



Information System Rules

Riga, 2017





1. Scope

These Information System Rules contain the terms and conditions for access to and use of the Auction Tool by Registered Participants and Potential Participants for Long Term Transmission Rights Auctions on the Estonia – Latvia border.

1. Definitions

- 1.1. Allocation Platform means in respect of the border Estonia Latvia is the body which performs the border Estonia – Latvia Long Term Transmission Right Auctions services on behalf of Elering and AST. Functions of the Allocation Platform are performed by a designated Allocation Platform agreed by Elering and AST on the basis of a bilateral agreement between Elering and AST.
- 1.2. **AST** means AS "Augstsprieguma tīkls", Latvian transmission system operator.
- Auction means the process by which long term Cross Zonal Capacity of the Estonia Latvia border is offered and allocated to the Registered Participants who submit Bid(s);
- 1.4. **Auction Tool** means the information technology system used by the Allocation Platform to perform Auctions and to facilitate other procedures described in EU HAR and in these Information System Rules.
- 1.5. **Bid** means a pair of Bid Quantity and Bid Price offered by a Registered Participant participating in an Auction.
- 1.6. **Bid Sheet** means a document prepared in the form stipulated in these Information System Rules in which the Registered Participant indicates its Bid(s) in accordance with the Border Rules (Annex).
- Border Rules (Annex) means border specific Annex for the Estonia Latvia border Long Term Transmission Rights Auctions on the Estonia - Latvia border.
- 1.8. **Credit Limit** means the amount of the collaterals which may be used to cover any Bid submission in subsequent Auctions and is not used for outstanding payment obligations.
- 1.9. Elering means Elering AS, Estonian transmission system operator.
- 1.10. EU HAR means Harmonised Allocation Rules for Forward Capacity Allocation.
- 1.11. **Fallback** means an alternative plan that may be used in an emergency situation.





- 1.12. **Information System Rules** means the terms and conditions for access to and use of the Auction Tool by Registered Participants and potential Auctions' participants as published on the Allocation Platform's website.
- 1.13. **Offered Capacity** means MW volume of Cross Zonal Capacity offered for sale by the Allocation Platform during the Auction.
- 1.14. **Participation Agreement** means the agreement, by which the Parties undertake to comply with the terms and conditions for Cross Zonal Capacity Allocation on the Estonia Latvia border as contained in EU HAR and Border Rules (Annex).
- 1.15. **Registered Participant** means a company which: (1) has obtained the rights to trade electricity in Estonian, Latvian and/or Lithuanian Bidding Zones; and (2) is a member on the Nord Pool trading platform; and (3) is registered as a Registered Participant by the Allocation Platform in accordance with these Border Rules.
- 1.16. **TSO** means transmission system operator.
- 1.17. Working Day means hours between 9:00 am and 5:00 pm of the calendar days from Monday to Friday, with the exception of public holidays in Latvia as specified on the website of the Allocation Platform.

Other terms used in these Information System Rules shall have meaning given to them in EU HAR and the Annex 9 to the harmonised Allocation Rules for Forward Capacity Allocation Border specific annex for the border Estonia – Latvia, as well as in Article 2 of Regulation (EC) No 714/2009, Article 2 of Regulation (EU) 2015/1222, Article 2 of Regulation (EU) 2016/1719, Article 2 of Commission Regulation (EU) No 543/2013, Article 2 of Directive 2009/72/EC of the European Parliament and of the Council.





2. Rules and templates

2.1. Templates of the following documents are published in the public website of the Allocation Platform (<u>http://www.ast.lv/eng</u>) via the following navigation path: <u>Electricity market</u> / <u>PTR-Limited auction</u> under the section of the current year (e.g. <u>PTR-Limited Auctions 2017</u>).

DOCUMENT NAME	LINK TO THE DOCUMENT		
Rules			
Allocation Rules for Forward Capacity Allocation	EU HAR		
Annex 9 to the harmonised Allocation Rules for Forward			
Capacity Allocation Border specific annex for the border	Border Rules (Annex)		
Estonia - Latvia			
REQUIREMENTS FOR PARTICIPATION	N IN AUCTION		
Template of the Participation Agreement	Participation Agreement		
Template of the Payment Guarantee	Bank Guarantee Template		
AUCTION DOCUMENTS			
Template of the Auction Specification to Estonia – Latvia	Auction Specification		
border Auction	Addition Specification		
Template of the Bid Sheet to Estonia – Latvia border	Bid Sheet		
Auction	Did Silect		
Example of the collateral calculation to Estonia – Latvia Example Collateral Calculation			
border Auction			
RECOMMENDED TEMPLATES FOR SPECIFIC REQUES	STS TO AUCTION PLATFORM		
Template of the Request for the Amendments in the	The Request for the Amendments		
Participation Agreement	in the Participation Agreement		
Template of the Request for the Modification in the	The Request for the Modification in		
Collateral	the Collateral		
Template of the Request for the Contestation of the	The Request for the Contestation of		
Auction Results	the Auction Results		





3. General provision

- 3.1. Auction Tool is administrated by the authorized Allocation Platform personnel. Contact details for the Allocation Platform's authorized representatives are listed in Attachment 2 of the Participation Agreement.
- 3.2. Auction Tool is an electronic mailbox (explicit@ast.lv), which is the primary tool for communication between the Registered Participants, potential Auctions' participants and the Allocation Platform. Accordingly, in standard (non-Fallback) situation, all notifications, formal requests and Auction-related documents shall be exchanged via Allocation Platform mailbox (explicit@ast.lv), potential Auctions' participants and the authorized Registered Participant's representatives listed in Attachment 1 of the Participation Agreement.
- 3.3. Telephone numbers of the Allocation Platform's authorized representatives are a secondary tool for communication between the Registered Participants and the Allocation Platform. This tool shall be used for general inquiries.
- 3.4. Telephone numbers of the Allocation Platform's authorized representatives become the primary tool for communication in case of Fallback procedure. Any agreements made during the telephone conversations shall be confirmed using Auction Tool (explicit@ast.lv).

4. Access to Auction Tool

- 4.1. Non-registered market participants may use Auction Tool (<u>explicit@ast.lv</u>) to submit:
 4.1.1. completed Participation Agreement;
 - 4.1.2. general inquiries to the Allocation Platform.
- 4.2. The Allocation Platform shall grant full access to the Auction Tool (<u>explicit@ast.lv</u>) free of charge to the Registered Participant after the respective Participation Agreement has been signed between the Registered Participant and the Allocation Platform.
- 4.3. Full Access to the Auction Tool (<u>explicit@ast.lv</u>) is granted to the authorized Registered Participant's representatives listed in Attachment 1 of the Participation Agreement. Any communication originating from non-authorized personnel may be disregarded by the Allocation Platform.





- 4.4. Auction Tool (<u>explicit@ast.lv</u>) may be used by the authorized personnel of the Registered Participant according to the Participation Agreement for the following actions:
 - 4.4.1. Bid Sheet and password submission;
 - 4.4.2. requests for modification of collaterals;
 - 4.4.3. requests for amendments in the Participation Agreement;
 - 4.4.4. contestation of the Auction results;
 - 4.4.5. general inquiries to the Allocation Platform.
- 4.5. The Registered Participant may amend the list of the authorized representatives or any other information regarding the Registered Participant provided in the Participation Agreement by requesting changes in the Participation Agreement via sending the request (recommended in the form of template of request for the modification in the collateral) to the Auction Tool (explicit@ast.lv).

5. Collaterals

- 5.1. Registered Participants shall provide collaterals in order to secure payments to the Allocation Platform resulting from Auctions of Long Term Transmission Rights.
- 5.2. Only the following form of collaterals shall be accepted:
 - 5.2.1. a Bank Guarantee;
 - 5.2.2. a cash deposit in a dedicated Business Account.
- 5.3. An example of the calculations used to determine necessary collateral is provided in the Example of the collateral calculation to Estonia Latvia border auction.
- 5.4. A Registered Participant may request a decrease of the collaterals in form of a Bank Guarantee and/or a cash deposit by sending the request for modification in the collateral (recommended in the form of template of request for the modification in the collateral) from commercial and/or operational contact persons specified by the Registered Participant in Attachment 1 of the Participation Agreement to the Auction Tool (<u>explicit@ast.lv</u>) and by post to Allocation Platform.
- 5.5. A decrease of the collaterals of a Registered Participant shall only be allowed if the Credit Limit after applying the requested decrease of the collaterals would be greater than or equal to zero.
- 5.6. The Allocation Platform shall assess the request for modification of collaterals and confirm the acceptance or send a refusal note to the Registered Participant, at the





latest, two (2) Working Days after receiving the hard copy of the request. The confirmation or refusal note shall be sent via email from Auction Tool (<u>explicit@ast.lv</u>) to the commercial and/or operational contact persons specified by the Registered Participant in Attachment 1 of the Participation Agreement.

6. Credit Limit

- 6.1. The Credit Limit shall be equal to the amount of the collaterals in place minus any outstanding payment obligations.
- 6.2. The Allocation Platform shall calculate and update the Credit Limit of each Registered Participant in respect of each subsequent Auction.
- 6.3. The Allocation Platform shall provide information to each Registered Participant of its Credit Limit individually by sending it from Auction Tool (<u>explicit@ast.lv</u>) to the authorized Registered Participant's operational and/or commercial contact person in accordance to the following timeframe:
 - 6.3.1. on the first day of the calendar month;
 - 6.3.2. two (2) Working Days before the Bidding Period closure of each Auction;
 - 6.3.3. no later than two (2) Working Days after acceptance of the request for the modification in the collaterals.

7. Bid Sheet submission and registration – standard procedure

- 7.1. The Closing Dates for the Auctions are listed in the Auction Specification.
- 7.2. The Bid(s) must be submitted in the form of the Bid Sheet template specified in Attachment of these Information System Rules, as well as in the Allocation Platform's public website in a password protected file.
- 7.3. The password consists of two parts: fixed part consisting of three (3) characters and variable part consisting of three (3) to twelve (12) characters.
 Example: ###123456789, where "####" is the fixed part of the password and "123456789" is the variable part of the password.
- 7.4. The fixed part of the password is issued by the Allocation Platform and is valid until the Allocation Platform issues a new fixed part of the password or the authorized personnel of the Registered Participant asks through Auction Tool (via <u>explicit@ast.lv</u>) for a change of the fixed part of the password.





- 7.4.1. The fixed part of the password should consist of single English uppercase and/or lower case character and/or single base digit (0-9).
- 7.4.2. The Allocation Platform will inform the Registered Participant about the change of the fixed part of the password no later than two (2) Working Days before the soonest Auction.
- 7.4.3. The Registered Participant shall receive the fixed part of the password by an email sent from the Action Tool (<u>explicit@ast.lv</u>) to the authorized Registered Participant's operational and/or commercial contact person in the following form:

"The fixed part of password for "*<insert name of the Registered Participant>* is: ###".

- 7.5. The variable part of the password is generated by the Registered Participant and is valid for a single Auction.
- 7.6. The Bid Sheet shall be sent to the Auction Tool (<u>explicit@ast.lv</u>) during the Bidding Period (no later than 12:00 CET (13:00 EET) on the Closing date) by the authorized representatives of the Registered Participant.
- 7.7. Immediately after receiving the Bid Sheet the Allocation platform assesses the submitted Bid Sheet against the technical requirements.
 - 7.7.1. The Allocation Platform may reject the submitted Bid Sheet on the basis of technical requirements if:
 - 7.7.1.1. the Bid Sheet does not comply with the requirements set out for the file format of the Bid Sheet;
 - 7.7.1.2. the Bid Sheet is not sent by the authorized representative of the Registered Participant;
 - 7.7.1.3. the Participation Agreement of the Registered Participant is suspended at the time of the Closing date.
 - 7.7.2. If the Bid Sheet is considered to be compliant with the technical requirements, the Allocation Platform shall notify the Registered Participant without undue delay by sending a confirmation email from the Auction Tool (<u>explicit@ast.lv</u>) to the authorized Registered Participant's representative, stating that Bid Sheet of the Registered Participant has been received.





- 7.7.3. If the Bid Sheet is not considered compliant with the technical requirements, the Allocation Platform shall notify Registered Participant without undue delay by sending a notification email from the Auction Tool (<u>explicit@ast.lv</u>) to the authorized Registered Participant's representative, stating that the Bid Sheet of the Registered Participant has been rejected.
- 7.8. If during a Working Day the authorized person of the Registered Participant has not received a notification email (either a confirmation of successful submission of the Bid Sheet or a rejection of the Bid Sheet) from the Auction Tool (<u>explicit@ast.lv</u>) within ten (10) minutes after the Bid was sent, the authorized person of the Registered Participant shall call the Allocation Platform's authorized representatives and inquire whether the Bid Sheet has been received.
- 7.9. The Registered Participant is allowed to resubmit the Bid Sheet. The resubmission has to comply with the rules set out in this Section. In case there are multiple Bid Sheets submitted by the Registered Participant the Allocation Platform shall accept chronologically latest Bid Sheet that complies with the provisions set out in this Section.
- 7.10. The variable part of the password for the Bid Sheet shall be sent to the Auction Tool (<u>explicit@ast.lv</u>) between 12:01 13:00 CET (13:01 14:00 EET) on Closing date.
 - 7.10.1. If the Registered Participant who has submitted a Bid Sheet has not submitted the variable part of the password until 12:45 CET (13:45 EET) on the Closing date the authorized representative of the Allocation Platform shall call the Registered Participant's authorized representative to remind that the variable part of the password should be submitted.
 - 7.10.2. If the variable part of the password provided by the Registered Participant is not valid, the Auction Platform informs the Registered Participant both electronically and via telephone and allows resubmission of the variable part of the password until 13:30 CET (14:30 EET).
- 7.11. After the submitted Bids are unlocked, the Allocation Platform checks the validity of the Bid(s) in the Bid Sheet.

7.11.1. The Bid Sheet is considered to be invalid and deemed for the full revocation if:





- 7.11.1.1. the Bid(s) is/are not submitted in the correctly filled template of the valid Bid Sheet template available on the public website of the Allocation Platform;
- 7.11.1.2. the Bid Sheet does not comply with requirements set out in Article31 of the EU HAR.
- 7.11.2. The Bid(s) is/are considered to be invalid and is/ are eligible for revocation if:
 - 7.11.2.1. a Bid exceeds one third (33%) of the total Offered Capacity;
 - 7.11.2.2. a Bid sheet contains multiple Bids with the same Bid Price;
 - 7.11.2.3. set of Bids exceeds hundred percent (100%) of the total amount of the Offered Capacity;
 - 7.11.2.4. the maximum payment obligation (including one (1) monthly instalment) connected with valid Bids exceeds the relevant Registered Participant's Credit Limit.
- 7.12. Bid revocation is performed as followed:
 - 7.12.1. If any Bid exceeds one third (33%) of the total Offered Capacity, the Allocation Platform will reject all such Bids.
 - 7.12.2. If the Registered Participant has submitted several Bids with the same Bid Price, the Allocation Platform will reject all such Bids but one with the largest capacity quantity.
 - 7.12.3. If the Registered Participant has submitted a set of Bids that exceeds hundred percent (100%) of the Offered Capacity, the Allocation Platform will reject the Bids with the lowest Bid Price one (1) by one (1) until the total Bid Quantity is lower than or equal to the Offered Capacity.
 - 7.12.4. If the maximum payment obligation (including one (1) monthly instalment) connected with otherwise valid Bids exceeds the Credit Limit, the Allocation Platform will reject the Bids with the lowest Bid Price one (1) by one (1) until the maximum payment obligation is lower than or equal to the Credit Limit of the Registered Participant.
- 7.13. If the Registered Participant has submitted set of Bids with multiple issues listed in7.11.1 and/or 7.11.2 they are resolved in the following order:
 - 7.13.1. Allocation Platform rejects Bid(s) in order to satisfy requirements described in Point 7.11.2.1;





- 7.13.2. Allocation Platform rejects Bid(s) in order to satisfy requirements described in Point 7.11.2.3;
- 7.13.3. Allocation Platform rejects Bid(s) in order to satisfy requirements described in Point 7.11.2.4;
- 7.13.4. Allocation Platform rejects Bid(s) in order to satisfy requirements described in Point 7.11.2.4.
- 7.14. Allocation Platform informs the Registered Participant of all the Bids rejected as well as the reason for rejection by sending an email from the Auction Tool (<u>explicit@ast.lv</u>) to the authorized operational and/or commercial representative of the Registered Participant.

8. Annunciation of the Auction results

- 8.1. Provisional Auction results are announced and published no later than 17:00 CET (18:00 EET) on the Auction day.
 - 8.1.1. Provisional Auction results are published in the Allocation Platform's public website (<u>http://www.ast.lv/eng</u>) and can be accessed via the following navigation path: <u>Electricity market/PTR-Limited auction</u>/ Section of the current year (e.g. <u>PTR-Limited Auctions 2017</u>)/ Subsection "Auction results for the year 20##".
 - 8.1.2. No later than thirty (30) minutes after the Provisional Auction results have been published in the Allocation Platform public website, the Allocation Platform informs individually each Registered Participant who has submitted the Bid by sending an email from the Auction Tool (<u>explicit@ast.lv</u>) to the authorized operational and/or commercial representative of the Registered Participant. The notification includes:
 - 8.1.2.1. allocated Long Term Transmission Rights for each hour of the Product Period in MW;
 - 8.1.2.2. Marginal Price in *Euros*/MW per hour;
 - 8.1.2.3. due amount for allocated Long Term Transmission Rights in *Euros*, rounded to two (2) decimal places;
- 8.2. The Registered Participant may contest the Auction results within the contestation period stated in the Auction Specification after publication of the provisional Auction results. The authorized operational and/or commercial representative of the Registered





Participant shall send contestation in accordance with the requirements provided in EU HAR to the Auction Tool (<u>explicit@ast.lv</u>).

- 8.3. The Auction Platform will send notification to the Registered Participant that the contestation has been received no later than one (1) Working Day after receiving the email with the contestation by sending an email from the Auction Tool (explicit@ast.lv) to the authorized operational and/or commercial representative of the Registered Participant. If the Registered Participant has not received notification that the contestation has been received within one (1) Working Day of sending the contestation, the authorized person of the Registered Participant shall call the Allocation Platform's authorized representatives and inquire whether the contestation has been received.
- 8.4. The Allocation Platform shall notify its decision on the contestation to the Registered Participant no later than four (4) Working Days after the provisional Auction results have been published by sending an email from the Auction Tool (<u>explicit@ast.lv</u>) to the authorized operational and/or commercial representative of the Registered Participant.
- 8.5. Unless the Auction is cancelled the provisional Auction results shall be considered as final and binding with no further notification from the Auction Tool at the end of the fourth (4th) Working Day after the publication of the Provisional Auction results.

9. Fallback procedure

- 9.1. The Allocation Platform shall, to the extent reasonably practicable, organize a Fallback procedure, if it is technically not possible to organize the Auction according to the standard procedure set forth in the Sections above.
- 9.2. The Allocation Platform may use any one of the following procedures:
 - 9.2.1. introduction of the data exchange (i.e. Bid submission and/or the Auction's result annunciation);
 - 9.2.2. postponement of the Auction to a later date/time according to the rules specified in EU HAR;
 - 9.2.3. another *ad hoc* procedure if considered appropriate by the Allocation Platform to overcome the technical obstacles.
- 9.3. In case of a failure at the site of the Allocation Platform during the standard processes for data exchange via the Auction Tool (<u>explicit@ast.lv</u>), the Allocation Platform shall





inform without undue delay the authorized representative of the Registered Participant of deviations from the standard processes and the application of a Fallback procedure in to extend possible via the Auction Tool or personal email of the Allocation Platform representatives, if not possible, by telephone listed in the Participation Agreement. In addition, information about the deviations from the standard processes to the extent possible shall be published on the Allocation Platform`s webpage.

- 9.4. If Allocation Platform contacts the authorized representative of the Registered Participant by telephone listed in the Participation Agreement, the Allocation Platform shall request the person receiving the call to name the fixed part of the Registered Participant's password for the identification purpose. The identification process of the Registered Participant is considered to be successful if the information provided matches the fixed part of Registered Participant's password.
- 9.5. After successful identification process, Allocation Platform shall explicitly inform the Registered Participant's authorised representative of the actions that are required from the Registered Participant while Fallback procedure is in place. If for any reason the Registered Participant is not able to follow the Fallback procedure, the Registered Participant shall explicitly inform the Allocation Platform without undue delay by calling the authorized representative of the Allocation Platform.
- 9.6. The Fallback procedure for the situation when the Auction Tool (<u>explicit@ast.lv</u>) is not operational due to known/ unknown issue, however, the personal email of the Auction Platform representatives is operational, is organised as follows:
 - 9.6.1. Notification of the Credit Limit shall be sent from the email address explicitly specified by the Allocation Platform during the initial call informing the representative of the Registered Participant about the deviations from the standard processes and the application of a Fallback procedure. The information about the irregularities in the Auction process shall also be published in Allocation Platform's web-page.
 - 9.6.2. All requests should be sent to the email address explicitly specified by the Allocation Platform during the initial call informing the representative of the Registered Participant about the irregularities in the Auction process.
 - 9.6.3. Bid Sheet submission follows the requirements set out in Section 7 of these Information System Rules.





- 9.6.4. Bid Sheet(s) as well as password(s) are to be sent to the email address explicitly specified by the Allocation Platform during the initial call informing the representative of the Registered Participant about the irregularities in the Auction process. Bid/password submission time-frame is as set out in Section 7 of these Information System Rules (unless explicitly specified by the Allocation Platform).
- 9.6.5. Preliminary Auction results shall be sent from the email explicitly specified by the Allocation Platform.
- 9.6.6. The contestation of the Auction result should be sent to email explicitly specified by the Allocation Platform.
- 9.6.7. As soon as the Auction Tool is operational, the Allocation Platform shall inform all the Registered Participants by sending an informative notification from the Auction Tool (<u>explicit@ast.lv</u>) to all Registered Participants' authorized commercial and/or operational representatives.
- 9.6.8. After Registered Participants have received the notification that the Auction Tool (explicit@ast.lv) is operational, the standard procedure of communication between the Allocation Platform and the Registered Participant shall be resumed.
- 9.6.9. After the standard Auction procedure has been resumed, all communication exchanged with non-standard email, shall be forwarded to the Auction Tool (<u>explicit@ast.lv</u>) by the Allocation Platform.
- 9.7. The Fallback procedure for the situation when none of the mailboxes within the domain "ast.lv" is operational due to known/ unknown issue and the communication between the the Allocation Platform and the Registered Participant's authorized representative is only possible by telephone and is organised as follows:
 - 9.7.1. The Allocation Platform shall call the Registered Participant's authorized representative to inform about the deviations from the standard processes and the application of a Fallback procedure by the postponement of the Auction to a later date/time. The information about the irregularities in the Auction process shall be published in Allocation Platform's web-page.
 - 9.7.2. As soon as the Auction Tool (<u>explicit@ast.lv</u>) is operational, the Allocation Platform shall inform all the Registered Participants by sending an informative





notification from the Auction Tool (<u>explicit@ast.lv</u>) to all the Registered Participants' authorized commercial and/or operational representatives.

9.7.3. After the Registered Participants have received the notification that the Auction Tool (explicit@ast.lv) is operational, the standard procedure of communication between the Allocation Platform and the Registered Participant shall be resumed.





10. Template of the Bid Sheet to Estonia – Latvia border Auction

Bid Sheet to Estonia Latvia border PTR-limited

Auction Code inding Bid Sheet of:	_	
Name of the Participant	-	
EIC-Code		
Registered Address	-	
Authorised representative	-	
Telephone	-	
E-mail	_	
id Sheet for the Auction:		
Auction Timeframe		
Bid-No.	MW*	EUR/MW**
1	11.000	Contraction (Contraction)
2		
3		
4		
5		
6		
7		
8		
9		
10		
	Version No:	
max. one decimal allowed		
*max. two decimal allowed		
id Sheet must be sent in password		
igned (or signed pdf copy added) e>		
ne email addres explicit@ast.lv. Th il must be sent to email addres exp		
ith the delivery of this Bid Sheet fo	the Estonia - L	atvia horder DTR -
mited the Auction Participant confi		
llocation Rules for the allocation of		
nd border specific annex for the bor		
	war war willing wolly	- line ground