

Time Course of Transaction Negotiations on SEPS/CEPS Profile

1. Long-term nominations

1. The acquisition of longterm rights for the use of the transmission capacity on the SEPS/CEPS profile by the by Market participants is not necessary for the provision of transmission (yearly/monthly capacity auctions are not applicable).
2. For the negotiation of daily transmission (the period of 24 successive Trade Hours, or 23/25 hours in case of start/end of daylight-saving time), the Market participants shall submit their request not later than **by 5.00 p.m. of D-2** (where D is the day of transmission).
3. Market participants registered in CEPS shall submit their request to CEPS via Damas Energy (CZ) system; Market participants registered in SEPS, shall submit their request to SEPS via Damas Energy (SK) system.
4. In case of fulfilling the conditions concerning the submission of a request in compliance with Damas Energy (CZ) Rules (for Market participants registered in CEPS), or Damas Energy (SK) Rules (for Market participants registered in SEPS), the respective TSO shall accept the submitted request.
5. Submitted requests for transmission have to fulfill conditions defined in the document "The User's Guide to scheduling in CEE Region" published on www.central-ao.com, which describes rules for scheduling valid in the CEE region. Following rules are valid for requests for transmission on the SEPS/CEPS profile:
 - a) Used standard **ESS 3.3**
 - b) **m:n** system applicable (cross-nominations)
 - c) Gate Closure Time (**GCT**) for long-term nominations on **D-2 5:00 p.m.**
 - d) End of the correction cycle at Cut Off Time (**COT**) on **D-2 6:00 p.m.**
 - e) All long-term nominations on SEPS/CEPS profile use the same **CAI: LONGTERM_FREE**
 - f) All long-term nominations on SEPS/CEPS profile use **Business Type A03** and **Capacity Contract Type A06**
6. At **5:00 p.m. of D-2**, TSOs SEPS and CEPS shall perform the matching of transmission requests. If requests of party and its counterparty do not match, market participants have possibility to correct unmatched requests until **6:00 p.m. of D-2**, otherwise the respective requests are refused, or reduced – with application of the rule of lower value.
7. Both TSOs CEPS and SEPS shall check the technical feasibility of requests with regard to the safe and reliable operation of the transmission system. TSOs reserve the right to reduce the required matched values of transmissions in case of a jeopardized safe and reliable operation due to nonfulfilment of security criteria founded from the "Operational Handbook ENTSO-E Policy 3:Operational Security". In such a case matched nominations in the respective business hour and the respective direction of transmission are reduced to **zero values**. Entire capacity limit of the profile in the respective business hour and the respective direction of transmission will be provided to the implicit auction within

CZ/SK/HU/RO market coupling. Final transmission values shall be confirmed to the Market participant (User) via message sent to the user account in Damas Energy (CZ) ePortal (for Market participants registered in CEPS), and Damas Energy (SK) ePortal (for Market participants registered in SEPS) within the time **by 07:00 p.m. of D-2**.

8. In case that within the time by **07:00 p.m. of D-2**, the Market participant does not receive the message via Damas Energy (CZ) (for Market participants registered in CEPS), or Damas Energy (SK) (for Market participants registered in SEPS) on the reduction of requested transmission values within the meaning of Article 7), the transmission requests, resulting from the matching procedure within the meaning of Article 6), shall be accepted by both TSOs.
9. A detailed and binding procedure for the transaction negotiation on SEPS/CEPS profile is stipulated in "*Agreement on Electricity Transmission through Connecting Lines*" (for SEPS) and "*Framework Agreement on Cross-Border Transmission of electricity through the Transmission System in the Czech Republic*" (for CEPS).

2. Process of ensuring the availability of cross-border capacity for the needs of virtual block on SEPS/CEPS profile

1. In the case of provider of ancillary services (PpS) providing virtual block using device in the foreign transmission network ("VB provider"), the VB provider is obliged to send a request, at least 7 working days in advance before beginning of the calendar month in which it plans to utilize virtual block using foreign transmission network, regarding availability of cross-border transmission capacity for each day of calendar month by letter to:

Slovenská elektrizačná prenosová sústava, a.s.
Odbor Obchodný dispečing
Mlynské nivy 59/A
824 84 Bratislava

2. If in the time D-2 5:00 p. m. the sum of entered requests for transmission based on the rules in this Annex (free nominations) and requests for availability of cross-border transmission capacity from VB providers exceeds the maximum capacity limit of SEPS/CEPS profile, the requests for transmission and requests for availability of cross-border transmission capacity will be reduced to zero value. The information on reducing will be send to VB provider via e-mail (Report on the transition to using residual transmission capacity).
3. In the case of reducing cross-border transmission capacity to zero values, the residual cross-border transmission capacity is used for the needs of providing ancillary services, meaning residual capacity at cross-border profile after the intra-day allocation, taking into account current state of interconnected networks.
4. In the case of insufficiency of residual cross-border transmission capacity for the need of providing ancillary services from foreign transmission network, the dispatcher managing ancillary services has right to reduce/suspend provision of this ancillary service. The information on reducing/suspension of ancillary service from foreign transmission network will be send to VB provider via e-mail (Report on the suspension of SRV service of CZ virtual block).

5. In the case of reducing free nomination to zero values and insufficiency of residual cross-border transmission capacity and reduction/suspension of provision ancillary services by dispatcher, this will not be considered by transmission system operator as breach of contract by provider. In this case, the payment to provider for availability will be paid only up to the amount of actually provided availability of VB.