

Electricity Trading Rules

Chapter One General Provisions

Art. 1. (1) These Electricity Trading Rules, hereinafter referred to as the "Rules", regulate:

1. the structure of the electricity market;
2. the terms and conditions for participation in the electricity market;
3. the rules for conclusion of transactions for electricity at regulated and freely negotiated prices through bilateral contracts;
4. the rules for conclusion of transactions on the power exchange;
5. the rules for registration of balancing group coordinators, suppliers of ancillary services and balancing energy providers;
6. the procedures for registration of hourly schedules and settlement between the market participants and the independent transmission operator;
7. the requirements for the submission of data for the metered quantities of electricity to the independent transmission operator and the coordinators of balancing groups;
8. requirements for data exchange between the market participants;
9. the rules for organisation of the balancing energy market;
10. the rules for organisation of the reserve and ancillary services market;
11. the rules for settlement, the principles of balancing and the methods for balancing energy price determination;
12. rules for supply from end suppliers;
13. the rules for crossborder transmission capacity allocation;
14. the procedure for change of the electricity supplier;
15. the procedure for change of balancing group coordinator;
16. electricity market monitoring.

(2) Market participants, within the meaning of these Rules, are the electricity producers, the electricity traders, the end consumers, the public provider of electricity, the end suppliers of electricity, the independent transmission operator, the operators of the electricity distribution grid, the suppliers of last resort, distribution companies of traction power.

Chapter Two
Electricity Market Structure
Section I
Market Types

Art. 2. (1) The electricity market includes the following interrelated elements:

1. electricity market through bilateral contracts;
2. power exchange;
3. balancing energy market;
4. reserve and ancillary services market;
5. market for crossborder transmission capacity allocation.

(2) Subject of the transactions according to these Trading Rules are:

1. electricity traded on the market under bilateral contracts;
2. electricity traded on the power exchange;
3. electricity traded on the balancing energy market;
4. availability for participation in primary and secondary regulation;
5. availability for cold reserve;
6. crossborder transmission capacity;
7. ancillary services;
8. service “access to the grid, including system services”;
9. service “electricity transmission and other network services”;
10. “balancing responsibility”.

Art. 3. The market participants acquire right to nominate transactions of electricity after registration by the respective grid operator to whose grid the power plants are connected, in accordance with the requirements of these Rules.

Section II
Electricity Market through Bilateral Contracts

Art. 4. (1) The market participants under art. 1, par. 2 conclude transactions with electricity at freely negotiated prices and/or at regulated prices for each interval of delivery, equal to one hour.

(2) The schedules of the transactions under par. 1 shall be announced to the independent transmission operator on the day preceding the delivery and/or within the day of delivery.

(3) The independent transmission operator and the operators of the electricity distribution grid shall purchase electricity only for covering of technological costs in the grids for each interval of delivery.

Section III
Power Exchange

Art. 5. (1) The market participants under art. 36, par. 2 can conclude transactions with electricity on the power exchange in accordance with Chapter Four of these Rules.

(2) The transactions under par. 1 shall be concluded at market clearing price determined for each interval of delivery by the independent transmission operator licensed for the power exchange administration.

(3) The independent transmission operator is a party to all transactions concluded on the power exchange.

Section IV Balancing Energy Market

Art. 6. (1) The independent transmission operator concludes transactions for purchase and/or sale of electricity with market participants who are owners of dispatchable generating units and /or consumption installations in order to cover the imbalances in the national market zone.

(2) The market participants under par. 1, registered on the balancing energy market as balancing energy providers, as a result of participation in secondary regulation, shall provide available capacity (range) for up-regulation, determined by the independent transmission operator, indicated in the contracts under art. 131, par. 2, which shall be updated on a monthly basis, and within this range they shall not conclude transactions on the bilateral contracts market or on the power exchange.

(3) The market participants under par. 1, registered for participation in the balancing energy market as providers of balancing energy, as a result of participation in secondary regulation, shall be obliged to provide their available ranges for down-regulation and shall pay for the unproduced electricity at prices, indicated in the contracts under art. 131, par. 2.

(4) The market participants under par. 1, who are registered for participation on the balancing energy market as providers of energy for tertiary regulation, shall be obliged to provide to the balancing energy market, in the form of offers for up-regulation and offers for down-regulation, the entire gross capacity which they have not contracted on the market through bilateral contracts on the power exchange, taking into account their obligations (if any) related to the provision of reserve and ancillary services.

(5) The independent transmission operator activates balancing energy sources to maintain the balance and ensure the reliable and safe operation of the electricity system.

(6) The financial responsibility towards the independent transmission operator for the realized imbalances in the balancing group shall be taken by the coordinators of the standard and special balancing groups.

(7) The market participants under art. 1, par. 2, shall take their share of the financial responsibility in accordance with the contracts for participation in the balancing group.

Art. 7. (1) The balancing energy market shall be administrated by the independent transmission operator.

(2) The independent transmission operator is counterparty to the balancing energy transactions with balancing energy providers and balancing group coordinators.

Section V Reserve and Ancillary Services Market

Art. 8 (1) In order to secure reliable electricity supply to the end consumers, the independent transmission operator shall conclude transactions for ancillary services with producers, registered for participation in the ancillary services market, in accordance with the requirements of the Grid Code and these Electricity Trading Rules.

(2) The participation of producers in the transactions under par. 1 shall be in accordance with the provisions of Chapter Nine.

Art. 9. The independent transmission operator shall conclude transactions for cold reserve with producers in accordance with the requirements of the Energy Act, the Grid Code and these Electricity Trading Rules, and the rules for tenders.

Chapter Three Electricity Market Contracts

Section I Contract Types

Art. 11. The electricity market contracts are:

1. contract for access to the electricity transmission grid and provision of system services;
2. contract for electricity transmission through the electricity transmission grid;
3. contracts for access and for transmission of electricity through the electricity distribution grid;
4. contract for sale of electricity;
5. contract for provision of cold reserve;
6. contract for provision of ancillary services;
7. contract for participation in the balancing market with balancing energy provider;
8. balancing energy contract with balancing group coordinator;
9. contract for participation in a balancing group;
10. combined services contract;
11. contract for participation in the power exchange;
12. contract with a market maker that provides liquidity of the power exchange;
13. framework contract;
14. contract for regulation of the exchange of electricity with respect to the participation of producers of electricity from renewable energy sources and high-efficiency cogeneration in a combined balancing group;
15. contract for exchange of measurement data;
16. contract as per art. 100, par. 4 of the Energy Act.

Section II Subject of Contracts and Contract Parties

Art. 12. (1) Subject of the contracts under art. 11, item 1 is the provision of the service “access to the transmission grid” and system services.

(2) The contracts under par. 1 shall be concluded between the independent transmission operator, on one side, and:

1. end consumers connected to the electricity transmission grid;
2. producers connected to the electricity transmission grid;
3. operators of electricity distribution grids;
4. traders and producers of electricity, concluding import and export transactions.

Art. 13. (1) Subject of the contracts under art. 11, item 2 is the provision of the service “transmission of electricity through the transmission grid”.

(2) The contracts under par. 1 shall be concluded between the transmission company, on one side, and:

1. end consumers connected to the transmission grid;

2. producers connected to the transmission grid;

3. operators of electricity distribution grids;

4. traders and producers of electricity who conclude import and export transactions and do not deliver electricity on the territory of Bulgaria.

(3) The payment of the amounts due for electricity transmission through the transmission grid shall include all supplements approved by SEWRC for the respective price period.

Art. 14. (1) Subject of the contracts under art. 11, item 3 is the provision of the services “access to the distribution grid” and “electricity transmission through the distribution grid”.

(2) The contracts under par. 1 shall be concluded between the distribution grid operator, on one side, and:

1. end consumers connected to the electricity distribution grid;

2. producers connected to the electricity distribution grid;

3. electricity traders concluding the contract on behalf of and at the expense of a user of the distribution grid;

4. end supplier.

(3) The payment of the amounts due for access and electricity transmission through the electricity distribution grid shall include all supplements approved by SEWRC for the respective price period.

Art. 15. (1) The contracts for sale of electricity under art. 11, item 4 shall be concluded at regulated, at freely negotiated prices, at prices under an approved by SEWRC methodology and under long-term agreements for purchase of electricity and availability.

(2) The contracts at regulated prices shall be concluded between:

1. the producers, within the available capacity (quota) determined under art. 21, par. 1, item 21 of the Energy Act, on the one side, and the public provider;

2. the public provider, on one side, and:

a) the end suppliers for the quantities of electricity determined by SEWRC pursuant to art. 21, par. 1, item 21 of the Energy Act;

b) the transmission company (for technological costs);

c) the distribution grid operators (for technological costs);

3. the end suppliers, on one side, and household and non-household consumers – for installations connected to the low voltage distribution grid, when these consumers have not chosen a different supplier.

4. the producers who generate electricity from renewable sources and cogeneration, on one side, and:

a) the public provider;

b) the end supplier.

(3) The contracts at freely negotiated prices shall be concluded between:

1. the producers, on one side, and:

a) the electricity traders;

- b) end consumers, registered on the market at freely negotiated prices;
- c) the public provider in the cases stipulated in the Energy Act;
- d) other producers of electricity.

2. the public provider, on the one side, and:

- a) the end suppliers in the cases stipulated in the Energy Act;
- b) suppliers of last resort;
- c) electricity traders.

3. the electricity traders, on one side, and:

- a) end consumers, registered on the market at freely negotiated prices;
- b) other electricity traders.

(4) The contracts under prices which are determined with an approved by SEWRC methodology, shall be concluded between the suppliers of last resort and end consumers who have not chosen another supplier of electricity or have remained without a supplier.

Art. 17. (1) Subject of the contracts under art. 11, item 7 is the provision of balancing energy to the independent transmission operator from secondary, tertiary and activated cold reserve.

(2) The contracts under par. 1 shall be concluded between the independent transmission operator on one side, and:

- 1. producers registered as balancing energy providers;
- 2. end consumers registered as balancing energy providers;
- 3. the public provider.

Art. 18. (1) Subject of the contracts under art. 11, item 8 is the physical and financial settlement of the imbalances for the metering points which form the virtual metering device determined for the relevant balancing group.

(2) The contracts under par. 1 shall be concluded between the independent transmission operator, on the one side, and the balancing group coordinators or market participants who are responsible for the imbalances of their own installations, on the other side.

Art. 19. (1) Subject of the contracts under art. 11, item 9 are the conditions for participation in a balancing group, the transfer of balancing responsibility and the methodology for allocation of the total imbalance in the balancing group among the individual members of the balancing group.

(2) The contracts under par. 1 shall be concluded between the coordinator and the members of the balancing group.

(3) The contracts under par. 1 between the end suppliers in their capacity of coordinators of special balancing groups and the non-household consumers at low voltage, when these consumers have not chosen another supplier, shall be concluded under general terms approved by SEWRC.

(4) The contracts under par. 1 shall be concluded between coordinators of special balancing groups or coordinators of combined balancing groups on the one side and the producers of electricity from renewable energy sources and cogeneration for whom they have taken the responsibility for balancing.

(5) The contracts under par. 1 between suppliers of last resort, in their capacity of coordinators of special balancing groups, and end consumers who have not chosen another supplier, shall be concluded under the general terms approved by SEWRC.

Art. 24. (1) Subject of the contracts under art. 11, item 14 is the regulation of the relations related to the difference between produced quantity of electricity by producers from renewable sources and cogeneration and the approved scheduled quantity for each settlement period.

(2) The contract under par. 1 shall be concluded between a coordinator of a combined balancing group on the one side and the public provider on the other.

Art. 25 (1) Subject of the contract under art. 11, item 15 is the provision of hourly data from the commercial metering devices, verification and aggregation by balancing groups, deadlines for submission and format of the files.

(2) The contract under par. 1 shall be concluded by the independent transmission operator on the one side, and the operators of electricity distribution grids on the other.

Art. 26 (1) Subject of the contract under art. 11, par. 16 is the payment to the public provider by producers and traders supplying electricity to end consumers connected to the electricity system in Bulgaria, at a price in BGN per consumed by them MWh for "obligation to society" under a Methodology approved by SEWRC.

Section III

Contracts for Network Services

Art. 27. (1) The contracts under art. 11, items 1, 2, 5, 6 and 7 between the independent transmission operator and producers connected to the electricity transmission grid may be combined.

(2) In the contracts for transmission and access concluded between the independent transmission operator on the one side and the public provider and the operators of the distribution grids on the other, the format and amount of the security guarantee under the contracts shall be specified.

Art. 28. (1) Household and non-household clients of the end suppliers, who use the distribution networks under public general conditions, shall pay all network services for the respective price period of the end supplier.

(2) The end supplier/the supplier of last resort shall collect and pay to the electricity distribution grid operator the amounts for transmission, access, other network services for the respective price period for the total quantity of electricity invoiced by the end supplier/provider of last resort.

(3) The electricity distribution grid operator shall pay to the independent transmission operator for the network services, applicable for the electricity transmission grid, for the total quantity of electricity transmitted from the transmission to the distribution grid.

(4) The independent transmission operator shall collect and allocate, under a methodology approved by SEWRC, the owed by the producers price for access to the transmission and distribution grids.

Art. 29. (1) The network services shall be paid for by consumers and producers on the basis of the electricity used/fed into the grid according to the measurements of the commercial metering devices and/or the power supplied at the metering points determined in accordance with the Electricity Metering Rules and the contracts under art. 11, item 1, 2 and 3, at the approved by SEWRC prices.

(2) Consumers and producers, connected to the electricity transmission grid, owe only approved by SEWRC prices for access to the transmission grid, for transmission through the transmission grid, other network services in the transmission grid for the respective price period, payable to the independent transmission operator.

(3) Consumers and producers, connected to the electricity distribution grid, owe only approved by SEWRC prices for access to the transmission grid, for transmission through the transmission grid, for access and transmission through the distribution grid, other network services for the respective price period, payable to the distribution grid operator and/or end supplier and/or the supplier of last resort.

(4) Producers who power their own facilities through networks which are not owned by the transmission and distribution company, do not owe a price for transmission through the respective network.

Chapter Five

Balancing Responsibility

Section I

Coordinators of Balancing Groups

Art. 56.

(2) The balancing groups are: standard balancing groups, combined balancing groups and special balancing groups, which shall be registered by the independent transmission operator, and which shall be subject to the same balancing principles.

(3) The special balancing groups are groups with coordinators: the independent transmission operator, the public provider, the end suppliers, distribution grid operators, the distribution company for traction electricity, and suppliers of last resort.

(4) When they have not chosen a different balancing group coordinator, the producers of electricity from renewable sources and cogeneration of heating and electricity shall be in the balancing groups under par. 6, items 1 and 2 and par. 7, items 2 and 3 with coordinators – the public provider or end supplier depending on the concluded power purchase contracts.

(5) The independent transmission operator shall be coordinator to the following special balancing groups:

1. Group/subgroup for compensation of the technological costs in the electricity transmission grid.
2. Group for compensation of unplanned exchanges;
3. Group of administration of the power exchange.

(6) The public provider shall coordinate the following balancing groups:

1. Group of the producers of electricity from renewable sources, whose electricity is being purchased by the public provider, including producers connected simultaneously to the electricity transmission and electricity distribution grid when these have not chosen a different balancing group coordinator;
2. Group/Subgroup of the group under item 2 of the producers of electricity from cogeneration, whose electricity is being purchased by the public provider, including producers connected simultaneously to the electricity transmission and electricity distribution grid when these have not chosen a different balancing group coordinator;
3. Group of the producers of electricity from hydro power plants, owned by “NEK” EAD;
4. Group of the producers with whom the public provider has concluded long-term contracts for purchase of electricity and availability, when these have not chosen a different balancing group coordinator.

(7) The end suppliers shall coordinate the following special balancing groups:

1. Group of household and non-household end consumers, connected to the low voltage electricity distribution grid, which are being supplied with electricity by the end supplier;
2. Group of the producers of electricity from renewable sources, whose energy is being purchased by the end supplier, when these have not chosen a different balancing group coordinator;
3. Group/subgroup of the group under item 2 of producers of electricity from combined cycle power plants, whose electricity is being purchased by the end supplier, when these have not chosen a different balancing group coordinator.

(8) The distribution grid operator shall be coordinator of a special balancing group for compensation of the technological costs of the electricity distribution grid.

(10) The suppliers of last resort shall be coordinators of balancing groups of end consumers to whom they supply electricity.

(11) The combined balancing group is the group in which participate producers of electricity from renewable sources and cogeneration. Consumers of electricity may also participate in the combined balancing group.

(12) When the producers of electricity from renewable sources and cogeneration choose to transfer their balancing responsibility to a coordinator of a combined balancing group, then they are not restricted by their geographical location and concluded power purchase contracts.

Art. 57. (1) Balancing responsibility have:

1. the balancing group coordinators in accordance with the Energy Act;
 2. the market participants for the period during which they have not transferred their balancing responsibility to a coordinator of a balancing group and are on their own responsible for the imbalances of their installations.
- (2) Customers shall transfer their balancing responsibility to a licensed company under par. 1 by means of a contract, as provided for in art. 11, item 9 of these rules.

(3) The coordinators of special balancing groups shall not transfer their balancing responsibility to another licensed company, and shall be accountable to the independent transmission operator for the imbalances of each special balancing group separately.

(4) The coordinators of balancing groups of producers of electricity from renewable sources and cogeneration shall not include in the balancing group installations of other participants, shall not transfer the balancing responsibility to another licensed company, and they shall be accountable to the independent transmission operator for the imbalances of each of their balancing group separately.

Art. 58. (1) Trade participants have the right to register as “coordinators of standard balancing groups” and/or “coordinators of combined balancing groups” if they fulfil the following conditions:

1. have a license for production and/or trade with electricity under art. 39, par. 5 of the Energy Act;
2. they have developed “general principles for allocation of the imbalances within the balancing group” of which they have registered as coordinator and have published these on their website;
3. SEWRC has approved a decision for expansion of the existing license with the rights and obligations related to the activity of “coordinator of a standard balancing group” and/or “coordinator of a combined balancing group”, in accordance with art. 39, par. 5 of the Energy Act;
4. they fulfil the requirements and maintain communication equipment and devices for exchange of information in accordance with these rules;
5. they do not have any liabilities to the public provider, end suppliers, the independent transmission operator and distribution grid operators;
6. they have concluded a contract under art. 11, item 14 when a registration of a coordinator of a combined balancing group is required.

Art. 62. (1) Each installation of a producer or consumer shall be assigned to a single balancing group coordinator.

(2) The market participants registered on the market prior to the entry into force of these trading rules, shall within 30 calendar days of entry into force of these rules transfer the balancing responsibility for their installations to a coordinator of a balancing group.

(3) In the cases where the requirement under par. 2 has not been fulfilled, the independent transmission operator shall consider that the market participant is responsible for the imbalances of his installations as a coordinator of a balancing group.

(4) In the cases under par. 3, the market participant shall conclude the contracts under art. 11, items 1, 2, 3 and 8 of these rules as a coordinator of a balancing group with the same rights and responsibilities;

(5) In case the contracts under par. 4 have not been concluded, the market participant shall not have the right to conclude transactions on the electricity market.

Art. 63. (1) The end suppliers and suppliers of last resort shall undertake the balancing responsibility for end consumers whom they supply with electricity, in accordance with approved by SEWRC general terms.

(2) In case producers of electricity from renewable sources and cogeneration have not chosen to transfer their responsibility to a coordinator to a combined balancing group, then the end suppliers and public provider, depending on the concluded power purchase contracts, shall undertake their balancing responsibility and shall conclude a contract with them as per art. 11, item 9.

Art. 65. The independent transmission operator shall maintain a public register of the balancing group coordinators. The register shall contain as a minimum the following information: name and headquarters of the licensed party, balancing group coordinator, identification number/EIC code, date of registration, number of the contract for balancing with the independent transmission operator, status.

Section II

Withdrawal or removal of a balancing group coordinator under the conditions of art. 58, par. 1

Art. 66. (1) The balancing group coordinator has the right to send a notification about the withdrawal of their registration as a balancing group coordinator.

(2) The notification shall be sent to the independent transmission operator and all members of the balancing group.

(3) In the notification, the date of withdrawal shall be specified, which shall not be earlier than 40 days after the notification of withdrawal has been sent.

(5) The date of withdrawal of a balancing group coordinator is the first day of the calendar month after expiry of the term under par. 3.

(7) The installations of producers of electricity from renewable sources and cogeneration, in the cases under par. 1 and art. 65, shall be transferred to the balancing group of the public provider and end supplier, until a decision has been made for transfer of balancing responsibility to another coordinator.

Section III

Participation of the producers of electricity from renewable sources and high-efficiency cogeneration on the balancing market

Art. 69. The public provider and end suppliers shall pay for the quantities of produced electricity to the producers from renewable sources and high-efficiency cogeneration as per the measurements of the commercial electricity meters at a price in accordance with concluded sale contracts.

Art. 70. (1) The producers of electricity from renewable sources and high-efficiency cogeneration who have chosen to transfer their balancing responsibility to a coordinator of a combined balancing group, shall obtain access to the respective grid and shall be registered on the market by submitting an application to the respective grid operator in accordance with the applicable requirements and shall conclude a contract under art. 11, item 9 of these rules.

(2) The producers of electricity from renewable sources and high-efficiency cogeneration who have not chosen to transfer their balancing responsibility to a coordinator of a combined balancing group, shall conclude a contract under art. 11, item 9 with the respective coordinator of a special balancing group.

(3) The producers of electricity from renewable sources and high-efficiency cogeneration who sell electricity at preferential prices and in accordance with the measurements of the commercial metering devices, shall not participate in standard balancing groups.

Art. 71. (1) In relation to the participation of producers of electricity from renewable sources and/or high-efficiency cogeneration on the balancing market, the submission and confirmation of the schedules shall be made in accordance with the provisions of chapter six of these rules.

(2) The coordinator of a combined balancing group shall submit the schedules for exchange under par. 1 also to the coordinators of special balancing groups who purchase electricity from producers of electricity from renewable sources and/or high-efficiency cogeneration.

Art. 72. On the basis of the settlement of the coordinator of a combined balancing group, a settlement of the relations between the balancing group coordinator and the independent transmission operator shall be carried out at prices for shortage/surplus on the balancing market.

Art. 73. (1) The arisen relations between the public provider on the one side and each of the coordinators of combined balancing groups on the other, pursuant to the obligation under art. 69, shall be settled in the following way:

1. For each settlement period, when the produced quantity of electricity by producers under art. 70, par. 1 within the combined balancing group is more than what is registered in the schedule, then the coordinator of the balancing group shall pay for the difference in BGN per MWh to the public provider.

2. For each settlement period, when the produced quantity of electricity by producers under art. 70, par. 1 within the combined balancing group is less than what is registered in the schedule, then the public provider shall pay for the difference in BGN per MWh to the coordinator of the combined balancing group.

(2) The payments between the public provider and the coordinator of a combined balancing group under par. 1, item 1 and item 2 shall be settled at one the same price which is determined by the public provider for a period no shorter than three calendar months.

Art. 74. The trade relations under art. 72 shall be settled by means of the bilateral contracts under art. 11, item 8.

Art. 75. The trade relations under art. 73 shall be settled by means of the bilateral contracts under art. 11, item 14.

Chapter Six

Rules for Submission and Approval of Production Schedules, Consumption Schedules and Electricity Exchange Schedules

Section I

Production and Consumption Schedules

Art. 77. (1) Hourly production schedules, with information on gross plant production, shall be sent to the independent transmission operator by all producers, connected to the electricity transmission grid, in compliance with an approved template (PPS file) and with indicated access to the system, within the deadlines as per the instruction published on the website of the independent transmission operator.

(2) Hourly production schedules shall be sent to the coordinators of balancing groups by all producers, connected to the electricity distribution grid, on the day before execution of the delivery, in compliance with a template approved by the balancing group coordinator.

(3) Aggregated hourly production schedules of the power plants connected to the respective distribution grid shall be submitted by type of generating capacity by the balancing group coordinators to the independent transmission operator in the form of an approved template (PPS file) and with indicated access to the system, within the deadlines as per the instruction published on the website of the independent transmission operator.

(4) The suppliers of balancing energy shall send to the independent transmission operator hourly schedules for the planned gross production of each dispatched unit, in accordance with the concluded contracts for delivery of electricity, for covering of the technological costs in the grids, on the electricity power exchange, in the form of an approved template (PPS file) and specified access to the system, within the deadlines in accordance with the instructions published on the website of the independent transmission operator and in accordance with the procedures in the Grid Code and these rules.

(5) The suppliers of balancing energy shall send to the independent transmission operator hourly schedules for the planned net production of each dispatched unit in the form of an approved template (TPS file) and specified access to the system, taking into account the concluded contracts for supply of electricity, within the deadlines in accordance with the instructions published on the website of the independent transmission operator and in accordance with the procedures in the Grid Code and these rules.

(6) The production schedules under par. 1, par. 3 and par. 4 shall be used for dispatching of the respective generating unit.

(11) The hourly production schedules and hourly consumption schedules shall be sent on the day, preceding the day of delivery, and shall contain information for the quantity of electricity for each hour on the day of delivery, which the respective producer (unit of the producer) or installation of the producer will deliver to/consume from the grid.

(12) The independent transmission operator, based on the production and consumption schedules and his own forecasts, shall determine the necessary reserve – secondary, tertiary and cold for the following day, necessary for:

1. maintaining the real-time balance between production and consumption;
2. maintaining a secure and reliable supply of electricity;
3. maintaining reserve capacity in cases of unforeseen accidents in the grid and generation capacities and change in the weather conditions;
4. management of overload of the grid.

Section II

Schedules for Exchange of Electricity

Art. 79.

(7) The balancing group coordinators may send production schedules, consumption schedules and exchange schedules up to seven days in advance.

(8) The power plants for high-efficiency cogeneration which are technologically connected to installations which consume the heating energy generated by them, shall provide electricity on the market at freely-negotiated prices only after the consumption of the technologically connected installation has been fully met.

Art. 81. (1) The independent transmission operator shall confirm the production schedules and the consumption schedules to the suppliers of balancing energy under art. 77, par. 4, par. 5 and par. 9 within deadlines in accordance with the instructions published on the website of the independent transmission operator.

(2) The balancing group coordinators shall receive information for the registered schedules by the operator's trading system within deadlines in accordance with an instruction.

(3) The independent transmission operator shall confirm to the balancing group coordinators the exchange schedules under art. 79 within deadlines specified in an instruction.

(4) In case of discrepancy in the quantities stated by the balancing group coordinators within the Bulgarian electricity system, the lower value shall be accepted for the valid one.

(5) In case of discrepancy in the quantities stated by the balancing group coordinators in the external schedules for exchange with the electricity systems of other countries, the bilateral agreements between the independent transmission operator and the relevant neighbouring operator shall apply (i.e. valid lower value or reduction to zero value).

(6) For two balancing groups within the Bulgarian electricity system, the balancing group coordinators shall notify only of the balance on the transactions between them.

(7) The confirmed by the independent transmission operator power exchange schedules, production schedules and consumption schedules, including the traded quantities on the power exchange, shall form the basis for determination of the imbalances of the balancing group coordinators, the electricity provided/purchased to/from the balancing market and the financial liabilities of the parties.

(8) The production schedules, consumption schedules and exchange schedules of a single balancing group shall be balanced so that the announced purchases from other balancing groups and forecasted production within the group shall be equal to the announced sales to other balancing groups and forecasted consumption.

(9) The independent transmission operator shall have the right to require corrections to the schedules from the balancing group coordinators, in case the requirements under par. 8 have been violated and corresponding actions from the balancing group coordinators are obligatory.

Art 84. (1) The independent transmission operator has the right to discontinue and/or limit the balancing group coordinators' schedules for exchange in case the following circumstances occur:

1. failure of the system for market administration;
2. upon the occurrence or for prevention of breakdowns of installations for production and transmission of electricity;
3. overload of electricity grids;
4. long-term shortage of electricity;
5. orders by competent authorities;
6. failing to maintain the balance of the electricity system, and after all other measures in accordance with the requirements of ENTSO-E have been taken;
7. in the case of art. 73 of the Energy Act and other force majeure hypotheses.

(2) In the cases under par. 1, the independent transmission operator shall comply with the terms for notification, provided for in the regulatory framework.

(3) In the cases of par. 1, the relations related to production and consumption of electricity in the electricity system for the period of discontinuation of the market shall be settled with the suppliers of last resort who provide services of public interest.

(4) The relations under par. 3 shall be settled in correspondence with the measurements of the commercial metering devices.

(5) In the cases of par. 1, the producers shall sell at prices determined by SEWRC and/or in the long term contracts.

(6) The consumers shall purchase the consumed electricity at a price determined by the supplier of last resort in the sale contracts.

(7) For the period under par. 1, the trade participants shall not be subject to balancing.

Chapter Seven Metering. Provision of Data

Section II Requirements to the Metering Systems

Art. 86. (1) Devices for periodic metering of electricity shall be installed at all points for metering of installations in accordance with the Electricity Metering Rules.

(2) For installations outside of the scope of par. 1, standard load profiles may be applied, developed by the distribution companies and submitted to the independent transmission operator upon the registration under art. 59 and art. 61.

Art. 87. (1) The owners of the metering systems shall store and provide aggregated and hourly metered values recorded by the electricity meters under art. 86, par. 1 of the quantity of active electricity, supplied/consumed to/by the installations of the market participants for each settlement period.

Section III Reporting, Verification and Submission of Metered Values

Art. 89.

(2) In the cases under art. 86, par. 1, the owners of the metering systems shall validate process and store the data in a database of metered values. The summed and hourly data shall be submitted to the independent transmission operator by 17:00 on the second business day of the week for the days from Monday till Sunday of the preceding calendar week.

(3) In the cases under art. 86, par. 2, the balancing group coordinators shall submit to the independent transmission operator by 12:00 on the second business day of each month, for the period of the corresponding month, the summed number of installations of market participants under art. 86, par. 2, divided by type of load profile and ownership of the electricity network in which the above-mentioned installations are located.

(4) At the end of each month, the owners of the metering systems shall validate, process and store the data in a database of metered values. The summed data shall be submitted to the independent transmission operator by 12:00 on the second business day for the days of the preceding month, for which there is missing data, but no later than the third calendar day.

(5) In case of missing hourly data from the individual metering systems, in order to comply with the deadlines for provision of information to the independent transmission operator, the owner of the metering systems may use replacing values in accordance with the Electricity Metering Rules, calculated on the basis of previous settlement periods or based on a method which is specified in the contract for access to the distribution/transmission grid for the market participant. In case of absence of replacing values provided by the owner of the metering systems, the independent transmission operator applies a value of 0 for the corresponding missing hourly data.

(7) The balancing group coordinators shall receive the metered values by installation for each direct and indirect member of the balancing group from the owners of the metering systems within the terms for submission of data to the independent transmission operator, mentioned in par. 2 and 4.

Section IV Determination of the technological costs in the network

Art. 91. All metered values from the commercial electricity metering devices on the interconnection power lines, between the electricity transmission grid and the electricity distribution grids, between the individual distribution grids, between producers and the transmission/distribution grid, shall be recorded and used for the determination of the technological costs of the transmission company and the distribution companies.

Art. 92. (1) The technological costs in the grid shall be determined separately for the electricity transmission network and each electricity distribution network.

(2) The transmission company and the distribution companies, corresponding to the ownership of the grid, shall determine the technological costs in the respective grid for each settlement period separately as the difference between the total electricity quantity fed in the respective grid at the metering points, and the electricity quantity consumed in the respective grid or supplied in other networks, according the confirmed metered values.

(3) The independent transmission operator shall calculate the imbalances of the quantities of electricity necessary for covering the technological costs in the transmission and distribution grids on the basis of the determined technological costs under par. 2 and the confirmed delivery schedules submitted to the public provider by the coordinators of special balancing groups for coverage of the technological costs.

(4) All technological costs in the networks, determined under par. 2, shall be considered as verified metered values.

Section V

Aggregation and Submission of Metered Values

Art. 94. (1) The owners of metering systems shall submit to the independent transmission operator summed, grouped per balancing groups, validated data from the commercial electricity metering devices of the installations of trade participants connected to the respective electricity grid.

(2) The owners of the metering systems shall provide to the balancing group coordinators aggregated validated data from the commercial electricity metering devices of the installations of market participants, included in the respective balancing group.

Section VIII

Aggregation of Metered Values in Regards to the Implementation of the Activity “Imbalances Settlement” by the Independent Transmission Operator

Art. 98. (1) The independent transmission operator shall implement preliminary physical settlement on a weekly basis for each coordinator of a standard and special balancing group, for all metering points equipped with electricity metering devices, by Thursday for the days of the preceding calendar week.

(2) The independent transmission operator shall implement final physical settlement for each coordinator of a standard and special balancing group, inclusive the installations under art. 86, par. 2, till the tenth day of each calendar month following the reporting month.

(3) The independent transmission operator shall implement financial settlement on a monthly basis for each coordinator of a standard and special balancing group in accordance with the Accountancy Law and the Law on VAT.

(4) The results from the physical and financial settlement, according to chapter ten, shall be reflected in the daily and the monthly settlement reports of the coordinators of standard and special balancing groups and of the balancing energy providers.

Chapter Eight

Conditions and Procedures for Change of the Electricity Supplier and the Balancing Group Coordinator. Supplier of Last Resort

Section I

Procedure for Change of Electricity Supplier and Balancing Group Coordinator

Art. 99. (1) The procedure for change of supplier of electricity within the meaning of this section covers:

1. change of end supplier with a supplier from the liberalized market and vice versa in the cases provided for in the Energy Act;
2. change of one supplier with another supplier from the liberalized market when the affiliation to a balancing group changes;
3. change of supplier from the liberalized market with a supplier of last resort and the other way round in the cases provided for in the Energy Act;

4. change of the public provider and/or end supplier with a supplier of last resort;

5. change of the supplier of last resort with another supplier.

(2) The change of supplier shall be initiated by the end client or a person authorized by him.

(3) The process of change of supplier for clients connected to the electricity transmission grid shall be administered by the independent transmission operator, and for end consumers connected to the electricity distribution grid – by the respective distribution grid operator.

(4) When changing the supplier of the universal service with a supplier from the free market, the client has the right to obtain information for the hourly electricity consumption by the owners of the commercial metering devices within a 5-day term of the date of submitting the request. The information may be requested for a period of 2 years back, prior to the date of filing the request. This information shall be provided free of charge.

Section II

Procedure for Change of Affiliation to a Balancing Group

Art. 103. (1) This procedure applies to trade participants who for their installations have received a notification for compliance with the requirements for access, under art. 102, par. 5 of these rules, and who wish to register their installations on the market of freely-negotiated prices, or to make a subsequent change of balancing group coordinator.

(2) The independent transmission operator and the electricity distribution grid operators may coordinate an additional instruction, which shall be published on the website of the independent transmission operator, and which shall not contradict these rules but shall supplement the process of change of affiliation to a balancing group.

(3) The market participant or a person notarized by him, shall send a request for change of affiliation to a balancing group to the independent transmission operator or to the distribution grid operator, depending on the grid to which the respective installation is connected.

(4) The change of balancing group coordinator shall become effective always on the first day of the month.

(5) The request under par. 3 shall contain at least the following information:

1. for the market participant – name, unified identification code, identification code in the database of the grid operator, address for correspondence, email and telephone;

2. for the installations of the market participant – identification code for each installation in the database of the grid operator, address of the installation and identifier of the point of metering used by the respective grid operator;

3. declaration for accession as a direct or indirect member of the balancing group;

4. certificate by the current balancing group coordinator and supplier, if different from the coordinator, for no arrears;

5. declaration of acceptance by the new coordinator and/or certificate for concluded contract for balancing/contract for combined service with the new balancing group coordinator.

(6) In case the provided information is complete and correct, the grid operator shall send a notification of the upcoming change to the previous and to the new balancing group coordinator within the deadlines in accordance with the instruction under par. 2.

(7) As of the date of entry into force of the change of balancing group coordinator, the owner of the commercial metering devices shall determine the consumed electricity in one of the following ways: he shall report the measurements of the commercial metering devices, he shall determine the quantity of electricity on the basis forecasted consumption or on the basis of the end consumer's own reporting – in case of a change of balancing group coordinator by a client with a standardized load profile.

(8) The owners of the commercial metering devices shall send the data under par. 7 within the deadlines under art. 89, par. 3, 4 and 5 of these rules to the current supplier and balancing group coordinator and to the new supplier and balancing group coordinator.

(9) In the cases of art. 99, par. 1, item 4, the change of balancing group coordinator shall be registered by the independent transmission operator, respectively the distribution grid operator, and in case of receiving information for impossibility of supply by the current supplier under art. 104, par. 1, this shall be carried out within 3 business days of receipt of the information.

(10) The independent transmission operator shall inform the market participant, the current supplier, the current coordinator, and the supplier of last resort of the registration under par. 9.

(11) The distribution grid operator shall notify the market participant, the current supplier, the current coordinator, the supplier of last resort and the independent transmission operator of the registration under par. 9.

Section III

Rules for Supply by End Supplier and by Supplier of Last Resort

Art. 104. (1) The supplier of last resort is a person who has a license in accordance with the Energy Act and who supplies electricity in the cases when the main supplier under a contract for purchase and sale of electricity is not able to continue supplying due to bankruptcy, liquidation, revocation of license or any other event which has led to a temporary or permanent discontinuation of the electricity supply, and who as well supplies electricity to end consumers who cannot be clients to the end supplier, until the time they select another supplier.

(2) The end client shall notify the independent transmission operator, respectively the distribution grid operator immediately, and no later than 24 hours, of the occurrence of circumstances which have caused or which are causing a temporary or permanent termination of the electricity supply, as well as the date as of which the electricity supply under the existing contract is to be terminated.

(3) The independent transmission operator, respectively the distribution grid operator, shall automatically register the change to supplier of last resort in accordance with its license.

(4) The price at which the supplier of last resort shall sell electricity to the end client shall be determined in accordance with an approved by SEWRC Methodology for Determination of the Prices of Electricity Supplied by a Supplier of Last Resort.

(5) The independent transmission operator, respectively the distribution grid operator, shall send identifying information about the client and his installations, as well as data about the quantity of used electricity on a monthly basis for the previous 12 months.

Chapter Nine Balancing Market

Section I

General Terms

Art. 105. (1) The balancing market is centralized and shall be organized by the independent transmission operator via the energy system dispatcher on duty.

(2) On the balancing market, the independent transmission operator shall purchase and/or sell electricity from/to the market participants – suppliers of balancing energy to the national balancing market and/or from/to the regional balancing market with the purpose of balancing the deviation from the planned/negotiated schedules for production and consumption of electricity.

(3) The offers and transactions on the balancing market shall be made by separate dispatchable generators/loads.

(4) The price of electricity on the national balancing market shall be determined with an approved by SEWRC Methodology for Determination of Balancing Energy Prices pursuant to the implementation of these Electricity Trading Rules.

(5) The balancing market shall not be used for closure of open positions on trade deals on the date of negotiation.

Section II

Balancing Market Rules

Art. 106. (1) The balancing market rules set out the conditions for sale and purchase of balancing energy with the purpose of ensuring the safety and reliability of the national electricity system and the safe parallel operation of the European electricity system.

(2) The producers of electricity shall announce schedules in accordance with the concluded contracts within the operational range of their generators and in accordance with the expected net production for the respective period. The balancing group coordinators shall announce schedules for the quantities of electricity in accordance with the concluded contracts and the transactions realized by them on the power exchange.

(3) For transit of electricity, in cases of imposed curtailment on the import schedule by the respective neighbouring operator, the corresponding external export schedule shall be curtailed, respectively in case of an imposed curtailment on an outside export schedule, a curtailment on the import schedule shall be implemented.

(4) The independent transmission operator may refuse to register or may curtail an “external” export schedule if the quantities in this schedule are not matched with corresponding quantities of electricity in an “internal” schedule or from import.

Art. 107. Balancing energy shall be traded on the balancing market and it shall include:

1. the energy fed as a result of participation in regulation (primary and secondary), set through the turbine regulators of the generating units or the central regulator of the electricity system, integrally for the hour;
2. balancing through correction of the operational point of the generating units (tertiary reserve), set by the independent transmission operator’s dispatcher on duty, integrally for the hour;
3. the fed energy as a result of activated blocks of cold reserve, integrally for the hour;
4. balancing via change of state (powering on and off) of the generators, as ordered by the independent transmission operator’s dispatcher on duty, integrally for the hour;
5. balancing through change of the load of consumers at the order of the dispatcher;
6. energy purchased/sold from/to neighbouring energy systems and energy as emergency assistance.

Art. 108. (1) After submission of the production schedules, consumption schedules and schedules for exchange and the offers for regulation in accordance with the Grid Code and these rules, the independent transmission operator shall assess the available reserves for secondary and tertiary regulation to ensure a safe and reliable operation of the system.

(2) When there are not enough available reserves or balancing energy, the independent transmission operator shall act in accordance with the Grid Code.

Art. 109. (1) The independent transmission operator shall be responsible for the registration of the participants on the balancing market, for the collection, verification and validation of the offers, for the calculation of the necessary quantities of balancing energy on the day of delivery, as well as for the settlement of the mutual obligations on transactions related to the balancing market.

(2) The validated offers shall be passed on to the independent transmission operator’s dispatcher on duty, who shall activate the offers completely or partially depending on the conditions in real time.

Art. 110. (1) A transaction on the balancing market shall be considered concluded at the moment of the complete or partial activation of the balancing energy supplier’s offer, carried out by the independent transmission operator’s dispatcher on duty.

(2) When a transaction concluded on the balancing market may threaten the operational safety and reliability of the national electricity system and the safe parallel operation of the European electricity system, the dispatcher on duty may deactivate the offer of the balancing energy supplier.

Art. 111. (1) The independent transmission operator is a party to the contract with each participant in the balancing market – balancing energy supplier, for all transactions concluded on the balancing market.

(2) A transaction concluded on the balancing market shall set out the obligations of the respective supplier on the balancing market to supply or purchase energy to/from the independent transmission operator in accordance with the offer and order of the independent transmission operator’s dispatcher.

(3) The transactions concluded with balancing energy suppliers who participate in secondary regulation or in system regulation through activation of cold reserve units, activation of generators for tertiary regulation, shall be settled in accordance with the provisions of the contracts with the independent transmission operator.

(4) The transaction shall cover the respective dispatching period.

Art. 112. (1) The independent transmission operator's obligations for payment to the market participants – balancing energy suppliers, under the transactions concluded on the balancing market shall be based on:

1. the ordered by the dispatcher and supplied by the supplier quantity of electricity on the balancing market;
2. the price of the respective offer for up regulation.

(2) The market participants' obligations for payment to the independent transmission operator under the transactions concluded on the balancing market shall be based on:

1. the ordered by the dispatcher and the real/effective quantity of electricity purchased by the supplier on the balancing market;
2. the price of the respective offer for down regulation.

Art. 113. A pumped-storage hydroelectric power plant shall be considered as a dispatchable load when the generator is in pumping regime.

Art. 114. (1) The balancing energy, traded on the balancing market on the day of delivery, is physically obtained at:

1. point where the dispatchable unit is connected to the national transmission grid;
2. the moment after the dispatcher has given an order, and the moment shall be agreed on depending on the technical characteristics.

(2) The balancing energy, traded on the balancing market on the day of delivery by each balancing energy supplier, shall be set by the independent transmission operator for each period of dispatching, in the condition that a net delivery schedule has been validated within the limits of the operational range of the generators, the corresponding gross schedule, and the requirements under art. 81, par. 8 and 9 have been met.

Art. 115. (1) In cooperation with other transmission system operators or suppliers of balancing services from other regions of regulation, the independent transmission operator may negotiate procedures for mutual use of the services offered on the balancing market or to use similar mechanisms effective in other countries.

(2) The procedures under par. 1 shall be approved by SEWRC.

Section III Suppliers on the Balancing Market

Art. 116. (1) Market participants who operate dispatchable generators shall be obliged to become suppliers on the balancing market.

(2) Consumers with dispatchable loads may become suppliers on the balancing market.

Section IV Register of Balancing Energy Suppliers

Art. 119. The independent transmission operator shall maintain a register of the balancing energy suppliers.

Section V Centralized Market of Ancillary Services

Art. 126. (1) The guaranteeing of sufficient available quantity of ancillary services for the independent transmission operator and for the operators of the distribution companies shall be implemented through auctions and/or bilateral contracts.

(2) The balancing energy resulting from the regulation/balancing of the power grid shall be purchased only by the independent transmission operator.

(3) The other ancillary services, inclusive the full participation in the regulation of the power grid and the availability of ancillary services and cold reserve, shall be obligatory provided by the users of the grid in accordance with the Grid

Code, and the costs reimbursement to the independent transmission operator shall be implemented through the price for the service "access to the electricity transmission grid".

(4) In the contracts for access and ancillary services between the independent transmission operator and the users of the grid, the volume and price of these services shall be specified.

(5) In case the volume and the price of the ancillary services under par. 4 cannot be agreed upon, then the parties under these contracts shall address the issue to the State Energy and Water Regulatory Commission (SEWRC) for their ex officio determination.

Chapter Ten

Basic Principles for Calculation of Imbalances and Settlement of the Balancing Groups

Section I

General Conditions

Art. 155. (1) The rules for calculation of the imbalances regulate the mechanism for calculation of the deviations between the registered schedule, the metered values of producers and consumers and the physical exchanges between the relevant grids or coordinators of balancing groups.

(2) The independent transmission operator applies equal principles for the determination of imbalances and the prices of the balancing energy to the coordinators of standard and special balancing groups.

(3) The quantities under a registered schedule are the quantities agreed between the trade participants before the actual day of delivery, inclusive the quantities registered for trade on the power exchange, and the quantities provided at the balancing energy and ancillary services market.

(4) The metered values are the recorded and validated by the owners of the commercial metering devices metered values of producers, consumers and realised physical exchanges between the relevant grids or neighbouring energy systems.

(5) The imbalances shall be determined on the basis of aggregated metered values for production, consumption and physical exchanges related to a coordinator of a balancing group.

(6) The producers and the consumers with dispatchable installations shall be responsible for the realised "imbalance towards a dispatching instruction" and for ensuring compliance with the agreed quantities and the dispatching instructions received by the dispatcher on duty. The dispatching instructions shall have priority over the agreed quantities.

(7) The balancing energy suppliers shall provide or purchase the entire energy to/from the independent transmission operator, in accordance with the orders of the dispatcher of the independent transmission operator.

(8) At determination of the imbalances, the unplanned exchanges with neighbouring control zones/blocks, shall be taken into account.

Art. 156. Imbalances are:

1. imbalance of a coordinator of a balancing group, determined on the basis of a contractually-agreed net position and net metered position;

2. imbalance towards a dispatching instruction, determined for each generation dispatchable block (plant) or dispatchable consuming installation, determined as the difference between the planned generation, according to the net agreed position, the ordered dispatching instruction and the real generation, according to the net metered position. In case a plant of the producer participates in primary and/or secondary regulation of frequency and capacity exchange or implements a dispatching order for reduction of the output capacity under the necessary capacity for coverage of the quantities on his registered schedules, it shall be considered that the respective producer has no imbalance;

3. in case a block of the producer participates in primary and /or secondary regulation of frequency and exchange capacities or implements a dispatching order for reduction of the output under the capacity for the coverage of the quantities according on his registered schedules, it shall be considered that the respective producer has no imbalance;

4. system imbalance which shall be determined as the total summed imbalance of the power grid for each separate dispatching interval.

Supplemental Provisions

§ 1. Within the meaning given in these rules:

1. "Installation" shall be any individual, in terms of electricity metering, electricity installation of a market participant.
2. "Virtual electricity metering device" – calculated summed values of the consumed and the outgoing active electricity from the metering points of one or several installations of a registered participant on the electricity market, determined in accordance with the Electricity Metering Rules.
3. "Indirect member" of a balancing group – installation of a consumer for which a contract is concluded with only one supplier and the responsibility for its balancing is transferred to this supplier.
4. "Direct member" of a balancing group – installation of a consumer for which a contract with more than one supplier can be concluded but the responsibility for balancing is transferred to only one of them.
5. "Dispatching period" – 15 minutes.
6. "Settlement period" – 1 hour.
7. "Network services" – access, transmission and all approved by SEWRC supplements for the respective price period.

Transitional and Final Provisions

§ 2. The Electricity Trading Rules have been drafted pursuant to art. 91, par. 2 of the Energy Act and have been approved by the State Energy and Water Regulatory Commission with resolution protocol № 110 of 18.07.2013 under item 1 and repeal the Electricity Trading Rules adopted by the State Energy and Water Regulatory Commission resolution protocol № 94 dated 25.06.2010 under item 5.

§ 3 The Electricity Trading Rules shall enter into force from the date of their publication in the State Gazette.