a part of the Document B of the Technical Conditions for the provided PpS type and the “protocol on successful realisation of connection and functional tests” of connection to RIS SED while the possible commencement of the service provision will be set by TSO not later than 10 working days from the submission of the Protocol.
3. In case of providing PpS of the aFRR+ or aFRR- type through a virtual block from the facility connected to the ES outside the defined territory, the PpS Provider is obliged to submit a copy of the Certificate issued according to the rules of the neighbouring TS operator.

## **5.4 PROCESS OF THE APPLICANT FOR THE PPS PROVISION**

1. The process of the applicant for the PpS provision is in compliance with the valid “FCR/FRR Prequalification Process” elaborated pursuant to the SO GL Regulation. The process lays down individual steps, conditions, and formal requirements carrying out and fulfilment of which qualifies

the interested party to become the PpS Provider. Its full wording is published on the SEPS website: <https://www.sepsas.sk/RozhodnutiaURSO>.

2. TSO addresses potential Providers of the PpS of the “Secondary regulation of voltage” and “Black Start” types based on the conditions for non-frequency Pps procurement approved by the Office or based on the Office decision on the exception to procure ancillary services otherwise than on the basis of transparent, non-discriminatory and market procedures.
3. The interested parties in provision of PpS of the FCR/FRR type according to the definitions in Chapter 5.2 of these Operational Rules and detailed specification in the Technical Conditions carry out the prequalification process of TSO within the scope of points 4 to 13 if it is:
  1. an intention of the electricity generating facility operator to provide PpS of the FCR/FRR type on a new Unit or a Group providing PpS; for the existing PpS providers in accordance with subpar. b) to e) of this paragraph whichever is earlier;
  2. periodicity, repeatedly every 5 years;
  3. a change of technical requirements for the Unit or Group providing PpS of the FCR/FRR type or for the FCR/FRR service itself according to the conditions provided in Document B of the Technical Conditions not later than 12 months from their publication by TSO;
  4. a change of requirements for the PpS availability, not later than 12 months from publication of the change of requirements by TSO;
  5. a technical change on the Unit or Group providing PpS of the FCR/FRR type affecting the quality of provision of the FCR/FRR type.
4. The interested party in PpS provision (hereinafter referred to as “Applicant”) who has not been providing PpS so far or whose certificate for PpS of the FCR/FRR type has expired will proceed as follows:
  - a) The Applicant will submit to TSO a formal application for the prequalification of PpS of the FCR/FRR type (hereinafter referred to as “Application”) including the required information on potential units or groups providing PpS of the FCR/FRR type;
  - b) Based on the delivered Application, TSO may set the date of the meeting, not later than 30 days from the Application receipt;
  - c) In the meeting, the Applicant will submit the required data on potential units or groups providing PpS of the FCR/FRR. Subsequently, TSO will inform the Applicant on the basic requirements for the PpS Provider. According to the conclusions of the minutes from the meeting, TSO will specify the binding time schedule of steps to verify the communication paths, connection to RIS SED/RIS ZD according to the Technical Conditions, functional tests of the FCR/FRR management and preparation of certification for the potential units or groups of the Applicant providing PpS of the FCR/FRR type. For the existing Units or Groups providing PpS of the FCR/FRR type in the required quality with already valid certificate for provision of PpS of the FCR/FRR type, no verification and functional tests will be performed. Valid certificates for the PpS Providers with older terminology (PRV, SRV+, SRV-, TRV3MIN+, TRV3MIN-, TRV10MIN+, TRV10MIN-, TRV15MIN+, TRV15MIN-, ZNO, ZVO) will be, based on the measurement results provided in these certificates, automatically transformed to new certificates according to the valid conditions for PpS of the FCR/FRR type specified in Document B of the Technical Conditions.

- d) Within 8 weeks from the Application receipt, TSO will confirm whether the Application is complete. If TSO considers the Application to be incomplete, the Applicant must submit additional required information within 4 weeks from the receipt of the request for additional information. If the Applicant fails to deliver the requested information to TSO within the given time limit, the Application is deemed to be withdrawn.
  - e) In accordance with par. 4 subpar. c) of this procedure, in case of successful tests concerning verification of the communication paths and functional tests of the FCR/FRR management, the TSO dispatching will issue the protocols on their successful realisation;
  - f) Within 2 months from the confirmation from TSO that the Application is complete, the Applicant will submit to TSO the following documents:
    - i. protocols of successful realisation of communication connection and functional tests of management;
    - ii. a certificate of the potential FCR/FRR Units or Groups for the offered PpS issued by the Certifier in compliance with the wording of the Technical Conditions;
    - iii. if it is a Unit or Group providing FCR/FRR connected to the RDS/LDS system, then also a consent of the RDS/LDS system operator with provision of PpS (see points 11 and 12 of this chapter) for the definite period of time (a calendar year, several years), however, maximum for the validity period of this Process;
    - iv. documents stated in the annexes of the Framework Contract.
5. Within 3 months from the confirmation by TSO that the Application is complete, TSO must evaluate the submitted information and decide whether potential Units providing FCR/FRR or Groups providing FCR/FRR comply with the criteria for the FCR/FRR prequalification. TSO will inform the Applicant on its decision via letter. In case of a positive decision and based on the submitted documents to TSO, the Applicant is entitled to conclude the Framework Contract with TSO.
  6. The PpS Provider or the Applicant planning to provide PpS through a Group of facilities in the form of a fictitious or virtual block, is obliged to discuss with TSO the possibility and method of creation and provision of FCR/FRR prior to its creation.
  7. A detailed procedure and technical details of certification of each Unit forming a virtual block or a Group of facilities will be determined by TSO in a separate meeting. The certification is performed with the participation of the representatives of TSO, operator of the Unit or Group providing FCR/FRR, owner of individual facilities and a representative of the Certifier.
  8. During validity of this procedure, the PpS Provider whose facilities are connected to RDS/LDS must inform TSO in writing in compliance with point 12 subpar. b) on the potential change of the maximum reserved capacity.
  9. In case of certification of PpS provided from the virtual block when the Provider uses the facility of a foreign TS to provide PpS, TSO may incur the costs of cross-border imbalance from the planned cross-border balance related to certification. In such case the PpS Provider from the virtual block is obliged to reimburse these costs to TSO.
  10. A formal application must contain the following data:
    - a) a type of potential Units providing FCR/FRR (i.e. generating facility, demand facility, facilities for energy accumulation), detailed breakdown of facilities within the created Unit or Group

providing FCR/FRR, description of technology, layout of connection scheme, 1-pole wiring diagram;

- b) for every facility which is a part of the Unit providing FCR/FRR the technical parameters: quantity of the installed capacity (MW), possible range of the provided FCR/FRR, maximum extent of change of active power (MW/min), power range, possible restriction of capacity in MWh, P-Q diagram; if it is a facility of the BESS/LER type, TSO requests the data according to the Technical Conditions (Annex S1 of Document E);
- c) in case of the Unit (consisting of several facilities in the form of aggregation) or the Group providing FCR/FRR, the detailed description of the regulation logics inside this configuration;
- d) details on the automated dispatch management system terminal;
- e) types and parameters of setting of all protections of potential Units or Groups providing FCR/FRR (low-voltage, overvoltage, frequency etc.) in relation to frequency and voltage;
- f) parameters of potential Units or Groups providing FCR/FRR or provision of all parameters required to create the ES of SR simulation model. The parameters include at least the documentation, block diagrams and the parameters in dependence on the used technology (e.g. in case of a generating facility these are the data on alternator and its drive, applied regulation of excitation, regulator of revolutions and power and definition of criteria for transfer among them), voltage regulation. If the installed capacity of potential units providing FCR/FRR exceeds 50 MVA (independently or in the form of aggregation), then also the used type and model of the Power System Stabilizer, models of protections, converters and asynchronous modules;
- g) consent of the RDS/LDS operator with PpS provision. If the PpS Provider or its facilities participating in the PpS provision are connected to LDS, a consent of the RDS operator is required in addition to the LDS operator consent.

11. Moreover, the consent of the RDS/LDS operator with the PpS provision (for Units or Groups connected to RDS/LDS) must include the following:

- a) confirmation of the RDS/MDS operator that for the TSO needs all metered or available data from the Applicant required by the RDS/MDS operator will be provided (online metering, setting of protections etc.);
- b) statement of the RDS/LDS operator containing the information on the voltage level, connection point and maximum reserved capacity of offtake and supply in the connection point;
- c) guarantee for FCR/FRR provision in full extent in case of basic connection of RDS/LDS according to the Technical Conditions;
- d) in case of refusal of approval for the PpS provision on the facilities of the FCR/FRR Provider connected to the RDS/LDS outside the basic connection, also precise description of the technical reasons which are adverse for its system in accordance with Art. 182 of the SO GL Regulation.

12. Furthermore, the consent of the RDS/LDS operator with the PpS provision (for Units or Groups connected to RDS/LDS) may include the conditions and information:

- a) on reduction of the range of the provided PpS in a different connection of the RDS/LDS system than the basic connection of the system;

- b) on restriction of the PpS provision in case of planned unavailability in the distribution system for the period of consent from RDS/LDS with the FCR/FRR provision (in accordance with par. 4 subpar. f) point iii)). In case of urgent maintenance of the RDS/LDS facilities which at the time of the Process approval for the FCR/FRR Provider by TSO could not be foreseen, RDS/LDS immediately informs TSO and the FCR/FRR Provider on this fact, at least, however, 48 hours in advance;
  - c) on restriction of the PpS provision in case of any failure in RDS/LDS in terms of the most unsuitable state regarding the N-1 criterion;
  - d) on setting the temporary limits for supply of active power reserves outside the basic connection prior to their activation in accordance with Art. 182 of the SO GL with the detailed description of the reason.
13. Any impacts on fulfilment of quality or provision of the PpS volumes provided in point 12 subpar. b) to d) due to operational states in RDS/LDS do not exclude the entitlement of TSO to claiming the contractual penalty against the PpS Provider according to PP.

## 5.5 METHOD OF PURCHASE OF INDIVIDUAL PPS TYPES

1. TSO purchases PpS in compliance with the Internal Market Regulation for the period of one day, maximum one day prior to commencement of the interval of the required provision of availability but for the case when the Office approves conclusion of contracts (at most 1 month prior to availability provision) or a longer contractual period (maximum for the period of 12 months) to ensure safety of supply or improvement of economic efficiency. The purchase is aimed at ensuring the inevitable amount of PpS corresponding to the expected operation of the ES SR.
2. TSO purchases, in particular, the following types of PpS with the corresponding parameters:
  - a) PpS of the system character
    - i) primary regulation of active power (FCR);
    - ii) secondary regulation of active power (aFRR);
    - iii) 3-minute tertiary regulation of active power (TRV3MIN);
    - iv) tertiary regulation of active power (mFRR);
  - b) non-frequency PpS;
    - i) secondary regulation of voltage (SRN);
    - ii) Black Start (BS);
  - c) emergency aid from synchronously working systems.
3. PpS in a group in accordance with point 2, subpar. a) are purchased through tenders in the following time horizons:
  - a) **daily purchase** - PpS are required for individual trading hours of the following day where the price for the service is the price generated by the bid prices and the offer-demand ratio on this market, as well as with respect to the maximum price set by the Office.

**b) multi-day purchase (if approved by the Office)** - PpS are required for the period of one day to maximum twelve months. According to the length of the period and the related demand, a multi-day purchase is divided into:

**i) short-term purchase (if approved by the Office)** - PpS are required for more than one calendar day and at most one calendar month while the subject of the demand is an hourly supply. The specific structure of the required time zones is specified in the documentation of the relevant tender. The offers are selected in each individual time period separately according to the criterial price set in Chapter 5.6.

**ii) medium-term purchase (if approved by the Office)** - PpS are required for the period of maximum one calendar year. The subject of demand is the zonal supply of the required service for individual energy weeks of the year (starting on Saturday at 0:00 and ending on Friday at 24:00). The specific structure of the required time zones is specified in the documentation of the relevant tender. The offers are selected in each energy week and the time period of the week according to the criterial price set in Chapter 5.6.

4. Moreover, in case of threatening safety of the TS operation, TSO is entitled to purchase PpS for the inevitable period directly.
5. PpS in the group in accordance with par. 2 subpar. a) are purchased through the daily tender mechanism, where the price for the service is the price generated by the bid prices and the offer-demand ratio on this market, as well as with respect to the maximum price set by the Office.
6. The volume of PpS requested through tenders is determined by TSO in relation to the total volume of needs so as to ensure coverage of the needs while achieving the lowest possible cost.
7. Non-frequency PpS in the group in accordance with par. 2 subpar. b) may be purchased under the long-term contracts with the Providers selected on the basis of local needs for PpS in compliance with the conditions approved by the Office or in case of granting an exception by the Office, they may be purchased otherwise than based on transparent, non-discriminatory and market procedures.

### **5.5.1 Tender**

#### **5.5.1.1 Invitation to Tender**

1. TSO announces tender via TSO IS.
2. The rules for individual tenders and announcement of tender include especially the following:
  - i) identification of the required PpS;
  - ii) period for which the service is required;
  - iii) definition of specific time periods for which the service is required;
  - iv) minimum quantity of the bid for the required service (MW of the reserved zone);
  - v) price conditions (set price limits, structure of the offered price);
  - vi) method and precise format of the bid submission;
  - vii) closing date and time for the receipt of bids;
  - viii) minimum period of the bid bindingness;



- ix) date and method of notification of the selection result;
  - x) method of the tender evaluation and weighting criteria of the criterial function of the selection;
  - xi) procedure for PpS ordering;
  - xii) maximum number of bids.
3. TSO will publish the rules on the website.
  4. The collection date for the bid submission is determined in regard to the TSO need to provide for the given services by the required deadline and it is specified in the rules or in the information on the tender announcement.

### **5.5.2 Daily Purchase of PpS**

1. The daily tender is organized for each trading hour of the following trading day.
2. TSO will accept the bids it will evaluate and announce the results by the set deadline.
3. The daily tender is carried out using TSO IS.
4. The daily tender is carried out according to the rules published by TSO on the website.
5. TSO is entitled to cancel the tender for all types of PpS or particular PpS at any time prior to announcing the results of the daily tender. In case of cancellation of the daily tender, all Providers will be informed on this fact.

### **5.5.3 Multi-Day Purchase of PpS (if approved by the Office)**

A multi-day purchase of PpS is divided into a short-term purchase of PpS and medium-term purchase of PpS according to the length of the period of the PpS procurement.

#### **5.5.3.1 Short-Term Purchase of PpS (if approved by the Office)**

1. A short-term tender is organized for each trading hour of the selected period, however, at least for two trading days and maximum for one calendar month.
2. TSO will accept the bids it will evaluate and announce the results by the set deadline.
3. The short-term tender is carried out electronically through TSO IS and, in case it is not available, by e-mail.
4. The short-term tender is carried out according to the rules published by TSO on the website.
5. TSO is entitled to cancel the tender for all types of PpS or particular PpS at any time prior to announcing the results of the short-term tender. In case of cancellation of the short-term tender, all Providers will be informed on this fact.

#### **5.5.3.2 Medium-Term Purchase of PpS (if approved by the Office)**

1. A medium-term tender is organized into individual energy weeks. The minimum time zones within the energy week are the working days and non-working days of the week.
2. TSO will accept the bids it will evaluate and announce the results by the set deadline.

3. The medium-term tender is carried out electronically through TSO IS and, in case it is not available, by e-mail.
4. The medium-term tender is carried out according to the rules published by TSO on the website.
5. TSO is entitled to cancel the tender for all types of PpS or particular PpS at any time prior to announcing the results of the medium-term tender. In case of cancellation of the medium-term tender, all Providers will be informed on this fact.

## **5.6 METHOD OF SELECTION OF BIDS FOR ANCILLARY SERVICES AND THE CRITERION OF THEIR SELECTION**

### **5.6.1 Quotation Structure**

1. Quotations for individual services are structured as follows.

#### **5.6.1.1 Primary regulation of active power (FCR)**

1. The bid price for FCR, i.e. the price for holding availability of power and its use. It is set in EUR/MW of the reserve and the hour of reserve holding.

#### **5.6.1.2 Secondary regulation of active power (aFRR)**

1. The bid price for aFRR+ or aFRR-, i.e. the price for holding availability of power and its use of RIS SED within the entire offered range disregarding the actual use. It is set in EUR/MW of the reserve and the hour of reserve holding
2. Availability for RE provision within the IGCC system is not evaluated and it is not paid.

#### **5.6.1.3 3-minute tertiary regulation of active power**

1. The bid price for the service TRV3MIN+ or TRV3MIN-, i.e. the price for holding availability of power in EUR/MW of the reserve and the hour of reserve holding.

#### **5.6.1.4 Tertiary regulation of active power (mFRR)**

1. The bid price for the service mFRR+ or mFRR-, i.e. the price for holding availability of power in EUR/MW of the reserve and the hour of reserve holding.

### **5.6.2 Tender Evaluation**

1. Evaluation of bids is carried out through TSO ID based on the bids sent via TSO IS in case of non-functionality of the information system by e-mail according to the published Rules.
2. The agreed price of PpS is the bid price of the accepted bid of the Provider which is in compliance with the Office Decision.

### **5.6.3 Criterion for Bid Selection**

1. The criterion for bid selection is a criterial price.
2. The criterial price is set for each individual ancillary service and each time section defined in the tender documentation.
3. If necessary, TSO may set weighting coefficients for each tender separately and publish them as a part of the tender documentation.
4. TSO is entitled to extend the selection criteria, however, the decisive criterion for the bid selection is always a criterial price.
5. If there are two bids with the equal criterial price, the bid submission time is a decisive criterion for the bid order.

## **5.7 PROCEDURES FOR EVALUATION OF THE VOLUME OF PROVIDED PpS**

1. Evaluation of the volume and quality of the provided PpS types is carried out according to the valid Technical Conditions approved by the Office.
2. TSO performs interim daily evaluation of the volume of the provided PpS along with the check of quality of the procured PpS. TSO will make available the daily evaluation of the volume of the provided PpS for the whole day to the Provider in TSO IS by 1 p.m. of the following working day. On Monday and on the working days preceded by at least one non-working day the evaluation will be made available by 4 p.m. In case of TSO IS non-availability, TSO will send the daily evaluation to the Provider by e-mail.
3. The basis for evaluation of the volume and quality of the provided PpS are actual values of powers that are sent by the Provider and that are received by TSO in real time in accordance with the valid Technical Conditions and the records in the dispatcher documentation. These data are checked in regard to the last valid PP. If the Provider fails to deliver the values to RIS SED or RIS ZD in real time, it is impossible to carry out evaluation of the PpS volume and quality due to which the available power of the provided PpS for the time for which the values were not duly delivered by the Provider in compliance with this point will be evaluated as zero thus not affecting the right of TSO to apply sanctions. The evaluation for each trading hour includes the acknowledged available power of PpS, time of provision and fulfilment of the quality criteria for individual PpS and facilities.
4. In case of provision of PpS from abroad, the evaluation is performed based on the confirmation of the foreign TS operator to which the facility providing PpS is connected and records of the TSO dispatcher documentation. The Provider will ensure this confirmation is delivered to TSO within 5 working days after the end of the calendar month in a written or electronic form.

5. In case of provision of PpS from abroad, the Provider is obliged to pay the service fee related to the monthly evaluation of the Contract performance up to the amount of EUR 1,000,- (in words one thousand euros). The service fee will be paid by the Provider within 14 days from delivery of the invoice issued by the TS Operator not later than 15 days from the service provision.
6. On the facilities providing PpS (including a fictitious block), except for the facility providing aFRR, within the trading hour, the Provider must respect a constant  $P_{dg}$  in the amount from the last valid PP, except for the changes of  $P_{dg}$  when passing in the hour. Change of  $P_{dg}$  when passing in the hour must be carried out evenly, respecting the technical limitations of the facilities, in the time range of 5 minutes before the start of the trading hour to 5 minutes after the start of the trading hour.
7. The Provider offers PpS on its facilities in the amount according to the last valid PP. If higher values of PpS are offered in real time compared to the last valid PP, only the volume up to the amount of the last valid PP is accepted in the evaluation of availability
8. In case of disagreement of the Provider with the daily evaluation, the Provider may claim these data in accordance with Chapter 5.9.
9. If during the complaint procedure the dispute is not resolved and eliminated, the Provider will issue an invoice for the provided PpS to the TS Operator only to the extent of the mutually approved evaluation. In such case, the mutually approved evaluation does not include the evaluation of trading hours which are the subject of the dispute.
10. TSO is not responsible for the damage or expenditures incurred by the Provider in relation to electronic data transmission between TSO and the Provider in regard to the requirement for data transmission in real time. TSO and the Provider are obliged to immediately inform each other if there is a failure in the data transmission of which they are aware and which could result in the failure of meeting the obligations of TSO related to the making the evaluation of PpS available in TSO IS.
11. TSO will make available for the Provider a monthly evaluation of PpS provided by the Provider by individual trading hours in TSO IS, taking into account complaints, not later than on the 11th working day after the end of the calendar month by 1:00 p.m.. The monthly evaluation includes commercial and technical evaluation of provision of all PpS in aggregate for all facilities that provided PpS in the division by individual types of PpS supplied to TSO by the Provider based on all Contracts.
12. In case of disagreement of the Provider with the monthly evaluation, the Provider has the right to carry out together with TSO a check of the baseline documents for evaluation
13. TSO reserves the right to correct a published daily evaluation of the volume of provided PpS at the latest until the disclosure of the monthly evaluation. In case TSO subsequently discovers the facts which have a major impact on the evaluation of the PpS volume, it will immediately notify the Provider of the performed correction of the evaluation by e-mail. The Provider may in this case lodge a complaint for the corrected evaluation by e-mail within two working days of the delivery of the corrected evaluation
14. In case of a communication failure between the ASDR terminals used for the purposes of the dispatch management of the Provider and the TS Operator, a telephone activation/deactivation of PpS of the mFRR+, mFRR-, TRV3MIN+ and TRV3MIN- type is possible in accordance with the applicable operating instruction. Telephone activation / deactivation is possible only in case of mutual consent between the dispatchers of the TS Operator dispatching and the Provider

dispatching. This consent is valid for a maximum of 24 hours from the time recorded in the dispatcher log book of the TS Operator. In case of approval the Provider is obliged to send a confirmation e-mail by return, using the template in the annex to the Framework Contract. This e-mail must be sent not later than two hours after conclusion of the consent to the addresses listed in the annex to the Framework Contract. In case of failure to deliver the confirmation e-mail from the Provider, the consent is not valid. After the expiry of the consent, in case of persistent failure of communication and interest of the dispatchers of the Provider and the TS Operator, it is possible to repeat the aforementioned procedure. During the period of validity of the telephone activation/deactivation, the available power of the provided PpS will not be evaluated, and at the same time, the TS Operator will not claim a contractual penalty.

15. TSO verifies the availability and quality of the provided PpS in compliance with the Technical Conditions. If TSO finds out that in real operation the availability of the provided PpS fails to correspond to the volume of the PpS offer, it informs the Provider by e-mail and via telephone. Subsequently, the TS Operator and the Provider will arrange a joint meeting within three working days. At the meeting the Provider informs the TS Operator on the cause and the preliminary date of its elimination. A written minutes of the meeting will be taken.

## **5.8 CONTRACTUAL PENALTY FOR NON-FULFILMENT OF THE CONTRACTUALLY AGREED PPS AVAILABILITY**

1. A long-term failure to comply with the quality of the provided PpS means a situation where during the previous 5 days, PpS provided on the given facility did not meet the quality criteria of 20 % of the hourly time fund, i.e. during at least 48 hours the PpS provision was not acknowledged in full extent compared to the submitted PP. In cases of long-term failure to comply with the quality of PpS, the TS Operator informs the Provider on this fact by e-mail and telephone. Subsequently, the TS Operator and the Provider will arrange a joint meeting within three working days. At the meeting, the Provider informs the TS Operator on the causes of PpS non-provision and on the preliminary date of the cause elimination due to which PpS was not provided and the written minutes of the meeting will be taken. If the reason for PpS non-provision is the failure of the facility, from the day following the negotiation until the remedy application, the TS Operator is entitled not to allow the Provider to submit PP and to provide PpS on the given facility. The failure to enable the PpS provision and submission of PP does not affect other facilities of the Provider on which the Provider provides PpS which were not subject to the negotiation and meet the long-term quality compliance. The Provider informs the TS Operator on the elimination of the failure causing the non-compliance of quality of the given PpS and on demonstration of the possibility of its smooth provision by e-mail and via telephone and will confirm the ability to start the PpS provision. Based on this information the Provider allows the TS Operator the submit PP and to provide PpS on the given facility. In case the Provider informs the TS Operator of the failure elimination by 1 p.m., the TS Operator will enable the Provider to submit PpS in PP on the following day or on the closest possible day. If the removal of the reason of the long-term non-compliance with quality exceed 60 working days after the date of notification by the TS Operator, the Provider is after a repeated demonstration of the smooth PpS provision obliged to perform a recertification of the given PpS. Moreover, the procedures specified at ensuring certification in the Technical Conditions of the TS Operator are to be followed.

2. The Provider breaches the Framework Contract to which the contractual penalty applies if:
- a) The Provider misleads TSO by the fact that in the last accepted PP there is a breakdown of the power on the facilities providing PpS of which it is aware or should be aware at the time of delivery of the relevant PP that they will be out of service, or of which provably under all the circumstances he was aware that in regard to the technical condition they will not be able to provide the relevant type of PpS. The available power of the relevant type of PpS on such facilities providing PpS for the purposes of evaluation and invoicing in the respective hour is equal to zero;
  - b) In the last accepted PP, the Provider breaks down the power on the facilities providing the relevant type of PpS on which at the time of delivery of the relevant PP, based on a written notification from TSO, it is not authorized to provide PpS for a temporary period of time due to non-compliance with the quality conditions for the PpS provision. The available power of PpS on such facilities providing the relevant type of PpS for the purposes of evaluation and invoicing in the respective hours is equal to zero;
  - c) In the course of the day, in conflict with the approved daily PP, the Provider restricts the PpS provision, regardless of whether the failure of the transmission system facility, which disables to continue in provision of the relevant PpS on the given facility providing PpS was the reason.
  - d) the evaluated available power of PpS is lower than the contracted volume (agreed Contract).
  - e) The Provider will not submit the operation preparation in compliance with the Technical Conditions or will fail to adjust the last received operation preparation in relation to reduction of the contracted value of the PpS availability, with the Contract transfer or with the Contract concluded based on the daily tender results.
3. In case of breach of the contractual obligations referred to in paragraph 2 of this Chapter, TSO is entitled to charge the contractual penalty to the Provider as follows:
- a) If, not later than day D-7, inclusive, the Provider notifies TSO of reduction of the contractual value of the PpS availability, TSO is entitled to charge the contractual penalty in the amount of 75 % for each missing MW and the hour of the reserved power of PpS from the highest unit bid price of the Provider of all tenders in which the Provider has succeeded, or from transfers of the Contracts or from the direct contract in the trading hour for which the contractual penalty is calculated;
  - b) If, not later than day D-1, the Provider notifies TSO of reduction of the contractual value of the PpS availability, TSO is entitled to charge the contractual penalty in the amount of 100 % for each missing MW and the hour of the reserved power of PpS from the highest unit bid price of the Provider of all tenders in which the Provider has succeeded, or from transfers of the Contracts or from the direct contract in the trading hour for which the contractual penalty is calculated;
  - c) If, not later than day D-1, after 10 p.m., the Provider notifies TSO of reduction of the contractual value of the PpS availability, or in the course of the day D, it reduces PpS provision in conflict with the approved daily PP, TSO is entitled to charge the contractual penalty in the amount of 110 % for each missing MW and the hour of the reserved power of PpS from the highest unit bid price of the Provider of all tenders in which the Provider has succeeded, or from transfers of the Contracts or from the direct contract, in the trading hour for which the contractual penalty is calculated.

- d) If the evaluated available power is lower than the contracted volume, TSO is entitled to charge the contractual penalty in the amount of 125 % for each missing MW and the hour of the reserved power of PpS from the highest unit bid price of the Provider of all tenders in which the Provider has succeeded, or from transfers of the Contracts or from the direct contract, in the trading hour for which the contractual penalty is calculated.
4. If the highest unit bid price of the Provider of all tenders in which the Provider has succeeded, or from transfers of the Contracts or from the direct contract, in the trading hour for which the contractual penalty is calculated, is less than 25 % of the maximum price of the given PpS in accordance with the valid Office Decision (rounded to whole EUR downwards), in such case the TS Operator is entitled to charge the contractual penalty in accordance with paragraph 3 subpar. a), b), c) and d) of this Article for each missing MW and hour of the reserved power of PpS at 25 % of the maximum price of the given PpS according to a valid Office Decision (rounded to whole EUR downwards).
5. If the Provider has an unsuccessful activation of PpS TRV3MIN+/-, mFRR+ and mFRR-, TSO is entitled to impose a contractual penalty to the Provider amounting to 20 % of the maximum price determined by the valid Office Decision for the given type of PpS for all the trading hours since the last successful activation, however, not for more than 168 hours.
6. If, by its own fault, the Provider has not provided mFRR+, mFRR-, TRV3MIN+ and TRV3MIN-, and if the obligation to provide PpS in accordance with paragraph 3 of this chapter was not cancelled, the TS Operator may reject to acknowledge to the Provider the provision of availability of the relevant PpS since its last successful activation, or from the beginning of the period of availability declared by the Provider, however, only provided that the Provider provably failed to provide these PpS during this period.
7. In case of unavailability of the facility providing PpS, (and the obligation to provide PpS in accordance with paragraph 3 of this chapter was not cancelled) or a long-term failure of the transmission of remote metering to the TSO dispatching due to the reasons on the part of the Provider, and the Provider failed to provide replacement power for PpS, and if during the period of unavailability TSO ensured the replacement power for PpS at the costs provably higher than the costs resulting from the price and volume of the not provided PpS agreed with the Provider, TSO is entitled to charge to the Provider the compensation in the amount corresponding to the difference of these costs for each non-supplied MW of PpS power reserve and the hour of unavailability, and the Provider is obliged to pay the difference in costs calculated in this manner.
8. If the Provider fails to submit weekly PP, zero values will be submitted to TSO IS for its PP. Unless the Provider submits daily PP, all values indicated in its weekly PP will be automatically submitted in TSO IS for its PP after the submission closure. TSO is entitled to charge the contractual penalty in the amount of EUR 4,000,- for each non-submitted daily PP and EUR 1,000,- for non-submitted change of PP within the trading day, and EUR 1,000,- for each non-submitted weekly PP except where the reason of non-submission of PP is a failure of data transmission between the Provider's facility and the TSO server which made it impossible to write PP and except for a fault on the part of TSO or a circumstance excluding liability.
9. If either party provably breaches the obligation of confidentiality, this party is obliged to pay the contractual penalty in the amount of EUR 7,000,- for each breach of this obligation to the other party.

10. The payment of the contractual penalty or the cost difference referred to in this Chapter does not affect the right of the authorized party for compensation of the damage exceeding the contractual penalty paid.
11. In case of a failure of the facility providing PpS of the Provider or loss of communication between the facility providing PpS of the Provider and RIS SED provably due to failure of the TSO facility or due to other reasons on the part of TSO and if for the reasons on the part of TSO the facility providing PpS listed for the given hour in the last valid PP is not included in the regulation, it is believed for the purposes of payment that the agreed PpS was provided by the Provider during the period of failure. This also applies to the evaluation of RE.
12. TSO via TSO IS will enable to the Provider so that the agreed type of PpS was supplied on behalf of this Provider for the agreed period by another Provider (hereinafter referred to as "transfer of the Contract").
13. If PpS could not be provided due to the reason of the planned unavailability of the TSO facility, the PpS volume according to the last valid PP will not be acknowledged to the Provider and, at the same time, no contractual penalty will be applied.
14. If the Provider is unable to provide PpS within the agreed scope due to failures of the facility providing PpS or partial defects which make it impossible to technically ensure the agreed volume of PpS on its facilities providing PpS, the Provider is obliged to notify this fact to TSO immediately after it learnt of these facts.
15. Based on the former request for transfer of rights and obligations from the Contract of the Provider in TSO IS, TSO is obliged to allow the Provider to agree upon the fact that the agreed type of PpS is supplied on behalf of the Provider during the agreed period by another provider provided that this other provider has a valid and effective Framework Contract concluded with TSO and complies with the technical and trading conditions for PpS and RE provision (hereinafter referred to as "Replacement Provider"). The Provider is entitled to carry out the transfer of rights and obligations from the Contract from the Provider to the Replacement Provider according to the previous sentence exclusively via TSO IS. Enabling the transfers of the Contract pursuant to this point is conditioned by the obligation of the Replacement Provider concerning takeover of the PpS provision and all obligations of the Provider against TSO according to the conditions provided in the Framework Contract and the conditions provided in the Operational Rules as well as in the Operating Instructions for transfer of contracts in TSO IS. The rights and obligations of the Replacement Provider are within the extent in which these were transferred to it from the Contract governed by the given Contract, Operational Rules and the Framework Contract concluded by the Replacement Provider with TSO. If it is impossible to proceed according to paragraph 12 of this chapter due to the reasons consisting in TSO IS (for example due to its unavailability, outage, failure), the Provider will use a written application mentioned in the Framework Contract in regard to transfer of rights and obligations from the Contract. The statement of TSO concerning the fact whether it provides the consent or not will also be in writing according to the conditions stipulated in the Framework Contract.
16. If the Provider enters the transfer of the Contract including at least 1 trading day falling within the interval of 40 days and more from the entry date of the transfer of the Contract in TSO IS, TSO will not approve the transfer of the Contract until the financial security for the Contract volume from this transfer is provided by the Replacement Provider according to the conditions provided in the Framework Contract.



17. The Provider is entitled to carry out the transfer of the rights and obligations from the Contract from the Provider to the Replacement Provider not later than 60 minutes prior to commencement of the first trading hour of the Contract change via TSO IS. The Replacement Provider has the possibility to approve this consent not later than 45 minutes prior to the commencement of the first trading hour of the Contract change. After approval of the transfer of the Contract, the Provider and the Replacement Provider are obliged to perform relevant changes in TSO IS not later than 25 minutes prior to beginning of the trading hour. By acceptance of the proposal for a change of PP, PP becomes the last valid PP against which PpS availability and supplied RE are evaluated.
18. The transfer of the Contract may be carried out only to the same type of PpS and no adjustment of the Contract price is allowed upon transfer of the Contract.
19. The replacement Provider must have the valid and effective Framework Contract, it must be technically competent to provide the taken over PpS. The takeover of the PpS provision is possible only provided that the technical restrictions specified in the Technical Conditions for the relevant type of PpS are met and while respecting the conditions pursuant to paragraphs 14 to 17 of this chapter.
20. The Contract of the Provider is transferred to the Replacement Provider, including the price of the given Contract of the Provider in the amount required by the Provider to be transferred to the Replacement Provider. If the transfer of the Contract is carried out to the day D after 2 p.m. on the day D-1, the Provider and the Replacement Provider are obliged to adjust daily PP in accordance with point 5.14.21.
21. If the Replacement Provider is unable to take over the transferred power in full extent and after its takeover the Provider would not meet the criterion of the technical minimum for the given type of PpS, the Provider may agree with concurrent reduction of the contractual availability to zero.
22. Paragraphs 12 to 20 of this Chapter apply unless the Framework Contract or the operating instructions for the transfers of the Contracts published in TSO IS stipulates otherwise.

## **5.9 COMPLAINT PROCEDURE**

1. TSO will make the preliminary data on daily evaluation of individual categories of PpS and RE procured by the Provider in division according to the individual facilities and trading hours (in the case of RE in 15-minute resolution) available to the Provider via TSO IS.
2. The Provider may complain about the data from the technical evaluation, i.e.:
  - a) evaluation of the average available power of the supplied PpS;
  - b) evaluation of the period of the PpS provision;
  - c) evaluation of the volume and valuation of the procured RE.
3. The Provider may lodge a complaint concerning the evaluation not later than 5 working days from making it available in TSO IS via TSO IS.
4. The complaint of the daily evaluation must be submitted electronically by entering into TSO IS.
5. TSO will examine the claimed values and within 6 working days from lodging the complaint it notifies the Provider of the verification result via TSO IS. If TSO admits the complaint fully or partially, it makes the corrected evaluation available in TSO IS.

6. If the Imbalance Biller sends to TSO for an opinion the complaint of procured RE that the Provider lodged to the Imbalance Biller in accordance with the Operational Rules of the Imbalance Biller, TSO will give a statement on the complaint to the Imbalance Biller within 5 working days since the complaint delivery. If TSO admits the complaint, fully or partially, it will provide considered corrected evaluation of RE electronically to the Imbalance Biller and will make it available in TSO IS. If the Provider did not lodge a complaint of the RE evaluation in advance pursuant to paragraph 3 also in TSO IS, TSO is entitled to reject the complaint assigned by the Imbalance Biller. The corrected evaluation of PpS is a binding baseline document for the PpS invoicing. Moreover, if the Provider, fully or partially, doubts the values in the corrected evaluation, the procedure according to Chapter 5.16 is followed.
7. If the Provider complains about rejection of bids or data due to non-compliance with the deadline, the following is binding for the evaluation:
  - a) in case of a written receipt, confirmation by the TSO registry stating the date, hour and minute;
  - b) in case of submission to TSO IS, an extract from the log of this information system.
8. If any of this data is not available, TSO can also accept other reliable evidence submitted by the Provider.
9. Any information submitted to TSO electronically is considered to be taken over if the receipt is confirmed on the TSO server with an entry in the log of the corresponding server.

## **5.10 ACTIVATION OF THE ANCILLARY SERVICES AT SUPPLY OF THE REGULATION ELECTRICITY ON THE FACILITIES PROVIDING ANCILLARY SERVICES OF THE mFRR OR TRV3MIN TYPE THROUGH OPTIMAL DEPLOYMENT OF ELECTRICITY GENERATING FACILITIES**

1. The PpS Providers who have the Framework Contract concluded with TSO and at the same time they have the Contract concluded for the provision of PpS of the mFRR or TRV3MIN type are entitled to propose to TSO a method for optimization of activation of a certain group of facilities providing PpS of the mFRR or TRV3MIN type on an economically effective principle (hereinafter referred to as the "Group Activation").
2. Group Activation means a sequence of deployment of particular electricity generating facilities (based on the power requirements of the TSO dispatching) included in the group. For the purpose of the Group Activation the PpS Providers conclude a special contractual relationship defining the mode of operation and use of the electricity generating facilities providing PpS within the Group Activation.
3. The proposal of the PpS Providers for the Group Activation must be in writing and it must contain the following data:
  - a) precise determination of the facilities participating in the Group Activation,
  - b) guarantee of the continuous availability of the facilities included in the Group Activation in their various combinations where the activation time across all combinations of facilities

within the day must be at least on the level set in the Technical Conditions for the corresponding type of PpS,

- c) method of determination of the minimum possible time gap between the end of activation on the day D and the next activation on the day D+1, if PpS of the mFRR or TRV3MIN type is provided within the Group Activation at the pump-storage hydro-electric power plant in accordance with Document B of the Technical Conditions,
  - d) declaration of the Providers that for the purposes of use of the facility deployment optimization within the Group Activation, the PpS providers will offer the same price of regulation electricity in the preparation of operation on the facilities included in the Group Activation.
- 4. A written proposal for the Group Activation must be signed by the statutory representatives of the PpS providers and delivered to the address of the TSO registered office.
  - 5. TSO will assess the proposal of the PpS providers for the Group Activation while the acceptance or non-acceptance of such proposal is solely upon the decision of TSO. After consultation with the PpS providers, TSO is entitled to modify the submitted proposal for the Group Activation and will send a counterproposal to the PpS providers. TSO will send its statement concerning the proposal for the Group Activation signed by the statutory representatives to the PpS Providers in writing within 14 days from the delivery date of the proposal for the Group Activation by the PpS providers. In case of refusal of the proposal for the Group Activation by TSO, such refusal will be duly justified.
  - 6. Acceptance of the proposal for the Group Activation is not claimable and refusal of the proposal cannot be objected to by the PpS providers.
  - 7. The proposal for the Group Activation is approved by TSO usually for an indefinite period of time. PpS providers of the one part or TSO of the other part are entitled to withdraw from the conditions of the Group Activation in writing without giving any reason. The effects of such withdrawal start to apply on the first calendar day of the following year while a written withdrawal must be delivered to the other party not later than 31 January of the previous year.
  - 8. The approved proposal for the Group Activation can be terminated by TSO with immediate effect in case of failure to fulfil the obligations resulting from the approved proposal for the Group Activation.

## **5.11 REGULATION ELECTRICITY PROCUREMENT OPTIONS**

- 1. RE procured by TSO based on the concluded contracts is the electricity procured by TSO in real time to ensure a balance between the actual instantaneous consumption and electricity generation in the system on the defined area.
- 2. TSO uses various types of RE which it procures from PpS Providers, RE Suppliers and Electricity Consumers, who are able to reduce the offtake in their offtake points upon the order of the TSO dispatching within the agreed extent while complying with the Technical Conditions, through a cooperation within the IGCC system or by means of emergency assistance from the neighbouring transmission system operators.
- 3. TSO procures RE in a manner to achieve cost minimisation to cover the system imbalance while respecting the operational situation in the ES of SR and securing the maximum level of reliability

and safety of operation. The financial terms of the RE delivery to the transmission system operators are determined by the Office.

4. RE is procured in the manners as provided in the following Chapters 5.11.1 to 5.11.4.
5. According to the Technical Conditions, the TSO Dispatching is authorised to activate PpS of the TRV3MIN+, TRV3MIN-, mFRR+ and mFRR- type at any facility providing the concerned type of PpS, regardless of the RE price from the daily PP, in order to check availability and quality of the PpS provided. The facility and time of the test performance within maximum 4 hours and within one calendar day is defined by the assigned TSO person. The check shall be performed on the basis of a compiled and updated list of facilities not activated for a long period of time from all active facilities provided in the current daily PP, regardless of the RE price (in this case the rules provided in Chapter 5.12 par. 4 subpar. a) does not apply). The control activation is performed by TSO in a manner so as to prevent counter-control in the system. In the control activation the Provider is paid the RE price as specified in the applicable daily PP. On its website, not later than the 10th day of the following month, TSO publishes the information on the control activations carried out in the given month which includes the date of activation, activation time and the price of RE supplied as part of the control activation.

#### **5.11.1 Regulation Electricity from the PpS Providing Facilities**

1. RE from the facilities providing PpS allocated on the defined territory is supplied based on their activation by the TSO dispatching in accordance with the valid Framework Contract. Activation is carried out by RIS SED control signals or dispatcher commands. RE is supplied within the range of these signals or commands.
2. RE supply from a facility of a foreign transmission system supplied based on the PpS activation is carried out in accordance with the valid Framework Contract with the PpS Provider. RE is supplied by changing the balance on the border of the supplying system and the consuming system within the agreed and confirmed extent and technically it is an import (positive RE supply) or an export of electricity (negative RE supply). If RE of the aFRR type is supplied from the facility of the foreign transmission system, RE from such facility is evaluated based on the data from the virtual line between the supplying system and the consuming system.
3. RE supply from the foreign transmission system is conditioned by a written agreement between the PpS Provider and the respective neighbouring TS operator from the control area of which the RE supply will be carried out, as well as by an agreement between TSO and the respective neighbouring TS operator.
4. The same rules apply to the price of RE supplied by activation of PpS from the foreign transmission system as to the price of RE procured in Slovakia, except for RE supplied by activation of FCR PpS. The PpS Provider is not entitled to any payment for RE supplied by the activation of FCR PpS.
5. In case of the PpS provision from the foreign TS (except for PpS of the FCR type), the Provider is obliged to reserve capacity on the relevant profile of the TS Operator with the neighbouring TS, which will supply RE or through which RE will be supplied and to demonstrably meet the conditions on the RE supply route and the conditions of the relevant foreign TS Operators. The Provider may provide only one PpS type on the given profile of the TS Operator.

#### **5.11.2 Imbalance Netting Process (INP)**

1. In order to optimise the aFRR activation from the facilities allocated within the defined area, TSO is connected to the INP system where electricity exchange takes place among the TS operators participating in the INP system.
2. Electricity exchange within the INP system is carried out on the basis of control signals of the central optimisation system, which sends requests to change the quantity of the activated aFRR to individual TS operators. The controlled exchange of electricity among the TS operators causes reciprocal elimination of aFRR activations in opposite directions.
3. TSO supplies RE within the defined territory with the parameters of aFRR as a result of the cooperation within the INP system for a special price determined by a method set by the Office.
4. Connection of TSO to the INP system is conditioned by a written agreement between TSO and the relevant TS operators participating in the cooperation within the INP system.

### **5.11.3 Emergency Aid from Abroad**

1. At all times, emergency aid is negotiated between two neighbouring transmission system operators. The agreed emergency aid is guaranteed from both parties and the electricity supplied is compensated for in the manner agreed according to the agreement. Moreover, the neighbouring transmission system operators may agree upon the non-guaranteed supply of RE.
2. Electricity is supplied by changing the balance on the border of the supplying and consuming system within the agreed and confirmed extent and technically it is an import (positive RE supply) or an export of electricity (negative RE supply).
3. Electricity from the imported emergency aid is billed as RE procured by the TS Operator and the cost of importing RE as a part of the emergency aid form a part of the RE procurement costs.

### **5.11.4 Supply of Non-Guaranteed Regulation Electricity When Operational Capability of the ES of SR is at Threat**

1. When the operational capability of the ES of SR is at threat, TSO is entitled to announce an auction to purchase RE for the hours for which RE is needed, by means of TSO IS. All entities which have entered into the Framework Contract on Non-Guaranteed RE Supply (hereinafter referred to as the "NRE Contract") with TSO may register for the auction.
2. In this case, threatened operational capability of the ES of SR is considered to be a situation when the anticipated system imbalance exceeds the mFRR or TRV3MIN regulation ranges and the regulation ranges of the guaranteed supplies of RE.
3. The NRE Contract is concluded with the NRE Supplier, who is able to change, as commanded by the TSO dispatching, its production/offtake within the agreed range and in compliance with the Technical Conditions. The supply of NRE is ensured by the Suppliers who have got their supply connection points to the ES of SR under the conditions set out in the NRE Contract.
4. An auction for the NRE supply is evaluated in a non-discriminatory manner while the bid evaluation criteria in individual hours are as follows:
  - a) the lowest bidding unit price of positive NRE, or the highest bidding unit price of negative NRE, respectively;
  - b) timestamp of the NRE bid submission.

5. NRE Supplier is entitled to payment for the NRE procured by TSO at the price determined in accordance with Chapter 5.13.
6. RE procured in this way will be used to cover the system imbalance, together with RE obtained via PpS activation and RE obtained through the emergency aid from abroad.
7. In a situation where the operational capability of the ES of SR is threatened, TSO is entitled to use also the bids exceeding the maximum prices or are below the minimum prices for regulation electricity supplied in the activation of PpS determined by the Office Decision.
8. When the normal state is restored in the ES of SR (ceasing of threat to the operational capability of the ES of SR), TSI dispatcher may request early termination of the NRE supply from the NRE Supplier. In case of early termination of positive RE supply, TSO will pay to the NRE Supplier for the full amount of positive NRE contracted not supplied as a result of early termination of supply. The amount of the payment for the trading hour in which NRE supply was early terminated will be determined by the product of the price of electricity of the Slovak bidding area on the day-ahead market organized by OKTE, a.s., and published on the website [www.okte.sk](http://www.okte.sk) and the NRE amount not supplied due to the early termination of NRE supply on the part of TSO. If it is not possible to determine the price in this way, the amount of the payment for the relevant trading hour will correspond to the price determined by the procedure stipulated in the NRE Contract. In case of early termination of the NRE supply, for the purposes of imbalance assessment, the volume of NRE supplied in the given hours for which the NRE supply was early terminated will equal to zero.
9. The price and quantity of the NRE procured is taken into consideration when billing the imbalance according to the operational instructions of OKTE, a.s. based on the documents sent by the TS Operator to the Imbalance Biller.
10. A change in power related to the change in the generating facility connection structure made to avoid congestion or to address congestion is evaluated as RE with the bid prices of electricity in EUR/MWh as determined by the Office Decision for RE when the electricity system operational capability is threatened. During the requested change of power, the electricity generator is paid for the agreed ancillary service available at the time of announcement.

## **5.12 ECONOMIC EFFICIENCY AT USE OF ANCILLARY SERVICES AND PROCUREMENT OF REGULATION ELECTRICITY**

1. In case of negative system imbalance, only positive RE is procured, unless it is necessary to use also negative RE due to operational reasons. An exception is the primary and secondary regulation.
2. In case of positive system imbalance, only negative RE is procured, unless it is necessary to use also positive RE due to operational reasons. An exception is the primary and secondary regulation.
3. Concurrent use of positive and negative tertiary regulation is possible in the hours when there is a sharp transition from positive to negative system imbalance, or vice versa, or when it was objectively impossible to secure sufficient PpS for the given period and such use of PpS is demonstrably inevitable for the system reliability.
4. TSO proceeds as follows when using tertiary regulation or procuring RE:

- a) When using mFRR or TRV3MIN types of PpS, the TSO dispatching considers primarily the length of service lead-in, the required power quantity and the anticipated length of the service activation so that the desired effect is reasonable and accomplished within an appropriate time. Secondly, it takes into account the economic ranking of the RE price within the required mFRR or TRV3MIN type,
- b) TSO is not required to activate TRV3MIN if it is replaceable by another service and it is necessary to maintain sufficient backup of TRV3MIN,
- c) TSO has the right to activate electricity generating facilities providing mFRR+ and mFRR or TRV3MIN outside of the price ranking list in order to verify quality of the provided PpS.

## **5.13 PROCEDURES FOR EVALUATION OF THE QUANTITY OF PROCURED REGULATION ELECTRICITY AND DETERMINING ITS PRICE**

### **5.13.1 Regulation Electricity Procured from the PpS Providing Facilities**

1. The evaluation of volume of the procured RE is carried out in accordance with the RONI Decisions and applicable Technical Conditions.
2. RE supplied by means of the virtual block facilities is evaluated by TSO in aggregate for the entire virtual block, while separately evaluating the quantity of RE supplied from the facilities outside the defined territory. On the basis of evaluation by the TS Operator, the RE Supplier (operator of a virtual block) carries out reallocation of the evaluated RE for the entire virtual block among the individual virtual block providers from the defined territory, with the exception of RE supplied from the facility outside the defined territory which cannot be changed during reallocation. After reallocation of the evaluated RE, the sum of RE supplied by individual facilities within the virtual block must equal to the RE evaluated for the whole virtual block carried out by the TS Operator. If the sum of RE for individual providers of the virtual block is not consistent with the RE evaluation previously carried out by the TS Operator, the TS Operator does not accept the division and evaluates zero quantity of the RE supplied for individual providers in the virtual block, to be sent for invoicing purposes and evaluation of imbalances.
3. The TS Operator carries out continuous daily evaluation of the volume and pricing of the RE procured and makes it available to the RE Supplier in TSO IS. Evaluation of the procured RE is carried out in two phases. In the first phase, the daily preliminary evaluation of the volume and pricing of the RE procured is made available in TSO IS every day by 9:00 a.m. for the previous day. The final daily evaluation of the volume and pricing of the RE procured is made available in TSO IS by 1:00 p.m. on the following working day. On Monday and on working days preceded by at least one non-working day, the daily evaluation is made available by 4 p.m. In case of unavailability of TSO IS, TSO will send the final daily evaluation to the RE Supplier by e-mail.
4. In case of disagreement with the daily final evaluation, the RE Supplier may claim these data in accordance with Chapter 5.9.
5. TSO is not responsible for the data transmission by electronic means between TSO and the RE Supplier. The Contracting Parties are obliged to inform each other without undue delay in the event of a failure of the data transmission of which they are aware and which could result in breaching the obligations of TSO related to sending the evaluation of the RE supplied.

### **5.13.2 Establishing the Regulation Electricity Price**

1. The RE Supplier is obliged to submit a bid price to TSO. In case of the PpS Provider, the bid price is presented together with the daily PP, this is not applicable to FCR provision.
2. The method of determining the price of the RE supplied in EUR/MWh for all RE Suppliers which supplied RE in the given Billing Period is set by the relevant Office Decision. Providing of SRN in the form of compensation operation from the pump-storage hydroelectric power plant facility, the Supplier is admitted supply of negative RE in the amount of active demand of the facility at price 0.00 EUR/MWh.
3. TSO accepts only those bids which are in accordance with the valid Office Decision.

### **5.13.3 Submission of Data Required for RE Billing**

1. According to the Energy Act, the Imbalance Biller is obliged to provide for billing and clearing of RE based on the data provided by the transmission system operator.
2. In accordance with the Market Rules, the TS Operator provides the Imbalance Biller with the data on the total amount of RE procured and the costs of RE procured broken down by individual RE Suppliers, every day by 9:00 a.m. for each billing period of the previous day. The TS Operator sends the values corrected accordingly and the values that were subject of complaint to the Imbalance Biller continuously, not later than the sixth calendar day for the previous month.
3. The data on RE procured are submitted in MWh with an accuracy of three decimal places and on the cost of RE procured with an accuracy of four decimal places in the valid Central European Time or the Central European Summer Time. This data is delivered electronically in accordance with the rules of IS ZO.
4. The system operator who submits the values to the Imbalance Biller is responsible for correctness and completeness of the data submitted. The latest version of the data submitted shall be valid.
5. The volume of RE supplied by the RE Supplier to the TS Operator will be taken into account when evaluating the imbalance of the Accounting Entity which is responsible for the imbalance in the RE supply point.

## **5.14 SCOPE, METHOD AND BINDING CHARACTER OF SUBMISSION OF DIAGRAMS FOR GENERATION OF ELECTRICITY AND PPS IN WEEKLY AND DAILY PPS OPERATION PREPARATION AND CHANGES IN PPS OPERATION PREPARATION**

1. The Provider must elaborate a breakdown of the contracted values of PpS and particular technical conditions of their implementation for every energy week and day by submitting a weekly and daily PP of the PpS providing facilities. Weekly and daily PP is submitted by the Provider for all of its PpS providing facilities in TSO IS contained in the Framework Contract.
2. Weekly and daily PP must include a breakdown of data by hours in the applicable time, i.e. 24 values for each entry and each day of the energy week, with the exception of the day of transition



to the Central European Summer Time when 23 values are submitted, and the day of transition back to the Central European Time, when 25 values are submitted. For each facility providing PpS and each hour, PP must contain the following information:

- a) diagram point ( $P_{dg}$ );
- b) FCR power provided;
- c) aFRR+ power provided;
- d) aFRR- power provided;
- e) TRV3MIN+ power provided;
- f) TRV3MIN- power provided;
- g) mFRR+ power provided;
- h) mFRR- power provided;

Moreover, daily PP must contain the following information for each facility and each trading hour:

- i) the price of electricity for positive RE for all types of provided PpS. The price must be in accordance with the currently valid Office Decision;
- j) the price of electricity for negative RE for all types of provided PpS. The price must be in accordance with the currently valid Office Decision.

3. The data file for the PpS providing facilities of the Provider within the submitted PP must comply with the following conditions:
  - a) all power values must comply with the minimum and maximum power values specified in the Technical Conditions and must be integers in MW, except for FCR; FCR power values are symmetrical; all price values except for the price of negative RE (including electricity storage in the electricity storage facility - pumping of pump-storage hydroelectric power plant/BESS/LER charging) must be positive numbers;
  - b) all power values broken down on one facility providing PpS must be in each hour in accordance with the technical values of the facility providing PpS according to the certificate for the PpS provision; this provision includes a controlling power range and minimum rise in power changes as well as minimum and maximum values of individual PpS for one facility providing PpS;
  - c) the sum of power values of a diagram point and all positive power values broken down PpS may not exceed the maximum power value of the facility providing PpS while respecting the possibility of congestion in FCR;
  - d) the difference between the diagram point power and the sum of absolute values of all negative power values of the broken down PpS may not be lower than the minimum power of the facility providing PpS while respecting the possibility of power reduction below the minimum power in case of using FCR;
  - e) the overall power within the submitted PP must equal to the total contracted power (except for the PpS type of FCR, TRV3MIN-, mFRR-).
4. If the Provider enters any value or values in PP which do not conform to these conditions and to the technical data of the facilities providing PpS handed over by the Provider, TSO is entitled to reject PP as a whole. TSO immediately informs the Provider of this fact.

5. Weekly PP must provide a basic overview of the expected operation of individual facilities providing PpS and of sufficiency of individual PpS. The Provider is obliged to submit an hourly breakdown for all facilities (i.e. both providing and not providing PpS) for the following calendar week to TSO, in the structure and complying with the conditions according to this chapter every week not later than Thursday by 2 p.m. The Provider will submit weekly PP in the format and manner set forth in the Technical Conditions and in the Framework Contract.
6. The Provider is obliged to immediately inform TSO of any reduction of the PpS availability the contractual value of the PpS availability.
7. TSO may carry out an additional purchase of PpS in a daily tender.
8. Daily PP provides an updated overview of the planned operation of individual facilities providing PpS. The Provider is obliged to submit daily PP always for each following day not later than by 2 p.m. of the previous day.
9. If the Provider has a technical problem concerning entering any type of PP to TSO IS, following the prior telephone consultation with the TS operator it may ensure uploading of PP in the TSO IS system using a replacement method. In such case, at least 1 hour (25 minutes in case of operation in accordance with point 21 of this chapter) prior to closing the PP submission, the Provider is obliged to send an e-mail with a request for a replacement upload of PP in TSO IS which will include a file in the standard format with the required filled in PP values. After delivery of the request, the TS Operator ensures upload in TSO IS and informs the Provider of the replacement upload result by e-mail.
10. Failure to comply with PP including breakdown of the agreed volume of PpS according to all concluded agreements and Contracts or failure to comply with the conditions and deadlines in accordance with this Chapter is deemed to be a serious breach of the contractual obligations of the Provider and may result in claiming the contractual penalty in accordance with Chapter 5.8 of the Operational Rules or the Framework Contract.
11. If the Provider participated in the daily tender and succeeded in it or if the Provider is a party to the transfer of the Contract, it is obliged to take into account the amount of the actual volume of PpS Contracts in daily PP, also if it has already submitted daily PP.
12. The Provider carries out value adjustment of daily PP based on the results of the daily tender for PpS in a way so that with the facilities providing PpS on which any PpS was purchased:
  - a) the regulation range of the given PpS is expanded by the purchased quantity, if the given service has already been broken down on the facility providing PpS in the last valid PP, in such case the required RE price specified in PP does not change;
  - b) from the accepted bid in the daily purchase, the quantity of the purchased PpS together with the requested RE price is added to PP, if this PpS was not broken down in PP on the given facility providing PpS.
13. In case of failure on the facility providing PpS, which makes it impossible to provide the agreed range of PpS in accordance with the last valid PP or if it is necessary to change the diagram points on the used facilities providing PpS due to change in the operational situation (outage of a generator and change in the hydrological situation) on the facilities providing PpS of the Provider and due to change of the diagram points due to intra-day trading, the Provider may propose, during the day, a replacement coverage of the PpS loss on another facility of the Provider or the change of the diagram points by the change of PP only in IS of the TS Operator. However, this shall be subject to the condition that this does not disturb provision of other PpS

on such facility providing PpS. The proposal for replacement coverage of the PpS loss may be sent by the Provider not later than 25 minutes before the commencement of the first hour of the change. The TS Provider will confirm the acceptance or rejection of the proposal through the dispatcher of the TS Operator dispatching in IS of the TS Operator not later than 10 minutes before the commencement of the first hour of the change validity. By approving the proposal, the proposal shall become accepted by the TS Operator; by rejecting the proposal, the change in PP was not accepted from the given trading hour onwards. By acceptance of the proposal for a change of PP, PP becomes the last valid PP against which PpS availability and supplied RE are evaluated.

14. The agreed amount of PpS in case of alternate provision may be exceeded by no more than the maximum range (see the Technical Conditions) per facility providing PpS for FCR, TRV3MIN-, mFRR- or the minimum range per facility providing PpS for other PpS and only in case where it is technically impossible to carry out a lower value of PpS on the facilities providing PpS for which the PpS is broken down without reducing the contractually stipulated amount. Exceeding the contractually agreed quantity of PpS does not entitle the Provider to the payment for availability exceeding the contractual value.
15. If TRV3MIN+, TRV3MIN-, mFRR+, mFRR- are replaced on the replacing facilities providing PpS, which have not provided such PpS according to daily PP, then the RE prices on these facilities providing PpS are determined in a way so that the prices of RE supplied by the replacing facilities equal the RE price of the replaced facilities. When several PpS providing facilities are replaced by one facility, the price of RE supplied by the replacing facility equals the lowest RE price of the facilities providing this PpS being replaced.
16. If the replacing facilities provide PpS of the TRV3MIN+, TRV3MIN-, mFRR+, mFRR- type or according to the last valid PP, and the replacement is made by expanding the regulation zones of TRV3MIN+, TRV3MIN-, mFRR+, mFRR-, then the RE prices on these PpS providing facilities are determined in a way so that the prices of RE supplied by the replacing facility remain unchanged.
17. The provider undertakes to comply with all values of PpS sent to TSO in the last valid PP. If the Provider knowingly disrespect the last received PP, the procedure in accordance with Chapter 5.8 of the Operational Rules is followed.
18. Upon receipt of PP, TSO is not responsible for the data transmission by electronic means between the Provider and the TSO server. The Contracting Parties are, however, obliged to inform each other without undue delay in the event of failure of data transmission of which they are aware and which could result in non-receipt of PP by the TS Operator, and also to agree upon an alternative data transmission.
19. If PP was not uploaded or the bid for PpS and the bid for RE were not submitted and these have not been registered due to failure of data transmission between the Provider's facility and the TSO server, this situation does not constitute any ground for the Provider to claim damages or any other performance by TSO against the Provider, and no provision of the Operational Rules may be interpreted to this intent.
20. TSO is not obliged to carry out checks of the data submitted by the Provider and to notify of any potential discrepancy. The failure of TSO to carry out checks of the data submitted by the Provider or failure to notify of a potential discrepancy by TSO is not deemed to be a violation of the Framework Contract. The Provider is not relieved of the responsibility for the consequences and impacts of the potential non-performance of the Framework Contract.

21. The Provider can update daily PP in the course of the trading day. The TS Operator will confirm the change of PP by approval through TSO IS. By this approval, the proposal is accepted by the TS Provider. The proposal may be sent by the Provider not later than 25 minutes before the commencement of the first hour of the change. The TS Provider will confirm acceptance or rejection of the proposal through the dispatcher of the TS Operator dispatching not later than 10 minutes before the commencement of the first hour of the change validity. By acceptance of the proposal for change of PP, this PP becomes the last valid PP against which PpS availability and supplied RE are evaluated.
22. In case of the anticipated extraordinary situation in the ES of SR, the TS Operator is entitled to cancel the PpS certification approved and agreed upon in advance or the test on the electricity generating facilities of the Provider, not later than on the day D-1 by 3 p.m. If due to preparation for this certification or the test, the Provider reduced the contractual value of the PpS availability which it planned to certify and on the day D the Provider agrees with provision of PpS it planned to certify in full range according to the original Contract (prior to reduction of the contractual value of availability in relation to the planned certification), the TS Operator will ensure the corresponding adjustments of such Contracts in IS of the TS Operator. Subsequently, the Provider adjusts its PP for the following day in the form of the PP change. In such case, the contractual penalty for reduction of the contractual value of the PpS availability will not be charged. This point is not applicable if the Provider transferred the Contract to the Replacement Provider.

## **5.15 INVOICING CONDITIONS AND PAYMENT CONDITIONS**

1. The price for all hours of the given trading interval as indicated in the bid acceptance confirmation shall be agreed for the provision of FCR for each business case. The agreed price in EUR, specified to maximum 2 decimal places, is paid for each MW and hour of the actually provided FCR regulation power reserve to be used in both directions from the basal point, based on the approved evaluation up to the amount agreed for the given trading hour. Only actually provided FCR regulation power reserve in every trading hour is paid up to the total amount of the contractual Contracts. If more bid prices are accepted by TSO in individual tenders, or by transfer of Contracts or by a direct contract, the payment for availability in case of non-performance will be reduced from the highest unit price of the Provider in the given trading hour. The payment in each trading hour will be rounded to 4 decimal places and the resulting summary payment for all trading hours will be rounded to 2 decimal places.
2. The price for all hours of the given trading interval as indicated in the bid acceptance confirmation shall be agreed for provision of individual types of PpS (except for FCR) for each business case. The agreed price in EUR, specified to maximum 2 decimal places, is paid for each MW and hour of the actually provided regulation power reserve of individual types of PpS (except for FCR) based on the approved evaluation up to the amount agreed for the given trading hour. Only actually provided regulation power reserve of individual types of PpS in every trading hour is paid up to the total amount of the contractual Contracts. If more bid prices are accepted by TSO in individual tenders, or by transfer of Contracts, by a direct contract, the payment for availability in case of non-performance will be reduced from the highest unit price of the Provider in the given trading hour. The payment in each trading hour will be rounded to 4 decimal places and the resulting summary payment for all trading hours will be rounded to 2 decimal places.

3. The payments for PpS provision are set on the basis of evaluation in TSO IS.
4. In the course of individual calendar months, the TS Operator will pay to the Provider's account one pro-forma invoice payment for the provided PpS which are subject-matter of the Contracts entered into pursuant to the Agreement. The amount of the advance payment for the following month will be calculated on the last calendar day from all valid Contracts of the Provider as of that day.
5. During each calendar month, the TS Operator will issue a pro-forma invoice for all provided PpS in the amount of 40 % of the total anticipated monthly payments in a single instalment, while the payment will already include VAT, except when the Provider is a foreign provider. The TS Operator will pay one instalment on 18th day of the respective calendar month in the amount of 40 % of the anticipated monthly payments to the Provider's account. The TS Operator will issue and deliver to the Provider a pro-forma invoice which must comply with the requirements in accordance with the valid legal regulations.
6. In accordance with Chapter 5.8, TSO is entitled to claim a contractual penalty against the Provider for failure to fulfil the contractual agreed conditions on the part of the Provider.
7. Provision of individual categories of PpS which is the subject-matter of individual Contracts will be invoiced on a monthly basis, on the basis and within the extent of the approved monthly evaluation of the PpS provision that will form a part of the final invoice. The billing will be effected by one invoice for all performance provided in the given month in the form of self-billing – TSO will issue a final invoice on behalf of and to the account of the Provider not later than 15th day of the month following the month to which the invoice applies. At the same time, TSO will deliver the original of the final invoice to the Provider within 4 working days from the invoice issuance date.
8. If the evaluated volume of the PpS availability in the given hour exceeds the contractually agreed volume of the PpS availability, then the payment for the PpS availability will not exceed the amount of that contractually agreed volume. The appendix of the final invoice will indicate the actual evaluated volumes and the monthly amount invoiced for the evaluated volume of the provided PpS for all types of the provided PpS in the given month. The monthly payments for the individual types of PpS will be rounded to two decimal places.
9. The prices in individual Contracts are stated excluding VAT. VAT will be invoiced in the amount determined by the VAT Act applicable on the day the tax liability arises. If the Provider is not a taxable entity registered for the VAT on the national territory, the VAT settlement will be resolved in accordance with the legislation valid in the EU or by transferring the tax liability (the reverse charge mechanism).
10. Advance payments paid in the amount and by the due date according to the payment schedule for the given month will be deducted in the invoice.
11. The maturity period of the final invoice is 21 days from its issuance date.
12. The TS Operator is not in arrears with the payment of the invoice if the entire invoiced amount is credited to the account of the Provider not later than the last day of maturity.
13. Invoices for contractual penalties are due within 14 days from the invoice delivery date. The Contracting Party has the right to set off the contractual penalties stipulated in the contracts concluded in accordance with this chapter against other financial transactions towards the obliged party.
14. TSO and the Provider may agree that handover of invoices will be carried out electronically.

15. If the maturity date of the final invoice or pro-forma invoice is on Saturday, Sunday or a public holiday, the maturity date is deemed to be the following working day.
16. In case of delay with settlement of the due payment, the TS Operator is entitled to invoice the late payment interest amounting to 1M EURIBOR + 8 % p.a. from the due amount for each started day of delay (with a 360-day accounting year). The value of 1M EURIBOR valid as of the first day of delay with a payment will be used for the interest calculation. If 1M EURIBOR does not reach a positive value (negative value), 1M EURIBOR equal to zero will be used for interest calculation. The late payment interest is due within 14 calendar days after the invoice delivery date. At the same time, the invoice will be sent to the address of the generator registered office by a registered mail.
17. If one of the contracting parties pays the late payment interest to the other contracting party which was invoiced without authorization, the contracting party in favour of which such interest was paid is obliged to return it immediately.

## **5.16 DEALING WITH CASES OF NON-FULFILMENT OF THE CONTRACTUAL CONDITIONS RELATED TO THE PROVISION OF ANCILLARY SERVICES AND REGULATION ELECTRICITY SUPPLY**

1. In case of failure to meet the conditions, the authorized person of the affected party informs the other party immediately on the non-performance and will invite it for remedy. TSO and the Provider will always act in a way so that all information on non-fulfilment of the conditions and potential consequences is given to the other party on time and, if possible, so that the non-fulfilling party has the possibility to perform remedy on time.
2. Both parties will always act with regard to the provisions on general damage prevention in accordance with the relevant provisions of the Commercial Code.
3. In case of a dispute regarding the failure to fulfil the terms and conditions, TSO and the Provider act in accordance with the following provisions.
4. The Provider and TSO will make every effort to settle potential disputes resulting from contracts in an amicable manner. However, if there is a dispute, both parties will act in a way so as the situation is accurately described and there is a sufficient time period to obtain the documents.
5. The disputed issues are discussed by the assigned persons in the particular area of the dispute specified in contracts in accordance with Chapter 5 and/or by the authorized representatives of the parties. The claiming party is obliged to invite the other party in writing to resolve the dispute, while describing the dispute and if the claim is appraisable in monetary term, the amount expressing the value of the claim is provided or the requirement for remedial measures is defined and the evidence supporting its claim is submitted.
6. The invitation will be delivered to the other contracting party in person or by a registered letter to the address of its registered office in case of a legal entity or to the address in case of a natural person.
7. Authorized persons of both contracting parties will meet on the agreed date and in the agreed venue. Unless the agreement is reached on the date and venue of the meeting, the authorized persons of both contracting parties will meet on the 7th working day from the invitation delivery at 10 a.m. in the registered office of the contracting party invited for discussion.

8. The subject of the invitation will be discussed at the meeting of the authorized persons of both contracting parties and the minutes will be executed from the meeting, including a proposed solution. If an agreement is been reached regarding the proposed solution of the disputable issue in full extent, the minutes are signed by the authorized persons of both contracting parties and submitted for subsequent approval and comments to the persons appointed by both contracting parties for such case. If an agreement is reached only about a part of the disputed issue, the part about which an agreement has been reached regarding the proposed solution and the part which remains disputable will be precisely divided and described in the minutes.
9. The assigned persons in accordance with point 5, are obliged to comment on the proposed solution of the disputed issues not later than 20 working days after the minutes were taken and to deliver their written comments on the proposal to the other contracting party to the address of its registered office or to the addresses provided in the Contract.
10. Unless a conciliation solution of the disputed issues is reached within two months from the delivery of the invitation, the contracting party interested in that may refer its complaint to the competent administrative authority or bring an action before the competent court while notifying the other contracting party thereof by a registered letter. Both contracting parties are obliged to act in accordance with the Operational Rules and the Contract during the period of the dispute existence.

## **5.17 CONDITIONS FOR TRADE SECRET PROTECTION AND DATA STORAGE**

1. The Provider and TSO will protect and not disclose the confidential information to the third parties. None of the parties will information on the contents of the Contracts concluded in accordance with the Operational Rules to the third party without a written consent of the other party. Similarly, the parties will protect confidential information and facts forming a trade secret of the third party and provided by such third party to any of the contracting parties with a permission for their further use. The confidentiality obligation lasts during the entire period of existence of facts forming the trade secret or during the entire period of existence of the interest to protect confidential information.
2. This provision does not apply to the information obligation resulting from the generally binding regulations. TSO is authorized to provide information upon request, in particular to the European Commission, the Office, the Ministry, the Slovak Trade Inspection or the Anti-Monopoly Office of the Slovak Republic. TSO is not obliged to inform the affected Provider about the provision of data.
3. TSO may use information of the technical character in the necessary extent in regard to the obligation to manage the ES of SR. Furthermore, TSO is also authorized to provide or disclose the data on PpS in a summary form for individual PpS and time segments.
4. The Provider may provide information of the technical character in the necessary extent to the company, which operates its electro-energetic facility providing PpS, or to the company, which owns the Provider.
5. TSO keeps all written, e-mail and fax documents related to the purchase of PpS and the communication between TSO and the Providers, for at least 3 calendar years since their creation.

After the end of this period, TSO has the right to destroy these documents, and has the obligation to ensure appropriate protection of data against access by the third party.

6. Electronic communication is stored in archives and databases for at least 5 calendar years from their establishment. When destroying data mediums, TSO will ensure appropriate protection of data against access by the third party.
7. Logs of the recorded telephone calls are archived in accordance with the Dispatching Rules. TSO has the right to destroy them after this period, and is obliged to ensure appropriate protection of the logs against access by the third party.
8. TSO will secure all archives and databases for data storage against access by the third party. The protected data will be made available only to the authorized employees of TSO. TSO will adopt the documentation that shall determine the group of protected information and data, their archiving method and the group of people - TSO employees that have access to individual groups of data.

## 5.18 DATA PUBLICATION

1. By 30 September, TSO annually publishes the amount of hourly outputs necessary to ensure the individual types of PpS for the following year on its website.
2. TSO publishes the following on the website:
  - a) ongoing preliminary evaluation of the quantity of the procured RE in the last 12 hours, with an hourly shift;
  - b) preliminary values of the volume and weighted average of prices of the actually provided PpS according to individual types, for each trading hour of the previous day;
  - c) final values of the volume and weighted average of prices of the actually provided PpS according to individual types, for each trading hour of the previous month after the end of monthly evaluation;
  - d) rules and conditions of PpS procurement.
  - e) INP Contract and calculation method of RE price accounted in the INP system among TSO.
2. Rules of communication through TSO IS ([Damas Energy - SEPS \(sepsas.sk\)](#)).
3. TSO publishes the data on the balancing market in accordance with Commission Regulation (EU) 2013/543 on the website <https://transparency.entsoe.eu>.



## **6. Rules and Conditions for Electricity Purchase to Cover Losses in the Transmission System and/or for TSO Self-Consumption**

### **6.1 CONDITIONS FOR ELECTRICITY PURCHASE TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION**

1. Pursuant to the Energy Act, TSO is entitled to purchase electricity to cover losses in TS in a transparent and non-discriminatory manner in compliance with the relevant provisions of the valid price decree.
2. To ensure transparent and open procedure, TSO purchases the electricity to cover losses in TS in the following manner:
  - a) by a tender (hereinafter referred to as “VK”),
  - b) by purchase on the short-term market in electricity,
  - c) by a purchase on the electricity exchange.
3. During purchase of electricity, TSO reserves the right to determine the period for which it will purchase electricity to cover losses in TS with the aim to ensure the necessary amount of electricity to cover losses in TS corresponding to the anticipated operation of the ES of SR with regard to the possibility of adjustment of prediction for the required volumes and the predicted price development on the electricity market.
4. The accurate conditions of purchase are specified in the conditions of VK.
5. A criterion for selection of bids for the purchase of electricity to cover losses in TS is the bid price of electricity in EUR/MWh or criterial function and further criteria defined in the VK conditions.
6. Moreover, a similar approach may be applied to the purchase of electricity for the TSO self-consumption which may be arranged together with the purchase of electricity to cover losses in TS, as well as individually.
7. In the regime of own responsibility for imbalance, TSO may within the short-term or intra-day trades sell the surplus of electricity or purchase the missing electricity using standard tools, which is not considered to be electricity trading.
8. Purchase on the short-term market in electricity or electricity exchange is governed by the relevant rules of the short-term market or by the exchange rules. The conditions and limits of purchase is approved by the company Board of Directors.

### **6.2 PROCEDURE FOR PURCHASE OF ELECTRICITY TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION**

#### **6.2.1 Time Horizon of Purchase**

1. Electricity to cover losses in TS and/or for TSO self-consumption is purchased in tenders that may be carried out within the following time horizons:

- a) long term purchase (annual) - electricity is usually purchased for the period of one year. The subject-matter of demand is the total required quantity of electricity for the relevant period. If necessary, TSO reserves the right to announce VK also with other announcement date;
- b) mid-term purchase - electricity is purchased for more than one calendar week and for less than one calendar year;
- c) short term purchase (daily) - electricity is purchased for individual trading hours of the following day in the form of tender in TSO IS or at the short-term market in electricity.

### **6.2.2 Invitation to Tender**

- 1. Invitation to tender for long term purchase will be published by TSO on the website and/or via TSO IS, not later than 14 days prior to the deadline for receiving bids or not later than 14 days prior to expiry of the time period for submission of application for participation. In case of mid-term and short-term purchase, the time period is determined with regard to the TSO needs.
- 2. In case of tenders that will be announced via TSO IS, the given VK is governed by the conditions published on the website.
- 3. In the event of a sudden shortage of electricity for losses occurring during electricity transmission and for self-consumption for the day D beyond the contractually agreed values, it is possible to ensure the increased requirement and to negotiate the purchase via TSO IS or by telephone and/or e-mail.

### **6.2.3 Specification of the Tender Conditions**

- 1. The VK conditions must contain at least the following parameters:
  - a) period of supplies;
  - b) criterial function for unambiguous evaluation of bids;
  - c) minimum period of the binding validity of a bid;
  - d) deadline for bid submission;
  - e) deadline for announcement of the VK results;
  - f) method of ensuring responsibility for imbalance (regime of own responsibility for imbalance or regime of delegated responsibility for imbalance).
- 2. In case of daily purchase, subpar. c) and f) of paragraph 1 do not apply.

### **6.2.4 Content of Bid Outside TSO IS**

- 1. The bids have a unified structure prescribed by the VK conditions which is binding for all bidders. It includes in particular:
  - a) basic identification and contact information;
  - b) completing the form prescribed by the VK conditions which includes a price or a criterial function in the specified structure and the offered volume.

### **6.2.5 Delivery of Bids Outside TSO IS**

1. The bidder will deliver a bid containing the above-mentioned data, in writing, in the sealed envelope to the TSO filing office within the deadline specified in the VK conditions.

The TSO filing office will mark the envelope with the day and time of the bid takeover and, if the bidder is interested, it will issue the bidder a confirmation of takeover of the bid specifying the place, date and time of the bid takeover.

2. The bids delivered after the deadline for bid submission will not be accepted.

## **6.3 DELIMITATION OF ENTITIES WHICH MAY SUPPLY ELECTRICITY TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION**

1. The participants of the electricity market complying with the following conditions are authorized to submit bids for VK:
  - a) as of the date of the bid submission, it has a Contract on evaluation and settlement of imbalance concluded with OKTE, a. s. or it submits a declaration of honour that it will conclude such contract for the relevant year at least 1 calendar week prior to the first day of supply;
  - b) by the moment of the bid submission, it accepts the VK conditions without reservations and it submits a signed Framework Contract for purchase of electricity to cover losses in the transmission system and for self-consumption of substations (hereinafter referred to for Chapter 6 as "Contract") which forms a part of the VK documentation.
2. If necessary, TSO is entitled to declare daily VK for the purchase of electricity to cover losses and/or for self-consumption.

## **6.4 METHOD OF BID EVALUATION FOR ELECTRICITY SUPPLY TO COVER LOSSES IN TS AND/OR FOR TSO SELF-CONSUMPTION**

1. The provisions of paragraphs 2 and 3 of this Chapter apply to tenders carried out outside TSO IS.
2. TSO appoints a commission consisting of at least three participants from the TSO employees.
3. The commission will open envelopes under protocol and it will exclude all bids not meeting the prescribed requirements in accordance with the VK conditions.
4. In case of valid bids, the criterial function defined in the VK conditions will be evaluated.
5. Entity/entities with the best final value of the criterial function becomes/become the VK winner/winners.
6. If two or more bidders achieve the same final value of the criterial function, the order of bid submission is decisive (i.e. the date and time of submission).

#### **6.4.1 Announcement of Tender Results and Contract Conclusion**

1. TSO will announce the VK results within the deadline and in the manner defined in the VK conditions.
2. TSO will send to the VK winner/winners (hereinafter referred to as the “Contractor”) a notification of the bid success and the Contract immediately after the evaluation and approval of the VK results by the company bodies, unless otherwise defined in the VK conditions.
3. The Contract comes into effect on the day of its signing by the contracting parties, unless otherwise specified by the Contract.
4. The current wording of the Contract is published on the website.

#### **6.4.2 Tender Cancellation**

1. TSO is entitled to cancel VK or not select any bid at any time during VK until the result announcement. In the event of the VK cancellation or if TSO does not select any bid, the participants of this VK have no legal entitlement to any compensation or financial implementation from TSO.
2. TSO will cancel VK if there is a reasonable suspicion of distortion of the competitive environment, agreements among the VK participants and other facts that may affect transparency and non-discriminatory character of VK.
3. In the event of unsuccessful VK, TSO is entitled to purchase electricity to cover losses in the form of direct assignment for a maximum period of a quarter of the year, until the baseline documents for new VK are prepared.

### **6.5 DISPUTE RESOLUTION**

1. TSO and the Contractor proceed as follows in case of dispute resolution:
  - a) TSO and the Contractor will proceed in a way so as to objectively explain the disputed situation and to provide the necessary collaboration for this purpose;
  - b) The claiming contracting party is obliged to invite the other contracting party in writing to resolve the dispute while it will describe the dispute in detail and refer to the provisions of a legal regulation, Trading Conditions or the mutual Contract, and it will submit copies of evidence materials supporting the claim. Moreover, if the claim is appraisable in monetary terms, it will also state the amount expressing the value of the claim;
  - c) The invitation is delivered to the other contracting party in person or by a registered letter to the address of its registered office in case of a legal entity or to the address in case of a natural person.
  - d) Authorized persons of both contracting parties will meet on the agreed date and in the agreed venue. Unless the agreement is reached on the date and venue of the meeting, the authorized persons of both contracting parties will meet on the 7th working day from the invitation delivery at 10 a.m. in the registered office of the contracting party invited for discussion;

- e) The subject of the invitation will be discussed at the meeting of the authorized persons of both contracting parties and the minutes will be executed from the meeting, including a proposed solution. If an agreement is reached regarding the proposed solution of the disputed issue in full extent, the minutes taken by the assigned persons of both contracting parties are signed and submitted for the subsequent approval and comments to the persons appointed for this case. If an agreement is reached only about a part of the disputed issue, the part about which an agreement has been reached regarding the proposed solution and the part which remains disputable will be precisely divided and described in the minutes.
- f) Statutory bodies of TSO and the Contractor or their authorized representatives are obliged to comment on the proposed solution of disputed issues not later than 20-working days from the date of the minutes taking and to deliver their written opinion on the proposal to the other contracting party to the address of its registered office or to the address;
- g) Unless a different agreement is reached within the period of 60 calendar days from delivery of the invitation, the contracting party interested in that may file an action to the competent court or refer the complaint to the competent administrative authority while notifying the other contracting party thereof by a registered letter. Both contracting parties are obliged to proceed in accordance with the Operational Rules and the valid Contract during the period of the dispute existence.

## **7. Provision of Data by Market Participants**

1. TSO publishes the data on the total production and consumption of electricity on the defined territory, on the final consumption of electricity on the defined territory and actual and planned cross-border flows of electricity on its website, on a daily basis. For this purpose, the distribution system operator (referred to as "market participant" for the purposes of this chapter) will hand over the data to TSO in accordance with the Market Rules.
2. The distribution system operator will submit the data for the previous day in MWh by 12:00 p.m. on a daily basis. In case of bank holidays, it is possible to submit the data on the following working day by 10:00 a.m. or 12:00 p.m.
3. With the aim to eliminate inaccuracies in daily submissions of data, market participants provide summary monthly values for the relevant month by the 5th working day of the following month.
4. Market participant must have an EIC code of X type allocated which serves for its identification in the system for data collection. If the market participant was not allocated the EIC code of X type, it can request TSO for its allocation.
5. Prior to the data submission, the market participant requests TSO to register it in the system for data collection by sending a filled in registration form. The registration form, contact persons and other detailed instructions for sending data are available on the website in the section "Dispatching / Instructions for data collection".
6. Market participants submit daily and monthly data to TSO using one of the following methods:
  - a) Web form: by filling in the web form available on the website [www.sepsas.sk](http://www.sepsas.sk)
  - b) XML file: by uploading a file through the web portal <https://isom.sepsas.sk>, or by sending the file to the e-mail address [statistika@sepsas.sk](mailto:statistika@sepsas.sk);
  - c) By a web service that creates external interface of the data collection system and enables automatic communication between the information systems of the market participant and TSO.

## **8 Claim Procedure Related to Chapter 3**

1. In case of a claim by electricity market participants referred to the transmission system operator due to reasons arising from the breach of mutual contractual relationships or other type of error resulting from the breach of contractual relationships, both contracting parties will proceed in accordance with this claim procedure.
2. Participant of the electricity market (hereinafter for the purposes of this Chapter referred to only as "Participant") is entitled to claim non-compliance of the obligations or errors arising from the contractual obligations at TSO in the form of a written claim sent by electronic mail to the address: [reklamacie@sepsas.sk](mailto:reklamacie@sepsas.sk).
3. The claim can be filed only by the person defined in the relevant contract as a person authorized to file a claim, or as a contact person.
4. Each claim must meet the following requirements:
  - commercial name of the Participant,
  - X EIC code,
  - subject of the claim,
  - Contract on which the subject-matter of the claim is based, it is necessary to specify the contract number and a reference to the provision in the contract and/or other regulation, the non-compliance of which is claimed,
  - identification of off-take or supply point, Z EIC code,
  - justification of the claim or submission of a copy of the evidence.
5. In case of a claim regarding the billing measurement, the Participant is obliged to fill in the form for claiming the measured data, which is provided in this chapter and also published on the website. Only the claim containing all requirements listed in the form shall be deemed to be a legitimate claim and will be sent not later than the 10th calendar day of the following month.
6. In case of claim regarding invoices is the Participant required to specify, in addition to the requirements under paragraph 4, also the following:
  - number of the claimed invoice,
  - the amount.
7. The claim can be exercised TSO not later than 6 months since the day of potential origination of the claim due to the error. A special deadline applies to the claims regarding the billing measurement in accordance with point 5. TSO will not consider the claims delivered after this deadline.
8. The claim will be reviewed and evaluated by TSO within 30 days of its delivery. Response of TSO will be sent to the Participant to the email address from which the claim was received.
9. If it is necessary to provide additional data by the Participant in regard to the subject-matter of the claim, TSO is entitled to suspend the complaint procedure until the submission of the required data.
10. TSO will review each claim according to the valid legislation relating to the subject-matter of the claim and in accordance with the valid contractual relationship under which is the claim is made.

11. If a billing error is proved, the Participant is entitled to the settlement of the incorrectly billed amounts. A corrective invoice will be issued within 30 days from the date of the claim recognition.
12. If the claim was rejected by TSO or if the Participant disagree with its handling, the Participant is entitled to proceed in accordance with the Regulation Act by submitting a proposal for resolving the dispute to the Office.
13. The Participant must submit the proposal within 1 year from the breach of the obligation of the party to the litigation while the proposal must meet the requirements in accordance with Article 38 par. 5 of the Regulation Act.



## FORM FOR COMPLAINT IN REGARD TO METERED DATA

EIC code of the entity making complaint (X-type EIC code)	
1. EIC code/OOM codes (Z-type EIC code/codes)	
2. Time span of the complained data for OOM format dd.mm.yyyy hh:mm – dd.mm.yyyy hh:mm	
3. Proposal of replacement data for OOM for the given time span format dd.mm.yyyy hh:mm – proposed value <sup>1)</sup> , 2), 3).	
4. EIC code/codes of the metered profile/profiles (Z-type EIC code/codes)	
5. Time span of the complained data of the metered profile/profiles format dd.mm.yyyy hh:mm – dd.mm.yyyy hh:mm	
6. Proposal of replacement data for the metered profile/profiles for the given time span format dd.mm.yyyy hh:mm – proposed value <sup>1)</sup> , 2), 3).	
7. Justification of the complaint due to demonstrable - differences between data from metering of the operator and the TS user while the user proves correctness of its data	

### Note:

- <sup>1)</sup> Value entered in MW, rounded to three decimal places.
- <sup>2)</sup> In case of proposal of new data, it is necessary to provide the description of their acquisition method.
- <sup>3)</sup> In case of proposal of new data with a larger time span it is necessary to send these values in a separate annex. In the appropriate section of the form, please, specify “see the annex”.

### Caution:

In case of failure to fill the items in the aforementioned table, it will be impossible to exercise the complaint.

## **9. Request for a TSO Opinion on the Application for Issuance of the Certificate for Building the Energy Facility**

1. It is possible to construct an electro-energetic facility or demand electricity facility (for the purpose of this chapter hereinafter referred to as “energy facility”) that is not exhaustively defined in the Energy Act only on the basis of the Certificate for the construction of energy equipment (hereinafter referred to as “Certificate”) issued by the Ministry of Economy of the Slovak Republic in the form of a decision in accordance with the Energy Act.
2. A part of the application for issuing the Certificate is a TSO opinion on the data exhaustingly defined in the Energy Act (hereinafter referred to as “TSO Opinion”).
3. A future or the existing owner of the energy facility or a person provably authorized by them is obliged to submit the application for issuing the TSO Opinion. The application form is available on the website ([Formuláre na stiahnutie - SEPS \(sepsas.sk\)](https://sepsas.sk/Formulare-na-stiahnutie)). After its downloading, completing and signing by the statutory representatives of the Applicant, it can be sent in the form of a scanned file to e-mail address: [stanoviskopps@sepsas.sk](mailto:stanoviskopps@sepsas.sk) or by mail to the address of the registered office of TSO or can be delivered in person to the filing office of TSO. It is also possible to send the form by e-mail and the mandatory annexes to the application by mail or deliver them in person to the address of TSO in an envelope marked “Supplementation to the application for the TSO Opinion”.
4. The application must include a fully completed form.
5. If the Application for Issuing the TSO Opinion fails to meet all requirements, or if some information is incomplete, TSO will evaluate the application as incomplete and informs on the reasons of refusal.
6. If due to complexity of assessment of the application, TSO is unable to issue the TSO Opinion, it will initiate a joint meeting between the applicant and TSO the topic of which will be specification of the baseline documents by the applicant and clarification of potential disputable data in the application.
7. TSO reviews each application separately with regard to compliance with the legal obligations for TS operation and is governed by the deadlines set in the Energy Act.
8. For the energy facility connected to TS, the application for the TSO Opinion must also include a Study of impact of the Applicant's facility to be connected to the ES of SR (hereinafter referred to as “Study”).
9. For the purpose of agreeing upon the basic procedure for the Study processing, TSO invites the applicant to arrange a joint meeting at which they agree upon the basic essentials of the Study, such as terms of reference, scope, date of handover which will be the subject-matter of the Contract for Work (hereinafter referred to as “CfW”) concluded by and between TSO and the Applicant and, potentially, also a contracted supplier in accordance with point 12 of this chapter.
10. The Applicant is obliged to provide TSO with the input baseline documents for the Study elaboration within the scope specified in the SEPS Technical Conditions (Document E) including the technical solution of the Applicant's energy facility connection processed by the authorized designer.
11. The purpose of the Study is:

- to identify and analyze the impact of the energy facility on safety of the electricity system of the Slovak Republic operation (hereinafter referred to as "ES of SR") in various modes of the energy facility operation and in various states of the ES of SR,
  - to propose measures to eliminate potential negative impacts of the Applicant's energy facility on ES,
  - to estimate costs on the part of TSO required for building the facilities necessary for connection of the Applicant's energy facility to TS,
  - to recommend a feasible method of connection of the Applicant's energy facility to TS including the execution deadlines of the equipment required for connection
12. The Study processing will be provided for by TSO on their own behalf or through the contracted supplier determined solely by TSO. In regard to the fact that during the Study processing the confidential input data from other entities assessing the impacts of connection on the electricity system of SR must be considered, the provided data may be processed solely by TSO or by the contracted supplier. The costs of the Study processing shall be paid in full by the Applicant.
  13. If it is a connection of the energy facility to TS, a positive TSO Opinion will include a list of inevitable associated investments on the part of TSO resulting from the Study as well as other important conditions and context required for future connection of the Applicant's energy facility to TS.
  14. The TSO Opinion serves solely for the purpose of issuing the Certificate and it will be sent to the e-mail address or postal address of the Applicant specified in the application.
  15. Issuance of a favourable TSO Opinion cannot be demanded by the Applicant.
  16. Validity of the favourable TSO Opinion is time limited in accordance with the provisions of the Energy Act.
  17. A copy of the TSO Opinion will be forwarded to the Ministry of Economy of SR. The application for issuing the TSO Opinion for the purpose of issuing the Certificate does not replace the Application for connection to TS and the issued TSO Opinion does not replace the terms of connection, which TSO will set in detail subsequently in the Contract on common procedure, or in the Contract on connection to TS.
  18. Graphical representation of the procedure for issuing the TSO Opinion for the purpose of obtaining the certificate of the Ministry of Economy of SR is available on the website:  
[priloha 3 graficke znazornenie vydania stanoviska pps.xls \(live.com\)](#).

## **10. Procedure for Removing and De-Branching the Trees and Other Vegetation Endangering the Safety or Reliability of Energy Facility Operation**

1. Protective zone is established for the protection of facilities of the system and it is understood as the space in the immediate vicinity of the facility of the system, which is designed to ensure reliable and smooth operation and to ensure protection of life and health of persons and property. The property owner is therefore obliged to respect the protective zone in accordance with the restrictions defined in Article 43 par. 4 of the Energy Act.
2. The authorization holder (hereinafter referred to as "TSO") or a person appointed by them (hereinafter referred to as "Contractor") has the right to remove and de-branch the trees and other vegetation that endanger safety or reliability of the energy facility operation, unless their owner did so after the prior notice.
3. After assessing the necessity to perform felling of vegetation in the protective zone of the electro-energetic facilities on the third-party property, TSO or the contractor will send an invitation to the land owner to perform felling of vegetation at least 15 days before the planned commencement of felling by TSO or the contractor. The owner is obliged to respond to this written invitation within the period specified in the invitation. The owner has the option to perform felling on its own under conditions agreed with TSO or to leave these activities to TSO or the contractor, and for this purpose give the permission to enter the land and to make the land available on the pre-announced date. In the event of failure to deliver the reply by the owner within the specified deadline, this is deemed to be the expression of consent with the performance of felling by TSO or the contractor. Similarly, if the invitation was not delivered to the owner or it was not taken over by the owner, the felling will be performed by TSO. TSO will repeatedly inform the owner on entering the land in writing.
4. If the owner is interested to perform the felling on its own, TSO will invite the owner to inspect the site and negotiate the scope and method of implementation of activities, estimated costs and the date of works performance. The owner must meet the basic prerequisites, i.e. professional competence to perform the given activity (Decree of the Ministry of Labour, Social Affairs and Family of SR No. 46/2010 Coll., establishing details on ensuring safety and health in forest work and details on professional competence for carrying out certain occupational activities and operating certain technical equipment), as well as the TSO requirements for occupational health and safety and fire protection. The owner is obliged to meet the reporting obligation or other legal obligation against the state administration or local self-government.
5. The scope means determination of the surface area in m<sup>2</sup>, to remove and de-branch the trees and other vegetation endangering safety and reliability of lines operation while the owner is obliged to comply with the TSO conditions set for felling of vegetation determined in this manner.
6. The method means the agreed technological procedure that will be used for felling of vegetation (e.g. manually, milling, extraction of trees, mowing etc.). Felling of vegetation in the protection zone of external lines will be carried out during the operation of the lines. If the vegetation is dangerously close to the line conductors, the felling will be carried out with the line turned off, under supervision of a person with a certificate of professional competence of an electrical engineer in accordance with Article 23 of Decree of the Ministry of Labour, Social Affairs and Family of SR No. 508/2009 Coll., laying down details for ensuring safety and health at work with

pressure, lifting, electrical and gas technical equipment, and laying down the technical equipment considered to be the reserved technical equipment, as amended.

7. The estimated costs mean determination of the maximum price for felling of vegetation per 1 m<sup>2</sup> in the given location while the maximum price means a successful price quotation in the TSO tender for submission of bids of contractors for felling of vegetation. The price for felling of vegetation will be calculated by multiplying the unit price per m<sup>2</sup> and the felled area size.
8. The actual price of felling will be determined after the acceptance of works by the responsible person of TSO, on the basis of a mutually approved acceptance protocol, which will include a list of works carried out by the owner.
9. The date of completion of the works will be agreed as the final day, when the felling works are to be finished.
10. A record will be made of the aforementioned which will be approved and signed by both parties - the owner and the TSO representative.
11. During performance of these works, the owner is obliged to act in a way so as to avoid damage to health, property, nature and environment and takes full responsibility for his actions. The wood mass remains the property of the owner.
12. After the work completion, the owner will invite TSO to the handover and acceptance of the works, not later than 7 days from the agreed date of the work completion. If the owner fails to meet the agreed deadline, he is required to inform TSO of this fact in advance along with a request for an alternative date of the work completion. Potential claim for damages incurred by TSO due to delay in the work performance shall not be affected thereby. If the owner fails to meet the alternative date of the work completion, these will be carried out, or completed by TSO and the compensation of costs will not be provided to the owner at all, or it will be reduced by an aliquot amount corresponding to the unfinished work.
13. In the protocol on handover and acceptance of works, the actual scope, method and date of the performed works is to be provided. The handover and acceptance protocol includes a list of the performed works. If TSO detects any deficiencies during the takeover of the works, it will invite the owner to remove the deficiencies within the set time period. After removal of deficiencies, the owner will invite TSO to carry out an inspection. If the deficiencies are not removed sufficiently or within the set time period, TSO is entitled to reduce the agreed price by an aliquot portion. The potential claim for damages is not affected thereby.
14. The right for payment of the price arises to the owner by proper completion and handover of works. After a complete handover and acceptance of works the owner issues an invoice that will meet the requirements under the VAT Act. The invoiced amount will be invoiced with the corresponding VAT under the VAT Act. Annexes of the invoice will include a list of performed works and a drawing of the performed works. TSO will pay the submitted invoice within 60 days from its delivery date. If the invoice fails to meet the requirements, TSO is entitled to return it to the owner for correction. The period of maturity is suspended.

## 11. Final Provisions

### 11.1 COMMUNICATION

1. Communication between TSO and the User is in writing, by e-mail or via electronic communication, and in exceptional cases, by telephone, while the following conditions and procedures are taken into account:
  - a) in writing - a written form of communication means delivery of written documents in person, by registered mail or by a courier; the delivery is to be made to the filing office TSO in the registered office of SEPS, unless another address for delivery of written documents is specified in the relevant contract or on the website; the envelope must be marked with the type of document (e.g. Request for re-evaluation of ... Completion of data on..., Claim regarding data ... etc.); the TSO filing office will indicate the date and time of receipt on the received document; the filing office will confirm the date and time of delivery to the delivering person on a copy of the documents or their list; the delivery is possible during working hours of the filing office (Information on the filing office: [Všeobecné kontakty - SEPS \(sepsas.sk\)](http://sepsas.sk)); the taken over written document is registered in the TSO filing office carrying a registration number, date and time of takeover;
  - b) via electronic communication, electronic mail (e-mail) - messages received by electronic mail are delivered at the time of their receipt to the e-mail server of TSO while the evidence is an extract from the logs of the relevant e-mail server of TSO or from the server of the web service provider for TSO; the message is duly taken over by TSO only if the receipt was subsequently confirmed by TSO to the sender by a delivery message; the message must include identification of the sender, subject-matter of the message and contact data of the sender. Messages having the character of a legal act must be electronically signed using a qualified certificate in accordance with the relevant legislation of the Slovak Republic or the European Union; standards for electronic communication are published by TSO on the website;
  - c) by electronic communication, by submitting to TSO IS - the receipt of data must be confirmed by a notification in the information system; the data are delivered to TSO at the moment of its receipt on the TSO server, and the evidence is an extract of the logs from the relevant TSO server, or from the server of the provider of web services for TSO; data are duly taken over by TSO only if their receipt was confirmed by a message to the sender in TSO IS; TSO shall not be liable for any failures between the device of the User and the TSO server; moreover, TSO shall not be liable for failure to receive data or messages, if the message format was not respected in accordance with the terms of service of the relevant information system, which are published on the website;
  - d) by telephone - telephone communication is carried out only on the TSO telephone numbers published on the website, or which are provided in the contracts between Users and TSO; TSO as well as the User have the right to record all calls on these lines; call records serve as evidence material in the event of disputes; TSO shall not be liable for the receipt of data, information or messages, if they were delivered by phone to other than the designated phone numbers; telephone delivery of data is used only in exceptional cases of failure of information systems, connection or communication by e-mail; if it is not such situation caused on the part of TSO, TSO has the right to postpone the receipt of extensive data transmitted by phone due to urgent reasons, and it shall not be liable for timely receipt of data under the data receipt deadline pursuant to the Operational Rules.

2. Each contract establishes appointed persons for individual tasks for communication between TSO and the contractual partners. These appointed persons are entitled to communicate in the relevant matter on behalf of TSO. Unless expressly stated so in the contract, the appointed persons do not have the right to conclude any contracts on behalf of TSO or amend already concluded contracts. Any negotiation of the contract amendment by the appointed person is only a proposal for the amendment of the contract and is subject to approval by the statutory bodies of the company or their authorized representatives.
3. In case of joint meetings, the valid results of the meetings must be included in the minutes from the meetings signed by the participating parties.

## **11.2 PREVENTION OF DAMAGES, CIRCUMSTANCES EXCLUDING LIABILITY**

1. TSO and the User shall pay increased attention to the prevention of damages, and especially to the general prevention of damage according to the applicable regulations. The party breaching its obligation, or which, taking into account all circumstances, should know that it will breach its obligation under the contract, is required to notify the other party of the nature of the obstacles that prevents it or will prevent it from fulfilling its obligations and of the consequences thereof. The notification must be sent without undue delay after the obliged party learned about the obstacle, or after it could have learned about it with due care. The notification of the obstacle is to be sent by e-mail, telephone, or in the form of SMS message. Provision for compensation of damage shall be governed by the provisions of the Commercial Code and subsequent agreements of the parties.
2. TSO and the User are entitled to claim damages caused by breaching the obligation by the other party. If the damage was caused by breaching the obligations covered by a contractual penalty, the aggrieved party shall be entitled to claim damages in the amount exceeding the already paid penalty.
3. The Parties are released from liability for partial or full non-fulfilment of contractual obligations, in cases and under the conditions where this non-fulfilment was the result of the circumstances excluding liability under the provisions of the Commercial Code, the Energy Act and the Rules of Operation.
4. An obstacle, which occurred after the conclusion of the contract irrespective of the will of one of the contracting parties and prevents it from performing its duties is deemed to be a circumstance excluding liability, if it cannot be reasonably foreseen that such an obstacle or its consequences would have been averted or overcome by such a contracting party, and, furthermore, that it would have predicted this obstacle at the time of commitment origination (these are primarily accidents of transmission and distribution facilities, extraordinary overload of a line due to unexpected physical flows through TS, destruction or extensive damage to the transmission and distribution equipment by the natural disaster, terrorist attack, etc.).
5. The party affected by the circumstances excluding liability is obliged to immediately notify the other contracting party of these circumstances in writing and to invite it for a negotiation. The party invoking the circumstances excluding liability will submit credible evidence of this fact to the other party upon request.

6. Unless otherwise agreed by the parties, they shall continue to fulfil their obligations under the contract after the occurrence of the circumstances excluding liability, if reasonably possible and they will seek for other alternative means for fulfilling the contract, which are not obstructed by the circumstances excluding liability.
7. TSO has the right to independently and rapidly decide on the method of solving the cases where there is a risk arising from the delayed intervention. The cases giving TSO the right to independently and rapidly decide, include threats to safety and reliability of TS operation, threats to fulfilment of obligations of TSO arising from its membership in international interconnected systems, threats to supplying of electricity consumers or holders of the distribution permit, damaging the rights of other electricity consumers or holders of the distribution permit, etc. In this case, however, it must immediately inform the affected entities of its decision.

### 11.3 PERSONAL DATA PROTECTION

1. From 25 May 2018, a new legislation in the field of protection of natural persons in relation to processing their personal data is applied, i.e. Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter referred to as “**GDPR Regulation**”) and Act No. 18/2018 Coll. on Personal Data protection and on amendment of certain acts (hereinafter referred to as “**Personal Data Protection Act**”). The GDPR Regulation aimed at harmonization of legislation of covering personal data protection in the EU member states, increase of rights of the persons concerned and simplification of the rules for personal data processing has a direct impact on the EU member states without the need of transposition of the Regulation in the Slovak law. The purpose of the GDPR Regulation is to provide for consistent and high level of natural persons protection and elimination of obstacles of personal data flows in the Union. Personal Data Protection Act regulates, inter alia, position, competences and organisation of the Office for Personal Data Protection of the Slovak Republic.
2. The contractual relationships concluded between SEPS and the market participant contain a provision defining the method of personal data handling by SEPS in the form of reference to the document entitled Personal Data Protection Policy in Slovenská elektrizačná prenosová sústava, a.s. published on the SEPS website ([www.sepsas.sk](http://www.sepsas.sk)). The purpose of this provision is informing a contracting party on procedure in SEPS in compliance with the GDPR Regulation upon obtaining, processing or handling personal data of the contracting party or the employees thereof or other natural persons representing the market participant.
3. The legal basis of personal data processing is especially the Energy Act and the related legislation based on which SEPS fulfils the tasks implemented in the public interest and fulfils its the legal obligations. The legal basis for the data subject personal data processing is the contract fulfilment to which the data subject is a party. The legal basis for personal data protection is also a legitimate interest of SEPS.

### 11.4 FORCE

These Operational Rules shall come into effect on the date of the decision No. 0007/2023/E-PP coming into force.