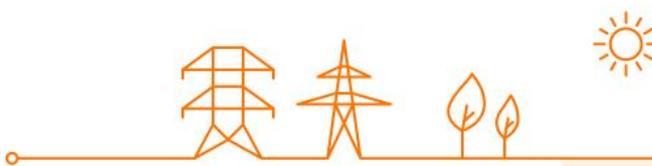


PROPOSAL OF FUNCTIONING RULES

CAPACITY REMUNERATION MECHANISM (CRM)



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1 INTRODUCTION

1. The current document constitutes the Functioning Rules of the Belgian Capacity Remuneration Mechanism (hereafter referred to as 'CRM') in accordance with article 7 undecies §8 of the Electricity Act as inserted in the Electricity Act by the CRM Act.
2. Functioning Rules are to be considered in relation to other relevant documents as follows:
 - Regulation (EU) 2019/943 (as part of the Clean Energy Package) which entered into force in July 2019 and applies from 1 January 2020 ;
 - The Electricity Act of April 29th 1999 ;
 - The (proposals) of Royal Decrees: even though Functioning Rules differ from Royal Decrees by their legal format, both result from the implementation of the CRM Act, which is their direct legal basis. Whereas Functioning Rules aim to set out the operational rules of the mechanism, Royal Decrees aim to set out the main methodologies and principles on which to base the working of the mechanism. Therefore Functioning Rules may be revised every year and published by May 15th at the latest after approval of CREG. This is not necessarily the case for all Royal Decrees, which can however also be subject to change. Elements of the below listed Royal Decrees will be taken into account and may be further referred to in the Functioning Rules:
 - Royal Decree on Methodology established in accordance with article 7 undecies, §2 of the Electricity Act,
 - Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Threshold established in accordance with article 7undecies, §4, 1°, 2° of the Electricity Act,
 - Royal Decree on Investment Thresholds and Eligible Investment Costs established in accordance with article 7 undecies, §5 of the Electricity Act,
 - Royal Decree on Control established in accordance with article 7undecies, §9 of the Electricity Act: This is not yet taken into account for this version given that at the timing of writing the Royal Decree was not yet available. For future reference, the Functioning Rules will be updated in line with the aforementioned Royal Decree,
 - Royal Decree financing of the mechanism and appointing Contractual Counterparty in accordance with article 7quaterdecies, §1. This is not yet taken into account for this version given that at the timing of writing the Functioning Rules, the Royal Decree was not yet available. However, for the financing aspect in particular, due account is taken of the parliamentary resolution from May 5th 20201,
 - Royal Decree on the criteria for Direct and Indirect Foreign Capacities to the CRM in line with article 7 undecies, §4, °3 of the Electricity Act,
 - Ministerial Decree determining minimal volume to be procured and parameters in accordance with article 7 undecies, §2 of the Electricity Act: This Ministerial Decree will be decided on the basis of yearly reports that are prepared in line with the assumptions, principles and methodologies as set out in the relevant Royal Decrees from the list mentioned above. Whereas the Ministerial Decree includes concrete numerical values to be able to initiate and manage the Auction, the Functioning Rules describe the modalities and procedures to be complied with by parties involved to take part in the Prequalification Process, Auction and subsequent

¹ <https://www.dekamer.be/FLWB/PDF/55/1220/55K1220001.pdf>

Delivery Period. Together with the Functioning Rules, the Ministerial Decree will be recurrent every year;

- Capacity Contracts should be in line with the Functioning Rules in accordance to article 7 undecies, §7 of the Electricity Act.
3. Functioning Rules describe in a further level of detail the methodologies, rules and principles of the CRM without the justification of the choices taken. Justifications have been foreseen in the design notes, consultation reports and the material provided in the context of the Task Force CRM (design and implementation) that are all published on the ELIA website². These documents can be considered as non-binding background information.
4. According to article 7 undecies §8 of the Electricity Act, the Functioning Rules are established in order to:
- Foster competition as much as possible in the Auctions;
 - Avoid any market abuse;
 - Ensure the economic efficiency of the CRM in order to guarantee that the Capacity Remunerations provided are adequate and proportionate and that the potential negative effects on the good functioning of the market remain as limited as possible;
 - Respect the technical constraints of the grid and take into account the disposals of the Federal Grid code regarding the submission and the treatment of the connection requests to the transmission system and the conclusion of Connection Contracts.

Furthermore, article 7 undecies §8, specifies that the Functioning Rules must cover the following topics:

- The Prequalification modalities & criteria;
- The Auction modalities;
- The Availability Obligations for Capacity Providers and the related Penalties in case of failure to fulfill these Obligations;
- The Financial Securities to be provided by the Capacity Providers;
- The organization of the Secondary Market, at the latest 1 year before the 1st Delivery Period;
- The modalities related to the exchange of information and the rules providing transparency on the CRM.

This document covers the following sections:

- Introduction (chapter 1)
- Legal and governance (chapter 2)
- Definitions (chapter 3)

² <https://www.elia.be/fr/users-group/implementation-crm>

- Service Time Schedule (chapter 4)
- Prequalification Process (chapter 5)
- Auction process (chapter 6)
- Pre-delivery control (chapter 7)
- Availability Monitoring and Testing (chapter 8)
- Secondary Market (chapter 9)
- Financial Securities (chapter 10)
- Payback Obligation (chapter 11)
- Communication (chapter 12)
- Disputes (chapter 13)
- Fallback processes (chapter 14)
- Transparency (chapter 15)
- Cross-border participation to the Belgian CRM (chapter 16)
- Annexes (chapter 17)

2 LEGAL AND GOVERNANCE

2.1. ENTRY INTO FORCE

5. The Functioning Rules are approved by the CREG on the basis of a proposal that has been submitted by ELIA for consultation to the grid users in accordance with article 7undecies, paragraph 8 of the Electricity Act and enter into force on the date of their publication on ELIA's website.
6. All future changes to the Functioning Rules will be submitted for approval to the CREG after consultation with grid users, in accordance with article 7undecies, paragraph 8 of the Electricity Act.
7. Any reference to legislation, regulations, directive, order, instrument, code or any other enactment is to be understood as a reference to legislation, regulations, directive, order, instrument, code or any other enactment as modified, extended or re-enacted from time to time.

2.2. INTERPRETATION

8. The definitions in the Electricity Act and its implementing royal decrees apply to the functioning rules. For the purpose of the functioning rules, the list of definitions (according to chapter 3) completes the definitions of the Electricity Act.
9. Titles do not have any binding force. Each Chapter contains an introduction which serves as a user's guide, contributing via an introductory explanation to a good understanding of each process. The introduction sections have no binding force and in case of contradiction with the rules developed in the other sections of each process, the rules have priority. The introduction sections can only be relied upon to the extent the functioning rules would need further interpretation, which would neither be found in the legislation and implementing decrees

2.3. COST OF THE CAPACITY HOLDER'S OR CAPACITY PROVIDER PARTICIPATION TO THE CRM

10. ELIA does not remunerate for the cost incurred by the Capacity Holder, the (Prequalified) CRM Candidate or Capacity Provider resulting from his participation to the Capacity Remuneration Mechanism, whether his CMU has been selected or not in or as a result of the Prequalification and Auction process. The participation by the Capacity Holder, the (Prequalified) CRM Candidate or Capacity Provider to the Capacity Remuneration Mechanism does not grant any right, guarantee or claim towards ELIA beyond the scope of these Functioning Rules.

2.4. DATA PROTECTION

2.4.1 Data controllers:

11. With respect to the Functioning Rules, the personal data shall be processed by ELIA in accordance with the Data Protection Legislation, including Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("GDPR"). The definitions set out in the Data Protection Legislation are applicable to the Functioning Rules.

With the exception of Personal Data processed with respect to the Capacity Contract referred to in section 7.2.2., the following entity shall act as Data Controller with respect to the Functioning Rules:

Elia Transmission Belgium NV/SA, Boulevard de l'Empereur 20, B-1000 Brussels

With respect to the Functioning Rules:

- ELIA, shall act as an independent Data Controller for processing of Personal Data with respect to the Functioning Rules;
- The Capacity Holder, the CRM Candidate, the Capacity Provider shall act as independent Data Controller for the Personal Data it transfers to ELIA, including from Grid Users, for any other use than processing carried out with respect to the Functioning Rules.

ELIA does not act as a Processor for the Capacity Holder, the CRM Candidate, the Capacity Provider nor the other way around.

ELIA and the Capacity Holder, the CRM Candidate, the Capacity Provider, as distinctive Data Controllers,, shall take their own reasonable measures to ensure the security of Personal Data of which it acts as Data Controller by means of technical security rules and an adequate security policy against loss, leakage, destruction, alteration, unauthorized access or use of Personal Data or unauthorized processing thereof by its respective employees and/or (sub)contractors.

2.4.2 Legal basis:

12. The processing of Personal Data by ELIA shall be based on the following legal grounds:
 - Performance of the Functioning Rules (eg. assessment of Delivery Points in the Prequalification of a CMU);
 - Compliance with the applicable regulations, including the CRM-Act, which amends the Electricity Act (eg. collaboration with the regulator);
 - Performance of a task carried out in the public interest or exercise of the official authority vested in ELIA by public authorities (eg. annulment of a transaction on the Secondary Market, ...).

2.4.3 Purposes of data processing and data security:

13. Personal data shall be processed by ELIA for the following purposes:

- Performance of its role and responsibilities with respect to the Functioning Rules;
- Communications with the Capacity Holder, the CRM Candidate and the Capacity Provider;
- Compliance with applicable regulations;
- Organization and roll-out of the CRM, including e.g. organisation of the Auction, conclusion of the Capacity Contract, monitoring activities of ELIA, the determination of grid constraints and the monitoring of Infrastructure Works necessary for the realization of the CRM Candidate's project, etc.

Personal Data shall be transmitted by the Capacity Holder, the CRM Candidate and the Capacity Provider in order to fulfil their obligations with respect to the Functioning Rules.

2.4.4 Processed Personal Data

14. The following personal data shall be processed by ELIA:

- All the data to be transmitted with a view to be admitted and have the CMUs or VCMUs prequalified (surname, first name, address, EAN number of delivery point,...) in accordance with the Functioning Rules;
- Any contact details needed for the exchanges between ELIA and the Capacity Holder, the CRM Candidate and the Capacity Provider (email address, telephone number, etc.) with respect to the Functioning Rules;
- Any other personal data needed for ELIA's performance of its role and responsibilities with respect to the Functioning Rules and organization and roll-out of the CRM (invoicing data, bank details, etc.);
- Any other personal data needed for ELIA's performance of its public-interest tasks;
- Any personal data needed by ELIA in order to verify the Capacity Holder, the CRM Candidate or the Capacity Provider's compliance with its obligations with respect to the Functioning Rules;
- Any personal data transmitted through the CRM IT Interface.

The following Personal Data shall be provided by the Capacity Holder, the CRM Candidate and the Capacity Provider to ELIA:

- Any personal data needed for the performance of the Capacity Holder / the CRM Candidate's obligation with respect to the Functioning Rules (e.g., Grid User's declaration, etc.).

2.4.5 Data transfer

15. Personal data processed under this Functioning Rules shall be processed and stored within the European Union (EU) and not transferred outside the EU.

2.4.6 Data retention period

16. Personal Data shall be retained by ELIA only for as long as is strictly necessary for ELIA's compliance and roll-out with respect to the Functioning Rules, and/or in accordance with the

retention periods legally imposed. At the end of the participation of the Capacity Holder, the CRM Candidate and the Capacity Provider in, as the case may be, the Prequalification Process or the Auction or at the end of the Transaction Period, the Personal Data shall be temporarily archived due to (i) a legal obligation to retain data for a fixed period and/or (ii) an administrative purpose justifying their retention based on legal grounds (e.g. for tax purposes). In any event, the Personal Data shall be erased no later than twelve years following:

- The end of the participation of the Capacity Holder in the Prequalification Process; or
- The end of the participation of the CRM Candidate in the Auction; or
- The end of the Transaction Period.

2.4.7 Rights of data subjects

17. In accordance with the Data Protection Legislation, Data Subjects (i.e. natural persons whose Personal Data are processed, including the Capacity Holder, the CRM Candidate and the Capacity Provider) have several rights, a.o. a right of access, of obtaining a copy, of rectification, of erasure (if the legal conditions are met) and of restriction of processing of their Personal Data (if the legal conditions are met), and the right to portability of their Personal Data (if the legal conditions are met).

In order to exercise these rights or in case of any question regarding the processing of Personal Data, ELIA shall be contacted as follows: privacy@elia.be

Notwithstanding the above, the Capacity Holder, the CRM Candidate or the Capacity Provider shall act as the first point of contact for the Data Subjects such as Grid Users, of which it transfers the Personal Data to ELIA with respect to the Functioning Rules. Therefore, the Capacity Holder, the CRM Candidate or the Capacity Provider warrant and guarantee that it shall insert a contact clause in the relevant written communication between him and each Grid User as indicated below under warranties.

18. Data Subjects may also lodge a complaint with the Belgian Data Protection Authority at any time:

Data Protection Authority

Rue de la presse 35, B-1000 Brussels

+32 (0)2 274 48 00

contact@apd-gba.be

2.4.8 Personal data breach

19. In the event of a breach of Processed Personal Data or the threat of such a breach (hacking, data leakage, loss, etc.), of the Personal Data that have been or are to be provided to ELIA, ELIA shall be notified of the breach or threatened breach in writing without delay, and no later than seventy two hours after becoming aware of it.

2.4.9 Processing by third parties

20. ELIA shall not transfer Personal Data to third parties, except for communications that are required by law, ELIA's legitimate interest, the performance of ELIA's roles and responsibilities with respect to the Functioning Rules and the performance of its public-interest tasks, for example: transmission to the relevant public authorities, foreign transmission system operators, gas system operators, Public Distribution System Operators and CDS Operators (CDSOs), insofar as these Personal Data are relevant and necessary for the purposes of said communications and subject, as the case may be, to safety measures (anonymization, pseudonymisation,...).
21. Personal Data may also be transmitted to processors of ELIA (such as IT and accounting service providers, legal advisers, contractual partners, etc.). ELIA shall enter into a personal data processing agreement with its processors for this purpose.

Depending on the type of Personal Data transferred, a third party privacy policy might become applicable.

ELIA is not responsible for the processing of Personal Data carried out by third parties with the exception of processing carried out by ELIA's data processors, provided that said data processor process Personal Data in compliance with the Data Protection Legislation and ELIA's instructions.

22. More information on the processing of Personal Data may be found in ELIA's privacy policy at : <https://www.elia.be/en/privacy-policy>

In the event of any contradiction between these Policies and this article, the latter shall take precedence.

2.4.10 Warranty

23. Any party, including the Capacity Holder, the (Prequalified) CRM Candidate and the Capacity Provider, hereby:
 - Warrants and guarantees that all Personal Data it provides to ELIA with respect to the Functioning Rules are accurate and complete;
 - Warrants and guarantees that regarding the Personal Data it provides to ELIA it is the legitimate owner and/or Data Controller of these Personal Data for another purpose than with respect to the Functioning Rules and that it is compliant with the Data Protection Legislation, particularly with respect to the Personal Data it transfers to ELIA
 - Warrants and guarantees that it is legally entitled to provide Personal Data from the Data Subjects concerned to ELIA with respect to the Functioning Rules;
 - Warrants and guarantees that it will duly inform the Data Subjects that their Personal Data may be transferred to ELIA with respect to the Functioning Rules, and shall do so in its first communication with those Data Subjects with respect to the Functioning Rules, and to that end it warrants and guarantees to insert the following clause in the relevant written communication to the Data Subject concerned:
 - "Your personal data may be transferred to Elia with respect to the Functioning Rules, which shall process these personal data as a controller in accordance with <https://www.elia.be/en/privacy-policy>.

- In order to exercise your rights regarding Personal Data or in case of any question regarding the processing of Personal Data with respect to the Functioning Rules, your point of contact will be the Capacity Holder, the CRM Candidate or the Capacity Provider that shall be contacted via the applicable data protection officer's contact details."
- Warrants and guarantees that shall defend, indemnify and hold harmless ELIA on first demand, from or against any losses, damages, liabilities, expenses and/or costs (including legal costs and attorney fees) that directly or indirectly arise from a (threat of) breach by of aforementioned warranty. Notwithstanding the foregoing, ELIA reserves the right to withdraw any of the Personal Data provided or other input of which it has reason to believe that it infringes any provision of this clause.
- Acknowledges that the loss, damage, liability, expense and/or cost that directly or indirectly arises from a (threat of) breach of any aforementioned warranty for ELIA, shall be at least 5000 euro without prejudice to ELIA's right to claim higher damages. The Capacity Holder, the CRM Candidate and/or the Capacity Provider acknowledge that this is a reasonable minimum amount for any loss, damage, liability, expense and/or cost that might have been caused.

3 DEFINITIONS

3.1. GENERAL DEFINITIONS

24. For reasons of completeness and informational purposes, the list of definitions hereunder also includes the relevant terms already defined in the Electricity Act, the Federal Grid Code or in the European legislation. For these definitions already provided under the Electricity Act or the Federal Grid Code a non-official English translation is provided.

Term (English)	Definition
Access Point	As defined in article 2, § 1, 29° of the Federal Grid Code for an access to the transmission grid of ELIA. For an access to the ELIA Grid other than the transmission grid, or to a Public Distribution Grid: a point, defined by the physical location and voltage level, at which access to the ELIA Grid other than transmission grid, or to a Public Distribution Grid, is granted, with a goal to injecting or taking off power, from an electricity generation unit, a consumption facility, a non-synchronous storage facility, connected to this grid. For an access to a CDS, as defined in article 2, § 1, 30° of the Federal Grid Code.
Activation of Redispatching Services	The use of Redispatching Services in line with article 22 (2) of SOGL and article 12 of the Coordination and Congestion Rules (as published by ELIA).
Active Volume	The component of the Available Capacity measured as the part of a CMU without Daily Schedule that reacted to a market price signal in accordance with its (Partial) Declared Prices, determined according to according to paragraph 432.
Additional Capacity	The Capacity for which, at the time of Prequalification File submission, no Nominal Reference Power can be calculated based on quarter-hourly measurements or which requires a signed technical agreement with ELIA as per the connection process in the Federal Grid Code.
Additional Capacity Market Unit ("Additional CMU")	A Capacity Market Unit which includes at least one Additional Delivery Point.
Additional Delivery Point	A Delivery Point associated to an Additional Capacity.
Adjacent European Member State	As defined in article 1, § 2, 1° of the Royal Decree on the criteria for direct and indirect foreign capacities to participate to the CRM, established in accordance with article 7undecies, § 4, 3° of the Electricity Act.
Adjacent Transmission System Operator ("Adjacent TSO")	As defined in article 1, § 2, 2° of the Royal Decree on the criteria for direct and indirect foreign capacities to participate to the CRM, established in accordance with article 7undecies, § 4, 3° of the Electricity Act.
Aggregated Nominal Reference Power	The Nominal Reference Power of an aggregated CMU corresponding to the sum of the Nominal Reference Power of each of its Capacities.

AMT Hour	A Day-ahead Market segment identified by the Availability Monitoring Trigger, during which the Day-ahead Market Price surpasses the AMT Price.
AMT Moment	A series of consecutive AMT Hours.
AMT Price or p_{AMT}	The ex-ante defined price level identifying AMT Hours for a Delivery Period.
Ancillary Services	As defined in article 2, § 1, 52° of the Federal Grid Code.
Announced Missing Capacity	For the purpose of the determination of the Unavailability Penalty, the part of the Missing Capacity that was notified on time (according to paragraph 357) by the Capacity Provider to be unavailable.
Announced Unavailable Capacity	The Unavailable Capacity notified to ELIA before the specified timeframe according to paragraph 357.
Associated Volume	For a Partial Declared Price, the volume associated with that price as declared by the Capacity Provider or for the Declared Prices, the Nominal Reference Power.
Auction	As defined in article 2, 73° of the Electricity Act.
Available Capacity	The CMU's capacity that is observed/confirmed as available as a result of the Availability Monitoring Mechanism or the Availability Test. The Available Capacity can consist of both Proven Availability and Unproven Availability.
Availability Monitoring	The process to monitor whether the CMU's Available Capacity equals at least its Obligated Capacity during AMT Hours as referred to in article 7undecies, § 8, al. 2, 3° of the Electricity Act.
Availability Monitoring Mechanism	The mechanism that monitors whether the CMU's Available Capacity equals at least its Obligated Capacity during AMT Hours as referred to in article 7undecies, § 8, al. 2, 3° of the Electricity Act.
Availability Monitoring Trigger (AMT)	The trigger identifying moments relevant for adequacy during the Delivery Period, during which Availability Monitoring can apply. It occurs if the AMT Price is surpassed by the Day-ahead Market Price during at least one Day-ahead Market segment.
Availability Obligations	The obligation of a CMU to have an Available Capacity that equals at least its Obligated Capacity during AMT Hours or an Availability Test.
Availability Ratio	The ratio that expresses the day-ahead unavailability of a CMU, applied to offset this unavailability in the Payback Obligation as referred to in the Royal Decree on Methodology, article 21, § 6 and as calculated in accordance with section 11.3.4.

Availability Test	The test in which the CMU has to demonstrate its availability by actually delivering energy upon request of ELIA. During an Availability Test ELIA monitors whether the CMU's delivered energy equals at least its Obligated Capacity.
Balance Responsible Party (BRP)	As defined in article 2, 7° of the EBGL and listed in the register of Balance Responsible Parties.
Balancing Market	As defined in article 2, 2° of the EBGL.
Baseline	The power on which the energy volume that the CMU would have taken off is evaluated in case no Demand Side Response is activated.
Bid	The offer made by a Prequalified CRM Candidate in the Auction.
Bid Cap	The maximum Bid Price (in EUR/MW/year) that can be made for a Bid in the Auction.
Bid Price	The price (in EUR/MW/year) at which a Prequalified CRM Candidate is offering a Bid in the Auction.
BRP Source	The Balance Responsible Party of the Access Point of the Grid User.
Buyer of an Obligation	The Prequalified CRM Candidate or the Capacity Provider taking over the obligations resulting from the Service of a Seller of an Obligation via a transaction on the Secondary Market.
Calibrated Strike Price	The value of the Strike Price applicable at a certain moment as determined as a result of the yearly calibration process as referred to in article 7undecies § 2, 2° of the Electricity Act.
Capacity	Power associated to a Delivery Point.
Capacity Category	As defined in article 2, 84° of the Electricity Act. As referred to in article 7undecies § 7 of the Electricity Act, the Capacity Contract Durations 1-year, 3-years, 8-years and 15-years, depending on the category.
Capacity Contract	The contract signed between a Capacity Provider and ELIA as referred to in article 7undecies § 7, al. 1 of the Electricity Act. For the purpose of the Secondary Market, the contract describing the obligations of the Capacity Provider (including a person assimilated to the Capacity Provider according to the definition of Capacity Provider) which are stipulated in article 7undecies § 7 of the Electricity Act with respect to a.o. availability, pay back, is assimilated to the Capacity Contract.
Capacity Contract	For Transactions on the Primary Market, the number of consecutive Delivery Period(s) that the Capacity Contract covers as stipulated in the Capacity Contract. For Transactions on the Secondary Market, the Capacity Contract Duration can be defined

Duration	on the basis of other elements.
Capacity Holder	As defined in article 2, 74° of the Electricity Act.
Capacity Market Unit (CMU)	A Capacity (« individual CMU ») or several associated Capacities (« aggregated CMU») with the objective to pass through the consecutive phases of the Capacity Remuneration Mechanism ("CRM"), being the Prequalification Process, followed by a Transaction and to deliver the Service.
Capacity Provider	As defined in article 2, 75° of the Electricity Act. The Prequalified CRM Candidate, which has not been selected after closing of the Auction, but participates to the Secondary Market, is assimilated to the Capacity Provider, provided that he signs a Capacity Contract.
Capacity Remuneration	As defined in article 2, 76° of the Electricity Act.
Capacity Remuneration Mechanism (CRM)	As defined in article 2, 71° of the Electricity Act.
CDSO Declaration	The official declaration of the concerned CDSO provided to ELIA during the Prequalification Process, granting approval for (a) specific Delivery Point(s) connected to the CDS to participate to the Service and committing to sign a cooperation agreement with ELIA.
CDS Operator (CDSO)	A natural or legal person that acts as the operator of the CDS and has signed Annex 14 of to the Access Contract with ELIA.
CDS User	The natural or legal person that injects electricity to or takes electricity off the/a CDS.
CDS User Declaration	The official declaration of the CDS User provided to ELIA during the Prequalification Process, containing proof of the agreement between the CRM Candidate and the CDS User to provide the Service at one (or more) specific Delivery Point(s).
CIPU Contract	The contract for the Coordination of Injection of Production Units concluded with ELIA, or any other regulated contract(s) that will replace the CIPU Contract, in accordance with the Federal Grid Code.
Closed Distribution System (CDS)	As defined in article 2, § 1, 3° of the Federal Grid Code. For the purpose of these Functioning Rules, CDS refers to CDS connected to the ELIA Grid.

Connection Contract	As defined in article 2, § 1, 9° of the Federal Grid Code.
Connection Point	As defined in article 2, §1, 37° of the Federal Grid Code.
Contracted Capacity	The capacity of a CMU associated to a Transaction in the Primary Market or in the Secondary Market.
CRM Candidate	The Capacity Holder whose application form has been accepted by ELIA.
CRM Act	The Act of 22/04/2019 amending the Electricity Act: « <i>Wet tot wijziging van de wet van 29 april 1999 betreffende de organisatie van de elektriciteitsmarkt, teneinde een capaciteitsvergoedingsmechanisme in de stellen</i> » / « <i>Loi modifiant la loi du 29 avril 1999 relative à l'organisation du marché de l'électricité portant la mise en place d'un mécanisme de rémunération de capacité</i> ».
CRM Actor	All (potential) participants to the CRM, including a Capacity Holder, CRM Candidate, Prequalified CRM Candidate, Capacity Provider, Buyer of an Obligation and Seller of an Obligation.
CRM IT Interface	The set of information systems within the control of ELIA used to perform its functions under the Functioning Rules.
CRM Required Volume	The volume that should be contracted in an Auction for a certain Delivery Period.
Daily Schedule	The program of production of a CMU (in MW), given on a quarter hourly basis, provided to ELIA in day-ahead and updated in accordance with the rules of the CIPU Contract.
Data Protection Legislation	The Act of 30 July 2018 on the protection of natural persons with regard to the processing of personal data and its implementing decrees.
Day-ahead Market (DAM)	The energy market as referred to in article 2, 26° of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management.
Day-ahead Market Price	As published on ELIA's website (https://www.ELIA.be/en/grid-data/transmission/day-ahead-reference-price), the Belgian reference price as calculated by ELIA as the volume weighted average price of the prices of the NEMO hubs in the Belgian bidding zone, as defined in the Belgian MNA ("Multiple NEMO Arrangement for the Belgian bidding zone").
Declared Day-ahead Price	The value of the CMU's Reference Price declared by the Capacity Provider equal to or above which the CMU would deliver energy in the energy market by dispatching at least its Obligated Capacity.
Declared Balancing Price	The positive imbalance price optionally declared by the Capacity Provider equal to or above which a CMU would deliver energy in the energy market by dispatching at least its Obligated Capacity.

Declared Intraday Price	The Intraday Market price optionally declared by the Capacity Provider equal to or above which a CMU would deliver energy in the energy market by dispatching at least its Obligated Capacity.
Declared Market Price (DMP)	For a given AMT Hour, the equivalent Day-ahead Market price, determined by the (Partial) Declared Prices and Associated Volumes declared by the Capacity Provider, equal to or above which the CMU delivers the Required Volume.
Declared Eligible Volume	The Eligible Volume, as declared by the CRM Candidate, of a Virtual Capacity Market Unit which has been submitted to participate to a specific Prequalification Process.
Declared Nominal Reference Power	The Nominal Reference Power, as declared by the CRM Candidate, of an Additional Delivery Point which has been submitted to participate to a standard Prequalification Process.
Declared Price	The collective name of the Declared Day-ahead Price, the Declared Intraday Price and the Declared Balancing Price.
Delivery Period	As defined in article 2, 77° of the Electricity Act.
Delivery Point	A (future) point on an electricity grid or within electrical installations of a Grid User where the Service is or will be delivered. This point is or will be associated with one or several metering device(s) that allow Elia to control and measure the delivery of the Service.
Demand Curve	As defined in article 2, 78° of the Electricity Act and determined in the Ministerial Decree referred to in article 7undecies § 2, par. 5 of the Electricity Act and in accordance with the methodology in the Royal Decree on Methodology referred to in article 7undecies § 2, par. 1 of the Electricity Act.
Demand Side Response (DSR)	As defined in article 2, 66° of the Electricity Act.
Derating Factor	As defined in article 2, 83° of the Electricity Act.
Direct Foreign Capacity	As defined in article 2, 86° of the Electricity Act.
DSO-CRM Candidate Agreement	The agreement between the CRM Candidate and the concerned DSO confirming the technical possibility for (a) specific Delivery Point(s) connected to the DSO Grid to participate to the Service.
Dummy Bid	The Bid introduced by ELIA in an Auction at a Bid Price of 0 EUR/MW/year and with a Bid volume equal to the total reduction of the volume to be procured in that Auction.

Effective Payback Obligation	The Payback Obligation amount related to a Transaction as calculated for a given month, in accordance with the methodology in the Royal Decree on Methodology referred to in article 7undecies § 2, par. 1 of the Electricity Act and taking into account the Stop-Loss Amount if applicable.
Electricity Act	The Federal Electricity Act of 29 April 1999 on the organization of the Belgian electricity market: " <i>Wet van 29 april 1999 betreffende de organisatie van de elektriciteitsmarkt</i> " / " <i>Loi du 29 avril 1999 relative à l'organisation du marché de l'électricité</i> ".
ELIA Grid	The electricity grid to which ELIA holds the property right or at least the right of using and operating it, and for which ELIA has been appointed as system operator.
Eligible Direct Foreign Capacity Holder	As defined in article 1, § 2, 8° of the Royal Decree on the criteria for direct and indirect foreign capacities to participate to the CRM, established in accordance with article 7undecies, § 4, 3° of the Electricity Act.
Eligible Indirect Foreign Capacity Holder	As defined in article 1, § 2, 7° of the Royal Decree on the criteria for direct and indirect foreign capacities to participate to the CRM, established in accordance with article 7undecies, § 4, 3° of the Electricity Act.
Eligible Volume	The Reference Power of an Existing CMU or Additional CMU multiplied by the Derating Factor as determined during the Prequalification Process.
Energy Constrained CMU	A CMU that can deliver energy or reduce its consumption for a limited number of hours per day
Exchange	A market operator in accordance with Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as transposed into the Belgian law dated 21 November 2017 on infrastructure for markets in financial instruments and on the implementation of Directive 2014/65/EU (Mifid II Law).
Existing Capacity	The Capacity for which, at the time of Prequalification File submission, the Nominal Reference Power can be calculated based on quarter-hourly measurements.
Existing Capacity Market Unit ("Existing CMU")	A Capacity Market Unit that only includes Existing Delivery Points.
Existing Delivery Point	A Delivery Point associated to an Existing Capacity.
Expected Nominal Reference Power	The Nominal Reference Power, as estimated by the CRM Candidate, of an Existing Delivery Point which has been submitted to participate to a standard Prequalification Process.

Fast Track Nominal Reference Power	The Nominal Reference Power, as estimated by the CRM Candidate, of an Existing Delivery Point which has been submitted to participate to a fast track Prequalification Process.
Fast Track Volume	The Fast Track Nominal Reference Power multiplied by the Derating Factor as determined during the fast track Prequalification Process.
Federal Grid Code	The Royal Decree of 22 April 2019, as amended, establishing a technical regulation for the management of and access to the transmission grid.
Financial Security	The security provided to cover a CMU's obligations during one or more Validity Period(s) in the form of a bank guarantee, a parent company guarantee or a cash payment.
Financial Security Volume	The volume (in MW) to be secured by a permissible type of Financial Security as determined according to section 10.4.2, associated to a CMU and at a moment t that is part of (one or more) Validity Periods.
Forced Outage	An unplanned removal (full or partial) of a CMU providing the Service for any urgent reason that is not under the operational control of the Capacity Provider.
Global Auction Price Cap	The Price Cap applicable in an Auction to all Bids, determined in the Ministerial Decree referred to in article 7undecies, § 2, par. 5 of the Electricity Act, in accordance with the methodology in the Royal Decree on Methodology referred to in article 7undecies, § 2, par. 1 of the Electricity Act.
Grid User	As defined in article 2, §1, 5 ^o of the Federal Grid Code for a Grid User connected to the ELIA Grid or to Public Distribution Grid.
Grid User Declaration	The official declaration of the Grid User provided to ELIA during the Prequalification Process, containing proof of the agreement between the CRM Candidate and the Grid User to provide the Service at one (or more) specific Delivery Point(s).
Headmeter	A (group of) meter(s), as defined in article 2, §1, 5 ^o of the Federal Grid Code, associated with the Access Point as determined by ELIA (for the ELIA Grid), or the DSO (for the Public Distribution Grid), installed by ELIA for the ELIA Grid and the DSO for the Public Distribution Grid.
Indexed Calibrated Strike Price	The indexed value of the Calibrated Strike Price of a Transaction applicable at a certain moment and determined by multiplying the Calibrated Strike Price by an index factor. The Indexed Calibrated Strike Price applies to all Primary Market Transactions as of the Transaction's second Delivery Period and to all Secondary Market Transactions having an index factor parameter in the Secondary Market transaction notification.

Indirect Foreign Capacity	As defined in article 2, 85° of the Electricity Act.
Infrastructure Works	The works which cannot be realized by another entity than the respective system operator (Fluxys, DSOs and ELIA).
Intraday Market	The energy market, as referred to in article 2, 27° of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management.
Intermediate Price Cap	The Price Cap applicable in an Auction to all Bids related to CMUs in the one-year Capacity Category, determined in the Ministerial Decree referred to in article 7undecies §2, par. 5 of the Electricity Act and in accordance with the methodology in the Royal Decree on Methodology referred to in article 7undecies §2, par. 1 of the Electricity Act.
Investment Threshold	As defined in article 1, § 2, 1° of the Royal Decree on Investment Thresholds and Eligible Investment Costs.
Last Published Derating Factor	The published value for the CMU's category of Derating Factor as determined as a result of the yearly calibration process as referred to in article 7undecies, § 2, 2° of the Electricity Act, applicable at the moment of notification of the Secondary Market transaction as determined in function of the Transaction Period in accordance with section 9.4.3.9.
Linked Bids	The two or more Bids for Linked Capacities that can only be selected in the Auction when all other Bids of the Linked Bid are selected as well.
Linked Capacities	As defined in article 1, § 2, 6° of the Royal Decree on Investment Thresholds and Eligible Investment Costs.
Functioning Rules	The rules referred to in article 7undecies, § 8 of the Electricity Act.
Measured Power	The net active power, i.e. the difference between gross offtake and gross injection, measured at a Delivery Point. Net offtake from the grid is considered as a positive value, net injection into the grid is considered as a negative value.
Missing Capacity	The positive difference between the Obligated Capacity and the Available Capacity.
Missing Volume	The share of a CMU's Pre-delivery Obligation considered as non-available as a result of one of the pre-delivery controls.
Nominal Reference Power	The maximal capacity that could be offered in the Capacity Remuneration Market associated to a Delivery Point, not taking into account the Derating Factor or the Opt-out Volume.
Nominated Electricity Market Operator	The nominated electricity market operator (NEMO) as defined in article 2.23° of Commission Regulation (EU) 2015/1222.

(NEMO)	
Non-energy Constrained CMU	A Capacity Market Unit that is not subject to the constraint of only providing energy or reducing its consumption for a limited number of hours per day.
Non-SLA Hours	All hours of an Energy Constrained CMU that are not SLA Hours.
Obligated Capacity	The capacity of a CMU that a Capacity Provider is obliged to make available in the form of Available Capacity during Availability Tests and Availability Monitoring, in line with the availability requirement, as referred to in article 7undecies, § 8, al. 2, 3° of the Electricity Act.
Operating Aid	Every aid for which its award is in function of the electricity production of the involved Capacity, as specified further in the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Threshold.
Opt-out Volume	The (part of) the (Declared) Nominal Reference Power of a CMU for which the CRM Candidate formally indicates prior to the Auction that he is not willing to offer it in the Auction as referred to in article 7undecies, § 6 of the Electricity Act.
Opt-out Notification	The notification based on which a CRM Candidate notifies ELIA that it has decided not to offer the Opt-out Volume into an Auction for a Delivery Period, in line with article 7undecies, § 6 of the Electricity Act.
Partial Declared Balancing Price	The positive imbalance price optionally declared by the Capacity Provider equal to or above which a CMU would deliver energy in the energy market by dispatching a part of its Obligated Capacity as indicated by the Capacity Provider according to section 8.4.2.2.
Partial Declared Day-ahead Price	The value of the CMU's Reference Price optionally declared by the Capacity Provider equal to or above which a CMU would deliver energy in the energy market by dispatching a part of its Obligated Capacity as indicated by the Capacity Provider according to section 8.4.2.2.
Partial Declared Price	The collective name of the Partial Declared Day-ahead Price, the Partial Declared Balancing Price and the Partial Declared Intraday Price.
Partial Declared Intraday Price	The Intraday Market price optionally declared by the Capacity Provider equal to or above which a CMU would deliver energy in the energy market by dispatching a part of its Obligated Capacity as indicated by the Capacity Provider according to section 8.4.2.2.
Passive Volume	The component of the Available Capacity measured as the part of a CMU without Daily Schedule that did not react to a market price signal in accordance with its (Partial) Declared Prices, determined according to paragraph 433.

Payback Obligation	The Capacity Provider's obligation to pay back an amount to ELIA in function of the Contracted Capacity as referred to in article 7undecies § 7 of the Electricity Act.
Peak Hours	The hours starting from 08.00 (CET) until 20.00 (CET) of every day, excluding weekend and Belgian public holidays.
Permitting Milestone	A key milestone that is reached when all necessary licenses/permits for the construction of the project have been obtained, delivered in the last administrative instance, be definitive, enforceable and cannot be disputed anymore before the State Council or the Council for permitting constestations (Raad voor vergunningsbetwistingen).
Pmax available (Pmax)	The maximum power (in MW) that the Delivery Point can inject into (or take off) the ELIA Grid for a certain quarter-hour, taking into account all technical, operational, meteorological or other restrictions known at the time of notification to ELIA with the Daily Schedule, without taking into account any participation of the Delivery Point in the provision of balancing services.
Point of Interface	As defined in article 2, §1, 33° of the Federal Grid Code.
Pre-auction	As defined in article 1, § 2, 4° of the Royal Decree on the criteria for direct and indirect foreign capacities to participate to the CRM, established in accordance with article 7undecies, § 4, 3° of the Electricity Act.
Pre-delivery Period	The period during which pre-delivery control(s) are organized by ELIA for a CMU to ensure the effective availability of the Contracted Capacities related to the CMU before the Delivery Period containing the start date of the Transaction Period associated to the CMU.
Pre-delivery Measured Power	The capacity measured during a pre-delivery control and associated to an Existing Delivery Point.
Pre-delivery Obligation	The capacity of a CMU that a Capacity Provider is obliged to make available during a pre-delivery control.
Prequalification File	All documents and data that the CRM Candidate has prepared, updated (when required) and provided to ELIA and which are necessary for the proper and complete execution of the Prequalification Process.
Prequalification Process	As defined in article 2, 82° of the Electricity Act. Notwithstanding the foregoing, as the participation to the Secondary Market is subject also, for reasons of non-discrimination, to a prequalification, the Prequalification Process will also apply to determine the possibility for Capacity Holders to participate in the Secondary Market.
Prequalified Capacity Market Unit	A Capacity Market Unit which has succeeded the standard Prequalification Process or a Virtual Capacity Market Unit which has succeeded the specific Prequalification Process.

(Prequalified CMU)	
Prequalified CRM Candidate	The Capacity Holder that is allowed to participate in the Primary Market or the Secondary Market thanks to the prequalification of one or several Capacity Market Unit(s).
Price Cap	The maximum Bid Price and the maximum Capacity Remuneration that can be received for a Bid.
Primary Market	The market where the obligations resulting from the Service are created as a result of an Auction and the signing of a Capacity Contract.
Project Works	The works that fall – as a result of a competitive selection process – under a system operator (ELIA, Fluxys or a DSO) or another entity’s responsibility.
Proven Availability	The Active Volume for a CMU without Daily Schedule. The Pmax Available for (i) a Non-energy Constrained CMU with Daily Schedule or (ii) an Energy Constrained CMU with Daily Schedule within its SLA Hours. The Measured Power for an Energy Constrained CMU with Daily Schedule outside of its SLA Hours.
Public Distribution Grid or “DSO Grid”	As defined in article 2, 49° of the Federal Grid Code. For a Public Distribution Grid located in Flanders, this is the electricity distribution network, as defined in article 1.1.3, 32° of the Flemish Energy Decree (the Decree containing the general provisions on energy policy of 8 May 2009).
Public Distribution System Operator or “DSO”	A natural personal or legal entity appointed by the designated regional regulator or regional authority, who is responsible for the exploitation, the maintenance and, if necessary, the development of the Public Distribution Grid in a certain zone and, where applicable, for its interconnectors with other systems and who is responsible of guaranteeing the long-term ability of the Public Distribution Grid to meet reasonable demands for electricity distribution.
Redispatching Services	As defined in article 248 and 249, § 6 of the Federal Grid Code.
Reference Power	The capacity that must be considered in the CRM according to the CRM Candidate, before application of the relevant Derating Factor, but after deducting the Opt-out Volume (if applicable).
Reference Price	As defined in article 2, 81° of the Electricity Act.
Reliability Options	As defined in article 2, 72° of the Electricity Act.
Remaining Eligible Volume	The maximum capacity that the Capacity Provider can contract for a Transaction on the Primary Market (as demonstrated in annex 17.1.18).

Remaining Maximum Capacity	The part of the CMU's Nominal Reference Power (in MW) that remains available after consideration of the Unavailable Capacity.
Required Level	The level (in EUR/MW) to be secured by a permissible type of Financial Security pursuant to according to section 10.4.1 associated to a CMU and at a moment t that is part of (one or more) Validity Periods.
Required Volume	The volume the CMU is supposed to deliver in energy, according to the most recent Declared Prices defined according to section 8.4.2.
Regulation (EU) 2019/943	Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity.
Royal Decree on the Eligibility Criteria for the Prequalification Process	The Royal Decree established in accordance with article 7 undecies, § 4, 1° and 2° of the Electricity Act which defines the eligibility criteria to participate in the CRM.
Royal Decree on Investment Thresholds and Eligible Investment Costs	The Royal Decree to determine the Investment Thresholds and the criteria for the eligible investment costs, established in accordance with article 7undecies, § 5 of the Electricity Act.
Royal Decree on Methodology	The Royal Decree to determine the methodology for calculation of the required volume and the parameters needed for the organization of the Auctions in the context of the Capacity Remuneration Mechanism, established in accordance with article 7undecies, § 2 of the Electricity Act.
Royal Decree on Control	The Royal Decree established in accordance with article 7undecies, § 9 of the Electricity Act.
Secured Amount	The amount (in EUR) to be secured by a permissible type of Financial Security pursuant to according to section 10.4, associated to a CMU and at a moment t that is part of (one or more) Pre-delivery Periods.
Secondary Market	The market in which the obligations resulting from the Service are subject to a transaction between a Seller of an Obligation and Buyer of Obligation.
Secondary Market Capacity	The capacity that is subject to a transaction on the Secondary Market.

Secondary Market Eligible Volume	The capacity that a CRM Candidate can contract for a CMU's Transaction on the Secondary Market, as calculated after the Prequalification Process, not taking into account already Contracted Capacities.
Secondary Market Exchange Mandate	The mandate given by a Prequalified CRM Candidate or a Capacity Provider to an Exchange for the notification of a Secondary Market transaction involving his CMU to Elia. The mandate consists in the form in annex 17.3.1 duly completed and signed.
Secondary Market Remaining Eligible Volume	The maximum capacity that a Capacity Provider can contract for a CMU's Transaction on the Secondary Market.
Seller of an Obligation	The Capacity Provider that transfers the obligations resulting from the Service to a Buyer of an Obligation via a transaction on the Secondary Market.
Service	The Capacity Provider's rights and obligations related to the delivery of a Capacity, as stipulated in the Functioning Rules and in the Capacity Contract.
Service Level Agreement (SLA)	The service level per calendar year for an Energy Constrained CMU as determined in the Capacity Contract.
Service Time Schedule	The time schedule covering the full CRM process as determined in these Functioning Rules.
SLA Hour	For an Energy-Constrained CMU, up to N AMT Hours over one day where N corresponds to the number of hours in the CMU's SLA, for which a non-zero Obligated Capacity applies to ex-ante acquired obligations. The SLA Hours are established according to paragraphs 418 and 419
Stop-Loss	The mechanism that caps the amount of the Payback Obligation that a Capacity Provider has to pay as stipulated in the Capacity Contract.
Stop-Loss Amount	The maximum amount of the Payback Obligation related to a CMU's Transaction that a Capacity Provider has to pay to ELIA as determined for a Delivery Period.
Strike Price	As defined in article 2, 80° of the Electricity Act.
Submeter	Either a meter, as defined in article 2, §1, 5° of the Federal Grid Code, situated downstream of the Headmeter; or, an equation between one or more meter(s) situated downstream of the Headmeter and/or the Headmeter.
Total Contracted Capacity	The sum of all Contracted Capacities for a CMU at a specific moment during a Delivery Period.

Transaction	An agreement about the contractual rights and obligations resulting from the Service, closed in the form of a Capacity Contract between a Capacity Provider and ELIA, in the Primary Market or the Secondary Market at a Transaction Date, identified by a transaction identification number, for the Contracted Capacity and covering a Transaction Period.
Transaction Date	The date and time a Transaction is made, i.e. the date and time that a Bid is submitted in the Auction for a Transaction on the Primary Market and the date and time that ELIA acknowledges the reception of the notification of a Secondary Market transaction.
Transaction Period	The period defined by a start date/start time and end date/end time, during which the Service is delivered resulting from a Transaction.
Transaction Validation Date	For a Transaction on the Primary Market, the date and time at which the results of the related Auction are published (after validation by the CREG). For a Transaction on the Secondary Market, the date and time stamp of the approval of the transaction by ELIA plus five Working Days (in case no irregularities are notified to ELIA by the receipt of a possible ad hoc report within five Working Days after approval), or the date and time stamp of the approval of the transaction by ELIA plus ten Working Days (in case irregularities are notified to ELIA by the receipt of a possible ad hoc report within five Working Days after approval and CREG does not request a cancellation of the transaction). (. .
Unannounced Missing Capacity	For the purpose of the determination of the Unavailability Penalty, the amount of Missing Capacity that was not or not sufficiently in advance (according to paragraph 357) notified by the Capacity Provider to be unavailable.
Unavailability Penalty	The amount to be paid by the Capacity Provider in case of Missing Capacity.
Unavailable Capacity	The share of the CMU's capacity which is or will be unavailable during a period notified to ELIA by the Capacity Provider.
Unproven Availability	(i) For a CMU without Daily Schedule, the Available Capacity during the AMT Hours with no Payback Obligation and the Declared Day-ahead Price was not surpassed or (ii) For a CMU without Daily Schedule, the Passive Volume during AMT Hours with a Payback Obligation.
Unproven Capacity	The Capacity that, at the moment of submission of the Prequalification File, cannot be associated to a specific Delivery Point.
Unsheddable Margin	The minimal amount of net active power offtake (in kW/MW) that cannot be curtailed (inflexible or unsheddable power) at the Delivery Point(s) concerned.
Validity Period	The period of time for which a permissible type of Financial Security is to be provided by a (Prequalified) CRM Candidate or a Capacity Provider, as a condition to make a Transaction on the Primary Market or the Secondary Market.

Virtual Capacity Market Unit (VCMU)	A Capacity Market Unit associated to Unproven Capacity.
Winter Period	As defined in article 2, 51° of the Electricity Act.
Working Day	Any calendar day except for Saturday, Sunday and Belgian public holidays.

3.2. ABBREVIATIONS

AMT	Availability Monitoring Trigger
BRP	Balancing Responsible Party
CC	Contracted Capacity
CDS	Closed Distribution System
CDSO	Closed Distribution System Operator
CEP	Clean Energy Package
CET	Central European Time Zone
CIPU	Contract for the Injection of Production Units
CMU	Capacity Market Unit
CRM	Capacity Remuneration Mechanism
DAM	Day-ahead Market
DF	Derating Factor
DMP	Declared Market Price
DP	Delivery Period
DSR	Demand Side Response

DSO	Public Distribution System Operator
DSO Grid	Public Distribution Grid
EBGL	Commission Regulation (EU) 2017/2195 of 23 November 2017 establishing a guideline on electricity balancing.
EV	Eligible Volume
GCT	Gate Closure Time
GOT	Gate Open Time
IDM	IntraDay Market
NEMO	Nominated Electricity Market Operator
NRP	Nominal Reference Power
RES	Renewable Energy Sources
SLA	Service Level Agreement
SOGL	Commission Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operation.
TCC	Total Contracted Capacity
TP	Transaction Period
TSO	Transmission System Operator ³
VCMU	Virtual Capacity Market Unit
Y-1	1 year before the start of the Delivery Period
Y-4	4 years before the start of the Delivery Period

³ Elia Transmission Belgium SA has been designated as Transmission System Operator by Ministerial Decree of 13 January 2020 for a duration of twenty years, starting from 31 December 2019. Given the political choice behind the financing of the CRM expressed by the resolution DOC 55 1220/007 approved by the Parliament, which constitutes the workbase for the follow up committee, The Transmission System Operator has been put forward as the contractual counterparty designated according to article 7quaterdecies, § 1 of the Electricity Act.

WD	Working Day
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4 SERVICE TIME SCHEDULE

4.1. INTRODUCTION

25. This section summarizes most relevant milestones and operational deadlines or timings a CRM Candidate, Prequalified CRM Candidate or Capacity Provider should keep in mind when considering a participation to the Service.

It is organized around two sections. Section 4.1 focuses on the key milestones specified in the Electricity Act and/or other legal documents related to the Capacity Remuneration Mechanism. Section 4.2 proposes an overview of most relevant timing for each CRM operational process.

The following dispositions has to be seen as an executive summary. It does not replace (nor propose an exhaustive overview) the operational details and associated timings specified in each section of the Functioning Rules. In case of contradiction between both, the Functioning Rules prevail. The timing summarized in the tables of this chapter are not exhaustive (as some scenarios are not identified in this section). In case there would be inconsistencies on the timing illustrated in this chapter compared to the other chapters of the Functioning Rules (including annexes), the timing stated in the other chapters of the Functioning Rules (including the annexes) would prevail.

Finally, specified timings always refer to a maximum duration. This signifies that ELIA may always finalize the related action(s) in a shorter period of time.

4.2. KEY MILESTONES

4.2.1 CRM Process

26. The dates summarized below are extracted from the Electricity Act and other legal documents related to the Capacity Remuneration Mechanism (CRM).

PERIODS	Gate opening time	Gate closure time	Remarks in respect of the Forthcoming Capacity Auction
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MINISTERIAL DECREE	NA	March 31, Y-4/Y-1	Last date where Ministerial Decree on Calibration is officially published.
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FUNCTIONING RULES PUBLICATION	NA	May 15, Y-4/Y-1	Last date where Functioning Rules for a related Capacity Auction are officially published.
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PREQUALIFICATION PROCESS⁴			
CRM Candidate Prequalification File submission		June 15, Y-4/Y-1	Last date by which the CRM Candidate may submit his Prequalification File in order to be able to participate to the forthcoming Auction.
Prequalification results notification		September 15 ⁵ , Y-4/Y-1	Last date by which the prequalification results are officially notified by ELIA to each CRM Candidate individually.
Opt-out Notification submission		September 15 + 5 WD, Y-4/Y-1	Last day by which a CRM Candidate is allowed to provide (or adapt) an Opt-out Notification to ELIA.

AUCTION			
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⁴ A Prequalification File can be introduced at any time, but no later than June 15th of the year of the forthcoming Auction. However and considering the yearly update of the Functioning Rules published every May 15th, any Prequalification File initiated before such date, and to be submitted for the forthcoming Auction, is required to be updated for compliancy before June 15th

⁵ In the event that the CRM Candidate submitted an investment file to CREG, the prequalification results are notified to the CRM Candidate on September 1st, Y-4/Y-1.

Bid submission	1 WD after 15 September, Y-4/Y-1	3 WD before September 30, Y-4/Y-1	Period during which a Bid may be introduced by a Prequalified CRM Candidate.
Auction clearing	October 1, Y-4/Y-1	October 31, Y-4/Y-1	Period to clear an Auction and validate the results.
Results notification	NA	October 31, Y-4/Y-1	Date by which each Prequalified CRM Candidate, who submitted a bid for the related Auction, individually receives a result (awarded or not).

PRE-DELIVERY PERIOD	November 1, Y-4/Y-1	October 31, Y	
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DELIVERY PERIOD	November 1, Y	October 31, Y+1	
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4.3. TIMING PER OPERATIONAL PROCESS

27. This section summarizes the most important milestones per operational process (Prequalification Process, Opt-out Notification, processes for DSO-connected capacities, processes for CDS-connected capacities, Auction process, pre-delivery control, Secondary Market and Availability Monitoring). For the sake of efficiency, Working Day is referred to hereafter as 'WD'. Furthermore, the deadlines linked to the chapter 10 are integrated to the sections below given that they are part of the deadlines to be respected.

The Working Days mentioned in the below tables gives an indication of the worst-case scenario in terms of timing. Therefore and for the sake of clarity, ELIA will always make best efforts to reduce the timings foreseen in the tables related to the Prequalification Processes in order to respect the deadlines for the prequalification results communication (as indicated in section 4.2 above).

In the tables below:

- "A" is the notification of the prequalification results to the CRM Candidate by ELIA;
- "B" is the notification of the Auction results to the CRM Candidate by ELIA;
- "C" is Transaction Date related to a Transaction via the Secondary Market;
- "D" is the Availability Test/delivery date.

4.3.1 Prequalification Processes

28. Some specific aspects of the prequalification may be running in parallel depending on various parameters related to the CRM Candidate (Opt-out Notification, communication with CREG when a multi-year Capacity Contract is requested, discussion with DSO regarding the DSO-connected Delivery Points, discussion with CDS Operator regarding the CDS-connected Delivery Points, etc.). Some of these parallel processes are therefore illustrated in the tables below.



Action	Due Date				Details
	Standard Prequalification Process		Specific Prequalification Process	Fast Track Prequalification Process	
	If only Existing Delivery Points OR with both Existing and Additional Delivery Points	If only Additional Delivery Points			
Application form submission date	A – 75 WD	A-50 WD	A – 40 WD	A -50 WD	The CRM Candidate submits to ELIA his application form in order to be allowed to submit a Prequalification File
Approval/rejection of application form	A -70 WD	A – 45 WD	A – 35 WD	A – 45 WD	Once the CRM Candidate has submitted his application form, ELIA has 5 WD to accept or reject it.
Prequalification submission date ⁶ including the submission of a Financial Security	A -70 WD	A – 45 WD	A – 35 WD	A – 45 WD	In order to launch the Prequalification Process, the CRM Candidate submits his Prequalification File (including his Financial Security) via the CRM IT Interface.
Results of the Prequalification File compliance-check#1	A – 50 WD	A – 25 WD	A – 15 WD	A – 25 WD	The first Prequalification File submission is followed by a compliance check realized by ELIA within maximum 20 WD starting from the Prequalification File submission date. This may trigger a request for additional information in case the Prequalification File is “rejected”.
Finalization of the Prequalification	A – 40 WD	A – 15 WD	A – 5 WD	A – 15 WD	In the event that a ELIA requests for additional information, the CRM Candidate needs to come back to ELIA with this

⁶ Either way, a Prequalification File is always submitted to ELIA at the latest on June 15th of a year (as per section 4.2 above) in order to be able to participate to the forthcoming Auction of the same year.

File					additional information within maximum 10 WD starting from ELIA's request.
Results of the Prequalification File compliance-check#2	A – 35 WD	A – 10 WD	A	A – 10 WD	Once the Prequalification File has been finalized by the CRM Candidate, ELIA has 5 WD to do a new compliance check to verify the Prequalification File submitted can be "approved" or not.
Notification of the provisional Nominal Reference Power for each Existing Delivery Point	A – 25 WD	NA	NA	NA	Once the Prequalification File is "approved", ELIA determines the provisional Nominal Reference Power for each Existing Delivery Point and communicates it via the CRM IT Interface to the CRM Candidate within 45 WD starting from the Prequalification File submission date.
Contestation of the provisional Nominal Reference Power(s)	A – 20 WD	NA	NA	NA	If needed, the CRM Candidate can contest the provisional Nominal Reference Power(s) communicated by ELIA within 5 WD starting from the date of this communication via the CRM IT Interface.
New prequalification test	A – 15 WD	NA	NA	NA	As part of his contestation, the CRM Candidate communicates one or more Prequalification test date(s). This (these) tests take place within 10 WD starting from the provisional Nominal Reference Power(s) communication by ELIA.
Notification of the final Nominal Reference Power for each Existing	A- 10 WD	NA	NA	NA	Following the new Prequalification test(s), ELIA determines the final Nominal Reference Power for each concerned Existing Delivery Point and notifies it to the

Delivery Point					CRM Candidate.
Adaptation of the Financial Security	A + 10 WD	NA	NA	NA	If the calculation of the sum of all the final Nominal Reference Powers leads to a value 10% higher than the sum of all the Expected Nominal Reference Powers, an additional Financial Security is to be provided by the CRM Candidate within maximum 20 WD starting from the notification of the final Nominal Reference Powers by ELIA ⁷ .
					-
Prequalification results notification	A		A		Elia notifies the results (and therefore the different volumes (Eligible Volumes, Secondary Market Eligible Volume, Fast Track Volume) to the Prequalification Process of the CRM Candidate - -
Release of the Financial Security in case of "rejected" Prequalification File	A + 20 WD		A + 20 WD		In case the Prequalification File of the CRM Candidate is rejected after the compliance check #2, ELIA releases the Financial Security within 20 WD starting from therejection of the Prequalification File.

⁷ But at the latest 10 Working Days before the final Bid submission date.

4.3.1.1 Opt-out Notifications

29. All the deadlines presented in this table are complementary to the timings presented in the tables above and below for any Prequalification Process.

Action	Due date				Details
	Standard Prequalification Process		Specific Prequalification Process	Fast Track Prequalification Process	
	If only Existing Delivery Points OR with both Existing and Additional Delivery Points	If only Additional Delivery Points			
Opt-out Notification submitted within the Prequalification File	A – 70 WD	A – 45 WD	NA	A – 45 WD	As part of his Prequalification File submission, the CRM Candidate may declare an Opt-out Volume.
Determination of the final Nominal Reference Power(s)	A – 10 WD	NA	NA	NA	Communication of all the final Nominal Reference Powers to the CRM Candidate (as per the table above).
Adaptation of the Financial Security	A + 10 WD	NA	NA	NA	As stated in the table above, if the calculation of the sum of all the final Nominal Reference Powers leads to a value 10% higher than the sum of all the Expected Nominal Reference Powers an additional Financial Security is to be provided by the CRM Candidate within maximum 20 WD starting from the notification of the final Nominal Reference Powers by ELIA ⁸
Modification of the Opt-out Notification	A – 5 WD	NA	NA	NA	After the communication of all the final Nominal Reference Powers, the CRM Candidate may adapt his Opt-out Notification as part of the Prequalification File until 5 WD after the notification of the final Nominal Reference Powers.
Prequalification results notification #1	A	A	NA	A	As stated in the table above, ELIA communicates the results of the

					Prequalification Process to the CRM Candidate.
Adaptation of the Financial Security	A + 20 WD	NA	NA	A	Each time, ELIA modifies the Eligible Volumes (eg. in this situation, because of an adaptation of the Opt-out Volume), the CRM Candidate adapts his Financial Security accordingly within 20 WD starting from the communication of the new Eligible Volumes by ELIA(and therefore here, starting from the prequalification results notification #1)
Modification of the Opt-out Notification	September 15 th A + 5 WD	September 15 th A + 5 WD	NA	September 15 th A + 5 WD	After the notification of the Prequalification results by ELIA to the Prequalified CRM Candidate, the latter may modify his Opt-out Notification within a timeframe of 5 WD after September 15 th .
Prequalification results notification #2	September 15 th +7 WD	September 15 th +7 WD	NA	September 15 th +7 WD	As the Opt-out Volume has been adapted, ELIA restarts the volumes determination process and communicates the new results to the CRM Candidate within a timeframe of 2 WD starting from the communication to ELIA of the new Opt-out Notification.
Adaptation of the Financial Security	September 30 th – 13 WD	September 30 th – 13 WD	NA	September 30 th – 13 WD	Each time ELIA modifies the Eligible Volume (eg. in this situation because of an adaptation of the Opt-out Volume), the CRM Candidate adapts his Financial Security accordingly within 20 WD ⁹

⁸ But at the latest 10 WD before the final Bid submission date.

⁹ But at the latest 10 WD before the final bid submission date.

					starting from the communication of the new Eligible Volumes by ELIA (and therefore here, starting from the prequalification results notification #2).
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4.3.1.2 Process linked to a Prequalification File including DSO-connected Delivery Point(s)

30. This process running in parallel is only applicable in the framework of a standard Prequalification Process. All the deadlines presented in this table are complementary to the timing presented above for the standard Prequalification Process.

Action	Due Date				Details
	If only Existing Delivery Points		If both Existing and Additional Delivery Points	If only Additional Delivery Points	
	When using the 1 st method and/or the 3 rd method to determine the provisional NRP of the Existing Delivery Point(s)	When using the 2 nd method to determine the provisional NRP of the Existing CMU			
Communication of the Delivery Points ID by the CRM Candidate to the concerned DSO(s)	A – 70 WD	A – 70 WD	A – 70 WD	A – 45 WD	Before launching the processes with a DSO, the CRM Candidate needs to first come into the CRM IT Interface to get the ID of the DSO-connected Delivery Point(s). Then, he will communicate this(these) ID(s) to the concerned DSO(s). The purpose is to guarantee a single reference to be used in communication between the CRM Candidate, ELIA and the DSO.

Notification of the Prequalification File submission by ELIA	A – 70 WD	A – 70 WD	A – 70 WD	A – 45 WD	As soon as a Prequalification File, including DSO-connected Delivery Point(s), has been submitted by the CRM Candidate to ELIA, ELIA notifies it to the DSO.
Signature of the DSO-CRM Candidate agreement	A – 25 WD	A – 10 WD	A – 25 WD	A – 10 WD	The CRM Candidate contacts the concerned DSO(s) to sign a DSO-CRM Candidate agreement for each DSO-connected-Delivery Point.
Check of the metering requirements	A – 25 WD	A – 10 WD	A – 25 WD	A – 10 WD	The DSO(s) check(s) the metering requirements before signing a DSO-CRM Candidate agreement for the DSO-connected-Delivery Point(s) participating to the Service. This includes the verification of the combinability rules as detailed in annex 17.1.3
Communication by the concerned DSO(s) to ELIA of the Final Nominal Reference Power for each Existing DSO-connected Delivery Point	A – 25 WD	A – 10 WD	A – 25 WD	A – 10 WD	As soon as the CRM Candidate agrees with the concerned DSO(s) on the Nominal Reference Power for each DSO-connected-Delivery Point(s) participating to the Service, the DSO(s) communicate(s) the related Nominal Reference Power(s) to ELIA

4.3.1.3 Process linked to a Prequalification File including CDS-connected Delivery Point(s)

31. All the deadlines presented in this table are complementary to the timings presented in the tables above and below for the standard Prequalification Processes

Action	Due date		Details
	If only Existing Delivery Points With both Existing and Additional Delivery Points	If only Additional Delivery Points	
CDSO Declaration submission by the CRM Candidate	A – 70 WD	A – 45 WD	As part of the Prequalification File, the CRM Candidate provides a CDSO Declaration to ELIA for each CDS-connected Delivery Point.
CDS User Declaration submission by the CRM Candidate	A – 70 WD	A – 45 WD	In case the CRM Candidate is not the CDS User, a CDS User Declaration is submitted as part of the Prequalification File for each concerned CDS-connected Delivery Point.
Notification of the Prequalification File submission by ELIA	A – 70 WD	A – 45 WD	As soon as a Prequalification File, including CDS-connected Delivery Point(s) has been submitted by the CRM Candidate to ELIA, ELIA notifies it to the CDSO.
Signature and submission of the cooperation agreement, signed by the CDSO,.	A – 45 WD	September 15 th	A cooperation agreement (covering the data exchanges between the CDSO and ELIA) is to be signed by ELIA and the CDSO before the Nominal Reference Power can be determined. The cooperation agreement is therefore signed by the CDSO and is provided to ELIA by e-mail : <ul style="list-style-type: none"> - Within 25 WD starting from the submission date of the Prequalification File for Existing Delivery Points;

			- For September 15 th at the latest for Additional Delivery Points.
Signature and submission of the cooperation agreement by ELIA	A - 35 WD	September 15 th + 10 WD	From the moment, ELIA receives the cooperation agreement from the CDSO, ELIA signs it and provides it back to the CDSO via email within 10 WD.

4.3.2 Auction & Pre-delivery Control

Actions	Due Date	Details
Results notification of the Auction issued to each Bidder individually	B	ELIA notifies individually to each Prequalified CRM Candidate the results of the Auction.
Signature of the Capacity Contract	B + 40 WD	Within a time window of 40 WD after the notification of the Auction results, the Prequalified CRM Candidate signs his Capacity Contract with ELIA.
Signature of the Capacity Contract in the event of signature of a Connection Contract	Notification of the Connection Contract + 10 WD	In the event of the signature of a Connection Contract: after the notification of the results of the Auction and at the latest 10 WD after the signature of the Connection Contract (according to the timing required in the applicable technical regulation), the Prequalified CRM Candidate signs his Capacity Contract with ELIA.

Financial Security release	B + 40 WD	Within a timeframe of 40 WD starting from the notification of the Auction results, ELIA releases a part of the Capacity Provider's Financial Security.
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4.3.3 Secondary Market

Actions	Due Date		Details
	Bilateral Secondary Market transaction	Secondary Market transaction via an Exchange	
Notification of a Secondary Market transaction	C – 6 WD	C – 1 WD	The Buyer of an Obligation and the Seller of an Obligation notifies ELIA via the CRM IT Interface of the Secondary Market transaction they concluded. This Secondary Market transaction can also be notified by an Exchange which receives a mandate from both the Buyer and the Seller of an Obligation. The Buyer of an Obligation provides a Financial Security as pre-condition for the transaction to take place.
Notification, as a matching confirmation, of the other actor involved in the Secondary Market transaction	C – 1 WD	NA	As soon as either the Buyer or the Seller of an Obligation notifies his intention to realize a transaction on the Secondary Market with the necessary information, the other party must confirm this transaction to ELIA within 5 WD before notification acknowledgement. This is not applicable to an Exchange which has received, prior notification, a mandate from both parties.

<p>Acknowledgement of reception of the notification including the signature of a Capacity Contract → Transaction Date</p>	<p>C</p>	<p>Maximum 1 WD after ELIA is notified by both the Buyer and the Seller of an Obligation, ELIA acknowledges reception of the notification. The acknowledgment timing defines the Transaction Date</p>
<p>Approval/Rejection of the Secondary Market transaction notification</p>	<p>C + 5 WD</p>	<p>Within a time frame of 5 WD after notification acknowledgement, ELIA notifies the approval or rejection of the Secondary Market transaction.</p>
<p>Transaction Validation Date</p>	<p>C + 10 WD or C + 15WD</p>	<p>As soon as the Secondary Market transaction is approved by ELIA, ELIA receives a possible ad hoc report in case of suspicion of irregularity of the transaction on the Secondary Market within 5 WD after approval of the transaction by ELIA. In the absence of such ad hoc report within 5 WD, or if, within 10 WD after the approval of the transaction on the Secondary Market by ELIA, the CREG does not request Elia to cancel the transaction on the Secondary Market, ELIA modifies the Contracted Capacity of the Transaction of the Seller of an Obligation accordingly.</p> <p>A new Transaction for the Buyer of an Obligation is created according to the Secondary Market transaction and follows the modification of the Transaction for the Seller of an Obligation. A new Capacity Contract is signed if required.</p> <p>If, on the contrary, the CREG asks ELIA to cancel the Transaction, ELIA changes the status of the transaction on the Secondary Market to 'rejected' (and cancels the Transaction).</p>
<p>Release of Financial Security in case of rejection of the Secondary Market transaction</p>	<p>C + 20 WD</p>	<p>If the Secondary Market transaction is cancelled by ELIA, the Financial Security of the Buyer of an Obligation is released within 20 WD after acknowledgement of reception of this notification.</p>

4.3.4 Availability Monitoring

Actions	Due date	Details
Announcement of Unavailable Capacity	D – 1 calendar day	A Capacity Provider announces his unavailability at the latest at 9 AM on the calendar day preceding the delivery/Availability Test.
Availability Test announcement	D – 1 calendar day	An Availability Test is announced by ELIA at the latest at 3 PM on the calendar day preceding the Availability Test.
Notification of (Partial) Declared Prices	D – 1 calendar day	Updated or new (Partial) Declared Prices are notified by the Capacity Provider to ELIA at the latest at 9 AM on the calendar day preceding the delivery.
AMT Moment/Hours announcement	D – 1 calendar day	The exact AMT Hours/Moment is (are) announced at the latest at 3 PM the calendar day preceding the occurrence of the AMT Hour. If no AMT Hours are identified before that time, the fallback procedure applies according to section 14.6.
Delivery/Availability Test	D	The start and end time of an Availability Test may coincide with an AMT Moment. In this case, the Availability Test has a priority over the AMT Hour.
Settlement	15 th of M+2 following D	ELIA shares with each concerned Capacity Provider their respective delivery activity report containing all results of the Availability Monitoring and Availability Test (over month M on each CMU separately) along with associated penalty(ies), if applicable. In the same report, ELIA indicates whether the Capacity Provider is/should be subject to a downwards revision of the Monthly Remuneration (as defined in the Capacity Contract). In case a downwards revision of the Monthly Remuneration of the Capacity Provider takes place after at minimum 3 separate detections during Availability Tests or AMT Moments, each occurring on different calendar days, of Unannounced Missing Capacity > 20% of the Obligated Capacity, the Capacity Provider notify ELIA once he has fulfilled 3 consecutive deliveries successfully (i.e. Availability Tests or AMT Moments with no Missing Capacity). From that moment, ELIA has 5 WD to verify the information received by the Capacity Provider. ELIA then reinstates the original Monthly Remuneration as of the next payment.

5 PREQUALIFICATION PROCESS

5.1. INTRODUCTION

32. The purpose of a Prequalification Process is to determine whether or not a Capacity Holder is eligible to participate in the Primary Market or the Secondary Market related to the CRM.

This document details the three different Prequalification Processes that may be followed by a Capacity Holder. It is structured in five main parts.

The purpose of section 5.2 is to describe the most important terminologies linked to the roles, the Delivery Points, the Capacity Market Units and the Prequalification Processes.

Sections 5.3, 5.4, 5.5, 5.6 and 5.7 describe the sequential process a CRM Candidate goes through when prequalifying (standard, specific or fast track Prequalification Process) a CMU.

Section 5.8 focuses on the possible evolutions of a Prequalification File over time. It lists the reasons that may lead to an evolution of an already Prequalified CMU as well as the conditions upon which a CMU remains prequalified for another Auction.

Section 5.8 aims to describe how ELIA checks the good access, functioning and understanding of prequalification module of the CRM IT Interface.

Section 5.10 aims to describe the communication between ELIA and CREG during a Prequalification Process.

33. As specified in the chapter 2, the CRM Candidate is responsible for the accuracy and the relevancy of all information provided in his Prequalification File(s). For the sake of clarity, this also includes their evolution and validity in time, according to the modalities of section 5.8.
34. ELIA has the right to audit (or have audited) all along the process all information as provided by a CRM Actor. In case of inconsistencies detected consecutive to these checks, modalities specified in section 5.5.3 apply.

5.2. TERMINOLOGIES

35. This section clarifies essential CRM-specific terminologies that must be understood prior to the reading of section 5.3 and subsequent following. This is to be read in complement to the chapter 3. It is divided in four categories: roles, Delivery Points, units and Prequalification Processes.

5.2.1 Roles-related terminology

36. Specific roles are needed because rights and obligations differ depending on the stage of the whole CRM process (Prequalification Process – Auction – Pre-delivery Period – Delivery Period). In this way, four roles have been defined and are reminded below:

- **Capacity Holder:** According to article 2, 74° of the Electricity Act, every natural person or legal entity that can offer Capacity, either on an individual or aggregated basis.

From ELIA's point of view, a Capacity Holder is a Grid User, another entity the Grid User has designated through a Grid User Declaration or a CDS User in case of a CDS-connected Delivery Point.

From the moment a Capacity Holder wishes to participate to the CRM (via the Primary Market

or the Secondary Market), he requests an access to the CRM IT Interface by submitting an application form which is approved (or not) by ELIA.

- **CRM Candidate:** According to the chapter 3, the Capacity Holder whose application form has been accepted by ELIA.
- **Prequalified CRM Candidate:** According to the chapter 3, The Capacity Holder that is allowed to participate in the Primary Market or the Secondary Market thanks to the prequalification of one or several Capacity Market Unit(s).

This status is reached when the CRM Candidate succeeded the standard or the specific Prequalification Process.

- **Capacity Provider:** According to article 2, 75° of the Electricity Act and the chapter 3, every Capacity Holder selected after closing of the Auction and that will keep available a capacity during the Delivery Period in return for a Capacity Remuneration.

The Prequalified CRM Candidate which has not been selected after closing of the Auction, but participates to the Secondary Market, is assimilated to the Capacity Provider, provided that he signs a Capacity Contract.

5.2.2 Delivery Point-related terminology

37. As detailed in section 5.3.2.2, a CMU consists of at least one Delivery Point. Two status can be associated to a Delivery Point:

- **Existing Delivery Point:** As per defined in the chapter 3, a Delivery Point associated to an Existing Capacity.

A Delivery Point is therefore considered as “existing” from the moment the Nominal Reference Power can be determined by ELIA or the related DSO based on the quarter-hourly measurements (following one of the three possible methodologies detailed in section 5.6.1.1.1.1 for ELIA and in section 5.6.1.1.1.2 for the DSO).

- **Additional Delivery Point:** As per defined in the chapter 3, a Delivery Point associated to an Additional Capacity.

A Delivery Point is therefore considered as “additional” if it is not yet connected to the electricity grid (CDS, DSO or TSO Grid) or not equipped yet with a metering device (respecting the metering requirements of annexes 17.1.1 and 17.1.2) at the moment of the Prequalification File submission date. The Nominal Reference Power is therefore a value declared by the CRM Candidate as part of his Prequalification File (as detailed in section 5.4.1.1.1).

5.2.3 Capacity Market Units-related terminology

38. As soon as the Capacity Holder becomes a CRM Candidate, he is allowed to introduce his Prequalification File(s) on the CRM IT Interface. A Prequalification File is linked to only one Capacity Market Unit (hereafter “CMU”).

39. As detailed in annex 17.1.3, a Capacity Market Unit may be:

- An **individual CMU** if the CMU contains only one Delivery Point; or
- An **aggregated CMU** if the CMU contains more than one Delivery Point.

40. As per defined in the chapter 3, three possible status can also be associated to a CMU:
- **Existing CMU:** A Capacity Market Unit that only includes Existing Delivery Points;
 - **Additional CMU:** A Capacity Market Unit which includes at least one Additional Delivery Point;
 - **Virtual CMU** (hereafter "VCMU"): A Capacity Market Unit associated to an Unproven Capacity. Where an Unproven Capacity is a capacity that, at the moment of submission of the Prequalification File, cannot be associated to a Delivery Point.

5.2.4 Prequalification Processes-related terminology

41. The three different Prequalification Processes are defined as follows:
- **Standard Prequalification Process:** The process to be followed by a CRM Candidate who wants to prequalify an Existing CMU or an Additional CMU to be able participate to the Primary Market or the Secondary Market with this related CMU;
 - **Specific Prequalification Process:** The process to be followed by a CRM Candidate who wants to prequalify a VCMU (Unproven Capacity) to participate to the Primary Market with this related VCMU;
 - **Fast track Prequalification Process:** The process to be followed by a CRM Candidate who does not want to participate to the Primary Market but has the legal obligation to submit a Prequalification File according to the rules defined in the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Threshold meant in article 7undecies. §4 of the Electricity Act.

5.3. ELIGIBILITY CONDITIONS

42. This section describes the conditions to comply with for:
- A Capacity Holder who wants to submit a compliant application form (section 5.3.1);
 - A CRM Candidate who wants to submit a compliant Prequalification File to ELIA (sections 5.3.2 and 5.3.3).

5.3.1 Conditions for the Capacity Holder's participation

43. Prior to submitting a Prequalification File, and in addition to the Delivery Point and CMU requirements (as detailed respectively in section 5.3.2 for the standard and the specific Prequalification Processes and in section 5.3.3 for the fast track Prequalification Process), a Capacity Holder shall first become a CRM Candidate by filling in the application form and then mark his acknowledgment with a list of documents (as stated respectively in sections 5.3.1.1 and 5.3.1.2).
44. The entire process to be followed in order to prequalify a CMU is done by the Capacity Holder himself.

5.3.1.1 Application form

45. As a first step, the Capacity Holder is invited to fill-in the application form through a preliminary access to the CRM IT Interface.

For a legal person, such form includes the company details, the bank details and the contacts details. It is available, for information only, in annex 17.1.4. For a natural person, it only includes the personal details and the bank details. It is also available, for information only, in annex 17.1.5. The review process of such document is detailed in section 5.5.1.

The contact details, when the Capacity Holder is a legal person, and the personal details, when the Capacity Holder is natural person, constitute the different users of the CRM IT Interface.

46. After the application form has been filled out, the Capacity Holder ensures (and keeps over time) compliancy with the GDPR conditions (as detailed in section 2.4).

5.3.1.2 Compliance check

47. Once the application form is approved by ELIA (following the rules of section 5.5.1), each user of the CRM IT Interface receives an ID and is asked by e-mail to create a password. This ID and password allows the user to access the CRM IT Interface.
48. Prior to the possible submission of a Prequalification File, the CRM Candidate ensures (and keeps over time) compliancy¹⁰ by marking dedicated boxes in the CRM IT Interface, namely:
- For a participation to a standard or a specific Prequalification Process, the CRM Candidate indicates:
 - His acknowledgment of the Functioning Rules for the Capacity Remuneration Mechanism; and
 - His acknowledgment of the Capacity Contract conditions and his commitment to sign it in case of Contracted Capacity for the forthcoming Auction; and
 - The compliance of each Delivery Point with eligibility criteria, as defined in the Electricity Act (according to article 7undecies. §4, 1°, 2° and 3°) and dedicated Royal Decree referred to in article 7undecies §4 of the Electricity Act; and
 - The compliance of each Existing Delivery Point with the production license requirements as defined in article 4 of the Electricity Act; and
 - The compliance of each Existing Delivery Point with the maximal CO₂ emission thresholds set by the Regulation (EU) 2019/943; and
 - The compliance of each Delivery Point with any other relevant legal and regulatory framework.
 - For a participation to a fast track Prequalification Process, the CRM Candidate indicates only his acknowledgment of the sections related to the fast track Prequalification Process of the Functioning Rules for the Capacity Remuneration Mechanism.
49. It is the CRM Actor's responsibility to keep ensuring full compliancy with the above conditions (paragraph 48) in case of evolution in time following section 5.8.
50. In order to best support the CRM Actor, ELIA may send a notification inviting him to participate again in this procedure on the basis of the updates/changes relating to the above points listed in paragraph 48.

¹⁰ This can be done by any user of the CRM IT Interface and once it has been done, it is considered as validated for all other users linked to the same Capacity Holder.

5.3.2 Conditions for the standard & specific Prequalification Processes

51. If a CRM Candidate wants to prequalify a CMU, he shall respect the following conditions for the Delivery Point(s) (according to section 5.3.2.1) and the conditions for the CMU itself (according to section 5.3.2.2).
52. Each time a new Delivery Point or a CMU is created, a corresponding ID is generated by the CRM IT Interface and accessible for the CRM Candidate via the platform. These IDs are final and do not evolve along with the Delivery Point's, or the CMU's status evolution (additional, existing or virtual). These IDs are to be used as reference to communicate with ELIA, a DSO, a Grid User, a CDS Operator, a CDS User or other.

The ID of a Delivery Point remains also the same, regardless of the CRM Actor to whom it belongs. Therefore, in case the Grid User or the CDS User is not the CRM Candidate, the CRM Candidate respects the following procedures:

- In case it is the first time that the Delivery Point participates to the CRM, the CRM Candidate communicates the ID¹¹ of the concerned Delivery Point to the Grid User or to the CDS User ;
- In case it is not the first time that the Delivery Point participates to the CRM, the Grid User or the CDS User indicates itself the ID of the concerned Delivery Point respectively in the Grid User Declaration or the Declaration of the CDS User.

5.3.2.1 Conditions for Delivery Points

53. In addition to the definition provided in the chapter 3 and in section 5.2.2, a Delivery Point may be any point or a group of points identified by:
 - A Headmeter at an Access Point connected to the ELIA Grid; or
 - A Headmeter at an Access Point connected to a CDS¹²; or
 - A Headmeter at an Access Point connected to the DSO Grid; or
 - A Submeter within the electrical facilities of a Grid User downstream of an Access Point connected to the ELIA Grid or to a CDS; or
 - A Submeter within the electrical facilities of a Grid User downstream of an Access Point connected to the DSO Grid.

5.3.2.1.1 Standard conditions applicable for Existing Delivery Points or for Additional Delivery Points

54. For each Delivery Period, a Delivery Point respects the following conditions:

¹¹ To get an ID when the concerned Delivery Point will be used for the first time by the CRM Candidate into the CRM, the latter just needs to make a Prequalification File within the CRM IT Interface and then create the Delivery Point (without necessarily already providing the information related to the Delivery Point). The Delivery Point's ID will then be visible in the CRM IT Interface.

¹² In case of a Delivery Point in a TSO-connected CDS, the measurement associated to this Delivery Point corresponds to the measurements performed by the CDSO via a meter (or set of meters) used as part of its invoicing obligations in relation to an Access Point in its CDS.

- It is part of one CMU only¹³; and
 - It is allocated to one CRM Candidate only; and
 - It is compliant with combinability rules as detailed in annex 17.1.3; and
 - It is equal to or related to an Access Point as detailed in paragraph 53; and
 - It respects the metering requirements as detailed in annexes 17.1.1 and 17.1.2.
55. In the event the Grid User or the CDS User differs from the CRM Candidate, the latter shall timely¹⁴ obtain, from the related Grid User or CDS User and for each his involved Delivery Points, a signed declaration respecting the following requirements:
- For each Delivery Period, a Delivery Point can be related to only one Grid User Declaration or to one CDS User Declaration at a time; and
 - The minimum requirements to be used into this Grid User Declaration and in the CDS User Declaration can be found in annex 17.1.6; and
 - A copy of the Grid User Declaration or the CDS User Declaration is uploaded into the Prequalification File via the CRM IT Interface.
56. If the Capacity Provider is an Eligible Direct Foreign Capacity Holder, the following conditions have to be respected:
- A Delivery Point of the Eligible Direct Foreign Capacity Holder is exclusively connected to the ELIA grid during the Delivery Period; and
 - A Delivery Point of the Eligible Direct Foreign Capacity Holder is not connected to the grid of the Adjacent TSO(s) during the Delivery Period; and
 - The Connection Point and Point of Interface of a Delivery Point of the Eligible Direct Foreign Capacity Holder are located on the Belgian territory during the Delivery Period.
57. All above mentioned conditions are later on checked by ELIA (as per section 5.5.2) during the Prequalification Process with a view to approve or not the Prequalification File in respect of its compliancy.

5.3.2.1.2 Additional condition for CDS-connected Delivery Points

58. In case of a CDS-connected Delivery Point, the following requirements are to be met, in addition to the standard conditions as referred to in section 5.3.2.1.1:

The CRM Candidate is required to timely (as per section 5.4.1.1.1) provide a signed version of the CDSO Declaration through the CRM IT Interface.

If the Delivery Point follows a standard Prequalification Process, the CDSO grants approval for the Delivery Point to participate to the Service, commits to sign a cooperation agreement with

¹³ The CRM Candidate has still the right to prequalify a same Delivery Point in several of his CMUs (e.g. If several configurations are considered by the CRM Candidate). In such situation, the Prequalified CRM Candidate has the obligation to offer the Prequalified CMUs including the same Delivery Point, as mutual exclusive Bids. Indeed, only one of the CMU can be linked to a Capacity Contract per Delivery Period.

¹⁴ In order to be able to provide the Grid User Declaration to ELIA in the Prequalification File (as per section 5.3.2.1.1).

ELIA and provides at least the following information to the CRM Candidate (who will, in turn, provide them to ELIA by following the rules of section 5.4):

- The identification of the Delivery Point (as detailed in section 5.4.1.1.1); and
- The EAN code of the Access Point(s) (as detailed in section 5.4.1.1.15.4.1.1.1) linked to the Delivery Point; and
- The single line diagram (as detailed in section 5.4.1.1.1); and
- ID of the technical agreement (as detailed in section 5.4.1.1.2).
- The features of metering at the Delivery Points must be communicated to ELIA in the 'CDS Metering Technical Info Checklist' (as referred to in annex 17.1.21).

When the Delivery Point follows a standard Prequalification Process, the following requirements must be respected:

- A cooperation agreement is signed between the CDSO and ELIA as a condition to prequalify a CDS-connected Delivery Point.
- In case the CRM Candidate is not the CDS User, a CDS User Declaration is provided (as already detailed in paragraph 55) in the Prequalification File.

When the Delivery Point follows a fast track Prequalification Process, the CDSO provides at least via the CDSO Declaration the following information to the CRM Candidate (who provides it consequently to ELIA by following the rules in section 5.4):

- The identification of the Delivery Point (as specified in section 5.4.2); and
- The EAN code of the Access Point (as specified in section 5.4.2).

5.3.2.1.3 Additional condition for DSO-connected Delivery Points

59. In addition to the standard conditions as referred to in section 5.3.2.1.1, the CRM Candidate signs with the relevant DSO a DSO-CRM Candidate Agreement using the latest template made available by Synergrid for any Delivery Point connected to a DSO Grid and prior to his possible prequalification. This agreement is not asked by ELIA during the Prequalification Process as it is already checked beforehand by the DSO.
60. In case of a DSO-connected CDS, no CDSO Declaration is to be provided to ELIA. Bilateral agreements can be made between the DSO and the CDSO, but the DSO remains responsible towards ELIA to provide the required data, which is covered by the DSO-CRM Candidate Agreement.

5.3.2.2 Conditions for CMUs

61. The two following sections respectively describe the conditions that shall be respected by any CMU to be prequalified. Some additional information about CMUs can be found in annex 17.1.3.

5.3.2.2.1 Specific conditions for Existing CMUs and Additional CMUs

62. Any Existing CMU and Additional CMU respect the following conditions:
 - It consists of at least one Delivery Point; and

- The Eligible Volume of the CMU is higher than or equal to the minimum threshold defined by the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies. §4 2° of the Electricity Act.

5.3.2.2 Specific conditions for Virtual CMUs

63. A Virtual Capacity Market Unit shall respect all the following conditions:

- At the Prequalification File submission date, the CRM Candidate is not able to identify yet which Delivery Points will be part of the VCMU;
- The Declared Eligible Volume of the VCMU:
 - Is higher than or equal to the minimum Capacity threshold defined by the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies §4 2° of the Electricity Act ; and
 - Does not exceed 400 MW;
- For each Delivery Period, one Virtual CMU only can be submitted by a CRM Candidate at the Prequalification stage. As per section 6.3, this does not prevent the Prequalified CRM Candidate to submit several bids related to that Virtual CMU in an Auction;
- A Virtual CMU can only participate to Y-4 Auctions;

5.3.3 Conditions for the fast track Prequalification Process

64. A CMU that follows the fast track Prequalification Process consists of only one Delivery Point. This Delivery Point respects the following conditions per Delivery Period:

- It is part of one CMU only; and
- It is allocated to one CRM Candidate only; and
- It is equal to or related to an Access Point; and
- It is an Eligible Capacity.

The CRM Candidate which participates to the fast track Prequalification Process with a Delivery Point is necessarily the Grid User related to this Delivery Point or the CDS User in case of CDS-connected Delivery Point.

5.4. PREQUALIFICATION FILE REQUIREMENTS

65. The purpose of this section is to list all required data and documents to be timely (as per detailed in each table of sections 5.4.1.1.1, 5.4.1.1.2, 5.4.1.2 and 5.4.2) submitted by a CRM Candidate, through the CRM IT Interface in the event that he wants his Prequalification File to be approved by ELIA. All of these data and documents make up the Prequalification File.

66. A Prequalification File is for one CMU only, considering that there are as many possible Prequalification File(s) as there are CMU(s)¹⁵ eligible to such CRM process.

¹⁵ A CRM Candidate can however only have one Virtual CMU at a time in his CMU portfolio.

67. The Prequalification File requirements vary depending on the type of Prequalification Process (standard, specific and fast track), the level (Delivery Point or CMU) but also on the related status (existing, additional or virtual) as detailed below.
68. As a preliminary note to the below instructions, it is required from the CRM Candidate to submit complete and accurate Prequalification File(s), in line with obligations (section 5.3), requirements (section 5.4) and Service Time Schedule (section 4.3.1).
69. All data or document(s) listed into the four tables below are either filled in directly on the CRM IT Interface or uploaded as an attachment via the CRM IT Interface in the format as specified in Table 1, Table 2, Table 3 and Table 4.
70. A granularity of 0.01 applies for any data expressed as a quantity. Moreover, in its calculations, ELIA applies the mathematical rounding in order to maintain a granularity of 0.01 at each step and for each type of numerical data.

5.4.1 Requirements for standard and specific Prequalification Processes

5.4.1.1 Requirements for the Prequalification Process

71. The two following tables (Table 1 and Table 2) include all the data and documents that shall be provided by a CRM Candidate as part of his Prequalification File in order to be considered as "approved" (as per section 5.5.2) in case he participates to a standard or a specific Prequalification Process.

The crosses in the table indicates for which status (existing, additional and/or virtual) the requirement applies.

5.4.1.1.1 Requirements per Existing Delivery Point and per Additional Delivery Point

72. The following data and documents shall be provided to ELIA via the CRM IT Interface for each Delivery Point depending on the status of this Delivery Point (existing or additional). As a Virtual CMU is not linked to a Delivery Point at the time of the Prequalification Process, none of the following data and documents shall be provided to ELIA if the CRM Candidate is prequalifying an Unproven Capacity.

Requirements	Type of data	Comments	Delivery Point's status	
			Existing	Additional
Type of Delivery Point	Name (drop-down list)	The CRM Candidate needs to inform ELIA about the fact that the Delivery Point is connected to the Transmission System Operator (TSO) grid, a Distribution System Operator (DSO) grid or a Closed Distribution System Operator (CDSO). In the event that the Delivery Point is connected to a CDS, the CRM Candidate also needs to inform ELIA if the CDS is connected to the TSO or the DSO Grid.	X	X
Delivery Point's name	Name	The CRM Candidate chooses and communicates a name for each of his Delivery Point. There is no requirement for the choice of	X	X

		this name.		
Single line diagram	Diagram (pdf)	A single line diagram is a diagram with specific identification of the exact location of the Delivery Point. A single line diagram can include more than one Delivery Points. For a CDS-connected Delivery Point, the single line diagram is included in the CDSO Declaration.	X	X
Technology	Name (drop-down list)	The technology of the Delivery Point is supplied according to the list provided into article 13 §1 of the Royal Decree on Methodology meant in article 7undecies, §2 of the Electricity Act.	X	X
Linked Capacities	Number (ID of the Delivery Point(s))	The CRM Candidate provides ELIA with the list of Delivery Points which are linked together. The concept of Linked Capacity is defined in article 1 §2, 6° of the Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7undecies, §5 of the Electricity Act. In the event that the CMU is linked to more than one investment file, the CRM Candidate has the possibility to propose more than one list of Delivery Point (each list being linked to an investment file). The link between Delivery Points leads to links between CMUs and the latter is translated into "Linked Bids" for the Auction (as per section 6.3.1).	X	X
CDSO Declaration	Signed document (pdf)	In case of CDS-connected Delivery Point, the CRM Candidate provides a CDSO Declaration. This declaration can be found in annex 17.1.8 .	X	X
EAN code(s) of the Access Point	Number	The Access Point is defined in section 3.1. The EAN code is the identification number of the Access Point which is related to the Delivery Point. For a CDS-connected Delivery Point, the EAN code(s) is(are) included in the CDSO Declaration.	X	X
Agreement between Belgian member State and Adjacent Member State	Signed document (pdf)	In the event that the Capacity Holder is an Eligible Direct Foreign Capacity Holder, he provides to ELIA an agreement between the Belgian member State and the Adjacent member State (represented by the competent Authorities) of the territory in which the Delivery Point is located. This agreement allows the Eligible Direct Foreign Capacity Holder to prequalify a CMU including this Delivery Point.	X	X
Declaration by the Eligible Direct Foreign Capacity Holder	Signed document (pdf)	In the event that the Capacity Holder is an Eligible Direct Foreign Capacity Holder, he provides to ELIA a declaration stating that he will respect the requirements of the agreement signed between the Belgian member State and Adjacent member State.	X	X
Declaration by the Adjacent Member State	Signed document (pdf)	In the event that the Capacity Holder is an Eligible Direct Foreign Capacity Holder, he provides to ELIA a declaration signed with the Adjacent member State (represented by the competent Authorities) of the territory in which the Delivery Point is located. This declaration indicates that the participation of this Delivery Point to the Service will not induce security of supply issues for the Adjacent member State.	X	X
EAN code(s) of the Delivery Point/Identification of the Delivery Point (for a CDS-connected Delivery Point)	Number	The EAN is a unique number used to identify the metering device related to the Delivery Point. For a CDS-connected Delivery Point, the EAN code is included in the CDSO Declaration.	X	
Expected Nominal Reference Power	Number (in MW)	As per chapter 3, it is the Nominal Reference Power, as estimated by the CRM Candidate, of an Existing Delivery Point which has been submitted to participate to a standard Prequalification Process.	X	
CO₂ emission attestation	Signed document (pdf)	It is an attestation delivered by a competent national body or by the CRM Candidate himself dependin on the rules defined in the Regulation (EU) 2019/943. A same CO ₂ emission attestation can be valid for more than one Delivery Point as long as all the related Delivery Points are mentioned in it.	X	
CO₂ emission	Number (in g/kWh)	Based on the CO ₂ emission attestation, the CRM Candidate is invited to provide the CO ₂ emission of the Delivery Point. The value is used for the Auction in case tie-breaking rules are necessary (as per section 6.4.3.2.1).	X	

Preferred Nominal Reference Power methodology	Name (drop-down list)	In case of Existing Delivery Point, the CRM Candidate needs to choose a method amongst the three possible to determine the Nominal Reference Power (see section 5.6.1.1.1.1).	X	
Prequalification test profile for the 3rd method	Date (in DD/MM/YY)	In case the 3 rd method to determine the Nominal Reference Power (see section 5.6.1.1.1.1.3) is selected by the CRM Candidate, ELIA needs an expected test date in a timing defined in section 5.6.1.1.1.1.3. The date provided gives the test start.	X	
Baseline adjustment	Name (drop-down list)	The methodology used by ELIA to evaluate the Baseline follows a standard process. In the event that the standard methodology is not suitable for the CRM Candidate and that some adjustments shall be made, the CRM Candidate indicates it via the CRM IT Interface. By doing so, he will be contacted by ELIA in due time. More information on that subject can be found in section 8.4.3.2.3.3 and in annex 17.1.9.	X	
Unsheddable Margin	Number (in MW)	The Unsheddable Margin is the minimal amount of net active power offtake (in MW) that cannot be curtailed (inflexible or unsheddable power) at the Delivery Point concerned. It cannot be lower than the negative of the Nameplate capacity of generation and the negative of the maximal injection.	X	
Nameplate capacity of generation	Number (in MW)	The sum of nameplate capacities of any generation units (given by the manufacturer of the generation unit) installed or to be installed with a direct or indirect electrical connection to the Delivery Point and intended to provide the Service. The nameplate capacity does not influence the determination of the Nominal Reference Power and is not used by ELIA during the Prequalification Process. It is considered as a complementary information relevant for ELIA in the event of an assessment of the information received during the Prequalification Process (according to section 5.5.3). Common synonyms: rated capacity, nominal capacity or installed capacity.	X	
Net offtake/ net injection	Name (drop-down list)	The CRM Candidate indicates to ELIA whether his Delivery Point has a net injection or a net offtake.	X	
Full technical injection Capacity	Number (in MW)	This is the maximum possible injection of active power as measured at the Delivery Point. The term injection is used to designate a certain sense of energy flow and does not exclusively refer to the technical means with which Service is provided. The CRM Candidate needs to put a data here only if his injection is taken into account in the Service. The full technical injection capacity is not measured by ELIA during the tests taking place during the Prequalification Process. It can be perceived as complementary information relevant for ELIA in the case of assessment of the information received during the Prequalification Process (according to section 5.5.3).	X	
Full technical offtake Capacity	Number (in MW)	This is the value indicating the maximum possible offtake of active power at a Delivery Point. The term offtake is used to designate a certain sense of energy flow and does not exclusively refer to the technical means with which Service is provided. The CRM Candidate needs to put a data here only if his offtake is taken into account in the Service. The full technical offtake capacity is not measured by ELIA during the tests taking place during the Prequalification Process. It can be perceived as complementary information relevant for ELIA in the case of assessment of the information received during the Prequalification Process (according to section 5.5.3).	X	
Grid User Declaration/CDS User Declaration	Signed document (pdf)	The Grid User Declaration is a signed letter to provide in case the Grid User differs from the CRM Candidate. The list of the clauses that must at least be presented into this signed letter can be found in annex 17.1.6. In case of a CDS-connected Delivery Point, a CDS User Declaration is to be provided in case the CDS User differs from the CRM Candidate.	X	
Renouncing the operating aid	Signed document (pdf)	In the situation where the CRM Candidate benefits from an operating aid during one or more Delivery Period(s), a letter in which he states he is renouncing to the Operating Aid in case it signs a Capacity Contract is provided (as per Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal	X	

		Participation Threshold meant in article 7undecies. §4 1° of the Electricity Act). The template to use for this letter is in annex 17.1.10).		
Declared Nominal Reference Power	Number (in MW)	As per chapter 3, it is the Nominal Reference Power, as declared by the CRM Candidate, of an Additional Delivery Point which has been submitted to participate to a standard Prequalification Process.		X
Existing connection capacity	Number (in MW)	It is the connection capacity (as per Connection Contract). Such value is used by ELIA to determine the grid constraints applicable to the forthcoming Auction.		X
Information related to production permit	Signed document (pdf)	<p>If required according the Royal Decree on the granting of individual authorizations covering the establishment of electricity production facilities, the CRM Candidate provides:</p> <ul style="list-style-type: none"> - The production permit if the CRM Candidate already received it; or - A proof that a production permit has been introduced (this proof is valid only if the production permit has been submitted to FPS Economy fifty Working Days before the Prequalification File submission date) if the CRM Candidate did not yet receive it. <p>One production permit can be valid for more than one Prequalification File as it may cover more than one CMU. A CMU can also be linked to more than one production permit. Finally, such permit is to be valid at least until the notification of the Auction results as per section 6.4.5 and the CRM Candidate has to obtain the production permit thrity-five calendar days before the Auction gate opening time (as per section 4.2) in order to be declared eligible for participation in Auctions.</p>		X

Table 1: Requirements per Existing Delivery Point and per Additional Delivery Point

5.4.1.1.2 Requirements per Existing CMU, per Additional CMU and per Virtual CMU

73. The following data and documents shall be provided to ELIA via the CRM IT Interface for each CMU depending on the status of this CMU (existing or additional or virtual).

Requirements	Type of data	Comments	Status of the CMU		
			Existing	Additional	Virtual
Information linked Financial Security	Signed document (pdf)	<p>Each time a CMU is submitted into the CRM IT Interface, the CRM Candidate uploads information as required in the chapter 10. As also detailed in section 10.2.2.3, an exception is made for a CMU:</p> <ul style="list-style-type: none"> - Which only participates to the Secondary Market; or - Which is linked to a VCMU; or - Which is linked to one or more other CMUs because they have a Delivery Point in common. 	X	X	X
Opt-out Notification	List of information (& Signed document in pdf)	As detailed in section 5.6.2 in the event that the CRM Candidate wants to declare an Opt-out Volume for his CMU, an Opt-out Notification is provided to ELIA following the annexes 17.1.11 and 17.1.12, per Auction for which he wants to declare an Opt-out Volume.	X	X	
Project ID	Number	As per section 5.10.1, the CRM Candidate provides or asks for a project ID via the CRM IT Interface in the event that his CMU is linked to one (or more) investment file(s) with	X	X	

		CREG.			
Choice of a Derating Factor	Number (drop-down list)	As detailed in the methodology referenced in article 7undecies, §2 of the Electricity Act, the CRM Candidate selects a Derating Factor among the SLA categories or the derating categories. Additional information about the Derating Factor can also be found in annex 17.1.13. The chosen Derating Factor will lead to two values: one valid for a Y-1 Auction and another one for a Y-4 Auction.	X	X	
Link(s) (an)other CMU(s) in case of multiple use of a same Delivery Point	Number (ID of the CMU)	In the event that the CRM Candidate decides to prequalify the same Delivery Point in two (or more) different CMUs, he needs to inform ELIA in order to avoid providing two (or more) times a Financial Security for the same Delivery Point (as per section 10.2.2.3).	X	X	
Project execution plan	Document	The project execution plan is the document that establishes the method(s) used to execute the project linked to the CMU. More information about this project execution plan can be found in annex 17.1.14. A project execution plan can be linked to more than one CMU and a CMU can be linked to more than one project execution plan.		X	X
Expected start date of the project	Date (in DD/MM/YY)	The start date of the project corresponds to the date at which the CRM Candidate plans to launch the project that will allow him to properly deliver his Capacity for the Pre-delivery Period as per the forecasted schedule and thus for the Capacity to become an Existing CMU on time (according to chapter 7).		X	
Declared Eligible Volume	Number (in MW)	As per chapter 3, it is the Eligible Volume, as declared by the CRM Candidate, of a Virtual CMU which has been submitted to participate to a specific Prequalification Process.			X
Information for the 2nd method (To determine the Nominal Reference Power)	Date (in D/MM/YY) & Name	In the event that the 2 nd method (as per section 5.6.1.1.1.2) is selected for the Nominal Reference Power determination, the CRM Candidate provides first the date at which ELIA can extract the balancing results to evaluate the Nominal Reference Power of the CMU (the method provides directly the Nominal Reference Power of the CMU). The CRM Candidate chooses also in the CRM IT Interface between the following valid balancing results: mFRR prequalification test, mFRR activation or mFRR availability tests.	X		
Link with a VCMU	Number (ID of the Transaction)	In case the CRM Candidate or the Capacity Provider goes through a standard Prequalification Process with an Existing CMU that will be used to take over the obligation related to a VCMU, he shall provide the ID of the Transaction linked to this VCMU. This information shall be included in the Prequalification File from the first Prequalification File submission date and cannot be modified or added to a file later on.	X		
Participation to the Primary Market or the Secondary Market	Name (drop-down list)	When the CRM Candidate creates an Existing CMU, he needs to say to ELIA if he intends to participate to the Secondary Market only or not. This information will be used by ELIA to know if the CRM Candidate needs to provide a Financial Security or not (according to section 10.2.2.3.2).	X		
ID of the technical agreement	Number (ID of the technical agreement)	If required according to the connection process (Federal Grid Code), a signed technical agreement is obtained from ELIA at latest by August 25 of the Auction's year. For the sake of clarity, a conditional signed technical agreement also fulfills this prequalification requirement. A CRM Candidate can submit a Prequalification File while no signed technical agreement has been given by ELIA yet provided that a request has been introduced in time. One ID can be valid for more than one Prequalification File as it may cover more than one CMU. A CMU can also be linked to more than one technical agreement. Finally, such agreement shall be valid at least until the notification of the Auction results (defined in section 6.4.5).		X	

Table 2: Requirements per Existing CMU, per Additional CMU and per Virtual CMU

5.4.1.2 Requirements prior to any Transaction Period

74. The following table includes the data that shall be provided by a CRM Candidate as part or not of the submission of his Prequalification File but not later than twenty Working Days before the start of the Transaction Period.

As per section 5.9.1, in case these data are not provided on time via the CRM IT Interface, the Capacity Provider is considered as unavailable during the Transaction Period in the context of the Availability Monitoring described in the chapter 8 and face the corresponding penalties.

Requirements	Type of data	Comments	Status of the CMU		
			Existing	Additional	Virtual
Declared Day-ahead Price	Number (in €/MWh)	The Declared Day-ahead Price is only for CMUs that are not subject to the obligation to submit a Daily Schedule (this obligation is also known as the individual MW schedule). If applicable (not an obligation), the CRM Candidate can also indicate Partial Day-ahead, Intraday, Balancing Prices, or Declared Intraday and Balancing Prices to ELIA. This information is used during the Availability Monitoring Process as described in section 8.4.2.1.2.	X		
NEMO	Name (drop-down list)	The NEMO indicates the market operator in which the Reference Price is observed in the Day-ahead Market. Other information on the NEMO can be found in section 11.3.2.	X	X	X

Table 3: Requirements prior to any Transaction Period

5.4.2 Requirements for fast track Prequalification Process

75. As part of the fast track Prequalification Process, the CRM Candidate has to complete the following information for every Delivery Point/CMU for which he wants to apply the fast track Prequalification Process.

Requirements	Type of data	Comments
Type of Delivery Point	Name (drop-down list)	The CRM Candidate needs to inform ELIA if the Delivery Point is connected to the Transmission System Operator (TSO) grid, a Distribution System Operator (DSO) grid or a Closed Distribution System Operator (CDSO). In the event that the Delivery Point is connected to a CDS, the CRM Candidate also needs to inform ELIA if the CDSO is connected to the TSO or the DSO Grid.
EAN code(s) of the Delivery Point/Identification of the Delivery Point (for a CDS-connected Delivery Point)	Number	The EAN is a unique number used to identify the metering device related to a Delivery Point. For a CDS-connected Delivery Point, the EAN code(s) is(are) included in the CDSO Declaration.
Delivery Point's name	Name	The CRM Candidate chooses and communicates a Delivery Point's name. There is no requirement for the choice of this name.

EAN code(s) of the Access Point	Number	The Access Point is defined in article 2 §1 29° of the Federal Grid Code. The EAN code is the identification number of the Access Point which is related to the Delivery Point. For a CDS-connected Delivery Point, the EAN code is included in the CDSO Declaration.
Fast Track Nominal Reference Power	Number (in MW)	It is a declaration by the CRM Candidate about the Nominal Reference Power for the Delivery Point participating to the fast track Prequalification Process. In this context and as per section 5.5.3, ELIA reminds its intentions to randomly audit the declared values. In case of observed deviations, modalities described in section 5.5.3 apply.
Choice of a Derating Factor	Number (drop-down list)	As detailed in the methodology referenced in article 7undecies, §2 of the Electricity Act, the CRM Candidate selects a Derating Factor among the Derating Factor categories. This selection may be subject to audit by ELIA from the moment it has been submitted in the Prequalification File. In the event that the Derating Factor as chosen by the CRM Candidate does not comply with the methodology referenced in article 7undecies, §2 of the Electricity Act, termination or suspension clause may apply (according to the chapter 2). Additional information about the Derating Factor can also be found in annex 17.1.13. The chosen Derating Factor will lead to two values: one valid for a Y-1 Auction and another one for a Y-4 Auction.
Opt-out Notification	List of information (& Signed document in pdf)	As per detailed in section 5.6.2 and annexes 17.1.11 and 17.1.12, the CRM Candidate provides an Opt-out Notification to ELIA for each Auction.
CDSO declaration	Signed document (in pdf)	In case of a CDS-related Delivery Point, the CRM Candidate provides a shortened version of the CDSO-declaration (as detailed in annex 17.1.8

Table 4: Requirements for fast track Prequalification Process

5.5. PREQUALIFICATION REVIEW PROCESS

76. Once a Prequalification File has been submitted by a CRM Candidate on the CRM IT Interface, ELIA verifies its completeness. The objective is to ensure that it is compliant with the eligibility conditions (section 5.3) and the prequalification requirements (section 5.4) listed above and if it may result in the volume determination as per section 5.6 below.

The time schedule of the prequalification review process can be found in annex 17.1.7.

77. When needed, additional information and documentation may be required by ELIA from the CRM Candidate, following the process and upon certain conditions as detailed below (paragraph 80 and paragraph 86).
78. As a reminder and in line with the chapter 12, the application form submission date and Prequalification File submission date are the dates on which a CRM Candidate receives a notification confirming the good reception, by ELIA, of respectively the application form or the Prequalification File.

5.5.1 Application form – Compliance-check period

79. The process of application form compliance-check aims at allowing ELIA to verify that all the data provided in annex 17.1.4 and in annex 17.1.5 are complete and accurate.
80. Within five Working Days starting from application form submission date, ELIA approves or rejects the application form and notifies the CRM Candidate via the CRM IT Interface. In the event that ELIA does not come back to the CRM Candidate within the timeframe mentioned above, the process described in section 14.3 applies.
81. In case of rejection, the notification is provided along with a sound justification. Such rejection does not prevent the CRM Candidate from filing in again an application form.

82. In case of approval, the different users linked to the CRM Candidate are invited to each create a password (according to paragraph 47) in order to access additional CRM IT Interface modules, such as:
- The platform dedicated to Prequalification File submission;
 - The demo platform of the Auction as detailed in section 5.9.3.
83. Irrespective of the situation described in section 5.8.5.1, the application form, once approved, remains applicable over time. From the moment the application form is considered as valid, the CRM Candidate has the possibility to participate to all Prequalification Processes with his CMU(s), respecting the obligations of section 5.3.

5.5.2 Prequalification File – Compliance-check period

84. As per annex 17.1.7, once a Prequalification File related to a CMU is submitted and unless explicitly requested by ELIA, the CRM Candidate is not allowed to access it for further adaptations for the following:
- Maximum seventy Working Days in case of standard Prequalification Process; or
 - Maximum thirty-five Working Days in case of specific Prequalification Process; or
 - Maximum forty-five Working Days in case of fast track Prequalification Process.
85. The process of Prequalification File compliance-check consists in verifying that (a detailed description of this data analysis performed by ELIA along with the criteria's used to determine their compliance can be found in annex 17.1.16):
- All the data provided in section 5.4.1 are compliant with the eligibility conditions as per sections 5.3.1 and 5.3.2 in case of a standard and specific Prequalification Process;
 - All the data provided in section 5.4.2 are compliant with the eligibility conditions as per sections 5.3.1 and 5.3.2 in case of fast track Prequalification Process.
86. As per annex 17.1.7, the review of a Prequalification File follows the process described below:
- If ELIA notices missing data in the Prequalification File after the submission of the Prequalification File (change), the following process applies:
 - ELIA notifies the CRM Actor, through the CRM IT Interface within twenty Working Days starting from the submission date of the Prequalification File (change), and ask him to provide identified the missing information and/or to correct the wrong data;
 - The CRM Actor provides the required missing data and document(s) or corrects the wrong information through CRM IT Interface within ten Working Days starting from ELIA's notification;
 - ELIA notifies the final result of the Prequalification File analysis , through the CRM IT Interface, within five Working Days starting from the updated data submission date by the CRM Candidate:
 - In case ELIA still notices missing and/or wrong data, the Prequalification File is considered as "rejected". The CRM Actor is entitled to start again the procedure by resubmitting it (in that case, the process restarts again from the beginning and ELIA analyzes the Prequalification File within twenty Working Days starting from the

submission date of the Prequalification File (change)).

- In case there is no more missing and/or wrong data, the Prequalification File gets the status “approved”. ELIA notifies it to the CRM Candidate and starts determining the volumes (as per section 5.6):
 - Automatically if it is the submission of a Prequalification File; or
 - Only in case the change has an impact on the volumes if it is the submission of a Prequalification change (see section 5.8.6.2).
- If ELIA does not identify any missing and/or wrong data in the Prequalification File at after the submission date of the Prequalification File (change), the following process applies:
 - ELIA notifies the compliancy of the Prequalification File through the CRM IT Interface within twenty Working Days starting from the submission date of the Prequalification File (change) (his Prequalification File is considered as “approved”);
 - ELIA starts to determine the volumes (as per section 5.6):
 - Automatically if it is the submission of a Prequalification File; or
 - Only in case the change has an impact on the volumes if it is the submission of a Prequalification change.

Meanwhile, the CRM Actor may access his Prequalification File(s) on the CRM IT Interface, apart from the on-going Prequalification File(s) under review by ELIA.

Furthermore, any change(s) – except the changes linked to an Opt-out Notification (as per section 5.6.2.1.1) and the suppression of a Delivery Point related to a CMU subject to an investment file (as per Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7undecies, §5 of the Electricity Act) – encoded by the CRM Actor from September 1st to October 1st is only treated by ELIA after the Auction results notification of the same year.

87. A “rejected” Prequalification File status does not grant any access to Primary or Secondary Market.

On the contrary, in case of “approved” Prequalification File and provided a timely submission (as detailed above), the following rules apply:

- A standard or specific Prequalification Process grants access to the Primary Market and to the Secondary Market (only as of a Seller of Obligation for an Additional CMU and a Virtual CMU); and
- A fast track Prequalification Process does not grant any access to Primary Market or Secondary Market.

88. Moreover, in the event that the Prequalification File is still identified as “rejected” within six months from the first Prequalification File submission date, such file is automatically voided from the CRM IT Interface. A new Prequalification File is therefore submitted in case the related CMU wishes to try to be prequalified again.

89. A “rejected” Prequalification File can also be archived any time – event during the reviewing of the file by ELIA – by the CRM Actor himself to interrupt a Prequalification Process.

5.5.3 Audits – Compliance-check period(s)

90. In addition to the compliance-checks described in sections 5.5.1 and 5.5.2, the CRM Actor may be subject to some tests/audits in order to check the veracity and the accuracy of the data that is provided in the Prequalification File during the Prequalification Process.

These tests/audits are performed randomly from the application form submission date and for a period of five years starting from this application form submission date.

91. Any erroneous information identified by ELIA may trigger a request for clarification(s) and/or for an adaptation of the Prequalification File. The CRM Actor has therefore to provide a justification and/or to submit his adapted Prequalification File within twenty Working Days starting from ELIA's request. The analyze of the adapted Prequalification File will follow the processes described in section 5.8.
- In case the error(s) remain(s) after these twenty Working Days (and after the Prequalification File analyse), ELIA may report the situation to the regulator and trigger: A Prequalification File rejection; and/or
 - A deletion of one (or more) of the bids related to the concerned CMU and already submitted by the CRM Candidate for an Auction; and/or
 - An availability test; and/or
 - A termination of the Capacity Contract (as defined in the Capacity Contract).

5.6. VOLUMES DETERMINATION

92. The purpose of this section is to explain how ELIA determines:
- The Eligible Volume and the Secondary Market Eligible Volume for CMUs following (or having followed) the standard Prequalification Process; and
 - The Fast Track Volume for CMUs following (or having followed) the fast track Prequalification Process.
93. Timing aspects related to the volume(s) determination for each Prequalification Process can be found in annex 17.1.7.
94. As a reminder and for the sake of clarity, any volume is expressed in MW and with a 0.01 MW granularity with application of mathematical rounding at each step of the procedures.
95. Moreover, volumes and parameters used below to determine the volumes could be subject to evolution in time as per section 5.8.

5.6.1 Nominal Reference Power

5.6.1.1 Standard Prequalification Process

96. In the context of a standard Prequalification Process, the Nominal Reference Power of a Delivery Point:
- Forms the basis to determine the Nominal Reference Power, the Reference Power and the Eligible Volume of the CMU;
 - Could evolve in time (see section 5.8)
 - Is:

- Determined by ELIA in case of TSO-connected Delivery Point;
- Determined by the related DSO in case of DSO-connected Delivery Point;
- Declared by the CRM Candidate in case of Additional Delivery Point connected to the TSO grid;
- Declared by the DSO in case of Additional Delivery Point connected to the DSO grid;
- Determined by ELIA (if the CDS, which includes the Delivery Point, is connected to the ELIA Grid) or by the DSO (if the CDS, which includes the Delivery Point, is connected to DSO Grid) in case of CDS-connected Delivery Point.

5.6.1.1.1 Nominal Reference Power determination of Existing Delivery Points

97. This section is dedicated to the procedure for the determination of the Nominal Reference Power for TSO, DSO and CDS-connected Existing Delivery Points.

5.6.1.1.1.1 For TSO-connected Delivery Points

98. For each Existing Delivery Point, the provisional Nominal Reference Power is determined following a methodology chosen by the CRM Candidate among three possible methodologies:

- 1st method: Use of historical data (section 5.6.1.1.1.1.1); or
- 2nd method: Use of historical balancing results (section 5.6.1.1.1.1.2); or
- 3rd method: Prequalification test (section 5.6.1.1.1.1.3).

99. To illustrate the first and the third method, graphs are available in annex 17.1.17.

5.6.1.1.1.1.1 1st method – Use of historical data

100. The 1st method, which consists in the use of historical data, can be used in the following cases:

- Prior to the first participation of a Delivery Point to an Auction or to the Secondary Market to calculate its provisional Nominal Reference Power; or
- To update the final Nominal Reference Power of a Delivery Point (as per section 5.8) upon CRM Actor's, ELIA's or DSO's request.

To determine the provisional Nominal Reference Power using historical data, ELIA (or the concerned DSO – according to section 5.6.1.1.1.2 or section 5.6.1.1.1.3) uses the quarter-hourly measurements over a period of time defined below:

- It starts:
 - With the first injection or offtake into the grid if the Delivery Point is connected to it since less than twelve months;
 - Twelve months before the approval date of the Prequalification File (change) if the Delivery Point is connected to the grid since more than twelve months.
- It ends from the approval date of the Prequalification File (change).

101. This period of time is divided in time series of thirty-six hours (rolling-window). Each of these time series starts at 12:00 and ends the following day at 23:45.

Over each of these thirty-six hours, the Nominal Reference Power is determined as follows:

- For injection (a net injection has a negative value for the quarter-hourly measurements), it consists in the absolute value of the difference between the lowest quarter-hourly measurement and the minimum between the highest quarter-hourly measurement and zero;
- For consumption (a net offtake has a positive value for the quarter-hourly measurements) and for both injection and consumption, the Nominal Reference Power is determined by making the difference between the highest quarter-hourly measurement and the maximum between the Unsheddable Margin (communicated as part of the Prequalification File as per section 5.4.1.1.1) and the lowest quarter-hourly measurement.

102. The highest power variation calculated over the period of time is then considered (highest power variation between all time series of thirty-six hours) to determine the provisional Nominal Reference Power of the related Delivery Point. In case of TSO-connect Delivery Point, such result is provided via the CRM IT Interface to the CRM Candidate, through a notification and could be contested by the CRM Actor within a certain time period, as detailed in section 5.6.1.1.1.4. In case of DSO-connected Delivery Point, the provisional Nominal reference Power is notified to the CRM Actor by the concerned DSO through an adequate communication channel defined and communicated in advanced by the DSO to the CRM Actor.

5.6.1.1.1.2 2nd method – Use of historical balancing results

103. The 2nd method consists in the use of historical balancing results to determine a provisional Nominal Reference Power. By opting for the 2nd method, the following conditions are to be respected by the CRM Actor:

- The 2nd method is applicable at CMU level only;
- In case of aggregated CMU, the pool of Delivery Points forming it, is identical (including the metering requirements) to the pool used in the balancing service selected as reference;
- The entity of the Flexibility Service Provider related to the pool used in the balancing service selected as reference is the same as the one of the CRM Actor;
- The 2nd method is used to:
 - Determine the Provisional Nominal Reference Power of the CMU prior to the first participation of a CMU to an Auction or to the Secondary Market; or
 - Update the final Nominal Reference Power of a CMU (as per section 5.8) upon CRM Actor's or ELIA's request.

104. To determine the provisional Nominal Reference Power and upon CRM Actor choice, ELIA uses one of the three historical balancing results (according to the choice made by the CRM Candidate in his Prequalification File – as per section 5.4.1.1.2), namely:

- mFRR prequalification test; or
- mFRR activation; or
- mFRR availability tests.

105. Furthermore, the CRM Actor provides the date (as per section 5.4.1.1.2) at which ELIA can extract the balancing results to evaluate the Nominal Reference Power of the CMU. This date is to be within a twelve-month period, which ends as of the approval date of the Prequalification File (change).

5.6.1.1.1.3 3rd method – Prequalification test organization

106. The 3rd method, which consists in the organization of a prequalification, can be used in the following cases:

- Prior to the first participation of a Delivery Point to an Auction or to the Secondary Market:
 - To calculate the provisional Nominal Reference Power; or
 - In case of contestation raised by the CRM Actor (section 5.6.1.1.1.4).
- To update the final Nominal Reference Power of a Delivery Point (as per section 5.8.5) upon CRM Actor's, ELIA's or DSO's request.

107. The CRM Actor proposes one date to ELIA (or to the concerned DSO – according to section 5.6.1.1.1.2 or section 5.6.1.1.1.3) in order to perform the related tests.

108. In case of TSO-connected Delivery Point, the CRM Actor is thus required to provide ELIA with the following information via the CRM IT Interface within five Working Days maximum prior to the effective test date:

- The identification of the Delivery Point(s) being tested;
- The test date, which can be organized:
 - Within forty Working Days starting from the submission date of the Prequalification File (change) in case of determination of provisional Nominal Reference Power;
 - Within five Working Days starting from the contestation date and anyway no later than ten Working Days starting from the result notification of the provisional Nominal Reference Power by ELIA in case of determination of final Nominal Reference Power;
 - In case of DSO-connected Delivery Point, the communication of the test date is done through an adequate communication channel defined and communicated in advanced by the DSO to the CRM Actor. The timing to respect for this test date are also decided by the concerned DSO.

109. The provisional Nominal Reference Power, as determined by the 3rd method, equals:

- For injection (a net injection is considered as a negative value for the quarter-hourly measurements), the absolute value of the difference between the lowest quarter-hourly measurement over the test duration and the minimum between the highest quarter-hourly measurement and zero;
- For consumption (a net offtake is considered as a positive value for the quarter-hourly measurements) and for both injection and offtake, the difference between the highest quarter-hourly measurement over the test duration and the maximum between the Unsheddable Margin (communicated as part of the Prequalification File as per section 5.4.1.1.1) and the lowest quarter-hourly measurement.

5.6.1.1.1.4 Nominal Reference Power notification and contestation

110. The provisional Nominal Reference Power is the Nominal Reference Power resulting from one of the three previous methods (sections 5.6.1.1.1.1, 5.6.1.1.1.2 and 5.6.1.1.1.3 notified by ELIA (or the related DSO) as part of the Prequalification Process and before any contestation.

111. For TSO-connected Delivery Point, this provisional Nominal Reference Power is notified per Delivery Point (or per CMU in case of use of the 2nd method) by ELIA to the CRM Actor via the CRM IT Interface, within forty-five Working Days starting from the submission date of the Prequalification File (change).

112. Such provisional Nominal Reference Power becomes the final Nominal Reference Power if no contestation is raised by the CRM Actor within five Working Days starting from the notification date.
113. In case of contestation, the CRM Actor, within the above mentioned time period:
 - Notifies his contestation through the CRM IT Interface; and
 - Indicates the reason of such contestation; and
 - Requests a date for a prequalification test (following the same rules of section 5.6.1.1.1.3).
114. The CRM Actor can contest a provisional Nominal Reference Power only once per Delivery Point and per notification of provisional Nominal Reference Power by ELIA. In case the CRM Actor wishes to contest the final Nominal Reference Power, he follows the generic contestation process described in the chapter 13.
115. Such new prequalification test is needed only in case the CRM Candidate intends to obtain a higher Nominal Reference Power. The updated Nominal Reference Power resulting from the (second) prequalification test – if higher than the Nominal Reference Power initially calculated by ELIA – is considered as the final Nominal Reference Power. If it is lower, the provisional Nominal Reference Power is considered as final. In any case, the final Nominal Reference Power is notified to the CRM Actor within twenty-five Working Days starting from the approval of the Prequalification File (change).
116. To reach a lower volume, the process of section 5.6.1.1.4 is followed.

5.6.1.1.1.2 For DSO-connected Delivery Points

5.6.1.1.1.2.1 Nominal Reference Power determination

117. For DSO-connected Delivery Points, the Nominal Reference Power is determined and made available by the concerned DSO to ELIA through adequate communication channels and within forty-five Working Days starting from the submission date of the Prequalification File (change) to ELIA.

To evaluate the Nominal Reference Power of a Delivery Point, the DSO uses the same methods as ELIA:

- 1st method described in section 5.6.1.1.1.1.1;
- 3rd method described in section 5.6.1.1.1.1.3.

The compliance of a Delivery Point with the metering requirements (as described in annexes 17.1.1 and 17.1.2) is also checked by the DSO.

118. The CRM Actor can also select the 2nd method (section 5.6.1.1.1.2) to determine or to update the Nominal Reference Power of a CMU if he has one or more DSO-connected Delivery Point(s) included in this CMU. In this situation, it is ELIA and not the concerned DSO(s) that determines the Nominal Reference Power of the CMU by following the process described in section 5.6.1.1.1.2.
119. In order to launch the necessary procedure to obtain the Nominal Reference Power from a DSO on time, it is always the CRM Actor's responsibility to get in touch with the concerned DSO(s) before the Prequalification File submission date (whatever the method selected). The CRM Actor

has to use the ID¹⁶ of the DSO-connected Delivery Point(s) available in the CRM IT Interface to communicate with the DSO as it is the single reference to be used in communication between the CRM Actor, ELIA and a DSO.

5.6.1.1.1.2.2 Nominal Reference Power notification and contestation

120. In case the CRM Actor does not select the 2nd method (described in section 5.6.1.1.1.2), the final Nominal Reference Power of a DSO-connected Delivery Point as sent by the concerned DSO to ELIA via an appropriate communication channel, is notified per Delivery Point by ELIA to the CRM Actor via the CRM IT Interface, within twenty-five Working Days starting from the approval of the Prequalification File (change) by ELIA.
121. Such Nominal Reference Power is therefore the final Nominal Reference Power as the contestation scheme (following the same rules as per section 5.6.1.1.1.4) is to be followed by the CRM Actor and the DSO prior to the communication of the Nominal Reference Power by the DSO to ELIA (according to paragraph 117). The submitted value is therefore deemed final.
122. In case the CRM Actor selects the 2nd method (described in section 5.6.1.1.1.2), there is first a communication of the provisional Nominal Reference Power of a CMU including DSO-connected Delivery Points. Such communication procedure follows the rules of paragraph 111. In the event that the CRM Actor wants to contest this provisional Nominal Reference Power, he indicates it to ELIA via the CRM IT Interface within five Working Days starting from the notification of the provisional Nominal Reference Power by ELIA and:
 - Contacts the concerned DSO(s) for the DSO-connected Delivery Point(s) included in the CMU (or for the CDS-connected Delivery Point(s) when the CDS is connected to the DSO Grid) to obtain (a) new Nominal Reference Power(s); and/or
 - Follows the rules and procedure of paragraph 113 for the TSO-connected Delivery Point(s) included in the CMU (or for the CDS-connected Delivery Point(s) when the CDS is connected to the TSO Grid).

In this situation (2nd method initially selected) and in case of DSO-connected Delivery Point (or CDS-connected Delivery Point when the CDS is connected to the DSO Grid), the new Nominal Reference Power(s) is(are) therefore determined and made available by the concerned DSO(s) to ELIA through adequate communication channels and within fifteen Working Days starting from the notification of the provisional Nominal Reference Power by ELIA.

123. If the new Nominal Reference Power of the CMU (obtained by following the formula of section 5.6.1) is higher than the Nominal Reference Power initially calculated by ELIA (by using the 2nd method), it will be considered as the final Nominal Reference Power. If it is lower, the provisional Nominal Reference Power will be considered as final. In any case, the final Nominal Reference Power is notified to the CRM Actor within twenty-five Working Days starting from the approval of the Prequalification File (change).

5.6.1.1.1.3 For CDS-connected Delivery Points

124. A CDS is either part of the TSO Grid or the DSO Grid. A CDS-connected Delivery Point respects therefore the same conditions as respectively described in sections 5.6.1.1.1.1 (for a Delivery Point in a TSO-connected CDS) or 5.6.1.1.1.2 (for a Delivery Point in a DSO-connected CDS).

¹⁶ To get an ID when the concerned Delivery Point will be used for the first time by the CRM Candidate into the CRM, the latter just needs to make a Prequalification File within the CRM IT Interface and then create the Delivery Point (without necessarily already providing the information related to the Delivery Point). The Delivery Point's ID will then be visible in the CRM IT Interface.

In case of a Delivery Point in a TSO-connected CDS, the CDS Operator sends the required metering data (as specified in section 5.6.1.1.1.1) directly to ELIA using the data exchange formats as specified in his Cooperation Agreement with ELIA. A description of the permitted data exchange formats is available on the ELIA website.

5.6.1.1.1.4 Adaptation of the Opt-out Volume

125. If the CRM Actor considers that the Nominal Reference Power of one (or more) of his Existing Delivery Point(s) is too high, he may do a new Opt-out Notification based on ELIA's notification of the final Nominal Reference Power of each Existing Delivery Point part of the CMU. This notification follows the rules of section 5.6.2 and annexes 17.1.11 and 17.1.12. To do so, The CRM Actor comes back to ELIA with his Opt-out Notification within five Working Days starting from the notification of such final Nominal Reference Power(s). In absence of reaction from the CRM Candidate, the initial Opt-out Notification (communicated to ELIA when submitting the Prequalification File) is considered as valid and used by ELIA as input to determine the related Eligible Volume. Another update of the Opt-out Volume is still possible after the notification of the Eligible Volume as per section 5.7.

5.6.1.1.2 Nominal Reference Power determination for Additional Delivery Points

126. For Additional Capacities connected to the TSO Grid, the CRM Actor is invited to timely (timing specified in section 5.4.1.1.1) declare, as part of his Prequalification File submission, a Declared Nominal Reference Power for each Additional Delivery Point. This volume serves as a basis to calculate later on the Reference Power (section 5.6.3) and the Eligible Volume (section 5.6.4.1). For a Delivery Point connected to the DSO grid, this latter notifies to ELIA the Declared Nominal Reference Power of this Delivery Point within the same time constraints than for the determination of the Nominal Reference Power of an Existing Delivery Point (cf. paragraph 117).

For additional Capacities connected to the DSO Grid, the Nominal Reference Power is determined and made available by the concerned DSO to ELIA through adequate communication channels and within thirty-five Working Days starting from the submission date of the Prequalification File (change) to ELIA.

5.6.1.1.3 Nominal Reference Power determination for CMUs

127. As soon as the Nominal Reference Power of all Delivery Points part of a CMU has been validated by the CRM Actor following the rules of section 5.6.1.1.1.4 for TSO-connected Existing Delivery Point, of 5.6.1.1.2.2 for DSO-connected Existing Delivery Point and of section 5.6.1.1.2 for Additional Delivery Point, the Nominal Reference Power of the CMU can be determined by ELIA.

128. To evaluate such Nominal Reference Power, ELIA sums up:

- The Nominal Reference Power of each Existing Delivery Point part of the CMU if the CMU is an Existing CMU; or
- The Nominal Reference Power of each Existing Delivery Point part of the CMU with the Declared Nominal Reference Power for each Additional Delivery Point part of the CMU if the CMU is an Additional CMU.

All of the above is represented in the following formula:

$$\begin{aligned}
 & [Nominal Reference Power]_{CMU} \\
 &= \sum_{i=1}^n [Declared Nominal Reference Power]_{Additional DP i} + \sum_{i=1}^n [Nominal Reference Power]_{Existing DP i}
 \end{aligned}$$

129. The Nominal Reference Power of CMU is also called the Aggregated Nominal Reference Power in case of aggregated CMU.

5.6.1.2 Specific Prequalification Process

130. As, at the time of the Prequalification Process, the Virtual Capacity Market Unit cannot be associated to one or several Delivery Point(s), no Nominal Reference Power can be calculated by ELIA or the concerned DSO. ELIA only uses the Declared Eligible Volume given by the CRM Candidate as part of his Prequalification File submission (as per section 5.6.4.2).

5.6.1.3 Fast track Prequalification Process

131. In the event that a CRM Candidate goes through the fast track Prequalification Process, he is invited to timely (timing specified in section 5.4.2) declare, as part of his Prequalification File submission, a Fast Track Nominal Reference Power for the Delivery Point being part of the fast track Prequalification File. This volume serves as a basis to determine later on the Fast Track Volume (section 5.6.6).
132. The accuracy of the Fast Track Nominal Reference Power is not checked during the Prequalification Process but may be subject to some audits (following the rules of section 5.5.3).

5.6.2 Opt-out Volume

5.6.2.1 Opt-out Notification

5.6.2.1.1 Standard Prequalification Process

133. Each time a CRM Actor wants to declare an Opt-out Volume for a CMU that goes through a standard Prequalification Process, an Opt-out Notification related to this CMU is provided for each Auction.

To be considered for the forthcoming Auction, an Opt-out Notification is submitted by the CRM Actor to ELIA either:

- As part of the Prequalification File submission (section 5.4.1.1.2) if the submission respects the timings defined in paragraph 157; or
- As part of the submission of a Prequalification File change (section 5.8.2) if the submission respects the timings defined in paragraph 157; or
- Within five Working Days starting from the notification of the final Nominal Reference Power(s) of each Existing Delivery Point part of the CMU by ELIA (sections 5.6.1.1.1.4 and 5.6.1.1.1.2.2)¹⁷; or
- Between the prequalification results notification (section 5.7.1.2) and five Working Days after September 15 of the Auction year.

¹⁷ As there is no Nominal Reference Power notification for an Additional Delivery Point, this opportunity to adapt his Opt-out Notification therefore does not arise for an Additional Capacity.

134. The CRM Actor submits this notification to ELIA via the CRM IT Interface according to the templates provided in annexes 17.1.11 and 17.1.12.

135. An Opt-out Notification is renewed each year following the rules and timing of section 5.8.3.

5.6.2.1.2 Specific Prequalification Process

136. The Opt-out Notification is not applicable to a Virtual CMU that goes through a specific Prequalification Process.

5.6.2.1.3 Fast track Prequalification Process

137. As in a fast track Prequalification Process, the Opt-out Volume for a CMU is equal to the Fast Track Nominal Reference Power (defined in section 5.6.1.3), the CRM Actor related to the CMU provides an Opt-out Notification for each Auction.

This Opt-out Notification is submitted to ELIA via the CRM IT Interface as part of the Prequalification File submission (section 5.4.2) and then each year following the rules of section 5.8.3. The notification also follows the templates provided in annexes 17.1.11 and 17.1.12.

5.6.2.2 Treatment of Opt-out Volume

138. The rules of this section are valid in case of standard Prequalification Process and fast track Prequalification Process.

139. Based on the information provided in the Opt-out Notification, an Opt-out Volume is considered as contributing to adequacy (category IN) or not (category OUT), and consequently the derated Opt-out Volume is eligible or not to participate to the Secondary Market and the Dummy Bid is increased or not by a derated Opt-out Volume. This contribution depends in particular on whether:

- The Opt-out Notification relates to a Y-4 or a Y-1 Auction; and
- The Opt-out Volume concerns existing capacity or additional capacity; and
- The Opt-out Volume is equal to (full opt-out) or less (partial opt-out) than the Nominal Reference Power of the CMU ; and
- The Opt-out Volume is grid-related, either:
 - Related to the non-firm capacity as part of a G-Flex Connection Contract; or
 - To be decommissioned as a condition in a signed conditional technical agreement of another CMU that participates in the Auction.
 - The Opt-out Volume is associated to (according to article 4bis of the Electricity Act) either:
 - A definitive closure ; or
 - A definitive structural capacity reduction; or
 - A temporary closure; or
 - A temporary structural reduction of capacity.

140. The categorization between IN and OUT is gathered in Table 5 and Table 6. Table 6 also illustrates the specific case – marked as (*) – of an Opt-out Notification for a Y-1 Auction that relates to an Opt-out Volume with a status of existing capacity or additional capacity (partial opt-out of CMU)

that is categorized in the category “Other”. In this case, the CRM Actor shall choose between the category IN or OUT.

141. In some cases, following Table 5 and Table 6 below, obligations can be taken over on the Secondary Market for the derated Opt-out Volume or the Dummy Bid is increased by the derated Opt-out Volume. The derated Opt-out Volume is equal to the Opt-out Volume multiplied by the Derating Factor. This is to be found in the following formula:

$$\text{Derated OptOut Volume} = [\text{OptOut Volume}] \times \text{Derating Factor}$$

Where the Derating Factor corresponds to the Derating Factor provided by the CRM Candidate as part of the Prequalification File submission.

142. The definition of the final volume available to trade in the Secondary Market is detailed in section 5.6.5 and in the chapter 9.
143. According to Table 5 and Table 6 (below) again, in some situations, the Opt-out Volume results in a reduction of the volume to be procured in an Auction. Such reduction is done by a Dummy Bid, introduced by ELIA in an Auction at a Bid Price of 0 €/MW/year, with a Bid volume equal to the total reduction of the volume to be procured in that Auction, resulting from the Opt-out Volumes related to that Auction and in accordance with the rules defined in this section. The Dummy Bid is further detailed in section 6.3.1.
- The two tables below (Table 5 and Table 6) summarize the treatment of the Opt-out Volumes following an Opt-out Notification towards respectively a Y-4 and Y-1 Auction.Y-4 Auction:

Status of the Opt-out Volume	Opt-out Volume	Category	Can obligations be taken over on the Secondary Market for the derated Opt-out Volume over a Transaction Period within the Delivery Period to which the Opt-out Notification relates?	Is the Dummy Bid increased with the derated Opt-out Volume?
existing capacity	Related to non-firm capacity as part of G-Flex Connection Contract	OUT	Yes	No
	To be decommissioned as a condition in a signed conditional technical agreement of another CMU that participates in the Auction	IN (default)	No	Yes
		OUT¹	Yes	No
	Associated to a definitive closure notification or definitive structural reduction of capacity	OUT	Yes	No
	Associated to a temporary closure notification or temporary structural reduction of capacity	IN	No	Yes
	Other	IN	No	Yes
additional capacity (partial opt-)	Related to non-firm capacity as part of G-Flex Connection Contract	OUT	No ²	No

	Other	IN	No	Yes
additional capacity (full opt-out of CMU)	/	OUT	No ²	No

¹Only in case a bid is selected in the Auction that relates to a CMU with a conditional signed technical agreement that includes as condition that the CMU to which the Opt-out Volume relates has to be decommissioned.

²However, obligations can be taken over on the Secondary Market for the derated Opt-out Volume from the moment the CMU has become an Existing CMU (as stated in paragraph **523**) following the process described in annex 17.1.19.

Table 5: Opt-out Volume treatment related to a Y-4 Auction

- Y-1 Auction:

Status of the Opt-out Volume	Opt-out Volume	Category	Can obligations be taken over on the Secondary Market for the derated Opt-out Volume over a Transaction Period within the Delivery Period to which the Opt-out Notification relates?	Is the Dummy Bid increased with the derated Opt-out Volume?
existing capacity	To be decommissioned as a condition in a signed conditional technical agreement of another CMU that participates in the Auction	IN (default)	No	Yes
		OUT¹	Yes	No
	Associated to a definitive closure notification or definitive structural reduction of capacity (cf. article 4bis of the Electricity Act)	OUT	Yes	No
	Associated to a temporary closure notification or temporary structural reduction of capacity (cf. article 4bis of the Electricity Act)	OUT	Yes	No
	Other*	IN*	No	Yes
		OUT*	Yes	No
additional capacity (partial opt-out of CMU)	Other*	IN*	No	Yes
		OUT*	No ²	No

additional capacity (full opt-out of CMU)	/	OUT	No ²	No
<p>¹Only in case a bid is selected in the Auction that relates to a CMU with a conditional signed technical agreement that includes as condition that the CMU to which the Opt-out Volume relates has to be decommissioned</p> <p>²However, obligations can be taken over on the Secondary Market for the derated Opt-out Volume from the moment the CMU has become an Existing CMU (as stated in paragraph 523) following the process described in annex 17.1.19.</p>				

Table 6: Opt-out Volume treatment related to a Y-1 Auction

5.6.3 Reference Power

144. The Reference Power of a CMU corresponds to the difference between the final Nominal Reference Power linked to this CMU and the notified related Opt-out Volume declared at the CMU level, if any. This is represented in the following formula:

$$Reference\ Power_{CMU} = [Nominal\ Reference\ Power]_{CMU} - [Opt\ Out\ Volume]_{CMU}$$

Such volume is made available on the CRM IT Interface as part of the prequalification results notification (section 5.7.1.1 if submission of a Prequalification File and section 5.8.6.2 if submission of a change in a Prequalification File).

145. ELIA does not determine a Reference Power for:
- Virtual CMUs because the CRM Candidate declares himself an Eligible Volume (as per section 5.6.4.2); and
 - CMUs that goes through the fast track Prequalification Process as for those CMUs, the Opt-out Volume is automatically equal to the Fast Track Nominal Reference Power (as per section 5.6.2.1.3); which therefore leads to a Reference Power equal to zero.

5.6.4 Eligible Volume

146. The following sections (5.6.4.1, 5.6.4.2 and 5.6.4.3) describe how ELIA determines the Eligible Volumes on CMU level.

5.6.4.1 Standard Prequalification Process

147. An Eligible Volume results from the application of a Derating Factor on the Reference Power of the CMU, as indicated in the following formula:

$$Eligible\ Volume = [Reference\ Power]_{CMU} \times [Derating\ Factor]_{CMU}$$

The Derating Factor (some additional information can be found in annex 17.1.13), is characterized as follows:

- The category (among the derating categories or the SLA categories) is chosen by the CRM Candidate as part of his Prequalification File (section 5.4.1 for standard Prequalification Process and section 5.4.2 for fast track Prequalification Process); and

- The choice of category leads to two values: one to determine the Eligible Volume in case of participation to a Y-1 Auction and another one to determine the Eligible Volume in case of participation to a Y-4 Auction; and
- The values related to a category may evolve in time (paragraph 174).

148. During the Prequalification Process, two Eligible Volumes are communicated as part of the prequalification result notification (section 5.7.1.1 if submission of a Prequalification File and section 5.8.6.2 if submission of a change in a Prequalification File): one related to a participation in a Y-1 Auction and another one related to a participation in a Y-4 Auction.

5.6.4.2 Specific Prequalification Process

149. A CRM Candidate who is prequalifying a Virtual CMU is invited to declare an Eligible Volume through the CRM IT Interface, as part of the Prequalification File submission.

5.6.4.3 Fast track Prequalification Process

150. There is no Eligible Volume to determine for a CMU which goes through a fast track Prequalification Process as there is no Reference Power for the CMU.

5.6.5 Secondary Market Eligible Volume

151. The Secondary Market Eligible Volume of a CMU is defined by the maximum volume which is available for a Transaction on the Secondary Market while considering that no Transaction has been made by the CRM Candidate. It is the Secondary Market Remaining Eligible Volume for a certain Delivery Period when the maximum Total Contracted Capacity over this period is equal to zero. This is the maximum volume of an obligation related to a CMU that can be bought by the CRM Actor in the Secondary Market. This volume is only determined for Prequalified CMUs which are considered as Existing CMUs. However, all kind of CMUs which have been contracted consecutive to an Auction can participate to the Secondary Market as a Seller of Obligation.

152. As detailed in section 5.7, The Secondary Market Eligible Volume is also communicated to the CRM Actor via the CRM IT Interface as part of a prequalification result notification (section 5.7.1.1 if submission of a Prequalification File and section 5.8.6.2 if submission of a change in a Prequalification File).

5.6.6 Fast Track Volume

153. The Fast Track Volumes result from the application of a Derating Factor (chosen by the CRM Candidate during the Prequalification Process according to the section 5.4.2) on the Fast Track Nominal Reference Power (provided by the CRM Candidate during the Prequalification Process according to the section 5.4.2) as defined in the following formula:

$$\text{Fast Track Volume} = [\text{Fast Track Nominal Reference Power}] \times [\text{Derating Factor}]$$

As two values will be associated to the category chosen for a Derating Factor, there are two Fast Track Volumes: one related to the Y-1 Auction and another one related to the Y-4 Auction.

Such volumes are communicated as part of the prequalification result notification (section 5.7.2 and used by ELIA for the determination of the Opt-out Volume (section 5.6.2.1.3).

5.7. PREQUALIFICATION RESULTS NOTIFICATION

5.7.1 Standard & specific Prequalification Processes

5.7.1.1 Results notification

154. A notification providing the results linked to a standard or a specific Prequalification Process or to a change impacting the Prequalification File of an Existing CMU, an Additional CMU or a Virtual CMU is provided by ELIA to the CRM Actor, only when the Prequalification File is considered as “approved” (according to section 5.5.2).
155. In case of “rejected” Prequalification File, the rules of section 5.5.2 apply.
156. In case of “approved” Prequalification File (according to section 5.5.2), the notification is expected to contain at least the following data depending on the CMU status:

	Status of the CMU		
	Existing	Additional	Virtual
<i>The Nominal Reference Power of the CMU</i>	X	X	
<i>The Reference Power of the CMU</i>	X	X	
<i>The Opt-out Volume of the CMU</i>	X	X	
<i>The Eligible Volumes of the CMU</i>	X	X	
<i>The Declared Eligible Volume of the VCMU</i>			X
<i>The Secondary Market Eligible Volume of the CMU</i>	X		
<i>The date of the first quarterly report that is to be sent to ELIA (in case of awarded volume at forthcoming Auction)</i>		X	X

Table 7: Information communicated during the prequalification results notification

157. The results are communicated by ELIA to the CRM Actor, via the CRM IT Interface:
- Within maximum seventy Working Days starting from the submission date of the Prequalification File (change) in case of standard Prequalification Process and in case the CMU includes at least one Existing Delivery Point; or
 - Within maximum forty-five Working Days starting from the submission date of the Prequalification File (change) in case of standard Prequalification Process and in case there are only Additional Delivery Points included in the CMU; or
 - Within maximum thirty-five Working Days starting from the submission date of the Prequalification File (change) in case of specific Prequalification Process; or
 - Within maximum forty-five Working Days starting from the submission date of the Prequalification File (change) in case of fast track Prequalification Process.
 - The specific timings applicable to the different types of processes are clarified in annex 17.1.7.

Moreover, in case the Prequalification File (change) has been submitted to ELIA on June 15 of a year, ELIA notifies the prequalification results at least on September 15 of the same year when

no investment file has been submitted to CREG and on September 1st of the same year when an investment file has been submitted to CREG.

158. From the moment at least one CMU is successfully prequalified (meaning that the related Prequalification File is “approved” and the prequalification results have been communicated to the CRM Candidate), the CRM Candidate becomes a “Prequalified CRM Candidate” with access to Primary Market and Secondary Market (only of as Seller of Obligation for an Additional CMU and a Virtual CMU).
159. As per Service Time Schedule, to be able to participate to an Auction of a year A with a CMU, this CMU shall have obtained the status of “Prequalified CMU” before:
 - September 15 of this year A when no investment file has been submitted to CREG;
 - September 1st of this year A when an investment file has been submitted to CREG.
160. In case of contestation of the prequalification result, the procedure described in the chapter 13 applies.

5.7.1.2 Opt-out Volume adaptation

161. From the moment the CRM Candidate has participated to a standard Prequalification Process, receives the results of his Prequalification Process and obtains the status of “Prequalified CRM Candidate”, he gets the possibility to adapt his Opt-out Volume. This adaptation is done via the CRM IT Interface after the prequalification results notification but no later than five Working Days after September 15 so that the Opt-out Volume is taken into account for the forthcoming Auction. As a consequence, the Eligible Volumes (section 5.6.4) and the Secondary Market Eligible Volume (section 5.6.5) are adapted accordingly and notified to the Prequalified CRM Candidate via the CRM IT Interface.

5.7.2 Fast track Prequalification Process

162. A notification providing the results linked to a fast track Prequalification Process, in case of “approved” Prequalification File only (see section 5.5.2), is provided by ELIA to the CRM Candidate, as per Service Time Schedule and annex 17.1.7, and is expected to contain the following data:
 - The Fast Track Nominal Reference Power of the CMU;
 - The Fast Track Volumes of the CMU.
163. This notification does not grant the CRM Candidate with a “Prequalified” status. Indeed, his CMU cannot participate in the Primary Market or the Secondary Market for the Delivery Period to which this notification relates.
164. In case the CRM Candidate wants to participate to the Primary Market or the Secondary Market with his CMU, he shall go through the entire standard Prequalification Process with this related CMU.

5.8. EVOLUTION IN TIME

165. Prequalification is an on-going process for which data or status, and more specifically the Eligible Volume, could evolve in time, influenced by different factors. Some of these factors are yearly updated (e.g. update of Derating Factors), some happen periodically (e.g. Availability Monitoring

of the Nominal Reference Power) and others appear occasionally (e.g. update of the Grid User Declaration).

To ensure clear understanding on how such data could influence a Prequalification File, the sections here below identify the related process to follow in order to remain compliant at all times with contractual requirements.

5.8.1 General principles

166. The following principles, relevant for (Prequalified) CMUs and for CMUs having successfully going through the fast track Prequalification Process, are applicable to the sections below (5.8.2, 5.8.3, 5.8.4, 5.8.5 and 5.8.6):

- Any change related to the information included in a Prequalification File is introduced by a CRM Actor through the CRM IT Interface only.
- An application form cannot be directly updated via the CRM IT Interface (as per section 5.8.5.1)
- The maximum timing to consider in order to be able to participate to a Transaction with a change – introduced for a Prequalification File – taken into account, is described in section 5.8.6.
- A change made to a Prequalification File, does not in any way impact the obligations linked to a Contracted Capacity, whatever the Capacity Category.
- ELIA may inform about some updates (as per sections 5.8.4 and 5.8.5.3) to be considered – via a notification in the CRM IT Interface – but it is however the CRM Actor’s own responsibility to timely update the required data and to keep being compliant with laws, regulations and the like:
 - Such notification as issued by ELIA is for information and could not be considered as a way for ELIA to endorse CRM Actor’s own responsibility;
 - Such notification is subject to the acceptance by the CRM Actor in order to grant him access to the forthcoming Transaction.
- For the sake of audit or legal obligations, any changes submitted via the CRM IT Interface are stored by ELIA for at least twelve years
 - Starting from the Prequalification File rejection date for a Capacity Holder;
 - Starting from the Prequalification File approval date for a CRM Candidate who is non selected in one (of the) Auction(s) to come;
 - Starting from the Capacity Contract end date for a Capacity Provider;
- Unless notified by the CRM Actor when the change is registered in the CRM IT Interface (as per detailed in section 5.8.5, a date of entry into force may be provided), a change only applies for the forthcoming Transactions.
- The CRM Actor ensures that the data included in his application form and his Prequalification File(s) remain complete and accurate over time. Otherwise, penalties may apply as per section 5.5.3.
- The NEMO and the Declared Day-ahead Price, not being a requirement for a CMU to be prequalified, do not follow the rules of evolution in time defined in this section 5.8 but the ones

described in section 11.3.2 for the NEMO and the ones described in section 8.4.2.1.2 for the Declared Day-ahead Price.

5.8.2 Renewal of CMU's prequalification

167. The Prequalification File of a CMU (related to a standard, a specific or a fast track Prequalification Process) is yearly subject to a validation by ELIA and the CRM Actor. Each year, five Working Days after the publication of the Functioning Rules for the Capacity Remuneration Mechanism, ELIA sends therefore a notification to the CRM Actor asking him to validate that his Prequalification File is still compliant with the obligations of section 5.3 and that the information (in accordance with section 5.4) it contains, are still accurate. This validation has to be done for June 15th at the latest via the CRM IT Interface. Within this time frame (from ELIA's notification and until June 15th), the CRM Actor either:

- Confirms that his Prequalification File is still compliant; or
- Indicates that his Prequalification File is no longer compliant by updating the required data and documents (hence submitting an updated Prequalification File) following the process of section 5.8.5 and the timing of section 5.8.6.

In the event that no answer is provided by the CRM Actor to ELIA via the CRM IT Interface on June 15th, ELIA considers the file as "rejected" (as defined in section 5.5.2) and blocks the access to the Primary Market and the Secondary Market for the related CMU.

168. Finally, if a CRM Actor does not want his CMU to be prequalified any more, the possibility is always given:

- To archive the related CMU (following the rules of section 5.8.5.2.2) regardless of the Prequalification Process through which the CMU has passed; or
- To go through the fast track Prequalification Process with the related CMU (following the rules of section 5.8.5.2.2) for Existing CMUs only.

5.8.3 Renewal of the Opt-out Notification

169. An Opt-out Notification related to a CMU (related to a standard or a fast track Prequalification Process) is submitted on a yearly basis by the CRM Actor. Each year, following the same timing as for the renewal of the prequalification of a CMU (paragraph 167), ELIA sends two notifications related to each Auction (Y-4 and Y-1) to the CRM Actor asking him:

- To provide a new Opt-out Notification or to state that he does not want to declare (any more) an Opt-out Volume for CMUs prequalified from the standard Prequalification Process; or
- To provide a new Opt-out Notification for CMUs that have successfully gone through the fast track Prequalification Process.

170. The Opt-out Notification follows the templates of annexes 17.1.11 and 17.1.12 and the rules defined in section 5.6.2.

171. In the event that no answer is provided to ELIA on June 15th (cf. paragraph 167), ELIA considers the following:

- The Opt-out Volume as equal to zero for CMUs prequalified from the standard Prequalification Process; or

- The related fast track Prequalification File as “rejected” (see section 5.5.2).

5.8.4 Automatic updates performed by ELIA

172. The situations below (sections 5.8.4.1 and 5.8.4.2) describe how a Prequalification File can be automatically updated by ELIA. In case of adaptation the CRM Actor is notified by ELIA via the CRM IT Interface. This notification is done within twenty Working Days starting from the official publication of the change from the related entity. From this notification from ELIA, the CRM Actor has ten Working Days to confirm (or not) his agreement with the change. Such change becomes valid for the forthcoming Transaction(s) if he confirms his agreement or if no contestation is raised by him within these ten Working Days. If he contests the change, ELIA invites him to either do a fast track Prequalification Process with the concerned CMU(s) or archive the CMU(s) (as per section 5.8.5.2.2).

5.8.4.1 Volumes update

5.8.4.1.1 Volumes related to a CMU

173. Each volume (Eligible Volume, Remaining Eligible Volume, Secondary Market Eligible Volume and Secondary Market Remaining Eligible Volume) related to a Prequalified CMU is automatically updated by ELIA following the rules of:

- Section 5.6.4 for the Eligible Volume;
- Section 5.6.5. for the Secondary Market Eligible Volume;
- Section 5.8.4.1.2 for the Remaining Eligible Volume;
- Sections 5.8.4.1.3 for the Secondary Market Remaining Eligible Volume.

174. The three following possibilities illustrates how these four types of volume may be impacted over time:

- An evolution of the **Derating Factors**:

The volumes (Eligible Volume, Remaining Eligible Volume, Secondary Market Eligible Volume and Secondary Market Remaining Eligible Volume) are automatically updated for the forthcoming Auctions based on the yearly Derating Factors publication.

- An adaptation of the **DSO-CRM Candidate Agreement** by the DSO:

For DSO-connected Delivery Points, the DSO-CRM Candidate Agreement signed before the Prequalification Process as per section 5.3.2.1.3 may be adapted by the DSO in time. In such circumstances, the Nominal Reference Power communicated to ELIA during the Prequalification Process may be updated according to the new version of the DSO-CRM Candidate Agreement. In this situation, the concerned DSO contacts ELIA through the adequate communication channel to notify an update of the Delivery Point’s Nominal Reference Power. The different volumes (Eligible Volume, Remaining Eligible Volume, Secondary Market Eligible Volume and Secondary Market Remaining Eligible Volume) are therefore adapted by ELIA accordingly. In the specific case where a Delivery Point is no longer tied to a CRM Candidate-DSO Agreement or where the related Nominal reference Power becomes equal to zero, the related Delivery Point is automatically removed from the Prequalification File (following the rules or section 5.8.5.2.1).

The determination by ELIA of a **Missing Capacity**:The Availability Monitoring results,

described in the chapter 8, may result in the determination of a Missing Capacity. Such Missing Capacity, after consideration of the contestation procedure (section 8.6.3), will sometimes lead to a downward revision of the Nominal Reference Power, and in consequence an automatic adaptation of the different volumes (Eligible Volume, Remaining Eligible Volume, Secondary Market Eligible Volume and Secondary Market Remaining Eligible Volume) in accordance with the rules of the chapter 8.

5.8.4.1.2 Remaining Eligible Volume

175. A Remaining Eligible Volume of a CMU represents the maximum capacity of a Transaction on the Primary Market that a Capacity Provider can contract for a specific Delivery Period in case this Capacity Provider already contracted one or more Capacities for this CMU and this Delivery Period. It is timely (as soon as a new Transaction related to this CMU is made) determined by ELIA following the formula below (paragraph 176) and as a consequence of one or more of the following:

- A Capacity Provider may be contracted for a volume lower than his Eligible Volume in the Primary Market; and/or
- The Derating Factors can be updated on a yearly basis; and/or
- A Capacity Provider may be contracted in the Primary Market for a Capacity Contract Duration lower than the Capacity Category he was assigned to by CREG.

Therefore, as soon as a Transaction has been made with a CMU, there is no longer an Eligible Volume and it is the Remaining Eligible Volume that defines the maximum volume to be contracted in an Auction.

176. The Remaining Eligible Volume for a specific Transaction Period represents therefore the maximum between zero and the difference between the last updated Eligible Volume of the CMU and the maximum Total Contracted Capacity of this CMU over the related Delivery Period(s). These elements are to be found in the following formula:

$$\text{Remaining Eligible Volume}(CMU, TP)$$

$$= \text{Max} (0 ; \text{Eligible Volume}(CMU) - \text{Total Contracted Capacity}_{max}(CMU, TP))$$

$$= \text{Max} (0 ; \text{Reference Power}(CMU) \times \text{Derating Factor} (CMU) - \text{Total Contracted Capacity}_{max}(CMU, TP))$$

Where:

- *Remaining Eligible Volume(CMU, TP)* is the Remaining Eligible Volume of the CMU for the Transaction Period *TP* (defined by one or more a Delivery Period(s));
- *Total Contracted Capacity_{max}(CMU, TP)* is the maximal Total Contracted Capacity of the CMU over the Transaction Period *TP* (defined by one or more Delivery Periods);
- *Eligible Volume(CMU)* is the most recently updated Eligible Volume for the CMU at the time the Remaining Eligible Volume is evaluated;
- *Reference Power(CMU)* is the most recently updated Reference Power for the CMU at the time the Remaining Eligible Volume is evaluated;
- *Derating Factor (CMU)* is the most recently updated Derating Factor for the CMU at the time the Remaining Eligible Volume is evaluated;

- TP is the Transaction Period proposed by the Capacity Provider in the Auction for which he used the related Remaining Eligible Volume.

As the choice of the category for the Derating Factor (as per annex 17.1.13) leads to two Eligible Volumes (one for a participation to a Y-1 Auction and another one for a participation to a Y-4 Auction), two Remaining Eligible Volumes are also always communicated by ELIA to the CRM Actor.

177. Each time a Transaction is made via the Primary Market, ELIA updates the Remaining Eligible Volumes and the Capacity Provider can access these values via the CRM IT Interface. No specific notification (and therefore contestation) is thus foreseen for such update. This automatic update becomes effective as of the Transaction Validation Date. From that moment on, the updated Remaining Eligible Volumes are considered as the references and used as parameter for any future Transaction in the Primary Market. It does not influence an on-going Capacity Contract.
178. Some explanatory diagrams can be found in annex 17.1.18 to give more clarification about the Remaining Eligible Volume.

5.8.4.1.3 Secondary Market Remaining Eligible Volume

179. As a Capacity Provider may be contracted for a volume lower than his Secondary Market Eligible Volume in the Secondary Market, a Secondary Market Remaining Eligible Volume has been created. The Secondary Market Remaining Eligible Volume is timely (each time a Transaction is made via the Secondary Market) evaluated by ELIA.
180. The Capacity Provider can access the updated Secondary Market Remaining Eligible Volume, through the CRM IT Interface and for information only. No specific notification (and therefore contestation) is thus foreseen for such update.
181. This automatic update becomes effective as of the Transaction Validation Date. From that moment on, the updated Secondary Market Remaining Eligible Volume is considered as the reference and used as parameter for any future Transaction. It does not influence an on-going Capacity Contract.

5.8.4.2 Capacity Category update

182. As stated in the Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7undecies §5 of the Electricity Act, the regulator is entitled to timely require a decrease of the Capacity Category compared to the ones initially granted by the regulator in the event that the Capacity Provider entered into a Capacity Contract Duration higher than one year.

Once the updated Capacity Category has been communicated by CREG to ELIA, the Capacity Category and the Capacity Contract Duration is adapted accordingly.

5.8.5 Updates to be performed by the CRM Actor

183. Any change of the Prequalification File submitted by a CRM Actor is provided with a date of entry into force. Indeed, the CRM Actor chooses from which date the change applies. A Capacity Provider can therefore decide whether the change influences an on-going Capacity Contract or not. However, as per section 5.8.1, whatever the decision, the Total Contracted Capacity and the obligations related to one or more Contracted Capacity(ies) are never impacted by a change of the Prequalification File.
184. If the CRM Actor does not provide a date of entry into force to ELIA, the latter is considered by ELIA as equal to the results notification date of the change (defined in section 5.8.6). However,

as per section 5.8.1, whatever the decision, the Total Contracted Capacity and the obligations related to one or more Contracted Capacity(ies) are never impacted by a change of the Prequalification File.

185. In the event of a change submission, the Prequalification Process is triggered accordingly, in order to ensure that the change is compliant with the conditions detailed in section 5.3 and the requirements of section 5.4. Any change influencing the Eligible Volume also leads to a relaunch of the process for calculating the different volumes (Eligible Volume, Secondary Market Eligible Volume, Remaining Eligible Volume and Secondary Market Remaining Eligible Volume – as detailed in section 5.6). These new volumes are considered as valid only for any future Transactions taking place after the date of entry into force (as defined in paragraph 183).
186. Regardless of when and which change is to be applied and in addition to the general principles of section 5.8.1, the following general conditions shall be respected:
- A CRM Actor remains compliant with section 5.3.1.2; and
 - A change of the application form respects all conditions as detailed in section 5.3.1.1; and
 - A Delivery Point added to a CMU or modified respects all conditions as detailed in section 5.3.2; and
 - An added or a modified CMU respects all conditions as detailed in section 5.3.2 for standard and specific Prequalification Files and section 5.3.3 for a fast track Prequalification File; and
 - Whatever the change submitted, the Prequalification Process is triggered accordingly.
187. In addition of the above, ELIA accepts a change impacting an on-going contract related to a CMU, provided that the following conditions are respected:
- The Delivery Point added to a CMU is an Existing Delivery Point; and
 - The energy constraint declared by the Capacity Provider for the (aggregated) CMU remains valid and is not influenced by one or more new Delivery Point(s); and
 - No Delivery Point can be added into the CMU which is linked to an investment file with the regulator; and
 - As per Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7 undecies, §5 of the Electricity Act, a Delivery Point can replace another one into a CMU that has been contracted for a multi-year contract as long as:
 - The Capacity Category of this new Delivery Point is not lower than the remaining Capacity Contract Duration of the already Prequalified CMU at the time of the change submission; and
 - The replacement Delivery Point is not subject of a current Capacity Contract; and
 - The CO₂ emission of the new (aggregated) CMU does not exceed the CO₂ emission calculated (as per Regulation (EU) 2019/943) for the related CMU during the Prequalification Process; and
 - The current status of the CMU remains and is not be subject to change; and
 - The suppression of a Delivery Point part of the CMU, in case it is linked to an investment file with CREG, is only possible within five Working Days starting from CREG's notification (September 15 of the prequalification year at the latest) of the Capacity Category to ELIA; and

- No change is accepted by ELIA on an on-going contract related to a VCMU.

5.8.5.1 Evolution of CRM Actor's application form

188. A CRM Actor is entitled, at any time and through the CRM IT Interface, to modify data or documents as initially provided in his application form (section 5.3.1.1, annexes 17.1.4 and 17.1.5). To do so, the CRM Actor is asked to directly contact ELIA by e-mail.

The updated data is timely reviewed by ELIA as per section 5.5.1.

5.8.5.2 Evolution of CRM Actor's Prequalification File

189. A Prequalification File could be modified upon different circumstances. Here below a detailed list of the changes which may be considered by ELIA as part of the Prequalification File.

5.8.5.2.1 Update linked to a Delivery Point

190. A CRM Actor may ask for an update linked to a Delivery Point, whenever needed, via the CRM IT Interface, as long as he respects the conditions of section 5.8.1. The possible updates for a Delivery Point are detailed below:

- **Delivery Point addition:** The CRM Actor may decide to add one or more Delivery Point(s) into a CMU, regardless of its status (Existing Delivery Point or Additional Delivery Point) as long as the rules of paragraph 187 are respected.
- **Delivery Point deletion:** The CRM Actor has the possibility to delete one or more Delivery Point(s) from a CMU, regardless of its status (Existing or Additional Delivery Point). However, in the event that the CMU is related to a Capacity Contract, the deletion of all Delivery Points part of this CMU never leads to a deletion of the CMU (section 5.8.5.2.2).
- **Delivery Point transfer:** In the event a CRM Actor plans to transfer his prequalified Delivery Point to another CRM Actor or to another of his CMUs, the related Delivery Point is added to the CMU of its new owner once deleted by the current one. The transfer is therefore the combination of two actions: first the Delivery Point deletion from a Prequalification File and then his re-creation in a new one. The Delivery Point ID must however remain the same while this Delivery Point goes from one portfolio to another. The CRM Actor must therefore provide this ID via the CRM IT Interface at the file re-creation. In case the CRM Actor is not the Grid User or the CDS User, this ID will be communicated to the CRM Actor respectively by the Grid User or the CDS User (according to paragraph 51).
- **Delivery Point modification:** The CRM Actor may modify the data related to a Delivery Point. The data that may be edited are those listed in the table of section 5.4.1.1.1 for standard and specific Prequalification Files and section 5.4.2 for fast track Prequalification Files. It is important to specify that, in the context of the modification of a Delivery Point, the CRM Actor has also the possibility to launch the re-calculation of a Nominal Reference Power¹⁸ while using the 1st, the 2nd or the 3rd method (which are defined in section 5.6.1.1.1.1).

¹⁸ The adaptation of a Nominal Reference Power is triggered by the CRM Actor himself. There is no automatic and periodic re-calculation planned by ELIA. However, if ELIA (or the DSO) observes significant differences between the parameters of a Prequalification File and the reality, the correction of these data can be requested to the CRM Actor.

5.8.5.2.2 Update linked to a CMU

191. A CRM Actor may ask for an update linked to a CMU via the CRM IT Interface, as long as he respects the conditions of section 5.8.1. The possible updates for a CMU are detailed below:

- **CMU creation:** The CRM Actor may decide to add one or more CMU(s), regardless of its status (Existing CMU, Additional CMU or Virtual CMU). The creation of a CMU consists of the creation of a new Prequalification File.

CMU archiving: The CRM Actor has the possibility to archive one or more CMU(s), regardless of its status (Existing CMU, Additional CMU or Virtual CMU). In the event that the CRM Actor archives his CMU because he does not want to participate to the Service anymore, ELIA also offers the possibility to follow a fast track Prequalification Process with the related CMU. In this way, the CRM Candidate remains compliant with the law. In the event that a CMU is associated to an on-going Capacity Contract, such CMU always remains into the CRM IT Interface even if it does not include any Delivery Point (section 5.8.5.2.1). Indeed, the Capacity Provider always remains subject to the pre-delivery control during the Pre-delivery Period and to the Availability Monitoring during the Delivery Period.

- **CMU transfer:** In the event a CRM Actor plans to transfer its Prequalified CMU to another CRM Actor, the related CMU shall enter the full Prequalification Process again with its new owner once archived by the current one. The transfer is therefore the combination of two actions: first the CMU archiving from a Prequalification File and then his re-creation in a new one. More information on the CMU transfer can be found in the Capacity Contract.

CMU modification: The CRM Actor may modify the data related to a CMU and listed in the table of section 5.4.1.1.2 for standard and specific Prequalification Files and section 5.4.2 for fast track Prequalification Files. The CRM Actor has also the possibility to do a fast track Prequalification Process with a (Prequalified) Existing CMU or with a (prequalified) Existing Delivery Point. As the fast track Prequalification Process can only include one Delivery Point, each Delivery Point part of the CMU that follows the fast track Prequalification Process is split into different Prequalification Files. A CMU which followed a fast track Prequalification Process can also follow a standard Prequalification Process. To do so, the CRM Candidate archives his fast track Prequalification File and creates a new CMU following the standard Prequalification Process.

5.8.5.3 Evolution due to legal updates

192. By default, any change issued by a legal institution is considered and implicitly endorsed by the CRM Actor. ELIA may notify about these potential changes. However, following section 5.8.1, it is the responsibility of the CRM Actor to timely update the required data and to remain compliant.

193. Starting from the change notification, the CRM Actor has twenty Working Days to adapt his Prequalification File. This adaptation therefore triggers accordingly the Prequalification Process, in order to consider such update for future Transactions.

A non-exhaustive list of legal updates which may impact in some way a Prequalification File is given below:

- Update of the Functioning Rules for the Capacity Remuneration Mechanism;
- Update of the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Threshold meant in article 7undecies. §4 of the Electricity Act;
- Update of the Regulation (EU) 2019/943;

- Update of the Electricity Act of April 29, 1999;
- Update of the Royal Decree on Methodology meant article 7undecies, §2 of the Electricity Act;
- Update of the Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7undecies, §5 of the Electricity Act.

5.8.6 Compliance control of an adaptation of the Prequalification File and notification of the results

194. The following sections (5.8.6.1 and 5.8.6.2) describes what ELIA does – in terms of process and timing – in case one or more change(s) are made to a Prequalification File via the CRM IT Interface. The first section is when the change(s) has(have) no impact of the volumes (Eligible Volume, Remaining Eligible Volume, Secondary Market Eligible Volume and Secondary Market Remaining Eligible Volume) and on the contrary, the second one is when the change(s) has(have) an impact on these volumes.

5.8.6.1 No impact on the volumes

195. In the event that the change(s) submitted by the CRM Actor has(have) no impact on the volumes (e.g. the CRM Actor wants to update the Grid User Declaration of one of his Delivery Points), the Prequalification File review process follows the same procedure and timing as defined from paragraph 86 to paragraph 89. Indeed, the purpose for ELIA is to check that the Prequalification File can still be considered as “approved” after the implementation of this(these) change(s).
196. For a CMU related to a standard or a specific Prequalification Process, as soon as the Prequalification File is considered as “approved” by ELIA, it automatically gets back his “prequalified” status and the related CRM Actor is granted access to the Primary Market and/or Secondary Market with this CMU. This “prequalified” status is therefore notified together with the “approved” status.
197. For a CMU related to a fast track Prequalification Process, only the “approved” status is sufficient to be considered as compliant regarding the law.

5.8.6.2 Impact on the volumes

198. In the event that the change(s) submitted by the CRM Actor has(have) an impact on the volumes (e.g. the CRM Actor asks for an update of the Nominal Reference Power for one or his Delivery Points), the first step for ELIA is to review the change(s) implemented by the CRM Actor in the Prequalification File by following the same process and timing as defined from paragraph 86 to paragraph 89. The purpose of this first step is to know if the Prequalification File can be considered as “approved” after the implementation of this(these) change(s).
199. Then, as soon as the Prequalification File gets its “approved” status, the second step for ELIA is the volumes determination process. This process follows the below paths depending on the type of Prequalification Process and whether the Nominal Reference Power is impacted or not:
- For a CMU related to a **standard Prequalification Process**: In case (at least one of) the change(s) requires a new Nominal Reference Power for one or more Existing Delivery Point(s), ELIA starts by determining this(these) Nominal References Power(s). To do so, the rules and timings of section 5.6.1 apply. Then, the rules of sections 5.6.2, 5.6.3, 5.6.4 and 5.6.5, apply to respectively calculate – by taking the change(s) into account – the Nominal Reference Power of the CMU, the Opt-out Volume, the Reference Power, the Eligible Volume and the

Secondary Market Eligible Volume. The results notification of these volumes by ELIA to the Capacity Provider follows the same timing as in section 5.7.1.1.

In case the change(s) do(es) not induce any new Nominal Reference Power for the Existing Delivery Point(s), ELIA starts directly to determine the different volumes by also applying the rules of sections 0, 5.6.2, 5.6.3, 5.6.4 and 5.6.5. The results notification of these volumes by ELIA to the Capacity Provider follows the same timing as in section 5.7.1.1.

- For a CMU related to a **specific Prequalification Process**: As there is no volumes to calculate for a VCMU, this process never applies.
- For a CMU related to a **fast track Prequalification Process**: In case a CRM Actor changes his Fast Track Nominal Reference Power, ELIA will launch the process to determine the new Fast Track Volume (as per section 5.6.6) within ten Working Days starting from the notification of the "approved" status of the Prequalification File by ELIA to the CRM Actor.

200. When the volumes determination is over and when the Prequalification File is considered as "approved", the notification by ELIA to the CRM Actor is expected to contain the same information as that found:

- In Table 7 in case of standard Prequalification process;
- In paragraph 150 in case of fact track Prequalification process.

5.9. PREQUALIFICATION MODULE OF THE CRM IT INTERFACE

5.9.1 Requirements prior to prequalification

201. From the moment a Capacity Holder becomes a CRM Candidate, ELIA needs to check the good access, functioning and understanding of the prequalification module of the CRM IT Interface for the CRM Candidate.

The CRM IT Interface is a web based application. It therefore does not require specific development from the CRM Candidate's side. Access to the prequalification module of the CRM IT Interface is granted to the Capacity Holder at the latest by May 15th, 2021.

5.9.2 Requirements prior to Transaction Period

202. Some additional actions – being not mandatory to have a compliant Prequalification File – are to be realized by the CRM Actor for a CMU related to a Capacity Contract at least twenty Working Days prior to the start of the Transaction Period linked to this Capacity Contract:

- Succeed the Availability Test trigger;
- Communicate a Declared Day-ahead Price for the CMU (according to sections 5.4.1.2 and 8.4.2.1.2);
- Indicate a NEMO for the CMU to be used by ELIA as reference in the context of Payback Obligation (according to sections 5.4.1.2 and 8.4.2.1.2).

For some requirements (e.g: Availability Test trigger), actions might be needed on CRM Actor's side. In such case, ELIA shares the IT specifications no later than six months prior to the expected go live of the related requirement.

If these requirements have not been implemented or communicated by the Capacity Provider in time, the corresponding Contracted Capacity is considered as unavailable in the context of the Availability Monitoring as described in section 8.4.2 and face the corresponding penalties.

5.9.3 Auction Demo

203. As part of the Prequalification Process and once the application form has been approved by ELIA, access to the Auction demo platform (as also defined in section 6.5) is granted to the CRM Candidate. The purpose of this Auction demo interface is for the CRM Candidate to demonstrate his good understanding of the Auction requirements. In this way, ELIA advises the CRM Candidate to successfully pass the tests foreseen in this Auction demo tool prior to the prequalification result notification in order to facilitate the submission of the Bids before the Auction.

5.9.4 IT problems with the prequalification module

204. In the event that the CRM Actor identifies a problem when submitting information to ELIA via the CRM IT Interface during a Prequalification Process, the procedures detailed in section 14.3 apply.

5.10. NOTIFICATION TO CREG

5.10.1 Project ID definition

205. As soon as a CRM Candidate indicates to ELIA in his Prequalification File that he submitted an investment file to CREG for (one of) his CMU(s), ELIA generates a project ID on the CRM IT Interface. As a project ID can be used as reference for more than one CMU, if relevant to him, the CRM Candidate may indicate by himself the reference to an already existing project ID in his Prequalification File.

206. The purpose of a project ID is to guarantee a single reference to be used in communication between CRM Candidate, ELIA and CREG.

5.10.2 Communication with CREG

5.10.2.1 Prequalification File creation

207. During a Prequalification Process and in the event that the CRM Candidate notified ELIA about his intention to introduce an investment file, ELIA communicates specific information to CREG at three different times:

- Within three Working Days starting from the submission date of the Prequalification File in which it is indicated that the CMU is linked to an investment file (or more);
- Within three Working Days starting from the notification of the final Nominal Reference Power of each Delivery Point part of the CMU to the CRM Candidate;

- Within three Working Days starting from the results notification of the Prequalification Process by ELIA to the CRM Candidate – but no later than September 1st of the year in which an Auction is organized for a Prequalification File submitted before June 15 of the same year.

The information communicated by ELIA per CMU during these three moments are summarized in the following table:

	From the prequalification File submission date	From the final Nominal Reference Power notification	From the prequalification results notification
ID of the CRM Candidate	X	X	X
Legal status of the company	X	-	-
Company name / CRM Candidate name	X	-	-
Belgian Company address / CRM Candidate Belgian address	X	-	-
Contact details (the person who will be the point of contact for the regulator)	X	-	-
Project ID	X	X	X
ID of the CMU	X	X	X
ID of the Delivery Point(s)	X	X	X
EAN code of the Delivery Point(s)	x	-	-
The Declared Nominal Reference Power of each Additional Delivery Point of the CMU	X		
The Expected Nominal Reference Power of each Existing Delivery of the CMU	X		
The Nominal Reference Power (determined by ELIA or a DSO) of each Existing Delivery Point of the CMU		X	x
The prequalification results			X
Remaining years for a Capacity Contract Duration (compared to the initial Capacity Category)	X	-	-

allocated by the regulator) ¹⁹			
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Table 8: Information communicated by ELIA to CREG during the Prequalification Process

208. With the information in the table above, CREG is able to allocate a Capacity Category for each Delivery Point and for the CMU. The Capacity Category of a CMU is defined by the smallest Capacity Category among all Delivery Points part of the CMU – regardless of their status. However, in the specific case of Linked Capacities, the Capacity Category is not assign to each Delivery Point but to the entire capacity of the Linked Capacities.
209. This capacity category is communicated to the Prequalified CRM Candidate after the prequalification results notification but, as stated in article 7undecies §5, not later than fifteen days before the start of the Auction gate opening time (as defined in the Service Time Schedule).
210. As long as the CRM Candidate has not won an Auction, has not change his CMU and has not asked to CREG for a new classification, a Capacity Category remains valid over time and therefore for all Auctions. Any evolution or change related to a CMU (e.g. the suppression of a Delivery Point described in section 5.8.5.2.1) linked to an investment file is notified by ELIA to CREG without undue delay. Indeed, if the information, on which the classification decision was based, changes, the Capacity Provider is penalized ex post according to the conditions set out in the Royal Decree on Investment Thresholds and Eligible Investment Costs.
211. More information on the Capacity Category can be found in the Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7undecies, §5 of the Electricity Act.

5.10.2.2 Prequalification File update

212. As soon as a CRM Actor modifies his Prequalification File and that the related CMU is linked to an investment file, ELIA shall communicate these modifications to theCREG.
213. The information exchanged with the CREG are summarized in the table below, in function of the modification considered:

	Delivery Point(s) modification	Delivery Point(s) addition	Delivery Point(s) removal
ID of the CRM Candidate	X	X	X
Company name / CRM Candidate name	-	-	-
Belgian Company address / CRM Candidate Belgian address	-	-	-
Contact details (the person who will be the point of contact for the regulator)	-	-	-
Project ID	X	X	X

¹⁹ The number of remaining years for a Capacity Contract Duration corresponds to the difference between the Capacity Category allocated by the regulator and the number of years for which the Delivery Point has already been contracted.

ID of the CMU	X	X	X
ID of the Delivery Point(s)	X	X	X
EAN code of the Delivery Point(s)	X	X	-
The Declared Nominal Reference Power of each Additional Delivery Point of the CMU	-	X	-
The Expected Nominal Reference Power of each Existing Delivery of the CMU	-	X	-
The Nominal Reference Power (determined by ELIA) of each Existing Delivery Point of the CMU	X	X	-
The prequalification results	-	X	-
Remaining years for a Capacity Contract Duration (compared to the initial Capacity Category allocated by the regulator)²⁰	-	X	-

Table 9 - Information communicated by ELIA to CREG after the Prequalification File modification

²⁰ The number of remaining years for a Capacity Contract Duration corresponds to the difference between the Capacity Category allocated by the regulator and the number of years for which the Delivery Point has already been contracted.

6 AUCTION PROCESS

6.1. INTRODUCTION

214. The purpose of the Auction process is to determine the Contracted Capacities through the Primary Market, by means of the selection of Bids submitted in the Auction by Prequalified CRM Candidates for their respective Prequalified CMU(s) and provided the Capacity Contract is signed.

215. This document is structured around four sections.

Section 6.2 provides several general principles regarding the organization of the Auction and the roles and responsibilities of the actors involved in the Auction process.

Section 6.3 elaborates on the submission of Bids in the Auction, firstly outlining the possibilities available for a Prequalified CRM Candidate to express its preferences by defining general bid characteristics. Next, this chapter specifies the conditions each Bid should respect in order to be compliant, which is a prerequisite for the submission of a Bid. The chapter further details the Bid submission process and finally describes a requirement regarding the Remaining Eligible Volume of a Prequalified CMU that the combination of Bids related to each CMU should comply with.

Section 6.4 specifies the clearing of the Auction. After defining the Auction parameters and grid constraints that serve as input to an Auction, the chapter elaborates on the Auction clearing methodology and the pricing rule implemented in the Auction. Finally, the Auction results are described.

Section 6.5 entails the CRM IT Interface that will be used in order to enable amongst others Bid(s) submission.

6.2. GENERAL PRINCIPLES

216. In accordance with article 7undecies, §6 of the Electricity Act, conditional upon the instruction of the Minister provided on a yearly basis at the latest on March 31 as referred to in article 7undecies, §2, 2°, ELIA shall organize two Auctions for each Delivery Period:

- A first Auction four years ahead of the Delivery Period (hereafter referred to as Y-4 Auction)
- A second Auction one year ahead of the Delivery Period (hereafter referred to as Y-1 Auction)

217. ELIA shall provide the CRM IT Interface for the submission of Bids in the Auction, according to section 6.5.

218. Only Prequalified CRM Candidates are allowed to submit Bids and only via the CRM IT Interface, to which Prequalified CRM Candidates shall be given access by ELIA. Bids can be submitted from 9:00 CET on the first Working Day after September 15 – until the Auction gate closure time – at 17:00 CET, three Working Days before September 30 according to the Service Time Schedule as detailed in paragraph 250.

219. Prequalified CRM Candidates are responsible for the information provided in a Bid. ELIA does not bear any liability in respect of the content – i.e. correct or incorrect, complete or incomplete, reflecting the Prequalified CRM Candidate's intentions or not – of any submitted Bid, even if this Bid is compliant according to paragraph 229, as per chapter 2.

220. ELIA starts the clearing of the Auction starting on October 1. The Auction concludes, in accordance with article 7undecies, §6 of the Electricity Act, on October 31 with the publication of Auction results.
221. CREG monitors the proper functioning of the CRM, including the Auction process and the determination of the Auction results, as it is duly empowered thereto pursuant to article 26, §1bis of the Electricity Act and subject to the rules established in the Royal Decree on Control, without prejudice to the CREG's powers under article 23 §2 of the Electricity Act.
222. Following the selection of a submitted Bid in the Auction, at the moment Elia publishes the Auction results:
- The financial security provided by the Prequalified CRM Candidate for the Prequalified CMU to which this Bid relates, shall become effective immediately, according to paragraph 628; and
 - A Capacity Contract is to be signed within forty Working Days after the publication of the Auction results, based on the information provided in the Bid and the applicable Auction pricing rule, according to paragraph 302; and
 - Following the selection of a submitted Bid related to a CMU that is subject to a signed technical agreement and for which a Connection Contract has not been signed yet prior to the Auction, such Connection Contract is to be signed within the time period as foreseen in the applicable grid code.

6.3. BIDDING IN THE AUCTION

6.3.1 General bid characteristics

223. Each Bid is indivisible, meaning that it can only be selected in its entirety or not at all.
224. Subject to the conditions as detailed in paragraphs 240 and 241, a Prequalified CRM Candidate can label a Bid as being part of a set of Linked Bids together with one or more other Bids. Obviously, following this action, the latter Bid(s) are automatically also labeled together with the former Bid as part of the same set of Linked Bids. A Bid within a set of Linked Bids can only be selected when all other Bids within this set of Linked Bids are selected as well.
225. A Prequalified CRM Candidate can label a Bid as being part of a set of mutually exclusive Bids together with one or more other Bids. Obviously, following this action, the latter Bid(s) are automatically also labeled together with the former Bid as part of the same set of mutually exclusive Bids.
226. When a Bid that is labeled as being part of a set of Linked Bids is labeled as being part of a set of mutually exclusive Bids, all other Bids that are part of the set of Linked Bids are labeled as being part of this set of mutually exclusive Bids as well.
227. From a set of mutually exclusive Bids, maximally the following Bid(s) can be selected:
- One Bid that is not labeled as being part of a set of Linked Bids; or
 - All Bids that are labeled as being part of one common set of Linked Bids.
228. A Bid can only be labeled as being part of a set of Linked Bids together with other Bids that relate to the same Auction. Likewise, a Bid can only be labeled as being part of a set of mutually exclusive Bids together with other Bids that relate to the same Auction.

6.3.2 Bid conditions

229. A Bid is compliant only if it respects all conditions, if applicable, as detailed in sections 6.3.2.1, 6.3.2.2 and 6.3.2.3. Only compliant Bids can be submitted by Prequalified CRM Candidates in the CRM IT Interface, according to paragraph 250.

6.3.2.1 General Bid conditions

230. A Bid relates to a single Prequalified CMU.

231. No more than five Bids relate to the same CMU.

232. A Bid in a Y-1 Auction does not relate to a virtual CMU.

233. A Bid includes:

- One single Bid Price, expressed in EUR/MW/year with a granularity of 0,01 EUR/MW/year, subject to the conditions as detailed in paragraphs 234 and 235; and
- One single positive volume, expressed in MW with a granularity of 0,01 MW, subject to the conditions as detailed in paragraphs 236 and 237; and
- One single positive Capacity Contract Duration, expressed in number of years with a granularity of one year, subject to the conditions as detailed in paragraphs 238 and 239.

6.3.2.1.1 Bid Price

234. The Bid Price of a Bid is less than or equal to the Global Auction Price Cap.

235. The Bid Price of a Bid related to a CMU in the one year Capacity Category, is less than or equal to the Intermediate Price Cap. The Bid Price of a Bid related to a CMU that is assigned to a Capacity Category of more than one year with a Capacity Contract Duration of one year is not limited to the Intermediate Price Cap, but only to the Global Auction Price Cap.

6.3.2.1.2 Bid volume

236. The volume of a Bid is less than or equal to the Remaining Eligible Volume, or the Eligible Volume in case no prior Transactions have taken place, of the related CMU.

237. The volume of a Bid that is related to a CMU with a Capacity Contract Duration of more than one year, is equal to the Remaining Eligible Volume, or the Eligible Volume in case no prior Transactions have taken place, of the related CMU.

6.3.2.1.3 Capacity Contract Duration

238. The Capacity Contract Duration of a Bid is less than or equal to the Capacity Category to which the CMU is assigned by CREG.

239. The Capacity Contract Duration of a Bid that is related to a Virtual CMU is equal to one year.

6.3.2.2 Conditions regarding Linked Bids

240. A Bid that is labeled as being part of a set of Linked Bids together with another Bid:

- Does not relate to the same CMU as the latter Bid;

- Includes a Bid Price that is equal to the Bid Price of the latter Bid;
- Is related to a CMU that consists of only one Delivery Point;
- Is related to a CMU that is located on the same geographical location as the CMU to which the latter Bid relates, as indicated in the Prequalification File in accordance with chapter 5;
- Is related to a CMU that is technically dependent with the CMU to which the latter Bid relates, as indicated in the Prequalification File in accordance with chapter 5;

241. A Bid is labeled as being part of no more than one set of Linked Bids.

6.3.2.3 Conditions regarding Bids related to Additional CMUs that are part of a signed technical agreement

242. An Additional CMU can be part of one or more signed technical agreements, as detailed in Table 2 of section 5.4.1.1.2. Furthermore, a signed technical agreement may cover one or more Additional CMUs.
243. The volume of a Bid that is related to an Additional CMU that is part of a signed technical agreement, is equal to the Eligible Volume of the CMU.
244. The Bids that are related to Additional CMUs that are part of a signed technical agreement, are to be consistent with a signed technical agreement provided by ELIA:
- To be consistent with a signed technical agreement that covers one Additional CMU, a Bid is to be submitted related to this Additional CMU.
 - To be consistent with a signed technical agreement that covers more than one Additional CMU, a Bid is to be submitted related to each of these Additional CMUs. Furthermore, each of these Bids is to be labeled as being part of a set of Linked Bids together with all other Bids that are related to other Additional CMUs included in the same signed technical agreement.

6.3.3 Bid submission

245. Prequalified CRM Candidates submit Bids exclusively via the CRM IT Interface, in which different statuses are assigned to the Bids, as detailed in section 6.3.3.1. Section 6.3.3.2 describes the rules regarding the Auction gate closure time.
246. Bids relating to a different Auction shall be submitted separately and independently.

6.3.3.1 Bid status

247. As detailed in paragraphs 248, 249 and 250, a Bid in the CRM IT Interface can have the status "saved as draft," "saved as draft & compliant" or "submitted."

6.3.3.1.1 Saved as draft

248. A Prequalified CRM Candidate can store Bids temporarily in the CRM IT Interface from September 1, 9:00 CET until the Auction gate closure time, as detailed in chapter 4. When storing (a) Bid(s) in the CRM IT Interface, the Bid(s) get(s) the status "saved as draft" in the CRM IT Interface.

Bids with the status "saved as draft" by the Auction gate closure time, are not considered during the clearing of the Auction, as detailed in paragraph 258.

6.3.3.1.2 Saved as draft & compliant

249. On its own initiative and optionally as a compliancy check is anyway performed upon submission of a Bid according to paragraph 250, a Prequalified CRM Candidate can verify whether one or more Bids with the status "saved as draft" are compliant, via the CRM IT Interface from September 1, 9:00 CET until the Auction gate closure time, as detailed in chapter 4. ELIA verifies via checks incorporated in the CRM IT Interface, whether the Bids are compliant according to paragraph 229. In case of successful verification, the Bid(s) get(s) the status "save as draft & compliant."

Bids with the status "saved as draft & compliant" by the Auction gate closure time, are not considered during the clearing of the Auction, as detailed in paragraph 258.

6.3.3.1.3 Submitted

250. A Prequalified CRM Candidate can submit (a) Bid(s) in the CRM IT Interface during the Bid submission period as detailed in chapter 4. ELIA verifies, immediately upon submission via checks incorporated in the CRM IT Interface, whether the Bids are compliant according to paragraph 229. In case of successful verification, the Bid(s) get(s) the status "submitted." Bids with the status "submitted" can be updated or withdrawn until the Auction gate closure time. When a Bid is updated, it replaces the previously submitted Bid.

Bids with the status "submitted" by the Auction gate closure time are taken into account during the clearing of the Auction, as detailed in paragraph 258. A Prequalified CRM Candidate cannot update nor withdraw Bids with the status "submitted" after the Auction gate closure time.

6.3.3.2 Auction gate closure time

251. ELIA automatically reminds Prequalified CRM Candidates about the upcoming Auction gate closure time, at least one week and twenty-four hours before the Auction gate closure time.

252. In case of concerns implying that a Prequalified CRM Candidate is not able to submit its Bids in time, a fallback procedure as described in section 14.4, is provided for if this problem is attributable to ELIA.

253. Upon the Auction gate closure time, an automatic confirmation is provided to Prequalified CRM Candidates via the CRM IT Interface, confirming the successful submission of Bids.

6.3.4 Remaining Eligible Volume requirement

254. A Prequalified CRM Candidate that does not want to offer part of the capacity, or no capacity at all, of a Prequalified CMU in an Auction, has the possibility to do so on the condition that ELIA is notified of such decision prior to the Auction by means of an Opt-out Notification, according to paragraph 133. Consequently, the Remaining Eligible Volume of each Prequalified CMU, which is equal to the Eligible Volume in case no prior Transactions have taken place, is to be offered by the Prequalified CRM Candidate in the Auction.

255. To offer the Remaining Eligible Volume of a CMU in an Auction, the Prequalified CRM Candidate submits one or more Bids in the Auction such that the maximum capacity volume – as detailed in paragraph 256 – which can be selected, is equal to the Remaining Eligible Volume of this CMU.

256. Considering all submitted Bids related to a CMU, the maximum capacity volume that can be selected taking into account the rules as detailed in paragraphs 224 and 227 is equal to the sum of:

- The Bid volume of all Bids that are not labelled as being part of a set of mutually exclusive Bids; and

- Per set of mutually exclusive Bids, the maximum of the Bid volumes of the Bids that are labelled as being part of a set of mutually exclusive Bids.

257. ELIA communicates/reports to the relevant authorities whenever a Prequalified CRM Candidate does not respect this requirement.

6.4. AUCTION CLEARING

258. Starting on October 1, in accordance with the Auction clearing period as detailed in chapter 4, ELIA clears the Auction according to paragraph 272 in function of the pricing rule as detailed in section 6.4.4 and taking into account the parameters as detailed in paragraph 261, the grid constraints as detailed in section 6.4.2 and all submitted Bids by the Auction gate closure time according to paragraph 250.

6.4.1 Auction parameters

259. ELIA takes into account each of the following parameters during the clearing of the Auction:

- The Demand Curve, including the Global Auction Price Cap, in accordance with article 7undecies, §2, 2° of the Electricity Act determined by means of Ministerial Decree at the latest on March 31 prior to the Auction;
- The Intermediate Price Cap, in accordance with article 7undecies, §2, 2° of the Electricity Act determined by means of Ministerial Decree at the latest on March 31 prior to the Auction;
- The Dummy Bid, with a Bid volume equal to the derated Opt-out Volumes that result in a reduction of the volume to be procured in the Auction, according to paragraph 141. For a Y-4 Auction, the Bid volume of the Dummy Bid is increased by the volume equal to the sum of the Bid volumes of the Bids with a Capacity Contract Duration of more than three years that have been selected in the Y-1 Auction that is cleared in the same year as the Y-4 Auction, in accordance with the principles of clearing two Auctions that take place in the same year according to paragraph 265.

6.4.2 Grid constraints

6.4.2.1 Process

260. As specified in the Electricity Act article 7undecies §8, an Auction respects the technical capabilities of the electrical transmission grid and is in line with the connection process as defined in the Federal Grid Code. For this purpose, a yearly calculation and application phase for grid constraints for the Primary Market for the Delivery Period of the considered Auction is defined as follows.

Calculation phase

- During the calculation phase, which starts on 15th of June until 15th of September of the year in which the Auction takes place (as detailed in section 6.4.2.6), ELIA shall identify the public electrical transmission grid constraints of the expected grid infrastructure for the Delivery Period for the considered Auction to be taken into account during the Auction clearing. Infeasible combinations of CMU(s) – only for additional connection capacity following the status obtained in the standard Prequalification Process and which is subject to a signed technical agreement with ELIA – originating from public electrical transmission grid perspective can

occur and constitute grid constraints by ELIA, if they exert an unacceptable mutual influence or if too many CMU(s) want to connect within the same region. The drivers that can be used for determination of grid constraints are described in section 6.4.2.3 and the calculation methodology itself in section 6.4.2.2. The individual feasibility of CMU(s) with the need for additional connection capacity, is determined by ELIA through the Prequalification Process which need no separate grid constraints, whereas the feasibility of combining multiple CMU(s) is only verified through the calculation phase of grid constraints.

- ELIA does not calculate any external constraints, but may receive this information from third party (DSOs, Fluxys or CDSOs), provided all validation conditions for external constraints have been positively verified by ELIA (timing & format) and that those constraints have been provided according to the relevant legal and regulatory framework (according to section 6.4.2.4).

Application phase

- During the application phase (as detailed in section 6.4.2.6), ELIA provides the calculated grid constraints for public electrical transmission grid and any received external constraints to the CREG and all relevant regulatory bodies for information as well as to a 3rd party validator designated by the CREG if relevant for auditability of the Auction (as detailed in section 6.4.2.6).
- During the application phase, which starts on 15th of September of the year where the considered Auction takes place, ELIA applies the determined grid constraints (incl. validated external constraints) and implement those accordingly into the Auction algorithm used for the Auction clearing.
- In a year in which both a Y-1 and Y-4 Auction are organized (according to paragraph 216), ELIA determines the separate grid constraints for each Auction. In order to avoid a re-calculation of the grid constraints of the Y-4 auction, after the Y-1 Auction clearing, ELIA also takes into account the CMU(s) of the Y-1 auction for the calculation of the Y-4 auction grid constraints during the calculation phase in order to ensure that the results of the Y-1 Auction can subsequently be used to update the grid constraints for the Y-4 auction clearing.

6.4.2.2 Methodology for Electrical Transmission Grid Constraints

261. Grid constraints are limitations on the combination of CMU(s) for additional connection capacity within the CRM-framework following the status obtained in the standard Prequalification Process and which are subject to a signed technical agreement with ELIA, based on the expected grid infrastructure for the considered Delivery Period and based on the reference scenario used to calibrate the demand curve following the Royal Decree on Methodology to set the auction parameters as meant by Article 7undecies §2 of the Electricity Act, in order to ensure that all operational & market criteria are respected.

262. ELIA does not calculate grid constraints for CMU(s) with existing capacity connections – meaning with capacity already allocated at the time the Prequalification Process takes place in the Auction algorithm. Such existing capacity connections are hence not influenced by the Auction results. ELIA only calculates grid constraints based on the drivers mentioned in the Functioning rules (as detailed in section 6.4.2.3) – except if prior validation has been obtained by ELIA from CREG. No further restrictions apply to give maximum freedom of selection for the Auction algorithm.

ELIA calculates and applies the grid constraints within the Auction algorithm for Auction clearing following European and Belgian rules addressing the power system planning and addressing the future power system operation which are technology neutral. Any technology for additional

connection capacity in the framework of the CRM must therefore be part of the grid constraint calculation phase & no specific technology is exempted from potential grid constraints.

ELIA applies a step-wise methodology to determine the grid constraints in the calculation phase, the results of which are communicated to the CREG and all relevant regulatory bodies for information at the start of the application phase. This step-wise methodology is described below in four steps:

Step 1) The grid constraints are determined based on ELIA's information of future conditions of the reference grid for the Delivery Period of the considered Auction, according to the following principles:

- ELIA only assumes decommissioning (or capacity reductions) of existing capacity connections, known on the 15th of June of the year in which the considered Auction takes place - prior to the grid constraint calculation phase, in case they were officially announced via a definitive notification for closure (or capacity reduction) as referred to in article 4bis of the Electricity Act or if there are any specific legal requirements for decommissioning or phase-out of existing power units. In case a CMU has conditions specified in its technical agreement, then ELIA takes those conditions into account in the reference grid for determination of grid constraints, if applicable.
- ELIA uses the most recent status and anticipation (on the 15th of June of the year in which the considered Auction takes place) of the planned & approved grid infrastructure projects as listed in the latest Federal Development Plan & Regional Investment Plans, including potential new Grid Users resulting from specific client connection requests for which the Connection Contracts have been signed and which have confirmed their intention not to participate to the forthcoming Auction prior to the 1st June of the same year. Indeed, such new Grid Users would have obtained firm grid connection capacity and are hence not subject to grid constraints within the framework of the Auction. ELIA also uses the most recent available information regarding external grids in the vicinity of the Belgian borders.
- ELIA foresees a communication for information to the CREG prior to the grid calculation phase which lists any grid infrastructure projects relevant to the grid constraints with a delayed planning compared to the planning from the Federal Development Plan, if any, which would affect the reference grid & related grid constraints.
- In case a grid infrastructure project –with a delay known prior to the grid calculation phase – would be a necessary precondition for a combination of multiple CMU(s) at the start of the Delivery Period of the considered Auction, then this is reflected in the reference grid accordingly – meaning such CMU(s) combination cannot be selected in the Auction clearing. In case a grid infrastructure project – with a delay known prior to the grid calculation phase – would not be a strict precondition for a combination of multiple CMU(s) at the start of the Delivery Period of the considered Auction, then such CMU(s) combination can be selected in the Auction clearing for as long as the feasibility of the grid infrastructure project itself in a later stage remains warranted.
- ELIA uses as condition of the reference grid the reference scenario to calibrate the volume to be procured through CRM, as defined in the Royal Decree under article 7undecies §2 of the Electricity Act – together with some specific sensitivities whenever relevant.

Step 2) ELIA applies a combinatory methodology which consists of verifying the grid feasibility – according to the drivers for the public electrical transmission grid constraints (as detailed in section 6.4.2.3) and in line with the connection process as defined in the Federal Grid Code – of all relevant combinations of successfully Prequalified CMU(s) for additional connection capacity within the reference grid for the concerned Delivery Period of the considered Auction. In essence, ELIA performs grid feasibility studies in the same way as the standard connection process defined

in the Federal Grid Code for individual CMU for additional connection capacity but now with CMU combinations for additional connection capacity.

Step 3) ELIA sets up a combination matrix, which explicitly enumerates all infeasible combinations between CMU(s). The matrix summarizes and combines all information from each individual grid constraint (both those calculated by ELIA and potentially received from external parties) in a tabular format (according to section 6.4.2.5). For each infeasible combination within the public electrical transmission grid, ELIA indicates the technical reason for non-acceptance based on the drivers for grid constraints (as detailed in section 6.4.2.3). ELIA communicates the complete combination matrix to CREG and all relevant regulatory bodies for information as well as to a designated 3rd party validator if relevant in order to ensure auditability of the grid constraints.

Step 4) In the application phase, ELIA shall apply all valid grid constraints (according to section 6.4.2.4) & implement those accordingly into the auction algorithm.

6.4.2.3 Drivers for Electrical Transmission Grid Constraints

263. The technical drivers for electrical transmission grid constraints for the Delivery Period of the considered Auction can be categorized as:

- System security: ELIA applies rules to ensure security of the overall electricity grid without structurally requiring re-dispatch – which respect all relevant European & Belgian legislation addressing power system planning & future power system & market operation.
- Physical spacing limitations: ELIA determines any known limitations related to available physical space within the available terrains at the relevant substations, which are required for the anticipated connection of Additional Capacity for Prequalified CRM Candidates.

6.4.2.4 External constraints

264. ELIA does not calculate itself any external constraints, but shall take them into account during the application phase for a specific Auction, provided they are validated based on the subsequently described validation process.

265. External constraints are constraints from third parties (Fluxys and (C)DSOs), other than those calculated by ELIA. External constraints can originate from Fluxys or (C)DSO grids when multiple CMU(s) for additional connection capacity would be combined in a potential outcome of the Auction clearing causing an infeasible outcome in their grids, which is not related to the public electricity transmission grid. ELIA can accommodate in the Auction external constraints to the extent they are defined by the third party (Fluxys or (C)DSOs) within the appropriate legal & regulatory framework and they are provided on time & following the format specified in relation to the Auction process & rules.

266. In any case, ELIA cannot be held liable for the correctness of these external constraints.

267. The validation process for external constraints – prior to any application by ELIA within the application phase for a specific Auction - can in this respect be separated in two parts:

- The third party (Fluxys or (C)DSOs) informs ELIA in advance whether any distinct external constraint type can be accepted by the 15th of June of the year where the considered Auction takes place at the latest. The third party (Fluxys or (C)DSOs) provides the written confirmation from the relevant regulatory authority that such constraints can be applied in the Auction. ELIA does not bear any liability for the acceptance of the calculation methodology, nor for the calculated results nor for the acceptance of their application within the Auction algorithm

during the application phase. Elia is only responsible for the correct handling of the received information.

- ELIA verifies whether the received external constraints on time by the 15th of September of the year where the considered Auction takes place respect the required formatting (according to section 6.4.2.5). ELIA notifies & informs the relevant regulatory bodies, as well as to a 3rd party validator designated by the CREG if relevant for auditability of the Auction, with the received proposals for external constraints as soon as possible after the 15th of September but no later than the 30th of September. ELIA includes in the combination matrix (as detailed in section 6.4.2.2) any valid external constraint – which were received on time & which respect the grid constraint format.

268. In case the need for specific external constraints by third party (Fluxys or (C)DSOs) would be recurrent, they can be formalized by inclusion into the Functioning rules.

6.4.2.5 Grid constraints format

269. In case a grid constraint needs to be imposed within the Auction algorithm, it shall take the following form. The table below illustrates the case, listing the non-acceptable combinations for 3 CMUs:

CMU 1	CMU 2	CMU 3	Reason for non-acceptable combination
1	1	0	Eg. overload of line X
1	0	1	Eg. no sufficient space at substation X

Table 10: Illustration which summarizes 2 grid constraints for 3 CMUs in a table format

In case of external constraints, they shall take the same format as specified above and need to be provided to ELIA by the relevant third party (Fluxys or (C)DSOs) according to section 6.4.2.4. All grid constraints in such table format will be combined into a combination matrix as detailed in section 6.4.2.2.

6.4.2.6 Grid Constraints timings

Calculation phase

270. Third party (Fluxys or (C)DSOs) providing external constraints notify ELIA of the approval by the relevant regulatory authority of any distinct external constraint type at the latest by the 15th of June of the year where the considered Auction takes place, unless those external constraint types would already be included in the Functioning Rules since a recurrent need has been identified (according to section 6.4.2.4). ELIA is not responsible for the determination of the calculation for any external constraints.

ELIA determines the public electrical transmission grid constraints (if any) applicable to the respective Auction between the 15th of June and the 15th of September of the year where the considered Auction takes place.

All external grid constraints to be taken into account for the Auction are communicated to ELIA until the 15th of September of the year where the considered Auction takes place.

Application phase

271. As soon as possible after the 15th of September but no later than the Auction gate closure time of the year where the considered Auction takes place, ELIA submits the combination matrix including any external constraints as detailed in section 6.4.2.2 - to the CREG and other relevant regulators (if applicable) as well as to a 3rd party validator designated by the CREG if relevant for auditability of the Auction.

From 15th of September of the year where the considered Auction takes place, ELIA processes the information from the calculation phase into mathematical constraints needed within the Auction algorithm and implements those accordingly – based on the combination matrix and received external constraints.

6.4.3 Auction clearing methodology

272. The Auction clearing methodology consists of two phases. The optimization phase as detailed in section 6.4.3.1, is performed in any case. The tie-breaking phase as detailed in section 6.4.2.2 though, is performed only in case multiple equivalent combinations of Bids result from the optimization phase.
273. In a year in which both a Y-1 and Y-4 Auction are organized, ELIA first applies the Auction clearing methodology for the Y-1 Auction and afterwards for the Y-4 Auction.

6.4.3.1 Optimization phase

274. The purpose of the optimization phase is to identify the combination of Bids or multiple equivalent combinations of Bids that best meet the objective as described in this section.
275. All auction parameters as detailed in paragraph 259 are approximated by ELIA in the optimization phase, to achieve a granularity of 0,01 EUR/MW/year and 0,01 MW.
276. In the optimization phase:
- ELIA pursues the combination of Bids that maximizes the economic surplus, which is equal to the difference between:
 - The willingness-to-pay for a capacity volume equal to the sum of the Bid volumes of all Bids, calculated as the area under the Demand Curve up to this capacity volume; and
 - The cost for offering a capacity volume equal to the sum of the Bid volumes of all Bids, calculated as the Bid volume multiplied by the Bid Price, over all Bids;
 - In case multiple combinations of Bids are equivalent in terms of economic surplus, ELIA pursues the combination of Bids that results in the highest capacity volume calculated as the sum of the Bid volumes of all Bids;
 - In case multiple combinations of Bids are equivalent in terms of economic surplus and capacity volume equal to the sum of the Bid volumes of all Bids, and only in case a *pay-as-cleared* pricing rule according to paragraph 287 applies, ELIA pursues the combination of Bids that results in the lowest Auction clearing price, as detailed in paragraph 288

In the optimization phase, ELIA only considers those combinations of Bids that respect all of the following requirements:

- The combination of Bids includes the Dummy Bid;

- The combination of Bids only includes submitted Bids according to paragraph 250;
- The combination of Bids respects all general Bid characteristics as detailed in section 6.3.1; and
- The combination of Bids – for a Y-4 Auction following a Y-1 Auction in the same year, including the Bids related to Additional CMUs that are subject to a signed technical agreement that have been selected in the Y-1 Auction – does not violate any grid constraint, the grid constraints being determined according to section 6.4.2;
- The sum of the Bid volumes of the Bids related to Virtual CMUs within the combination of Bids is not higher than 400 MW in a Y-4 Auction and 0 MW in a Y-1 Auction.

277. In the optimization phase, ELIA applies a branch and bound algorithm

278. In case the optimization phase results in one unique combination of Bids that is superior to all other considered combinations of Bids, the Auction clearing is finished and all Bids within this unique combination of Bids are selected.

279. Only in case the optimization phase results in multiple equivalent combinations of Bids, the tie-breaking phase as detailed in paragraph 285, is performed.

6.4.3.2 Tie-breaking rules

280. The following tie-breaking rules are applied sequentially, until one unique combination of Bids is retained. From the moment a unique combination is found, the Auction clearing is finished and all Bids within this unique combination of Bids are selected.

6.4.3.2.1 Tie-breaking rule 1: Carbon dioxide emissions

281. Preference shall be given to the combination of Bids that is characterized by the lowest carbon dioxide emissions (CO₂), calculated as the Bid volume (in kW) multiplied by the emission factor (in gCO₂/kWh) derived from the information provided by the Prequalified CRM Candidate on CO₂ emissions for the concerned Delivery Points as detailed in Table 1 of section 5.4.1.1.1, summed over all Bids.

6.4.3.2.2 Tie-breaking rule 2: Capacity Contract Duration

282. Preference shall be given to the combination of Bids that is characterized by the shortest Capacity Contract Duration, calculated as the Bid volume (in MW) multiplied by the Capacity Contract Duration (in number of years), summed over all Bids.

6.4.3.2.3 Tie-breaking rule 3: First come, first served

283. The following “first come, first served” principle applies:

- a) Sort all Bids within all remaining combinations of Bids according to their Bid submission time;
- b) Loop through the sorted list of Bids, from the first submitted Bid to the last submitted Bid:
 - i. Check if the Bid is included in a combination of Bids. If not, discard this combination of Bids;
 - ii. Continue until only one combination of Bids remains.

6.4.4 Auction pricing rule

284. In each Auction that is related to a Delivery Period starting in 2025 or 2026, ELIA applies a pay-as-bid pricing rule, meaning that the price allocated to a selected Bid is equal to its Bid Price.
285. In each Auction that is related to a Delivery Period starting in 2027 or later, ELIA applies a pay-as-cleared pricing rule, meaning that the price allocated to a selected Bid is equal to:
- The minimum of the Auction clearing price and the Intermediate Price Cap, for Bids of which the Bid price is subject to the Intermediate Price Cap according to paragraph 235; or
 - The Auction clearing price for all other Bids.
286. The Auction clearing price (in EUR/MW/year) is equal to the highest Bid Price among all selected Bids.
287. The price allocated to a selected Bid shall not be indexed nor revised over the course of the Capacity Contract Duration.

6.4.5 Auction results

288. Upon the end of each Auction clearing phase, and in line with the Service Time Schedule, the list of selected Bids are submitted to the CREG for validation, in accordance with the modalities set by the Royal Decree on the control, referred to in article 7undecies, §9 of the Electricity Act.
289. Once the results are validated, each Prequalified CRM Candidate is notified of the official selection of its submitted Bid(s). In parallel, selected Bids get the status "selected" in the CRM IT Interface.
290. Auction results will be officially published according to section 15.4.2.2.
291. In the event that a Prequalified CRM Candidate intends to contest the Auction results as timely notified by ELIA and verified by CREG, the latter is invited to proceed as per chapter 13.

6.5. CRM IT INTERFACE

292. By law, ELIA has to provide an IT interface – referred to as CRM IT Interface – to enable each Prequalified CRM Candidate to submit Bids to participate to the Auction organized within the CRM framework. The access to this CRM IT Interface is web-based and does not require any other software than commonly-used internet browsers. Access rights to this CRM IT Interface are granted once the standard or the specific Prequalification Process is successfully completed. The Prequalified CRM Candidate is authorized to access it only between the Auction gate opening time and the Auction gate closure time. However, ELIA will put an 'Auction Demo' platform at disposal of CRM Candidates and Prequalified CRM Candidates to facilitate their preparation. Such platform will be accessible anytime from June 2021.
293. The CRM IT Interface performs automatic checks in order to validate the compliancy of Bids submitted (according to paragraph 229) and in this context also informs the Prequalified CRM Candidate when and why some of their Bids are considered as non-compliant.
294. Encryption of prices submitted by the Prequalified CRM Candidate is ensured as from submission of the Bid in the CRM IT Interface.

7 PRE-DELIVERY CONTROL

7.1. INTRODUCTION

295. This document respectively describes the pre-delivery control(s) that Existing CMUs, Additional CMUs and Virtual CMUs face from the moment they are associated to one or more Contracted Capacity(ies).

This document is divided in two main sections. Section 7.2 aims to define the general principles used all along the document while the section 7.3 describes all requirements to be respected and all processes to be followed during a Pre-delivery Period by respectively Existing CMUs, Additional CMUs and Virtual CMUs. The second part (section 7.3) depicts the impacts and/or penalties possibly incurred by the Capacity Provider in case a positive Missing Volume is determined.

7.2. GENERAL PRINCIPLES

296. The purpose of the pre-delivery control is to ensure that a Contracted Capacity becomes (for Contracted Capacity related to an Additional CMU or a Virtual CMU) or remains (for Contracted Capacity related to an Existing CMU) effectively available as of start of the first Delivery Period related to the Transaction Period of this Contracted Capacity.

7.2.1 Pre-delivery Period

7.2.1.1 Start and end dates

297. A Pre-delivery Period is related to one CMU and one Delivery Period. This Delivery Period – referred to hereafter as Delivery Period *DP* – is related to at least one Transaction provided that such Transaction(s):

- Result(s) from one (or more) selection(s) in the Primary Market; or
- Correspond(s) to one (or more) validated Secondary Market Transaction(s) (according to section 9.5.5) but only if the related Transaction Date takes place before the start of the Delivery Period containing the Transaction Period start date.

More information about the Pre-delivery Period characteristics can be found in annex 17.2.1.

298. A Pre-delivery Period related to a CMU starts from the first Transaction Validation Date linked to the Delivery Period *DP* corresponding to this Pre-delivery Period and ends when one of the two following obligations are met:

- The Delivery Period *DP* has started and the Contracted Capacity related to the CMU is Existing Capacity (the processes for an Additional Capacity or an Unproven Capacity to become an Existing Capacity are respectively described in annexes 17.1.19 and 17.1.20); or
- The related Transaction(s) is(are) not linked anymore to a Contracted Capacity.

7.2.1.2 The two phases

299. Provided that the CMU is an Additional or a Virtual CMU and provided that the Contracted Capacity(ies) is(are) issued from a Y-4 Auction, the Pre-delivery Period is divided in two phases defined by the following rules:

- The Delivery Period *DP* related to this Pre-delivery Period goes from November 1st of the year X to October 31st of the year X+1;
- The phase 1 starts with the Pre-delivery Period start date and ends on October 31st of the year X-2;
- The phase 2 starts with the end of the phase 1 and ends with the Pre-delivery Period end date.

300. In the event that the Contracted Capacity(ies) is(are) issued from a Y-1 Auction, the Pre-delivery Period cannot be divided into two phases. There is therefore only a phase 2 during the related Pre-delivery Period.

301. For Existing CMUs, there is no need to divide the Pre-delivery Periods into one or two phases.

7.2.2 Capacity Contract signature

302. From the moment a Transaction is confirmed (either consecutive to a selection in an Auction or following a validated transfer of obligations via the Secondary Market), a Capacity Contract is signed between the Prequalified CRM Candidate and ELIA. Such signature occurs within forty Working Days from the Transaction Validation Date.

303.

304. If, in the context of an Auction, the signature of the Connection Contract depends on the result of the Auction as notified to the CRM Candidate, the latter must sign the Capacity Contract with ELIA at the latest within ten Working Days after the signature of the Connection Contract (signed within the time limits prescribed in the applicable technical regulation). In case no Capacity Contract is signed within the period of time set in paragraphs 302 and 304, the following amount is called upon as penalty: 10,000 € per number of awarded MW for which no Capacity Contract is signed.

305. The possible actions for ELIA consecutive to the non-payment of the financial penalty are described in section 10.2.3.

7.3. PRE-DELIVERY CONTROL

7.3.1 Pre-delivery control for an Existing CMU

7.3.1.1 Pre-delivery control

306. The purpose of the pre-delivery control on an Existing CMU (or on an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements detailed in annex 17.1.1²¹)

²¹ The pre-delivery control on an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements is specifically described in annex 17.2.7).

is to ensure the effective availability of the Contracted Capacities related to this CMU in a period of time close to the start date of the Delivery Period *DP*.

307. Such CMU is subject to a control following the 5-step process detailed from section 7.3.1.1.1 to 7.3.1.1.5 and according to the test modalities described hereunder:

- The pre-delivery control is realized at CMU level (one CMU at a time);
- The pre-delivery control is related to one Delivery Period *DP*;
- For an Existing CMU only, ELIA is entitled to perform a pre-delivery control at any time²² – without notifying the Capacity Provider in advance – provided that:
 - For CMUs that change from an Additional/Virtual status to an Existing status during phase 2 (section 7.2.1.2 for the definition of phase 2), a maximum of one successful pre-delivery control is performed by ELIA per Delivery Period *DP*;
 - For CMUs that change from an Additional/Virtual status to an Existing status during phase 1 (section 7.2.1.2 for the definition of phase 1), at least one and no more than two successful pre-delivery controls are performed by ELIA per Delivery Period *DP*;
 - For CMUs that are already Existing CMUs at the Transaction Validation Date, at least one and no more than two successful pre-delivery controls are performed by ELIA per Delivery Period *DP*.

The time requirements for the pre-delivery control of an Existing CMU (or on an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements detailed in annex 17.1.1) is represented in annex 17.2.3.

7.3.1.1.1 Step 1: Determination of the Pre-delivery Obligation

308. A pre-delivery control takes place at a specific time, hereinafter referred to as $t_{control}$.

309. The determination of the Pre-delivery Obligation depends on whether the CMU is an Energy Constrained CMU or not:

- If the CMU is a **Non-energy Constrained CMU**, the Pre-delivery Obligation is equal to eighty percent²³ of the difference between the maximum Total Contracted Capacity over the Delivery Period *DP*, and the sum of the Contracted Capacities for which the Transaction Period overlaps the time $t_{control}$ and the time t_{TCC} . This is represented by the following formula:

$$\begin{aligned}
 & [PreDelivery Obligation] \\
 & = 80\% \times \left(Total Contracted Capacity_{max}(CMU, DP) \right. \\
 & \quad \left. - \sum_{i=1}^n [Contracted Capacity (CMU, Transaction_i, t_{control}, t_{TCC})] \right)
 \end{aligned}$$

- If the CMU is an **Energy Constrained CMU**, the Pre-delivery Obligation is equal to eighty percent²⁴ of the difference between the maximum Total Contracted Capacity over the Delivery Period *DP*, divided by a Derating Factor (detailed in paragraph 310) and the sum of the

²² In case of Linked Capacities, the pre-delivery control will take place at the same time for all of the Capacities that are linked together.

²³ The eighty percent is a margin of tolerance.

²⁴ The eighty percent is a margin of tolerance.

Contracted Capacities for which the Transaction period overlaps the time $t_{control}$ and the time t_{TCC} , divided by another Derating Factor (detailed in paragraph 310). This is represented by the following formula:

$$\begin{aligned}
 & \text{[PreDelivery Obligation]} \\
 & = 80\% \times \left(\frac{\text{Total Contracted Capacity}_{max}(CMU, DP)}{\text{Derating Factor}(CMU, t_{TCC})} \right. \\
 & \quad \left. - \sum_{i=1}^n \frac{[\text{Contracted Capacity}(CMU, Transaction_i, t_{control}, t_{TCC})]}{\text{Derating Factor}(CMU, Transaction_i)} \right)
 \end{aligned}$$

310. The Derating Factor (CMU,t) – where t can be replaced by t_{TCC} for the previous formulas – is expressed as follows:

$$\begin{aligned}
 & \text{Derating Factor}(CMU, t) \\
 & = \frac{\sum_{i=1}^n [\text{Contracted Capacity}(CMU, Transaction_i, t) \times \text{Derating Factor}(CMU, Transaction_i)]}{\text{Total Contracted Capacity}_{max}(CMU, DP)}
 \end{aligned}$$

Each element of the formulas above are defined as follows:

- t_{TCC} is defined by the time at which the maximal Total Contracted Capacity is identified over the Delivery Period DP ;
- $t_{control}$ is the moment at which the pre-delivery control takes place;
- n represents the number of Contracted Capacities related to the Transaction Period that overlaps the time t_{TCC} and $t_{control}$;
- $Transaction_i$ is one of the Transactions related to the CMU;
- $Derating Factor(CMU, Transaction_i,)$ is the Derating Factor contractually associated to $Transaction_i$ in the Capacity Contract;
- $Contracted Capacity(CMU, Transaction_i, t_{control}, t_{TCC})$ represents the Contracted Capacity associated to the Transaction i related to the CMU and to a Transaction Period that overlaps the time t_{TCC} and $t_{control}$;
- $Contracted Capacity(CMU, Transaction_i, t_{TCC})$ represents the Contracted Capacity associated to the Transaction i related to the CMU and to a Transaction Period that overlaps the time t_{TCC} ;
- $Total Contracted Capacity_{max}(CMU, DP)$ is the maximum Total Contracted Capacity over the Delivery Period DP (which represents also the sum of all the Contracted Capacities at time t_{TCC}).

311. Some examples of Pre-delivery Obligation determination are given in annex 17.2.2.

7.3.1.1.2 Step 2: Determination of the Delivery Point's Pre-delivery Measured Power

312. In this step, ELIA determines the Pre-delivery Measured Power of each Delivery Point part of the CMU which is referred to hereinafter as:

$$\text{[PreDelivery Measured Power]}_{\text{Delivery Point}} - .$$

The Pre-delivery Measured Power of a Delivery Point results from the analysis of the quarter-hourly measurements of the Delivery Point over a specific time series (this time frame is defined

by the period of time over which data is available, as defined further in this section). Therefore, to determine it, ELIA uses one of the two following methods:

- Method 1 – Use of historical data:

For Delivery Points for which historical data of the quarter-hourly measurements are available for a period of at least ten calendar days during the year preceding the time $t_{control}$, ELIA uses the method 1. This method aims to minimize the impact on the Capacity Provider's operational processes..

The time series used by ELIA for this method is defined as follows:

- It starts with the first injection or offtake into the grid if the Delivery Point is connected to it since less than twelve months from the time $t_{control}$;
 - It starts twelve months before the the time $t_{control}$ if the Delivery Point is connected to the grid since more than twelve months from the time $t_{control}$;
 - It ends at time $t_{control}$;
 - In this time series, a range of thirty-six hours in rolling-window is considered (each one starting from 12:00 until the following day at 23:45);
 - On each of these 36 hours, the highest power variation is determined as below:
 - For injection (a net injection is considered as a negative value for the quarter-hourly measurement), it consists in the absolute value of the difference between the lowest quarter-hourly measurement and the minimum between the highest quarter-hourly measurement and zero;
 - For consumption (a net offtake is considered as a positive value for the quarter-hourly measurement) and for both injection and offtake, it corresponds to the difference between the highest quarter-hourly measurement and the maximum between the Unsheddable Margin (communicated as part of the Prequalification File as stated in section 5.4.1.1.1) and the lowest quarter-hourly measurement;
- When the use of this method is impossible to determine the Pre-delivery Measured Power of a Delivery Point, ELIA applies method 2 which is defined right below.
- Method 2 – Organization of a pre-delivery test

For Delivery Points for which no historical data of the quarter-hourly measurements are available for a period of at least ten calendar days during the year preceding the time $t_{control}$, ELIA uses the method 2. This method is also used by ELIA in case the Capacity Provider contest the results of a pre-delivery control (according to section 7.3.1.1.5.2).

In case this method is used, ELIA sends a notification to the Capacity Provider via the CRM IT interface, asking him for a pre-delivery test date. This test date is located within twenty Working Days starting from ELIA's notification and also communicated to ELIA via the CRM IT interface within five Working Days starting from ELIA's notification. In case no date is communicated to ELIA by the Capacity Provider in the foreseen timeframe:

- For the determination of a provisional Pre-delivery Measured Power (according to section 7.3.1.1.5), ELIA applies by default the method 1 (use of historical data) to determine the Pre-delivery Measured Power for a period of twenty calendar days ending from ELIA's pre-delivery test notification;
- For the determination of a final Pre-delivery Measured Power (according to section 7.3.1.1.5), ELIA stops the process and considers the provisional Pre-delivery Measured Power as the final Pre-delivery Measured Power.

The date of the pre-delivery test as communicated to ELIA by the Capacity Provider indicates the start date of the test; the test beginning at 12.00 and finishing the day after, at 23.45.

To select the date of the pre-delivery control ($t_{control}$) and therefore the moment at which a pre-delivery test date is asked, ELIA takes into account unavailabilities (e.g.: outage) communicated by the Capacity Provider via other relevant processes (a.o: outage schedules).

The Pre-delivery Measured Power, as determined by this method, equals:

- For injection (a net injection is considered as a negative value for the quarter-hourly measurement), the absolute value of the difference between the lowest quarter-hourly measurement over the test duration and the minimum between the highest quarter-hourly measurement and zero;
- For consumption (a net offtake is considered as a positive value for the quarter-hourly measurement) and for both injection and offtake, the difference between the highest quarter-hourly measurement over the test duration and the maximum between the Unsheddable Margin (communicated as part of the Prequalification File as stated in section 5.4.1.1.1) and the lowest quarter-hourly measurement;

7.3.1.1.3 Step 3: Determination of the CMU's Pre-delivery Measured Power

313. The third step of the pre-delivery control is to determine the Pre-delivery Measured Power of the CMU, hereinafter referred to as $[PreDelivery Measured Power]_{CMU}$. As defined in the formula that follows, it is simply equal to the sum of the Pre-delivery Measured power of each Delivery Point part of this CMU:

$$[PreDelivery Measured Power]_{CMU} = \sum_{i=1}^n [PreDelivery Measured Power]_{Delivery Point i}$$

7.3.1.1.4 Step 4: Determination of the Missing Volume

314. The fourth step of the pre-delivery control is to determine the Missing Volume. Such volume is defined by the maximum between zero and the difference between the Pre-delivery Obligation defined at step 1 and the Pre-delivery Measured Power of the CMU determined at step 3.

$$Missing Volume = Max (0 ; ([PreDelivery Obligation]_{CMU} - [PreDelivery Measured Power]_{CMU}))$$

315. In case of positive Missing Volume and as detailed later in section 7.3.1.2 for an Existing CMU and annex 17.1.1 for an Additional CMU (which already includes Delivery Point(s) compliant with the metering requirements), penalties apply to the Capacity Provider and the results of the pre-delivery control (as per section 7.3.1.1.5 for an Existing CMU and annex 17.1.1 for an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements) may be used by ELIA as an input to organize an audit in order to check if the Nominal Reference Power of the CMU is still valid.

7.3.1.1.5 Step 5: Pre-delivery control results notification

316. The last step of the pre-delivery control is the communication of the results related to such control. This section describes therefore how and when these results are notified by ELIA to the Capacity Provider as well as how the latter can contest them, if needed.

7.3.1.1.5.1 (Pre-delivery activity) report issuance

317. Any report of the provisional or the final results of a pre-delivery control includes:

- The Pre-delivery Obligation of the CMU; and

- The (provisional) Pre-delivery Measured Power of each Delivery Point part of the CMU; and
- The (provisional) Pre-delivery Measured Power of the CMU; and
- The Missing Volume; and
- The penalties (as per section 7.3.1.2 for an Existing CMU and annex 17.1.1 for an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements).

The (provisional) results of the pre-delivery control are notified by ELIA to the Capacity Provider via the CRM IT Interface within maximum:

- Thirty Working Days from the pre-delivery control date ($t_{control}$); and
- Ten Working Days from the (new) pre-delivery test date chosen by the Capacity Provider.
- The final report sending the results of the pre-delivery control is referred to as the pre-delivery activity report in the Capacity Contract.

7.3.1.1.5.2 Contestation

318. The provisional results of the pre-delivery control are deemed final if no contestation is raised by the Capacity Provider within twenty Working Days as from the provisional results notification date by ELIA (according to section 7.3.1.1.5.1 for an Existing CMU and annex 17.1.1 for an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements).

319. In case of contestation, the Capacity Provider:

- Notifies his contestation through the CRM IT interface, within the above mentioned time period; and
- Indicates the reason of such contestation; and
- Requests the organization of a (new) pre-delivery test (following the rules of method 2 described in section 7.3.1.1.2) to be performed along with one proposed date that is not later than twenty-five Working Days from the provisional results notification date (section 7.3.1.1.5.1 for an Existing CMU and annex 17.1.1 for an Additional CMU which already includes Delivery Point(s) compliant with the metering requirements). The 5-step process detailed in section 7.3.1.1 is therefore restarted by ELIA.

The Capacity Provider can contest the provisional results of a pre-delivery control only once per provisional results notification by ELIA.

320. The Pre-delivery Measured Power of the CMU obtained after contestation – if higher than the Pre-delivery Measured Power initially calculated by ELIA – is considered as final and notified to the Capacity Provider following the process notification as per paragraph 317. If it is lower, the provisional Pre-delivery Measured Power of the CMU is considered as final.

321. In case the Capacity Provider wishes to contest the final results of the pre-delivery control (sent via the pre-delivery activity report), he follows the generic contestation process described in the Capacity Contract.

7.3.1.2 Pre-delivery control penalties

322. In case of positive Missing Volume for an Existing CMU (as detailed in section 7.3.1.1.4), ELIA applies a financial penalty equivalent to 10.000 Euro divided by two²⁵ and multiplied by the percentage of Missing Volume and the maximum Total Contracted Capacity over the Delivery Period *DP*. This is expressed in the following formula:

$$\text{Financial penalty (in EUR)} = 10.000 \times \frac{1}{2} \times \% \text{Missing Volume} \times \text{Total Contracted Capacity}_{\max}(\text{CMU}, \text{DP})$$

Where the *Total Contracted Capacity*_{max}(*CMU*, *DP*) is defined in paragraph 310 and the percentage of Missing Volume (*%Missing Volume*) is equal to the ratio between the Missing Volume (as detailed in section 7.3.1.1.4) and the Pre-delivery Obligation (as detailed in section 7.3.1.1.1). This is expressed by the following formula:

$$\% \text{Missing Volume} = \frac{\text{Missing Volume}}{[\text{PreDelivery Obligation}]}$$

323. For sake of clarity and without prejudice to the above, a Capacity Provider remains always fully responsible to find by himself an alternative solution (e.g. the Secondary Market) in the event that he notices a Missing Volume in advance (Missing Volume on-going or to come).

7.3.2 Pre-delivery control for an Additional CMU and Virtual CMU

7.3.2.1 Pre-delivery control

324. The purpose of the pre-delivery control on an Additional CMU or on a Virtual CMU is to ensure for ELIA that the CMU's Contracted Capacities become available before the start of the related Transaction Period(s).

To do so, the Capacity Provider is to respect the following rules:

- For an Additional CMU and following the process described in annex, all the Contracted Capacities are Existing Capacities as from the start of their related Delivery Period *DP*.
- In order for ELIA to consider that the Contracted Capacities have become Existing Capacities, the Capacity Provider has to submit a file to ELIA by following the process of annex 17.1.19 at least thirty-five Working Days before the start of the Delivery Period *DP*.
- For a Virtual CMU:
 - 75 % of the maximum Total Contracted Capacity becomes one (or more) Existing Capacity (annex 17.1.20) at latest five Working Days before the end of pre-delivery phase 1 (according to section 7.2.1.2 for the definition of the phase 1); and
 - The remaining 25 % of the maximum Total Contracted Capacity becomes one (or more) Existing Capacity (annex 17.1.20) as from the start of their related Delivery Period *DP*.

²⁵ Two represents the maximum number of tests that ELIA can perform for a CMU and for a Delivery Period *DP* (as per paragraph 307)

325. An Additional CMU or a Virtual CMU is first subject to a specific pre-delivery control following the process detailed from sections 7.3.2.1.1 to 7.3.2.1.4.2 below and according to the test modalities described hereunder:

- The pre-delivery control is realized on the CMU level (one CMU at a time); and
- The pre-delivery control is related to one Delivery Period DP .

For an Additional CMU, the Contracted Capacity(ies) related to a Delivery Period DP is(are) also subject to the pre-delivery control described in annex 17.2.7 from the moment:

- All the Contracted Capacities related to a Delivery Period DP are Existing Capacities; or
- The Delivery Period DP starts.

For a Virtual CMU, from the moment an Existing CMU has been prequalified and linked to this Virtual CMU (via a Secondary Market Transaction), it is then subject to the pre-delivery control of an Existing CMU described in section 7.3.1.

7.3.2.1.1 Determination of the Pre-delivery Obligation

326. The Pre-delivery Obligation is the volume of the CMU that may be subject to the pre-delivery control(s) performed by ELIA.

7.3.2.1.1.1 Additional CMU

327. The Pre-delivery Obligation for an Additional CMU depends on whether the CMU is an Energy Constrained CMU or not:

- If the Additional CMU is a **Non-energy Constrained CMU**, the Pre-delivery Obligation corresponds to the difference between the maximum Total Contracted Capacity associated to this CMU over the Delivery Period DP (and known at the time of the pre-delivery control $t_{control}$) and the sum of the Contracted Capacities for which the Transaction Period overlaps the time $t_{control}$ and the time t_{TCC} :

$$\begin{aligned}
 & \text{[PreDelivery Obligation]} \\
 & = \text{Total Contracted Capacity}_{\max}(CMU, DP) - \sum_{i=1}^n [\text{Contracted Capacity}(CMU, Transaction_i, t_{control}, t_{TCC})]
 \end{aligned}$$

- If the Additional CMU is an **Energy Constrained CMU**, the Pre-delivery Obligation corresponds to the difference between the ratio between the maximum Total Contracted Capacity associated to this CMU over the Delivery Period DP (and known at the time of the pre-delivery control $t_{control}$) and a Derating Factor (as detailed below) and the ratio between the sum of Contracted Capacities for which the Transaction Period overlaps the time $t_{control}$ and the time t_{TCC} , divided by another Derating Factor (as detailed below):

$$\begin{aligned}
 & \text{[PreDelivery Obligation]} \\
 & = \frac{\text{Total Contracted Capacity}_{\max}(CMU, DP)}{\text{Derating Factor}(CMU, t_{TCC})} \\
 & \quad - \sum_{i=1}^n \frac{[\text{Contracted Capacity}(CMU, Transaction_i, t_{control}, t_{TCC})]}{\text{Derating Factor}(CMU, Transaction_i)}
 \end{aligned}$$

Where,

- $Total\ Contracted\ Capacity_{max}(CMU, DP)^{26}$ is defined in paragraph 310;
- $Derating\ Factor(CMU, t_{TCC})$ is defined in paragraph 310;
- $Contracted\ Capacity(CMU, Transaction_i, t_{control}, t_{TCC})$ is defined in paragraph 310;
- $Derating\ Factor(CMU, Transaction_i)$ is defined in paragraph 310.
- t_{TCC} is defined in paragraph 310;
- $t_{control}$ is the moment at which the pre-delivery control takes place (the moment at which the quarterly reports are analyzed by ELIA);
- n is defined in paragraph 310;
- $Transaction_i$ is defined in paragraph 310.

7.3.2.1.1.2 Virtual CMU

328. For a Virtual CMU, the Pre-delivery Obligation evolves in function of the moment of occurrence of the pre-delivery control ($t_{control\ 1}$ or $t_{control\ 2}$ – defined below in section 7.3.2.1.2.3)

- If the pre-delivery control takes place at $t_{control\ 1}$, the Pre-Delivery Obligation is equal to seventy-five percent of the maximum Total Contracted Capacity of the Virtual CMU over the Delivery Period DP at the time of the pre-delivery control. This is represented by the following formula:

$$[PreDelivery\ Obligation]_1 = 75\% \times Total\ Contracted\ Capacity_{max}(VCMU, DP)$$

- If the pre-delivery control takes place at $t_{control\ 2}$, the Pre-Delivery Obligation is equal to twenty-five percent of the maximum Total Contracted Capacity of the Virtual CMU over the Delivery Period DP at the time of the pre-delivery control. This is represented by the following formula:

$$[PreDelivery\ Obligation]_2 = 25\% \times Total\ Contracted\ Capacity_{max}(VCMU, DP)$$

7.3.2.1.2 Quarterly reports submission to ELIA

7.3.2.1.2.1 Timing

329. To support the pre-delivery controls, the Capacity Provider shares quarterly reports with ELIA via the CRM IT Interface. There are as many quarterly reports sent out every three months as there are Delivery Periods DP which are linked to the CMU. However, if needed, the Capacity Provider is allowed to link a same quarterly report to more than one CMUs or to provide exactly the same quarterly report for different Delivery Periods DP . Such report is sent upon the following conditions (information related to the content of this quarterly report can be found in annex 17.2.4):

- Quarterly reports are submitted on the following periods of time:
 - From December 15th to January 1st;
 - From March 15th to April 1st;
 - From June 15th to July 1st;

²⁶ In the event that a Capacity Contract(s) is(are) adapted, the maximum Total Contracted Capacity associated to the CMU over the Delivery Period DP at the time of the pre-delivery control is therefore evaluated with the volumes associated to the new Capacity Contract(s).

- From September 15th to October 1st.
- The date of the first report corresponds to:
 - For an **Additional CMU**: The closest future period of time – amongst the 4 possibilities identified above – of the effective project’s start date (such date is communicated to ELIA as part of the Prequalification File – section 5.4.1.1.2);
 - For a **Virtual CMU**: A date located between December 15th and January 1st of the year right after the Auction result notification (defined in section 6.4.5).
- Quarterly reports are due for a CMU as long as:
 - The CMU has not become an Existing CMU (see annexes 17.1.19 and 17.1.20); and
 - This CMU remains associated to at least one Contracted Capacity²⁷.

7.3.2.1.2.2 Modalities

330. A quarterly report consists of a single document which evolves over time. Each time it is provided to ELIA, it includes at least the following information:

- For an Additional CMU:
 - An update of the project execution plan (including the update of the dates for the key milestones) provided as part of the Prequalification File (see section 5.4.1.1.2) related to the Additional CMU;
 - An identification of the (residual) delay(s) – if any – along with a mitigation plan to cope with this(these) delay(s) (according to section 7.3.2.1.2.3);
 - A follow-up of the Infrastructure Works that could influence the on-going project realization and timing as identified in the project execution plan provided as part of the Prequalification File (see section 5.4.1.1.2), supported by a written confirmation from the concerned infrastructure operator (Fluxys or the DSOs).
- For a Virtual CMU:
 - An update of the project execution plan (including the update of the dates for the key milestones) provided as part of the Prequalification File (see 5.4.1.1.2);
 - An identification of the (residual) delay(s) – if any – along with a mitigation plan to cope with this(these) delay(s) (according to section 7.3.2.1.2.3).

7.3.2.1.2.3 Delay identification

331. A delay is identified by the Capacity Provider within his quarterly report(s) when:

- It is linked to Project Works or Infrastructure Works; and
- *Missing Volume* ≥ 1 MW; and
- It leads to an Unavailable Capacity for at least two months, starting from the first day of the first corresponding Delivery Period (Delivery Period *DP*); and

²⁷ A Contracted Capacity associated to an Additional/Virtual CMU can indeed – via the Secondary Market (as per chapter 9) – be transferred to an Existing CMU.

A declared delay is always linked to a Delivery Period *DP*. Furthermore, each delay is provided to ELIA along with the measures taken to cope with it in a mitigation plan.

332. For an Additional CMU, a delay declared in a quarterly report can be linked to Project Works or to Infrastructure Works. However, the modalities above and below (according to section 7.3.2) only apply for Project Works. Modalities and processes associated to a delay on Infrastructure Works are further described in section 14.9.

7.3.2.1.3 Quarterly report analysis and Missing Volume determination

333. Based on the elements provided by the Capacity Provider in his quarterly reports, ELIA may require additional information, explanation or details to the Capacity Provider. Such request is sent from the CRM IT Interface and answered to by the Capacity Provider within a period of fourty Working Days starting from ELIA's request. In the event that the Capacity Provider does not come back to ELIA within the foreseen timeframe, ELIA considers the *%Missing Volume* (as defined in the following sections 7.3.2.1.3.1 and 7.3.2.1.3.2) as equal to 100%.

334. To determine if the Contracted Capacities will become available before the start of the related Transaction Period(s), ELIA realizes a pre-delivery control at two specific times during each Pre-delivery Period linked to the CMU:

- At $t_{control\ 1}$ which is 1 Working Day before the end of the phase 1 (section 7.2.1.2);
- At $t_{control\ 2}$ which is the start date of the Delivery Period *DP*.

335. During these two pre-delivery controls, ELIA analyzes the received quarterly reports already received to identify a Missing Volume. The way to determine this Missing Volume is described in the two sections below.

7.3.2.1.3.1 Additional CMU

336. For an Additional CMU, a Missing Volume is determined by the Capacity Provider himself in a quarterly report. To determine the final Missing Volume (the one used to determine the financial penalty – section 7.3.2.2.1.1), ELIA considers only the most recent Missing Volume communicated in the quarterly reports sent before the pre-delivery control ($t_{control\ 1}$ or $t_{control\ 2}$).

337. This Missing Volume represents the part of the maximum Total Contracted Capacity for which a residual delay is identified. A residual delay – related to a specific Delivery Period *DP* – is a delay (according to section 7.3.2.1.2.3) linked to the Project Works and for which no solution (no mitigation plan) to compensate it, has been found by the Capacity Provider. Therefore, because of a residual delay, all the Contracted Capacities do not become Existing Capacities as from the start of the Delivery Period *DP*. For the sake of clarity, a mitigation plan is communicated to ELIA at the latest via the last quarterly report sent:

- Before $t_{control\ 1}$ in case the Capacity Provider wants his mitigation plan to be taken into account by ELIA for the determination of the Missing Volume at $t_{control\ 1}$; and
- Between $t_{control\ 1}$ and $t_{control\ 2}$ in case the Capacity Provider wants his mitigation plan to be taken into account by ELIA for the dtermination of a Missing Volume at $t_{control\ 2}$.

In absence of mitigation plan at $t_{control}$ ($t_{control\ 1}$ or $t_{control\ 2}$), ELIA applies the financial penalties corresponding to the Missing Volume related to this residual delay (as per section 7.3.2.2.1.1).

338. When the Capacity Provider declares a Missing Volume in a quarterly report, he is also invited to declare (as stated in annex 17.2.4) to which Transaction(s) – among the Transactions linked to the Additional CMU – it is related to as well as the period impacted by this Missing Volume. The

period is defined by a specific start and end date both included in the Delivery Period DP and higher than or equal to two months.

7.3.2.1.3.2 Virtual CMU

339. For a Virtual CMU, a Missing Volume is identified by ELIA and the way to determine it depends on the moment at which the pre-delivery control takes place:

- At $t_{control\ 1}$:

The Missing Volume corresponds to the maximum between zero and the *PreDelivery Obligation₁* (according to section 7.3.2.1.1.1) reduced by the *prequalified volume₁*, which is represented by the following formula:

$$Missing\ Volume_1 = Max(0; [PreDelivery\ Obligation_1 - prequalified\ volume_1])$$

[*prequalified volume₁*] represents the volume share of the Virtual CMU which has followed the required process (as per annex 17.1.20) to get the "existing" status before $t_{control\ 1}$. It is expressed in the following formula:

$$prequalified\ volume_1 = \sum_{i=1}^n [Reference\ Power(CMU_i) \times Derating\ Factor(CMU_i; t_{bid})]$$

- At $t_{control\ 2}$:

The Missing Volume corresponds to the maximum between zero and the *PreDelivery Obligation₂* reduced by the *prequalified volume₂*, which is represented by the following formula:

$$Missing\ Volume_2 = Max(0; [PreDelivery\ Obligation_2 - prequalified\ volume_2])$$

[*prequalified volume₂*] represents the additional part of the volume share of the Virtual CMU which has followed the required process (as per annex 17.1.20) to get the "existing" status between $t_{control\ 1}$ and $t_{control\ 2}$. It is expressed in the following formula:

$$prequalified\ volume_2 = \sum_{i=1}^n [Reference\ Power(CMU_i) \times Derating\ Factor(CMU_i; t_{bid})]$$

Each element of the formulas above are defined as follows:

- n is the number of Existing CMU_i linked to the Virtual CMU that the Capacity Provider has created at time $t_{control\ 1}$ for the *prequalified volume₁* and between $t_{control\ 1}$ and $t_{control\ 2}$ for the *prequalified volume₂*;
- t_{bid} is the moment in time at which the Capacity Provider made one (or more) bid(s) with his VCMU;
- CMU_i is one of the Existing CMUs related to the Virtual CMU and created by the Capacity Provider;
- *DeratingFactor(CMU_i; t_{bid})* represents the Derating Factor related to the Existing CMU_i and considered as valid at the time t_{bid} ;
- *Reference Power (CMU_i)* is the Reference Power of the Existing CMU_i related to the Virtual CMU.

340. For sake of clarity and without prejudice to the above, it is the Capacity Provider's responsibility to include the time needed by ELIA to validate the change from a Virtual CMU to an Existing CMU (as per annex 17.1.20). Therefore, ELIA cannot be held responsible in case the CMU does become an Existing CMU prior to the two targets above (at time $t_{control\ 1}$ and $t_{control\ 2}$).

7.3.2.1.4 Pre-delivery control results notification

341. This section describes the communication of the results related to the pre-delivery control. It illustrates therefore how and when these results are notified by ELIA to the Capacity Provider.

7.3.2.1.4.1 Pre-delivery activity report issuance

342. ELIA notifies the pre-delivery control results to the Capacity Provider twice per Delivery Period *DP*. Both notifications occur within a period of twenty Working Days starting from $t_{control\ 1}$ and from $t_{control\ 2}$.

343. The results of the pre-delivery control notified by ELIA to the Capacity Provider, through the pre-delivery activity report for an Additional and a Virtual CMU, includes:

- The Pre-delivery Obligation (as per section 7.3.2.1.1); and
- The Missing Volume as per section 7.3.2.1.3; and
- The financial penalties as per section 7.3.2.2.1; and
- The impact on its related Capacity Contract as per section 7.3.2.2.2.

7.3.2.1.4.2 Contestation

344. In case the Capacity Provider wishes to contest the pre-delivery control results for an Additional or a Virtual CMU, he can follow the contestation process described in the Capacity Contract.

7.3.2.2 Pre-delivery control penalties

7.3.2.2.1 Financial penalties

345. A financial penalty is due from the moment a Missing Volume is notified to the Capacity Provider (as per section 7.3.2.1.3) and payable after the potential contestation (according to section 7.3.2.1.4.2) is over. The possible actions for ELIA consecutive to the non-payment of a financial penalty are described in the chapter 10.

7.3.2.2.1.1 Additional CMU

346. For an Additional CMU, the financial penalty depends on when²⁸ the residual delay is declared to ELIA. It is represented in the following formulas:

- If the financial penalty is determined at $t_{control\ 1}$:

$$Financial\ penalty\ (in\ EUR) = \frac{1}{2} \times \beta \times \%Missing\ Volume \times Total\ Contracted\ Capacity_{max}(CMU, DP)$$

- If the financial penalty is determined at $t_{control\ 2}$:

$$Financial\ penalty\ (in\ EUR) = \beta \times \%Missing\ Volume \times Total\ Contracted\ Capacity_{max}(CMU, DP)$$

The elements part of the above formulas are defined as follows:

²⁸ This is an incentive for Capacity Provider to declare honestly a residual delay before $t_{control\ 1}$: (so it can be replaced by ELIA by an additional volume to procure in the forthcoming Y-1 Auction).

- **%Missing Volume**

%Missing Volume is the ratio between the Missing Volume (according to section 7.3.2.1.3.1) and the Pre-delivery Obligation (according to section 7.3.2.1.1.1). The foregoing is represented in the following formula:

$$\%Missing\ Volume\ (in\ \%) = \frac{Missing\ Volume}{[PreDelivery\ Obligation]}$$

- **Total Contracted Capacity_{max}(CMU, DP)**

Total Contracted Capacity_{max}(CMU, DP) is here the maximum Total Contracted Capacity over the Delivery Period *DP* before any adaptation of one more Capacity Contracts (as per section 7.3.2.2.2).

- **Amount β**

β represents an amount (in EUR per MW) evolving with the quarterly report submission date and depends on whether or not the Permitting Milestone (identified by the CRM Candidate in the project execution plan provided as part of the concerned Prequalification File according to annex 17.1.14) is relevant and/or reached at the time of quarterly report submission. For a specific pre-delivery control, the evaluation of the amount β follows the rules below:

- It is equal to 15,000 EUR/MW if the Permitting Milestone is either:
 - Relevant for the concerned project and already reached by the Capacity Provider at the time of the pre-delivery control $t_{control}$; or
 - Not relevant for the concerned project.
- It is equal to 20,000 EUR/MW if the Permitting Milestone is relevant for the concerned project and not yet reached at the time of the pre-delivery control $t_{control}$.

7.3.2.2.1.2 Virtual CMU

347. For a Virtual CMU, the financial penalty depends on when the pre-delivery control is performed by ELIA:

- When the pre-delivery control is performed at $t_{control\ 1}$ (as detailed in section 7.3.2.1.3.2), the financial penalty is proportional to the percentage of Missing Volume as represented in the following formula:

$$\begin{aligned} & \text{Financial penalty}_1 \text{ (in EUR)} \\ & = 75\% \times 20.000 \left(\frac{EUR}{MW}\right) \times \%Missing\ Volume_1 \times Total\ Contracted\ Capacity_{max}(CMU, DP)_{CMU} \end{aligned}$$

Such percentage of Missing Volume is equal to the ratio between the *Missing volume₁* (as detailed in section 7.3.2.1.3.2) and the *PreDelivery Obligation₁* (as detailed in section 7.3.2.1.3.2) as expressed in the below formula:

$$\%Missing\ Volume_1 \text{ (in \%)} = \frac{Missing\ volume_1}{PreDelivery\ Obligation_1}$$

- When the pre-delivery control is performed at $t_{control\ 2}$ (as detailed in section 7.3.2.1.3.2), the financial penalty is proportional to the percentage of Missing volume as represented in the following formula:

$$\begin{aligned} & \text{Financial penalty}_2 \text{ (in EUR)} \\ & = 25\% \times 20.000 \left(\frac{EUR}{MW}\right) \times \%Missing\ Volume_2 \times Total\ Contracted\ Capacity_{max}(CMU, DP)_{CMU} \end{aligned}$$

Such percentage of Missing Volume is equal to the ratio between the *Missing volume₂* (as detailed in section 7.3.2.1.3.2) and the *PreDelivery Obligation₂* (as detailed in section 7.3.2.1.1.2) and as expressed in the below formula:

$$\%Missing\ Volume_2\ (in\%) = \frac{Missing\ Volume_2}{PreDelivery\ Obligation_2}$$

7.3.2.2.2 Impact on Contracted Capacity

348. In addition to the financial penalty calculated as per section 7.3.2.2.1, a Missing Volume may also impact the Contracted Capacity(ies).

If a Missing Volume is identified for a specific Delivery Period *DP* during the phase 1 (as detailed in section 7.2.1.2), the initial Contracted Capacity(ies), related to this Delivery Period, is(are) reduced by the Missing Volume for the first Delivery Period of the Transaction Period(s) linked to the concerned Contracted Capacity(ies). The Capacity Contract(s) is(are) therefore adapted accordingly and this is done pro rata between:

- All the remaining Contracted Capacities (or in other words, all the Contracted Capacities that have not yet been linked to (an) Existing CMU(s) via a Secondary Market Transaction) related to the Delivery Period *DP* in case of Virtual CMU (as illustrated in annex 17.2.5);
- All the Contracted Capacity(ies) linked to a residual delay and chosen by the Capacity Provider as part of the last quarterly report (as defined in paragraph 336) sent before $t_{control\ 1}$ in case of Additional CMU (as illustrated in annex 17.2.5).

The Capacity Contract(s) is(are) also terminated in case:

- The Capacity Contract Duration(s) left is(are) equal to one year; and
- One of the following conditions are met:
 - [*PreDelivery Obligation*] = *Missing Volume* for an Additional CMU; or
 - [*PreDelivery Obligation₁*] = *Missing volume₁* for a Virtual CMU.

349. On the contrary, a Contracted Capacity is not impacted if the Missing Volume is identified during phase 2 (as detailed in section 7.2.1.2).

8 AVAILABILITY MONITORING AND TESTING

8.1. INTRODUCTION

350. This document describes the Availability Obligation of every Capacity Provider throughout the Delivery Period for which they have Contracted Capacity for their Capacity Market Unit(s) (CMU(s)). It explains in detail the principles, conditions and processes regarding the Availability Obligation of a Capacity Provider. The purpose of this obligation is to ensure the availability of the Contracted Capacity in the Auctions during the Delivery Period, including those transferred via the Secondary Market.

Section 8.2 lists the general principles, providing the basis for more elaborated rules in the subsequent chapters.

Section 8.3 describes the obligation for a Capacity Provider to notify ELIA of temporary limitations on the capacity of their CMUs, as well as the modalities for this notification.

Section 8.4 describes the Availability Monitoring. It comprises the identification of the precise moments during the Delivery Period relevant for this mechanism as well as how ELIA verifies whether the Capacity Provider has committed to the obligation.

Section 8.5 describes the modalities for Availability Tests, as a complementary tool to the Availability Monitoring to verify whether the Capacity Provider has committed to the obligation.

Section 8.6 describes the rules to determine a penalty if the Capacity Provider has been found, through Availability Monitoring or Availability Test, to have violated their Availability Obligation.

8.2. GENERAL PRINCIPLES

351. This section describes the general principles applicable to every Capacity Market Unit (CMU) with Contracted Capacity as part of the Availability Obligation throughout the Delivery Period 'Y'.

352. For the sake of clarity, a CMU as specified in this section of the functioning rules corresponds to a 'CMU with Contracted Capacity'.

353. ELIA verifies the Capacity Provider's commitment to the Availability Obligation, through either Availability Monitoring (as detailed in section 8.4) or Availability Tests (as detailed in section 8.5). Both take into account Unavailable Capacity declared by the Capacity Provider (as detailed in section 8.3). ELIA notifies the Capacity Provider, of any violations and consequential Unavailability Penalties (as detailed in section 8.6). ELIA includes any due Unavailability Penalty an invoice towards the Capacity Provider.

354. The Capacity Provider is at all times responsible for the provision of correct, complete and up to date information to ELIA for the purpose of the Availability Obligation. ELIA is not liable for penalties incurred by the Capacity Provider as a result of incorrect, incomplete or out of date information.

8.3. LIMITATIONS ON AVAILABLE CAPACITY

355. In case the Capacity Provider is aware of a limitation on the Capacity of their CMU, the Capacity Provider notifies ELIA via the CRM IT interface by providing the following information:

- The CMU ID; and
- The Remaining Maximum Capacity; and
- The start date and time of the unavailability; and
- The end date and time of the unavailability; and
- The reason for the unavailability, being one of the following:
 - Planned Outage; or
 - Forced Outage; or
 - Other limitation, with description provided by the Capacity Provider.

ELIA only accepts such a notification if:

- It contains all above information; and
- The Remaining Maximum Capacity does not surpass the last updated Nominal Reference Power of the CMU, according to section 5.8; and
- If notified after 11:00 CET the day before the start date of the unavailability, does not state a higher Remaining Maximum Capacity than the last notified Remaining Maximum Capacity.

356. At any date and time 't' during the Delivery Period 'Y' and for any CMU, ELIA applies the Remaining Maximum Capacity in the last notification by the Capacity Provider applying for a period covering 't'. In case no limitations were declared for date and time 't', the Remaining Available Capacity is equal to the Nominal Reference Power of the CMU.

357. The Capacity Provider performs this notification as soon as possible and at the latest 11:00 CET the day before the start date of the unavailability. ELIA registers the unavailability communicated in this way as Announced Unavailable Capacity, equal to the last updated Nominal Reference Power minus the Remaining Maximum Capacity in the notification. This is represented by the following formula:

$$P_{Announced,Unavailable}(CMU, t) = NRP(CMU, t) - P_{Max,Remaining}(CMU, t)$$

Where:

- $P_{Max,Remaining}(CMU, t)$ is the Remaining Maximum Capacity in the notification
- $NRP(CMU, t)$ is the last updated Nominal Reference Power for the CMU
- 't' represents any date and time within the Delivery Period and the start and end date in the notification.

358. Every day during the Delivery Period, Elia notes the last accepted Maximum Remaining Capacity notified before 11:00 CET for each CMU as Maximum Remaining Capacity DA(CMU,t) for the following day. This quantity is used for the settlement of the Payback Obligation (as detailed in chapter 11).

359. ELIA uses Announced Unavailable Capacity when establishing the Unavailability Penalty (according to section 8.6), as well as determining the Obligated Capacity for Availability Tests (according to section 8.5). A Capacity Provider can declare Announced Unavailability for a maximum of seventy-five calendar days cumulatively over a single Delivery Period. Once this limit is reached, the abovementioned obligations to notify limitations on the Capacity persist but ELIA no longer registers Announced Unavailable Capacity. Any limitations at this point result in unannounced unavailable capacity.

360. ELIA monitors the declaration of Announced Unavailable Capacity for a CMU with respect to indicators of presence in the market, such as provision of other services to ELIA or the CMU's scheduling information.

In case of evidence that the CMU was present in the market, in contradiction with the Announced Unavailable Capacity, ELIA notifies the Capacity Provider and requests explanation for the inconsistency. ELIA notifies the CREG of the evidence and response of the Capacity Provider.

361. In case the Capacity Provider becomes aware of any limitations on their CMU's Capacity after 11:00 CET the day before the start date of the unavailability, the Capacity Provider notifies ELIA as soon as possible. Such a limitation results in unannounced unavailable capacity rather than Announced Unavailable Capacity.

362. Announced Unavailable Capacity is used to determine the Announced Missing Capacity in section 8.6. It is subject to a lower penalty factor for the Unavailability Penalty. Unannounced unavailable capacity is treated in the same fashion as any other form of Unannounced Missing Capacity.

8.4. AVAILABILITY MONITORING

363. The purpose of this section is to describe the Availability Monitoring Mechanism which aim is to determine whether or not the Capacity Provider has committed to their Availability Obligations.

364. This mechanism only applies during specific moments throughout the Delivery Period, more precisely at Availability Monitoring Trigger Moments (AMT Moments) – composed of Availability Monitoring Trigger Hours (AMT Hours) – as identified by ELIA according to a set of rules according to section 8.4.1.

365. When applicable and for the purpose of performing the Availability Monitoring, ELIA requires specific information, in particular but not limited to:

- The Declared Prices for CMU without Daily Schedule obligations, according to section 8.4.2; and/or
- Any limitation on CMU's capacity the Capacity Provider may be aware of, upon certain conditions and modalities according to section 8.3.

366. This section contains all the information to be provided for Availability Monitoring by the Capacity Provider, including the modalities.

367. Finally, ELIA verifies on an ad hoc basis and during AMT Moments if the Available Capacity equals the Obligated Capacity for each CMU, to ensure compliance with the Availability Obligation. The applied method depends on the CMU's obligations to communicate information to ELIA outside of the CRM context and potential energy constraints indicated by the Capacity Provider during the Prequalification Process. Section 8.4.3 gives more information about the procedure ELIA applies to determine these quantities.

368. The total number of AMT Moments during which Elia verifies the Availability Obligation cannot exceed thirty for a single Delivery Period.

8.4.1 AMT Moments identification

8.4.1.1 AMT Moments and AMT Hours

369. Throughout the Delivery Period, the Capacity Provider has to make the capacity of their CMU's available, in particular during specific moments called 'Availability Monitoring Trigger Moments' (AMT Moments).

370. Such AMT Moments consist of a string of consecutive Availability Monitoring Trigger Hours (AMT Hours) which are themselves triggered when the Day-ahead Market Price exceeds the AMT Price (according to section 8.4.1.2).

371. An AMT Moment is either a single AMT Hour or a set of consecutive AMT Hours. Two consecutive AMT Hours cannot be considered as two different AMT Moments unless they are not occurring the same calendar day. ELIA always performs the Availability Monitoring over a complete AMT Moment.

372. The Capacity Provider inquires about the identified AMT Hours and AMT Moments, according to the publication modalities in section 8.4.1.3, and cannot contest them. The notification of the AMT Hours and AMT Moments serve to signal to the Capacity Provider when their Availability Obligation is due (other than an Availability Test instruction, according to section 8.5).

8.4.1.2 AMT Price determination

373. ELIA determines the AMT Price for Delivery Period 'Y' as the minimum of:

- In the median values of prices over all simulated years of Delivery Period 'Y', the price that is surpassed during 100 hours in the latest reference scenario defined in chapter 2, article 4, §1-7 of the on the Methodology to set the auction parameters as meant by article 7undecies §2 of the Electricity Act, amended with the CMUs cleared in the Y-1 Auction;
- The 10% lowest simulated value of the price that is surpassed during twenty hours in the simulated years of Delivery Period 'Y', according to the latest reference scenario defined in chapter 2 article 4, §1-7 of the on the methodology to set the auction parameters as meant by article 7undecies §2 of the Electricity Act, amended with the CMUs cleared in the Y-1 Auction.

374. ELIA performs the higher-listed amendment of the reference scenario with the CMU's and associate Contracted Capacities cleared in the Y-1 Auction by replacing hypotheses on the type of capacity installed in the reference scenario for the Y-1 Auction with the CMUs awarded Contracted Capacity for the Delivery Period in the Y-1 auction.

375. ELIA publishes the value of the AMT Price for Delivery Period 'Y' on its website by the May 15 prior to the Delivery Period. Prior to every Delivery Period, the Capacity Provider is responsible for monitoring the AMT Price.

8.4.1.3 Modalities

376. After every last Day-ahead Market gate closure time of the NEMOs composing the Day-ahead Market Price, ELIA verifies for every hour of the concerned day if the Day-ahead Market Price exceeds the AMT Price.
- If the Day-ahead Market Price is equal to or exceeds the AMT Price, the concerning market segment is identified by ELIA as an AMT Hour.
 - If the Belgian Day-ahead Market Price does not exceed the AMT Price, the concerning market segment is not identified as an AMT Hour.
377. ELIA publishes identified AMT Hours and AMT Moments on their website before 15:00 CET the day before the occurrence of the AMT Moments or no later than 18:00 CET in case a fallback procedure for the Day-ahead Market clearing applies.
378. Section 14.6 on fallback procedure contains the complete set of information on the fallback procedures regarding the identification of AMT Moments.

8.4.1.4 Application of Availability Monitoring during AMT Moments

379. The Capacity Provider provides Available Capacity (determined according to section 8.4.3.2) equaling at least its Obligated Capacity (determined according to section 8.4.3.1) for any AMT Hour during the Delivery Period.
380. ELIA verifies the compliance to this rule on an ad hoc basis, each time over a complete AMT Moment and for all CMU's. ELIA selects the AMT Hours to be verified according to a procedure approved by the CREG. The procedure is not disclosed publically, as in any case the Availability Obligations apply during each AMT Hour and the purpose of Availability Monitoring is to perform a surprise check on the commitment to the obligations.

8.4.2 Declared Market Price and Required Volume

381. This section is only applicable to CMUs without Daily Schedule, as these parameters are not applicable in the Availability Monitoring of CMUs with Daily Schedule (according to section 8.4.3.2.2).
382. For any AMT Hour, ELIA determines the Declared Market Price (DMP) and the Required Volume (according to sections 8.4.2.3.3 and 8.4.2.3.2 respectively) of a CMU without Daily Schedule, based on all Declared Prices and Associated Volumes declared – according to the modalities in sections 8.4.2.1.2 and 8.4.2.2.2 – by the Capacity Provider, as well as the reference electricity market prices for the concerned AMT Hour. This section lists the reference explicitly for each.
383. The Declared Market Price can be summarized as follows:
- Prior to any AMT Moment and within a specific timeframe specified in section 8.4.2.1.2, the Capacity Provider communicates the (set of) Day-ahead price(s) equal to or above which the Capacity Holder is willing to deliver energy on the Day-ahead electricity market by dispatching at least its Obligated Capacity. The Capacity Provider may also communicate to ELIA Intraday or Balancing prices equal to or above which the Capacity Holder would be willing to deliver energy to the market by dispatching the CMU's capacity. These three types of prices are considered as Declared Prices according to section 8.4.2.1.
 - In addition to the Declared Prices and according to its real dispatching strategy, the Capacity Provider may provide multiple additional DAM/ID/Balancing price-Associated Volume pairs for

a CMU, equal to or above which the Capacity Holder is willing to deliver energy on the Day-ahead electricity markets for dispatching at least the Associated Volume. These prices are called 'Partial Declared Prices' and 'Associated Volumes' according to section 8.4.2.2.

- The Declared Market Price (DMP) represents the price among the (Partial) Declared Price(s) of the CMU that has been surpassed by the corresponding market price reference for the corresponding AMT Hours and for which the Associated Volume (according to sections 8.4.2.1.3 and 8.4.2.2.3) is the highest. The Declared Market Price (DMP) is used for settlement of the Payback Obligation for CMUs without Daily Schedule according to chapter 11.

384. The Required Volume or ' V_{req} ' is the volume expected to be dispatched in reaction to the electricity market prices. ELIA determines it by comparing the Associated Volumes with the corresponding (Partial) Declared Price(s). This parameter is applied to establish Available Capacity during AMT Hours as defined in section 8.4.2.3.2.

385. Subsequently, the Declared Market Price (DMP) is determined according to section 8.4.2.3.3.

8.4.2.1 Declared Prices and Associated Volumes

8.4.2.1.1 Main principles

386. The Capacity Provider continuously notifies Declared Prices to ELIA for CMU(s) without Daily Schedule through declaration(s) whenever an update of this information is required by the Capacity Provider via the CRM IT interface and according to the modalities in section 8.4.2.1.2.

Every Declared Price relates to one of the three price references:

- Reference Price; and
- intraday reference price; and
- Positive Imbalance Price;

The Declared Price related to:

- The Reference Price is called the Declared Day-ahead Price (DDAP),
- The intraday reference price is called the Declared Intraday Price (DIDP).
- The Positive Imbalance Price is called the Declared Balancing Price (DBALP).

The Capacity Provider can either declare one price per abovementioned electricity market, or a set of 'n' prices, where 'n' corresponds to the amount of market segments for that reference in one day. ELIA then applies each value of the set only during the corresponding market segment indicated by the Capacity Provider (according to section 8.4.2.1.2).

387. ELIA includes at the latest in the Functioning Rules approved before the Y-1 Auction in 2024 for Delivery Period 2025-2026 the intraday reference price(s) which a Capacity Provider is able to select as the reference for their Declared Intraday Price.

8.4.2.1.2 Declaration modalities

388. For each CMU without Daily Schedule, the Capacity Provider has to declare, in according to section 5.4.1.1.2, at least one DDAP or set of DDAPs to ELIA.

In case the Capacity Provider fails to provide such a price to ELIA before the start of a Delivery Period 'Y', ELIA applies a Remaining Maximum Capacity of 0 MW for the CMU, superseding any declarations made by the Capacity Provider according to section 8.3, until a (set of) DDAP(s) has been provided by the Capacity Provider for the CMU. No Announced Unavailable Capacity applies during this period.

389. When updating or declaring Declared Prices, the Capacity Provider includes in the notification:

- CMU ID to which the communicated (Partial) Declared Price(s) applies; and
- For each Declared Price the single value of the price in €/MWh; and
- In case of a set of 'n' prices, where 'n' corresponds to the amount of market segments (DA/ID/BAL, as applicable) for that reference in one day, the start and end time of the market segment for every Declared Price in the set of 'n'.

The notification can contain one or more (sets of) Declared Price(s) provided that it contains the complete information for each of these prices. ELIA accepts the notification under the following conditions:

- All above required information is present in the notification; and
- DDAP does not exceed the Day-ahead price cap at the time of submission; and
- DIDP does not exceed the intraday reference price cap at the time of submission; and
- DBALP does not exceed the Positive Imbalance Price cap at the time of submission; and
- In case of a set of prices, there are 'n' values given, where 'n' corresponds to the amount of market segments (DA/ID/BAL, as applicable) for that reference in one day.

In case of rejection, the Capacity Provider automatically receives a notification of rejection along with the reasons for rejection. Without prejudice to any following accepted notifications by the Capacity Provider, Elia does not apply the rejected values and instead uses the last accepted ones in accordance with the below-listed timing.

In case of acceptance, the Capacity Provider automatically receives a notification of acceptance.

390. For any future AMT Hour, ELIA applies the last accepted value(s) of (the set of) Declared Day-ahead Price(s) notified according to the above modalities before 9:00 CET the day before the occurrence of the AMT Hour.

391. For any future AMT Hour, ELIA applies the last accepted value(s) of (the set of) Declared Intraday or Balancing Price(s) notified according to the above modalities before two hours before the start of the AMT Hour.

392. Exclusive of the DDAP, the Capacity Provider may request, when they deem it relevant, ELIA to terminate the application of any of the above Declared Prices, applied according to the abovementioned timing.

8.4.2.1.3 Associated Volume

393. ELIA considers the Associated Volume of any Declared Price(s) as follows:

- For the DDAP, the Associated Volume for one Day-ahead Market segment is the last updated Nominal Reference Power of the CMU, according to section 5.8

- For the DIDP or DBALP, the Associated Volume for one quarter hour market segment is the last updated Nominal Reference Power of the CMU , according to section 5.8

8.4.2.2 Partial Declared Price and Associated Volume

8.4.2.2.1 Main Principles

394. Partial Declared Prices can optionally be declared via the CRM IT interface, continuously and according to their need, by the Capacity Provider. They complement the Declared Prices, thus serving in no way as a substitute.
395. Multiple Partial Declared Prices (per below-mentioned reference) are allowed for one CMU.
396. Every Partial Declared Price is associated with a volume (Associated Volume) that represents a part of the CMU's capacity. The Capacity Provider therefore includes an Associated Volume for each Partial Declared Price of its CMU(s).
397. Every Partial Declared Prices is related to one of the three following references:
- Reference Price; and
 - The reference intraday price; and
 - Positive Imbalance Price;

The (set of) Partial Declared Price of CMU related to

- The Reference Price and with an Associated Volume 'x' is registered as a Partial Declared Day-ahead Price (pDDAPx).
 - The reference intraday price and with an Associated Volume 'x' is registered as a Partial Declared Intraday Price (pDIDPx).
 - The Positive Imbalance Price and with an Associated Volume 'x' is registered as a Partial Declared Balancing Price (pDBALPx).
398. The Capacity Provider can either declare multiple prices per abovementioned electricity market, or multiple sets of 'n' prices, where 'n' corresponds to the amount of market segments for that reference in one day. ELIA then applies each value of the set only during the corresponding market segment as indicated in the set by the Capacity Provider (according to section 8.4.2.2.2).
399. ELIA includes at the latest in the Functioning Rules approved before the Y-1 Auction in 2024 for Delivery Period 2025-2026 the intraday reference price(s) a Capacity Provider is able to select as the reference for their Partial Declared Intraday Price(s).
400. The Capacity Provider is entitled to continuously update any Partial Declared Price(s) and the Associated Volume after the Capacity Contract signature and up to the end of Delivery Period, according to section 8.4.2.2.2.

8.4.2.2.2 Declaration modalities

401. When updating or declaring Declared Prices, the Capacity Provider includes in the notification:
- The identity of the CMU to which the communicated the (Partial) Declared Price(s) applies; and

- For each (Partial) Declared Price(s), the single value of the price in €/MWh with 0.01 €/MWh precision; and
- For each Partial Declared Price(s), the single value of the Associated Volume to this price in MW with 0.01 MW precision; and
- In case of a set of 'n' prices, where 'n' corresponds to the amount of market segments (DA/ID/BAL, as applicable) for that reference in one day, the start and end time of the market segment for every Declared Price in the set of 'n'.

The notification can contain one or more (sets of) Declared Price(s) provided that it contains the complete information for each of these prices. ELIA accepts the notification under the following conditions:

- Every Partial Declared Price has an Associated Volume; and
- None of the Associated Volumes exceed the Nominal Reference Power of the CMU; and
- For any Partial Declared Price, the CMU has a Declared Price for the corresponding reference; and
- For the same electricity market, any Partial Declared Price cannot be greater than or equal to its Declared Price; and
- For the same reference, two Partial Declared Prices cannot have the same Associated Volume; and
- For the same reference, two Partial Declared Prices cannot be equal; and
- For the same reference, one Partial Declared Price is greater than another Partial Declared Price if the former's Associated Volume is greater; and
- For any pDIDP or pDBALP, the CMU has pDDAP with the same Associated Volume; and
- In case of a set of prices, there are 'n' values given, where 'n' corresponds to the amount of market segments (DA/ID/BAL, as applicable) for that reference in one day.
- In case of a set of 'n' prices each price within the set corresponds to the same Associated Volume.

In case of rejection, the Capacity Provider automatically receives a notification of rejection along with the reasons for rejection. Without prejudice to any following accepted notifications by the Capacity Provider, Elia does not apply the rejected values and instead uses the last accepted ones in accordance with the below-listed timing.

In case of acceptance, the Capacity Provider automatically receives a notification of acceptance.

402. For any future AMT Hour, Elia applies the last accepted value(s) of (sets of) Partial Declared Day-ahead Price(s) notified according to the above modalities before 9:00 CET the day before the occurrence of the AMT Hour.
403. For any future AMT Hour, Elia applies the last accepted value(s) of (sets of) Partial Declared Intraday or Balancing Price(s) notified according to the above modalities before two hours before the start of the AMT Hour.

404. The Capacity Provider may request ELIA to terminate at any moment and when they deem relevant the application of any of the above Partial Declared Prices, applied according to the aforementioned timing, with the exception of (sets of) Partial Declared Day-ahead Prices that still have a (set of) Partial Intraday or Partial Declared Balancing Price(s) for the same Associated Volume. In this case the Capacity Provider terminates the latter prices jointly with or after the termination of the (set of) Partial Declared Day-ahead Price(s).

8.4.2.2.3 Associated Volume

405. ELIA considers the Associated Volume of any (set of) Partial Declared Price(s) as follows:

- For the pDDAP, the Associated Volume for one AMT Hour is the volume listed in the last accepted notification from the Capacity Provider as above.
- For the pDIDP or pDBALP, the Associated Volume for one intraday or balancing market segment is the volume listed in the last accepted notification from the Capacity Provider as above.

8.4.2.3 Declared Market Price and the Required Volume determination

8.4.2.3.1 Inputs

406. ELIA determines the DMP and the Required Volume of a CMU for any AMT Hour. In order to do so, ELIA considers the required parameters as follows:

- For (Partial) Declared Price(s), ELIA uses the last notified and accepted value(s) according to the timings in sections 8.4.2.1.2 and 8.4.2.2.2; and
- The CMU's Reference Price, in application at the time of the AMT Hour; and
- The values of the CMU's choice of intraday reference price – to be included in the Functioning Rules approved before the Y-1 Auction in 2024 with Delivery Period 2025-2026 – occurring within the AMT Hour; and
- The values of the Positive Imbalance Price as published on ELIA's website, occurring within the AMT Hour; and
- The Associated Volumes, according to sections 8.4.2.1.3 and 8.4.2.2.3.

8.4.2.3.2 Required Volume determination

407. For a given AMT Hour, ELIA determines the Required Volume as the highest volume that is expected to react to the different reference price signals occurring over the AMT Hour. ELIA does so according to the following procedure:

- a) For each Balancing Market segment occurring within the AMT Hour, ELIA retains the highest Associated Volume for which the Positive Imbalance Price surpassed its (Partial) Declared Balancing Price (or 0 MW if no such price was surpassed). This results in a set of 'x' volumes, where 'x' is the number Balancing Market segments within an AMT Hour. Each volume relates to a specific Balancing -Market segment.
- b) For the 'x' volumes determined in step 1, ELIA calculates the average within each Intraday Market segment occurring within the AMT Hour. This results in a set of 'y' volumes, where 'y' is the number Intraday Market segments within an AMT Hour. Each volume relates to a

specific Intraday Market segment.

- c) For each Intraday Market segment occurring within the AMT Hour, ELIA retains the maximum between the volume determined in step 2 and the highest Associated Volume for which the intraday reference price surpassed the (Partial) Declared Intraday Price (or 0 MW if no such price was surpassed). This results in a set of 'y' volumes, where 'y' is the number Intraday Market segments within an AMT Hour. Each volume relates to a specific Intraday Market segment.
- d) ELIA calculates the average over all volumes in the set determined in step 3. This results in one value.
- e) The Required Volume is the maximum of the volume determined in step 4 and the highest Associated Volume for which the Reference Price surpassed their (partial) Declared Day-ahead Price during the AMT Hour (or 0 MW if no such price was surpassed).

ELIA uses the Required Volume for Availability Monitoring during AMT Hours where a Payback Obligation occurs.

8.4.2.3.3 Declared Market Price determination

408. For a given AMT Hour, ELIA determines the Declared Market Price as the equivalent price on the Day-ahead Market to the in section 8.4.2.3.2 determined Required Volume.

409. If the Required Volume is equal in value to an Associated Volume to a Partial Declared Day-ahead Price or the Declared Day-ahead Price, the Declared Market Price is the associated price.

If the Required Volume equals 0 MW, the Declared Market Price is not applicable.

In all other cases, the Declared Market Price is a composition of (Partial) Declared Intraday or Balancing Prices. ELIA then determines it by applying exclusively the following procedure:

- a) For each Balancing Market segment occurring within the AMT Hour, ELIA retains the pair of highest Associated Volume, for which the Positive Imbalance Price surpassed its (partial) Declared Balancing Price (or 0 MW if no such price was surpassed), and the (partial) Declared Day-ahead Price corresponding to this Associated Volume. This results in a set of 'x' price-volume pairs, where 'x' is the number of Balancing Market segments within an AMT Hour. Each pair relates to a specific Balancing Market segment.
- b) For the 'x' price-volume pairs determined in step 1, ELIA calculates the average volume and volume-weighted average price within each Intraday Market segment occurring within the AMT Hour. This results in a set of 'y' price-volume pairs, where 'y' is the number of Intraday Market segments within an AMT Hour. Each volume relates to a specific Intraday Market segment.
- c) For each Intraday Market segment occurring within the AMT Hour, ELIA retains the pair with the highest volume between the appropriate pair determined in step 2 and the highest Associated Volume for which the intraday reference price surpassed the (partial) Declared Intraday Price (or 0 MW if no such price was surpassed), matched with the Declared Day-ahead Price corresponding to this Associated Volume. This results in a set of 'y' price-volume pairs, where 'y' is the number Intraday Market segments within an AMT Hour. Each pair relates to a specific Intraday Market segment.
- d) ELIA calculates the Declared Market Price as the volume-weighted average over all pairs in the set obtained in step 3.

410. ELIA applies the Declared Market Price for a CMU and an AMT Hour 't' (DMP(CMU,t)) to determine the Payback Obligation (see chapter 11).

411. Elia notifies any declared prices and evolution thereof that could trigger doubts on anti-competitive behavior or on behavior aiming to avoid for instance Payback Obligations to the CREG. Particularly a consistent declaration of Declared or Partial Intraday or Balancing Prices lower than their Day-ahead counterpart, can be reasonable grounds for such doubts.

8.4.3 Obligated Capacity and Available Capacity determination

8.4.3.1 Determination of the Obligated Capacity

8.4.3.1.1 General Principles

412. This section defines the capacity required to be available for each AMT Hour and for each CMU with Contracted Capacity.
413. The CMU has to make the Obligated Capacity available at every AMT Hour separately in order to ensure adequacy.
414. Generic rules, as described in this section, to define the Obligated Capacity apply to all CMUs. In order to ensure the availability of Total Contracted Capacity of all CMUs during the Delivery Period 'Y', the obligation needs to be consistent with how the determination of derating (as per chapter 5 in Royal Decree on Methodology to set the auction parameters as meant by article 7undecies §2 of the Electricity Act) takes the CMUs into account. This is based on the CMU's Service Level Agreement, i.e. whether it provides a constant level of capacity on average for an unlimited duration (non-energy constrained) or a specific value of capacity for a limited time (energy constrained). For this reason, there is a difference in Obligated Capacity (according to section 8.4.3) between Non-energy Constrained and Energy Constrained CMUs.
415. ELIA applies the Availability Monitoring to compare such Obligated Capacity with the measured Available Capacity (according to section 8.4.3.2). ELIA assesses any differences between Obligated and Available Capacity (Missing Capacity) that result(s) in an Unavailability Penalty (according to section 8.6).

8.4.3.1.2 Non-energy Constrained CMU

416. For Non-energy Constrained CMUs, the Obligated Capacity for every AMT Hour is equal to the Total Contracted Capacity(CMU,t), where 't' is a specific AMT Hour.

There is no limit on the number of AMT Hours per day or AMT Moment during which this level of capacity needs to be provided.

8.4.3.1.3 Energy Constrained CMU

417. For Energy Constrained CMU's have to provide the Service in accordance with their Service Level Agreement (SLA), i.e.:
- For the duration of the hours listed in the CMU's SLA ; and
 - For one activation per day.

Therefore, the hours for one day during which the CMU provides its capacity in accordance with its SLA are defined as SLA Hours.

ELIA determines these hours for each day for which an Availability Monitoring Trigger occurs as the hours corresponding to the SLA's constraints during which the CMU has shown (ex-post) to have dispatched its capacity and in accordance with the (Partial) Declared Prices (applicable only to CMUs without Daily Schedule Obligation) according to section 8.4.2.

8.4.3.1.3.1 Determination of SLA Hours for CMUs with Daily Schedule

418. Daily schedule CMU's have no obligation or need to declare a Day-ahead Market Price (according to section 8.4.2). Therefore the determination of SLA Hours for CMUs with Daily Schedule occurs on the basis of:

- When, during the day, an AMT Hour occurred; and
- When, during the AMT Hours, Measured Power has the highest value.

ELIA, in doing so, retains a set of hours that does not exceed the number of hours 'N' specified in the CMU's SLA and does not impose more than one activation per day. ELIA applies the following procedure to select the SLA Hours for a given day:

- a) ELIA selects all AMT Hours occurring on the concerning day;
- b) From the hours selected in step 1, ELIA retains
 - i. All hours if their number is lower than 'N'; or
 - ii. the 'N' hours with highest Measured Power, where 'N' is the number of hours specified in the CMU's SLA;
- c) If after step 2:
 - i. There are one or more AMT Moments for which all AMT Hours comprising the AMT Moment were retained, ELIA retains only the AMT Hours comprising the AMT Moment with highest Measured Power averaged over all AMT Hours within the concerning AMT Moment as SLA Hours; or
 - ii. There are no AMT Moments for which all AMT Hours comprising the AMT Moment were retained, ELIA retains all hours selected in step 2 as SLA Hours.

8.4.3.1.3.2 Determination of SLA Hours for CMUs without Daily Schedule

419. CMUs without Daily Schedule are bound to the obligation of Declared Prices (see section 8.4.2) and have potentially declared Partial Declared Prices. Therefore the selection of SLA Hours occurs on the basis of:

- When, during the day, an AMT Hour occurred; and
- When Active Volume (according to section 8.4.3.2.3.1) has the highest value; and
- When at least one (Partial) Declared Price was surpassed on its respective market.
- If no Declared Price was surpassed during any AMT Hour within the concerning day, the CMU is expected to be Unproven Available for all AMT Hours (according to section 8.4.3.2.3).

ELIA, in doing so, retains a set of hours that does not exceed the number of hours 'N' specified in the CMU's SLA and does not impose more than one activation per day. ELIA applies the following procedure to select the SLA Hours for a given day:

- a) ELIA selects all AMT Hours occurring on the concerning day;
- b) If none of the CMU's (Partial) Declared Prices were surpassed during any AMT Hours occurring

- within the concerning day, ELIA retains all hours selected in (1) as SLA Hours;
- c) If at least one of the CMU's (Partial) Declared Prices was surpassed during at least one AMT Hour occurring within the concerning day, ELIA retains all AMT Hours for which at least one (Partial) Declared Price was surpassed;
- d) From the hours selected in step 3:
- i. ELIA retains all hours if their number is lower than 'N'; or
 - ii. ELIA retains the 'N' hours with highest Active Volume (according to section 8.4.3.2.3.1), where 'N' is the number of hours specified as the constraint in the CMU's SLA;
- e) If after (d) there are
- i. One or more AMT Moments for which all AMT Hours within AMT Moment that were also selected in step 4 were retained, ELIA retains only the AMT Hours within the same AMT Moment with highest Measured Power averaged over all AMT Hours selected in step 4 within the concerning AMT Moment as SLA Hours; or
 - ii. No AMT Moments for which all AMT Hours comprising the AMT Moment were retained, ELIA retains all hours selected in (4) as SLA Hours.

8.4.3.1.3.3 Determination of Obligated Capacity for Energy Constrained CMUs

420. ELIA determines the Obligated Capacity for every Energy-Constrained CMU for its SLA Hours as a non-derated quantity equivalent for adequacy purposes to provide the derated quantity for an unlimited number of hours. This equivalence is determined by dividing the ex-ante Total Contracted Capacity by the Derating Factor. ELIA equally takes into account ex-post acquisitions and sales of obligations on top of the ex-ante contracted SLA service (as ex-ante per hour trades are not permitted for energy constrained CMUs; according to section 9.4.3.10.2). This is defined by the following formula:

$$P_{Obligated}(CMU, t) = \frac{Total\ Contracted\ Capacity_{ex-ante}(CMU, t)}{Derating\ Factor\ (CMU, t)} + Contracted\ Capacity(CMU, t)_{ex-post}$$

Where:

- 't' is a measure for time expressed as an AMT Hour; and
- 'Total Contracted Capacity_{ex-ante}(CMU, t)' is the Total Contracted Capacity established at the time of closure for the ex-ante Secondary Market trades; and
- *Contracted Capacity(CMU, t)_{ex-post}* is the sum of contracted capacities bought or sold in ex-post on the Secondary Market, where sales count negatively and acquisitions count positively.
- 'Derating Factor (CMU, t)' is the CMU's Derating Factor, determined as in section 7.3.1.1.1

421. On AMT Hours which are Non-SLA Hours, ELIA counts for any obligations acquired by the CMU on the Secondary Market *ex post*, as a result of surpassing the SLA of its Service. The Obligated Capacity outside of SLA Hours is equal to the *Contracted Capacity(CMU, t)_{ex-post}*, where:

- 't' is a measure for time expressed as an AMT Hour; and
- *Contracted Capacity(CMU, t)_{ex-post}* is the sum of Contracted Capacities bought or sold ex-post on the Secondary Market, where sales count negatively and acquisitions count positively.

8.4.3.2 Determination of the Available Capacity

8.4.3.2.1 General Principles

422. This section establishes the rules for determining Available Capacity. The information ELIA receives from CMUs with and without Daily Schedule differs. ELIA therefore applies different methods to determine Available Capacity for both CMU types.
423. When determining Available Capacity it can be either Proven or Unproven Availability. For each component in Available Capacity, this section explicitly states whether it counts as Proven or Unproven Availability. Both types are considered of equal value for the determination of Available Capacity, but ELIA uses this distinction when identifying the need for Availability Tests on CMU's (according to section 8.5).

8.4.3.2.2 Determination of the Available Capacity for CMU with Daily Schedule

424. ELIA determines Available Capacity for CMUs with Daily Schedule based on the information provided in their Daily Schedule, with the exception of Energy-Constrained CMU's outside of their SLA Hours. The latter require proof that they indeed surpassed delivery beyond their SLA. This information is not present in the Daily Schedules.

8.4.3.2.2.1 Available Capacity for Non-energy Constrained Daily Schedule CMU's

425. For a Non-energy Constrained Daily Schedule CMU, ELIA determines the Available Capacity as the minimum of:
- The last Pmax nominated in the Daily Schedule aggregated at the relevant level for the Non-energy Constrained CMU with Daily Schedule; and
 - The last established Remaining Maximum Capacity according to 8.3.

Available Capacity established in this way is Proven Availability.

8.4.3.2.2.2 Available Capacity for Energy Constrained CMUs with Daily Schedule

426. For an Energy Constrained Daily Schedule CMU during its SLA hours, ELIA determines the Available Capacity as the minimum of:

- The last Pmax nominated in the Daily Schedule aggregated at the relevant level for the Non-energy Constrained Daily Schedule CMU; and
- The last established Remaining Maximum Capacity according to 8.3.

Available Capacity established in this way is Proven Availability.

Outside of the CMU's SLA Hours, Available Capacity is equal to the minimum of:

- The CMU's Measured Power during the concerned AMT Hour; and
- The last established Remaining Maximum Capacity according to 8.3.

Available Capacity established in this way is Proven Availability

8.4.3.2.3 Determination of the Available Capacity for CMUs without Daily Schedule

427. ELIA determines Available Capacity for CMUs without Daily Schedules on the basis of:

- The CMU's (Partial) Declared Prices (according to section 8.4.2); and
- The CMU's last updated Nominal Reference Power, according to section 5.8; and
- The CMU's Measured Power; and
- The CMU's Remaining Maximum Capacity (according to section 8.3) and;
- Any participation of the CMU's Delivery Points to Ancillary or Redispatching Service.

In doing so, ELIA always considers that the surpassing of the Declared Day-ahead Price (DDAP) is associated with a delivery of Available Capacity through an Active Volume (according to section 8.4.3.2.3.1). Other Declared Prices do not impose delivery through Active Volume for the CMU, except for AMT Hours where the Reference Price surpasses the Strike Price (see chapter 11).

For Availability Monitoring during such AMT Hours, ELIA performs a stricter control than for AMT Hours without Payback Obligation on CMUs Declared Prices in order to ensure conformity with the Payback Obligation. This stricter control comprises a verification on both sufficient Active Volume and Passive Volume (according to section 8.4.3.2.3.2).

Following the abovementioned principles, the Availability Monitoring distinguishes three sets of conditions to determine the method of Monitoring: method 1, method 2 and method 3.

428. In case one or more Delivery Point(s) are prequalified in one or several reserved frequency related Ancillary Services or committed for Redispatching Service, the Capacity Provider identifies them during the Prequalification Process (as part of the Grid User Declaration; see 'Prequalification Processes' chapter of the Functioning Rules) or later via the CRM IT Interface. Under frequency related Ancillary Services, the following are included:

- Frequency Containment Reserve (FCR)
- Automatic Frequency Restoration Reserve (aFRR)
- Manual Frequency Restoration Reserve (mFRR)

ELIA includes any participation in such services in determining Available Capacity for Delivery Points for which the Capacity Provider has duly notified, according to the abovementioned process, ELIA of their successful prequalification for these services.

ELIA takes into account participation by the CMU in Redispatching and Ancillary Services, as from:

- The day after the notification of successful prequalification for the Redispatching or Ancillary Service, if the notification took place before 9:00 AM CET; or
- Two days after the notification of successful prequalification for the Redispatching or Ancillary Service, if the notification took place after 9:00 AM CET.

ELIA does so by according to the method set out in sections 8.4.3.2.3.1 and 8.4.3.2.3.2.

429. **Method 1:** to be applied when the CMU's Declared Day-ahead Price is not surpassed by its Reference Price and the CMU's Reference Price does not surpass the Strike Price

Under these circumstances, according to the rules in section 8.4.2, the CMU is not expected to dispatch its full Obligated Capacity in reaction to the Reference Price. Its Available Capacity is determined according to the declaration of Unavailable Capacity (according to 8.3). ELIA applies the following formula to establish Available Capacity:

$$P_{Available}(CMU, t) = P_{Max,Remaining}(CMU, t)$$

Where:

- 't' is a measure of time expressed as an AMT Hour
- $P_{Max,Remaining}(CMU, t)$ is the Remaining Maximum Capacity defined in chapter 3

Available Capacity established in this way is Unproven Availability.

430. **Method 2:** to be applied when the CMU's Declared Day-ahead Price is surpassed by its Reference Price and the CMU's Reference Price does not surpass the Strike Price

Under these circumstances, according to the rules in section 8.4.1, the CMU is expected to dispatch its full Obligated Capacity in reaction to the Day-ahead market. ELIA determines Available Capacity as the volume of the CMU's capacity that reacted to the Declared Day-ahead Price, in the form of an Active Volume (according to section 8.4.3.2.3.1). In doing so, ELIA takes into account Unavailable Capacity communicated by the Capacity Provider (according to 8.3). ELIA applies the following formula to establish Available Capacity:

$$P_{Available} = MIN(P_{Max,Remaining}(CMU, t); V_{Act}(CMU, t))$$

Where:

- 't' is a measure of time expressed as an AMT Hour
- $V_{Act}(CMU, t)$ is the Active volume corresponding to the part of the CMU's capacity that effectively reacted to its Reference Price, according to section 8.4.3.2.3.1
- $P_{Max,Remaining}(CMU, t)$ is the Remaining Maximum Capacity as defined in chapter 3

431. **Method 3:** to be applied when the CMU's Reference Price surpasses the Strike Price

Under these circumstances, the CMU is expected to dispatch its capacity according to the (Partial) Declared Prices according to section 8.4.2. ELIA verifies:

- Whether the CMU has reacted to market price signals with at least an Active Volume or V_{Act} according to the Required Volume (according to section 8.4.2); and
- Whether the CMU has retained sufficient Passive Volume or V_{pas} as margin to Nominal Reference Power or Unsheddable Margin to not have reacted more than according to the Required Volume (according to section 8.4.2).

This set of verifications is applied to ensure the CMU's compliance with the Payback Obligation (see chapter 11) under these circumstances. In doing so, ELIA takes into account Unavailable Capacity communicated by the Capacity Provider (according to section 8.3) and the Nominal Reference Power of the CMU.

ELIA applies the following formula to establish Available Capacity:

$$P_{Available} = MIN(P_{Max,Remaining}(CMU, t); MIN(V_{Act}(CMU, t); V_{req}(CMU, t))) + MIN(V_{Pas}(CMU, t); NRP(CMU, t) - V_{req}(CMU, t))$$

Where:

- 't' is a measure of time expressed as an AMT Hour
- $V_{Act}(CMU, t)$ is the Active Volume corresponding to the part of the CMU's capacity that effectively reacted to market price signals, according to section 8.4.3.2.3.1
- $V_{Pas}(CMU, t)$ is the Passive Volume corresponding to the part of the CMU's capacity that did not react to market price signals, according to section 8.4.3.2.3.1
- $V_{req}(CMU, t)$ is the Required Volume according to section 8.4.3.2
- $P_{Max,Remaining}(CMU, t)$ is the Remaining Maximum Capacity as defined in chapter 3
- $NRP(CMU, t)$ is the CMU's last updated Nominal Reference Power, according to section 5.8

8.4.3.2.3.1 Determination of Active Volume or $V_{act}(CMU, t)$

432. The Active Volume measures the part of the CMU's capacity which has reacted to market price signals, in accordance with its (Partial) Declared Prices in section 8.4.2. The method of determination takes into account whether capacity is provided through reduction in offtake or injection into the electricity grid. The determination of this volume follows four steps:

a) Establishing the initial Active Volume for all Delivery Points

Firstly, ELIA establishes the initial Active Volume for each Delivery Point separately.

For a Delivery Point 'i' providing capacity by the potential for injecting energy into the electricity grid and an AMT hour 't', it is equal to the injection at the Delivery Point. It is determined according to the following formula:

$$V_{Act,Initial,i}(t) = -P_{measured,i}(t)$$

Where

- ' $P_{measured,i}(t)$ ' is the Measured Power for the Delivery Point 'i' during AMT hour 't'.

For a Delivery Point 'i' providing capacity by the potential for reduction of offtake from the electricity grid and an AMT Hour 't', it is equal to the reduction in offtake at the delivery point. It is determined according to the following formula:

$$V_{Act,Initial,i}(t) = P_{Baseline,i}(t) - P_{measured,i}(t)$$

Where:

- ' $P_{measured,i}(t)$ ' is the Measured Power for the Delivery Point 'i' and AMT Hour 't'
- $P_{Baseline,i}(t)$ is the Baseline for the Delivery Point 'i' and AMT Hour 't', determined according to section 8.4.3.2.3.3.

The CMU's initial Active Volume for AMT Hour 't' is established as the sum of the initial Active Volumes in the Delivery Points. It is calculated by the following formula:

$$V_{Act,Initial}(CMU, t) = \sum_{i=1}^{n_{DP}} V_{Act,Initial,i}(t)$$

Where:

- ' n_{DP} ' is the number of Delivery Points for the CMU.

b) Correction for participation in reserved frequency-related Ancillary Services (if applicable)

When a CMU's Delivery Point has been contracted in frequency related Ancillary Services for a defined period, it has committed to be activated at instruction of ELIA up to a defined number of MW's capacity. This volume of capacity is not expected to react to market price signals, but to an instruction of ELIA. The Active Volume is corrected taking into account the reserved volume and potential activation instructions.

In case one or more duly notified – as stated at the beginning of section 8.4.3.2.3 – Delivery Point(s) is (are) reserved in one or several frequency related Ancillary Services for the period covered by the AMT Hour, ELIA considers the participation to Ancillary Service as the minimum of the following parameters:

- The volume of the accepted frequency-related Ancillary Services bid;
- The maximum volume the Delivery Point is allowed to deliver in these Ancillary Services as established in the related Ancillary Service contractual framework;
- The Nominal Reference Power of the Delivery Point.

The result is registered as ' $V_{Pas,AS,i}(t)$ ' for Delivery Point 'i' and applying to any AMT Hour 't' within the reserved period and is the volume for the Delivery Point which is not supposed to react to market price signals but to an instruction from ELIA.

If one or more of the duly notified – as stated at the beginning of section 8.4.3.2.3 – and successfully in Ancillary Services contracted Delivery Point(s) participate in the provision of mFRR and are activated upon instruction of ELIA, ELIA registers ' $V_{Act,AS,i}(t)$ ' as the average power provided for mFRR in Delivery Point 'i' during the AMT Hour 't'. This activation should be counted once, in the reserved band, and thus subtracted from the CMU's initial Active Volume.

In total the correction for the CMU's Active Volume as a result of participation to Ancillary Services, ' $V_{Act,AS}(CMU, t)$ ' is determined as the sum of ' $V_{Pas,AS,i}(t)$ ' for all Delivery Points 'i' for which such a volume was established, diminished with any activations at instruction of ELIA (the sum of ' $V_{Act,AS,i}(t)$ '). This total cannot surpass the margin remaining on those Delivery Points, any activations of mFRR ($V_{Act,AS,i}(t)$) notwithstanding. It is defined by the following formula:

$$V_{Act,AS}(CMU, t) = \min \left(\sum_{i=1}^{n_{DP,AS}} NRP_i(t) - (V_{Act,initial,i}(t) - V_{Act,AS,i}(t)), \sum_{i=1}^{n_{DP,AS}} V_{Pas,AS,i}(t) - \sum_{i=1}^{n_{DP}} V_{Act,AS,i}(t) \right)$$

Where:

- ' $n_{DP,AS}$ ' is the number of Delivery Points for the CMU successfully reserved in Ancillary Services for the concerning period
- $NRP_i(t)$ is the Nominal Reference Power of the Delivery Point 'i'
- $V_{Act,initial,i}(t)$ is determined according to step 1
- ' $V_{Act,AS,i}(t)$ ' as the average power provided for mFRR in Delivery Point 'i' during the AMT Hour 't'

c) Correction for participation in Redispatching Services (if applicable)

When a CMU's duly notified – as stated at the beginning of section 8.4.3.2.3 – Delivery Point has committed to Redispatching Services, it has committed to modify the output at the

Delivery Point as instructed by ELIA. Upon such an instruction, measurements in the Delivery Point(s) may deviate from the expected reaction to market price signals (according to section 8.4.2).

ELIA corrects the CMU's initial Active Volume for any downward supplied Activation of Redispatching Service. The absolute value in MW of the average downward supplied activation for Delivery Point 'i' is registered as ' $V_{Act, RD, i}(t)$ ' and counted positively. An upward Activation of Redispatching Service does not influence the Active Volume. In total, the CMU's Active Volume is corrected for the sum of ' $V_{Act, RD, i}(CMU, t)$ ' over all Delivery Points. This is described by the following formula:

$$V_{Act, RD}(CMU, t) = \sum_{i=1}^{n_{DP}} V_{Act, RD, i}(t)$$

- ' n_{DP} ' is the number of Delivery Points for the CMU
- ' $V_{Act, RD, i}(t)$ ' is absolute value in MW of the average downwards supplied Activation of Redispatching Service, upon instruction by ELIA, for Delivery Point 'i' and AMT Hour 't' as described in this step

d) Determining the Active Volume

- e) The CMU's Active Volume is determined as the sum of initial Active Volume from step 1 and the correction components from steps 2 and 3. It is defined by the following formula for the CMU and AMT Hour 't' in question:

$$V_{Act}(CMU, t) = V_{Act, Initial}(CMU, t) + V_{Act, AS}(CMU, t) + V_{Act, RD}(CMU, t)$$

This result is integrated in the determination of the Available Capacity 't' according to the method applicable under the circumstances exhibited during the AMT Hour (see method 1, method 2 or method 3 as applicable).

Available Capacity as a result of the Active Volume is considered Proven Availability.

8.4.3.2.3.2 Determination of Passive Volume or $V_{pas}(CMU, t)$

433. The Passive Volume measures the part of the CMU's capacity which did not react to market price signals, in accordance with its (Partial) Declared Prices in section 8.4.2. The method of determination takes into account whether capacity is provided through reduction in offtake from or injection into the electricity grid. The determination of this volume follows four steps:

- a) Establishing the initial Passive Volume for all Delivery Points

Firstly, ELIA establishes the initial Passive Volume for each Delivery Point separately.

For a Delivery Point 'i' providing capacity by the potential for injecting energy into the electricity grid and an AMT Hour 't', it is equal to the remaining margin relative to the Nominal Reference Power of the Delivery Point. It is determined according to the following formula:

$$V_{Pas, Initial, i}(t) = NRP_i(t) \mp P_{measured, i}(t)$$

Where

- ' $NRP_i(t)$ ' is the Nominal Reference Power of the Delivery Point 'i'
- ' $P_{measured, i}(t)$ ' is the Measured Power in Delivery Point 'i' during AMT Hour 't'
- For a Delivery Point 'i' providing capacity by the potential for reduction of offtake from the electricity grid and an AMT Hour 't', it is equal to margin of offtake relative to Unsheddable Margin at the delivery point. It is determined according to the following formula:

$$V_{Pas,Initial,i}(t) = P_{measured,i}(t) - UM_i(t)$$

Where:

- $P_{measured,i}(t)$ is the Measured Power in Delivery Point 'i' during AMT Hour 't'
- $UM_i(t)$ is the Unsheddable Margin for the Delivery Point 'i'

The CMU's initial Passive Volume is established as the sum of the initial Passive Volumes in the Delivery Points. It is calculated by the following formula:

$$V_{Pas,Initial}(CMU, t) = \sum_{i=1}^{n_{DP}} V_{Pas,Initial,i}(t)$$

Where:

- ' n_{DP} ' is the number of Delivery Points for the CMU.

b) Correction for participation in reserved frequency-related Ancillary Services (if applicable)

In case one or more duly notified – as stated at the beginning of section 8.4.3.2.3 – Delivery Point(s) is (are) reserved in one or several frequency related Ancillary Services for the period covered by the AMT Hour, it has committed to be activated at instruction of ELIA up to a defined number of MW's capacity. This volume of capacity is not expected to react to market price signals, but to an instruction of ELIA. The Passive Volume is corrected for activation instructions of mFRR during the AMT Hour.

In total, the correction of the CMU's initial Passive Volume as a result of participation to Ancillary Services, ' $V_{Pas,AS}(CMU, t)$ ' is determined as the sum of ' $V_{Act,AS,i}(t)$ ' for all Delivery Points 'i' for which such a volume was established.

$$V_{Pas,AS}(CMU, t) = \sum_{i=1}^{n_{DP,AS}} V_{Act,AS,i}(t)$$

Where:

- ' $n_{DP,AS}$ ' is the number of Delivery Points for the CMU successfully reserved in Ancillary Services for the concerning period
- ' $V_{Act,AS,i}(t)$ ' as the average power provided for mFRR in Delivery Point 'i' during the AMT Hour 't', according to step b of section 8.4.3.2.3.1

c) Correction for participation in Redispatching Services (if applicable)

When a CMU's Delivery Point committed to Redispatching Services, it has committed to modify the output at the Delivery Point as instructed by ELIA. Upon such an instruction the measurements at the Delivery Point(s) may deviate from the expected reaction to market price signals (according to section 8.4.2).

ELIA corrects the CMU's initial Passive Volume for any supplied upward Activation of Redispatching Service. The absolute value in MW of the average supplied upward activation over AMT Hour 't' for Delivery Point 'i' is registered as ' $V_{Pas,RD,i}(t)$ ' and counted positively. A downward Activation of Redispatching Service does not influence the Passive Volume. In total, the CMU's Passive Volume is corrected for the sum of ' $V_{Pas,RD,i}(t)$ ' over all Delivery Points. This is described by the following formula:

$$V_{Pas,RD}(CMU, t) = \sum_{i=1}^{n_{DP}} V_{Pas,RD,i}(t)$$

Where:

- ' n_{DP} ' is the number of Delivery Points for the CMU
- $V_{Pas,CM,i}(t)$ is the value in MW of the upwards Activation of Redispatching Service, upon instruction by ELIA, for Delivery Point 'i' and AMT Hour 't' as described in this step

d) Determining the Passive Volume

The CMU's Passive Volume is determined as the sum of initial Passive Volume from step 1 and the correction components from steps 2 and 3. For the concerning CMU and AMT Hour 't', it is defined by the following formula:

$$V_{Pas}(CMU, t) = V_{Pas,Initial}(CMU, t) + V_{Pas,AS}(CMU, t) + V_{Pas,RD}(CMU, t)$$

This result is integrated in the determination of the Available Capacity according to the method applicable under the conditions exhibited during the AMT Hour (see sections method 1, method 2 or method 3 as applicable).

Available Capacity as a result of the Passive Volume is considered Unproven Availability.

8.4.3.2.3.3 Baseline for Delivery Points providing capacity through the potential for reduction of offtake from the electricity grids of a CMU

434. The determination of Available Capacity for Delivery Points providing capacity through the potential of reduction of offtake from the grid requires a Baseline. This section details how the Baseline is determined for such a Delivery Point. The method is similar to the method for Day-ahead/Intraday markets described in the rules for Transfer of Energy²⁹.

The Baseline methodology is based on a 'highest X of Y*' method. For every Delivery Point requiring a Baseline, ELIA calculates the Baseline based on historical consumption/injection for the considered Delivery Point. For each AMT Hour an AMT Moment covering a period 'P' on day 'A', the four steps described below are performed.

a) Selection of representative days

In this step, ELIA determines a set of Y representative days. In the next step, ELIA selects X reference days out of this set of Y representative days. The 15-minute measurement data of the Delivery point for those reference days are used to determine the Baseline.

The representative days are the last Y days preceding a day 'A' that are of the same category as day 'A', except for days that are excluded. The days that are excluded are:

- The day before day 'A';
- Days during which an activation of Redispatching or Ancillary Services upon request of the TSO has been made using this Delivery Point (provided the Delivery Point was duly notified; according to the beginning of section 8.4.3.2.3);
- The day(s) excluded by the Capacity Provider as described below.

The categories of representative days are:

- Category 1: Working Days;
- Category 2: Week-end days and bank holidays;

²⁹As in the design note of 17/06/2019 available on: https://www.elia.be/en/public-consultation/20190617_public-consultation-designnote_toeidda

- Category 3: Monday or 1st Working Day following a holiday. This category is optional. In the absence of explicit request by the Capacity Provider to consider the days of this category as a separate category, all days are categorized as days of category 1 or 2. Thus, in absence of explicit mentioning of a desire to use this third category by the Capacity Provider, Mondays and first Working Day following a holiday are treated as regular Working Days (category 1).

Depending of the category to which day 'A' corresponds, X and Y for each category of representative days are defined as presented in the table below:

Category of day A	X	Y
Working day	4	5
Weekend day/bank holiday	2	3
Mondays (only applied in case of an explicit request by the Capacity Provider)	2	3

Table 11 – Selection of representative days

The Capacity Provider may exclude one or more representative day(s) following the condition that the request is reasoned and justified by the Capacity Provider. The justification must correspond to one of the elements in the following list:

- The Capacity Provider duly notified ELIA of Unavailable Capacity occurring on day the day they wish to exclude, according to section 8.3;
- Holidays, strike days or a closing period that differ from the past and that have an impact on the injection/offtake profile of the Delivery Point;
- One of the CMU's (Partial) Declared Prices (according to section 8.4.1) was surpassed;

b) Identification of reference days

This step consists of identifying X days for which 15-minute metering data of the Delivery Point are used to calculate the Baseline.

Those X days are retained from the Y representative days. They correspond to the X days for which the average net offtake of active power during the period corresponding to the period covered by the AMT Moment P of day A is the highest.

c) Baseline profile calculation.

This step is dedicated to the calculation of the Baseline value for each quarter hour in the AMT Moment(s) of day A. This value is the average of the X values of active power of the considered Delivery Point, measured at the same quarter hour of the X reference days.

d) Baseline for each AMT hour

The Baseline for each AMT Hour is equal to the average of the quarter-hourly baseline profile values within each AMT Hour as calculated according to step 3.

435. The Capacity Provider has the possibility to request, when relevant for them, via the CRM IT Interface the application of an adjustment in addition to steps a through d described above, per Delivery Point, by adding a fifth step 'adjustment of the Baseline level'.

ELIA only accepts such an adjustment under the following conditions.

- The request is reasoned and justified by the Capacity Provider ;
- The Baseline with adjustment gives better results than the Baseline without adjustment

during a test period of ninety days prior to the Capacity Provider's request, excluding days during which the CMU's (Partial) Declared Price(s) was (were) surpassed or one of its duly notified – according to the beginning of section 8.4.3.2.3 – Delivery Points for Redispatching or frequency-related Ancillary Services was activated for this service;

- To verify condition b above, the Root Mean Square Error (RMSE) values for Baseline with and without adjustment are compared on a daily basis for a ninety days period. The RMSE value for a given Baseline method on a given day is calculated as follows:

$$RMSE_{baseline} = \sqrt{\sum_{q=1}^n (bl_q - m_q)^2},$$

Where

- n: number of quarters of an hour over a period on a given day
- q: a given quarter of an hour
- bl_q: value of the Baseline in question obtained for the quarter hour q
- m_q: measurement of the quarter-hourly power obtained at the Delivery Point in question for the quarter-hour q

The Baseline with adjustment is considered to give better results than Baseline without adjustment if the RMSE of Baseline (as defined above) with adjustment is lower than the RMSE of Baseline (as defined above) without adjustment for 75% of the days considered.

ELIA has the possibility to refuse the Baseline adjustment opted by the Capacity Provider with a reasoned justification. ELIA notifies such a refusal to the CREG.

In case the baseline is adjusted, the adjustment is an uncapped, constant, additive adjustment of the Baseline. An uncapped additive adjustment means that the adjustment is done by adding a 'correction value' (positive or negative) to every quarter-hourly value calculated in Step 3. This correction value is calculated as the difference between the average measured offtake of the Delivery Point during the adjustment period of day A (referred to as P_{adjust,A}), and the average measured offtake of the Delivery Point during the period corresponding to the adjustment period of the X reference days (referred to as P_{adjust,X}). The adjustment period is defined as the three hours before the start of the AMT Moment containing the AMT Hour.

ELIA monitors the adjustment when applied: if the adjustment factor is > + 15%, ELIA can request the Capacity Provider for a sound justification regarding the difference between the average active power measured during the adjustment period and the averaged measured power during period corresponding to the adjustment period during the X reference days. If such a justification cannot be provided or remains insufficient, ELIA reserves the right, after notification to the CREG, to no longer apply a Baseline adjustment for the concerned Delivery Point and instead apply the Baseline without adjustment. ELIA also informs the Capacity Provider of their decision in this case.

8.5. AVAILABILITY TESTS

8.5.1 Modalities

8.5.1.1 General Principles

436. ELIA can verify whether a Capacity Provider has committed to the Availability Obligation for any of its CMU's through unannounced Availability Tests.

437. ELIA can test a CMU up to three times successfully during the Winter Period and one time successfully outside of the Winter Period. Additionally, ELIA reserves the right to test at maximum one time the full duration of the SLA (if any) successfully. A test is successful if during each quarter hour between the test start and end time, 0 MW of Missing Capacity was determined. The limits do not apply to non-successful Availability Tests. As long as the limit of successful Availability Tests have not been reached, Elia can continue to issue Availability Tests for this CMU.

438. In case the Availability Test coincides with an AMT Moment, the Capacity Provider is not held and cannot opt to be held to the Obligated Capacity for the AMT Hours (according to section 8.4.3.1) occurring on the day of the Availability Test, but to the Obligated Capacity for the Availability Test in this section. This is the only possible case for which a Capacity Provider is not held to the Obligated Capacity for AMT Hours, according to section 8.4.3.1.

439. ELIA selects CMU's on which to perform Availability Tests according to an internal procedure, which is not disclosed publicly but which is however submitted to and approved by the CREG.

Nevertheless, in accordance with the principle of non-discrimination and objectivity, ELIA bases their procedure on criteria including, but not limited to:

- The amount of Proven Availability of the CMUs relative to all other CMUs subject to a Capacity Contract for the current Delivery Period;
- Previously failed Availability Tests by the CMU;
- Missing Capacity during Availability Monitoring;
- Correlations of the CMUs outputs with the communicated prices according to section 8.4.2.

440. The internal selection procedure includes provisions to avoid Availability Tests on days with a particularly low risk of adequacy issues.

441. Any Missing Capacity during the period covered by an Availability Test is liable to an Unavailability Penalty (according to section 8.6).

442. The Capacity Provider can also request an Availability Test to ELIA in order to meet the conditions for reinstating the original remuneration after downwards revision due to three AMT Moments and/or Availability Tests during which Missing Capacity was established (according to section 8.6). These tests need operational approval by ELIA and follow the same procedure as an Availability Test at the initiative of Elia.

443. Different Availability Tests for the same CMU take place on different calendar days.

444. Any costs of Availability Tests are borne by the Capacity Provider.

8.5.1.2 Testing Notification

445. ELIA instructs the Capacity Provider to perform an Availability Test via the CRM IT interface at the latest before 15:00 CET the day before it is to take place. ELIA includes in their instruction an expected duration of the Availability Test. The expected duration can be one of two options:

- The full SLA duration (if applicable); or
- One quarter hour.

The notification contains a start and end time for the Availability Test. Start and end times determine the period during which the Obligated Capacity is verified by ELIA. The start- and end time covers a period of at least twenty-four hours. Within that period of time, the Capacity Provider has the freedom to perform the energy delivery as it suits them the best, with the aim to provide the Obligated Capacity as Available Capacity for the expected duration.

As from the time of notification, the Capacity Provider is restricted from trading obligations on the CMU in the Secondary Market for Transaction Periods falling within the start and end time of the Availability Test.

446. In case the CMU is technically dependent with one or more Delivery Point(s) from (a) different CMU(s), Elia instructs an Availability Test to each technically dependent CMU for the same start end time and test duration. As an exception to above paragraph, technically CMUs with technically dependent Delivery Points receiving a simultaneous instruction for testing are permitted to exchange obligations on the secondary market, provided that both buyer and seller of the obligation are one of the technically dependent CMUs.

8.5.2 Capacity Determination

8.5.2.1 Determination of the Obligated Capacity

447. ELIA tests whether the CMU is able to provide an instantaneous level of capacity that ensures the structural availability of the Total Contracted Capacity (in accordance with the SLA if applicable) when taking into account derating. ELIA does not test volumes which are part of Announced Unavailable Capacity (according to section 8.3). The Obligated Capacity is determined by the following formula:

$$P_{Obligated}(CMU, t) = \min\left(NRP(CMU, t) - P_{Unavailable, Announced}(CMU, t); \frac{Total\ Contracted\ Capacity(CMU, t)}{Derating(CMU, t)}\right)$$

Where:

- 't' is a quarter hour within the start and end time of the Availability Test
- $NRP(CMU, t)$ is the CMU's last updated Nominal Reference Power, according to section 5.8
- $P_{Unavailable, Announced}(CMU, t)$ is the Announced Unavailable Capacity, determined according to according to section 8.3
- $Total\ Contracted\ Capacity(CMU, t)$ is the Total Contracted Capacity for the CMU established at the time of notification of the Availability Test
- $Derating(CMU, t)$ is the derating factor established at the time of notification of the Availability Test

This Obligated Capacity only applies during the consecutive quarter-hours spanning the expected duration of the test with highest Available Capacity (according to section 8.5.2.2) within the start and end time of the Availability Test. All other quarter-hours within start and end time have an Obligated Capacity of 0 MW.

8.5.2.2 Determination of the Available Capacity

448. Available Capacity during this start and end time is established as the share of the CMU's capacity that responded with delivery of energy to ELIA's test signal. ELIA establishes a contribution for each Delivery Point 'i' comprising the CMU. The method for determining Available Capacity differs for Delivery Points providing capacity by the potential for injecting energy into the electricity grid and Delivery Points providing capacity by the potential for reduction offtake from the electricity grid.

For a Delivery Point 'i' providing capacity by the potential for injecting energy into the electricity grid, it is equal to the injection at the Delivery Point. It is determined according to the following formula:

$$P_{Available,i}(t) = -P_{measured,i}(t)$$

Where

- ' $P_{measured,i}(t)$ ' is the 15-minute measurement in Delivery Point 'i' and quarter hour 't'.

For a Delivery Point 'i' providing capacity by the potential for reduction of offtake from the electricity grid, it is equal to the reduction in offtake at the Delivery Point. It is determined according to the following formula:

$$P_{Available,i}(t) = P_{Baseline,i}(t) - P_{measured,i}(t)$$

Where:

- ' $P_{measured,i}(t)$ ' is the quarter-hourly measurement in Delivery Point 'i' and quarter hour 't'
- ' $P_{Baseline,i}(t)$ ' is the quarter-hourly Baseline for the Delivery Point 'i' and quarter hour 't', determined at the end of step c as detailed in section 8.4.3.2.3.3

For the CMU, during a quarter hour 't', the Available Capacity is determined as the sum of the Available Capacity for its Delivery Points. This is defined by the following formula:

$$P_{Available}(CMU, t) = \sum_{i=1}^n P_{Available,i}(t)$$

Where:

- 'n' is the number of Delivery Points comprising the CMU
- ' $P_{Available,i}(t)$ ' is Available Capacity for Delivery Point 'i' during quarter hour 't'

8.6. MISSING CAPACITY AND UNAVAILABILITY PENALTY

449. The Missing Capacity of a CMU represents the amount of capacity that it fails to make available when needed with respect to its Availability Obligation.

ELIA determines a CMU's Missing Capacity based on the information collected during the Availability Monitoring and/or Availability Tests of the CMU. According to Section 8.6.1 gives more information about the determination of the Missing Capacity.

450. The Capacity Provider is sanctioned with an Unavailability Penalty for any Missing Capacity on their CMU(s). The Unavailability Penalty is calculated over an AMT Moment or Availability Test expected duration. The details about the calculation of the amount of Unavailability Penalty for a CMU are given in section 8.6.2.

451. ELIA notifies the Capacity Provider of any Missing Capacity and related Unavailability Penalty for its CMU. The Capacity Provider has the right to contest any Unavailability Penalty. The modalities of notification and contestation are explained in section 8.6.3.

452. In case of multiple Unavailability Penalties resulting from any kind of Missing Capacity for the same CMU, ELIA applies an escalation procedure for further penalty measures. The rules governing this escalation procedure can be found in section 8.6.4.

8.6.1 Determination of Missing Capacity

453. The Missing Capacity of a CMU is equal to the positive difference between Obligated and Available Capacity during an AMT Hour during Availability Monitoring (see section 8.4) or a quarter hour during an Availability Test (see section 8.5). As the Availability Obligation of the Capacity Provider requires that it makes available its Obligated Capacity at each AMT Hour or quarter hour, the amount of Available Capacity above the Obligated Capacity at any given moment is not taken into consideration in the determination of the Missing Capacity. This means that ELIA does not consider any negative value for the Missing Capacity. The Missing Capacity for time 't' is determined by the following formula:

$$MC(CMU, t) = \text{Max}(P_{Obligated}(CMU, t) - P_{Available}(CMU, t); 0)$$

Where:

- t is either an AMT Hour or quarter hour within an Availability Test
- $P_{Obligated}(CMU, t)$ is the Obligated Capacity of the CMU for time t
- $P_{Available}(CMU, t)$ is the Available Capacity of the CMU for time t
- From this amount, ELIA differentiates two types of Missing Capacity:
- Announced Missing Capacity (AMC); and
- Unannounced Missing Capacity (UMC).

ELIA first determines the Announced Missing Capacity based on both the Missing Capacity for time t, and the Announced Unavailable Capacity communicated by the Capacity Provider that covers time t. The following formula defines how this amount is calculated:

$$AMC(CMU, t) = \text{Min}(P_{\text{Unavailable, Announced}}(CMU, t); MC(CMU, t))$$

Where:

- t is either an AMT Hour or quarter hour within an Availability Test
- $P_{\text{Unavailable, Announced}}(t)$ is the Announced Unavailable Capacity that covers the time t
- $MC(CMU, t)$ is the Missing Capacity of the CMU for time t

ELIA then determines the Unannounced Missing Capacity (UMC) based on both the Missing Capacity for time t and the Announced Missing Capacity for time t previously calculated. This amount represents the remaining Missing Capacity for time t and is calculated as follows:

$$UMC(CMU, t) = \text{Max}(MC(CMU, t) - AMC(CMU, t); 0)$$

Where:

- t is either an AMT Hour or quarter hour within an Availability Test
- $MC(CMU, t)$ is the Missing Capacity of the CMU for the moment t
- $AMC(CMU, t)$ is the Announced Missing Capacity for time t
- Both values ($AMC(CMU, t); MC(CMU, t)$) are used to calculate the amount of Unavailability Penalty in the next section.

8.6.2 Unavailability Penalty application and calculation

454. As explained above, the Capacity Provider is sanctioned with an Unavailability Penalty for any Missing Capacity on their CMU(s). This penalty is applicable over a complete AMT Moment or duration of Availability Test. Therefore, the Unavailability Penalty of a CMU is determined for the entire AMT Moment or Availability Test duration.
455. To calculate the amount of the Unavailability Penalty of a CMU, ELIA applies the following parameters according to this section:
- The penalty factor to be applied to the Missing Capacity; and
 - The weighted average contracted value of the CMU at time ' t ' corresponding to the AMT Hour or quarter hour within the Availability Test during which the Missing Capacity was determined; and
 - The number of hours or quarter hours, for AMT Moment and Availability Test expected duration respectively, for which the penalty applies; and
 - A constant number, defined as ' UP ', equivalent to ELIA's expectation of the number of AMT Moments during which availability is verified by ELIA.
456. ELIA applies the penalty factor depending on the Missing Capacity type and the time it occurs (time t). This factor aims at incentivizing the Capacity Provider to communicate the Unavailable Capacity in the correct timeframe. For Unannounced Missing Capacity, the penalty factor is equal to 1. For Announced Missing Capacity the penalty factor is set according to the season where the Missing Capacity was detected. The following table summarizes the value of the penalty factor X :

	Unannounced Missing Capacity	Announced Missing Capacity 01/04/20xx-1 – 31/10/20xx	Announced Missing Capacity 01/11/20xx-1 – 31/03/20xx
Penalty factor (X)	1	0	0,9

Table 12 - Value of the Penalty factor (X)

457. The weighted contracted value of a CMU at time t corresponds to the Capacity Remuneration of each Transaction of the CMU with a Transaction Period covering time 't' weighted by the amount of Contracted Capacity in the Transaction. The value expressed in EURO [€] per MW is determined by the following formula:

$$\text{weighted contracted value}(CMU, t) = \frac{\sum_{i=1}^N \text{Capacity Remuneration}_i * \text{Contracted Capacity}_i}{\sum_{i=1}^N \text{Contracted Capacity}_i}$$

Where:

- N is the number of Transactions (in Primary or Secondary Market) with a transaction period covering time t, being the AMT Hour for Availability Monitoring (see section 8.4) or quarter hour during an Availability Test (see section 8.5) during which Missing Capacity was determined.

458. The period of time for which the Unavailability Penalty applies is determined according to the case where Missing Capacity was established:

- In case Missing Capacity was established during an Availability Test, the number of quarter hours spanning the expected duration of the Availability Test (see section 8.5); or
- In case of an Energy-Constrained CMU, the number of SLA Hours; or
- In all other cases, the number of AMT Hours in the considered AMT Moment.
- UP is set at fifteen. It is an order of magnitude and in no way a limitation nor a minimum number of AMT Moments during which ELIA effectively verifies availability.

459. According to the parameters above-mentioned and the Missing Capacity, ELIA calculates the Unavailability Penalty with the following formula:

$$\begin{aligned} \text{Unavailability Penalty [€]} &= \frac{1}{T * UP} \left[\sum_{t=1}^T (1 + X) * \text{Weighted Contract Value}(CMU, t) * UMC(CMU, t) \right. \\ &\quad \left. + \sum_{t=1}^T (1 + X) * \text{Weighted Contract Value}(CMU, t) * AMC(CMU, t) \right] \end{aligned}$$

Where:

- T is the number of hours or quarter hours (as applicable) for which the penalty applies (as described above)
- X is the penalty factor to be applied to the Missing Capacity for time 't' (as in Table 12)
- $UMC(CMU, t)$ is the Unannounced Missing Capacity at time t according to section 8.6.1
- $AMC(CMU, t)$ is the Announced Missing Capacity for time t according to section 8.6.1

- UP is the anticipated number of AMT Moments where availability is verified, equal to 15
- $Weighted\ Contract\ Value(CMU, t)$ is as described above

460. The total amount of the Unavailability Penalty a Capacity Provider can receive for one CMU, for one Delivery Period and for Missing Capacity for a Primary Market obligation or a Secondary Market Obligation for which the Transaction Period covers one or more full Delivery Periods, is limited to the sum of the awarded Capacity Remunerations for the Delivery Period multiplied with their respective Contracted Capacities as recorded on October 30th preceding the Delivery Period.

The total amount of the Unavailability Penalty a Capacity Provider can receive for one CMU, for one month and for Missing Capacity for a Primary Market obligation or a Secondary Market Obligation for which the Transaction Period covers one or more full Delivery Periods, is limited to twenty% of the sum of the awarded Capacity Remunerations for the Delivery Period multiplied with their respective maximum Contracted Capacities for each of the concerned Transactions over the course of the concerned month.

Once the above-defined Delivery Period or monthly cap is reached for the concerning Transaction(s) on a Non-energy Constrained CMU, Elia limits the Missing Capacity solely for the purposes of calculating the Unavailability Penalty to the difference between the Obligated Capacity and the sum of the Contracted Capacities for the Transactions subject to the cap. This is defined by the following formula:

$$MC(CMU, t) = MIN \left(P_{Obligated}(CMU, t) - \sum_{i=1}^n Contracted\ Capacity_i(CMU, t); Max(P_{Obligated}(CMU, t) - P_{Available}(CMU, t); 0) \right)$$

Where:

- 'i' represents the transaction for which the Delivery Period or monthly cap has been reached. This applies until the end of the Delivery Period or month for the Delivery Period or monthly cap respectively.
- 't' is either an AMT Hour or quarter hour within an Availability Test.

Once the above-defined Delivery Period or monthly cap is reached for the concerning Transaction(s) on an Energy Constrained CMU, Elia limits the Missing Capacity solely for the purposes of calculating the Unavailability Penalty to the difference between the Obligated Capacity and the sum of the Contracted Capacities for the Transactions subject to a cap divided by the Derating Factor for the CMU. This is defined by the following formula:

$$MC(CMU, t) = MIN \left(P_{Obligated}(CMU, t) - \frac{\sum_{i=1}^n Contracted\ Capacity_i(CMU, t)}{Derating\ Factor(CMU, t)}; Max(P_{Obligated}(CMU, t) - P_{Available}(CMU, t); 0) \right)$$

Where:

- 'i' represents the transaction to which the Delivery Period or monthly cap has been reached. This applies until the end of the Delivery Period or month for the Delivery Period or monthly cap respectively.
- 't' is either an AMT Hour or quarter hour within an Availability Test.

In addition, the transaction(s) is(are) no longer included in the above calculation of the Weighted Contract Value for the remainder of the Delivery Period or month for the Delivery Period or monthly cap respectively.

The limitation on Missing Capacity during this period is solely for the calculation of the Unavailability Penalty value and among others does not impact the conditions necessary for escalation (according to section 8.6.4), factors taken into account for Availability Tests or any other processes using Missing Capacity as input other than the calculation of the Unavailability Penalty value.

8.6.3 Notification and Contestation

461. After determining the Missing Capacity of a CMU and establishing the related Unavailability Penalty, ELIA must provide the Capacity Provider with a monthly delivery activity report. This report covers an entire month, from the first day of the month at 00:00 until the last day of the month at 23:59. The report contains the following information for any AMT Hour in an AMT Moment or for each quarter hour of Availability Test where Missing Capacity has been detected by ELIA (with the exception of the Unavailability Penalty, which is determined per AMT Moment/Availability Test):

- Date and time; and
- The value in MW of the CMU's Available Capacity; and
- The value in MW of the CMU's Obligated Capacity; and
- The value in MW of the CMU's Missing Capacity, split up in Announced and Unannounced Missing Capacity; and
- The value in EURO [€] of the CMU's Unavailability Penalty.

462. ELIA provides the report before the 15th of month M+2 at the latest to the Capacity Provider for AMT Moments and Availability Tests occurring during month M.

If the Capacity Provider contests any parameters or calculation leading to an incorrect Unavailability Penalty, they have twenty Working Days from the date of notification to contest it with ELIA. In such a case, the Capacity Provider and the ELIA must enter into negotiations in order to reach an amicable agreement within thirty Working Days. The Capacity Provider may request additional information from ELIA on the parameters in the monthly report if needed.

If within thirty Working Days no such agreement is found, the Capacity Provider pays the Unavailability Penalty and both parties continue to find an amicable solution within sixty working days. The agreement can be settled in a future invoice to the Capacity Provider.

If within sixty Working Days still no such agreement has been reached, the parties commence the litigation procedure in accordance with chapter 13.

8.6.4 Penalty escalation procedure

463. A Capacity Provider with a CMU for which ELIA has determined multiple Missing Capacities over the Delivery Period incurs a downwards revision of its Monthly Remuneration (as defined in the Capacity Contract) and, under the criteria in this section, further contractual impacts.

464. ELIA issues the downwards revision of the Monthly Remuneration of a CMU if:

- The CMU fails to meet its Availability Obligations three times over a Delivery Period, during AMT Moments and/or Availability Tests. These three times do not require to be consecutive but do occur on separate calendar days; and
- Each of these failures constitutes an Unannounced Missing Capacity over twenty% of Obligated Capacity established during an AMT Moment and/or Availability Test.

465. The Monthly Remuneration for the Capacity Provider is reduced by a factor equal to the maximum ratio of the three Missing Capacities and the Obligated Capacity values established during the three failures.

The Capacity Provider however retains the initial Availability Obligation and remains liable for possible Unavailability Penalties for that CMU as in the Capacity Contract before the downwards revision was issued. *Total Contract Value* is not altered.

466. ELIA notifies the Capacity Provider of the application of the downwards revision through the monthly delivery activity report, in case it shows the abovementioned criteria. The downwards revision of the Monthly Remuneration applies as of the moment of notification on future reception by the Capacity Provider of the Capacity Remuneration, regardless of the initiation of the contestation procedure. The agreement after contestation can be settled in a future invoice to the Capacity Provider.

467. For each month during which the Capacity Provider is effectively subject to a reduced Monthly Remuneration, the reduced amount for that month is added to the total amount of received penalties contributing to the yearly penalty cap defined in section 8.6.2 for the CMU's Transactions to which such a cap applies. Once the penalty cap is reached for the concerned Delivery Period, the original Monthly Remuneration is restored for the remainder of the ongoing Delivery Period and this only for Transactions subject to the cap.

468. From the moment the Capacity Provider receives the downwards revision, the CMU has to successfully provide its Obligated Capacity in accordance with the Contracted Capacity and SLA three consecutive times during an AMT Moment and/or Availability Tests to reinstate the Capacity Provider's original Monthly Remuneration. For each of these three occurrences the CMU in question must deliver hundred % of the Obligated Capacity as Proven Availability. The Capacity Provider notifies ELIA via the CRM IT interface after completing the third successful delivery. This notification contains:

- The CMU ID; and
- The start date and time of each concerning Availability Test and/or AMT Moment.

469. ELIA analyses the Obligated and Available Capacity for each Availability Test and/or AMT Moment. ELIA notifies the Capacity Provider of the following within five Working Days:

- The CMU ID; and
- The start date and time of each concerning Availability Test and/or AMT Moment; and
- For each Availability Test/AMT Moment, the Obligated, Available and Missing Capacities; and
- Whether the conditions for reinstating the remuneration have been met or not.

The Capacity Provider can request an Availability Test (according to section 8.5) to ELIA for that purpose.

470. The downward revision is extendable across Delivery Periods on multi-year contracts and sequential one-year contracts if the Capacity Provider failed to recover the initial Monthly Remuneration.

471. As long as the CMU has not reinstated its Monthly Remuneration through three successful deliveries during an AMT Moment or Availability Test, its Capacity Provider is prohibited to buy additional obligations for this CMU on the Secondary Market.

472. In case a new Missing Capacity greater than the previous three ones is determined by ELIA during an Availability Test or AMT Moments for this CMU before performing three successful tests, ELIA

sends an updated value of the downward revision with this last Missing Capacity to the Capacity Provider and starts applying it as from the moment of notification to the Capacity Provider.

473. In case the CMU was subject to a downwards revision of Monthly Remuneration during two subsequent Delivery Periods and the CMU each time failed to reinstate the original Capacity Remuneration (as detailed above) within twelve weeks after the notification of the downward revision via the monthly performance report, the Capacity Provider loses the possibility to reinstate the original Monthly Remuneration for the CMU and all current and future Contracted Capacities assigned to the CMU are reduced in proportion to the permanent reduction in Monthly Remuneration. Any Transactions with zero MW Contracted Capacity resulting after this step are subsequently terminated, along with the associated rights and obligations.

9 SECONDARY MARKET

9.1. INTRODUCTION

474. This document describes the Secondary Market which aims to transfer (part of) the Contracted Capacity of a Transaction of a CMU towards another CMU.

It explains in details the principles, conditions and the different processes that are followed by a Prequalified CRM Candidate or a Capacity Provider in order to participate to the Secondary Market

Section 9.2 provides the general principles which form the basis for more elaborated rules in the subsequent Sections.

Section 9.3 describes the conditions for the Prequalified CRM Candidate or Capacity Provider and his CMUs to notify a Secondary Market transaction to ELIA.

Section 9.4 describes the Secondary Market transaction content and the related requirements in order to reach an approved Secondary Market transaction, in addition to Section 9.3 conditions.

Section 9.5 describes the process of notification of a Secondary Market transaction to ELIA and its approval or rejection by ELIA.

Section 9.6 describes the process of contractual modification for ELIA resulting from an approved Secondary Market transaction

Section 9.7 describes the Capacity Contract's possible escalation of penalties in case of underperformance of CMUs having a Secondary Market Transaction.

Section 9.8 describes the start, accessibility and end of the Secondary Market

Finally, section 9.9 describes the high-level IT requirements of a functioning and efficient Secondary Market participation

9.2. GENERAL PRINCIPLES

475. This section describes the general principles applicable to every Capacity Market Unit (CMU) in the Secondary Market process, and to consider when reading (or going through) this section.

476. The Secondary Market process is considered as part of the CRM, and is facultative.

477. The Prequalified CRM Candidate and the Capacity Provider are at all times responsible for the provision of correct, complete and up to date information to ELIA for the purpose of the Secondary Market. ELIA is not liable for loss or loss of opportunity incurred by the Prequalified CRM Candidate or Capacity Provider as a result of incorrect, incomplete or out of date information.

478. The Secondary Market process, as developed by ELIA, is a title transfer facility being part of the CRM IT Interface - consisting in a solution of notification, process and approval or rejection of the notification of a Secondary Market transaction between a Seller of an Obligation and a Buyer of an Obligation and not in a solution for organizing, operating the bilateral or exchange agreement(s) exclusive of the title transfer facility.

479. For ELIA, the Secondary Market transaction is the mandatory set of information and it is to distinguish from the Transaction definition which is the end result of a successfully Secondary Market transaction approved by ELIA and registered by the ELIA in the Capacity Contract.
480. The phases prior to the notification towards ELIA of a Secondary Market transaction are arranged between the Capacity Provider and a Prequalified CRM Candidate (or a Capacity Provider), or arranged with the support of an Exchange. No interventions of ELIA is foreseen on this matter.
481. The entire process to be followed in order to successfully notify a Secondary Market transaction is accomplished by:
- Both Secondary Market transaction counterparties, the Buyer of an Obligation and the Seller of an Obligation, implying a notification of the Secondary Market transaction by each of them in the CRM IT Interface.
- Or,
- The Exchange mandated by the both mandatory counterparties, the Seller of an Obligation and the Buyer of an Obligation for the notification of the Secondary Market transaction to ELIA. He is a facilitator and arranges Secondary Market transactions.
482. ELIA doesn't develop in the CRM any Exchange but facilitates the notification of its Secondary Market transaction.
483. The notification has to be provided to ELIA in order to ensure that, once approved and registered by ELIA under the form of a Capacity Contract, the necessary Financial Security, Pre-delivery control, Availability Obligations & Penalties, Payback Obligation, Settlements and Payments are correctly handled and settled.
484. The Secondary Market transactions are processed by ELIA. However, ELIA cannot be held responsible for any of the transaction content which has been strictly arranged between Secondary Market parties, namely Capacity Provider, Prequalified CRM Candidate or an Exchange.
485. A Secondary Market transaction notification is solely considered between two different CMUs, the CMU of the Seller of an Obligation and the CMU of the Buyer of an Obligation.
486. A Secondary Market transaction can be notified solely after the opening of the Secondary Market according to section 9.8.1 and no Secondary Market transaction can be notified after the end of the Secondary Market according to section 9.8.3.
487. Any approved Secondary Market transaction implies a full transfer of the contractual rights (e.g. the payment of the capacity remuneration) and obligations (e.g. the Availability obligation) related to the part of the Contracted Capacity yielded, as from the Transaction of the Seller of an Obligation Capacity Contract, towards a new Transaction on the CMU in the Capacity Contract of the Buyer of an Obligation in the Secondary Market transaction.
488. The notification of a Secondary Market transaction by the Buyer of an Obligation and / or Seller of an Obligation in the Secondary Market transaction commits him/them on the contractual implications. The notification of a Secondary Market transaction by an Exchange duly recognized by Secondary Market Exchange Mandates (according to annex 17.3.1) with the Buyer of an Obligation and the Seller of an Obligation in the Secondary Market transaction commits them on the contractual implications.
489. All formulas described in the sections 9.4 and 9.5 are related to parameters evolving in time and which incorporate all the CMU Capacity Contract parameters and Transactions modifications so that at any time, the approval or rejection of a Secondary Market transaction can be performed.

References to other sections of the Functioning Rules enhance a dynamic and holistic ecosystem of the CMU data.

490. Evolution of the formula in time and its parameters are driven by the two time dimensions:
- The t_{notif} defining the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
 - The Transaction Period TP on which the Secondary Market transaction applies and impacts the contractual obligations of the Capacity Provider regarding his CMU
491. A granularity of 0,01 MW is applicable for MW data.
492. The rounding rule is rounding-up so that the result up or down to the nearest number (with a rounding-up if there is no nearest number) and applies to each formula.

9.3. CONDITIONS FOR SECONDARY MARKET PARTICIPATION

493. This section describes the conditions to comply with for Prequalified CRM Candidate or Capacity Provider and their Prequalified CMUs to participate in the Secondary Market once the title transfer facility developed by ELIA is available according to section 9.8.
494. Only Capacity Providers are entitled to become Sellers of an Obligation. They are identified with an individual *Capacity Provider ID*, communicated in the Capacity Contract annex A and also available on the CRM IT Interface.
495. The Buyer of an Obligation is either a Prequalified CRM Candidate or a Capacity Provider, respectively identified with a *Prequalified CRM Candidate ID*, available on the CRM IT Interface, or a *Capacity Provider ID*, communicated in the Capacity Contract annex A and also available on the CRM IT Interface.
496. According to paragraph 604, in case of Secondary Market escalation of penalties process, contractual restrictions on the Prequalified CRM Candidate or Capacity Provider in the Secondary Market to participate as a Buyer of an Obligation to take over obligations on his CMU, are applicable. Therefore, the Prequalified CRM Candidate or Capacity Provider has no access to the Secondary Market or only with a limited amount of CMUs.

9.3.1 Compliance checks

497. The Seller of an Obligation as Capacity Provider has endorsed the CRM conditions including the Capacity Contract and has signed a Capacity Contract for the Contracted Capacity of its CMU.
498. The Buyer of an Obligation acknowledged the CRM conditions including the Capacity Contract at the time of its CMU Prequalification Process.

9.3.2 Conditions for Exchange

499. To participate to the Secondary Market on the Transaction Period, an Exchange should be mandated by at least two Capacity Providers or at least a Capacity Provider and a Prequalified CRM Candidate. An Exchange is mandated by a Capacity Provider or Prequalified CRM Candidate when he signed a valid Secondary Market Exchange Mandate (see annex 17.3.1) with him, duly communicated to ELIA for registry according to paragraph 572.

9.3.3 Conditions for CMUs

500. With the exclusion of CMU(s) following the fast track Prequalification Process, the CMU(s) with the prequalified status are the only ones entitled to participate to the Secondary Market.

Such CMU(s) are respectively identified with a unique ID as displayed on CRM IT Interface, the *CMU ID*.

However, the condition of participation in the Secondary Market for a CMU may differ for a Prequalified CMU depending on whether it is held by a Seller of an Obligation or a Buyer of an Obligation, namely:

- For the Seller of an Obligation, his related participating CMUs have one of the three possible status: Existing CMU, Virtual CMU or Additional CMU.
- For the Buyer of an Obligation, only Existing CMUs (CMUs with the status of “existing” prequalified following the standard Prequalification Process according to paragraph 156) are authorized to participate to the Secondary Market.

9.3.3.1 Conditions on the Transaction of the Seller of an Obligation’s CMU

501. According to paragraph 534 on the requirement for the Seller of an Obligation Transaction, prior to his connection on the CRM IT Interface, the Seller of an Obligation has a CMU with a Transaction having a positive (above zero) Contracted Capacity on the current or future Delivery Periods.

9.3.3.2 Conditions on the CMU Secondary Market Remaining Eligible Volume

502. According to section 9.4.3.10, prior his connection on the CRM IT Interface, the Buyer of an Obligation has a CMU with a positive (above zero) Secondary Market Remaining Eligible Volume on the current or future Delivery Periods.

9.3.3.3 Compliance checks

503. A Secondary Market transaction notified with a CMU not respecting those conditions is rejected according to paragraph 586 .

9.4. SECONDARY MARKET TRANSACTIONS REQUIREMENTS

504. This section describes, for a Secondary Market transaction, all the requirements to comply with a successful filled-in notification and which apply prior to its submission.

This section lists the data or documents relating to the Prequalified CMUs that are submitted with the notification according to section 9.5.1 by both the Seller of an Obligation and the Buyer of an Obligation (or their common Exchange) to obtain ELIA’s approval of the Secondary Market transaction.

In case of inconsistency or non-compliance with at least one of the below requirements, the Secondary Market transaction is rejected (as a status) according to paragraph 586.

9.4.1 Requirement on the notification issuance

505. In case of a bilateral Secondary Market transaction notification, both the Seller of an Obligation and the Buyer of an Obligation communicate the same Secondary Market transaction content as detailed in paragraph 511.

506. In case of an Exchange Secondary Market transaction notification, both the Seller of an Obligation and the Buyer of an Obligation have signed a valid Secondary Market Exchange Mandate form (see annex 17.3.1) with the same Exchange prior to the notification according to paragraph 574.

9.4.2 Requirement on the Transaction Date

507. The Transaction Date is determined and logged as the official acknowledgement of reception timestamp (date and time) by ELIA according to paragraph 575.

508. The ex-post or ex-ante status of a Secondary Market transaction is defined by the combination of the Transaction Date and its position in time compared to the Transaction Period start date as defined and settled in the Secondary Market transaction process, according to section 9.5.3:

- An ex-ante Secondary Market transaction has a Transaction Date before the moment of AMT identification as detailed in section 8.4.1 related to the start date and time of a Transaction Period.
- An ex-post Secondary Market transaction has a Transaction Date equal or posterior to the moment of AMT identification as detailed in section 8.4.1 related to the start date and time of a Transaction Period.

509. Ex-post Secondary Market transactions are authorized up to ten Working Days after the start of the Transaction Period, considered as an AMT Hour, implying that the Transaction Date (date and time) should not exceed by more than ten Working Days after the Transaction Period start date (date and time).

510. All Secondary Market transactions having a Transaction Period with a granularity of hours according to paragraph 525 and transferring an obligation from or to an Energy Constrained CMU on its SLA and/or non-SLA Hours are only notified in ex-post.

9.4.3 Requirement on the notification content

511. The content of information that is required in a Secondary Market transaction notification is the content of the notification and describes the elements required in the process and approval process in accordance to section 9.5. Each of the following elements is described further in details in the table below.

The Secondary Market transaction content is:

Information	Type	Unit	Information	Details
Secondary Market transaction external ID	Free field of 6 alphabet letters followed by 6 digits	NA	The ID of the Secondary Market transaction arranged by both the Seller of an Obligation and the Buyer of an Obligation (or an	As detailed in section 9.4.3.1

			Exchange)	
Seller of an Obligation	Capacity Provider ID	NA	Identification of the Capacity Provider of the CMU of the Seller of an Obligation and considered as the Seller of an Obligation	As detailed in section 9.4.3.2
CMU of the Seller of an Obligation	CMU ID	NA	Identification of the CMU of the Seller of an Obligation	As detailed in section 9.4.3.3
Transaction of the Seller of an Obligation's CMU	Transaction ID	NA	Identification of the Transaction from which the obligation is deducted of the CMU of the Seller of an Obligation	As detailed in section 9.4.3.4
Buyer of an Obligation	Capacity Provider ID or Prequalified CRM Candidate ID	NA	Identification of the Capacity Provider or Prequalified CRM Candidate of the CMU taking over the obligation and considered as the Buyer of an Obligation	As detailed in section 9.4.3.5
CMU of the Buyer of an Obligation	CMU ID	NA	Identification of the CMU taking over the obligation	As detailed in section 9.4.3.6
Secondary Market Capacity	Decimal number	MW	The volume of the Secondary Market Capacity that is transferred	As detailed in section 9.4.3.11
Transaction Period	Date / Time to Date / Time	Time	The Transaction Period indicating the start date/time until the end date/time (included)	As detailed in section 9.4.3.7
Capacity Remuneration	Decimal number	€/MW/year	The Capacity Remuneration of the identified Transaction of the CMU of the Seller of an Obligation	As detailed in section 9.4.3.12
Calibrated Strike Price of the Transaction	Decimal number	€/MWh	The Calibrated Strike Price of the identified Transaction of the CMU of the Seller of an Obligation	As detailed in the paragraphs 561, 563, 564 and 565
Strike Price indexation Auction year	Integer or "NA"	Year	If applicable, the Calibrated Strike Price indexation in time	As detailed in the paragraphs 562, 563, 564 and 565

			represented by its parameter Auction year	
Strike Price indexation Auction type	"Y-4", "Y-1" or "NA"		If applicable, the Calibrated Strike Price indexation in time represented by its parameter Auction type Y-4 or Y-1	As detailed in the paragraphs 562, 563, 564 and 565

Table 13 – Requirement on the notification content of a Secondary Market transaction

9.4.3.1 Secondary Market transaction external ID

512. The Buyer of an Obligation and the Seller of an Obligation, or if applicable the Exchange, determine a *Secondary Market transaction external ID*. It is composed of six letters (of the latin alphabet of twenty-six letters) followed by six digits (each from zero to nine).

For both the Buyer of an Obligation and the Seller of an Obligation, the *Secondary Market transaction external ID* is new and has never been used previously in a Secondary Market transaction notification content involving them, whether for a transaction status in process, rejected or approved.

Any Secondary Market transaction notified with a *Secondary Market transaction external ID* of a Secondary Market transaction already notified, involving the Prequalified CRM Candidates or Capacity Providers and with one of the three status (in process, approved, rejected) is automatically rejected. The parties are required to enter again the Secondary Market transaction process along with another *Secondary Market transaction external ID*.

9.4.3.2 Seller of an Obligation

513. The Seller of an Obligation is a Capacity Provider and is exclusively identified by its *Capacity Provider ID*, as specified in his Capacity Contract, annex A.

9.4.3.3 CMU of the Seller of an Obligation

514. The CMU of the Seller of an Obligation is identified with its *CMU ID*, communicated in the Prequalification Process.

515. The CMU of the Seller of an Obligation is prequalified and is different than the CMU of the Buyer of an Obligation.

9.4.3.4 Transaction of the Seller of an Obligation's CMU

516. The Contracted Capacity of a Transaction incorporates all the previous successfully approved Secondary Market transactions that are modified accordingly by the ELIA in accordance to section 9.6.

517. The formula as detailed in paragraph 534 can be used at any time to measure the capabilities of the CMU of the Seller of an Obligation for new Secondary Market transactions.

518. The Seller of an Obligation (or his Exchange as detailed in paragraph 506) communicates to ELIA in the notification content, as detailed in paragraph 511, the Transaction of the Seller of an Obligation's CMU (its *Transaction ID*) representing the unique identification of the Transaction from which the obligation is deducted of the CMU of the Seller of an Obligation. The Buyer of an

Obligation (or his dedicated Exchange as detailed in paragraph 506) communicates in the notification content as detailed in paragraph 511, the same information. The *Transaction ID* communicated as detailed in paragraph 511 is related to the *CMU ID* of the CMU of the Seller of an Obligation and listed in his Capacity Contract, annex A.

9.4.3.5 Buyer of an Obligation ID

519. The Buyer of an Obligation is a Capacity Provider or a Prequalified CRM Candidate and is therefore respectively identified by either:

- A *Capacity Provider ID*, as specified in his Capacity Contract, annex A, or
- A *Prequalified CRM Candidate ID*, as specified in the CRM IT Interface during the Prequalification Process

520. According to paragraph 604, in case of Secondary Market escalation of penalties process, contractual restrictions on the Prequalified CRM Candidate or Capacity Provider in the Secondary Market to participate as a Buyer of an Obligation to take over obligations on its CMU are applicable. The Prequalified CRM Candidate or Capacity Provider doesn't access the Secondary Market entirely or with an amount of limited CMUs to participate.

9.4.3.6 CMU of the Buyer of an Obligation

521. The CMU of the Buyer of an Obligation is identified with its *CMU ID*, communicated in the Prequalification Process.

522. The CMU of the Buyer of an Obligation is prequalified and is different than the CMU of the Seller of an Obligation.

523. The CMU of the Buyer of an Obligation is an Existing CMU. All transactions notified to ELIA containing for the CMU of the Buyer of an Obligation the status 'Unproven' or 'Additional' are rejected.

524. According to paragraph 604, in case of Secondary Market escalation of penalties process, contractual restrictions on the Prequalified CRM Candidate or Capacity Provider in the Secondary Market to participate as a Buyer of an Obligation to take over obligations on a specific CMU are applicable.

9.4.3.7 Transaction Period

9.4.3.7.1 Transaction Period features

525. The granularity in terms of period covered by the Secondary Market transaction is:

- Either, one calendar day (measured from one midnight to the next) or multiple consecutive calendar days within a Delivery Period;
- Either, one full hour or multiple consecutive full hours in a calendar day.

526. The time definition is the Belgian time (CET).

527. The Transaction Period of the Secondary Market transaction is a period in time covered by a Contracted Capacity in the CRM.

528. The Seller of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511 the Transaction Period composed of a start date (date and time) and an end date (date and time).

The Buyer of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511, the same information.

According to paragraph 578, an ex-post Secondary Market transaction has a Transaction Period end date on the same calendar day as the Transaction Period start date.

9.4.3.7.2 Limitation to the Transaction Period of the Transaction of the Seller of an Obligation's CMU

529. The Seller of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511 the Transaction of the Seller of an Obligation's CMU (its *Transaction ID*) representing the unique identification of the Transaction from which the obligation is deducted of the CMU of the Seller of an Obligation.

530. For an ex-post Secondary Market transaction, if the Transaction releasing an obligation *Transaction Id* of the Seller is ex-ante and the CMU of the Seller of an Obligation is an Energy Constrained CMU, the Transaction Period is the entire set of SLA Hours of the Seller of an Obligation's CMU (according to section 8.4.3.1.3) for the calendar day to which the Transaction Period applies.

531. The Buyer of an Obligation (or his Exchange) also communicates in the notification content as detailed in paragraph 511, the Transaction of the Seller of an Obligation's CMU and (its Transaction ID) representing the unique identification of the Transaction from which the obligation is deducted of the CMU of the Seller of an Obligation.

532. In all cases, at a certain moment t_{notif} , the Secondary Market Transaction Period is fully included in the Transaction Period of the Transaction of the Seller of an Obligation's CMU according to paragraph 518, identified by its *Transaction ID*.

This is represented by the following formula:

$$\begin{aligned} & \text{Secondary Market Transaction Period start date } (CMU, TP, t_{notif}) \\ & \geq \text{Transaction Period start date } (CMU, Transaction Id, t_{notif}) \end{aligned}$$

And,

$$\begin{aligned} & \text{Secondary Market Transaction Period end date } (CMU, TP, t_{notif}) \\ & \leq \text{Transaction Period end date } (CMU, Transaction Id, t_{notif}) \end{aligned}$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- Transaction Id refers to the unique identifier of a Transaction of the Seller of an Obligation's CMU according to paragraph 518 as specified in the annex A of the Capacity Contract or in the CRM IT Interface.

9.4.3.7.3 Compliance check

533. According to sections 9.4.3.7.1 and 9.4.3.7.2, a Secondary Market transaction notified to ELIA with an incorrect Transaction Period is rejected as detailed in paragraph 586.

9.4.3.8 Secondary Market Capacity of the Seller of an Obligation

534. In the case of an ex-post Secondary Market transaction, if the Transaction releasing an obligation *Transaction Id* of the Seller of an Obligation is ex-ante and the CMU of the Seller of an Obligation is an Energy Constrained CMU, at a certain moment t_{notif} , the Secondary Market Capacity is positive and limited to the minimum of the Contracted Capacity of the Transaction of the Seller of an Obligation's CMU, identified by its *Transaction ID* over the Transaction Period *TP*, divided by the Derating Factor of the CMU's Transaction.

This is represented by the following formula:

$$\text{Secondary Market Capacity} (CMU, TP, t_{notif}) \leq \frac{\text{Contracted Capacity}_{min} (CMU, Transaction Id, TP, t_{notif})}{\text{Derating Factor} (CMU, Transaction Id)}$$

And,

$$\text{Secondary Market Capacity} (CMU, TP, t_{notif}) \geq 0$$

Where:

- *TP* is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7;
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- *Transaction Id* refers to the unique identifier of a Transaction of the Seller of an Obligation's CMU according to paragraph 518 as specified in the annex A of the Capacity Contract or in the CRM IT Interface.
- $\text{Contracted Capacity}_{min} (CMU, Transaction Id, TP, t_{notif})$ is the minimum Contracted Capacity of the Transaction's CMU identified by its *Transaction Id* over the Transaction Period *TP* at the moment of the notification t_{notif} ;
- $\text{Derating Factor} (CMU, Transaction Id)$ is the Derating Factor of the Transaction releasing an Obligation identified by its *Transaction Id*. The Derating Factor of the Transaction is also available in the Capacity Contract Annex A;

535. Otherwise, at a certain moment t_{notif} , the Secondary Market Capacity is positive and limited to the minimum of the Contracted Capacity of the Transaction of the Seller of an Obligation's CMU, identified by its *Transaction ID* over the Transaction Period *TP*.

This is represented by the following formula:

$$\text{Secondary Market Capacity} (CMU, TP, t_{notif}) \leq \text{Contracted Capacity}_{min} (CMU, Transaction Id, TP, t_{notif})$$

And,

$$\text{Secondary Market Capacity} (CMU, TP, t_{notif}) \geq 0$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- Transaction Id refers to the unique identifier of a Transaction of the Seller of an Obligation's CMU according to paragraph 518 as specified in the annex A of the Capacity Contract or in the CRM IT Interface.
- $Contracted\ Capacity_{min}(CMU, Transaction\ Id, TP, t_{notif})$ is the minimum Contracted Capacity of the Transaction's CMU identified by its Transaction Id over the Transaction Period TP at the moment of the notification t_{notif} ;

9.4.3.9 Last Published Derating Factor of a Secondary Market transaction

536. The Last Published Derating Factor of a Secondary Market transaction requirement for the Secondary Market Capacity of the Buyer of an Obligation of section 9.4.3.10 is defined by t_{notif} and the Delivery Period in which the Transaction Period relies. This is represented by:

$$Last\ Published\ Derating\ Factor(CMU, TP, t_{notif})$$

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7;
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;

537. At t_{notif} , the Last Published Derating Factor of a Secondary Market transaction is the last published value of the Derating Factor category of the CMU related to the Delivery Period on which the Transaction Period relies.

538. If at t_{notif} , no Derating Factor of the CMU category is published for the Delivery Period on which the Transaction Period relies, the Last Published Derating Factor of the Secondary Market transaction is the last published value of the Derating Factor category of the CMU related to the one from the nearest Delivery Period to the Delivery Period on which the Transaction Period relies.

9.4.3.10 Secondary Market Capacity of the Buyer of an Obligation

539. According to section 8.4.3.1, the Obligated Capacity incorporates the successfully approved Secondary Market Transactions, through Total Contracted Capacity (as in the definition of the term) or otherwise specified, and is modified accordingly by the ELIA so that the formula of section 9.4.3.10 can be used at any time to measure the capabilities of the CMU of the Buyer of an Obligation for new Secondary Market transactions.

9.4.3.10.1 Authorized Secondary Market Capacity for Non-energy Constrained CMUs

540. In a Secondary Market transaction performed at a certain moment t_{notif} , the Non-energy Constrained CMU of a Buyer of an Obligation willing to take over new obligation(s) has a maximal

authorized volume to acquire Contracted Capacities and related obligations which limits the Secondary Market Capacity on the Transaction Period TP to the Secondary Market Remaining Eligible Volume (hereafter 'SMREV').

This is represented by the following formula:

$$\text{Secondary Market Capacity}(CMU, TP, t_{notif}) \leq \text{SMREV}(CMU, TP, t_{notif})$$

541. A distinction of the Secondary Market Remaining Eligible Volume is made depending on the ex-ante or ex-post expected status of the Secondary Market transaction according to paragraph 508 and to section 9.5.3.
542. The Secondary Market Capacity of an ex-post Secondary Market transaction for a Non-energy Constrained CMU is only based on Proven Availability.
543. For an ex-ante Secondary Market transaction, for a CMU over the Transaction Period TP and calculated at a certain moment in time t_{notif} , the Secondary Market Remaining Eligible Volume is the positive result of the minimum Remaining Maximum Capacity over the Transaction Period from which is firstly deducted the Total Contracted Capacity and from which is secondly deducted the maximum Opt-out Volume that resulted in a correction of the volume in the Auction over the Transaction Period multiplied by the Last Published Derating Factor.

This is represented by the following formula:

$$\begin{aligned} \text{SMREV}(CMU, TP, t_{notif}) &= \text{Max}(0; \text{Remaining Maximum Capacity}_{min}(CMU, TP, t_{notif}) \\ &\quad - \text{Total Contracted Capacity}_{max}(CMU, TP, t_{notif}) - [\text{OptOut Volume}_{max}(CMU, TP, t_{notif}) \\ &\quad * \text{Last Published Derating Factor}(CMU, TP, t_{notif})]) \end{aligned}$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- $\text{Remaining Maximum Capacity}_{min}(CMU, TP, t_{notif})$ is the minimum CMU Remaining Maximum Capacity applicable according to paragraph 356 over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{Total Contracted Capacity}_{max}(CMU, TP, t_{notif})$ is the maximum CMU Total Contracted Capacity over the Transaction Period TP at the moment of the notification t_{notif} ;
- t_{TCC} is defined by the time at which the maximum Total Contracted Capacity is identified over the Transaction Period TP ;
- $\text{OptOut Volume}_{max}(CMU, TP, t_{notif})$ is the maximum Opt-out Volume of the CMU considered as IN according to sections 5.6.2.2 and 5.7.1.2, and after multiplied by the Derating Factor is offered as a correction volume of the demand in the Auction paragraph 259 over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{Last Published Derating Factor}(CMU, TP, t_{notif})$ is the last published Derating Factor of the CMU at the moment of the notification t_{notif} according to 9.4.3.9

544. For an ex-post Secondary Market transaction, for a CMU over the Transaction Period TP and calculated at a certain moment in time t_{notif} , the Secondary Market Remaining Eligible Volume is the positive result of the minimum Remaining Maximum Capacity over the Transaction Period from which is firstly deducted the Obligated Capacity and from which is secondly deducted the maximum Opt-out Volume that resulted in a correction of the volume in the Auction over the Transaction Period multiplied by the Last Published Derating Factor.

This is represented by the following formula:

$$\begin{aligned}
 SMREV(CMU, TP, t_{notif}) &= \text{Max}(0; \text{Remaining Maximum Capacity}_{min}(CMU, TP, t_{notif}) \\
 &\quad - \text{Obligated Capacity}_{max}(CMU, TP, t_{notif}) \\
 &\quad - [\text{OptOut Volume}_{max}(CMU, TP, t_{notif}) * \text{Last Published Derating Factor}(CMU, TP, t_{notif})])
 \end{aligned}$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- $\text{Remaining Maximum Capacity}_{min}(CMU, TP, t_{notif})$ is the minimum CMU Remaining Maximum Capacity applicable according to the paragraph 356 over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{Obligated Capacity}_{max}(CMU, TP, t_{notif})$ is the maximum CMU Obligated Capacity according to the section 8.4.3.1 over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{OptOut Volume}_{max}(CMU, TP, t_{notif})$ is the maximum Opt-out Volume of the CMU considered as IN according to sections 5.6.2.2 and 5.7.1.2, and after multiplied by the Derating Factor is offered as a correction volume of the demand in the Auction according to chapter Auction paragraph 259 over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{Last Published Derating Factor}(CMU, TP, t_{notif})$ is the last published Derating Factor of the CMU at the moment of the notification t_{notif} according to 9.4.3.9

9.4.3.10.2 Authorized Secondary Market Capacity for Energy Constrained CMUs on their SLA Hours

545. In a Secondary Market transaction performed at a certain moment t_{notif} , the Energy Constrained CMU of a Buyer of an Obligation willing to take over new obligation(s) has a maximal authorized volume to acquire Contracted Capacities and related obligations which limits the Secondary Market Capacity on the Transaction Period TP to the Secondary Market Remaining Eligible Volume (hereafter 'SMREV').

This is represented by the following formula:

$$\text{Secondary Market Capacity}(CMU, TP, t_{notif}) \leq SMREV(CMU, TP, t_{notif})$$

546. The Secondary Market Capacity of an ex-post Secondary Market transaction for an Energy Constrained CMU on SLA Hours is only based on Proven Availability.

547. A distinction of the Secondary Market Remaining Eligible Volume is to be made depending on the ex-ante or ex-post expected status of the Secondary Market transaction according to paragraph 508 and to section 9.5.3.
548. For an ex-ante Secondary Market transaction, for a CMU over the Transaction Period TP and calculated at a certain moment in time t_{notif} , the Secondary Market Remaining Eligible Volume is the positive result of the multiplication of the minimum Remaining Maximum Capacity over the Transaction Period from which is firstly deducted the Total Contracted Capacity divided by the Derating Factor of the maximum Total Contracted Capacity over the Transaction Period and from which is secondly deducted the maximum OptOut Volume that resulted in a correction of the volume in the Auction over the Transaction Period, by the Last Published Derating Factor.

This is represented by the following formula:

$$\begin{aligned}
 & SMREV(CMU, TP, t_{notif}) \\
 &= \text{Max} \left(0 ; \left[\text{Remaining Maximum Capacity}_{min} (CMU, TP, t_{notif}) \right. \right. \\
 &\quad \left. \left. - \left[\frac{\text{Total Contracted Capacity}_{max} (CMU, TP, t_{notif})}{\text{Derating Factor} (CMU, t_{TCC})} \right] - \text{OptOut Volume}_{max} (CMU, TP, t_{notif}) \right] \right) \\
 &\quad * \text{Last Published Derating Factor} (CMU, TP, t_{notif})
 \end{aligned}$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- $\text{Remaining Maximum Capacity}_{min} (CMU, TP, t_{notif})$ is the minimum CMU Remaining Maximum Capacity according to the paragraph 356 applicable over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{Total Contracted Capacity}_{max} (CMU, TP, t_{notif})$ is the maximum CMU Total Contracted Capacity over the Transaction Period TP at the moment of the notification t_{notif} ;
- t_{TCC} is defined by the time at which the maximum Total Contracted Capacity is identified over the Transaction Period TP ;
- $\text{Derating Factor} (CMU, t_{TCC})$ is the weighted average based on Contracted Capacities of the previous registered Transactions Derating Factors of the CMU on moment t_{TCC} and represented by the following formula:
- $\text{Derating Factor} (CMU, t) = \frac{\sum_{i=1}^n [\text{Contracted Capacity} (CMU, \text{Transaction}_i, t_{TCC}) * \text{Derating Factor} (CMU, \text{Transaction}_i)]}{\text{Total Contracted Capacity} (CMU, t_{TCC})}$
- $\text{OptOut Volume}_{max} (CMU, TP, t_{notif})$ is the maximum Opt-out Volume of the CMU considered as IN according to sections 5.6.2.2 and 5.7.1.2, and after multiplied by the Derating Factor is offered as a correction volume of the demand in the Auction according to paragraph 259 over the Transaction Period TP at the moment of the notification t_{notif} ;

- *Last Published Derating Factor*(CMU, TP, t_{notif}) is the last published Derating Factor of the CMU at the moment of the notification t_{notif} according to 9.4.3.9

549. For an ex-post Secondary Market transaction, for a CMU over the Transaction Period TP and calculated at a certain moment in time t_{notif} , the Secondary Market Remaining Eligible Volume is the positive result of the minimum Proven Availability over the Transaction Period from which is firstly deducted the maximum Obligated Capacity over the Transaction Period and from which is secondly deducted the maximum Opt-out Volume that resulted in a correction of the volume in the Auction over the Transaction Period.

This is represented by the following formula:

$$\begin{aligned}
 SMREV(CMU, TP, t_{notif}) &= \text{Max} \left(0 ; \text{Proven Availability}_{min} (CMU, TP, t_{notif}) \right. \\
 &\quad \left. - \text{Obligated Capacity}_{max} (CMU, TP, t_{notif}) - \text{OptOut Volume}_{max} (CMU, TP, t_{notif}) \right)
 \end{aligned}$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- *Proven Availability*_{min} (CMU, TP, t_{notif}) is the minimum CMU Proven Availability according to section 8.4.3.2 applicable over the Transaction Period TP at the moment of the notification t_{notif} ;
- *Obligated Capacity*_{max} (CMU, TP, t_{notif}) is the maximum CMU Obligated Capacity according to the section 8.4.3.1 over the Transaction Period TP at the moment of the notification t_{notif} ;
- *OptOut Volume*_{max} (CMU, TP, t_{notif}) is the maximum Opt-out Volume of the CMU considered as IN according to sections 5.6.2.2 and 5.7.1.2, and after multiplied by the Derating Factor is offered as a correction volume of the demand in the Auction according to paragraph 259 over the Transaction Period TP at the moment of the notification t_{notif} ;

9.4.3.10.3 Authorized Secondary Market Capacity for Energy Constrained CMUs on their Non-SLA Hours

550. Energy Constrained CMUs are allowed to trade, take over and release obligations in the Secondary Market outside of their SLA Hours for hours considered in the AMT Moments.
551. The Secondary Market Capacity of a Secondary Market transaction for an Energy Constrained CMU on Non-SLA Hours is only based on Proven Availability.
552. Secondary Market transaction involving the non-SLA Hours of an Energy Constraint CMU is only authorized in ex-post according to paragraphs 508 and 510, and to section 9.5.3.
553. In a Secondary Market transaction performed at a certain moment t_{notif} , the Energy Constrained CMU of a Buyer of an Obligation has a maximal authorized volume to acquire Contracted Capacities and related obligations on its Non-SLA hours which limits the Secondary Market Capacity on the Transaction Period TP to the Secondary Market Remaining Eligible Volume (hereafter 'SMREV').

This is represented by the following formula:

$$\text{Secondary Market Capacity}(CMU, TP, t_{notif}) \leq SMREV(CMU, TP, t_{notif})$$

And,

For a CMU over the Transaction Period TP and calculated at a certain moment in time t_{notif} , the Secondary Market Remaining Eligible Volume is the positive result of the minimum Proven Availability over the Transaction Period from which is deducted the maximum Obligated Capacity over the Transaction Period.

This is represented by the following formula:

$$\begin{aligned} SMREV(CMU, TP, t_{notif}) \\ = \text{Max}(0 ; \text{Proven Availability}_{min}(CMU, TP, t_{notif}) \\ - \text{Obligated Capacity}_{max}(CMU, TP, t_{notif})) \end{aligned}$$

Where:

- TP is the Transaction Period of the Secondary Market transaction according to paragraph 511 and to section 9.4.3.7. The Transaction Period TP is a set of continuous hours exclusively on a continuous set of non-SLA hours for the CMU of the Seller of an Obligation in the AMT hours
- t_{notif} is the moment at which ELIA acknowledges reception of the notification according to paragraph 575;
- $\text{Proven Availability}_{min}(CMU, TP, t_{notif})$ is the minimum CMU Proven Availability according to the section 8.4.3.2.2 applicable over the Transaction Period TP at the moment of the notification t_{notif} ;
- $\text{Obligated Capacity}_{max}(CMU, TP, t_{notif})$ is the maximum CMU Obligated Capacity according to the section 8.4.3.1 over the Transaction Period TP at the moment of the notification t_{notif} ;

9.4.3.11 Secondary Market Capacity for the notification content

554. The Seller of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511 a Secondary Market Capacity which is equal or below the maximal Secondary Market Capacity of the CMU of the Seller of an Obligation on the Transaction Period, according to paragraph 534.

The Buyer of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511 a Secondary Market Capacity which is equal or below the maximal Secondary Market Capacity of the CMU of the Buyer of an Obligation on the Transaction Period, according to paragraph 539.

555. The Secondary Market Capacity is a fixed value in MW over the Transaction Period TP .

This implies that different Secondary Market Capacities over time are arranged in different Secondary Market transactions notification content as detailed in paragraph 511 and notifications according to section 9.5.1.

The communicated Secondary Market Capacities in both notifications of the Secondary Market transaction are equal.

556. The same compliance check with the requirements according to the sections 9.4.3.8, 9.4.3.10 and 9.4.3.11 applies in case of a single notification of the Secondary Market transaction by an Exchange as detailed in paragraph 574.
557. A Transaction notified to ELIA with an incorrect Secondary Market Capacity is rejected according to paragraph 586.

9.4.3.12 Capacity Remuneration transfer

558. The Seller of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511 the Capacity Remuneration of its identified Transaction of the CMU of the Seller of an Obligation.

The Buyer of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511, the same information.

The communicated Capacity Remuneration equals with the identified Transaction of the CMU of the Seller of an Obligation original Capacity Remuneration, communicated in the Capacity Contract annex A and also available on the CRM IT Interface.

559. The same compliance to the requirements applies in case of single notification of the Secondary Market transaction by an Exchange as detailed in paragraph 506.
560. A Transaction notified to ELIA with an incorrect Capacity Remuneration value is rejected according to paragraph 586.

9.4.3.13 Strike Price transfer

561. The Seller of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511 the Calibrated Strike Price of its identified Transaction of the CMU of the Seller of an Obligation.

The Buyer of an Obligation (or his Exchange) communicates in the notification content as detailed in paragraph 511, the same information.

562. If applicable, the Calibrated Strike Price is accompanied by its indexation in time represented by its parameters:

- Auction year
- Auction type Y-4 or Y-1

Otherwise, the two Calibrated Strike Price indexation parameters remain empty fields in the notification content as detailed in paragraph 511

563. The communicated Strike Price and if applicable its indexation equals with the identified original Calibrated Strike Price and indexation parameters of the Transaction of the CMU of the Seller of an Obligation, communicated in the Capacity Contract annex A and also available on the CRM IT Interface.
564. The same requirements apply in case of single notification of the Secondary Market transaction by an Exchange.
565. A Transaction notified to ELIA with an incorrect Strike Price and indexation parameters is rejected according to paragraph 586.

9.4.4 Requirement of Financial Security

566. In accordance with the section 10.2.2.3.2, for any ex-ante Secondary Market transaction according to paragraph 508 and section 9.5.3 notified at a certain moment in time t_{notif} prior to the start of the Delivery Period on which the start date of Transaction Period TP relies, the Buyer of an Obligation increases its Financial Security.
567. An ex-ante Secondary Market transaction notified to ELIA prior the start of the Delivery Period in which the Transaction Period start date relies and implying an insufficient (increase of the) Financial Security is rejected according to paragraph 586.

9.5. SECONDARY MARKET PROCESS

568. This section describes the process to follow for Prequalified CRM Candidates and Capacity Providers, and their Prequalified CMUs which are duly compliant with the access conditions as detailed in section 9.3 to notify a Secondary Market transaction to ELIA once the Secondary Market title transfer facility developed by ELIA is available according to section 9.8.
569. Once the notifications of the Secondary Market transaction have been duly submitted by both Prequalified CRM Candidates and Capacity Providers (or their Exchange) on the CRM IT Interface, ELIA notifies reception and verifies its completeness and validity in view of the conditions according to section 9.3 and the requirements according to section 9.4 listed above.

9.5.1 Notification issuance of a Secondary Market transaction

570. As a first step of the Secondary Market process, notifications of the Secondary Market transaction by the CRM Prequalified Candidates and Capacity Providers or a notification of the Secondary Market transaction by the Exchange according to paragraph 506 are (is) to be issued on the CRM IT Interface.

9.5.1.1 Secondary Market title transfer facility access

9.5.1.1.1 Access for a bilateral notification of a Secondary Market transaction

571. According to paragraph 505, the whole Secondary Market notification process is accomplished by both, the Seller of an Obligation and the Buyer of an Obligation, as counterparties of the Secondary Market transaction, to transfer CRM Secondary Market notifications to ELIA.

9.5.1.1.2 Access for Exchange notification of a Secondary Market transaction

572. According to paragraph 506, the Secondary Market notification process is accomplished by the Exchange that has the mandate through the Secondary Market Exchange Mandate (see annex 17.3.1) of both the Seller of an Obligation and the Buyer of an Obligation to transfer CRM Secondary Market notifications towards ELIA.

The Secondary Market Exchange Mandate (see annex 17.3.1) is completed, signed and sent to ELIA by both the Exchange and the Prequalified CRM Candidate (or the Capacity Provider). Notifications of Secondary Market transactions can be sent by the Exchange five Working Days after reception by ELIA of a duly completed and signed mandate.

Until revocation by both parties, the mandate is valid for the next notifications.

The Secondary Market Exchange Mandate (see annex 17.3.1) can be revoked for future notifications if that option is completed, signed and sent to ELIA by the Prequalified CRM Candidate (or the Capacity Provider). The revocation is valid five Working Days after reception by ELIA of a duly completed and signed mandate revocation.

9.5.1.2 Notification issuance

573. In case of bilateral Secondary Market transaction, according to paragraph 505, the process consists in two notifications as detailed in 511, the content of a Secondary Market transaction (one notification by the Buyer of an Obligation and one notification by the Seller of an Obligation) in accordance with the requirements according to paragraph 512 and specifying the same Secondary Market transaction external ID as detailed in 511, and issued through their individual access of the CRM IT interface.

In case of bilateral Secondary Market transaction according to paragraph 506, if five Working Days after the first notification by the Seller of an Obligation or the Buyer of an Obligation, no second notification is issued by the other party (the Buyer of an Obligation or the Seller of an Obligation) with the same Secondary Market transaction external ID according to paragraph 512, the Secondary Market transaction is deemed abandoned. In consequence:

- The process of the Secondary Market transaction by ELIA is stopped.
- ELIA communicates by email and/or CRM IT Interface to the first notification issuer (the Seller of an Obligation or the Buyer of an Obligation), the rejection of the Secondary Market transaction based on a delay of matching issue.
- The Secondary Market transaction external ID could not be reissued in a further Secondary Market transaction notification issuance by both the Seller of an Obligation and the Buyer of an Obligation.

574. In case of Secondary Market transaction notified by an Exchange, according to paragraph 506, the notification process consists in one single notification of the content as detailed in paragraph 511, the content of a Secondary Market transaction. The Exchange provides the notification content through its individual access to the CRM IT Interface.

9.5.2 Acknowledgement of reception by ELIA

575. As a second step of the process, ELIA notifies the good reception with an acknowledgement of reception towards the counterparty(ies) issuing the notifications in compliance with sections 9.4.1 and 9.5.1.2:

- In case of bilateral Secondary Market transaction, the acknowledgement of reception is sent by ELIA to the Seller of an Obligation and the Buyer of an Obligation within a maximum of 1 Working Day after reception of both notifications according to paragraph 573
- In case of Secondary Market transaction notified by an Exchange, the acknowledgement of reception is sent by ELIA to the Exchange within one Working Day after reception of one notification according to paragraph 574
- The acknowledgment of reception includes:
- The notification of the transaction details (as received from each (by the) issuer according to section 9.5.1.2)

- The Transaction Date which is (and logged as) the official acknowledgement of reception creation timestamp (date and time) by ELIA.

576. An acknowledgement of reception does not mean approval of the Secondary Market transaction.

9.5.3 Ex-ante or Ex-post status of the Secondary Market transaction

577. As a third step of the process, the Transaction Date is used to determine automatically and implicitly the ex-ante or ex-post status of a Secondary Market transaction.

An ex-ante Secondary Market transaction has a Transaction Date before the moment of AMT identification as detailed in section 8.4.1 related to the start date and time of a Transaction Period.

An ex-post Secondary Market transaction has a Transaction Date equal or after the moment of AMT identification as detailed in section 8.4.1 related to the start date and time of a Transaction Period.

578. According to paragraphs 509 and 525, the ex-post Transaction Period is an hour or a set of consecutive hours considered as AMT Hour(s) within a same calendar day. Any Transaction Period of an ex-post Secondary Market transaction including at least one hour non-considered as an AMT Hour is rejected according to paragraph 586.

579. According to paragraph 509, an ex-post Secondary Market transaction is authorized up to ten Working Days after the start date and time of the Transaction Period, defined as an AMT Hour. After this deadline, any Secondary Market transaction related to that AMT Hour is rejected according to paragraph 586.

9.5.4 Secondary Market transaction status

580. As a fourth step of the Process, ELIA processes the Secondary Market transaction.

The three possible statuses of a notified Secondary Market transaction are either:

- In process
- Approved
- Rejected

581. The up-to-date status of the Secondary Market transaction is available on the CRM IT Interface.

582. A new Secondary Market transaction involving two CMUs is processed by ELIA provided that all the approved Secondary Market transactions covering at least one hour of the Transaction Period and involving at least one of those CMUs are duly registered in Capacity Contract through annex A according to section 9.6.

583. Within a period of five Working Days after the acknowledgement of reception according to paragraph 575, ELIA ensures the validity of the Secondary Market transaction, the transaction is deemed 'in process.'

The Secondary Market transaction is 'approved' if it attains all Secondary Market transaction conditions according to section 9.3, requirements according to section 9.4 and the related process steps according to sections 9.5.1, 9.5.2, 9.5.3 and 9.5.4.

584. Simultaneous requests being sent to ELIA are sorted by their acknowledgement of reception time stamp (equal to Transaction Date) for the process. The process occurs Secondary Market transaction by Secondary Market transaction, one by one, in a “first-in first-out” approach.

Up to fifty notifications of Secondary Market transactions involving a CMU are authorized within a same calendar day of submission. Once this limit reached, new Secondary Market transactions are automatically rejected according to paragraph 586.

In case of reasonable doubts of ELIA on whether a notification might be affected, e.g. by potential anti-competitive behaviour or potential abuse of an account on the Prequalified CRM Candidate or Capacity Provider behaviour with its CMU, as a measure to prevent issues, ELIA blocks extra Secondary Market transactions notifications of the CMU for five Working Days and transfers the Secondary Market transaction details including the content as detailed in paragraph 511, his process steps and timings to CREG. In this timeframe, new Secondary Market transactions on the CMUs of the Prequalified CRM Candidate are automatically rejected according to paragraph 586.

9.5.5 Approval or rejection of a Secondary Market transaction by ELIA

585. As a fifth step of the process, a notification providing the results linked to a Secondary Market transaction – i.e. whether the Secondary Market transaction is compliant or not – is provided by ELIA to the Buyer and Seller of an Obligation or to the Exchange, within five Working Days from the acknowledgement of reception by ELIA according to paragraph 575.

586. Provided all Secondary Market transaction conditions according to section 9.3, requirements according to section 9.4 and the related process steps according to sections 9.5.1, 9.5.2, 9.5.3 and 9.5.4 are met, the Secondary Market transaction gets the ‘approved’ status. Otherwise, the Secondary Market transaction gets the ‘rejected’ status.

The Secondary Market transaction status is modified by ELIA on the CRM IT Interface accordingly.

The approved status given by ELIA is a technical approval. Any contractual modification is applied by ELIA according to section 9.6.

587. In case of approved Secondary Market transaction, ELIA provides directly an email confirming the ‘approved’ status of the Secondary Market transaction to:

- The Seller of an Obligation and,
-
- The Exchange, if applicable according to section 9.5.1.1.2, and
- ELIA in copy of the mail

The email consists of the content of the approved Secondary Market transaction in addition to the Transaction Date:

Information	Type	Unit	Information
Secondary Market transaction external ID	Free field of six alphabet letters followed by six digits	NA	The ID of the Secondary Market transaction arranged by both the Seller of an Obligation and the Buyer of an Obligation (or an

			Exchange)
Seller of an Obligation	Capacity Provider ID	NA	Identification of the Capacity Provider of the CMU of the Seller of an Obligation and considered as the Seller of an Obligation
CMU of the Seller of an Obligation	CMU ID	NA	Identification of the CMU of the Seller of an Obligation
Transaction of the Seller of an Obligation's CMU	Transaction ID	NA	Identification of the Transaction from which the obligation is deducted of the CMU of the Seller of an Obligation
Secondary Market Capacity	Decimal number	MW	The volume of the Secondary Market Capacity that is transferred
Transaction Period	Date / Time to Date / Time	Time	The Transaction Period indicating the start date/time until the end date/time (included)
Capacity Remuneration	Decimal number	€/MW/year	The Capacity Remuneration of the identified Transaction of the CMU of the Seller of an Obligation
Calibrated Strike Price of the Transaction	Decimal number	€/MWh	The Calibrated Strike Price of the identified Transaction of the CMU of the Seller of an Obligation
Strike Price indexation Auction year	Integer or "NA"	Year	If applicable, the Calibrated Strike Price indexation in time represented by its parameter Auction year
Strike Price indexation Auction type	"Y-4", "Y-1" or "NA"		If applicable, the Calibrated Strike Price indexation in time represented by its parameter Auction type Y-4 or Y-1
Transaction Date	Date / Time	Time	The acknowledgment of receipt date/time

Table 14 – Content of the approved transaction on the Secondary Market

In case of approved Secondary Market transaction, ELIA provides directly an email confirming the 'approved' status of the Secondary Market transaction towards:

- The Buyer of an Obligation and,
- The Exchange, if applicable according to section 9.5.1.1.2, and
- ELIA in copy of the mail

The email consists of the content of the approved Secondary Market transaction in addition to the Transaction Date and the Last Published Derating Factor applicable for the CMU at the Transaction Date:

Information	Type	Unit	Information
Secondary Market transaction external ID	Free field of six alphabet letters followed by six digits	NA	The ID of the Secondary Market transaction arranged by both the Seller of an Obligation and the Buyer of an Obligation (or an Exchange)
Buyer of an Obligation	Capacity Provider ID	NA	Identification of the Capacity Provider or Prequalified CRM Candidate of the CMU taking over the obligation and considered as the Buyer of an Obligation
CMU of the Buyer of an Obligation	CMU ID	NA	Identification of the CMU taking over the obligation
Secondary Market Capacity	Decimal number	MW	The volume of the Secondary Market Capacity that is transferred
Transaction Period	Date / Time to Date / Time	Time	The Transaction Period indicating the start date/time until the end date/time (included)
Capacity Remuneration	Decimal number	€/MW/year	The Capacity Remuneration of the identified Transaction of the CMU of the Seller of an Obligation
Calibrated Strike Price of the Transaction	Decimal number	€/MWh	The Calibrated Strike Price of the identified Transaction of the CMU of the Seller of an Obligation
Strike Price indexation Auction year	Integer or "NA"	Year	If applicable, the Calibrated Strike Price indexation in time represented by its parameter Auction year
Strike Price indexation Auction type	"Y-4", "Y-1" or "NA"		If applicable, the Calibrated Strike Price indexation in time represented by its parameter Auction type Y-4 or Y-1
Last Published Derating Factor	Decimal number	No unit	The Derating Factor applicable on the Secondary Market Capacity for the CMU taking over the obligation according to 9.4.3.9
Transaction Date	Date / Time	Time	The acknowledgment of receipt date/time

Table 15 - Content of the validated transaction on the Secondary Market

588. In case of 'rejected' Secondary Market transaction an email is sent by ELIA towards:

- The Seller of an Obligation and,
- The Buyer of an Obligation and,
- The Exchange, if applicable according to section 9.5.1.1.2

With the reason of rejection of the notification(s) in addition to the Secondary Market transaction external ID, as detailed below:

- The Secondary Market transaction external ID
- The list of each information as detailed in paragraph 511 notified in section 9.5.1 and leading to a rejection preceded by 'Wrong '
 - According to paragraph 586
 - This doesn't include the content of the field or any proposal for an adequate content

589. The ELIA process of the Secondary Market transaction implies that:

- The approved status of a Secondary Market transaction solely triggers the notification of the compliance with the conditions according to section 9.3, requirements according to section 9.4 and the related process steps according to sections 9.5.1, 9.5.2, 9.5.3 and 9.5.4
- In case of rejection of a Secondary Market transaction the Seller of an Obligation remains responsible for the Secondary Market Capacity he tried to transfer with a Secondary Market transaction. Afterwards, if the Prequalified CRM Candidates or the Capacity Providers want to pursue on their transaction, a new Secondary Market transaction with updated and required data is to be re-submitted with another Secondary Market transaction external ID according to paragraph 512.

590. Any contestation regarding a 'rejected' Secondary Market transaction is arranged according to the chapter 13.

9.6. CONTRACTUAL IMPACT OF A TRANSACTION ON THE SECONDARY MARKET

9.6.1 Notification

591. As detailed in paragraph 589, an approved Secondary Market transaction triggers a full transfer of the obligation of the Secondary Market Capacity on the Transaction Period from the Seller of an Obligation towards the Buyer of an Obligation.

The role of the Exchange stops at this stage, this section involves solely the Seller of an Obligation, the Buyer of an Obligation and the Contractual Counterparty. ELIA uses information about the Capacity Contracts and their Transactions modifications accordingly as detailed in sections 9.6.2 and 9.6.3.

9.6.2 Transaction impact on the Contracted Capacities of the CMU of the Buyer of an Obligation

592. If irregularities on the Secondary Market transaction are notified to ELIA by the receipt of a possible ad hoc report within five Working Days after approval of the transaction on the Secondary Market, and CREG requests a cancellation of the Secondary Market transaction within ten Working Days after approval of the transaction on the Secondary Market, the status provided in section 9.5.5 is modified to 'rejected' and the process following the section 9.5.5 applies.

If irregularities on the Secondary Market transaction are notified to ELIA by the receipt of a possible ad hoc report within five Working Days after approval of the transaction on the Secondary

Market, and CREG doesn't request a cancellation of the Secondary Market transaction within ten Working Days after approval of the transaction on the Secondary Market:

- The changes on the Capacity Contract of the Buyer of an Obligation applies ten Working Days after approval of the transaction on the Secondary Market.
- The Transaction Validation Date of a Secondary Market Transaction is equal to the date and time stamp of the approval of the transaction on the Secondary Market plus ten Working Days.

Otherwise, if no irregularities on the Secondary Market transaction are notified to ELIA by the receipt of a possible ad hoc report within five Working Days after approval of the transaction on the Secondary Market:

- ELIA adds the changes on the Capacity Contract of the Buyer of an Obligation applies five Working Days after approval of the transaction on the Secondary Market.
- The Transaction Validation Date of a Secondary Market Transaction is equal to the date and time stamp of the approval of the transaction on the Secondary Market plus five Working Days.

Until then, the Seller of an Obligation remains responsible for the Secondary Market Capacity, part of the Contracted Capacity he is releasing in the Secondary Market transaction.

593. According to paragraphs 589 and 591, ELIA adds to the Capacity Contract annex A of the Buyer of an Obligation: a new Transaction on the CMU of the Buyer of an Obligation with a Contracted Capacity equivalent to the Secondary Market Capacity for the Transaction Period.

A new Transaction is created on the CMU of the Buyer of an Obligation. The new Transaction is based on the Secondary Market Capacity, the Transaction Period, the Capacity Remuneration, the Calibrated Strike Price (and its indexation parameter) and the Last Published Derating Factor of the CMU. The Pre-delivery control, the Availability Obligations, Availability Penalties and the Payback Obligation are settled on the Buyer of an Obligation for the Secondary Market Capacity on the Transaction Period.

9.6.2.1 Signature of a Capacity Contract or addition to an existing Capacity Contract

594. If the Buyer of an Obligation has no Capacity Contract related to the Delivery Periods covered by the Transaction Period, he signs the Capacity Contract for those Delivery Periods on which the new Transaction following the Secondary Market transaction as detailed in paragraph 593 is assigned.

The Capacity Contract is the last published and approved version of the Capacity Contract at the Transaction Validation Date.

If the Buyer of an Obligation has (a) Capacity Contract(s) related to the Delivery Periods of the Transaction Period, he signs the Capacity Contract annex A on which the new Transaction following the Secondary Market transaction as detailed in paragraph 593 is assigned.

9.6.2.2 Transaction Derating Factor

595. For the approved Secondary Market transaction, for the CMU for which the Buyer of the Obligations is taking over an obligation, the new Transaction created with a Contracted Capacity equivalent to the Secondary Market Capacity on the Transaction Period is associated with a Derating Factor according to paragraph 587 and approved according to paragraph 586.

The newly created Transaction Derating Factor is equal to the Last Published Derating Factor of the CMU according to 9.4.3.9. at the Transaction Date.

9.6.2.3 Transaction Capacity Remuneration

596. According to section 9.4.3.12, ELIA is notified of the Capacity Remuneration of the Secondary Market transaction in the notification content according to paragraph 511 and approved according to paragraph 586.

According to section 9.4.3.12, the Capacity Remuneration notified is equal to the Capacity Remuneration of the transaction of the CMU of the Seller of an Obligation through the Secondary Market and expressed in €/MW/year.

The newly created Transaction Capacity Remuneration equals the Capacity Remuneration approved according to paragraph 586.

597. For the Transaction Period, the Buyer of an Obligation will be remunerated by the ELIA for the Secondary Market Capacity instead of the Seller of an Obligation, using the Capacity Remuneration which has been meanwhile transferred in the Secondary Market transaction notification content according to paragraph 511 and approved according to paragraph 586 and in application of the settlement and invoicing process foreseen in the Capacity Contract.

9.6.2.4 Transaction Calibrated Strike Price

598. According to paragraph 561, ELIA is notified of the Calibrated Strike Price of the Secondary Market transaction and if applicable of its indexation parameters in the transaction notification content according to paragraph 511 and approved according to paragraph 586.

According to section 9.4.3.13, the Calibrated Strike Price (and if applicable its indexation parameters) that applies on the CMU of the Buyer of an Obligation for its Payback Obligation on the Secondary Market Capacity is the Calibrated Strike Price (and if applicable its indexation parameters) approved according to paragraph 586.

599. The Calibrated Strike Price applicable to the Contracted Capacity of a CMU of the Seller of an Obligation in the Secondary Market Transaction remains unchanged.

600. When calculating the due amount of the Payback Obligation, the Calibrated Strike Price that will be applicable for a Transaction resulting from a Secondary Market transaction is the Calibrated Strike Price of the Transaction releasing its obligation through a Secondary Market transaction.

The Calibrated Strike Price will be linked with its indexation parameters in time if applicable.

9.6.3 Transaction impact on the Contracted Capacities of the CMU of the Seller of an Obligation

601. The modification of the Contract of the Buyer of an Obligation following an approved and registered Secondary Market Transaction according to paragraph 593 is a condition for contractual modification of the CMU Transaction of the Seller of an Obligation's CMU Contracted Capacity.

602. Then only within a maximum of five Working Days, ELIA confirms the changes on the Capacity Contract of the Seller of an Obligation related to the notification according to paragraphs 589 and 591.

603. According to paragraphs 589 and 591, the ELIA updates in the Capacity Contract annex A of the Seller of an Obligation and for the Transaction of the Seller of an Obligation's CMU with its Transaction ID:

- In case of an ex-post Secondary Market transaction, if the Transaction releasing an obligation *Transaction Id* of the Seller of an Obligation is ex-ante and the CMU of Seller of an Obligation is an Energy Constrained CMU, the Contracted Capacity is reduced by the Secondary Market Capacity multiplied by the Derating Factor of the CMU's Transaction of the Seller of an Obligation on the entire calendar day to which the Transaction Period applies.
- Otherwise, the Contracted Capacity is reduced by the Secondary Market Capacity on the Transaction Period.

The Capacity Remuneration, Pre-delivery control, Availability Obligations, Availability Penalties and the Payback Obligation are applied on the updated Contracted Capacity of the Transaction from which the obligation is deducted of the CMU of the Seller of an Obligation.

Following the Contracted Capacity decrease on the Transaction Period, the Seller of an Obligation releasing his obligation will no longer be remunerated by the ELIA for the Secondary Market Capacity.

9.7. SPECIFIC CONTRACT ESCALATION OF PENALTIES RELATED TO SECONDARY MARKET TRANSACTIONS

604. In addition to the standard Availability Obligations and Penalties escalation of penalties according to section 8.6.4, a contract escalation of penalties exists in case of recurring non-delivery on the obligations following a Secondary Market Transaction in the Capacity Contract:

After three consecutive underperformances resulting in a Missing Capacity according to section 8.6.1 of more than twenty percent of the Obligated Capacity according to section 8.4.3.1, a first escalation of penalties occurs with a suspension of the CMU for further Secondary Market transactions for the Buyer of an Obligation. Despite the suspension for notification of Secondary Market transaction on the CMU, the Pre-delivery control, Availability Obligations, Penalties & Payback Obligation remain related to all its Contracted Capacities.

No later than twenty Working Days after the third underperformance date and time detected here above, an Availability Test is organized on the CMU according to chapter section 8.5.1.

If the Availability test is not successful, according to the criterion of paragraph 437, the suspension in time for new Capacity Contracts is activated with the specifics that:

- The Capacity Provider remains responsible for the already Contracted Capacities and related obligations prior to the clause activation and,
- A possible suspension of further Transactions for the Capacity Provider (or from other subsidiaries of the mother company) on the remainder of the current Delivery Period, the next Delivery Period and the next upcoming Y-4 and Y-1 Auctions. Only after those suspensions, the Capacity Provider can participate again if successfully prequalified.

If the Availability test is successful, according to the criterion of paragraph 437, the CMU recovers its rights for further Secondary Market transactions as Buyer of an Obligation.

9.8. TIMING AND DURATION

9.8.1 Secondary Market delivery

605. The Secondary Market opening is ready in the first semester of the year 2023. When the official start date is settled, ELIA provides the information to the market in the CRM IT Interface. In any case, no Secondary Market transactions are notified towards ELIA prior the start date.

9.8.2 Secondary Market accessibility

606. The Secondary Market is a continuous market organized by ELIA which is accessible to all Prequalified CRM Candidates and Capacity Providers under the present Functioning Rules and their modalities.

607. The accessibility is granted in a twenty-four hours a day, seven days a week way with prior notice by ELIA on the foreseen unavailability according to paragraph 612.

Unforeseen unavailability are minimized by ELIA with a best effort approach.

ELIA declines responsibility for any inconvenience perceived in the unavailability periods.

9.8.3 End of the Secondary Market

608. The Secondary Market remains available until the end of the last Transaction Period of all CRM Transactions plus twenty Working Days.

9.9. HIGH-LEVEL IT REQUIREMENTS

609. The purpose of this section is to describe the high-level technical requirement related to the Prequalified CRM Candidates, and to ELIA in order to facilitate the present Functioning Rules on the Secondary Market. Its content is part of the overall IT Requirement section.

ELIA provides the CRM IT Interface, which enables each Prequalified CRM Candidate to submit Secondary Market transaction notification(s) to participate to the Secondary Market organized within the CRM framework.

Access rights to this CRM IT Interface related to the Secondary Market are granted once the conditions according to section 9.3 are fulfilled. The Prequalified CRM Candidate is authorized to access it according to the CRM Secondary Market timing and duration (as per section 9.8).

610. The CRM IT Interface performs automatic checks in order to validate the compliancy of the Secondary Market transactions as detailed in section 9.5 and in this context also informs the Prequalified CRM Candidate when and why some of their submitted Secondary Market transactions are considered as non-compliant.

611. Encryption of prices submitted by the Prequalified CRM Candidates is ensured as from submission of the Secondary Market transaction in the CRM IT Interface.

612. If ELIA foresees a maintenance or encounters an unforeseen unavailability of the CRM IT Interface related to the Secondary Market, the fallback procedures according to chapter 14.

613. All Secondary Market transactions notified to ELIA through the CRM IT Interface by the Prequalified CRM Candidate within the timeframe of a foreseen or, unforeseen unavailability of less than five Working Days, are considered as rejected as detailed in the paragraph 586.
614. If any, the duration of the unavailability of the CRM IT Interface is considered in the determination of the ex-ante or ex-post status of the Secondary Market transaction according to paragraph 508. This consideration is also based on the timing t_{notif} of the notification issuance according to paragraph 573. For the ex-post Secondary Market transactions, the authorized ten Working Days delay of notification after the start of the Transaction Period according to paragraph 509 is extended by the duration of the unavailability of the CRM IT Interface.

10 FINANCIAL SECURITIES

10.1. INTRODUCTION

615. This document is structured around five sections.

Section 10.2 provides several general principles regarding the Financial Security obligation for Transactions on both the Primary Market and the Secondary Market over the Validity Period.

Section 10.3 elaborates on the permissible types of Financial Securities, including a bank guarantee, a parent company guarantee and a cash payment.

Section 10.4 specifies the amount that should be secured by the Financial Security ('Secured Amount'), calculated in function of the volume that should be covered ('Financial Security Volume') and the Required Level per MW.

Finally, section 10.5 includes details on the (partial) release of the Financial Security.

10.2. GENERAL PRINCIPLES

616. In accordance with article 7undecies, §8 of the Electricity Act, this section of the Functioning Rules includes the requirements related to the Financial Securities.

10.2.1 Purpose of the Financial Security

617. The purpose of the Financial Security is to ensure the requested and punctual fulfilment of all the obligations in respect of the pre-delivery control (as detailed in chapter 7) arising from the Capacity Contract and/or these Functioning Rules. For the avoidance of doubt, this also includes the obligation to sign a Capacity Contract according to paragraph 302. In case of non-respect of the Capacity Provider's obligations during a Pre-delivery Period, the ELIA is entitled to invoke the Financial Security in accordance with the procedure as detailed in paragraph 625.

10.2.2 Financial Security Obligation

10.2.2.1 Validity Period

618. The Validity Period relates to a Transaction and is defined as the period for which the (Prequalified) CRM Candidate or the Capacity Provider has to provide a permissible and conform Financial Security.

The Validity Period is determined in function of the status of the CMU as this status affects the maximum duration of the Pre-delivery Period. As a consequence:

- For an Existing CMU, the Validity Period of a Transaction starts at the Transaction Validation Date and ends ten Working Days after the start of the Delivery Period containing the Transaction Period start date.
- For an Additional CMU or a Virtual CMU, the Validity Period of a Transaction starts at the Transaction Validation Date and ends ten Working Days after the end of the Transaction

Period³⁰. For Additional CMUs, the expiry date of the Financial Security can be set before the end of the Validity Period, but in this case with a minimum period of six years as of the start of the Validity Period. In case the existing status is not reached and no new Financial Security is provided before twenty Working Days before the expiry date, financial penalties for an amount of EUR 15,000/MW apply. In addition, ELIA has the right to cancel the Contracted Capacities i.e. so that the aggregate amount of the Financial Securities covers the Secured Amount, calculated in function of the (reduced) Total Contracted Capacity, for any moment t that is part of a Validity Period.

For the avoidance of doubt, at the moment that an Additional CMU or Virtual CMU has reached the existing status (see annex 17.1.19 and 17.1.19), the Validity Period for an Existing CMU applies. As a result, when the Existing status is reached, the Validity Period for the CMU's Transactions ends ten Working Days after the start of the Delivery Period containing the Transaction Period start date.

10.2.2.2 General Principles for the Financial Security obligation

619. A Validity Period always relates to a Transaction of a CMU. In case of multiple Transactions for a CMU, with different Validity Periods, several Validity Periods might be associated to this CMU, which might result in an overlapping of these Validity Periods.

For any moment t which is part of one or more Validity Periods, the Secured Amount for a CMU is calculated by multiplying the Financial Security Volume (representing the CMU's volume, in MW, that should be covered by a Financial Security) by the Required Level (the amount of Financial Security, in EUR/MW, that is to be provided to cover the Financial Security Volume of the CMU).

620. As a general rule, for any moment t which is part of one or more Validity Period(s), the Financial Security Volume equals the maximal Total Contracted Capacity for a CMU over the related Delivery Period(s) (i.e. the Delivery Period(s) that is/are (partly) covered by the Transaction Period of the Transaction(s)). As described more in detail below (according to section 10.4.2), a Financial Security is thus to be provided for Transactions that result in an increase of the maximal Total Contracted Capacity in the related Delivery Period(s).

10.2.2.3 Transactions with a Financial Security obligation

10.2.2.3.1 Primary Market Transaction

621. For every Transaction on the Primary Market, the submission of Financial Security is a condition to successfully prequalify the involved CMU. As further detailed in section 10.4.2, during the Prequalification Process for a Transaction on the Primary Market, the Financial Security Volume (based on which the Secured Amount is determined) is calculated on the assumption that the CMU's maximum volume that can be offered in the Auction, will be selected.

The CRM Candidate includes a provisory Financial Security (in accordance with the requirements detailed in section 10.3) in the Prequalification File of the CMU, so that the aggregate amount of the CMU's Financial Securities equals at least the Secured Amount for any moment t during the related Validity Period (as determined according to paragraph 618).

³⁰ Given that the Pre-Delivery Period for an Additional/Virtual CMU could last until the end of the Transaction Period, in case the existing status would never be reached due to consecutive delays.

622. The Financial Security obligation applies to every CMU that is being prequalified for a Transaction on the Primary Market, except in case two or more CMUs are identified, during the Prequalification Process, as consisting of the same Delivery Point (e.g. two possible configurations with two technical agreements). In this case, only one Financial Security is to be provided to cover the highest Secured Amount of the concerned CMUs. Furthermore, the Financial Security should clearly identify the CMUs which consist of the same Delivery Point.

10.2.2.3.2 Secondary Market Transaction

623. A Financial Security obligation applies for Transactions on the Secondary Market:

- With a Transaction Date before the start of the Delivery Period containing the Transaction Period start date; and
- That result in an increase of the CMU's Financial Security Volume (according to paragraph 657) during the related Validity Period. As further detailed in paragraph 655, at the moment a transaction on the Secondary Market is notified to ELIA, the Financial Security Volume is calculated on the assumption that ELIA approves the transaction.

However, in the context of the pre-delivery control process of a Virtual CMU, no Financial Security obligation applies in case a Transaction on the Secondary Market is made to transfer the obligations of a Virtual CMU to an Existing CMU of the same Capacity Provider. In such a case, the Financial Security provided for the Virtual CMU also covers the obligations of the Existing CMU(s) taking over the obligations of the Virtual CMU (in accordance with the Financial Security requirements according to paragraph 629).

624. In case a Transaction is subject to a Financial Security obligation, the notification of the transaction on the Secondary Market to ELIA includes a provisory Financial Security (in accordance with the requirements detailed in section 10.3), so that the aggregate amount of the CMU's Financial Securities equals at least the Secured Amount (calculated according to section 10.4) for any moment t during the related Validity Period.

ELIA automatically rejects the Secondary Market transaction notification without proof of Financial Security, satisfying the criteria set out in this section.

10.2.3 Call upon the Financial Security

625. The ELIA has the right to invoke the Financial Security in case the penalties arising during the pre-delivery control and as issued by the Capacity Provider through a credit note pursuant to the procedure set in the Capacity Contract, remain unpaid.

In order to validly invoke the Financial Security, the ELIA provides a written statement to the issuer of the Financial Security that the Prequalified CRM Candidate or the Capacity Provider has not fulfilled his obligations during the Pre-delivery Period under the Capacity Contract and/or the Functioning Rules and has not made the payments concerned. In addition, ELIA provides a copy of the payment obligations under the Capacity Contract and/or the Functioning Rules and a copy of the credit note related to the unpaid due penalties to the issuer of the Financial Security.

626. If the ELIA calls upon the CMU's Financial Securities at any moment t , which is part of one or more Validity Periods, and for which the Capacity Provider has submitted multiple Financial Securities to cover the Secured Amount, the Financial Securities will be claimed on a pro-rata basis. For each Financial Security, the claimed amount is calculated by multiplying the total amount of the claim by the ratio of the amount of the Financial Security at moment t by the aggregate amount of all the Financial Securities that have been submitted at that moment t .

10.3. TYPES OF FINANCIAL SECURITIES

627. The following types of Financial Securities are permissible:

- A bank guarantee, which satisfies all of the criteria detailed in sections 10.3.1 and 10.3.2.
- A parent company guarantee, which satisfies all of the criteria detailed in sections 10.3.1, 10.3.2 and 10.3.3.
- A cash payment, which satisfies all of the criteria detailed in sections 10.3.1 and 10.3.4.

10.3.1 Common requirements for all types of Financial Securities

628. At the moment of delivery of the Financial Security, i.e. the submission of the Prequalification File (for the participation to the Primary Market) or the Secondary Market transaction notification, the Financial Security is provisory, implying that it only becomes effective at the Transaction Validation Date.

629. A Financial Security that is submitted as part of the Prequalification File for a Virtual CMU also covers the obligations of the Existing CMU(s) taking over the obligations of the Virtual CMU as part of the pre-delivery control process.

10.3.2 Common requirements for a bank guarantee and a parent company guarantee

630. The bank guarantee and the parent company guarantee respect the following requirements:

- They are substantially in the form set out in respectively annex 17.4.1 and annex 17.4.2. For the avoidance of doubt, a guarantee is always provided in the form as annexed to the version of the Functioning Rules that is applicable at the moment of submission of the Financial Security; and
- They are irrevocable, unconditional and on first-demand (on request of the ELIA according to paragraph 625); and
- The amount of the Financial Guarantee must not be adjusted to the initial level, when ELIA has partly or fully invoked the guarantee (according to paragraph 625); and
- They are issued by a financial institution or the parent company which
 - Meets the minimum official rating requirements of 'BBB' issued by the credit rating agency Standard & Poor's (S&P) or of 'Baa2' issued by the credit rating agency Moody's Investor Services (Moody's); and
 - Is permanently established in a member state of the European Economic Area (either via its headquarters or via a branch).

631. The (Prequalified) CRM Candidate or Capacity Provider ensures that the minimum rating requirement (see paragraph 630) is respected until the expiry date of the guarantee. In case the (Prequalified) CRM Candidate or Capacity Provider becomes aware that the financial institution or parent company issuing the guarantee lost the minimum required rating (a 'downgrade event'), then it notifies the ELIA in writing via the CRM IT Interface as soon as it becomes so aware and at the latest two months after the Downgrade Event.

Within a period of thirty Working Days of such notice to ELIA, the (Prequalified) CRM Candidate or the Capacity Provider submits to the ELIA a new Financial Security that meets the criteria of detailed in this section 10.3. If the (Prequalified) CRM candidate or the Capacity Provider fails to submit a new Financial Security, the ELIA is entitled to reduce the Total Contracted Capacity accordingly, i.e. so that the aggregate amount of the Financial Securities (that respect the requirements of this section) covers the Secured Amount, calculated in function of the (reduced) Total Contracted Capacity, for any moment t that is part of a Validity Period.

10.3.3 Additional requirements for a parent company guarantee

632. The corporate institution issuing the parent company guarantee is a shareholder or holding company controlling, in the meaning of art 1:14 of the Belgian Companies and Associations Code, the company owning the CMU that has the capacity to validly issue the guarantee, taking into account the law applicable to the guarantor³¹. Also, the guarantee should be signed by authorized signatories that can validly represent the company according to its bylaws.

Therefore, the (Prequalified) CRM Candidate or Capacity Provider provides a legal opinion together with the parent company guarantee, issued by a law firm with international reputation to the Contractual Counterparty, confirming that the guarantee is legal, valid, binding and enforceable under the applicable law. The legal opinion is to be provided in English.

10.3.4 Requirements for cash payment

10.3.4.1 General provisions for a cash payment

633. In case a (Prequalified) CRM Candidate or Capacity Provider elects to provide the financial guarantee through a cash payment, the amount is transferred to an account of the Contractual Counterparty.

For each payment, the word 'guarantee' and the 'CMU identification number' (according to paragraph 52) shall be indicated in the 'message' field.

The said account shall not accumulate interest for the (Prequalified) CRM Candidate or Capacity Provider.

634. It is explicitly agreed and understood, without prejudice to the foregoing, that after the Financial Security has come into effect according to paragraph 628, the ELIA is entitled to take possession of any sums paid by the (Prequalified) CRM Candidate or the Capacity Provider as a deposit or guarantee, on the sole condition that the ELIA returns an equivalent amount when the time comes.

Any balance being ultimately owed to the (Prequalified) CRM Candidate or Capacity Provider is reimbursed by transfer to the (Prequalified) CRM Candidate or Capacity Provider, in accordance with the procedure according to paragraph 666 without interest having accrued for the (Prequalified) CRM Candidate or Capacity Provider, notwithstanding all of the Contractual Counterparty's rights and actions.

³¹ E.g. from a Belgian law perspective, the guarantor should be entitled according to its articles of association to issue such a guarantee and issuing the guarantee should be in accordance with its corporate interest.

10.3.4.2 Limited time period for a cash payment

635. At the latest within six months after the cash payment has been made and without prejudice to section 10.4.3, a Capacity Provider replaces the Financial Security that is provided through a cash payment by a bank guarantee or a parent company guarantee (satisfying all of the criteria of detailed in this section 10.3.3).

In case no replacement is made within six months, the Capacity Provider provides an objective argumentation to the ELIA in the form of a written statement signed by authorized signatories that can validly represent the company according to its bylaws, justifying why a replacement by a bank guarantee or parent company guarantee is not feasible. In case the argumentation provided by the written statement is not deemed satisfactory by the ELIA (who is acting reasonably), the ELIA is entitled to reduce the Total Contracted Capacity accordingly i.e. so that the aggregate amount of the Financial Securities (that respect the requirements of this section) covers the Secured Amount, calculated in function of the (reduced) Total Contracted Capacity, for any moment t that is part of a Validity Period.

10.4. SECURED AMOUNT

636. As already detailed in paragraph 618, a Validity Period is always related to a Transaction. In case of multiple Transactions for a CMU, several Validity Periods might be associated to this CMU, which might result in an overlapping of these Validity Periods.

As a general rule, for any moment t which is part of one or more Validity Period(s) of a CMU, the Secured Amount is calculated by multiplying the Required Level with the Financial Security Volume:

$$\begin{aligned} & \text{Secured Amount (CMU, } t\text{)} (\text{EUR}) \\ &= \text{Required Level (CMU, } t\text{)} \left(\frac{\text{EUR}}{\text{MW}} \right) * \text{Financial Security Volume (CMU, } t\text{)} (\text{MW}) \end{aligned}$$

The *Required Level* and *Financial Security Volume* are further detailed below in section 10.4.1 and section 10.4.2 respectively.

10.4.1 Required Level

637. The Required Level is determined at CMU level, in function of the status of the CMU.

10.4.1.1 Existing CMUs

638. For an Existing CMU, the Required Level equals EUR 10,000/MW at any moment t during a Validity Period.

10.4.1.2 Additional CMUs

639. For an Additional CMU, the Required Level of Financial Security equals EUR 20,000/MW at the moment of Prequalification File submission date and is partially released in function of reaching the following consecutive key milestones as provided by the CRM Candidate as part of its Prequalification File (see annex 17.1.14):

- **Milestone "Permitting"**: as soon as the Permitting Milestone is reached, the Required Level is lowered to EUR 15,000/MW for the CMU. For the avoidance of doubt, if the milestone

“permitting” does not apply to an Additional CMU (as set out as part of its Prequalification File), the Required Level is EUR 15,000/MW.

- **Milestone: “Existing Status”:** as soon as this second key milestone is reached (see annexes 17.1.19), the Required Level is lowered to EUR 10,000/MW for the CMU. In case the second key milestone is reached less than sixty Working Days before the start of the Delivery Period containing the start of a Transaction Period, the partial release does not apply.

640. For each of the milestones met, the ELIA releases the corresponding part of the Secured Amount in accordance with the procedure detailed in section 10.5.1.

10.4.1.3 Virtual CMUs

641. For a Virtual CMU, the Required Level equals EUR 20,000/MW at the moment of Prequalification File submission.

642. On a quarterly basis, ELIA updates the part of the Virtual CMU’s Total Contracted Capacity that has been transferred to one or more Existing CMU(s) of the same Capacity Provider. For the part of the Total Contracted Capacity (in MW) that has been transferred to one or more Existing CMU(s) of the same Capacity Provider, the Required Level is lowered to EUR 10,000/MW.

643. On a quarterly basis, the ELIA releases the corresponding part of the Secured Amount in accordance with the procedure detailed in section 10.5.1.

10.4.2 Financial Security Volume

10.4.2.1 First Transaction of the CMU

10.4.2.1.1 First Transaction on the Primary Market

644. If a CMU (with no Contracted Capacity resulting from earlier Transactions) participates to the Primary Market, the Financial Security Volume can evolve in four steps as of the Prequalification File submission date until the signing of the Capacity Contract as further detailed below.

10.4.2.1.2 At the Prequalification File submission date

645. The Financial Security Volume over the related Validity Period equals the (provisional) Eligible Volume that can be selected in the Auction. This (provisional) Eligible Volume is defined as follows:

- For an Existing CMU:

$$\begin{aligned} \text{provisional Eligible Volume} \\ &= \text{Expected Nominal Reference Power} \times \text{Opt} \\ &\quad - \text{out Volume at moment of Prequalification File submission}) \times \text{Derating Factor} \end{aligned}$$

- For an Additional CMU:

$$\begin{aligned} \text{provisional Eligible Volume} \\ &= \text{Declared Nominal Reference Power} \times \text{Opt} \\ &\quad - \text{out Volume at moment of Prequalification File submission}) \times \text{Derating Factor} \end{aligned}$$

- For a Virtual CMU:

$$\text{Eligible Volume} = \text{Declared Eligible Volume}$$

Both the Derating Factor, as well as the Expected Nominal Reference Power, the Declared Nominal Reference Power and the Declared Eligible Volume (for an Existing, Additional or Virtual CMU respectively) are provided by the CRM Candidate in the CMU's Prequalification File (according to section 5.4).

10.4.2.1.3 After the end of the Prequalification Process

646. For an Existing CMU, the Financial Security Volume over the related Validity Period equals the Eligible Volume, determined according to section 5.6.4 .

The Financial Security Volume is only updated if the Eligible Volume is more than ten percent higher than the provisional Eligible Volume. In this case, to successfully complete the Prequalification Process for an Existing CMU, the (Prequalified) CRM Candidate or the Capacity Provider provides additional Financial Security via the CRM IT Interface within twenty Working Days after the notification of the final Nominal Reference Power, but at the latest 10 Working Days before the final bid submission date (see section 4.2.1), so that the aggregate amount of the CMU's Financial Securities covers at least the Secured Amount (taking into account the increased Financial Security Volume) for any moment t during the related Validity Period.

647. For an Additional CMU, the Financial Security Volume for the related Validity Period equals the Eligible Volume, determined according to section 5.6.4 .

648. For a Virtual CMU, the Financial Security Volume for the related Validity Period remains the Declared Eligible Volume, determined according to paragraph 149. For a Virtual CMU, the Financial Security Volume remains unchanged as the Declared Eligible Volume cannot change between the Prequalification File submission and signing of the Capacity Contract.

649. For a CMU that does not successfully completes the Prequalification Process, the ELIA releases the submitted Financial Security in accordance with the procedure detailed in section 10.5.1.

10.4.2.1.4 Validation of the Auction results

650. For a CMU without any selected Bid in the Auction, the Financial Security Volume for the related Validity Period equals zero MW:

- For an Additional CMU or a Virtual CMU, the ELIA releases the submitted Financial Security in accordance with the procedure detailed in section 10.5.1.
- For an Existing CMU, the Capacity Provider communicates his choice to ELIA via the CRM IT Interface:
 - Either the ELIA releases the submitted Financial Security in accordance with the procedure detailed in section 10.5.1; or
 - The submitted Financial Security is not released and remains available for future Transaction(s) on the Primary Market and/or the Secondary Market, as long as the expiry date of the Financial Security is not exceeded.

10.4.2.1.5 Signing of the Capacity Contract

651. At the moment the Capacity Provider signs a Capacity Contract for the Bid volume(s) related to the CMU's selected Bid(s) in the most recent Auction, the Financial Security Volume for the related Validity Period equals the Contracted Capacity.

652. In case the Contracted Capacity is lower than the Eligible Volume:

- For Additional and Virtual CMUs, the ELIA releases the corresponding part of the Secured Amount in accordance with the procedure detailed in section 10.5.1, i.e. so that the aggregate amount of the Financial Securities (in accordance with the requirements detailed in section 10.3) covers the Secured Amount (calculated based on a Financial Security Volume equal to the Contracted Capacities), for any moment t of the related Validity Period.
- For an Existing CMU, the Capacity Provider communicates his choice to ELIA via the CRM IT interface:
 - Either the ELIA releases the corresponding part of the Secured Amount in accordance with the procedure detailed in section 10.5.1, i.e. so that the aggregate amount of the Financial Securities (in accordance with the requirements detailed in section 10.3) covers the Secured Amount (calculated based on a Financial Security Volume equal to the Contracted Capacities), for any moment t of the related Validity Period. ; or
 - The corresponding part of the Secured Amount is not released and remains available for future Transaction(s) on the Primary Market and/or the Secondary Market as long as the expiry date of the Financial Security is not exceeded.

653. If for an Existing CMU, the aggregate amount of the CMU's Financial Securities is lower than the Secured Amount (as a result of the ten percent margin that is foreseen according to paragraph 646), the Capacity Provider provides additional Financial Security (in accordance with the requirements detailed in section 10.3) within thirty Working Days after signing of the Capacity Contract via the CRM IT Interface.

If the Capacity Provider fails to provide this additional Financial Security within thirty Working Days, the ELIA is entitled to reduce to Contracted Capacity for this Transaction accordingly, i.e. so that the aggregate amount of the Financial Securities (in accordance with the requirements detailed in section 10.3) covers the Secured Amount (calculated based on a Financial Security Volume equal to the reduced Contracted Capacities) for any moment t of the Validity Period.

10.4.2.1.6 First Transaction on the Secondary Market

654. If a CMU (with no Contracted Capacity resulting from earlier Transactions) participates to the Secondary Market, the Financial Security Volume equals zero MW at the date of Prequalification File submission, so no Financial Security is to be provided to successfully prequalify for the Secondary Market. The CRM Candidate can choose to provide voluntarily a provisory Financial Security as of the Prequalification File submission date that remains available for future Transaction(s) on the Secondary Market.

655. At the moment the transaction on the Secondary Market is notified to ELIA, the Financial Security Volume equals the Secondary Market Capacity as included in the transaction notification. ELIA only approves the Secondary Market notification if it includes proof of Financial Security in accordance with paragraph 624.

In case ELIA rejects the transaction, the Financial Security Volume is reduced to zero MW and the ELIA releases the submitted Financial Security in accordance with the procedure detailed in section 10.5.1.

10.4.2.2 Evolution in time

656. The Financial Security Volume for a moment t that is part of a Validity Period (calculated in accordance with paragraph 657) for a CMU can change over time in function of his Transactions on the Primary Market (according to paragraph 659) and/or on the Secondary Market (according to section 10.4.2.2.3), as also illustrated by some numerical examples in annex 17.4.3.

10.4.2.2.1 General Requirement

657. As a general rule, for any moment t which is part of one or more Validity Periods, the Financial Security Volume equals the maximal Total Contracted Capacity for the CMU over the related Delivery Period(s), i.e. the Delivery Period(s) that is/are (partly) covered by the Transaction Period of the related Transaction(s)):

With i ranging from 1 to n , the Financial Security Volume is represented by the following formula:

$$\begin{aligned} & \text{Financial Security Volume (CMU, } t) \\ & = \text{Max (Total Contracted Capacity}_{max}(\text{CMU, DP}_i), \dots, \text{Total Contracted Capacity}_{max}(\text{CMU, DP}_n)) \end{aligned}$$

Where,

- i represents the different Delivery Periods related to the Validity Periods of which moment t is part (i.e. the Delivery Periods that are (partly) covered by the Transaction Period of the related Transactions));
- n is the total number of Delivery Periods related to the Validity Periods of which t is part.
- $\text{Total Contracted Capacity}_{max}(\text{CMU, DP}_i)$ is the maximal Total Contracted Capacity of the CMU over the Delivery Period i .

658. The rules above imply that the Financial Security obligation does not apply cumulatively in case of overlapping Validity Periods (i.e. moment t is part of more than one Validity Period) and is therefore capped to the maximal Total Contracted Capacity over the related Delivery Periods (i.e. the Delivery Period(s) that is/are (partly) covered by the Transaction Period of the related Transaction(s)) as specified above and as also illustrated by some numerical examples in annex 17.4.3.

10.4.2.2.2 Transactions on the Primary Market

659. In case a Capacity Provider renews a CMU's prequalification to participate in an Auction according to paragraph 167, the Financial Security Volume is calculated according to paragraph 657: the Total Contracted Capacity for the related Delivery Periods is calculated on the assumption that the full Remaining Eligible Volume would be selected in the Auction.

In case its Prequalification File is still compliant, the proof of Financial Security is to be provided together with the confirmation thereof. In case this file is no longer compliant, the proof of Financial Security is to be included in the updated Prequalification File (as detailed in paragraph 167).

10.4.2.2.3 Transactions on the Secondary Market

660. If a Transaction on the Secondary Market results in a decrease or increase of the maximal Total Contracted Capacity for a CMU over the related Delivery Periods, the Financial Security Volume is updated according to paragraph 657: In case a Buyer of Obligation notifies a transaction on the Secondary Market, the CMU's Total Contracted Capacity for the related Delivery Periods is calculated on the assumption that the transaction on the Secondary Market is approved by ELIA.

661. In case a transaction on the Secondary Market results in an increase of the Financial Security Volume, the notification of the Secondary Market transaction should include a provisory Financial Security (according to paragraph 624).

In case a transaction on the Secondary Market results in a decrease of the Financial Security Volume, or in case ELIA or the ELIA reject a transaction on the Secondary Market, the ELIA releases the corresponding part of the Secured Amount in accordance with the procedure detailed

in section 10.5.1 i.e. so that the aggregate amount of the Financial Securities (in accordance with the requirements detailed in section 10.3) covers the Secured Amount for any moment t that is part of a Validity Period.

10.4.3 Obligation to keep the Secured Amount

662. A (Prequalified) CRM Candidate or a Capacity Provider ensures that the sum of the amounts of the CMU's Financial Securities equals or exceeds the Secured Amount (as calculated according to this section 10.4) during any moment that is part of one or more of the CMU's Validity Periods(s).

Although it is of the (Prequalified) CRM Candidate or Capacity Provider's responsibility to maintain the Secured Amount, if the ELIA becomes aware that the aggregated amount of the CMU's Financial Securities is less than the Secured Amount, it notifies the (Prequalified) CRM Candidate or the Capacity Provider thereof. The (Prequalified) CRM Candidate or the Capacity Provider ensures that the aggregate amount of the CMU's Financial Security is equal to or exceeds the Secured Amount for any moment t that is part of a Validity Period, by 17:00 CET on the twentieth Working Day after the Contractual Counterparty's notification. If the (Prequalified) CRM candidate or the Capacity Provider fails to submit an additional Financial Security, the ELIA is entitled to reduce the Total Contracted Capacity accordingly i.e. so that the aggregate amount of the Financial Securities (in accordance with the requirements detailed in section 10.3) covers the Secured Amount (with a Financial Security Volume based on the (reduced) Contracted Capacities) for any moment t that is part of a Validity Period.

663. The (Prequalified) CRM Candidate or the Capacity Provider may provide different Financial Securities (respecting the requirements detailed in section 10.3) to the ELIA at any one time, each securing a different amount.

664. The (Prequalified) CRM Candidate or the Capacity Provider may upon expiry of at least twenty Working Days prior written notice to the ELIA substitute one form of Financial Security for another provided that the replacement Financial Security respects the requirements detailed in section 10.3 and has the same expiry date.

10.5. RELEASE OF FINANCIAL SECURITY

10.5.1 Procedure for release

665. Within twenty Working Days after a CMU's Secured Amount has decreased, the ELIA notifies the (Prequalified) CRM Candidate or Capacity Provider and, where applicable, the financial or parent company that the Secured Amount is released. The notification to the Capacity Actor is provided via the CRM IT Interface.

666. In the case of a cash payment, (part of) the amount is reimbursed by transfer to the (Prequalified) CRM Candidate or Capacity Provider, without interest having accrued for the (Prequalified) CRM Candidate or Capacity Provider.

10.5.2 Final release

667. For an Existing CMU, at the end of the Validity Period the Financial Security will automatically be released. This includes the Additional/Virtual CMUs that have reached the existing status in line with the pre-delivery control process (see annexes 17.1.19 and 17.1.20).

11 PAYBACK OBLIGATION

11.1. INTRODUCTION

668. The Chapter describes the different processes that are followed by ELIA to calculate the Payback Obligation and communicate it to the Capacity Provider for the settlement and invoicing.

The Payback Obligation process is an essential and mandatory part of the CRM as the Electricity Act has put forward the Reliability Option principle for the Belgium CRM, implying a Payback Obligation for all Capacity Providers having a CMU Transaction on a Delivery Period to the ELIA when the Reference Price exceeds the Strike Price.

It is to be noted that the rules in chapter are complementary to the stipulations set out in chapter 7 of the Royal Decree to set the auction parameters as meant by article 7undecies §2 of the Electricity Act which specifies the methodology for determination of the Reference and Strike Prices and several related modalities. Furthermore, following the article 7undecies §2 the Minister determines yearly the Strike and Reference Prices applicable for the auctions following that decision. Therefore, the rules in this chapter should be read as a further application of the above mentioned methodology and the yearly Ministerial decisions.

Section 11.2 provides the general principles which form the basis for more elaborated rules in the subsequent sections.

Section 11.3 describes the details on the modalities, including the constituting elements and specific rules of the Payback Obligation.

Finally, section 11.4 describes the process followed by ELIA to determine the Payback Obligation of a Capacity Provider CMU's Transaction.

11.2. GENERAL PRINCIPLES

669. This section describes the general principles of the Payback Obligation process applicable to all CMUs' Transactions at any moment of their Transaction Period when the Reference Price exceeds the Strike Price.

670. The Payback Obligation of a Transaction is calculated per hour of the Delivery Period covered by the Transaction Period and is expressed in €/h.

671. The Payback Obligation consists in a formula based on the positive difference between:

- The Reference Price, in €/MWh; and
- The Strike Price, in accordance with the definition, in €/MWh which determines the threshold above which the Capacity Provider has to pay-back the difference with the Reference Price.

672. All formulas described in the sections 11.3 and 11.4 of this chapter are related to parameters evolving in time and which incorporate all the CMU Capacity Contract parameters and modifications to Transactions so that at any time after all required data have become available, the Payback Obligation of a CMU Transaction formula can be performed.

673. The Payback Obligation calculations are processed by ELIA with the contractual and operational data related to (a) Transaction(s) and parameters of the CMU which are communicated to ELIA.

674. A granularity of 0,01 MW is applicable for MW data.
675. A granularity of 0,01 is applicable for € and €/MWh data.
676. If the values of an element of the formulas is expressed in MW or €/MWh and has a lower granularity than an hour, an hourly average of those values applies to reach the hourly granularity.
677. The rounding rule is a mathematical rounding so that the result up or down to the nearest number (with a rounding-up if there is no nearest number) and applies to each formula.

11.3. MODALITIES OF THE PAYBACK OBLIGATION

11.3.1 Introduction

678. Pursuant to chapter 7 of the proposed Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Act, this section describes, for a CMU's Transaction, all the Payback Obligation details necessary for the application of the Payback Obligation modalities.

This section details the following elements and their modalities:

- The Reference Price of the CMU
- The Strike Price of the Transaction
- The Availability Ratio
- The Payback Obligation of the Transaction
- Stop Loss Amount on the Payback Obligation of the Transaction for a Delivery Period

679. The Payback Obligation modalities and elements take into account the following CMU and Transaction features:

- Energy Constrained or Non-energy Constrained CMU
- CMU with Daily Schedule or without Daily Schedule
- Ex-ante Transaction or ex-post Transaction
- Transaction from the Primary Market or the Secondary Market

11.3.2 Reference Price

680. The Reference Price is defined as a parameter of a CMU, is observed for each hour t in the related Day-ahead Market hourly prices and is expressed in €/MWh as *Reference Price* (CMU_{id}, t).

Where:

- CMU_{id} is the CMU unique identifier available in the Capacity Contract and in the CRM IT Interface

- t is the hour on which the Payback Obligation calculation applies

681. The same Reference Price is applicable to the Payback Obligation of all Transactions of the CMU at the moment t .

11.3.2.1 CMU's initial choice of NEMO

682. Pursuant to article 23 of the proposed Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Act, the Prequalified CRM Candidate (or Capacity Provider) determines in the Prequalification Process (according to paragraph 73) of its CMU a NEMO active in the Belgian Day-ahead Market for setting his Reference Price, prior the start of the Transaction Period.

The CMU's chosen NEMO Belgian Day-ahead Market hourly prices are used as *Reference Price* ($CMU_{id,t}$) in the Payback Obligation calculation.

In case of absence of the NEMO determination in the Prequalification Process, in case of missing or conflicting data related to a specific CMU' NEMO choice, the Day-ahead Market Price is used as fall-back value.

11.3.2.2 Modification of CMU's NEMO

683. The Capacity Provider has the possibility for each CMU to notify to ELIA a modification of its earlier NEMO choice for the Reference Price of a CMU as set out in the Prequalification Process according to paragraphs 73 and 191.

Once a change is notified to ELIA, it becomes applicable in the Payback Obligation calculation ten Working Days after the notification reception date without retroactive effect.

11.3.3 Strike Price

684. This section describes, for a CMU's Transaction, the details of the modalities to determine the Strike Price which is defined as a parameter of the Transaction for the Payback Obligation determination.

685. The section refers to the Calibrated Strike Price which is a value associated to a Transaction for the entire Delivery Period, that is indexed according to section 11.3.3.1 and is required for the determination of the Strike Price of a Transaction.

686. The Strike Price of a Transaction is represented by *Strike Price* ($CMU_{id,Transaction_{id},t}$) and expressed in €/MWh.

Where:

- CMU_{id} is the CMU unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction unique identifier as displayed on CRM IT Interface
- t is the hour on which the Payback Obligation calculation applies within the Delivery Period

11.3.3.1 Calibrated Strike Price of a Transaction and indexation in time

687. This section describes, for a Capacity Provider CMU's Transaction, the details on the Calibrated Strike Price.
688. The Calibrated Strike Price of an Auction is the price set by the Minister for the year in which the Auction takes place in accordance with article 7undecies §2 of the Electricity Act. It is represented by the *Calibrated Strike Price (Auction year)* where *Auction year* is the year on which the Auction takes place.
689. Pursuant to the art 24 of the proposed Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Act, the Calibrated Strike Price is a fixed value applicable in the Payback Obligation to all Transactions of the Primary Market resulting from the Y-4 or Y-1 Auctions at the Primary Auction results publication date.

This is represented by the following formula:

$$\text{Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) = \text{Calibrated Strike Price } (\text{Auction year})$$

Where:

- CMU_{id} is the CMU unique identifier available in the Capacity Contract and in the CRM IT Interface
- Transaction_{id} is the Transaction unique identifier as displayed on CRM IT Interface
- t is the hour in the Transaction Period
- *Auction year* is the year on which the Auction is organized

690. Pursuant to the article 24 of the proposed Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Act, the Calibrated Strike Price of a Primary Market Transaction is indexed in time as of the second Delivery Period of the Transaction. The Calibrated Strike Price of a Primary Market Transaction is indexed by application of a relative index update on the initial Calibrated Strike Price for the entire duration of a Capacity Contract with a Capacity Contract Duration of more than one year as of the second Delivery Period.

The index is a factor determined with a rolling formula based on the comparison between the Day-ahead Market simple average prices over the three last years preceding the Delivery Period and the DAM simple average prices of the last three years prior to November 1st of the Auction year. The DAM simple average prices prior to the November 1st of the Auction year are remaining a fixed part in the rolling formula, where the three years DAM simple average prices prior to the Delivery Period is evolving in time.

This is represented by the following formula:

$$\begin{aligned} \text{Indexed Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) \\ = \text{Factor } (DPe, \text{ Auction year}, \text{ Auction type}) \\ * \text{Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) \end{aligned}$$

Where:

- CMU_{id} is the CMU unique identifier available in the Capacity Contract and in the CRM IT Interface

- $Transaction_{id}$ is the Transaction unique identifier as displayed on CRM IT Interface
- t is the hour in the Transaction Period
- DPe is the Delivery Period on which the indexation factor applies
- $Auction\ year$ is the year on which the Auction is organized;
- $Auction\ type$ is either the Y-4 or Y-1 Auction

And for which:

$$Factor(DPe, Auction\ year, Auction\ type) = 1 + \frac{Average\ DAM(DPe - 3\ to\ DPe - 1) - Average\ DAM(Auction\ year - 3\ to\ Auction\ year)}{Calibrated\ Strike\ Price(Auction\ year)}$$

Where:

- $Average\ DAM(DPe - 3\ to\ DPe - 1)$ is the simple average of all hourly DAM prices from November 1st of the year which three years prior the Delivery Period start date until October 31st of the year of the Delivery Period start date
- $Average\ DAM(Auction\ year - 3\ to\ Auction\ year)$ is the simple average of all hourly DAM prices from November 1st of the year which three years prior the Auction date until October 31st of the year of the Auction year
- $Calibrated\ Strike\ Price(Auction\ year)$ is the Calibrated Strike Price of an Auction Y-4 or Y-1 determined according to section 11.3.3.1.
- DAM prices are the prices of the Day-ahead Market Prices.

The same $Factor(DPe, Auction\ year, Auction\ type)$ applies for all Primary Market Transactions having a Capacity Contract Duration of more than one year following the same Auction whatever the Capacity Contract Duration.

691. Each factor $Factor(DPe, Auction\ year, Auction\ type)$ of a Delivery Period DPe is calculated by ELIA and available on the CRM IT Interface, prior to the Payback Obligation determination process (according to section 11.4) of the months of DPe .
692. For a Secondary Market Transaction, the Calibrated Strike Price is the Calibrated Strike Price of the Transaction of the CMU of the Seller of an Obligation and is part of the approved notification of the Secondary Market transaction according to paragraphs 562 and 563. The Calibrated Strike Price is registered by the ELIA in the Secondary Market Transaction as contractual parameter available in Capacity Contract annex A according to the section 9.6.2.4 and is represented by $Calibrated\ Strike\ Price(CMU_{id}, Transaction_{id}, t)$.
693. If the Transaction of the Seller of an Obligation in the Secondary Market transaction notification according to paragraphs 562 and 563 is submitted to indexation, the Auction type and Auction year parameters are also transferred and are registered on the Secondary Market Transaction in the Capacity Contract annex A of the Capacity Provider according to section 9.6.2.4, so that the Calibrated Strike Price is indexed in time with the factor of indexation $Factor(DPe, Auction\ year, Auction\ type)$ and an Indexed Calibrated Strike Price is calculated.

This is represented by the following formula:

$$\begin{aligned} & \text{Indexed Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) \\ & = \text{Factor } (DPe, \text{ Auction year}, \text{ Auction type}) \\ & * \text{ Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) \end{aligned}$$

11.3.3.2 Strike Price for the Transaction of a CMU with Daily Schedule

694. This section describes, for Transaction of a CMU with Daily Schedule, the details on the modalities to determine the Strike Price.

695. If no Indexed Calibrated Strike Price is applicable on the hours t of the Delivery Period according to section 11.3.3.1 on which the Payback Obligation is determined, the Transaction Strike Price of the CMU with Daily Schedule is the Calibrated Strike Price of the Transaction.

This is represented by the following formula:

$$\text{Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) = \text{Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t)$$

696. If an Indexed Calibrated Strike Price is applicable on the hours t of the Delivery Period according to section 11.3.3.1 on which the Payback Obligation is determined, the Transaction Strike Price of the CMU with Daily Schedule is the Calibrated Strike Price of the Transaction multiplied by the indexation factor if applicable on the hours of the Transaction Period.

This is represented by the following formula:

$$\text{Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t) = \text{Indexed Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t)$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- Transaction_{id} is the Transaction's unique identifier as displayed on CRM IT Interface
- t is the hour in the Transaction Period
- $\text{Indexed Calibrated Strike Price } (CMU_{id}, \text{ Transaction}_{id}, t)$ is determined according to paragraph 690

11.3.3.3 Strike Price for the Transaction of a CMU without Daily Schedule

697. This section describes, for the Transaction of a CMU without Daily Schedule, the details on the modalities to determine the Strike Price.

698. Pursuant to article 24 of the Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Acts, the Transaction Strike Price of the CMU without Daily Schedule is the maximum between the Declared Market Price and the Calibrated Strike Price of the Transaction multiplied by its indexation factor if any.

699. If no Indexed Calibrated Strike Price is applicable on the hours t of the Delivery Period according to section 11.3.3.1 on which the Payback Obligation is determined, this is represented by the following formula:

$$\begin{aligned} \text{Strike Price } (CMU_{id}, Transaction_{id}, t) \\ = \max(DMP(CMU_{id}, t); \text{Calibrated Strike Price } (CMU_{id}, Transaction_{id}, t)) \end{aligned}$$

700. If an Indexed Calibrated Strike Price is applicable on the hours t of the Delivery Period according to section 11.3.3.1 on which the Payback Obligation is determined, this is represented by the following formula:

$$\begin{aligned} \text{Strike Price } (CMU_{id}, Transaction_{id}, t) \\ = \max(DMP(CMU_{id}, t); \text{Indexed Calibrated Strike Price } (CMU_{id}, Transaction_{id}, t)) \end{aligned}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t is the hour in the Transaction Period
- $DMP(CMU_{id}, t)$ is the Declared Market Price of the CMU according to section 8.4.2 on the hour t ;
- $\text{Indexed Calibrated Strike Price } (CMU_{id}, Transaction_{id}, t)$ is determined according to paragraph 690

11.3.4 Availability Ratio

701. This section describes the detailed modalities the Availability Ratio of the CMU to integrate the exemption of Payback Obligation for the planned or unplanned unavailability duly communicated by ELIA as defined in article 21 of the Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Act. The exemption is considered in the Availability Ratio by the Remaining Maximum Capacity DA according to paragraph 357.

702. For a Non-energy Constrained CMU, ELIA determines the CMU's equivalent capacity $P_{equivalent}(CMU_{id}, t)$ of an hour as a derated quantity which equals the Total Contracted Capacity of the CMU. This is represented by the following formula:

$$P_{equivalent}(CMU, t) = \text{Total Contracted Capacity } (CMU_{id}, t)$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- t is an hour in the Transaction Periods of the CMU's Transactions

703. For an Energy Constrained CMU, ELIA determines for the N hours of the CMU's SLA of the related day, the CMU equivalent capacity $P_{equivalent}(CMU_{id}, t)$ as a non-derated quantity equivalent for adequacy purposes to provide the derated quantity for an unlimited number of hours. This equivalence is determined by dividing the ex-ante Transactions Total Contracted Capacity by the weighted average Derating Factor of the CMU's ex-ante Transactions. ELIA equally takes into account ex-post acquisitions of obligations on top of the ex-ante contracted SLA service (as ex-ante per hour trades are not permitted for Energy Constrained CMUs; according to section 9.4.3.10.2).

This is represented by the following formula:

$$P_{equivalent}(CMU, t) = \frac{\text{Total Contracted Capacity}_{ex-ante}(CMU_{id}, t)}{\text{Derating Factor}_{ex-ante}(CMU_{id}, t)} + \text{Total Contracted Capacity}(CMU_{id}, t)_{ex-post}$$

Where:

- N is the number of hours specified in the CMU's SLA as selected in the Prequalification process according to paragraph 73 for the Delivery Period in which t relies; and
- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface; and
 - For a CMU with Daily Schedule, t is a measure for time which is an SLA Hour according to paragraph 418 or an hour within the set of hours having the highest Measured Power(s) within the Non-SLA Hours forming with the SLA Hours a continuous period in time within a day. The set of hours is limited to the positive difference between the N hours of the CMU SLA and the number of the SLA Hours within the day; and
 - For a CMU without Daily Schedule, t is a measure for time which is an SLA Hour according to paragraph 419 or an hour within the set of hours having the highest Active Volume(s) within the Non-SLA Hours forming with the SLA Hours a continuous period in time within a day. The set of hours is limited to the positive difference between the N hours of the CMU SLA and the number of the SLA Hours within the day; and
- $\text{Total Contracted Capacity}_{ex-ante}(CMU_{id}, t)$ is the Total Contracted Capacity of the CMU ex-ante Transactions; and
- $\text{Derating Factor}_{ex-ante}(CMU_{id}, t)$ is the weighted average Contracted Capacity based of the CMU ex-ante Transactions Derating Factors; and
- $\text{Total Contracted Capacity}(CMU_{id}, t)_{ex-post}$ is the sum of Contracted Capacities acquired in ex-post on the Secondary Market.

704. For an Energy Constrained CMU, ELIA determines for each of the other hours of the concerned day than the N hours of the CMU's SLA of the concerned day, the CMU equivalent capacity $P_{equivalent}(CMU_{id}, t)$ equals the sum of the ex-post Contracted Capacities of the CMU Secondary Market Transactions for those hours. This is represented by the following formula:

$$P_{equivalent}(CMU, t) = \text{Total Contracted Capacity}(CMU_{id}, t)_{ex-post}$$

Where:

- N is the number of hours specified in the CMU's SLA as selected in the Prequalification process according to paragraph 73 for the Delivery Period in which t relies; and
- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface; and
 - For a CMU with Daily Schedule, t is a measure for time which is not an SLA Hour according to paragraph 418 or as an hour within the set of hours having the highest Measured Power(s) within the Non-SLA Hours forming with the SLA Hours a continuous period in time within a day. The set of hours is limited to the positive difference between the N hours of the CMU SLA and the number of the SLA Hours within the day; and
 - For a CMU without Daily Schedule, t is a measure for time which is not an SLA Hour

according to paragraph 419 or an hour within the set of hours having the highest Active Volume(s) within the Non-SLA Hours forming with the SLA Hours a continuous period in time within a day. The set of hours is limited to the positive difference between the N hours of the CMU SLA and the number of the SLA Hours within the day; and

- *Total Contracted Capacity*(CMU_{id}, t)_{ex-post} is the sum of Contracted Capacities bought in ex-post on the Secondary Market.

705. The Availability Ratio of a CMU for an hour is a value obtained by the division of the minimum between the CMU equivalent capacity $P_{equivalent}(CMU_{id}, t)$ and the Remaining Maximum Capacity DA for an hour, by the CMU equivalent capacity $P_{equivalent}(CMU_{id}, t)$ of that hour.

This is represented by the following formula:

$$Availability\ Ratio\ (CMU_{id}, t) = \frac{Min(P_{equivalent}(CMU_{id}, t); Remaining\ Maximum\ Capacity\ DA\ (CMU_{id}, t))}{P_{equivalent}(CMU_{id}, t)}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t is the hour on which the Payback Obligation calculation applies within the Transaction Period, when the Strike Price exceeds the Reference Price
- $P_{equivalent}(CMU_{id}, t)$ is the CMU's equivalent capacity as detailed in paragraph 71 on the hour t
- *Remaining Maximum Capacity DA* (CMU_{id}, t) is the CMU Remaining Maximum Capacity DA according to paragraph 357 on the hour t

11.3.5 Payback Obligation formula

706. This section describes the detailed modalities of the Payback Obligation formula which determines the amount due by the Capacity Provider of the CMU's Transaction to ELIA for an hour t of the Transaction Period.

11.3.5.1 Payback Obligation for a Non-energy Constrained CMU's Transaction

707. The Payback Obligation for a Non-energy Constrained CMU's Transaction on an hour is equal to the positive difference between the Reference Price and the Strike Price of the Transaction for an hour multiplied with the Contracted Capacity of the CMU Transaction and the Availability Ratio for the same hour t .

This is represented by the following formula:

$$\begin{aligned} Payback\ Obligation\ (CMU_{id}, Transaction_{id}, t) \\ = Max(0; Reference\ Price\ (CMU_{id}, t) - Strike\ Price(CMU_{id}, Transaction_{id}, t)) \\ * Contracted\ Capacity\ (CMU_{id}, Transaction_{id}, t) * Availability\ Ratio\ (CMU_{id}, t) \end{aligned}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t is the hour on which the Payback Obligation calculation applies within the Transaction Period, when the Strike Price exceeds the Reference Price and for which an Availability Ratio is calculated in section 11.3.4
- *Reference Price* (CMU_{id}, t) is determined according to section 11.3.2
- *Strike Price* ($Transaction_{id}, t$) is determined according to section 11.3.3
- *Contracted Capacity* ($CMU_{id}, Transaction_{id}, t$) is the Contracted Capacity of the CMU's Transaction on the hour t available in the Capacity Contract and the CRM IT Interface;
- *Availability Ratio* (CMU_{id}, t) is the CMU Availability Ratio according to section 11.3.4 on the hour t

11.3.5.2 Payback Obligation for an Energy Constrained CMU's ex-ante Transaction

708. The Payback Obligation for the ex-ante Transaction of an Energy Constrained CMU on the SLA Hours according to section 8.4.3.1.3 is equal to the positive difference between the Reference Price and the Strike Price of the Transaction for an hour multiplied with the Contracted Capacity of the CMU's Transaction and the Availability Ratio and divided by the Transaction's Derating Factor of the CMU for the same hour t .

This is represented by the following formula:

$$\begin{aligned}
 & \text{Payback Obligation } (CMU_{id}, Transaction_{id}, t) \\
 &= \text{Max}(0; \text{Reference Price } (CMU_{id}, t) - \text{Strike Price}(CMU_{id}, Transaction_{id}, t)) \\
 & \quad * \frac{\text{Contracted Capacity } (CMU_{id}, Transaction_{id}, t)}{\text{Derating Factor } (CMU_{id}, Transaction_{id}, t)} * \text{Availability Ratio } (CMU_{id}, t)
 \end{aligned}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t is the SLA Hour on which the Payback Obligation calculation applies within the Transaction Period, when the Strike Price exceeds the Reference Price and for which an Availability Ratio is calculated in 11.3.4
- *Reference Price* (CMU_{id}, t) is determined according to section 11.3.2
- *Strike Price* ($CMU_{id}, Transaction_{id}, t$) is determined according to section 11.3.3.3
- *Contracted Capacity* ($CMU_{id}, Transaction_{id}, t$) is the Contracted Capacity of the CMU Transaction on the hour t available in the Capacity Contract and the CRM IT Interface;
- *Availability Ratio* (CMU_{id}, t) is the CMU's Availability Ratio determined according to section 11.3.4 on the SLA Hour t

- *Derating Factor* ($CMU_{id}, Transaction_{id}$) is the Derating Factor contractually associated to the Transaction in the Capacity Contract.

709. The ex-ante Transaction Payback Obligation equals zero on the Non-SLA Hours.

This is represented by the following formula:

$$Payback\ Obligation\ (CMU_{id}, Transaction_{id}, t) = 0$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on the CRM IT Interface
- t is the hour, which is a Non-SLA Hour, on which the Payback Obligation calculation applies within the Transaction Period and for which an Availability Ratio is calculated in 11.3.4.

11.3.5.3 Payback Obligation for an Energy Constrained CMU's ex-post Transaction

710. The Payback Obligation for the ex post Transaction of an Energy Constrained CMU on an hour is equal to the positive difference between the Reference Price and the Strike Price of the Transaction for an hour t , multiplied with the Contracted Capacity of the CMU Transaction and the Availability Ratio for the same hour t .

This is represented by the following formula:

$$Payback\ Obligation\ (CMU_{id}, Transaction_{id}, t) = \text{Max}(0; Reference\ Price\ (CMU_{id}, t) - Strike\ Price(CMU_{id}, Transaction_{id}, t)) * Contracted\ Capacity\ (CMU_{id}, Transaction_{id}, t) * Availability\ Ratio\ (CMU_{id}, t)$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t is the hour on which the Payback Obligation calculation applies within the Transaction Period, when the Strike Price exceeds the Reference Price and for which an Availability Ratio is calculated in 11.3.4
- *Reference Price* (CMU_{id}, t) is determined according to section 11.3.2
- *Strike Price* ($Transaction_{id}, t$) is determined according to section 11.3.3
- *Contracted Capacity* ($CMU_{id}, Transaction_{id}, t$) is the Contracted Capacity of the CMU Transaction on the hour t available in the Capacity Contract and the CRM IT Interface;
- *Availability Ratio* (CMU_{id}, t) is the CMU's Availability Ratio according to section 11.3.4 on the hour t

11.3.6 Stop-Loss Amount of a Transaction

711. Following article 21 of the Royal Decree on Methodology to set the Auction parameters as meant by article 7undecies §2 of the Electricity Act, the sum of all Payback Obligations on the Delivery Period related to a Primary Market Transaction or a Secondary Market ex-ante Transaction for which the Transaction Period is a full Delivery Period or several full Delivery Periods reimbursed by the Capacity Provider to ELIA cannot exceed the Transaction Stop-Loss Amount for that Delivery Period.
712. The Stop-Loss Amount of a Transaction is calculated solely for the Primary Market Transactions and the ex-ante Secondary Market Transactions for which the Transaction Periods are a Delivery Period or several Delivery Periods.
713. The Stop-Loss Amount of a Transaction for a Delivery Period is fixed for the Delivery Period and calculated by ELIA according to section 11.4.1.
714. The Stop-Loss Amount of a Transaction satisfying the above criteria for a Delivery Period is equal to the sum on all hours of the Delivery Period of the hourly Contracted Capacity multiplied with the Transaction's Capacity Remuneration and divided by the number of hours on the Delivery Period.

This is represented by the following formula:

$$\begin{aligned}
 & \text{StopLoss Amount } (CMU_{id}, Transaction_{id}, Delivery\ Period) \\
 &= \sum_{t=1}^w \left(\text{Contracted Capacity } (CMU_{id}, Transaction_{id}, t) \right. \\
 & \quad \left. * \frac{\text{Capacity Remuneration}(CMU_{id}, Transaction_{id})}{w} \right)
 \end{aligned}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t and w respectively, represent the hours of a Delivery Period and the number of hours on the Delivery Period.
- $\text{Contracted Capacity } (CMU_{id}, Transaction_{id}, t)$ is the Contracted Capacity of a CMU Transaction on the hour t available in the Capacity Contract and the CRM IT Interface;
- $\text{Capacity Remuneration } (CMU_{id}, Transaction_{id})$ is the CMU's Transaction Capacity Remuneration according to the Capacity Contract

11.4. PAYBACK OBLIGATION PROCESS

715. This section describes the process applicable to the Payback Obligation of the Transaction of the Capacity Provider's CMUs performed in ex-post by ELIA and the process for the communication of the amount and its update towards the Capacity Provider for the settlement and invoicing.

It also describes the application of the Stop-Loss principle to the Payback Obligations if applicable.

716. t_{calc} is the moment on which ELIA performs the calculation of the formula for the Payback Obligation for a CMU Transaction.
717. The Payback Obligation process contains the rules for the Payback Obligation calculation performed by ELIA in month M+2 for the month M of the Delivery Period.
718. In case of inconsistency or non-compliance of at least one of the below elements and modalities, ELIA can request extra information to the Capacity Provider in order to perform the Payback Obligation calculation.

11.4.1 Stop-Loss Amount initial calculation

719. Once a year as of October 30th prior the considered Delivery Period, ELIA calculates the Stop Loss Amount of the considered Delivery Period for each CMU's Transaction of the Primary Market and each ex-ante Secondary Market Transaction which has a Transaction Period of a Delivery Period or several Delivery Periods.
720. The calculation of the Stop-Loss Amount for the Delivery Period of a Transaction is performed with the Transaction contractual data as on October 30th prior the considered Delivery Period, at the AMT determination of November 1st of the considered Delivery Period and according to paragraph 714 .

The result of the calculation by ELIA is made available on the CRM IT Interface of the CMU's Transaction Capacity Provider at the time of communication of the first Payback Obligation report to the Capacity Provider at the latest as detailed in section 11.4.4. It contains the following content:

- Capacity Provider of the CMU and its Capacity Provider ID available in the Capacity Contract
- CMU of the Transaction and its CMU_{id} available in the Capacity Contract
- Transactions' IDs of the CMU
- Stop-Loss Amounts of the CMU's Transactions

11.4.2 Payback Obligation application and calculation

721. As first step of the Payback Obligation monthly process, after the final results of the Secondary Market transactions are known, the amount of Payback Obligation of the Transaction is calculated for each hour of the Transaction Period related to the month M.

For each hour t of the Transaction Period included in the month M, ELIA calculates the:

Strike Price ($CMU_{id}, Transaction_{id}, t$) according to section 11.3.3

For each hour t of the Transaction Period included in the month M for which the Strike Price exceeds the Reference Price, ELIA calculates the:

- *Availability Ratio* (CMU_{id}, t) of the CMU according to section 11.3.4
- *Payback Obligation* ($CMU_{id}, Transaction_{id}, t$) of the Transaction according to section 11.3.5

11.4.3 Stop Loss Amount of the Transaction follow-up

722. As a second step of the process, if the Transaction is a Primary Market Transaction or an ex-ante Secondary Market Transaction for which the Transaction Period is a Delivery Period or several Delivery Periods according to paragraph 697, ELIA calculates the cumulative Payback Obligation which is the sum of the hourly Payback Obligations of all the previous months and of the month M of the Delivery Period on which the month M relies for the Transaction, if any.

This is represented by the following formula:

$$\begin{aligned} & \text{cumulative Payback Obligation } (CMU_{id}, \text{ Transaction}_{id}, M) \\ &= \sum_{t=1}^p \text{Payback Obligation } (CMU_{id}, \text{ Transaction}_{id}, t) \end{aligned}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- Transaction_{id} is the Transaction's unique identifier as displayed on CRM IT Interface
- t and p respectively, represent the hours and the number of hours of the past months of the Delivery Period and the month M of the Delivery Period.
- $\text{Payback Obligation } (CMU_{id}, \text{ Transaction}_{id}, t)$ is the Payback Obligation of a CMU Transaction on the hour t according to 11.3.5

723. If the Transaction is a Primary Market Transaction or an ex-ante Secondary Market Transaction for which the Transaction Period is a Delivery Period or several Delivery Periods and if the cumulative Payback Obligation exceeds the Stop-Loss Amount of the CMU's Transaction on the Delivery Period, the Effective Payback Obligation for the CMU's Transaction of the month M equals the positive delta between the Stop Loss Amount and the previous months cumulative Payback Obligation of the Delivery Period on which the month M relies.

This is represented by the following formula:

$$\begin{aligned} & \text{Effective Payback Obligation } (CMU_{id}, \text{ Transaction}_{id}, t) \\ &= \text{Max} \left(0; \text{StopLoss Amount } (CMU_{id}, \text{ Transaction}_{id}, \text{ Delivery Period}) \right. \\ & \quad \left. - \sum_{t=1}^n \text{Payback Obligation } (CMU_{id}, \text{ Transaction}_{id}, t) \right) \end{aligned}$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- Transaction_{id} is the Transaction's unique identifier as displayed on CRM IT Interface
- t and n respectively, represent the hours and the number of hours of the past months of the Delivery Period prior the month M of the Delivery Period.
- $\text{Payback Obligation } (CMU_{id}, \text{ Transaction}_{id}, t)$ is the Payback Obligation of a CMU Transaction on the hour t according to 11.3.5
- $\text{Stop Loss Amount } (CMU_{id}, \text{ Transaction}_{id}, \text{ Delivery Period})$ is the Stop-Loss Amount of a CMU Transaction on the hour t according to 11.3.6

724. Otherwise, if the Transaction is a Primary Market Transaction or an ex-ante Secondary Market Transaction for which the Transaction Period is a Delivery Period or several Delivery Periods and if the cumulative Payback Obligation calculated does not exceed the Stop-Loss Amount of the CMU's Transaction on the Delivery Period, or if the Stop-Loss Amount is not applicable to the Transaction of the CMU according to section 11.3.6, the Effective Payback Obligation for the CMU's Transaction of the month M equals the Payback Obligations of the CMU's Transaction for all hours of the month M.

This is represented by the following formula:

$$\text{Effective Payback Obligation } (CMU_{id}, Transaction_{id}, t) = \sum_{t=1}^m \text{Payback Obligation } (CMU_{id}, Transaction_{id}, t)$$

Where:

- CMU_{id} is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- $Transaction_{id}$ is the Transaction's unique identifier as displayed on CRM IT Interface
- t and m respectively, represent the hours and the number of hours of the month M of the Delivery Period.
- $\text{Payback Obligation } (CMU_{id}, Transaction_{id}, t)$ is the Payback Obligation of a CMU Transaction on the hour t according to 11.3.5

11.4.4 Communication of the Payback Obligation

725. As a third step, after determining the Payback Obligations for the month M, all the hourly and monthly cumulative elements as detailed in sections 11.4.1, 11.4.2 and 11.4.3 for the CMU and the CMU's Transactions, on the 15th day of M+2 at the latest, ELIA provides the Capacity Provider with the delivery activity report. This report covers an entire month, from the first day of the month M at 00:00 until the last hour of the last day of the month M. The report contains among others the following information for all hours of the Transaction Period of the CMU's Transaction:

- The calculation date of the report's data, t_{calc}
- The Capacity Provider identified with a unique ID as displayed on CRM IT Interface, the $Capacity Provider_{id}$;
- The CMU_{id} which is the CMU's unique identifier available in the Capacity Contract and in the CRM IT Interface
- The $Transaction_{id}$ of the CMU having hours of their Transaction Period in the month M identified with a unique ID as displayed on CRM IT Interface, the $Transaction_{id}$
- For each CMU's $Transaction_{id}$ above, date and time for each hour of the Transaction Period of the month M for which the Reference Price exceeds the Strike Price and a Payback Obligation applies; and
 - The related value in [€/MWh] of the Reference Price
 - The related value in [€/MWh] of the Strike Price
 - The related value in [decimal number value] of the Availability Ratio

- The related value in [€] of the Payback Obligation
- For each CMU's *Transaction_{id}* above, the total value in EURO [€] of the Payback Obligations on all hours of the Transaction Period in the month M.
- For each CMU's *Transaction_{id}* above, the total value in EURO [€] of the Effective Payback Obligations on all hours of the Transaction Period in the month M.

11.4.5 Settlement and Invoicing

726. ELIA settles and invoices the Effective Payback Obligation of the Capacity Providers CMU's Transactions by the 15th of the month M+2 at the latest. The modalities and details of the Settlement and Invoicing for the Effective Payback Obligations amounts for a Transaction are arranged in the Capacity Contract of the Capacity Provider.

727. The report per CMU as detailed in paragraph 725 is part of the invoice by ELIA.

11.4.6 Contestation

728. If the Capacity Provider contests any parameters or calculation leading to an incorrect Stop-Loss Amount, Payback Obligation or Effective Payback Obligation, he has twenty Working Days from the invoice date (according to the Capacity Contract) to contest it with the Contractual Counterparty. In such a case, the Capacity Provider and ELIA must enter into negotiations in order to reach an amicable agreement within sixty Working Days as of the date of notification of contestation by the Capacity Provider. ELIA and the Capacity Provider may request additional information from each other on the parameters in the delivery activity report if needed.

If within thirty Working Days no such agreement is found, the Capacity Provider pays the Payback Obligation amounts and both parties continue to find an amicable solution within sixty Working Days. The agreement can be settled in a future invoice to the Capacity Provider.

If within sixty Working Days still no such agreement has been reached, the parties commence the litigation procedure in accordance with chapter 13.

12 COMMUNICATION

12.1. NOTIFICATION

729. A Notification means any written communication required to be given by a CRM Actor or ELIA, or by or to the Regulatory Authorities, under this Functioning Rules or the Capacity Contract. This also covers all the data as provided during all CRM processes through the related CRM IT Interface(s).

Any reference to a “notice” to be given under this Functioning Rules shall be deemed to be a “Notification”.

With regards to the communication exchanges involving ELIA, a Notification is an electronic message exchanged with CRM Actors through the CRM IT Interface. In situations where such interface is unavailable, ELIA applies the fallback procedures described in chapter 14.

12.2. REFERENCE AND LANGUAGE

730. All documents are written in the French and Dutch language, both are equivalent and to be considered by the natives respectively as the version to be considered. No precedence exist between these two versions.

However and for sake of easiness only, an English version is also available.

12.3. CORRESPONDANCE

12.3.1 General

731. Correspondence includes messages exchanged through the CRM IT Interface and emails as per fallback procedures described in chapter 14. For sake of clarity, all correspondence is expected to be clearly titled and is required to deal with one subject only.

Furthermore, all correspondence is dated with the day of actual sending. For sake of clarity, the application form submission date and Prequalification File submission date are respectively the dates on which a CRM Candidate receives a notification from ELIA, acknowledging the good reception. In application of the fallback procedures described in chapter 14, the submission date may also become the date of the first email sent by the CRM Actor.

12.3.2 Verbal Communication

732. Telephone calls are not considered as official correspondence (whether for Functioning Rules and Capacity Contract).

733. All significant matters verbally discussed and agreed between ELIA (or the Contractual Counterparty) and a CRM Actor are confirmed by formal correspondence issued by the emitting party within five Working Days.

13 DISPUTES

734. Appeal procedure against pre-contractual decisions.

Every interested party can appeal against the final decisions taken by Elia pursuant to section 5.6.1.1.1.2.2 (final Nominal Reference Power) and section 5.7.1.1 (Prequalification results) and section 9.5.5 (approval or rejection with respect to the Secondary Market Transaction).

This right to dispute does not prejudice the regulator's powers according to article 7 undecies §9 of the law, the foreseen Royal Decree and any other future stipulation on the matter of the control of the CRM.

To be an interested party one must be:

- For a final decision taken by Elia pursuant to section 5.6.1.1.1.2.2 (final Nominal Reference Power) and 5.7.1.1 (Prequalification results) : a CRM Candidate
- A final decision taken by Elia pursuant to section 9.5.5 (approval or rejection with respect to the Secondary Market transaction): the Buyer of an obligation or the Seller of the obligation.

To be valid, the appeal must be filed in front of the competent Court of enterprises of Brussels.

In case the CRM Candidate does not sign or delays the signature of the Capacity Contract, the ELIA will apply the Financial Penalty mentioned in section 7.2.2 without prejudice to the CRM Candidate's liability for the damage suffered by Elia and/or the ELIA as a result thereof, and his obligation to make all efforts to sign without delay the Capacity Contract.

735. Appeal procedure against the validation decisions as to the Auction results

As the final decisions taken by Elia are validated by the CREG pursuant to section 6.4.5, the validation decision can only be appealed against before the Markets Court of Brussels according to article 29 bis of the Electricity Act.

To be an interested party one must be a Prequalified CRM candidate.

736. Contractual disputes

If, for the Pre-delivery Period, the final pre-delivery control results, which lead to the application of the Financial Penalty in case of positive Missing Volume, as notified by Elia to the Capacity Provider and/or the application of the Financial Penalties resulting from the pre-delivery control are contested by the Capacity Provider, in accordance with section 7.3.1.1.5.2, the dispute will be submitted by the Capacity Provider to the competent Court of enterprises of Brussels). Such dispute must be filed at the latest twenty Working Days after the notification of the final pre-delivery control results.

If, for the Delivery Period, the parameters or calculation leading to the Unavailability Penalty determined by Elia and notified to the Capacity Provider by the Contractual Counterparty, is contested by the Capacity Provider, in accordance with section 8.6.3, and if the Capacity Provider and the ELIA have not reached an amicable solution within the deadline foreseen in section 8.6.3 (thirty and sixty Working Days after the day of notification of the Unavailability Penalty), the dispute will be submitted by the Capacity Provider to the competent Court of enterprises of Brussels. Such dispute must be filed at the latest fifteen Working Days after the aforementioned deadline to reach the amicable solution.

737. Inaccuracy/incompleteness of the data

The (Prequalified) CRM Candidate or the Capacity Provider shall, under the form of the reporting as provided in the relevant process in the Functioning Rules, ensure that the data included in his application form and his Prequalification File(s) remain complete and accurate over time, , i.e. the prequalification, the auction and both during the whole Pre-delivery Period and Delivery Period.

In any case, when Elia observes such incompleteness or inaccuracy, it will apply a financial penalty which corresponds to the Unavailability Penalty applicable for any Unannounced Missing Capacity on the CMU(s) concerned, as provided for under section 8.6.3 , taking into account the Missing Capacity of the CMU(s) concerned and the penalty factor equal to [figure between 0 and 1].

In case ELIA observes such incompleteness or inaccuracy changes the ranking of the offers, such incompleteness or inaccuracy will also be sanctioned by ELIA with an exclusion of the Bid from the clearing in function of the degree of incompleteness or inaccuracy.

738. Suspension and termination

In addition to the payment of the applicable Financial Penalty or Unavailability Penalty, the Capacity Contract can be suspended by the ELIA in consultation with Elia when the Capacity Provider remains in default after the application of the Financial Penalty or Unavailability Penalty, until it has been established by Elia that the Capacity of the CMU(s) complies with the Prequalification Conditions.

In case ELIA establishes that the data included in the Capacity Provider's application form and Prequalification File(s) are repeatedly incomplete or inaccurate, it can ask the ELIA to terminate the Capacity Contract, provided a new Capacity Contract has been signed covering the same capacity as the Missing Capacity from defaulting Capacity Provider or to terminate the Contract at the end of the ongoing delivery year and Elia will take this into account for the next Y-1 auction volume.

Disputes with respect to the application of the Unavailability Penalty to the incompleteness or inaccuracy of the information and, as the case may be, with respect to the suspension or termination of the Capacity Contract, will be submitted to the competent Court of enterprises of Brussels.

739. Disputes with respect of the Derating Factor

The (Prequalified) CRM Candidate or the Capacity Provider shall also ensure that the Derating Factor complies with the methodology referred to in article 7undecies §2 of the Electricity Act.

If a Derating Factor is applied which does not correctly apply the methodology, the Capacity Contract will be suspended until it has been established by Elia that the Derating Factor complies with the methodology referred to in article 7undecies §2 of the Electricity Act.

In case Elia establishes that the Derating Factor chosen by the Prequalified CRM Candidate or the Capacity Provider would repeatedly be non-compliant with said methodology, ELIA can ask the ELIA to terminate the Capacity Contract, provided that a new Capacity Contract has been signed covering the same capacity as the Missing Capacity from defaulting Capacity Provider or to terminate the Contract at the end of the ongoing delivery year and ELIA will take this into account for the next Y-1 auction volume, and under reservation of all rights for damages incurred by ELIA as a result of the (Prequalified) CRM Candidate or the Capacity Provider.

Disputes with respect to the suspension or termination of the Capacity Contract for reasons of non-compliance of the Derating Factor will be submitted to the competent Court of enterprises of Brussels.

14 FALLBACK PROCEDURES

14.1. INTRODUCTION

740. This chapter lists and describes all the fallback procedures applicable to ELIA, every Capacity Holder, CRM Candidate, Prequalified CRM Candidate and Capacity Provider. These fallback procedures include all the steps to be followed by the relevant party in case of specific issue.

Section 14.2 presents the general principles of the fallback procedures.

Section 14.3, 14.4, 14.5, 14.6, 14.7, 14.7, 14.8 and 14.9 respectively cover all CRM processes separately in order to facilitate reading and the search for the right fallback procedure. Each CRM Process is divided into different sub-paragraphs depending on process involved. Every fallback procedure is structured so that the problem is first identified and referenced. Next, the procedure to be followed by the CRM Actor is described and finally the impact on deadline or processes is explained.

14.2. GENERAL PRINCIPLES

741. This section describes the general principles applicable to ELIA, every CRM Candidate, Prequalified CRM Candidate and Capacity Provider, hereunder considered as CRM Actors, for whom a fallback procedure is required in order to resolve certain types of issues.

742. When ELIA communicates with a CRM Actor by e-mail in a fallback procedure, ELIA uses the e-mail address(es) that was provided by the actor during the Prequalification Process (as per annexes 17.1.4 and 17.1.5).

When a CRM Actor communicates with ELIA by e-mail in a fallback procedure, he uses the e-mail address provided by ELIA.

743. If a maintenance of the CRM IT Interface is foreseen and causes an unavailability longer than twenty-four hours, ELIA informs all CRM Actors by e-mail at least five Working Days prior to the start of the foreseen unavailability and indicates the start date/time and the expected end date/time of the maintenance. In such circumstances, the CRM Actors may also trigger the fallback procedures described in the following sections.

744. If ELIA encounters an unforeseen unavailability which prevents the CRM Actors to access the interface for more than twenty-four hours, ELIA informs all CRM Actors by e-mail about it and indicates the expected end date/time of the unavailability.

745. In case a fallback procedure arising from a general IT issue has an impact on the good running of a process for a CRM Actor and this CRM Actor cannot respect the deadline related to that process, ELIA extends this deadline for the process in question. This extension is communicated to and applies for all CRM Actors; upon the condition that the problem is attributed to the CRM IT Interface itself. Otherwise any CRM Actor remains liable for the delay.

746. In case of issues related to the quarterly hour metering data (missing data, communication problem,...), ELIA applies the standards and best practices applicable to other market processes (e.g: Balancing).

747. Finally, ELIA reminds that – independent of the communication channel used for the exchange of required information – it remains the CRM Actor's responsibility to respect the deadlines set in the relevant section of the Functioning Rules (as detailed in chapter 5). Obviously, in the event

of a delay caused by the use of the fallback procedure, ELIA applies the extension of the related deadline as defined in paragraph 735 above..

14.3. PREQUALIFICATION PROCESSES

748. This section covers all possible issues during the prequalification phase that require a fallback procedure.

14.3.1 Application form submission

749. This issue refers to the section 5.3.1.

Prior to submitting his first Prequalification File, a Capacity Holder fills in an application form and then mark his acknowledgment with a list of documents.

This application form can be found and is submitted on the CRM IT Interface.

750. In case a Capacity Holder is unable to submit the **application form** via the CRM IT Interface due to IT problem or did not received the corresponding Notification from ELIA within two hours, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to submit the application form, the Capacity Holder is entitled to initiate the fallback procedure.

751. The fallback procedure consists in the following steps:

- a) The Capacity Holder contacts ELIA as soon as possible by e-mail explaining the nature of the problem.
- b) ELIA comes back to the Capacity Holder within maximum five Working Days starting from the Capacity Holder's email reception date, saying that either:
 - The problem has been solved and the Capacity Holder may try again to submit the form; or
 - The problem cannot be solved in the short term, and the application form is sent by e-mail so that the Capacity Holder can fill it in and return it back completed to ELIA also by e-mail. In these circumstances, the Application Form submission date corresponds to the date of Capacity Holder's first email to ELIA.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.3.2 Acknowledgment and Compliance checks

752. This issue refers to the section 5.3.1.2.

After the approval of the application form but prior to the possible submission of a Prequalification File, the CRM Candidate ensures compliancy with some items, by marking dedicated boxes in the CRM IT Interface.

753. In case the CRM Candidate is unable to **mark these boxes** via the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to mark the dedicated boxes, the CRM Candidate is entitled to initiate the fallback procedure.

754. The fallback procedure consists in the following steps:

- a) The CRM Candidate contacts ELIA as soon as possible by e-mail explaining the nature of the problem.
- b) ELIA comes back to the CRM Candidate within maximum five Working Days starting from the Capacity Holder's email reception date, saying that either:
 - The problem has been solved and the CRM Candidate may try again to mark the boxes via the CRM IT Interface; or
 - The problem cannot be solved in the short term, and a document (in which he acknowledges the relevant documents and indicates the compliance of his Delivery Point(s) with some set of rules) is sent by e-mail so that the Capacity Holder can fill it in and return it back completed to ELIA also by e-mail.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.3.3 Prequalification File

755. This issue refers to the section 5.4.

It is required from the CRM Candidate to submit complete and accurate Prequalification File(s), in line with obligations, requirements and Service Time Schedule. All data or document(s) are either filled in directly on the CRM IT Interface or uploaded as an attachment via the the CRM IT Interface.

756. In case the CRM Candidate is unable to **fill in the Prequalification File and/or upload a required document(s) and/or submit it** on the CRM IT Interface due to IT problem (e.g: the CRM Candidate did not received the notification of good receipt of a PQ File submission within two hours), he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to complete his Prequalification File, the CRM Candidate is entitled to initiate the fallback procedure.

757. The fallback procedure consists in the following steps:

- a) The CRM Candidate contacts ELIA as soon as possible by e-mail explaining the nature of the problem.
- b) ELIA comes back to the CRM Candidate within maximum five Working Days starting from the Capacity Holder's email reception date, saying that either:
 - The problem has been solved and the CRM Candidate may try to fill in the Prequalification File and/or upload a required document on the CRM IT Interface; or
 - The problem cannot be solved in the short term, and the prequalification form is sent by e-mail so that the CRM Candidate can fill it in and return it back completed to ELIA also by e-mail. In these circumstances, the Prequalification File submission date corresponds to the date of Capacity Holder's first email to ELIA. Finally and as part of the Prequalification File, the CRM Actor submits proof of a permissible type of Financial Security, in accordance with the requirements in section 10.3, by email.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.3.4 Change of the Prequalification File submission

758. This issue refers to the section 5.8.5.

Any CRM Candidate, Prequalified CRM Candidate or Capacity Provider (hereunder the CRM Actor) is entitled to modify data or documents upon different circumstances. Any change is submitted via the CRM IT Interface.

759. In case a CRM Actor is unable to **modify data or documents** on the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to apply the change(s) needed, the CRM Actor is entitled to initiate the fallback procedure.

760. The fallback procedure consists in the following steps:

- a) The CRM Actor contacts ELIA as soon as possible by e-mail mentioning:
 - The ID of the concerned Delivery Point(s) and/or CMU(s); and
 - The date of entry into force of the modification(s); and
 - The data or the document(s) to be modified; and
 - The new value of the data or the new document(s) to be uploaded; and
 - The nature of the IT issue;
- b) ELIA comes back to the CRM Actor within maximum five Working Days starting from the CRM Actor's email reception date, saying that either:
 - The problem has been solved and the CRM Actor may try again to modify the data and/or document(s) in his Prequalification File; or
 - The problem cannot be solved in the short term, and ELIA modifies manually the data and/or the document(s) – instead of the CRM Actor – based on the information provided in the e-mail received from the CRM Actor and sends an e-mail to this CRM Actor to notify him that the change(s) has(have) been taken into account.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.3.5 Notification from ELIA

761. Throughout the Prequalification Process, ELIA sends notifications to the CRM Actors via the CRM IT Interface. The time period within which such notification is received are listed in the chapter 5.

762. In case the CRM Actor has not received the notification via the CRM IT Interface within the specific timeframe, he initiates the fallback procedure which consists in the following steps:

- a) The CRM Actor informs ELIA by e-mail as soon as possible that the notification has not been received and mentions the following information:
 - The type of notification that he was expecting to; and
 - The submission date of the involved file or form;
- b) ELIA comes back to the Capacity Provider within five Working Days starting from the Capacity Provider's e-mail reception date, giving the same information as would have been provided by the notification.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.4. AUCTION PROCESS

14.4.1 Grid constraints issues

763. These issues refer to the section 6.4.2.

During the calculation phase, which starts on 15th of June until 15th of September of the year in which the Auction takes place, ELIA identifies the public electrical transmission grid constraints of the expected grid infrastructure for the Delivery Period for the considered Auction to be taken into account during the Auction clearing.

764. Throughout this calculation phase, three problems could trigger a fallback procedure:

- In the extraordinary event of a force majeure (eg. an extreme weather event, a terrorist attack, ...) during the calculation phase, which would cause unforeseen & significant damage to one or more key grid infrastructure assets of the public electrical transmission grid and which would as a result affect the hypotheses taken for the reference grid on the 15th of June of the year in which the Auction takes place, based on which Elia is calculating the grid constraints.
- If the hypotheses of the reference grid would significantly evolve during the calculation phase, when compared to the hypotheses taken in the defined reference grid at the 15th of June of the year in which the Auction takes place, related to delays of Infrastructure Works which would negatively affect the hosting capacity of the grid feasible domain. Such delay of Infrastructure Works is considered significant when a specific grid infrastructure project has an expected delay higher than two months, compared to the initial schedule.
- In the extraordinary event that ELIA would be confronted with IT-calculation issues in determination of grid constraints, negatively affecting the ex-ante availability of all necessary & approved grid constraints.

765. In the three above cases, ELIA initiates the fallback procedure after informing CREG of the exact cause(s), since in all three cases the ex-ante availability³² of all necessary & approved grid constraints is negatively affected and no longer guaranteed.

766. The fallback procedure itself consists in applying grid constraints by performing a grid feasibility check during the application phase after the Auction gate closing time. This fallback procedure guarantees that the grid feasibility of any Auction is ensured, in case the standard process would fail. In case of failure, ELIA takes reasonable measures & consult with CREG in order to improve and avoid such events for future Auctions. The fallback procedure can potentially imply some iterative steps after the Auction gate closing time in order to determine the optimal Auction result that respects all valid grid constraint types – while still leaving sufficient time for results validation prior to Auction result publication.

767. The fallback process would be as follows:

- a) Based on the received Bids & the Demand Curve applied in the Auction, the Auction algorithm provides the clearing result but now without grid constraints from ELIA.
- b) The obtained clearing result is then subsequently verified³² by ELIA following the methodology as defined in section 6.3.2.2 (only for the relevant CMU combinations for Additional Capacity

³² Ex-ante availability of grid constraints means that the grid constraints are defined by the 15/09, before performing the auction gate closure time.

that are part of the clearing result) and following the stepwise approach as detailed here:

- i. Step 1: In case the clearing result respects all grid constraints, no further steps are needed and the Auction result can be considered final.
- ii. Step 2: In case the clearing result does not respect all constraints, the next optimal solution with the best objective function value needs to be determined in the Auction algorithm, by iteratively performing an Auction clearing with two additional constraints (best objective function value step two worse than best objective function value step one and selection two does not equal selection one).
- iii. Step 3: step two should be repeated until a solution is found that respects all valid grid constraints for the respective Auction.

768. In case no solution can be found after several iterations, the CREG may not validate the Auction results which could lead to the fallback procedure.

14.4.2 Bid submission issue

769. This issue refers to the section 6.3.3.

A Prequalified CRM Candidate can submit (a) Bid(s) in the CRM IT Interface from 9:00 CET one Working Day after 15 September until the Auction gate closure time. ELIA verifies, immediately upon submission via checks incorporated in the CRM IT Interface, whether the Bids are compliant. In case of successful verification, the Bid(s) get(s) the status "submitted". Bids with the status "submitted" by the Auction gate closure time are taken into account during the clearing of the Auction.

770. In case the Prequalified CRM Candidate cannot access the CRM IT Interface to submit its Bid(s), he initiates the fallback procedure. Such action remains possible until Auction gate closure time.

771. The fallback procedure consists in the following steps:

- a) The Prequalified CRM Candidate informs ELIA that he is unable to submit his Bid(s) via the CRM IT Interface.
- b) ELIA comes back to the Prequalified CRM Candidate as soon as possible saying that either:
 - The problem has been solved and the Prequalified CRM Candidate may try to submit his Bids again.
 - The problem cannot be solved by the Auction gate closure time and therefore, ELIA undertakes the following actions:
 - ELIA extends the access to Bids submission platform for all Prequalified CRM Candidates.
 - ELIA fixes as soon as possible the problem preventing Prequalified CRM Candidates to access the Bids submission platform.

772. In case ELIA is not able to fix the issue preventing Prequalified CRM Candidates to submit their Bid(s) on the CRM IT Interface even after deadline extension, ELIA organizes manual Bid submission and proceeds as follows:

- a) ELIA extends the submission deadline for the second time and communicates this decision to all Prequalified CRM Candidates;
- b) Every Bid with "submitted" status does not require to be submitted again. ELIA sends a confirmation message summarizing all Bids already received with the status of submitted;
- c) Any additional Bid is submitted by the Prequalified CRM Candidate via the form provided by

ELIA and sent by email.

14.4.3 Auction results issues

773. This issue refers to the section 6.4.5.

Upon the end of each Auction clearing phase, and in line with the Service Time Schedule, ELIA submits the Auction results to the CREG. The CREG must verify them prior to informing all CRM Actors of the official selection of his submitted Bid(s).

774. Two kind of issues can occur with the Auction results. The first one is related to the CREG validation. For some reasons (e.g. grid constraint issues), the CREG may not validate the Auction results. The second one is related to the Auction clearing modules. It could happen that one or both of the modules are unable to provide a solution for the Auction results.

775. In both cases, ELIA initiates the fallback procedure which consists of the following actions (applicable to both Y-4 and Y-1 Auctions):

- a) ELIA identifies the source of the problem (e.g: issue with the clearing algorithm) and notifies CREG;
- b) ELIA solves the problem and start the Auction clearing again;
- c) ELIA communicates the updated Auction's results to CREG for validation;
- d) Once validated, results are published on ELIA's website.

776. Compared to the original Auction, no new Prequalified CRM Candidates are accepted and no new Bids can be introduced by a Prequalified CRM Candidates.

14.5. PRE-DELIVERY CONTROL

777. This section covers all possible issues during a pre-delivery control that require a fallback procedure.

14.5.1 Quarterly reports submission to ELIA for Additional and Virtual CMUs

778. During a Pre-delivery Period related to an Additional or a Virtual CMU, a Capacity Provider shares with ELIA via the CRM IT Interface quarterly reports (according section 7.3.2.1.2).

779. In case the Capacity Provider is not able to submit a **quarterly report** via the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to submit the quarterly report, the Capacity Provider is entitled to initiate the fallback procedure.

780. The fallback procedure consists in the following steps:

- a) The Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:
 - The ID of the concerned CMU(s); and
 - The nature of the IT issue;
- b) ELIA comes back to the Capacity Provider within maximum five Working Days starting from

the Capacity Provider's email, saying that either:

- The problem has been solved and the Capacity Provider may try again to submit the report; or
- The problem cannot be solved in the short term, and the quarterly report may be sent by the Capacity Provider to ELIA by e-mail within five Working Days starting from ELIA's e-mail reception date.

781. In the event that this fallback procedure is initiated, ELIA extends the deadline by ten Working Days (defined in section 7.3.2.1.2.3) for providing the quarterly report to all Capacity Providers.

14.5.2 Pre-delivery test date notification for Existing CMUs

782. In order to organize a pre-delivery test for a Delivery Point without sufficient historical data available (as per detailed in section 7.3.1.1), ELIA sends a notification to the Capacity Provider via the CRM IT Interface, asking for a pre-delivery test date.

783. In case ELIA is not able to request a pre-delivery test date via the CRM IT Interface due to an IT issue, ELIA notifies the Capacity Provider that a test date is required by e-mail.

784. In case the Capacity Provider is not able to communicate to ELIA **the pre-delivery test date** via the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to communicate the date, the Capacity Provider is entitled to initiate the fallback procedure.

785. The fallback procedure consists in the following steps:

- a) The Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:
 - The ID of the concerned CMU; and
 - The date of the pre-delivery test; and
 - The nature of the IT issue;
- b) ELIA has maximum five Working Days starting from the reception of the Capacity Provider's e-mail reception date to acknowledge the pre-delivery test date communicated by e-mail.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.5.3 Pre-delivery control results

786. For Additional and Virtual CMU, ELIA notifies the pre-delivery control results to the Capacity Provider within a certain period of time defined in section 7.3.1.1.5 on the CRM IT Interface.

787. In case the Capacity Provider has not received the results of his pre-delivery control via the CRM IT Interface within the timeframe specified, he initiates the fallback procedure which consists in the following steps:

- a) The Capacity Provider informs ELIA by e-mail that the pre-delivery control results has not been received yet and mentions the following information:
 - The ID of the CMU; and
 - The date of the quarterly report concerned; and

- b) ELIA comes back to the Capacity Provider within maximum ten Working Days starting from the Capacity Provider's email, saying that either:
- The problem has been solved and the results are now made available on the CRM IT Interface; or
 - The problem cannot be solved in the short term, and ELIA sends the results to the Capacity Provider by e-mail.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.5.4 Contestation for Existing CMU

788. The Capacity Provider is allowed to contest the provisional pre-delivery control results via the CRM IT Interface within a time period defined in section 7.3.1.1.5.2.

789. In case the Capacity Provider is not able to notify his contestation through the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to submit his contestation, the Capacity Provider is entitled to initiate the fallback procedure.

790. The fallback procedure consists in the following steps:

- a) The Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:
- The ID of the concerned CMU; and
 - The nature of the IT issue;
- b) ELIA comes back to the Capacity Provider within maximum five Working Days starting from the Capacity Provider's email reception date, saying that either:
- The problem has been solved and the Capacity Provider may submit his contestation via the CRM IT Interface.
 - The problem cannot be solved in the short term, and a contestation form is sent by e-mail so that the Capacity Provider and return it back completed also by e-mail.

791. In the event the fallback procedure is initiated, ELIA extends the deadline to submit the related contestation by ten Working Days.

14.6. AVAILABILITY MONITORING AND TESTING

792. This section covers all possible issues occurring throughout the Delivery Period regarding the Availability Obligation and the penalties that require a fallback procedure.

14.6.1 Notification of limitation on Available Capacity

793. This issue refers to the section 8.3.

In case the Capacity Provider is aware of a limitation on the Capacity of his CMU, the Capacity Provider notifies ELIA by providing the required information via the CRM IT Interface.

794. In case the Capacity Provider is not able to **notify the limitation on its Available Capacity** via the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under

maintenance. If this is not the case and after trying again to notify the limitation, the Capacity Provider is entitled to initiate the fallback procedure.

795. The fallback procedure consists in the following steps:

a) The Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:

- The ID of the concerned CMU; and
- The Remaining Maximum Capacity; and
- The start date and time of the unavailability; and
- The end date and time of the unavailability; and
- The nature of the IT issue;

b) ELIA comes back to the Capacity Provider within five Working Days starting from the Capacity Provider's e-mail reception date, saying that either:

- The problem has been solved and the Capacity Provider may try again to notify the limitation.
- The problem cannot be solved in the short term, but the limitation mentioned in the e-mail has been taken into account for the concerned CMU as from the date mentioned in the e-mail.

c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

796. It is the Capacity Provider's responsibility to notify limitations via the CRM IT Interface before 11:00 CET or timely initiate the fallback procedure in case of CRM IT interface failure. ELIA notes the limitation as Announced Unavailable Capacity for that CMU provided that the fallback procedure was initiated by the Capacity Provider (i.e. by sending the required email) before 11:00 CET the day before the start date of the limitation and that the information in the email was compliant with section 8.3.

14.6.2 AMT Moment identification

797. This issue refers to the section 8.4.1.

ELIA publishes identified AMT Hours and AMT Moments on its website before 15:00 CET the day before the occurrence of the AMT Moments or no later than 18:00 CET in case a fallback procedure for the Day-ahead Market clearing applies.

798. After every last Day-ahead Market gate closure time of the NEMOs composing the Day-ahead Market Price, ELIA verifies for every hour of the concerned day if the Day-ahead Market Price exceeds the AMT Price.

799. In case of delays caused by failure of ELIA's internal IT applications, ELIA places a notification on its website before 15:00 CET the day before the occurrence of the AMT Moment and performs a best effort to publish AMT Hours and AMT Moments as soon as possible and before 18:00 CET the day before the occurrence of the AMT Moments at the latest. Failure to do so leads to no AMT Moments being applicable.

800. In case ELIA is unable to determine the Day-ahead Market Price for any given segment, it is not identified as an AMT Hour.

801. In case a NEMO composing (part of) the Belgian Reference Price is decoupled from the Day-ahead Market (e.g. due to IT problems), this does not automatically lead to the triggering of an AMT

Hour. ELIA notifies the Capacity Providers via the CRM IT Interface or by e-mail after Day-ahead Market clearing according to the following procedure:

- a) ELIA acknowledges the decoupling of the market before 15:00 CET at the latest, along with AMT Hours and Moments identified by the resulting price information via publication on their website.
- b) Capacity Providers proceed as if these AMT Moments apply.
- c) ELIA assesses the impact of the decoupling on the Day-ahead Market Price.
- d) In case the impact is such that the price would exceed the AMT Price regardless, ELIA continues to apply the identified AMT Hours and AMT Moments.
- e) In case the impact is such that the market decoupling itself likely caused the price to rise above the AMT Price, ELIA notifies its publication on its website and notifies the Capacity Providers via the CRM IT Interface or by e-mail that the concerned hours are not considered as AMT Hour(s).

14.6.3 Declared Price and Associated Volume declaration

802. This issue refers to the section 8.4.2.1.

14.6.3.1 Declaration modalities

803. The Capacity Provider continuously notifies Declared Prices to ELIA for CMU(s) without Daily Schedule through declaration(s) whenever an update of this information is required by the Capacity Provider via the CRM IT Interface.

804. In case the Capacity Provider is not able to **declare or update (Partial) Declared Price(s) and Associated Volume(s)** via the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to declare or to update the information, the Capacity Provider is entitled to initiate the fallback procedure.

805. The fallback procedure consists in the following steps:

- a) The Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:
 - The ID of the concerned CMU; and
 - The new (partial) Declared Price(s) and Associated Volume(s), if any; and/or
 - The (partial) Declared Price(s) and Associated Volume(s) he wants to modify and their new value, if any; and
 - The nature of the IT issue;
- b) ELIA comes back to the Capacity Provider within five Working Days starting from the Capacity Provider's e-mail reception date, saying that either:
 - The problem has been solved and the Capacity Provider may try again to declare or update (partial) Declared Price(s) and Associated Volume(s) via the CRM IT Interface.
 - The problem cannot be solved in the short term, but the information mentioned in the e-mail has been taken into account for the concerned CMU.
- c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

806. If the Capacity Provider is not able to declare or update the value(s) of (the set of) Declared Day-ahead Price(s) before 9:00 CET the day before the occurrence of the AMT Hour due to this fallback procedure and the e-mail was sent to ELIA before that time, ELIA takes into account these prices for this AMT hours provided that the declaration/update information is compliant with section 8.4.2.
807. If the Capacity Provider is not able to declare or update the value(s) of (the set of) Declared Intraday or Balancing Price(s) at least two hours before the start of the AMT Hour due to this fallback procedure and the e-mail was sent to ELIA before that time, ELIA takes into account these prices for this AMT hours provided that the declaration/update information is compliant with section 8.4.2

14.6.3.2 Rejection or acceptance notification

808. In case of rejection, the Capacity Provider automatically receives a notification of rejection completed with a justification. In case of acceptance, the Capacity Provider automatically receives a notification of acceptance.
809. In case the Capacity Provider has not received the rejection or acceptance notification via the CRM IT Interface, he initiates the fallback procedure which consists in the following steps:
- a) The Capacity Provider informs ELIA by e-mail as soon as possible that the notification has not been received and mentions the following information:
 - The ID of the concerned CMU; and
 - The time and date of the declaration/update; and
 - The nature of the IT issue;
 - b) ELIA comes back to the Capacity Provider within five Working Days starting from the Capacity Provider's e-mail reception date, giving the same information as would have been provided in the notification of rejection or acceptance.
 - c) ELIA applies the extension of related deadline as specified in the paragraph 747 above.

14.6.4 Notification of the Availability Test

810. This issue refers to the section 8.5.1.2.

ELIA can verify whether a Capacity Provider has committed to the Availability Obligation for any of its CMU's through unannounced Availability Tests. ELIA instructs the Capacity Provider to perform an Availability Test via the CRM IT Interface at the latest before 15:00 CET the day before it is to take place.

811. In case ELIA is not able to notify the Availability Test via the CRM IT Interface due to an IT issue, the following fallback procedure is initiated:
- a) ELIA communicates to the Capacity Provider the following information. Such communication happens by e-mail and is confirmed immediately per phone. :
 - The ID of the concerned CMU; and
 - The start date and time of the test; and
 - The end date and time of the test; and

- b) The Capacity Provider has six hours to acknowledge the Availability test.

14.6.5 Submission of the delivery activity report

812. This issue refers to the section 8.6.3.
813. ELIA provides the delivery activity report before the 15th of month M+2 at the latest to the Capacity Provider for AMT Moments and Availability Tests occurring during month M to notify the Capacity Provider of any Unavailability Penalty.
814. In case the Capacity Provider has not received its delivery activity report via the CRM IT Interface within the timeframe specified hereabove, he initiates the fallback procedure which consists in the following steps:
- a) The Capacity Provider informs ELIA by e-mail as soon as possible that the delivery activity report has not been received and mentions the following information:
 - The ID of the concerned CMU; and
 - The month of report; and
 - b) ELIA comes back to the Capacity Provider within ten Working Days starting from the Capacity Provider's e-mail, giving the same information as would have been provided in the delivery activity report.
815. As a contestation can be initiated up to twenty Working Days after reception of the related delivery activity report by the Capacity Provider, this does not impact the timing with regards to this procedure.

14.6.6 Notification of three successful deliveries

816. This issues refers to the section 8.6.4.
817. From the moment the Capacity Provider receives the downwards revision, the CMU has to successfully provide its Obligated Capacity in accordance with the Contracted Capacity and SLA three consecutive times during an AMT Moment and/or Availability Tests to reinstate the Capacity Provider's original Capacity Remuneration. The Capacity Provider notifies ELIA via the CRM IT Interface after completing the third successful delivery.
818. In case the Capacity Provider is not able to **notify that he successfully completed three deliveries** via the CRM IT Interface due to IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to notify ELIA, the Capacity Provider initiates the fallback procedure.
819. The fallback procedure consists in the following steps:
- a) The Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:
 - The ID of the concerned CMU; and
 - The start date and time of each concerning Availability Test and/or AMT Moment ; and
 - The nature of the IT issue; and
 - b) ELIA comes back to the Capacity Provider within five Working Days starting from the Capacity Provider's e-mail reception date, saying that either:

- The problem has been solved and the Capacity Provider may try again to notify the three successful deliveries.
- The problem cannot be solved in the short term, but the information mentioned in the e-mail has been taken into account for the concerned CMU.

14.7. SECONDARY MARKET

14.7.1 Notification issuance of a Secondary Market transaction

820. This part refers to the section 9.5.1, where for any Secondary Market transaction the Prequalified CRM Candidates and Capacity Providers or the Exchange have first to notify ELIA via the CRM IT Interface.
821. In case the Prequalified CRM Candidates, Capacity Providers or the Exchange are not able **to issue the transaction** to ELIA via the CRM IT Interface due to IT problem, they check first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to issue the transaction, they are entitled to initiate the fallback procedure.
822. The fallback procedure consists in the following steps:
- a) the Prequalified CRM Candidates, Capacity Providers or the Exchange contacts ELIA by e-mail mentioning:
 - The CMU ID of the Seller of an Obligation; and
 - The CMU ID of the Buyer of an Obligation; and
 - The start date of the transaction; and
 - The end date of the transaction; and
 - The nature of the IT issue;
 - b) ELIA comes back to the Prequalified CRM Candidates, Capacity Providers or the Exchange within maximum five Working Days starting from the Capacity Provider's e-mail reception date, saying that either:
 - The problem has been solved and the Prequalified CRM Candidates, Capacity Providers or the Exchange may try again to issue the transaction via the CRM IT Interface.
 - The problem cannot be solved in the short term and the transaction form is sent by e-mail so that the Prequalified CRM Candidates, Capacity Providers or the Exchange can fill it in and return it back completed to ELIA also by e-mail (if applicable, including proof of a permissible type of Financial Security, in accordance with the requirements set in section 10.3).
 - c) ELIA applies the extension of related deadline as specified in the paragraph 747 above
823. In case of bilateral Secondary Market transaction, if the other party cannot confirm the transaction within five Working Days following the first notification due to the fallback procedure and he has notified ELIA by e-mail within the time limit, ELIA considers the notification issuance of that transaction to be compliant. The date of the first email sent by the CRM Actor to ELIA to initiate

the fallback procedure above is then used to determine the ex-ante or ex-post character of this transaction.

14.7.2 Acknowledgement of reception by ELIA

824. This part refers to the section 9.5.2.

After the notification issuance of the transaction, ELIA notifies the good reception with an acknowledgement of reception towards the counterparty(ies) issuing the notifications.

825. For bilateral Secondary Market transaction, the acknowledgement of reception is sent by ELIA to the Seller of an Obligation and the Buyer of an Obligation within a maximum of one Working Day after reception of both notifications.

826. For Secondary Market transaction notified by an Exchange, the acknowledgement of reception is sent by ELIA to the Exchange within one Working Day after reception of one notification.

827. If the Prequalified CRM Candidates, Capacity Providers or the Exchange have not received the notification via the CRM IT Interface within one Working Day, it could mean that the transaction has not been recorded due to an IT problem and therefore ELIA might not take it into account in the Secondary Market transaction process. Thus in case they do not get the acknowledgement of reception within one Working Day, the Prequalified CRM Candidates, Capacity Providers or the Exchange initiate the fallback procedure which consists in the following steps:

- a) The Prequalified CRM Candidates, Capacity Providers or the Exchange inform ELIA by e-mail as soon as possible that the notification has not been received and mentions the following information:
 - The CMU ID of the Seller of an Obligation; and
 - The CMU ID of the Buyer of an Obligation; and
 - Secondary Market Transaction external ID; and
 - The date of the notification in case of transaction notified by an Exchange; or
 - The date of the notification in case of bilateral transaction;
- b) ELIA comes back to the Prequalified CRM Candidates, Capacity Providers or the Exchange within five Working Days starting from the e-mail reception date, giving the acknowledgement of reception.

14.7.3 Approval or rejection of a Secondary Market transaction by ELIA

828. This issue refers to the section 9.5.5.

As a final step of the Secondary Market Process, a notification providing the results linked to a Secondary Market transaction – i.e. whether the Secondary Market transaction is compliant or not – is provided by ELIA to the Buyer and Seller of an Obligation or to the Exchange, within five Working Days from the acknowledgement of reception by ELIA.

829. In case the Prequalified CRM Candidates, Capacity Providers or the Exchange have not received the notification within five Working Days, they initiate the fallback procedure which consists in the following steps:

- a) The Prequalified CRM Candidates, Capacity Providers or the Exchange informs ELIA by e-mail as soon as possible that the notification has not been received and mentions the following information:
 - The CMU ID of the Seller of an Obligation; and
 - The CMU ID of the Buyer of an Obligation; and
 - Secondary Market Transaction external ID; and
 - The date of the Acknowledgment of reception of the transaction;
- b) ELIA comes back to Prequalified CRM Candidates, Capacity Providers or the Exchange within five Working Days starting from the e-mail reception date, giving the same information as would have been provided in the notification of approval or rejection.

14.8. FINANCIAL SECURITIES

14.8.1 Submission of Financial Security

830. This part refers to the Financial Security obligation:

- For a Transaction on the Primary Market, the submission of Financial Security is a condition to successfully prequalify, so the fallback procedure is incorporated in section 14.3.
- For a transaction on the Secondary Market, the submission of Financial Security is a condition to obtain ELIA's approval for a notified transaction on the Secondary Market, so the fallback procedure is incorporated in section 14.7.

831. In some cases, the CRM Actor needs to submit a Financial Security via the CRM IT Interface at another moment, such as (but not limited to):

- A new Financial Security is to be provided following a downgrade event for bank guarantees or parent company guarantees.
- An additional Financial Security is to be provided for an Existing CMU after notification of the final Nominal Reference Power.
- An additional Financial Security is to be provided for an Existing CMU after signing of the Capacity Contract.
- The CRM Actor chooses to substitute one form of Financial Security for another.

832. In case the CRM Actor is not able **to submit the Financial Security** to ELIA via the CRM IT Interface due to an IT problem, he checks first that the CRM IT Interface is not under maintenance. If this is not the case and after trying again to submit the Financial Security, he initiates the fallback procedure.

833. The fallback procedure consists in the following steps:

- a) The CRM Actor contacts ELIA by e-mail mentioning:
 - The ID of the concerned CMU; and

- The date he needs to submit a Financial Security; and
 - The amount of the Financial Security he needs to submit; and
 - The expiry date of the Financial Security he needs to submit; and
 - The type of Financial Security he wants to submit; and
 - The nature of the IT issue.
- b) ELIA comes back to the CRM Actor within maximum five Working Days starting from the actor's e-mail, saying that either:
- The problem has been solved and the CRM Actor may try again to submit the Financial Security via the CRM IT Interface.
 - The problem cannot be solved in the short term, so the CRM Actors submits the Financial Security by email.

14.8.2 Downgrade event notification

834. The CRM Actor ensures that the minimum rating requirement is respected until the expiry date of the guarantee. In case the actor becomes aware that the financial institution or parent company issuing the guarantee lost the minimum required rating (a 'downgrade event'), then it notifies ELIA in writing via the CRM IT Interface as soon as it becomes so aware and at the latest two months after the Downgrade Event.
835. In case the CRM Actor is not able to **notify ELIA of the downgrade event** via the CRM IT Interface due to an IT problem, he initiates the following fallback procedure:
- a) The (Prequalified) CRM Candidate or Capacity Provider contacts ELIA as soon as possible by e-mail mentioning:
- The ID of the concerned CMU; and
 - The date of the Downgrade Event; and
 - The name of the financial institution or parent company; and
 - The old and the new rating of the financial institution or parent company; and
 - The nature of the IT issue;
- b) ELIA comes back to the (Prequalified) CRM Candidate or Capacity Provider within maximum five Working Days starting from the e-mail reception, saying that either:
- The problem has been solved and the Capacity Provider may try again to notify the downgrade event via the CRM IT Interface.
 - The problem cannot be solved in the short term, but the information mentioned in the e-mail about the downgrade event has been taken into account.
836. In the event this fallback procedure is initiated, the (Prequalified) CRM Candidate or Capacity Provider submits to ELIA a new Financial Security within a period of thirty Working Days from the moment he returns the form (mentioned above) or he notifies it via the CRM IT Interface. In case the CRM IT Interface is unavailable to submit the new Financial Security, the fallback procedure in section 14.8.1 above applies.

14.8.3 Release of Financial Security

837. Within twenty Working Days after a CMU's Secured Amount has decreased, ELIA notifies the CRM Actor and, where applicable, the financial or corporate institution that the Secured Amount is released. The notification to the CRM Actor is provided via the CRM IT Interface.
838. In case the CRM Actor has not received the notification via the CRM IT Interface within the twenty Working Days and the corresponding amount of the Secured Amount was not released, he initiates the fallback procedure which consists in the following steps:
- a) The CRM Actor informs as soon as possible ELIA by e-mail with the following information:
 - The ID of the concerned CMU; and
 - The value in € of the Secured Amount that needs to be released; and
 - The date of the Secured Amount decrease; and
 - The name of the financial or corporate institution that issued the bank guarantee (if applicable);
 - b) ELIA comes back to the Capacity Provider within maximum five Working Days starting from the e-mail reception, saying that either:
 - The conditions of release are met and the Counterparty does its best effort to release the Secured Amount as soon as possible.
 - The conditions of release are not met and the Counterparty explains the reasons why the Secured Amount is not released.

14.9. DELAYS ON INFRASTRUCTURE WORK

839. This section describes the fallback procedure applicable when a delay on an Infrastructure Work influencing already Contracted Capacity(ies) is identified by ELIA (or the relevant system operator, via the Capacity Provider's project execution plan).

14.9.1 Trigger

840. The fallback procedure described in this section is only applicable to delays on Infrastructure Works, upon the following conditions:

The Infrastructure Work causing the delay was identified during the Prequalification Process as part of the technical agreement(s); and

The delay influences the possible start of delivery of an already Contracted Capacity(ies) by more than two months and;

The CMU(s) associated to the impacted Contracted Capacity(ies) have been prequalified with the status "Additional".

14.9.2 Operational procedure applicable

841. A delay on an Infrastructure Work can be identified between Capacity Contract's signature (after publication of Auction's results) and the start of the Delivery Period the related Capacity has been contracted for.

842. From the moment of its identification, ELIA (or the relevant system operator) applies the following procedure:
- a) ELIA (or the relevant system operator) notifies the CREG about the identified delay, including its justification;
 - b) Consecutive to CREG's notification, ELIA (or the relevant system operator) notifies the Capacity Provider(s) concerned by the delay on the Infrastructure Work and:
 - i. Details the impact of such delay on the possible start of delivery;
 - ii. Estimates the impact of such delay on the initial Contracted Capacity.
 - c) ELIA adapts the impacted Capacity Contract(s) and delays its (their) start of delivery by one year. As a consequence, its (their) end of delivery is also delayed by one year.
843. Finally and upon the condition that the delay on the Infrastructure Work is identified prior to the determination of Y-1 volume for a Delivery Period Y, ELIA increases the volume to be procured in Y-1 Auction by the corresponding volume identified in the step b.ii above.

14.9.3 Participation to Secondary Market

844. Independent of the start of delivery – which is delayed by one year in case the fallback procedure described in this section is triggered – a Capacity Provider is allowed to participate to the Secondary Market from the moment its Contracted Capacity(ies) become "Existing" as per procedure described in chapter 7.

14.9.4 Contestation

845. ELIA refers to the chapter 2 as no specific modalities are foreseen to contest the use of this fallback procedure by ELIA.

15 TRANSPARENCY

15.1. INTRODUCTION

846. This document is structured around five sections.

Section 15.2 provides the general principles and the purpose regarding the transparency rules.

Section 15.3 describes the prequalification results that are published in order to enable transactions on the Secondary Market.

Section 15.4 elaborates on the information that ELIA publishes related to the Opt-out Volumes and the Auction results, split between the information for the submitted Bids and selected Bids.

Section 15.5 specifies the information that is included in the pre-delivery activity reports.

Finally, section 15.6 details the information provided in the reports published before the start of a Delivery Period.

15.2. GENERAL PRINCIPLES

847. In accordance with article 7undecies, §8 of the Electricity Act, this section of the Functioning Rules includes the rules to ensure the transparency of the Capacity Remuneration Mechanism. The purpose of these rules is to provide market parties with information that is relevant in view of their (possible) participation to the CRM. This information is related to the Auction results and to the Delivery Periods, as well as to the results of the pre-delivery controls.

848. While publishing the above mentioned results (and any other related information) ELIA ensures that at all times confidentiality with respect to possible business-sensitive information of individual CRM Actors such as CMUs, Prequalified CRM Candidates and Capacity Providers remains respected and that the released results or information cannot be easily related to an individual actor. This implies that any information and results indicated in the below mentioned Auction Report, pre-delivery activity report and report before the start of a Delivery Period could be omitted or reduced in order to preserve this confidentiality.

15.3. PREQUALIFICATION RESULTS

849. With the purpose to enable transactions on the Secondary Market, ELIA publishes a list of Prequalified CMUs on its website including the following information:

- Name of the CMU;
- Contact details as provided by the Prequalified CRM Candidate via the application form during the Prequalification Process (according to paragraph 34);

At the latest ten calendar days after the end of each month ELIA updates the list of Prequalified CMUs by adding new Prequalified CMUs and removing CMUs whose prequalification is not valid anymore (according to section 5.8.2).

15.4. AUCTION REPORT

850. In accordance with the Electricity Act, ELIA publishes for each conducted Auction an Auction report on its website, at Auction closure, i.e. by 31st October. The Auction report includes the information as described in the sections below.

15.4.1 Opt-out Volumes

851. As shown in annex 17.5.1, the Auction report includes information on the Opt-out Volumes as determined during the Prequalification Process according to section 5.6.2.

852. For every Y-4 Auction, the Auction report includes the following information on the Opt-out Volumes:

- For Additional Capacities, the total Opt-out Volume associated with such Additional Capacities, expressed in MW.
- For Existing Capacities, the total Opt-out Volume associated with such Existing Capacities, expressed in MW and split over:
 - The total Opt-out Volume associated with a notification for definitive closure or a definitive structural capacity reduction as referred to in article 4bis of the Electricity Act;
 - The total Opt-out Volume associated with a notification for temporary closure or a temporary structural capacity reduction as referred to in article 4bis of the Electricity Act;
 - The total Opt-out Volume associated with grid-related constraints, split into:
 - The total Opt-out Volume resulting from a G-flex Connection Contract.
 - The total Opt-out Volume associated with Existing Capacities that have to be decommissioned as a condition in a conditional signed technical agreement of another CMU that also participates in the Auction. This Opt-out Volume is split into the volume contributing to adequacy (category "IN") when the Bid for the CMU with the conditional signed technical agreement is not selected in the Auction and the volume not contributing to adequacy (category "OUT") when the Bid for the CMU with conditional signed technical agreement is selected in the Auction.
 - The total Opt-out Volume not related to a notification for closure or a structural capacity reduction as referred to in article 4bis of the Electricity Act and not associated with grid-related constraints;
- The total Opt-out Volume contributing to adequacy (category "IN") (derated³³) is included in the Auction report and is calculated in accordance with section 5.6.2.
- The total Opt-out Volume related to the fast-track Prequalification Process (as detailed in paragraph 137).

853. For every Y-1 Auction, the Auction report includes information on the Opt-out Volumes, split into the same categories as for the Y-4 Auction as detailed in the previous paragraph.

- The total Opt-out Volume not related to a notification for closure or a structural capacity reduction as referred to in article 4bis of the Electricity Act and not associated with grid-related

³³ Based on the Derating Factors provided by the CRM Candidate as part of the Prequalification File submission.

constraints is additionally split into the volume contributing to adequacy (category "IN") and the volume not contributing to adequacy (category "OUT");

- The total Opt-out Volume contributing to adequacy (category "IN") (derated)³⁴ is included in the Auction report and is calculated in accordance with in accordance with section 5.6.2.
- The total Opt-out Volume related to the fast-track Prequalification Process (as detailed in paragraph 137).

15.4.2 Results of the Auction

854. The Auction report includes information on the submitted Bids and on the selected Bids in the Auction as further specified in the sections below.

15.4.2.1 Submitted Bids

15.4.2.1.1 Bid information

855. The report contains aggregated information on the valid Bids that have been submitted in the Auction. As shown in annex 17.5.2 the following information is provided:

- Bid volume weighted average price of Bids, split into Bids that are subject to the Intermediate Price Cap and Bids that are not subject to the Intermediate Price Cap;
- Average capacity volume of all Bids;
- Total number of submitted Bids;
- Total number of submitted CMUs;
- Total number of unique CRM Candidates that have participated in the Auction.

In addition, information is provided on the share of mutually exclusive Bids:

- Number of mutually exclusive Bids (in % of total number of submitted Bids);
- Total volume of mutually exclusive Bids together with the maximum volume of mutually exclusive Bids that can be selected in the Auction.

15.4.2.1.2 Capacity volume information

856. As shown in annex 17.5.2, the offered capacity volumes (expressed in MW) are separately aggregated by:

- Capacity Contract Duration (from minimum one year to maximum fifteen years); Within the category of capacity volumes with a Capacity Contract Duration of one year, difference is made between capacities subject to the Intermediate Price Cap or not;
- CMU status (Existing CMU, Additional CMU or Virtual CMU);

³⁴ Based on the Derating Factors provided by the CRM Candidate as part of the Prequalification File submission.

- Technology classes, in line with the Derating Factor categories determined in the Royal Decree on Methodology;
- TSO-connected vs. DSO-connected vs. Unproven Capacity.

15.4.2.2 Selected Bids

15.4.2.2.1 Bid information

857. The report contains aggregated information on the Bids that have been selected in the Auction. As shown in annex 17.5.3, the following information is provided:

- Bid volume weighted average price of Bids, split into Bids that are subject to the Intermediate Price Cap and Bids that are not subject to the Intermediate Price Cap;
- Average capacity volume of all selected Bids;
- Total number of selected Bids;
- Total number of selected CMUs;
- Total number of unique CRM Candidates that have been selected in the Auction.

15.4.2.2.2 Auction price information

858. In case of a pay-as-cleared pricing rule the report contains information on the Auction clearing price that is determined as the highest Bid Price among the selected Bids in line with the Auction clearing rules according to section 6.4.4. In case of a pay-as-bid pricing rule the report contains information on the highest selected Bid Price.

15.4.2.2.3 Capacity volume information

859. As shown by annex 17.5.3, the offered capacity volumes (expressed in MW) are separately aggregated by:

- Capacity Contract Duration (from minimum one year to maximum fifteen years); Within the category of capacity volumes with a Capacity Contract Duration of one year, difference is made between capacities subject to the Intermediate Price Cap or not.
- CMU status (Existing CMU, Additional CMU or Virtual CMU);
- Technology classes, in line with the Derating Factor categories determined in the Royal Decree on Methodology;
- TSO-connected vs. DSO-connected vs. Unproven Capacity.

15.5. PRE-DELIVERY ACTIVITY REPORT

860. No later than 31st March of every calendar year and starting on 31st March 2023, ELIA publishes on its website a pre-delivery activity report for every Delivery Period covered by the pre-delivery controls during the past year.

861. As shown by annex 17.5.4, the pre-delivery activity report contains the following information presented for every forthcoming Delivery Period separately:

862. For Existing CMUs:

- Contracted Capacities of Transactions with a Transaction Period covering the respective Delivery Period, aggregated over the CMUs with an 'Existing' status;
- Missing Volumes identified during the pre-delivery controls during the past year, aggregated over the CMUs with an 'Existing' status.

863. For Additional CMUs:

- Contracted Capacities of Transactions with a Transaction Period covering the respective Delivery Period, aggregated over the CMUs with an 'Additional' status;
- Missing Volumes identified during the pre-delivery controls during the past year and before the volume determination for the Y-1 Auction, aggregated over the CMUs with an 'Additional' status;
- Missing Volumes identified during the pre-delivery controls during the past year and after the volume determination for the Y-1 Auction, aggregated over the CMUs with additional status.

864. For Virtual CMUs:

- Contracted Capacities of Transactions with a Transaction Period covering the respective Delivery Period, aggregated over the Virtual CMUs.
- Missing Volumes identified during the pre-delivery controls during the past year and before the volume determination for the Y-1 Auction, aggregated over the Virtual CMUs;
- Missing Volumes identified during the pre-delivery controls during the past year and after the volume determination for the Y-1 Auction, aggregated over the Virtual CMUs.

15.6. YEARLY REPORT BEFORE THE START OF THE DELIVERY PERIOD

865. Next to the publication of the results of the Auction, ELIA publishes on its website, no later than three months before the start of the Delivery Period, a yearly report containing information on the upcoming Delivery Period. As shown by annex 17.5.5, this yearly report includes, among others, the following elements:

- Contracted Capacities, aggregated over the CMUs, awarded in the Y-4 and Y-1 Auctions for the Delivery Period.
- Contracted Capacities, aggregated over the CMUs, awarded during earlier Auctions related to previous Delivery Periods, for which the Transaction Period covers the Delivery Period covered by the report (together with the weighted-average Strike Price).
- The Calibrated Strike Prices applicable to the Y-4 Auction for that Delivery Period.
- The Calibrated Strike Prices applicable to the Y-1 Auction for that Delivery Period.
- The calibrated AMT Price for that Delivery Period.

16 DIRECT AND INDIRECT FOREIGN CAPACITY PARTICIPATION

16.1. INTRODUCTION

866. Following article 26 (1) of EU Regulation 2019/943 a capacity mechanism should be open for cross-border participation. Also, following article 26 (11) of EU Regulation 2019/943, a set of methodologies related to such cross-border participation are to be proposed by ENTSO-E and to be approved by ACER.

867. The Electricity Act distinguishes the participation by a Direct Foreign Capacity and by an Indirect Foreign Capacity. Pursuant to the definitions as defined in article 2, 86° of the Electricity Act, the participation of the Direct Foreign Capacity is foreseen in the CRM and is considered as a domestic capacity and not as cross-border participation as per art 26 of the EU Regulation 2019/943. In accordance with the definition as defined in the article 2, 85° of the Electricity Act, the participation of the Indirect Foreign Capacity is foreseen in the CRM.

The Electricity Act further stipulates in article 7 undecies §4 that the conditions for the Direct and Indirect Foreign Capacities participation in the CRM Prequalification Process are to be specified in a Royal Decree. Furthermore it is stated that it is to be foreseen that those conditions are to be determined as from the first Delivery Period.

868. The proposed Royal Decree on the conditions for participation of Capacity Holders of Direct Foreign Capacity and Indirect Foreign Capacity³⁵ (hereafter “proposed Royal Decree on cross-border participation”) defines the principles, conditions and modalities applicable to the Eligible Direct Foreign Capacity Holder and Eligible Indirect Foreign Capacity Holder for their participation to the Belgian CRM Prequalification Process and refers for several aspects to the CRM Functioning Rules for the exact details on the modalities.

869. While the Functioning Rules should foresee further details on a number of aspects to ensure the participation of Direct Foreign Capacity and Indirect Foreign Capacity for the first Delivery Period, it is to be noted that for the participation of Indirect Foreign Capacity this will be done progressively in the following versions of the Functioning Rules prior the first Delivery Period. The further evolving framework at European level by means of methodologies being developed by ENTSO-E and ACER, as well as the need to engage in a close collaboration with entities in neighbouring EU Member States, in particular the TSOs, and the need to conclude on a TSO-TSO agreement as also foreseen by the proposed Royal Decree on cross-border participation do not allow to already foresee a full set of rules in this version of the Functioning Rules for participation in the first Y-4 Auction for the first Delivery Period starting in November 2025. Also, as the development may proceed differently for each concerned border with neighbouring Member State, a phased approach cannot be excluded.

870. Nevertheless, in order to provide any Capacity Holder with a sufficient degree of information related to the participation of Indirect Foreign Capacity in the first Delivery Period, this chapter already puts forward the high-level aspects to be arranged in further detail in future versions of the Functioning Rules related to the participation of Indirect Foreign Capacity.

³⁵ <https://economie.fgov.be/sites/default/files/Files/Energy/Ontwerp-KB-vaststellingen-voorwaarden-buitenlandse-capaciteit-deelname-prekwalificatieprocedure-capaciteitsvergoedingsmechanisme.pdf>

871. The participation of Direct Foreign Capacity is enabled by the current version of the Functioning Rules as from the first Y-4 Auction for the Delivery Period starting in November 2025.

16.2. DIRECT FOREIGN CAPACITY PARTICIPATION

872. Given the definition of Direct Foreign Capacity in article 2, 86° of the Electricity Act, this capacity is considered on the same terms as domestic capacity, and the Eligible Direct Foreign Capacity Holders are allowed to participate to the Belgian CRM at the same conditions as the Belgian Capacity Holders, while taking into account the additional specific conditions and modalities mentioned in the proposed Royal Decree on cross-border participation and any other legal requirement applicable on them.

This means that as a general rule, unless specifically stated otherwise in the Functioning Rules, that the same rules apply to Direct Foreign Capacity and their Capacity Holders as for any other (domestic) Capacity and Capacity Holder.

Nevertheless, several aspects related to the Prequalification Process of the Direct Foreign Capacity participation of the Eligible Direct Foreign Capacity Holder are specified in sections 5.3.2.1.1 and 5.4.1.1.

873. The pre-delivery process as foreseen in chapter 7 is impacted by the here above elements of the Prequalification Process.
874. Any dispute with respect to the participation of the Eligible Direct Foreign Capacity Holder to the CRM will be ruled according to chapter 13.

16.3. INDIRECT FOREIGN CAPACITY PARTICIPATION

875. This section describes the general aspects applicable to the Eligible Indirect Foreign Capacity Holder for their participation in the Belgian CRM Prequalification Process.
876. The Eligible Indirect Foreign Capacity Holder participation to the Prequalification Process is facultative.
877. The Eligible Indirect Foreign Capacities Holders are allowed to participate to the Belgian CRM at the same conditions as the Belgian Capacity Holders with additional specific conditions and modalities mentioned in the proposed Royal Decree on cross-border participation, which will be developed later in the relevant CRM Functioning Rules chapters.
878. Pursuant to the art 2. §1, §2 and Art 4. of the proposed Royal Decree on cross-border participation, the Eligible Indirect Foreign Capacity Holders participation of an Adjacent Member State in the Belgian CRM is decided by the Authorities and facilitated by agreements between ELIA and the Adjacent TSOs of the Adjacent Member State. Since none of them currently exist or shall exist prior the adoption of the Functioning Rules, it implies a phasing over time of the implementation for each of the borders.
879. Pursuant to the proposed Royal Decree on cross-border participation art 2. §1, the participation of the Eligible Indirect Foreign Capacity Holders of a border takes into account the modalities of the TSO-TSO Agreement. The Functioning Rules shall refer explicitly to the TSO-TSO Agreement requiring an update of the Functioning Rules to incorporate those elements in the impacted chapters which shall thus be elaborated and detailed further, once Indirect Foreign Capacity

participation is possible (conform Art 2. §2 proposed Royal Decree on cross-border participation) and at the latest prior to the last Auction targeting the first Delivery Period.

880. The impacted aspects governed by the Functioning Rules include mainly:

- in the chapter 6: the addition of specific rules for the organisation of the Pre-auction for a border on which the Indirect Foreign Capacity participation is enabled in order to allow to the Eligible Indirect Foreign Capacity Holder to participate to the Prequalification Process of the Belgian CRM as well as the taking into account of the Bids from Indirect Foreign Capacity participation into the Auction. In any case, in the Pre-auction bidding, the Eligible Indirect Foreign Capacity Holders are subject to the same price, volume and contract duration limits and constraints as any Belgian Prequalified CRM Candidates in the Auction bidding. The maximum number of winning Bids from Indirect Foreign Capacity for a border is limited by the maximum entry capacity for that border.
- in the chapter 5: the addition of specific rules per border in accordance with the TSO-TSO agreements with (each of) the Adjacent TSO(s) of the Adjacent Member State including the organisation of the process prior the pre-auction to determine the Eligible Indirect Foreign Capacity Holders and the facilitation of the further Prequalification Process taking place after the pre-auction;

881. Any dispute with respect to the participation of the Eligible Indirect Foreign Capacity Holder to the CRM will be ruled according to chapter 13. Any other chapter may undergo light changes to ensure full clarity of the rules applicable in each case in line with the overall framework for cross-border participation, including the specific TSO-TSO agreements.

17 ANNEXES

17.1. ANNEX A: PREQUALIFICATION PROCESS

17.1.1 ANNEX A.1: METERING REQUIREMENTS

All Existing Delivery Points (TSO, DSO and CDS connected Delivery Point) shall have one or several meter(s) installed that meets the following minimum requirements.

17.1.1.1 General metering requirements

The two following requirements shall be respected for all Delivery Points:

- An AMR (Automatic Meter Reader) that can provide quarter-hourly metering shall be installed to measure injection or offtake (on the ELIA Grid, compensated value for the quarter-hour is used) of the Grid User concerned;
- It must be possible to calculate the Nominal Reference Power based on the metering at a Delivery Point;

17.1.1.2 Specific metering requirements

The following specific requirements shall be respected by each Delivery Point according to the type of Delivery Point:

17.1.1.2.1 TSO-connected Delivery Point:

- In case of headmetering, the meter is a Headmeter listed in annex 4 of the Connection Contract.
- In case of the submetering, the Submeter shall comply with the metering requirements specified in the annex 17.1.2.
- In case a Delivery Point – for which ELIA receives Daily Schedules – is situated downstream of a Delivery Point – for which ELIA does not receive Daily Schedules – the metering data to be considered cannot include the metering data of the Delivery Point – for which ELIA receives Daily Schedules. In consequence, two options can be considered:
 - The use of a Submeter;
 - The application of an equation based on Headmeter and/or Submeter(s).

17.1.1.2.2 DSO-connected Delivery Point:

- The CRM Candidate should refer to DSO-CRM Candidate Agreement;
- All communications and agreements regarding the metering requirements should be discussed with the applicable DSO.

17.1.1.2.3 CDS-connected Delivery Point:

The CDSO shall use the metering facilities (already) associated with Delivery Points within a CDS in relation to their invoicing obligations regarding their CDS Access Points;

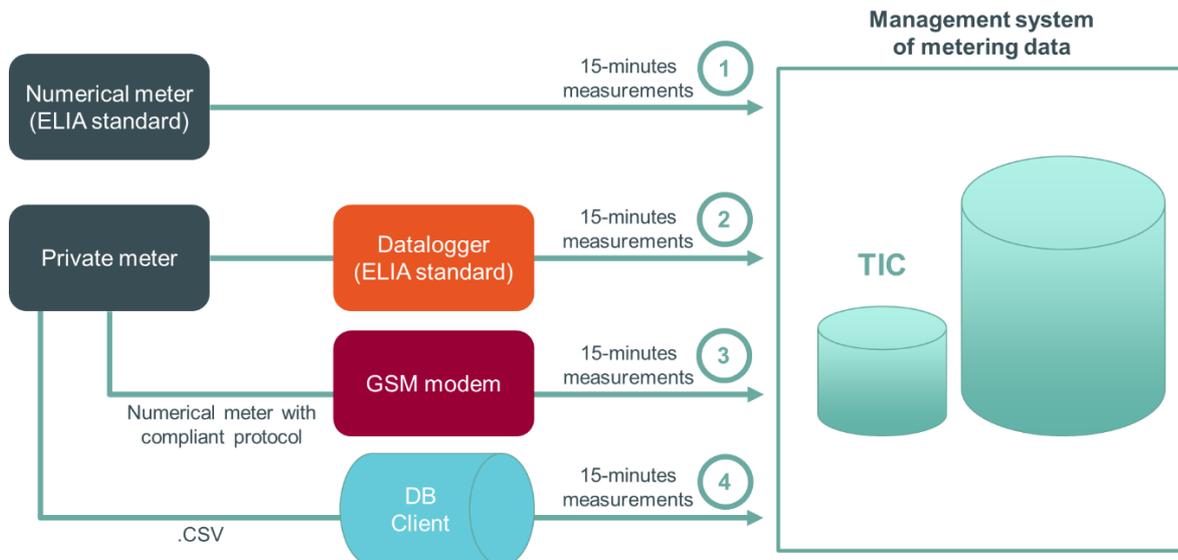
- The metering data shall be validated by the CDSO and communicated:
 - To ELIA in case of TSO-connected CDS (as set in the CDSO cooperation agreement detailed in annex 17.1.21); or
 - To the relevant DSO in case of a DSO-connected CDS.

17.1.2 ANNEX A.2: GENERAL TECHNICAL REQUIREMENTS OF THE SUBMETERING SOLUTIONS

The following solutions are possible:

- **Option 1:** The use of a meter (ELIA standard) that communicates directly the quartely-hourly values of active power to the ELIA metering data management system (TIC) through a communication protocol known by ELIA.
- **Option 2:** The use of a datalogger (ELIA standard) that collects the metering pulses of a private meter and communicates the quartely-hourly -values of active power to the ELIA metering data management system (TIC) through a communication protocol known by ELIA.
- **Option 3:** The use of a GSM modem that communicates directly the quartely-hourly -values of active power coming from a private meter to the ELIA metering data management system (TIC) through a communication protocol known by ELIA.
- **Option 4:** The use of a private database that communicates directly the quartely-hourly values of active power coming from a private meter to the ELIA metering data management system (TIC).

Schematic view :



These solutions apply exclusively to Delivery Points within the electrical facilities of a Grid User (options 1, 2, 3) or a CDS Operator connected to the ELIA Grid (options 1, 2, 3, 4).

17.1.2.1 Minimum requirements met by the metering system

17.1.2.1.1 Common technical requirements applying to new³⁶ metering installations

- **Options 1, 2, 3 and 4 :**

- The accuracy class of the measurement core of current transformers (CT) corresponds ideally to 0.2S (according to EN-IEC 60044-1) and meets at least the requirements specified in the Technical Regulations for Distribution network in force.
- The accuracy class of the measurement core of voltage transformers (VT) corresponds ideally to 0.2 (according to EN-IEC 60044-2) and meets at least the requirements specified in the Technical Regulations for Distribution network in force.

- **Options 2, 3 and 4 :**

- The accuracy class of the meter for active energy corresponds ideally to 0.2S (according to EN-IEC 62053-22) and meets at least the requirements specified in the Technical Regulations for Distribution network in force.

17.1.2.1.2 Common technical requirements applying to all metering installations

- Any cable connecting the current or voltage transformers to a meter must be as short as possible. The section of the connection wires between the meter and the current transformer is ideally minimum 4 mm². The section of the connection wires between the meter and the voltage transformer is ideally minimum 10 mm².
- The connection wires to current and voltage transformers may not be located in the same cable.
- An earthing terminal is available near the installation.
- The signal level for GSM must be sufficient to enable a communication with the ELIA management system of metering data (TIC).
- The following communication protocols are allowed: SCTM and EDMI.

17.1.2.1.3 Specific technical requirements

Depending on the chosen options specific technical requirement may apply as well. In addition to those described below, it is requested to refer to the ELIA website³⁷ where – among other things – detailed metering manuals can be found and are to be respected (including metering manual specific for CDS Operator).

- **Option 1 : ELIA submeter**

- A system of two or three current / voltage transformers is allowed (method 2 or 3 power

³⁶ Installed after 15/03/2015

³⁷ <https://www.elia.be/en/customers/customer-tools-and-extranet/metering>

meters).

- The current and voltage signals are available on a dedicated terminal.
- The space for the installation of a ELIA submeter is: L600 mm x H800 mm (indicative values).
- Note: on request, the metering pulses are made available to the grid user.
- The antenna of the synchronization clock must be installed at a place ensuring good reception of the synchronization signal.
- A power off of the electrical load downstream the meter to be installed is required for the installation and commissioning of the equipment.

- **Option 2 : Datalogger (ELIA standard) and private meter**

- The metering pulses for active energy are made available on a dedicated terminal (the impulse contacts are potential free).
- The weight of the metering pulses is known (and programmable). If necessary, it will be adapted by ELIA to ensure a maximum accuracy. Maximum pulse frequency: 4 Hz.
- The space for the installation of a datalogger is: L400 x H800 (indicative values).
- If a private datalogger is used, it must be equipped with an external synchronisation clock with accuracy better than 20 ms. Synchronization is necessary every 1/4h (top 15-min) or once daily provided that the accuracy of the data logger's internal clock is better than 1 s (maximal daily deviation).
- A power off is not necessary for the installation and commissioning of the equipment.

- **Option 3 : Private meter and GSM modem**

- The technology of the meter is numeric.
- The autonomy of the memory of the meter is ideally greater than 30 days.
- A specific communication port is available for connecting the GSM modem.
- The weight of the metering pulses is known (and programmable). If necessary, it will be adapted by ELIA to ensure a maximum accuracy. Maximum pulse frequency: 4 Hz.
- The space for the installation of the GSM cubicle is: L400 x H400 (indicative values).
- An external synchronization signal for the numeric meter is required. Synchronization is necessary each 1/4h (top 15-min) and the clock has an accuracy better than 20 ms (maximum admissible deviation per 1/4h). In case of disappearance of the external synchronization, the internal clock of the numeric meters may not have a deviation greater than 1 s (per day).
- A power off is not necessary for the installation and commissioning of the equipment.

17.1.3 ANNEX A.3: COMBINABILITY RULES

17.1.3.1 Type of CMU

For an **individual CMU**, the following conditions are to be respected:

- A Capacity subject to a Daily Schedule obligation is always part of an individual CMU;
- An individual CMU can be either a Headmeter or a Submeter;
- There is no maximum for the Capacity of an individual CMU;
- The minimum threshold to participate to the Service is defined in the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies. §4 2° of the Electricity Act;

For an **aggregated CMU**, the following conditions are to be respected:

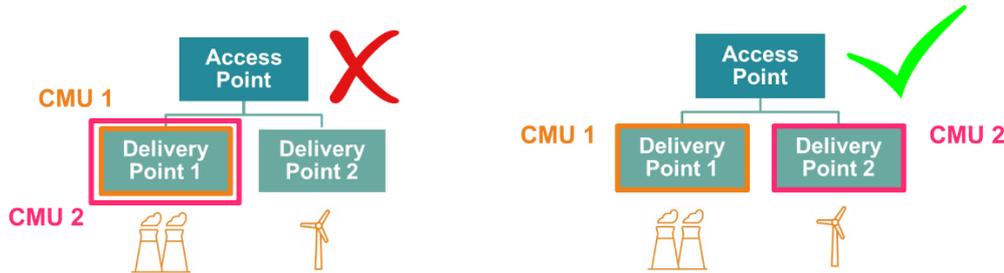
- A Delivery Point is to be part of an aggregated CMU if its Eligible Volume is lower than the threshold defined by the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies. §4 2° of the Electricity Act;
- A CRM Candidate chooses if his Delivery Point is part of an aggregated CMU or not in the event that this Delivery Point is not subject to a Daily Schedule obligation and that its Eligible Volume is higher than or equal to the threshold defined by the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies. §4 2° of the Electricity Act;
- A Capacity subject to a Daily Schedule obligation cannot be part of an aggregated CMU;
- There is no maximum number of Delivery Point in an aggregated CMU;
- There is no maximum for the Capacity of an aggregated CMU;
- The minimum threshold for the Eligible Volume of a CMU is defined in the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies. §4 2° of the Electricity Act;
- The Delivery Points part of an aggregated CMU respects the combinability rules defined in section 17.1.3.2 below.

17.1.3.2 Combinability rules

The five key principles that are to be respected by the Delivery Points submitted by the CRM Candidate during a Prequalification Process are presented below:

- The “first come, first served” principle is applied by ELIA in case, for example, one of the three following situations (Two different CRM Candidates submit the same Delivery Point, a Delivery Point is influencing another, ...) is met during a specific Delivery Period is met during a specific Delivery Period.

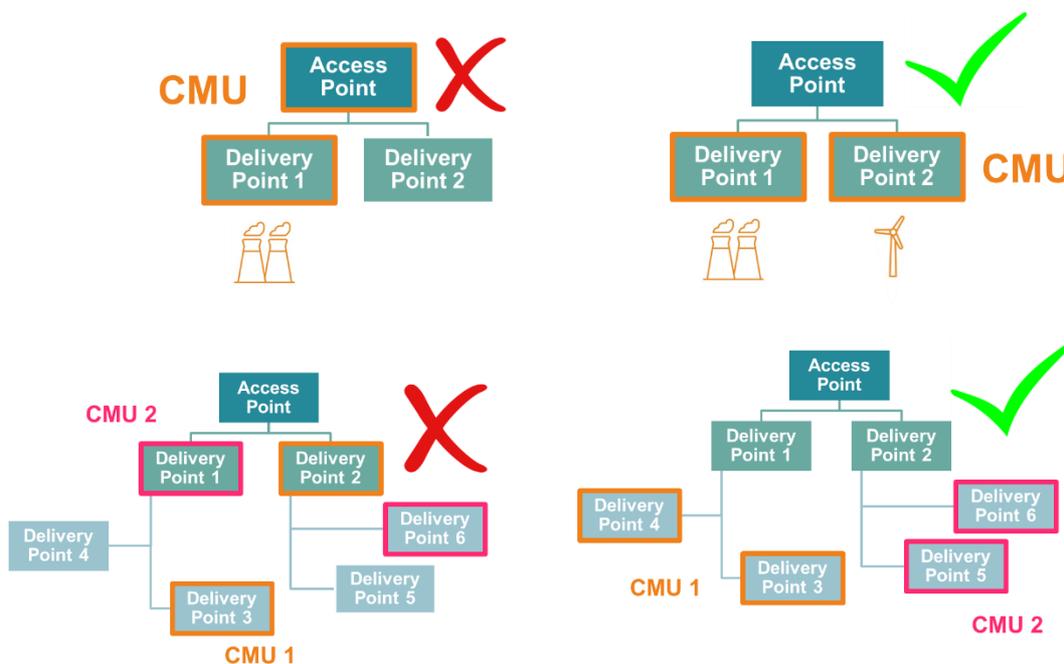
- A Delivery Point can belong to only one CMU and therefore to only one CRM Candidate for a specific Delivery Period.



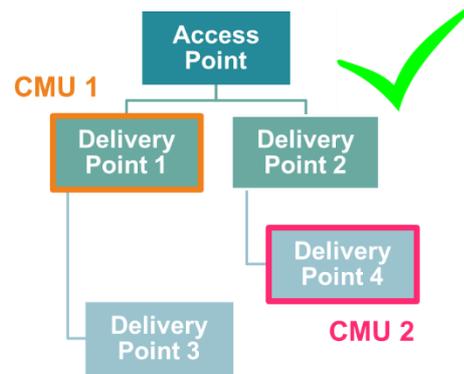
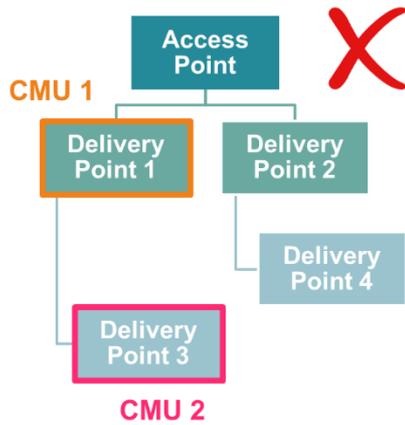
- The combination (in a same CMU or in different CMUs) between services delivered on a Submeter and the related Headmeter or on a Submeter and another Submeter behind or on two Submeters with hierarchy (one Delivery Point above another one) is tolerated by ELIA only if the following conditions are met:

- The two Submeters (or the Headmeter and the Submeter) belong to the same CRM Candidate; and
- The CRM Candidate renounces to invoke any influence of the Service supplied downstream on the Service supplied upstream; and
- One of the two services is the FCR (Frequency Containment Reserve, on of the balancing services).

- In any other cases, the combination between services is not accepted. Indeed, in such configuration, the Delivery Point downstream (Delivery Point 1, Delivery Point 3 and Delivery point 6 in the examples below) influences the one upstream (Access Point, Delivery point 1 and Delivery Point 2 in the examples below) and might negatively influence the control of the Service delivery.



- More than one CRM Candidate can deliver a Service behind an Access Point as long as these Delivery Points are not influencing each other.



17.1.4 ANNEX A.4: APPLICATION FORM FOR LEGAL PERSON

1. Company details

Company Name	
Legal status	
Address - Head Office	
Belgian Address	
Telephone	
Fax	
Registration Number (VAT)	
Business Number	
Energy Identification Code (EIC)	

2. Bank details for the payment of invoices³⁸

Company Name	
E-mail address ³⁹	
Bank Name	
Street	
Postal code	
City	
Country	
IBAN	
SWIFT / BIC	
Currency (ordering & invoicing)	

3. Contact details

Language ⁴⁰	
Civil status ⁴¹	
First Name	
Last Name	
Function	
Telephone	

³⁸ The contact persons shall provide a company name and an address if the company and the address where they want to receive their mail for the invoice are not the same as the information provided in section "Company details".

³⁹ By filling in the e-mail address for electronic invoicing, the Capacity Holder gives his agreement to send any invoice or credit note relating to the Capacity Contract(s) by e-mail. This e-mail address is a generic address and may not be used in any other context than electronic invoicing.

⁴⁰ Preferred language for the communication (French, English or Dutch)

⁴¹ Civil status of the person (Mrs. or Mr.)

Mobile	
E-mail	

ELIA will ask for the contact details of at least one person for the following information:

- Contractual relations (the person(s) who will be in charge of the contractual relations with ELIA and will receive the notification coming from the CRM IT Interface);
- Emergency (24h/24h);
- Counting and metering;
- Settlement;
- Investment File (for submission to CREG);
- Point of contact published on ELIA website.

17.1.5 ANNEX A.5: APPLICATION FORM FOR NATURAL PERSON

1. Personal details

Language ⁴²	
Civil status ⁴³	
First Name	
Last Name	
Address of domicile	
Telephone	
Mobile	
E-mail address	

2. Bank details for the payment of invoices⁴⁴

E-mail address ⁴⁵	
Bank Name	
Street	
Postal code	
City	
Country	
IBAN	
SWIFT / BIC	
Currency (ordering & invoicing)	

⁴² Preferred language for the communication (French, English or Dutch)

⁴³ Civil status of the person (Mrs. or Mr.)

⁴⁴ The contact person shall provide an address if the address where he wants to receive his mail for the invoice is not the same as the one provided in section "Personal details".

⁴⁵ By filling in the e-mail address for electronic invoicing, the natural person gives his agreement to send any invoice or credit note relating to the Capacity Contract(s) by e-mail. This e-mail address must be a generic address and may not be used in any other context than electronic invoicing.

17.1.6 ANNEX A.6: GRID USER/ CDS USER DECLARATION

In the event the CRM Candidate differ from the Grid User or the CDS User (for CDS-connected Delivery Points) differs from the CRM Candidate, the CRM Candidate sends to ELIA the proof that the Grid User or CDS User (for CDS-connected Delivery Points) has signed without reserve the Grid User Declaration or CDS User Declaration respectively. A single Grid User Declaration or CDS User Declaration can include one or more Delivery Point(s) related to the concerned Grid User or CDS User respectively.

17.1.6.1 Grid User Declaration

The Grid User Declaration contains at least the following clauses:

- The present Grid User Declaration only applies for the Delivery Point(s) listed in table A.1;
- The Grid User hereby acknowledges that all given information in this Grid User Declaration is true and accurate.
- The Grid User confirms to ELIA that his commitment to provide Service does not breach existing contracts with third parties (with whom the Grid User has a contractual or regulated relationship, such as, but not limited to, the supplier of the Grid User).
- The Grid User hereby gives permission to the CRM Candidate to offer the Service to ELIA from DD/MM/YYYY to DD/MM/YYYY.
- The Grid User hereby acknowledges that the list of Delivery Point(s) in table A.1 will only be used by one CRM Candidate at a time (the candidate being the CRM Candidate concerned by this Grid User Declaration) during the period of time defined in the previous bullet point.
- The Grid User acknowledges that the present document is valid for each Delivery Point listed in table A.1 until either respective expiry date of the Grid User Declaration or the submission by another party of a new Grid User declaration, for one (or more) of the Delivery Point(s) listed in table A.1, signed and validated by the Grid User. The present Grid User Declaration remains valid until its expiry date for all Delivery Points listed in table A.1 not concerned by the aforementioned new Grid User Declaration.
- The Grid User hereby gives explicit permission to ELIA to inform the CRM Candidate of the measurements of the Delivery Point(s) listed in table A.1.
- All Delivery Points listed in table A.1 shall respect the metering requirements set forth in the Functioning Rules for the Capacity Remuneration Mechanism.
- For each Delivery Point listed in table A.1 and whenever relevant, the Grid User gives the CRM Candidate access to the information related to the production license in order for the CRM Candidate to be able to properly complete the Prequalification File(s) including the Delivery Point(s) listed in table A.1.
- For each Delivery Point already submitted in the past to deliver the Service, it is the Grid User's responsibility to provide the related CRM ID. This ID being initially communicated to the Grid User by the CRM Candidate who was the first to participate to the CRM with the Delivery Point for this Grid User Declaration.
- Details of the concerned Delivery Point(s):

Delivery Point name	Delivery Point identification (EAN code if applicable)	CRM ID of the Delivery Point	Expected Nominal Reference Power (in MW)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

Table A.1 – List of Delivery Points concerned by the Grid User Declaration

17.1.6.2 CDS User Declaration

The CDS User Declaration contains at least the following clauses:

- The present CDS User Declaration only applies for the Delivery Point(s) listed in table A.2;
- The CDS User hereby acknowledges that all given information in this CDS User Declaration is true and accurate.
- The CDS User confirms to ELIA that his commitment to provide Service does not breach existing contracts with third parties (with whom the CDS User has a contractual or regulated relationship, such as, but not limited to, the Supplier of the Grid User or the CDSO).
- The CDS User hereby gives permission to the CRM Candidate to offer the Service to ELIA from DD/MM/YYYY to DD/MM/YYYY.
- The CDS User hereby acknowledges that the list of Delivery Point(s) in table A.2 will only be used by one CRM Candidate (the candidate being the CRM Candidate concerned by this CDS User Declaration) during the period of time defined in the previous bullet point.
- The CDS User acknowledges that the present document is valid for each Delivery Point listed in table A.2 until either respective expiry date of the CDS User Declaration or the submission by another party of a new CDS User declaration, for one (or more) of the Delivery Point(s) listed in table A.2, signed and validated by the CDS User. The present CDS User Declaration remains valid until its expiry date for all Delivery Points listed in table A.2 not concerned by the aforementioned new CDS User Declaration.
- The CDS User hereby gives explicit permission to ELIA to inform the CRM Candidate of the measurements of the Delivery Point(s) listed in table A.2.
- All Delivery Points listed in table A.2 shall respect the metering requirements for CDS-connected Delivery Points set forth in the Functioning Rules for the Capacity Remuneration Mechanism.
- For each Delivery Point listed in table A.2 and whenever relevant, the CDS User gives the CRM Candidate access to the information related to the production license in order for the CRM Candidate to be able to properly complete the Prequalification File(s) including the Delivery Point(s) listed in table A.2.
- For each Delivery Point already submitted in the past to deliver the Service, it is the CDS User's responsibility to provide the related CRM ID (this ID being initially communicated to the CDS

User by the CRM candidate who was the first to participate to the CRM with the Delivery Point) for this CDS User Declaration.

- Details of the concerned Delivery Point(s):

Delivery Point name	Delivery Point identification (EAN code, if applicable)	CRM ID of the Delivery Point	Expected Nominal Reference Power (in MW)

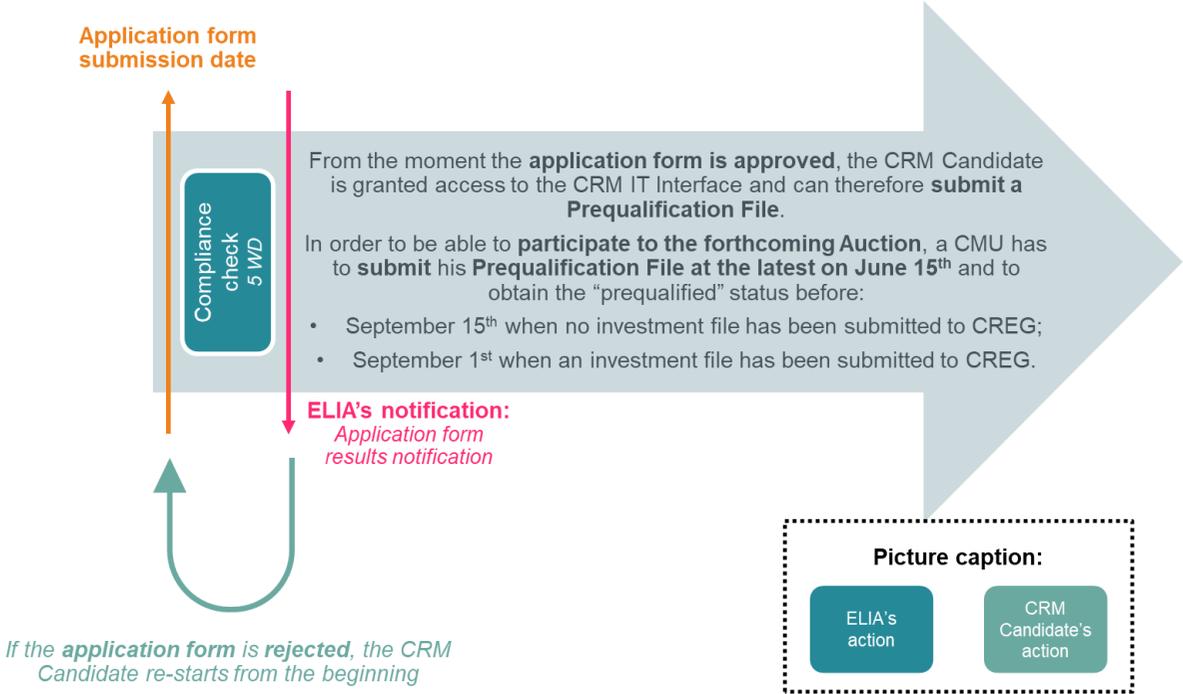
Table A.2 – List of Delivery Point(s) concerned by the CDS User Declaration

17.1.7 ANNEX A.7 TIME REQUIREMENTS FOR PREQUALIFICATION PROCESSES

The following diagrams are provided for the purpose of clarifying the timing aspects related to the application form and the three Prequalification Processes (standard, specific and fast track). The Working Days shown in the images below indicate the maximum number of Working Days taken by ELIA or the CRM Candidate for a specific task.

17.1.7.1 Timing related to the application form

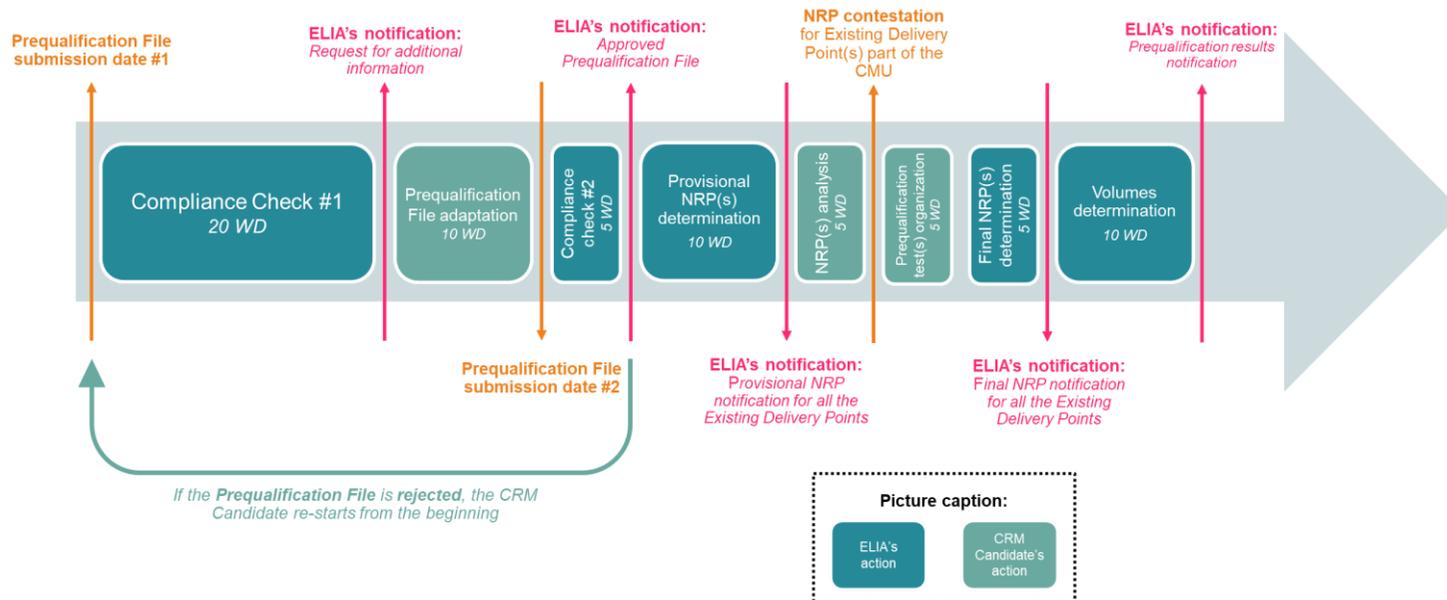
The graph below illustrates the timing applicable to the application form.



17.1.7.2 Timing related to the standard Prequalification Process – 1st scenario

The graph below illustrates the timing applicable to the different steps of a standard Prequalification Process, starting from the Prequalification File submission date and considering the following assumptions:

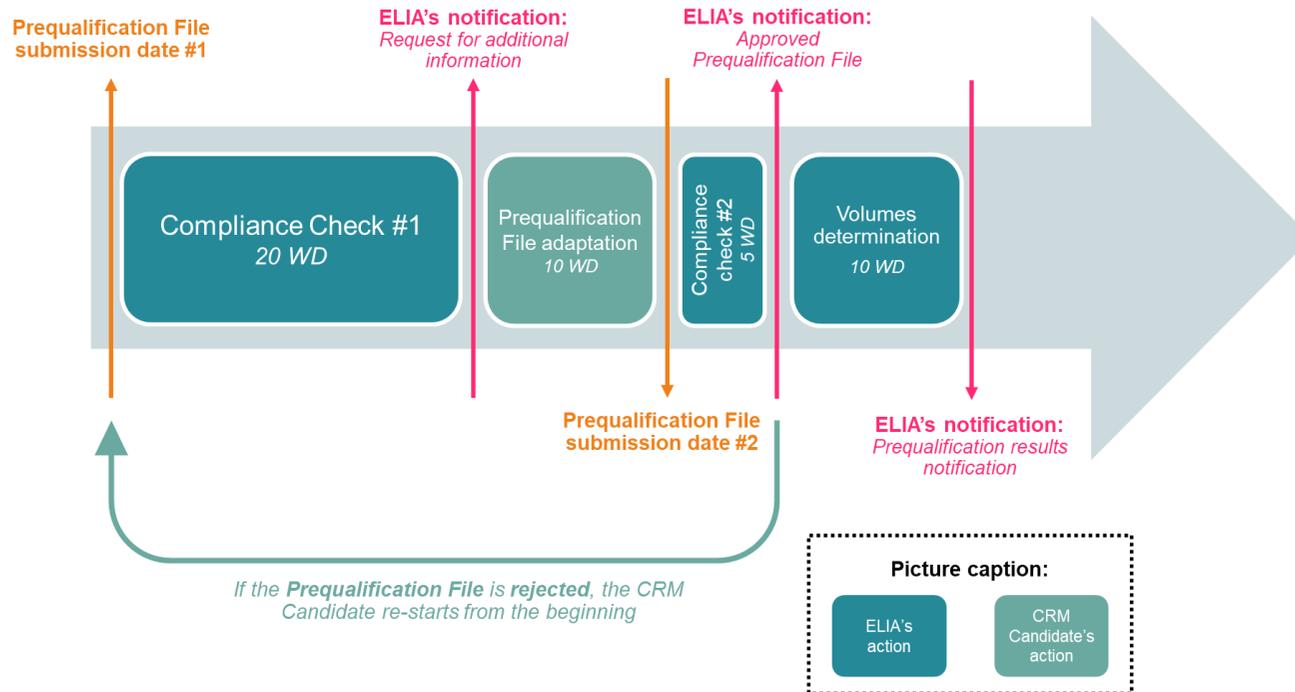
- The CMU is an Existing CMU or an Additional CMU that includes at least one Existing Delivery Point;
- All the Delivery Points are TSO-connected Delivery Points;
- The CRM Candidate decides either not to do an Opt-out Notification, or not to adapt the Opt-out Notification he made when submitting his Prequalification File to ELIA;
- The CRM Candidate selects the 1st and/or the 3rd method or the 2nd method (in his Prequalification File) to determine the NRP of each Delivery point part of the CMU (or of the CMU itself in case he selects the 2nd method)



17.1.7.3 Timing related to the standard Prequalification Process – 2nd scenario

The graph below illustrates the timing applicable to the different steps of a standard Prequalification Process, starting from the Prequalification File submission date and considering the following assumptions:

- The CMU is an Additional CMU which only includes Additional Delivery Points;
- All the Delivery Points are TSO-connected Delivery Points;
- The CRM Candidate decides either not to do an Opt-out Notification, or not to adapt the Opt-out Notification he made when submitting his Prequalification File to ELIA;.
- There is no method to select for the determination of a Delivery Point's NRP as all of the Delivery Points are Additional Delivery Points.

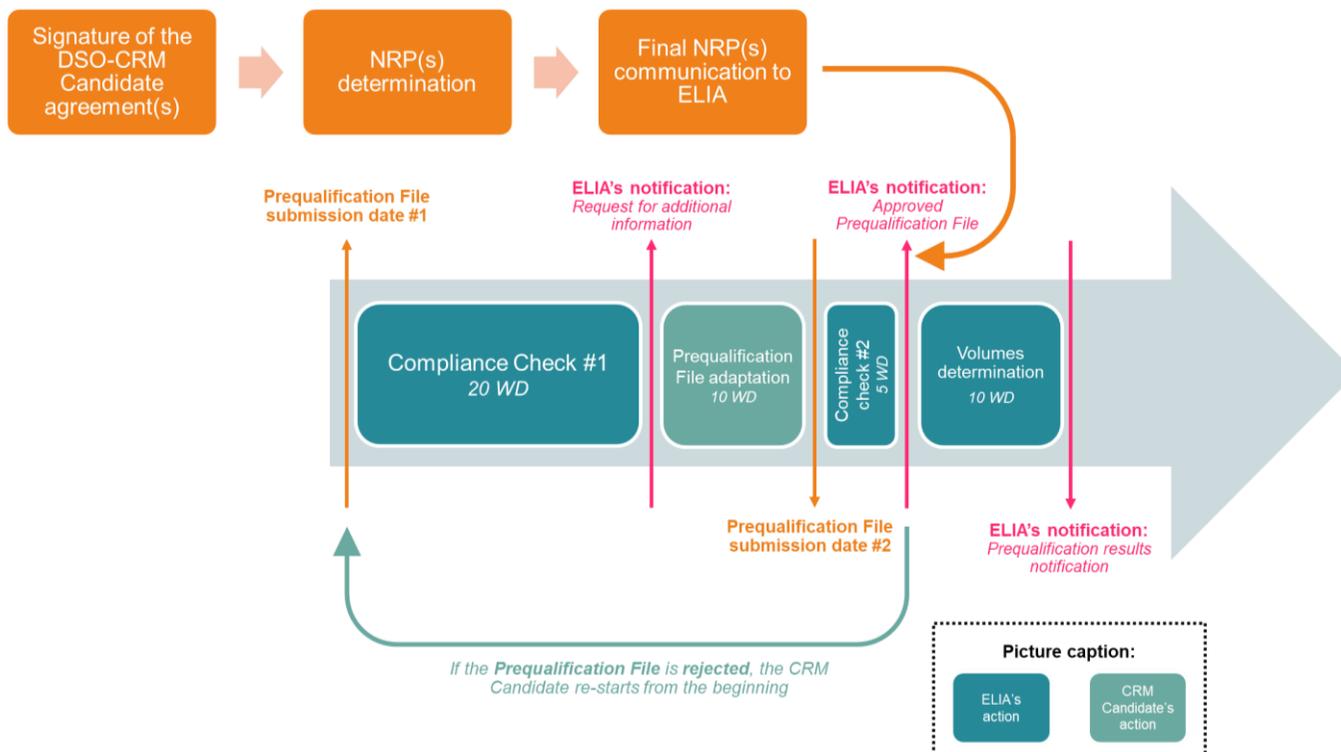


17.1.7.4 Timing related to the standard Prequalification Process – 3rd scenario

The graph below illustrates the timing applicable to the different steps of a standard Prequalification Process, starting from the Prequalification File submission date and considering the following assumptions:

- The CMU is an Additional CMU which only includes Additional Delivery Point(s) ;
- One (or more) Delivery Point(s) are DSO-connected Delivery Point(s);
- The CRM Candidate decides either not to do an Opt-out Notification, or not to adapt the Opt-out Notification he made when submitting his Prequalification File to Elia;
- There is no method to select for the determination of a Delivery Point's NRP as all of the Delivery Points are Additional Delivery Points.

Process between the CRM Candidate and the related DSO



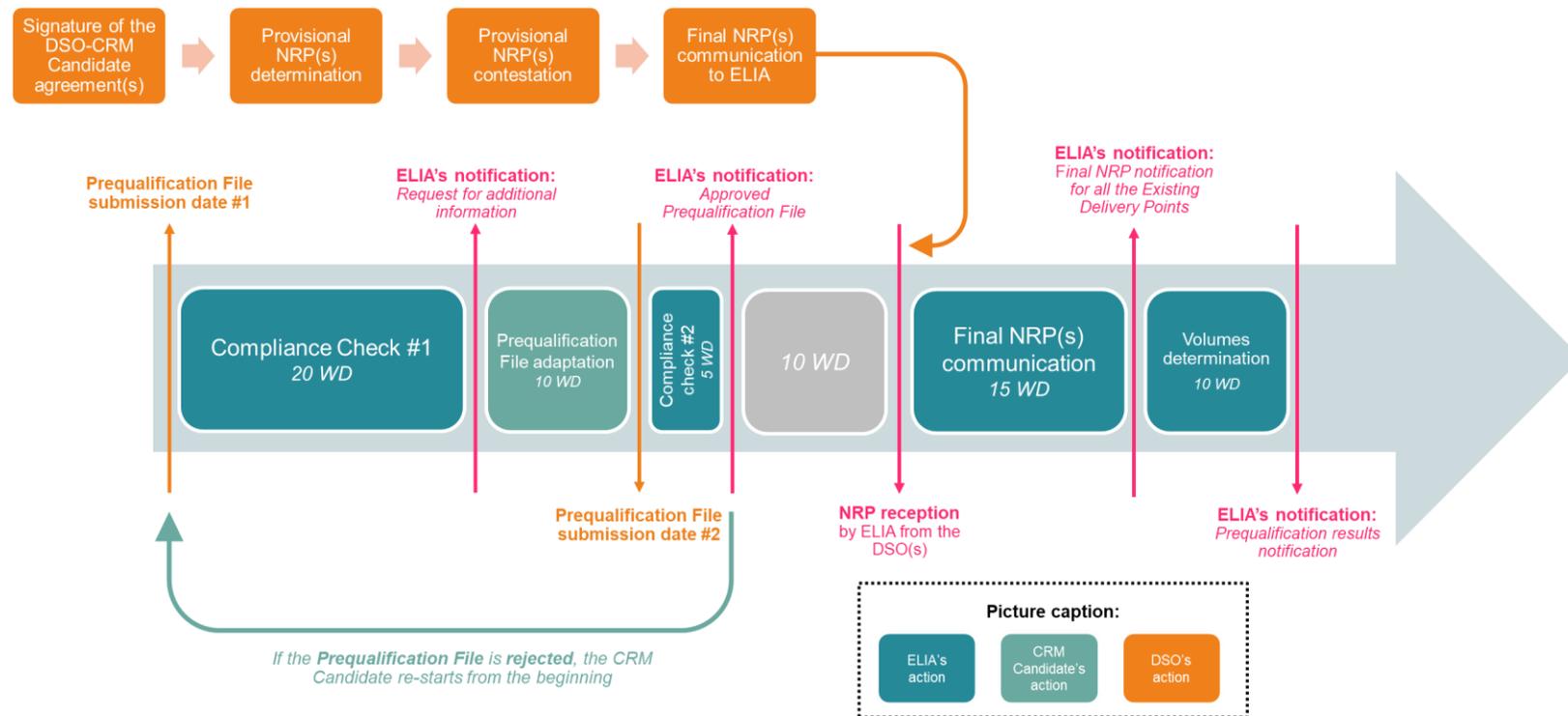
17.1.7.5 Timing related to the standard Prequalification Process – 4th scenario

The graph below illustrates the timing applicable to the different steps of a standard Prequalification Process, starting from the Prequalification File submission date and considering the following assumptions:

- The CMU is an Existing CMU or an Additional CMU that includes at least one Existing Delivery Point;
- All the Delivery Points are TSO-connected Delivery Points;

- The CRM Candidate decides not to do an Opt-out Notification, or not to adapt the Opt-out Notification he made when submitting his Prequalification File to ELIA;
- The CRM Candidate chooses to use the 1st and/or 3rd method to determine the NRP of each Delivery Point part of the CMU with the concerned DSO(s).

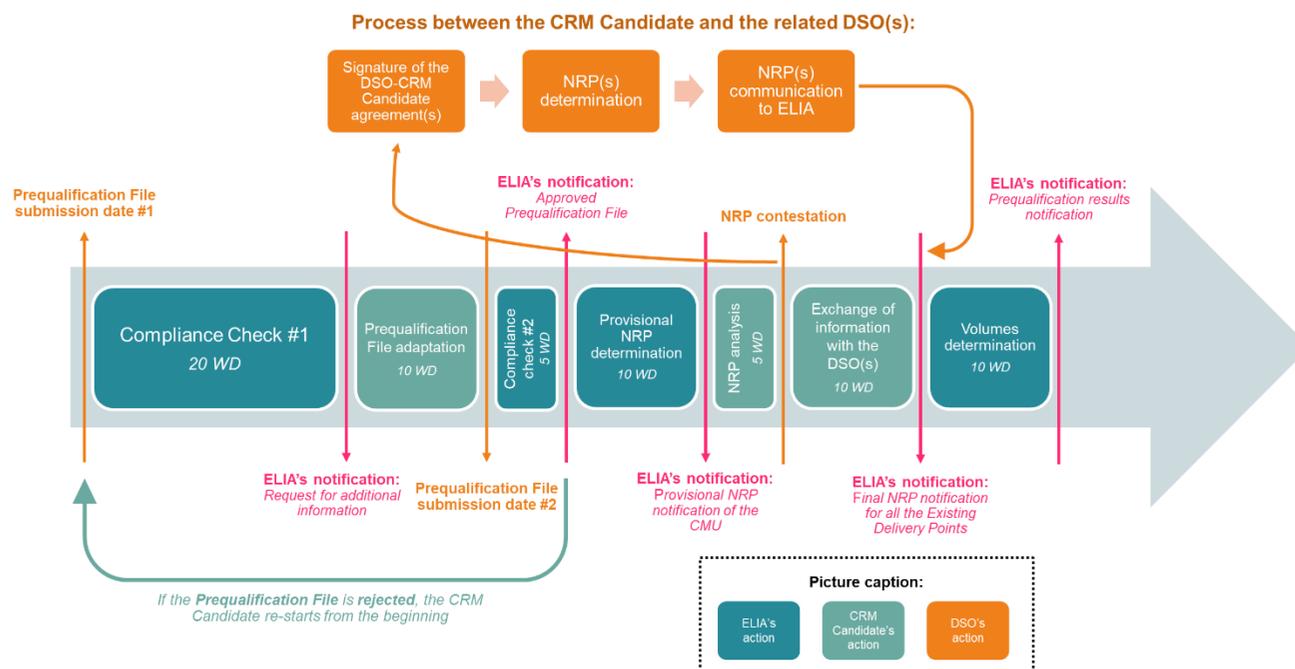
Process between the CRM Candidate and the related DSO(s):



17.1.7.6 Timing related to the standard Prequalification Process – 5th scenario

The graph below illustrates the timing applicable to the steps of a standard Prequalification Process, starting from the Prequalification File submission date and considering the following assumptions:

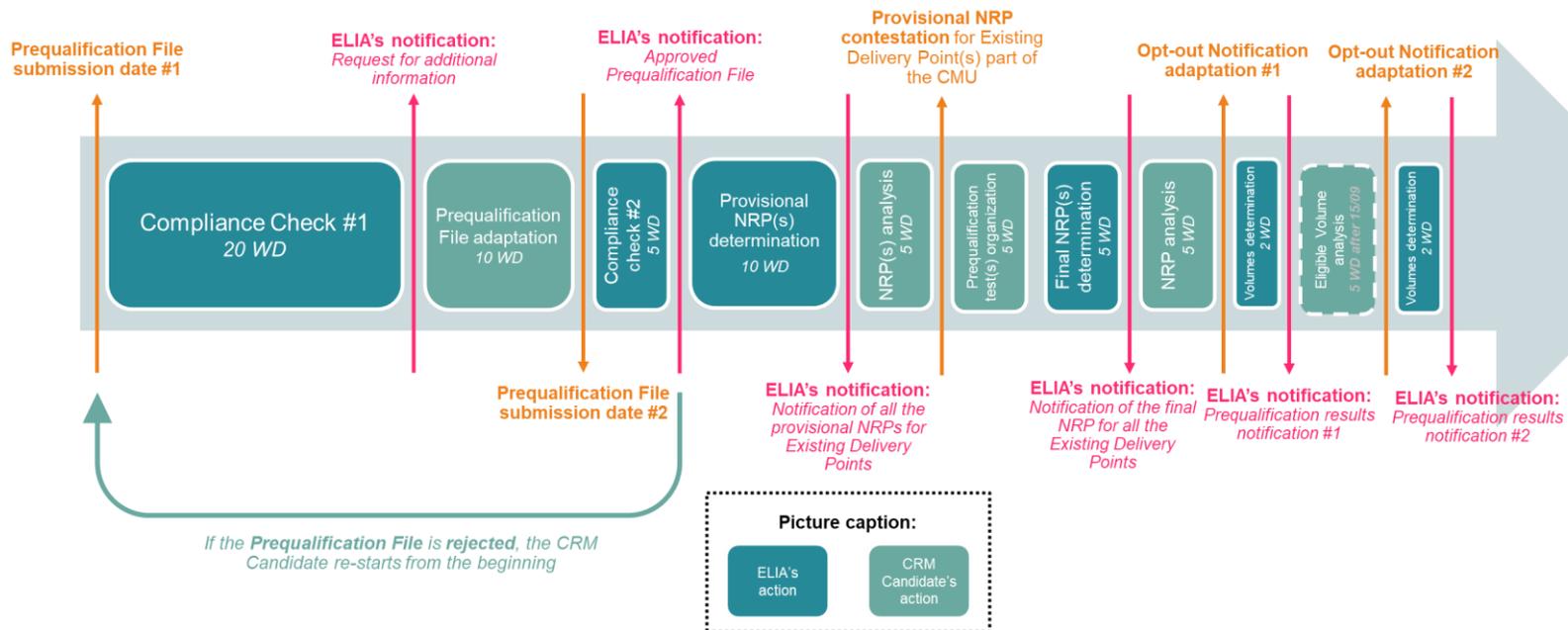
- The CMU is an Existing CMU;
- All the Delivery Points are DSO-connected Delivery Points;
- The CRM Candidate decides not to do an Opt-out Notification, or not to adapt the Opt-out Notification he made when submitting his Prequalification File to ELIA;
- The CRM Candidate selects the 2nd method (in his Prequalification File) to determine the NRP of the CMU (therefore with ELIA).



17.1.7.7 Timing related to the standard Prequalification Process – 6th scenario

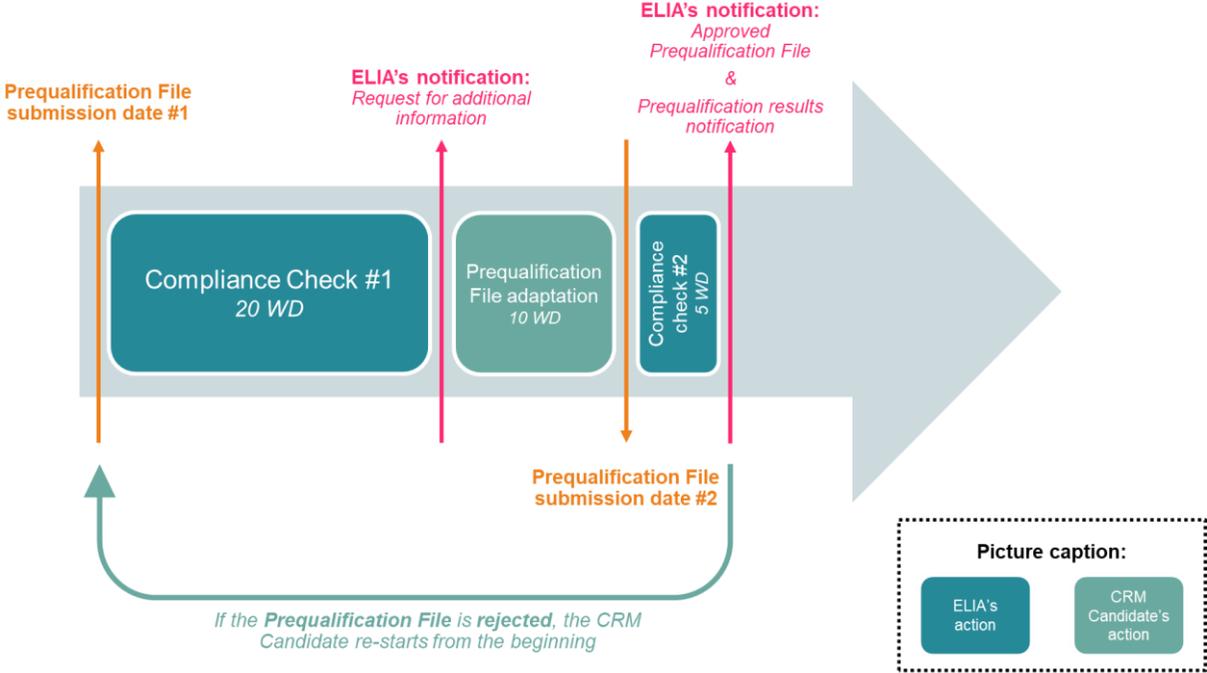
The graph below illustrates the timing applicable to the different steps of a standard Prequalification Process, starting from the Prequalification File submission date and considering the following assumptions:

- The CMU is an Existing or an Additional CMU that includes at least one Existing Delivery Point;
- All the Delivery Points are TSO-connected Delivery Points;
- The CRM Candidate decides not to do an Opt-out Notification and to adapt it multiple times during the Prequalification Process.



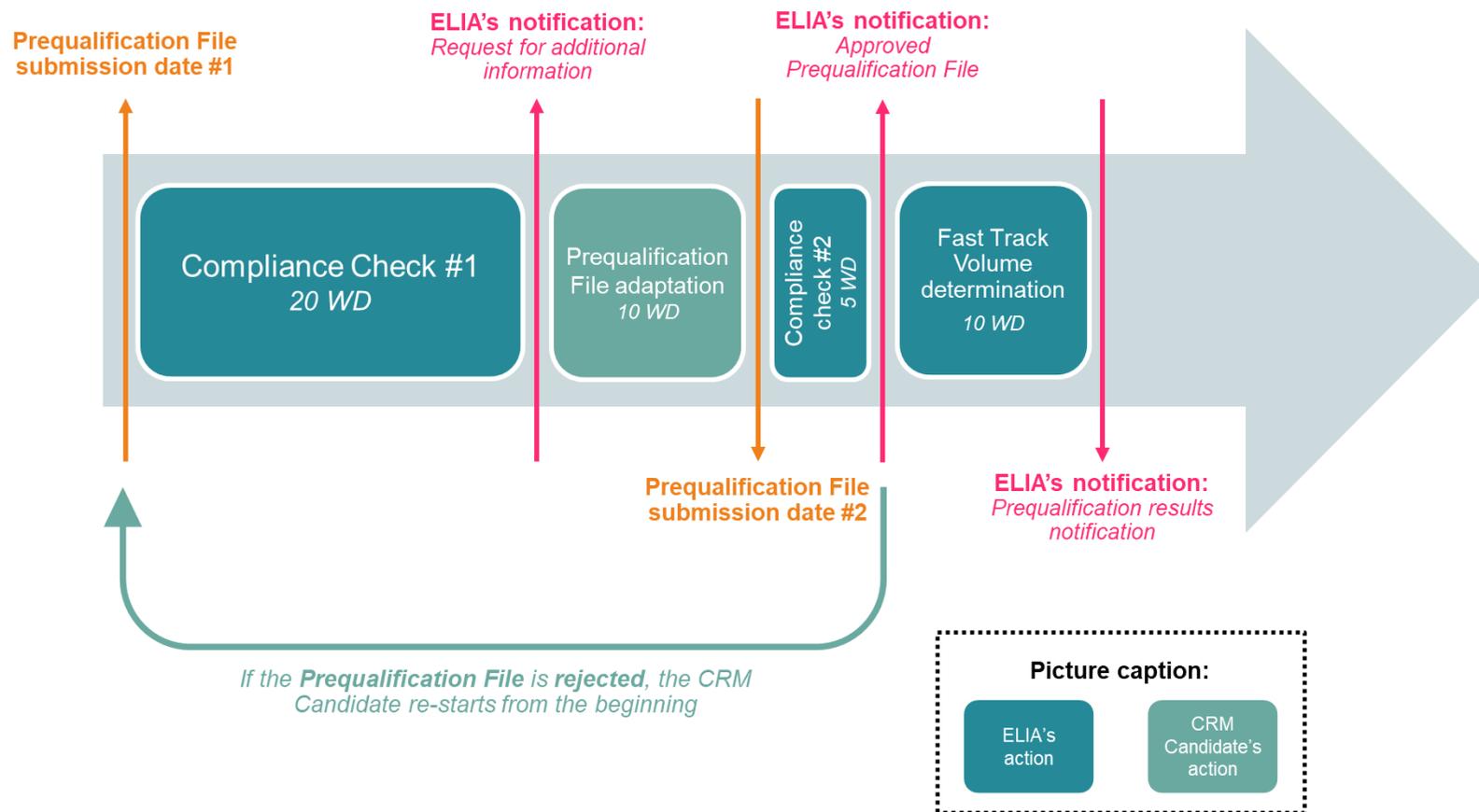
17.1.7.8 Timing related to the specific Prequalification Process

The graph below illustrates the timing applicable to the steps of the specific Prequalification Process, used to prequalify a Virtual CMU. The period between the Prequalification File submission and the prequalification result notification is reduced compared to the standard Prequalification Process as there is no need for ELIA to determine a provisional and final Nominal Reference Power (not to foresee a contestation procedure). Indeed, the CRM Candidate declares the Eligible Volume of his Virtual CMU in the Prequalification File



17.1.7.9 Timing related to the fast track Prequalification Process

The graph below illustrates the timing applicable to the steps of the fast track Prequalification Process.



17.1.8 ANNEX A.8: CDSO DECLARATION

The CRM Candidate upload this declaration via the CRM IT Interface. The CDS-connected Delivery Point(s) is(are) can only successfully complete the Prequalification Process upon signature of this declaration.

17.1.8.1 Declaration by a CDSO for a standard or specific Prequalification Process

With this declaration, [company name], a company incorporated under [nationality] law, enterprise number [number], with registered office at [address], validly represented by Mr/Mrs [name] and Mr/Mrs [name], respectively in their quality of [function] and [function], identified for the purposes hereof as "the CDSO", hereby grants permission for the Delivery Point(s) identified below, which is(are) part of its CDS with power measured by CDSO meters, to participate, for the period DD/MM/YYYY to DD/MM/YYYY, to the Service organized by ELIA, as defined in the Functioning Rules for the Capacity Remuneration Mechanism,

In the knowledge that the power measured at this (these) Delivery Point(s) under specific circumstances and under specific conditions can be increased, reduced and/or interrupted in order to supply the Service,

In the knowledge that this(these) Delivery Point(s) correspond(s) fully or partly with the CDS Access Point of [company name], a company incorporated under [nationality] law, enterprise number [number], with registered office at [address], recognized as a User of the CDS that is managed by the CDSO,

And

Undertakes to conclude a cooperation agreement with ELIA in accordance with the model described in annex 17.1.21 which can be found on ELIA website or can be obtained upon request to ELIA and which describes the conditions for exchanging metering data between ELIA and the CDSO, and to do so within the timing foreseen in the Service Time Schedule.

And

Informs ELIA whether there is a risk of full or partial load transfer from the Delivery Point(s) that is part of the CDS, as detailed below.

Detail of the Delivery Point(s):

CDS User	CDS Access Point	ID of the technical agreement	the Delivery Point Identification (EAN, if applicable)	Single line diagram

Table A.3 – Overview of the Delivery Points related details

Risk of full or partial load transfer (to be described by the CDS Operator):

.....

.....
.....
.....
.....

And

Confirms that it has obtained express permission from the CDS User to send to ELIA the confidential information, including metering data (quarter-hourly values of active power) for the above-identified Delivery Point and the corresponding CDS Access Point, since such communication is necessary for the correct invoicing of the CRM service with respect to the Capacity Provider, which to that end makes use of the CDS User’s Delivery Point.

And

The document 'CDS Metering Technical Info Checklist' (as referred to in annex 17.1.21) is attached to this declaration.

And

Hereby acknowledges that all given information in this CDSO Declaration is true and accurate.

Done in [location], on DD/MM/YYYY

Signature of the CDS Operator:

Name:

Title:

17.1.8.2 Declaration by a CDSO for a fast track Prequalification Process

With this declaration, [company name], a company incorporated under [nationality] law, enterprise number [number], with registered office at [address], validly represented by Mr/Mrs [name] and Mr/Mrs [name], respectively in their quality of [function] and [function], identified for the purposes hereof as “the CDSO”, hereby provides the information below for the Delivery Point(s) corresponding fully or partly with the CDS Access Point of [company name], a company incorporated under [nationality] law, enterprise number [number], with registered office at [address], recognized as a User of the CDS that is managed by the CDSO.

Detail of the Delivery Point(s):

CDS User	CDS Access Point	CRM ID of the Delivery Point	Delivery Point Identification (EAN)

--	--	--	--

Table A.4 - Overview of the Delivery Points related details

The CDSO hereby acknowledges that all given information in this CDSO Declaration is true and accurate.

Done in [location], on DD/MM/YYYY

Signature of the CDS Operator:

Name:

Title:

17.1.9 ANNEX A.9: BASELINE METHODOLOGY

This annex serves as a description of the baselining methodology for CRM products. It aligns to the highest extent possible with the latest known Transfer of Energy (ToE) rules⁴⁶, as the goal in the long-term is to contribute to the uniformity of products in the grid. This is beneficial, as CRM products are contracted to be performant and available in the energy market.

In this regard, it is important to note that this is merely an ad hoc view and that evolutions of the ToE rules are still possible. In this case, the CRM design should follow ToE design rather than stick to this initial design (to the extent it doesn't harm the integrity of the product).

17.1.9.1 09/09/2019 baselining methodology

Of the baselining methodologies listed in the latest ToE draft proposal, the baselining methodology for Day-ahead/Intra-Day products aligns closest to the CRM product (as it is inherently design to respond to day-ahead). These products adhere to the 'Highest X of Y*' methodology. The latest version of the design for ToE DA/ID can be found on Elia's website¹². As a summary:

- Identify Y reference days (i.e. 'weekend/holiday' vs 'workday')
- Take X days of highest average consumption out of Y reference days
- The Baseline is the average consumption during the same quarter-hour over the X days

X = 4 and Y = 5 for workdays and X = 2 and Y = 3 for weekend/holidays.

There are some criteria to exempt certain days (see chapter 8 for the exhaustive list).

The Capacity Provider can also request an adjusted Baseline in accordance with section 8.4.3.2.3.3 if they can prove, by demonstrating a lower RMSE deviation.

17.1.9.2 Applying the CRM Baseline

In the largest part, the ToE baselining is suitable for the CRM Product. There are a few optimizations specific for the CRM which are described in the following sections.

17.1.9.2.1 Quarter-hour vs hourly value

Since the CRM product is defined as an hourly product, the Baseline for Availability Monitoring should be taken as the average for the four quarter hours.

This is specified in the section 8.4.3.2.3.3.

17.1.9.2.2 Exemption due to high market price

One criterion for exemption is the occurrence of a high market price, which is fixed in the ToE rules at a value of 150€/MWh. For the CRM design, it is best suited to be able to exclude any day where at least one of the CMU's declared prices was surpassed.

However, the CRM-specific criteria could also be specified in the Functioning Rules (as is the case today).

⁴⁶ <https://www.elia.be/en/electricity-market-and-system/electricity-market-facilitation/transfer-of-energy>

17.1.9.2.3 Derogation for different methodology

The request for an adjusted Baseline according to the ToE rules (i.e. via RMSE-verification) are allowed in CRM as well. The standard method shall apply in case no derogation was requested by the Capacity Provider for the CMU.

17.1.9.2.4 Exemption on days where maintenance took place (optional)

The ToE rules state the following: "In case the justification of the exclusion of a potential representative day corresponds to one of the circumstances ii-iv indicated above, the justification is only valid in case those circumstances do not also apply for the day of the activation (e.g. a day with maintenance cannot be excluded if on the day of the activation there was also a maintenance). »

For the CRM, demand response products may desire to continue to be monitored during maintenance if their consumption is reduced during the maintenance. This is not possible with the higher-mentioned rule. This is why the CRM product is exempted from this particular rule.

17.1.9.2.5 Proposal for application of baseline:

For Delivery Points with a net off-take, a Baseline will be established for every quarter-hour falling within a monitored AMT Hour or Availability Test start and end time according to the 'Highest X of Y*' methodology in the Transfer of Energy rules. (Additional to the criteria mentioned therein to exclude certain days, the Capacity Provider can exclude days for which one of its declared prices were surpassed.)

The hourly Baseline value for the Availability Monitoring is the average of the four quarter-hourly Baseline values during the AMT Hour under consideration.

17.1.10 APPENDIX A.10: LETTER FOR THE RENUNCIATION OF OPERATING AIDS

According to the Royal Decree on the Eligibility Criteria for the Prequalification Process meant in article 7undecies §4, 1° and 2° of the Electricity Act, CRM Candidates undertake not to apply for the benefit of operating aid measures during the Delivery Period(s) during which they contract one (or more) Capacity(ies) via the CRM.

In the situation where the CRM Candidate benefits from an operating aid during the Delivery period(s) for which he wants to prequalify one (or more) CMU(s), a letter is to be provided to ELIA during the Prequalification Process in order to state that the CRM Candidate will renounce the operating aid in case a Capacity Contract is signed.

The template for this letter will be provided by the FPS Economy at a later stage.

17.1.11 ANNEX A.11: OPT-OUT NOTIFICATION RELATED TO A Y-4 AUCTION

The following annex gives an overview of the questions that will be asked to the CRM Candidate or the Capacity Provider in case he wants to do an Opt-out Notification for a Y-4 Auction. This annex is provided for information only. Indeed, the whole process described in the annex is done via the CRM IT Interface. No template is therefore to be filled in by the CRM Candidate or the Capacity Provider.

Opt-out Notification in Auction year 20XX

Related to the Y-4 Auction (Delivery Period Nov 20XX – Oct 20XX)

1. Provide the following general information:

• CMU ID: _____

• CMU type:

i. Existing CMU or Additional CMU: _____

ii. Aggregated CMU or individual CMU: _____

• Nominal Reference Power of the CMU: _____

• Opt-out Volume: _____ MW OR _____ % of CMU Nominal Reference Power

Additional information: For a CMU that goes through the fast track Prequalification Process, the CMU type is at all times equal to existing AND non-aggregated, and the Opt-out Volume is at all times equal the Nominal Reference Power of the CMU.

→ Next step:

CMU Type	Aggregated	Non-aggregated
Existing	<i>Continue to Question 3.</i>	<i>Continue to Question 3.</i>
Additional	<i>Continue to Question 2.</i>	<i>The Opt-out Notification is complete.</i>

2. Indicate whether the Opt-out Volume relates to:

Additional Capacity

→ *The Opt-out Notification is complete.*

Existing Capacity

→ *Continue to question 3.*

A mix of Additional and Existing Capacity: _____ MW OR _____ % of the Opt-out Volume relates to existing capacity

→ *Continue to questions 3.*

Additional information: existing capacity is capacity that, at the moment of submission of the Prequalification File, could already inject electricity or reduce its consumption in the market and which can be measured by a metering device which is compliant requirements as described in annexes 17.1.1 and 17.1.2.

Additional Capacity is a Capacity that, at the moment of submission of the Prequalification File, could not inject electricity or reduce its consumption in the market and which can be measured by a metering device which is compliant requirements as described in annexes 17.1.1 and 17.1.2

3. The Opt-out Volume related to existing capacity is:

Related to the non-firm capacity as part of a G-flex Connection Contract.

Please add a copy of this Connection Contract.

→ *The Opt-out Notification is complete.*

To be decommissioned as a condition in a conditional technical agreement of another CMU that participates to this Auction, provided the offer, related to this CMU and subject to this technical agreement, is selected.

Please add a copy of this conditional technical agreement.

→ The Opt-out Notification is complete.

Subject to a notification for definitive closure in accordance with article 4bis of the Electricity.

Please add a copy of this notification.

→ The Opt-out Notification is complete.

Subject to a notification for definitive structural reduction of capacity in accordance with article 4bis of the Electricity.

Please add a copy of this notification.

→ The Opt-out Notification is complete.

Subject to a notification for temporary closure in accordance with article 4bis of the Electricity.

Please add a copy of this notification.

→ The Opt-out Notification is complete.

Subject to a notification for temporary structural reduction of capacity in accordance with article 4bis of the Electricity.

Please add a copy of this notification.

→ The Opt-out Notification is complete.

Other.

→ The Opt-out Notification is complete.

Additional information: In case only the first box is ticked and the Opt-out Volume as indicated in questions 1 and 2 is higher the non-firm capacity of the G-flex Connection Contract, the Opt-out Volume in excess of the non-firm capacity of the G-flex Connection Contract is by default assigned to "Other."

Date

___/___/___

Name and signature

17.1.12 ANNEX A.12: OPT-OUT NOTIFICATION RELATED TO A Y-1 AUCTION

The following annex gives an overview of the questions that will be asked to the CRM Candidate or the Capacity Provider in case he wants to do an Opt-out Notification for a Y-1 Auction. This annex is provided for information only. Indeed, the whole process described in the annex is done via the CRM IT Interface. No template is therefore to be filled in by the CRM Candidate or the Capacity Provider.

Opt-out Notification in Auction year 20XX

Related to the Y-1 Auction (Delivery Period Nov 20XX – Oct 20XX)

1. Provide the following general information:

- CMU ID: _____
- CMU type:
 - i. Existing or additional: _____
 - ii. Aggregated or individual: _____
- Nominal Reference Power of the CMU: _____
- Opt-out Volume: _____ MW OR _____ % of CMU Nominal Reference Power

Additional information: For a CMU that goes through the fast track Prequalification Process, the status of the Opt-out Volume is at all times equal to existing, the CMU is at all times an individual CMU and the Opt-out Volume at all times equals to the Nominal Reference Power of the CMU.

→ Next step:

CMU Type	Aggregated	Non-aggregated
Existing	<i>Continue to Question 3.</i>	<i>Continue to Question 3.</i>
Additional	<i>Continue to Question 2.</i>	<i>The Opt-out Notification is complete.</i>

2. Indicate whether the Opt-out Volume relates to:

- Additional capacity.
→ *The Opt-out Notification is complete.*
- Existing capacity.
→ *Continue to question 3.*
- A mix of additional and existing capacity: _____ MW OR _____ % of the Opt-out Volume relates to existing capacity
→ *Continue to question 3 and reply w.r.t. the Opt-out Volume related to Existing Capacity.*

Additional information: Existing Capacity is Capacity that, at the moment of submission of the Prequalification File, could already inject electricity or reduce its consumption in the market and which can be measured by a metering device which is compliant requirements as described in annexes 17.1.1 and 17.1.2.

Additional Capacity is Capacity that, at the moment of submission of the Prequalification File, could not inject electricity or reduce its consumption in the market and which can be measured by a metering device which is compliant requirements as described in annexes 17.1.1 and 17.1.2.

3. The Opt-out Volume related to Existing Capacity (if any) is applicable to the specified Delivery Period:

To be decommissioned as a condition in a conditional technical agreement of another CMU that participates to this Auction **and only when the bid related to the CMU subject to the conditional technical agreement is selected**.

Please add a copy of this conditional technical agreement.

→ The Opt-out Notification is complete.

Subject to a notification for definitive closure in accordance with article 4bis of the Electricity Act.

Please add a copy of this notification.

→ The Opt-out Notification is complete.

Subject to a notification for definitive structural reduction of capacity in accordance with article 4bis of the Electricity Act.

Please add a copy of this notification.

→ Continue to question 5 only if the Opt-out Volume is higher than the structural capacity reduction volume. Otherwise, the Opt-out Notification is complete.

Subject to a notification for temporary closure in accordance with article 4bis of the Electricity Act.

Please add a copy of this notification.

→ The Opt-out Notification is complete.

Subject to a notification for temporary structural reduction of capacity in accordance with article 4bis of the Electricity Act.

Please add a copy of this notification.

→ Continue to question 4 only if the Opt-out Volume is higher than the structural capacity reduction volume. Otherwise, the Opt-out Notification is complete.

Other.

→ Continue to question 4.

4. Indicate whether the Opt-out Volume, during the Delivery Period covered by this Opt-out Notification, shall be:

IN the market (contributing to adequacy).

→ The Opt-out Notification is complete.

OUT of the market (not contributing to adequacy).

→ Continue to question 5.

5. Please choose one of the following reasons to explain why the Opt-out Volume will be OUT of the market during Delivery Period covered by this Opt-out Notification:

Capacity related to the non-firm capacity as part of a G-flex Connection Contract.

Please add a copy of this Connection Contract.

→ The Opt-out Notification is complete.

Installation(s) (partly) out of service and/or capacities (partly) not available anymore, but not subject to notification according to article 4bis of the Electricity Law.

Please motivate below.

→ The Opt-out Notification is complete.

Inaccurate Derating Factor w.r.t. this CMU.

Please motivate below.

→ The Opt-out Notification is complete.

Extensive maintenance planned.

Please motivate below.

→ The Opt-out Notification is complete.

Other.

Please specify and motivate in the page below. Add documentation to support choice.

→ The Opt-out Notification is complete.

Additional information: In case only the first box is ticked and the Opt-out Volume indicated as "OUT" in question 4 is higher the non-firm capacity of the G-flex Connection Contract, the Opt-out Volume in excess of the non-firm capacity of the G-flex Connection Contract is by default assigned to category "IN" in question 4.

Date _____ Name and signature _____

17.1.13 ANNEX A.13: DERATING FACTOR

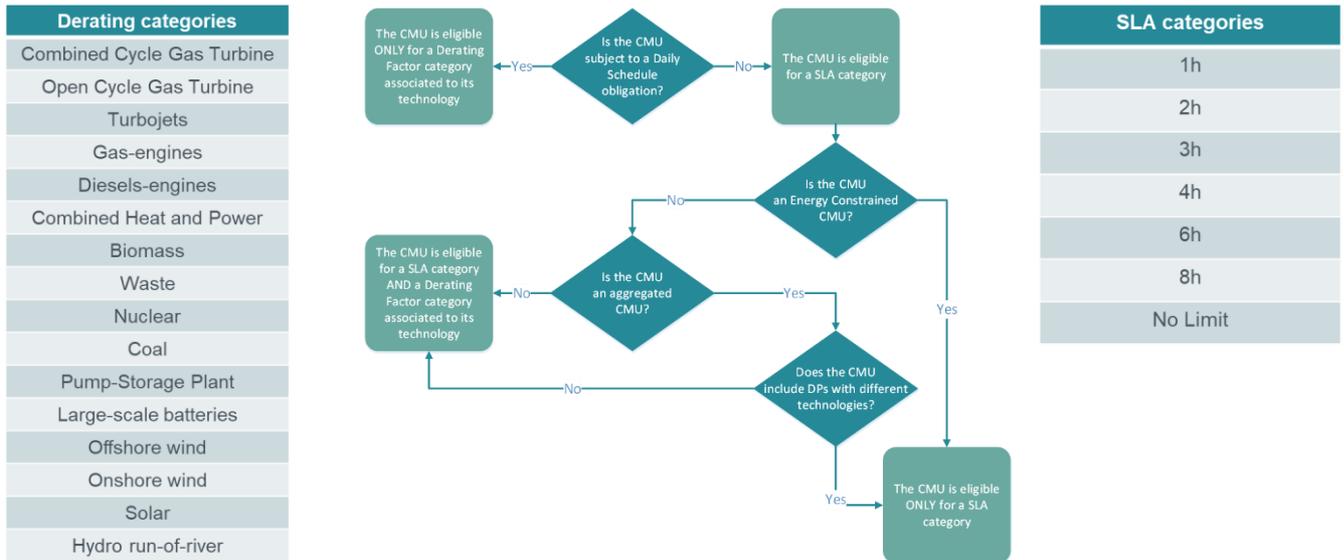
This annex is a reminder of information shared in the design note on the Derating Factors that can be found on the ELIA website (<https://www.elia.be/-/media/project/elia/elia-site/ug/crm/2020/crm-updated-design-notes---march-2020---all---clean-version.pdf>). It is also in line with article 13 of the Royal Decree on Methodology meant in article 7undecies, §2 of the Electricity Act.

The first criterion to choose a category is related to the Daily Schedule. Every technology with Daily Schedule is associated to the Derating Factor related to its technology (according to the list of technology in the table 3 in the chapter *Derating factors* of the *Updated CRM Design Note*: and the different categories defined in the Royal Decree on the methodology for calculation of the required volume and the parameters needed for the organization of the Auctions in the context of the Capacity Remuneration Mechanism, meant in article 7undecies, §2 of the Electricity Act).

Every technology without Daily Schedule is eligible for a SLA category. In this situation, there are two particular cases:

- The selection of a SLA category (associated to an availability duration) is an obligation for:
 - Energy Constrained CMUs; and
 - CMUs with Delivery Points associated to different technologies.
- The CRM Candidate can choose between a SLA category (associated to an availability duration) and a derating category (associated to a technology) in any other cases.

This selection process is presented on the figure below:



17.1.14 ANNEX A.14: PROJECT EXECUTION PLAN

This annex defines what a project execution plan is. This plan is sent during the Prequalification Process by a CRM Candidate who wants to participate to the Service with an Additional or a Virtual CMU. As already stated in section 5.4.1.1.2, a project execution plan can be linked to more than one CMU and a CMU can be linked to more than one project execution plan.

The main purpose of the project execution plan is to ensure to ELIA that the Contracted Capacity(ies) become(s) Existing Capacity(ies) before the start of the related Transaction Period(s).

The project execution plan is prepared and adapted by the CRM Candidate himself in function of his project's specificities. The information and format provided here can therefore differ from the list below, given as an example.

17.1.14.1 Content of the project execution plan

A project execution plan describes how the CRM Candidate plans to get its Contracted Capacity(ies) prequalified as "Existing" Capacity(ies)" prior the start of the concerned Delivery Period(s) it is offered to in the Auction. It identifies, among other things, the potential key issues and critical activities specific to the project and lists the decisions to be taken by the CRM Candidate in subsequent phase(s). Through the project execution plan, the CRM Candidate defines and states the objectives of the project and the means used to ensure its effective realization.

There is no template for such a plan. However and to facilitate its preparation, ELIA lists below some information the document as provided by the CRM Candidate to ELIA could contain:

- A description of the project;
- The **key milestones** dates (see section 17.1.14.2);
- The **strategy** adopted to achieve each of the identified key milestones in a timely manner (see section 17.1.14.2);
- The list of the potential **key issues (risks)** that could be met during the realization phase of the project and the identification of non-exhaustive "mitigation measures" taken by the CRM Candidate to cover them;
- The list of the **required Infrastructure Works**, DSOs and/or Gas Infrastructure Operator identify as a pre-requisite to the CRM Candidate's project effective realization(the Infrastructure Works identified in that list may be subject to the fallback procedure described in section 14.9;
- A Signed conditional offer to connect to the gas network infrastructure:For gas technology, a signed conditional offer from the gas network infrastructure is provided to ELIA by the CRM Candidate as part of the project execution plan.
- The identification of **permits** which are relevant for the project:
 - Environnemental permit;
 - Construction permit (included right of way and permits);
 - Governmental approval;
 - Etc.

The validity date of each permit is also to be mentioned and should cover at least the related Delivery Period(s).

- For Virtual CMUs specifically, **details on how the 75 % and 100 % target will be respected as detailed in section 7.3.2.1.1.2**

Update of such information is to be provided on a regular basis, through the quarterly reports provided by the Capacity Provider to ELIA (according to section 7.3.2) during the Pre-delivery Period(s) related to the CMU. The project execution plan is also considered as a referential framework. Therefore, any slippage or major change impacting the project execution introduced with the Prequalification File is to be detailed in one of the quarterly report, along with a mitigation plan (according to chapter 7).

17.1.14.2 List of key milestones

In the table below, ELIA proposes key milestones that might be relevant for the CRM Candidate’s project. The asterisk in the table below indicates the only milestone, the CRM Candidate has the obligation to provide in his project execution plan if it is relevant for the project. Except from this milestone, it is the CRM Candidate’s responsibility to provide the milestones which he considers relevant and applicable for his project as well as to detail them as part of the project execution plan.

Key milestones	Description of the key milestones	Key milestone date
#1 Spatial plan	At this stage, the CRM Candidate indicates at which date he plans to receive the modification of the sector plan (if required for implementation of its project)	.../.../...
#2 Workforce and capacity planning	A workforce and capacity planning is a process of determining and planning the workforce to ensure that the Capacity Provider has the right mix and numbers of staff, with the right skills and knowledge, to meet demand, now and in the future. The key milestone indicates when this planning is scheduled to be written in its final form.	.../.../...
#3 Signature of the EPC contract	An EPC contract is a contract by which the supplier becomes responsible for the overall design of a project, including design, procurement from subcontractors, transportation of the various components, hiring of workers, coordination of assembly and on-site installation with the various parties involved (suppliers, service providers and contractors).	
#4 Permitting Milestone	This key milestone, defined in section 3.1, is reached when all necessary licenses/permits for the construction of the project have been delivered in the last administrative instance, be definitive, enforceable and cannot be disputed any more before the State Council or the Council for permitting contestations (Raad voor vergunningsbetwistingen).	.../.../...

<p>#5 Start of construction works</p>	<p>The date for this key milestone represents the moment at which the two following milestones are achieved :</p> <ul style="list-style-type: none"> - Whether an engineering, procurement and construction (EPC) contract (or any contract or suite of contracts having the same effect) is in full force and effect in respect of each new or refurbished production/consumption unit providing the Contracted Capacity(ies); - Whether work specific to on-site construction of each actual new or refurbished production/consumption unit providing the Contracted Capacity(ies) has commenced which, for the avoidance of doubt, does not include design work, minor civil works or works to prepare the site for construction work. <p>In the case of the construction of a CCGT, for example, it is the start of the piling activities.</p>	<p>.../.../...</p>
<p>#6 Final purchase order for the main equipment</p>	<p>The key milestone is reached when the last main equipment has been ordered through a purchase order (PO) and the delivery date is known by the CRM Candidate.</p> <p>The last main equipment is:</p> <ul style="list-style-type: none"> - In respect of a new or refurbished production/consumption unit, the primary mechanism to generate electricity (whether this is via a turbine, any mechanical or electrical device or installation of any other technology, e.g. photo voltaic); 	<p>.../.../...</p>
<p>#7 Mechanical completion</p>	<p>The key milestone is achieved:</p> <ul style="list-style-type: none"> - When the primary mechanism to generate electricity (whether this is via a turbine, any mechanical or electrical device or installation of any other technology, e.g. photo voltaic) is installed on-site. <p>In the case of the construction of a CCGT, for example, it can be considered as the first firing.</p>	<p>.../.../...</p>
<p>#8 Commissioning tests</p>	<p>The key milestone is achieved when the required offline and online commissioning tests are finalized and successful. The online commissioning tests required by ELIA for the commissioning of a generation/consumption unit are not linked to the CRM and therefore not specified here. For further information on this subject, the Capacity Provider is invited to contact his Key Account Manager within ELIA.</p>	<p>.../.../...</p>
<p>#9 Final completion</p>	<p>The key milestone is achieved when:</p> <ul style="list-style-type: none"> - The project has achieved all the technical and performance requirements set out in the construction contract; - The contractor has transferred to the owner of the project title to all materials and equipment used in the construction of the project; - All the Additional Capacities contracted and related to that project are compliant with the metering requirements (as per annexes 17.1.1 & 17.1.2); - The Capacity Provider is able to complete his file(s) by changing his Contracted Capacity(ies) considered as Additional Capacity(ies) to Existing Capacity(ies) (as per 17.1.19). 	<p>.../.../...</p>

17.1.15 ANNEX A.15: APPLICATION FORM COMPLIANCE CHECK

The purpose of this annex is to list the criteria ELIA will use to know if the application form can be considered as compliant or not.

These criteria can lead to an inability to submit the application form to ELIA because the checks are done instantly and automatically by the CRM IT Interface or to a rejection of the application form after being analyzed by an ELIA's operator.

In any case, audits will be also organized randomly throughout the lifetime of the application form (including at first submission) in order to check in more detail the truthfulness and accuracy of the data provided by the Capacity Holder. In the event that an erroneous data is identified during an audit, the Prequalification File(s) related to this application form may be rejected and the access of the related CMU(s) to the Primary Market or the Secondary Market denied.

Crosses with an asterisk in the table below indicates the information the CRM Candidate has the obligation to submit in the CRM IT Interface for the application form to be considered as 'approved' by ELIA.

	Requirements	Is the information automatically checked by ELIA when analyzing the Application Form?	Legal person	Natural person
Company details	Company Name	No. The data is considered as true and accurate by ELIA.	X*	
	Legal status	No. The data is considered as true and accurate by ELIA.	X*	
	Address - Head Office	No. The data is considered as true and accurate by ELIA.	X*	
	Belgian Address	ELIA will check if the address is a Belgian address. The Capacity Holder is obliged to provide one if he intends to submit an investment file to CREG.	X	
	Telephone	No. The data is considered as true and accurate by ELIA.	X	
	Fax	No. The data is considered as true and accurate by ELIA.	X	
	Registration Number (VAT)	Yes. ELIA will check if the VAT number is: - Not already used in another application form; - Part the European database or any other database in order to verify that it is a real VAT.	X*	
	Business Number	No. The data is considered as true and accurate by ELIA.	X*	
	Date of foundation (dd/mm/yyyy)	No. The data is considered as true and accurate by ELIA.	X	
	Energy Identification Code (EIC)	No. The data is considered as true and accurate by ELIA.	X	
Bank Details	Company Name	No. The data is considered as true and accurate by	X	

		ELIA.		
	E-mail address	No. The data is considered as true and accurate by ELIA.	X	X
	Bank Name	No. The data is considered as true and accurate by ELIA.	X*	X*
	Street	No. The data is considered as true and accurate by ELIA.	X	X
	Postal code	No. The data is considered as true and accurate by ELIA.	X	X
	City	No. The data is considered as true and accurate by ELIA.	X	X
	Country	No. The data is considered as true and accurate by ELIA.	X	X
	IBAN	No. The data is considered as true and accurate by ELIA.	X*	X*
	SWIFT / BIC	No. The data is considered as true and accurate by ELIA.	X*	X*
	Currency (ordering & invoicing)	No. The data is considered as true and accurate by ELIA.	X*	X*
Contact details	Language	No. The data is considered as true and accurate by ELIA.	X*	X*
	Civil status	No. The data is considered as true and accurate by ELIA.	X	X
	First Name	No. The data is considered as true and accurate by ELIA.	X*	X*
	Last Name	No. The data is considered as true and accurate by ELIA.	X*	X*
	Address of domicile	No, The data is considered as true and accurate by ELIA. The Capacity Holder is obliged to provide a Belgian Address if he intends to submit an investment file to CREG.		X*
	Function	No. The data is considered as true and accurate by ELIA.	X*	X*
	Telephone	No. The data is considered as true and accurate by ELIA.	X	X
	Mobile	No. The data is considered as true and accurate by ELIA.	X*	X*
	E-mail	No. The data is considered as true and accurate by ELIA.	X*	X*

In addition to the checks listed in the above table, ELIA verifies that the format of the provided data are compliant (e.g. the format of an e-mail address is [XX@XX.XX](#) or a phone number only includes numbers).

17.1.16 ANNEX A.16: PREQUALIFICATION FILE COMPLIANCE CHECK

The purpose of this annex is to list the criteria that ELIA will use for each requirement of section 5.4.1 and 5.4.2 to know if the CRM Actor submitted a compliant Prequalification File (change) or not.

The criteria can lead to an inability to submit the Prequalification File (change) to ELIA because the check can be done instantly and automatically by the CRM IT Interface or to a rejection of the Prequalification File (change) because the check is done manually by an ELIA's operator.

In any case, audits will be also organized randomly throughout the lifetime of the Prequalification File (including from the time the File is submitted) in order to check in more detail the truthfulness and accuracy of the data provided by the CRM Candidate. In the event that an erroneous data is identified during an audit, the principles of section 5.1 apply.

17.1.16.1 Requirements for standard and specific Prequalification Processes

Crosses with an asterisk in the table below indicates the information CRM Candidate has the obligation to submit in the CRM IT Interface for the Prequalification File (change) to be considered as "approved" (as per section 5.5).

17.1.16.1.1 Requirements per Existing Delivery Point and Additional Delivery Point

Requirements	Is the information automatically checked by ELIA when analyzing the Prequalification File?	Delivery Point's status	
		Existing	Additional
Type of Delivery Point	No. The data is considered as true and accurate by ELIA.	X*	X*
Delivery Point's name	No. The data is considered as true and accurate by ELIA.	X*	X*
Single line diagram	Yes. ELIA checks if the combinability rules (described in annex 17.1.3) are respected thanks to the single line diagram.	X*	X
Technology	No. The data is considered as true and accurate by ELIA.	X*	X*
Linked Capacities	Yes. ELIA checks if these links are in line with the concept of Linked Capacity defined in article 1 §2, 6° of the Royal Decree on Investment Thresholds and Eligible Investment Costs meant in article 7undecies, §5 of the Electricity Act.	X	X

CDSO Declaration	<p style="text-align: center;">Yes.</p> <p>ELIA checks that the CDSO Declaration:</p> <ul style="list-style-type: none"> - Is uploaded if the Delivery Point is a CDS-connected Delivery Point; - Respects the template provided in annex 17.1.8; - Is signed by the CDS Operator and the CRM Candidate; - Is at least valid until the Auction gate opening time. 	X	X
EAN code(s) of the Access Point	<p style="text-align: center;">Yes.</p> <p>ELIA checks that:</p> <ul style="list-style-type: none"> - The provided EAN code(s) is(are) in ELIA's database of Access Points; - The related Delivery Point is properly connected to this (these) Access Point(s) on the basis of the information provided in the single line diagram. 	X*	X
Agreement between Belgian Member State and Adjacent Member State	<p style="text-align: center;">No.</p> <p style="text-align: center;"><u>The data is considered as true and accurate by ELIA.</u></p>	X	X
Declaration by the Eligible Foreign Capacity Holder	<p style="text-align: center;">No.</p> <p style="text-align: center;"><u>The data is considered as true and accurate by ELIA.</u></p>	X	X
Declaration by the Adjacent Member State	<p style="text-align: center;">No.</p> <p style="text-align: center;"><u>The data is considered as true and accurate by ELIA.</u></p>	X	X
EAN code(s) of the Delivery Point/Identification of the Delivery Point (for a CDS-connected Delivery Point)	<p style="text-align: center;">Yes.</p> <p>ELIA checks that:</p> <ul style="list-style-type: none"> - the provided EAN code is in ELIA's database of Access Points (if applicable) - The provided EAN code(s) is(are) not already used in another Prequalification File. 	X*	
Expected Nominal Reference Power	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
CO₂ emission attestation	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
CO₂ emission	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
Preferred Nominal Reference Power methodology	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
Prequalification test profile for 3rd method	<p style="text-align: center;">Yes.</p> <p>ELIA checks if:</p> <ul style="list-style-type: none"> - The CRM Candidate provides a date while selecting 3rd method for the determination of the Nominal Reference Power; - The chosen test date is in line with the rules of paragraph 106. 	X	
Baseline adjustment	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
Unsheddable Margin	<p style="text-align: center;">Yes.</p> <p>ELIA checks if the provided value for the Unsheddable Margin is lower or equal to the Expected Nominal Reference Power.</p>	X	
Nameplate capacity of generation	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
Net offtake/ net injection	<p style="text-align: center;">No.</p> <p style="text-align: center;">The data is considered as true and accurate by ELIA.</p>	X*	
Full technical injection Capacity	<p style="text-align: center;">No.</p> <p style="text-align: center;">Data are considered as correct and accurate by ELIA.</p>	X*	
Full technical offtake Capacity	<p style="text-align: center;">Yes.</p> <p>ELIA checks if the provided value for the Full technical offtake Capacity is lower or equal to than Expected Nominal Reference Power.</p>	X*	

<p>Grid User Declaration/CDS User Declaration</p>	<p>Yes. ELIA checks if the provided document:</p> <ul style="list-style-type: none"> - Respects the template provided in annex 17.1.6; - The Delivery Point(s) included in the declaration are not part of another declaration related to the CRM; - Is signed by the CRM Candidate and the Grid User/CDS User; - Is valid at least until the Auction gate opening time. 	<p>X</p>	
<p>Renouncing the operating aid</p>	<p>Yes. ELIA checks if the provided document:</p> <ul style="list-style-type: none"> - Respects the rules described in annex 17.1.10; - Is signed by the CRM Candidate; - Is valid in case a Capacity Contract is signed. 	<p>X</p>	
<p>Declared Nominal Reference Power</p>	<p>No. The data is considered as true and accurate by ELIA.</p>		<p>X*</p>
<p>Existing connection capacity</p>	<p>Yes. ELIA checks if the provided value for the existing connection capacity correspond to the ones of the said Connection Agreement.</p>		<p>X</p>
<p>Information related to production permit</p>	<p>Yes.</p> <ul style="list-style-type: none"> - In case of licence production, ELIA checks if: <ul style="list-style-type: none"> • The document is signed by the CRM Candidate and the FPS Economy; • The licence is valid at least until the notification of the Auction results; - In case of evidence of the submission of a licence production request, ELIA checks if: <ul style="list-style-type: none"> • The document is signed by the CRM Candidate and the FPS Economy; • The production permit has been submitted to FPS Economy at least fifty Working Days before the start of the Prequalification File submission date; • The request has been introduced to FPS at least fifty Working Days from the start of the Prequalification submission period 		<p>X</p>

In addition to the checks listed in the above table, ELIA verifies that the format of the provided data are compliant (e.g. the accepted granularity for provided numbers is 0,01 or an EAN includes only eighteen digits).

17.1.16.1.2 Requirements per Existing CMU, per Additional CMU and per Virtual CMU

Requirements	Is the information checked by ELIA when analyzing the Prequalification File?	CMU's status		
		Existing	Additional	Virtual
Information linked to Financial Security	<p style="text-align: center;"><u>Yes.</u></p> <p>For a cash payment, ELIA checks if:</p> <ul style="list-style-type: none"> - The amount is in line with the rules defined in the chapter 10; - The bank account number corresponds to one of ELIA's account numbers. <p>For a bank guarantee, ELIA checks if:</p> <ul style="list-style-type: none"> - The amount is in line with the rules of the chapter 10; - The rating of the bank corresponds to the rules defined in the chapter 10; - The template used corresponds to the template of the annex 17.4.1; - The expiry date of the guarantee is in line with the rules of the chapter 10. <p>For a parent company guarantee, ELIA checks if:</p> <ul style="list-style-type: none"> - The amount is in line with the rules of the chapter 10; - The rating of the parent company corresponds to the rules defined in the chapter 10; - The template used corresponds to the template of the annex 17.4.2; - A proof from an external legal firm that the guarantee is legal, valid, binding and enforceable is provided in addition to the template; - The expiry date of the guarantee is in line with the rules of the chapter 10. 	X*	X*	X*
Opt-out Notification	<p style="text-align: center;"><u>Yes.</u></p> <p>ELIA checks if all the required questions (listed in annex 17.1.11 for an Opt-out Notification related to a Y-4 Auction and annex 17.1.12 for an Opt-out Notification related to a Y-1) are answered.</p>	X	X	
Project ID	<p style="text-align: center;"><u>Yes.</u></p> <p>When the CRM Candidate provides himself a Project ID, ELIA checks if this project ID already exists in the database of Prequalification Files that already sent a file to CREG.</p>	X	X	
Choice of a Derating Factor	<p style="text-align: center;">No.</p> <p>The data is considered as true and accurate by ELIA.</p>	X*	X*	
Link(s) with (an)other CMU(s) in case of multiple use of a same Delivery Point	<p style="text-align: center;">No.</p> <p>The data is considered as true and accurate by ELIA.</p>			

Project execution plan	No. The data is considered as true and accurate by ELIA.		X*	X*
Expected start date of the project	No. The data is considered as true and accurate by ELIA.		X*	
Declared Eligible Volume	Yes. ELIA checks that the Declared Eligible Volume is: - Higher than or equal to the minimum Capacity threshold defined by the Royal Decree on Eligibility Criteria related to Cumulative Support and Minimal Participation Thresholds meant in article 7undecies. §4 2° of the Electricity Act; - Lower than or equal to 400 MW.			X*
Information for 2nd method (Nominal Reference Power determination)	Yes. ELIA checks if: - No other method (1 st and 3 rd method) has been selected by the CRM Candidate for the Delivery Point(s) part the related CMU; - A date has been provided and this date is within a twelve month period, which ends as of the Prequalification File submission date.	X		
Link with a Virtual CMU	Yes. ELIA checks if the ID provided corresponds to the ID of a Transaction made in the Primary Market for a Virtual CMU.	X		
Participation to the Primary Market or the Secondary Market	No. The data is considered as true and accurate by ELIA.		X*	
ID of the technical agreement	Yes. ELIA checks if the provided ID exists in the ELIA's database of technical agreements.		X	

17.1.16.2 Fast track Prequalification Process

Crosses with an asterisk in the table below indicates the information the CRM Candidate has the obligation to submit in the CRM IT Interface for the Prequalification File to be considered as "approved" (as per section 5.5).

Requirements	Is the information checked by ELIA when analyzing the Prequalification File?
Type of Delivery Point	No. The data is considered as true and accurate by ELIA.
EAN code(s) of the Delivery Point/Identification of the Delivery point (for a CDS-connected Delivery Point)	Yes. ELIA checks that the provided EAN code is: - In ELIA's database of Delivery Points; - Not already used in another Prequalification File.
Delivery Point's name	No. The data is considered as true and accurate by ELIA.
EAN code(s) of the Access Point	Yes. ELIA checks that: - The provided EAN code is in ELIA's database of Access Points;

	- The related Delivery Point is properly connected to this Access point on the basis of the information provided in the single line diagram.
Fast Track Nominal Reference Power	No. The data is considered as true and accurate by ELIA.
Choice of a Derating Factor	No. The data is considered as true and accurate by ELIA.
Opt-out Notification	Yes. ELIA checks if all the required questions (listed in annex 17.1.11 for an Opt-out Notification related to a Y-4 Auction and annex 17.1.12 for an Opt-out Notification related to a Y-1) are answered.

17.1.17 ANNEX A.17: NOMINAL REFERENCE POWER DETERMINATION WITH 1st & 3rd METHODS

This annex aims to represent the way the Nominal Reference Power of a Delivery Point is determined by using the 1st method (Use of historical data) or the 3rd method (prequalification test). The graphs below serve only as examples and are not based on actual data.

In the event that the CRM Actor chooses the 1st method for determining a Nominal Reference Power, the first step is to extract the quarter-hourly measurements related to a Delivery Point over a certain period of time. If the Delivery Point is connected to the grid since more than twelve months, this period is equal to twelve months. If not, the period starts with the date of the first injection or offtake into the Grid and ends with the approval of the Prequalification File.

The second step is to divide the time period into time series of thirty six hours (starting from 12:00 until 23:45 of the following day) and to determine the highest power variation during each of these thirty six hours. How this variation is determined depends on whether the Delivery Point is a consuming, injecting or both.

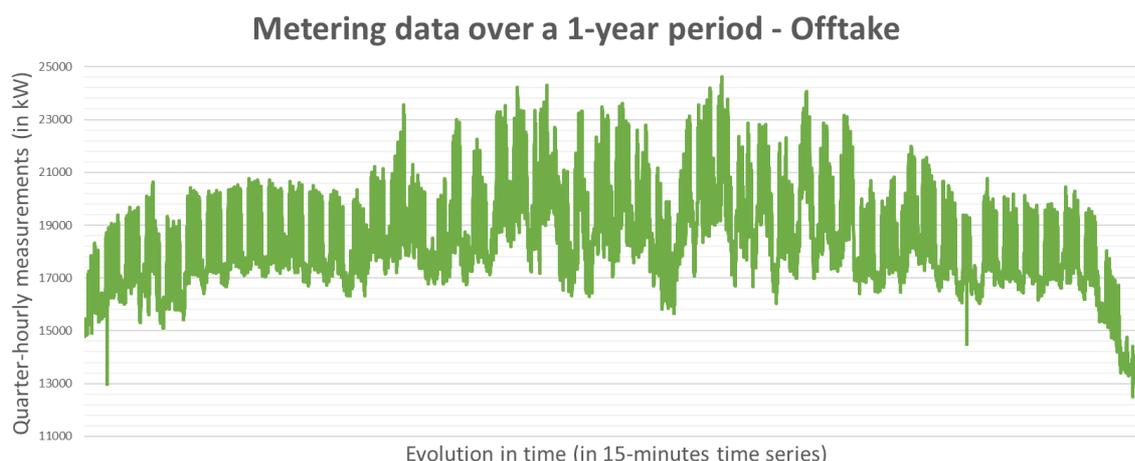
Finally, the third step is to determine the Nominal Reference Power of the Delivery Point by taking the highest power variation among all the power variation identified for each of the time series of thirty hours.

If the CRM Actor chooses the 3rd method for determining a Nominal Reference Power, only the second and the third steps apply.

17.1.17.1 Illustration with an offtake Delivery Point

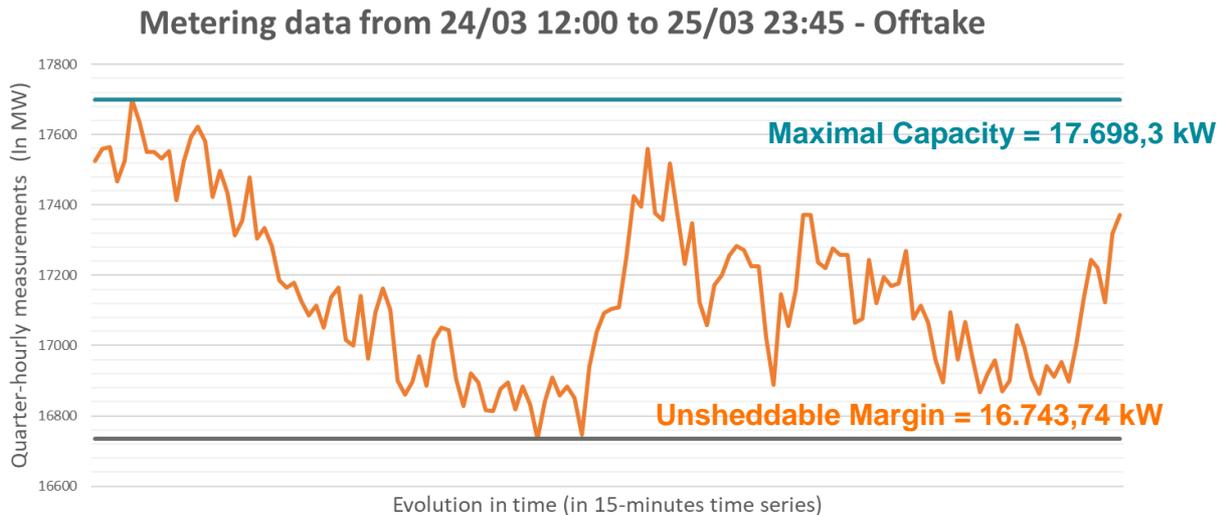
17.1.17.1.1 Step 1 – Historical data:

The following graph represents the quarter-hourly measurement for a consumption Delivery Point over twelve months.



17.1.17.1.2 Step 2⁴⁷ – Zoom on one period of thirty-six hours:

The graph below is an extension of the period from March 24th at 12:00 to March 25th at 23:45.



The Nominal Reference Power of the Delivery Point for the period going from March 24th 12:00 to March 25th 23:45 is obtained by determining the highest power variation. In case of offtake, this variation is done by making the difference between the highest quarter-hourly measurement and the maximum between the Unsheddable Margin (communicated by the CRM Candidate into the Prequalification file : 16,500 kW) and the lowest quarter-hourly measurement.

$$Nominal\ Reference\ Power_{period\ x} = 17,698.3 - \text{Max}(16,500; 16,743.74) = 954.56\ kW = 0.95\ MW$$

17.1.17.1.3 Step 3 – Maximum of all (365) periods

In this way, to determine the Nominal Reference Power of the Delivery Point – used for the CRM – ELIA selects the highest Nominal Reference Power amongst three hundred and sixty-five (in case of leap year) calculations, over a twelve months period of time:

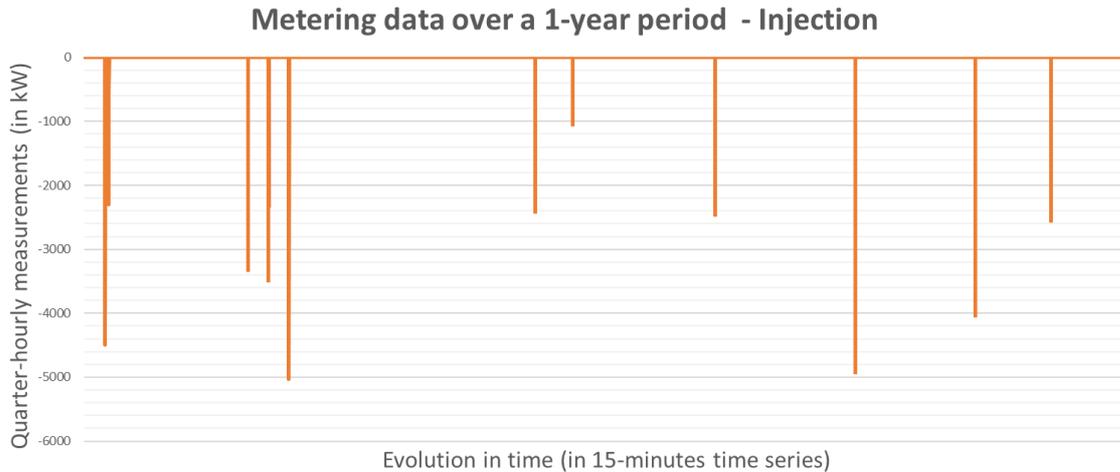
$$NRP_{Delivery\ Point} = \text{Max}(NRP_{period\ 1}; NRP_{period\ 2}; \dots; NRP_{period\ 365}) = 1,25\ MW$$

17.1.17.2 Illustration with an injection Delivery Point

17.1.17.2.1 Step 1 – Historical data:

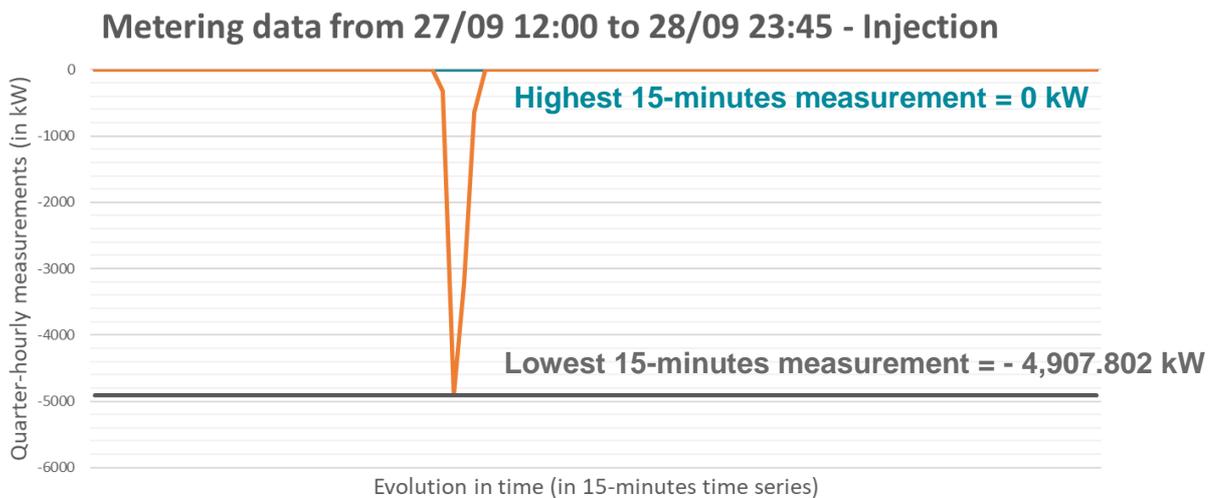
The following graph represents the quarter-hourly measurement for a consumption Delivery Point over twelve months.

⁴⁷ In the event that the CRM Candidate chooses the 3rd method (section 5.6.1.1.1.1.3) for determining a Nominal Reference Power, ELIA will go straight and only to this step two as the CRM Candidate does not want to use the historical data.



17.1.17.2.2 Step 2⁴⁸ – Zoom on one period of 36 hours:

The graph below is an extension of the period from September 27th at 12:00 to September 28th at 23:45.



To evaluate the Nominal Reference Power of a Delivery Point which is injecting electricity in the grid, ELIA determines the highest power variation. In case of injection, this variation is done by making the absolute value of the difference between the lowest quarter-hourly measurement and the minimum between the highest quarter-hourly measurement and zero.

$$\text{Nominal Reference Power}_{\text{period } x} = |-4,907.802 - \text{Min}(0 ; 0)| = 4,907.802 \text{ kW} = 5 \text{ MW}$$

⁴⁸ In the event that the CRM Candidate chooses the 3rd method (section 5.6.1.1.1.3) for determining a Nominal Reference Power, ELIA will go straight and only to this step two as the CRM Candidate does not want to use the historical data.

17.1.17.2.3 Step 3 – Maximum of all (365) periods

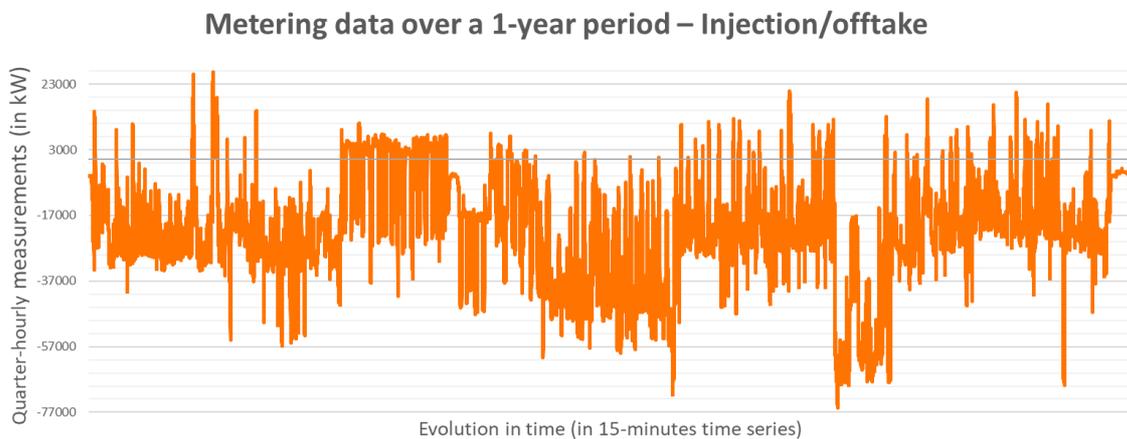
In this way, to determine the Nominal Reference Power of the Delivery Point – used for the CRM – ELIA selects the highest Nominal Reference Power amongst the three hundred and sixty-five (in case of leap year) calculations, over a twelve months period of time:

$$NRP_{Delivery\ Point} = Max (NRP_{period\ 1}; NRP_{period\ 2}; \dots; NRP_{period\ 365}) = 5,03\ MW$$

17.1.17.3 Illustration with both injection and offtake Delivery Point

17.1.17.3.1 Step 1 – Historical data:

The following graph represents the quarter-hourly measurement for a Delivery Point which is both injecting and consuming on the ELIA Grid over a period of twelve months.

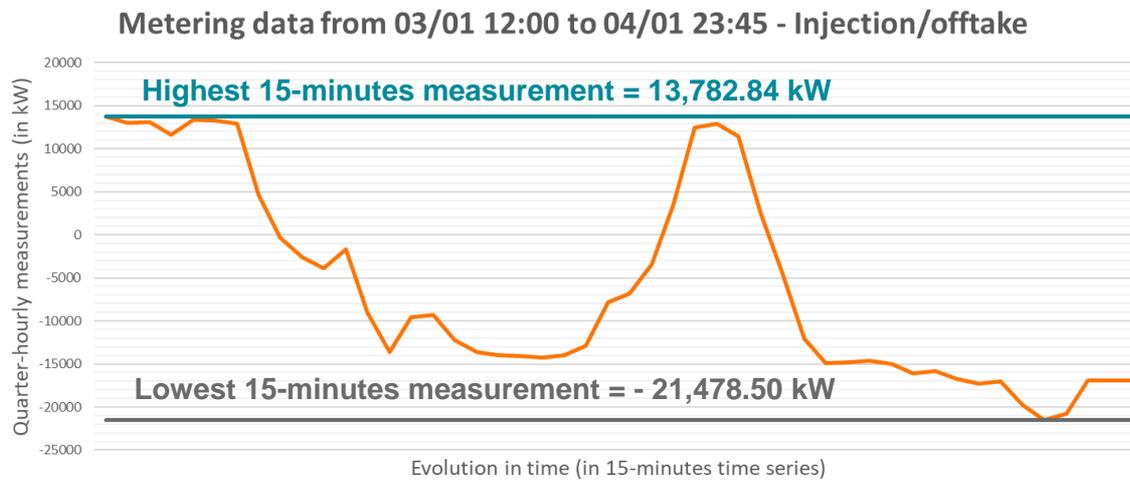


The positive data refers to consumption in the grid and the negative data to the injection on the grid.

17.1.17.3.2 Step 2⁴⁹ – Zoom on one period of 36 hours:

The graph below is an extension of the period from January 03rd at 12:00 to January 04th at 23:45.

⁴⁹ In the event that the CRM Candidate chooses the 3rd method (section 5.6.1.1.1.3) for determining a Nominal Reference Power, ELIA will go straight and only to this step two as the CRM Candidate does not want to use the historical data.



To evaluate the Nominal Reference Power of a Delivery Point combining injection and offtake over a specific period of time (as represented in the graph above), ELIA makes the difference between the highest quarter-hourly measurement and the maximum between the Unsheddable Margin (communicated by the CRM Candidate into the Prequalification file : 0 kW) and the lowest quarter-hourly measurement.

$$\text{Nominal Reference Power}_{\text{period } x} = 13,782.80 - \text{Max}(0 ; - 21,478.54) = 35,261.34 \text{ kW} = 35.26 \text{ MW}$$

17.1.17.3.3 Step 3 – Maximum of all (365) periods

In this way, to determine the Nominal Reference Power of the Delivery Point – used for the CRM – ELIA selects the highest Nominal Reference Power amongst the three hundred and sixty-five (in case of leap year) calculations, over a twelve months period of time:

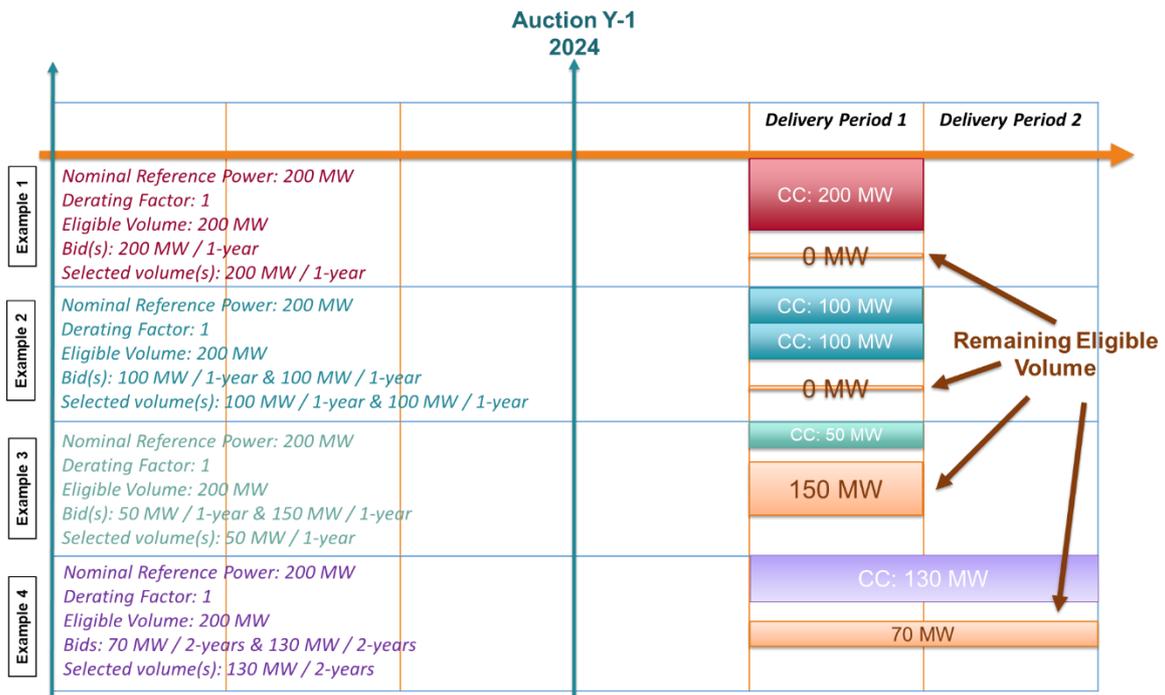
$$NRP_{\text{Delivery Point}} = \text{Max}(NRP_{\text{period } 1}; NRP_{\text{period } 2}; \dots; NRP_{\text{period } 365}) = 57,05 \text{ MW}$$

17.1.18 ANNEX A.18: REMAINING ELIGIBLE VOLUME

This annex aims to resume schematically what is a Remaining Eligible Volume in some different possible cases. Of course, a combination of these cases is also possible in practice. In such circumstances, ELIA applies the corresponding combination of the rules to determine the Remaining Eligible Volume.

17.1.18.1 Illustration 1: Contracted Capacity lower than the Eligible Volume

The following diagram includes four situations that could happen following the Auction Y-4 of 2021 (the presented examples can be applied to other Auction years). The Capacity Provider contracted some Capacities for the Delivery Period 1 in example 1, 2 and 3 and and for the Delivery Period 2 in example 4.



The Remaining Eligible Volume of the four examples represents the maximum capacity of a Transaction on the Primary Market that the Capacity Provider can contract for the Delivery Period 1 in the case of examples 1, 2 and 3 and for the Delivery Period 2 in the case of example 4. This volume differs from the Eligible Volume because the Capacity Provider already contracted a Capacity for the same Delivery Period(s):

$$[Remaining\ Eligible\ Volume]_{CMU,TP} = \text{Max} (0; [Eligible\ Volume]_{CMU} - [Total\ Contracted\ Capacity]_{CMU,TP})$$

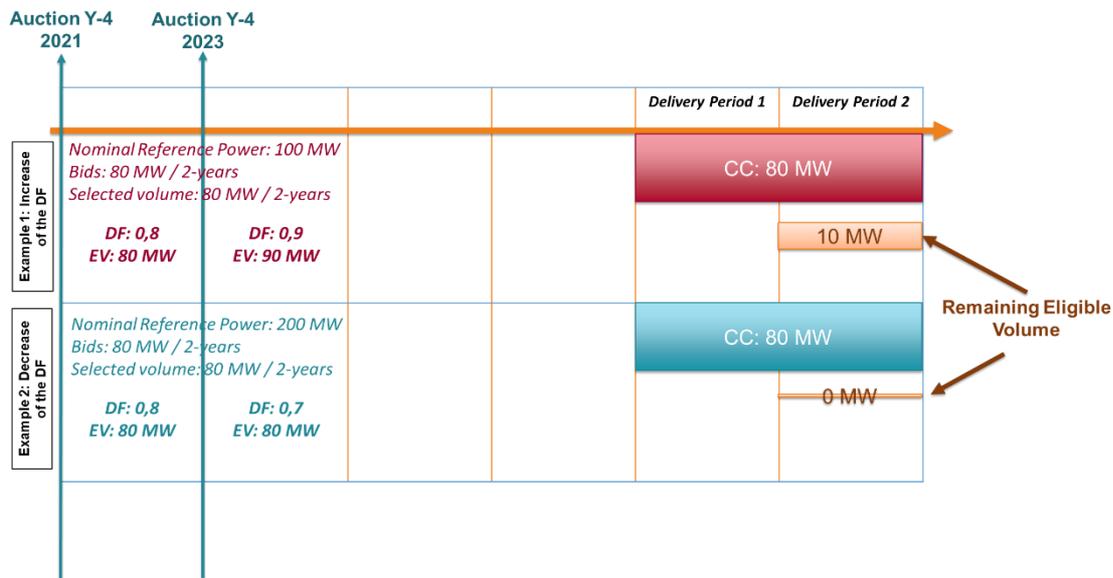
In the above examples, the Remaining Eligible Volume is equal to:

- $\text{Max} (0; 200 - 200) = 0\ MW$, for example 1;
- $\text{Max} (0; 200 - [100 + 100]) = 0\ MW$, for example 2;

- $Max(0; 200 - 50) = 150 MW$, for example 3;
- $Max(0; 200 - 130) = 70 MW$, for example 4;

17.1.18.2 Illustration 2: Increase of the Derating Factor over time

The following diagram includes two situations that could happen following the Auction Y-4 of 2021 (the presented examples can be applied to other Auction years). The Capacity Provider contracted some Capacities for the Delivery Period 1 and for the Delivery Period 2.



The Remaining Eligible Volume of the two examples represents the maximum capacity of a Transaction on the Primary Market that the Capacity Provider can contract for the Delivery Period 2. This volume differs from the Eligible Volume because the Capacity Provider already contracted a Capacity for the same Delivery Period(s):

$$[Remaining\ Eligible\ Volume]_{CMU,TP} = Max(0; [Eligible\ Volume]_{CMU} - [Total\ Contracted\ Capacity]_{CMU,TP})$$

In the above examples, the Remaining Eligible Volume is equal to:

- $Max(0; 90 - 80) = 10 MW$, for example 1;
- $Max(0; 80 - 80) = 0 MW$, for example 2;

17.1.19 ANNEX A.19: CHANGE FROM ADDITIONAL CAPACITY TO EXISTING CAPACITY

To achieve the target defined for an Additional CMU in paragraph 324 and therefore to make the Contracted Capacity(ies) to be considered as (an) Existing Capacity(ies) by ELIA before the start of the related Delivery Period(s) DP, the Capacity Provider accesses the Prequalification File related to his Additional CMU via the CRM IT Interface and follows the process below:

- a) The information directly related to this Additional CMU and listed in the Table 2 of section 5.4.1.1.2 do not have to be adapted because this data has been already submitted to ELIA at the time of the Additional CMU's prequalification;
- b) The information already submitted during the prequalification of the Additional CMU (linked to the CMU or to the Delivery Point(s)) does not have to be provided again (therefore the Existing Delivery point(s) – if any – no longer need(s) to be completed).
- c) The Capacity Provider accesses each Additional Delivery Point part of the Additional CMU that he wants to change in Existing Delivery Point and provides the data and documents⁵⁰ listed in section 5.4.1.1.1, related to Existing Delivery Points and not submitted yet during the prequalification of the Additional CMU.
- d) When the data and documents have been filled in for each Additional Delivery Point part of the CMU that the Capacity Provider wants to change in Existing Delivery Point, the Capacity Provider submits his file to ELIA.
- e) ELIA reviews the changes implemented by the Capacity Provider in the file by following the same process and timing as defined in paragraph 85 to 89 (The purpose of this step is to know if the file can be considered as "approved" after the implementation of the changes).
- f) If the file gets its "approved" status, ELIA starts with the volumes determination process:
 - i. The Nominal Reference Power of each new Existing Delivery Point is determined following the processes and timings of the section 5.6.1.1.1;
 - ii. The Nominal Reference of the CMU is determined by ELIA following the formula of the section 5.6.1 and therefore consists in summing the Nominal Reference Power of each new Existing Delivery Point with the last updated Nominal Reference Power of each Delivery Point already considered as Existing Delivery Point during the Prequalification Process of the Additional CMU ;
 - iii. The Reference Power, the Eligible Volume_{eq} and the Secondary Market Eligible Volume are determined by ELIA by respectively following the rules of sections 5.6.3, 5.6.4.1 and 5.6.5;
 - iv. The results notification of these volumes to the Capacity Provider is done by following the rules and timings of section 5.5.2.

By following the process described above, the Capacity Provider shall also respect the rules defined below:

- The submission of the data into the file to make the Contracted Capacity(ies) available before the start of the Delivery Period(s) DP is consistent with the information received in the quarterly reports;

⁵⁰ It is at this step that the Capacity Provider has the possibility to provide an EAN code for a Delivery Point (in case it was not done yet during the Prequalification Process of the Additional CMU- that will be used by ELIA to determine the Pre-delivery Measured Power of a Delivery Point for the partial existing pre-delivery control as detailed in annex 17.2.7)

- The Capacity Provider, his CMU(s) and his Delivery Point(s) are compliant with the eligibility conditions defined in section 5.3;
- The Capacity Provider can access the file to change an Additional Capacity into an Existing Capacity whenever he wants during the related Pre-delivery Period(s);
- It is the Capacity Provider's responsibility to include the time needed by ELIA to consider the file as "approved" before the start of the Delivery Period *DP* it has been initially contracted for as per paragraph 324 ;
- ELIA cannot be held responsible in the event that the Capacity Provider has not the possibility to finalize his file(s) prior to the target defined for the Additional CMU in paragraph 324;

17.1.20 ANNEX A.20: CHANGE FROM VIRTUAL TO EXISTING CMU

To achieve the two targets defined for the VCMU in paragraph 324 and therefore to change from a VCMU to one or more Existing CMU(s) in order to make the Contracted Capacity(ies) available before the start of the Delivery Period *DP*, the Capacity Provider shall prequalify one or more CMU(s) and respect the following rules:

- The Capacity Provider prequalifies only Existing CMU(s);
- His CMU(s) and his Delivery Point(s) are compliant with the eligibility conditions defined in section 5.3;
- There is no limit for the number of Existing CMUs to prequalify;
- To prequalify the Existing CMU(s), the Capacity Provider follows the entire standard Prequalification Process (as per chapter 5);
- The rules and the timings to prequalify an Existing CMU(s) in this situation are exactly the same as the ones described for a standard Prequalification Process in the chapter 5;
- The Capacity Provider can prequalify an Existing CMU whenever he wants during the related Pre-delivery Period;
- The link of the created Existing CMU(s) with the VCMU is notified (as per section 5.4.1.1.2) during the Prequalification Process(s) of the Existing CMU(s) and as part of the first Prequalification File submission date (date defined in paragraph 73) for each CMU;
- It is the Capacity Provider's responsibility to include the time needed by ELIA to prequalify the Existing CMU(s) before the two targets defined for the VCMU in paragraph 324;
- ELIA cannot be held responsible in the event that the Capacity Provider has not the possibility to finalize his Prequalification File(s) prior to the two targets defined for the VCMU in paragraph 324;
- To complete his Existing CMU(s), the Capacity Provider cannot use Delivery Points that already went through a standard or a fast track Prequalification Process in the past.

The link with the VCMU is done during this standard Prequalification Process. However, this is not sufficient to consider that the VCMU has become one or more Existing CMU(s). Indeed, to do so, the Contracted Capacity(ies) related to the VCMU has(have) also to be transferred to the created Existing CMU(s). This transfer happens via the Secondary Market. The rules and timings of the chapter 9 apply in that situation.

Therefore, as soon as an Existing CMU is prequalified by the Capacity Provider, the latter uses the Secondary Market to transfer the Contracted Capacity(ies) related to the Transaction(s) on the VCMU towards the associated Existing CMU.

The Capacity Provider can use more than one CMUs to take over the obligations of a same Transaction (related to the VCMU) and a same CMU to take over the obligations of more than one Transactions (related to the VCMU).

17.1.21 ANNEX A.21: COOPERATION AGREEMENT ELIA – CDSO ON THE EXCHANGE OF DATA REQUIRED FOR THE PROVISION OF THE SERVICE

Between:

ELIA Transmission Belgium SA/NV, a company incorporated under Belgian law with its registered office at Boulevard de l'Empereur 20, B-1000 Brussels, registered under company number 731.852.231 and represented by its duly authorized agents XXX and XXX,

hereinafter referred to as '**ELIA**'

and

[●●●●], a company established under [●●●●] law with the company registration number [●●●●], having its registered office at [●●●●], validly represented in this matter by and, in their respective capacities of and,

hereinafter referred to as the '**Closed Distribution System Operator**' as identified in Appendix 14 of the access contract concluded with ELIA (reference).

ELIA and/or the Closed Distribution System Operator may also be referred to individually as the 'Party' or jointly as the 'Parties'.

Whereas:

- ELIA has been appointed as grid operator at Belgian federal and regional level.
- The Closed Distribution System Operator operates a Closed Distribution System as identified in Appendix 14 of the access contract concluded with ELIA (reference, hereinafter referred to as the 'Access Contract').
- Within the framework of the Capacity Remuneration Mechanism (hereinafter referred to as the 'CRM'), ELIA organises an Auction for which a ministerial instruction has been issued pursuant to the Electricity Act. In view of the CRM, the Closed Distribution System User has initiated the Prequalification Process in order to make a Transaction and provide the Service pursuant to the Functioning Rules applicable to the relevant Delivery Period (hereinafter referred to as the 'Functioning Rules').
- As the Delivery Point is located within the Closed Distribution System, this cooperation agreement between ELIA and the Closed Distribution System Operator sets out the Parties' rights and obligations needed to allow the Closed Distribution System User to participate in the provision of the Service. This cooperation agreement outlines the operational terms and conditions governing the exchange of metering data between ELIA and the Closed Distribution System Operator concerning the energy flows specific to the supply thereof.
- This cooperation agreement is concluded between ELIA and the Closed Distribution System Operator prior to the prequalification of the Delivery Point(s) in question by the CRM candidate (hereinafter referred to as the 'CRM Candidate'). This CRM Candidate may be the Closed Distribution System User or may take over the Closed Distribution System User's Delivery Point, possibly as part of a portfolio of Delivery Points.

The following has been agreed:

ARTICLE 1: CONNECTION TO THE ACCESS CONTRACT

The Closed Distribution System Operator must have signed Appendices 14 and 14bis of the Access Contract with ELIA prior to concluding this cooperation agreement.

This cooperation agreement outlines the Parties' rights and obligations regarding the operational terms and conditions governing the exchange of metering data between ELIA and the Closed Distribution System Operator concerning the energy flows specific to the provision of the Service as well as communication of other specific data necessary for the provision of said Service. They supplement those rights and obligations set out in the Access Contract concluded by ELIA and the Closed Distribution System Operator, particularly in Appendix 14 of said Access Contract. In case of conflict of interpretation between this cooperation agreement and one or more provisions of the Access Contract, the provisions of the Access Contract prevail.

Each Party is aware of the mutual coherence between this cooperation agreement, the Access Contract and the Capacity Contract concluded after the Transaction Validation Date of a first Transaction by the Capacity Provider and ELIA, all of which are essential for the implementation of this cooperation agreement. The Parties ensure that the proper implementation of this cooperation agreement is based on the existence and proper implementation of the necessary contracts with the third parties concerned, and that these contracts take into account, as and where necessary, the obligations imposed by this cooperation agreement.

This cooperation agreement also forms part of the Functioning Rules, which must be adhered to for the provision of the Service.

ARTICLE 2: DEFINITIONS

The various terms used in this cooperation agreement, whether capitalised or not, are to be understood within the meaning of the concepts defined in the Electricity Act, the decrees and/or ordinances relating to the organisation of the electricity market, the Functioning Rules and/or the various applicable grid codes, as well as, on a secondary and subsidiary basis, the Access Contract.

ARTICLE 3: PURPOSE OF THE AGREEMENT

This cooperation agreement governs the Parties' rights and obligations to allow the the Closed Distribution System User to provide the Service, with regard to the operational terms and conditions governing the exchange of metering data between ELIA and the Closed Distribution System Operator.

The Closed Distribution System User is located on the following Closed Distribution System:

Name of the Closed Distribution System	ELIA access point (EAN code)	Address of the Closed Distribution System site

The Closed Distribution System User(s) covered by this cooperation agreement is/are:

- [••••], a company established under [••••] law with the company registration number [••••], having its registered office at [•••••]

- [••••], a company established under [••••] law with the company registration number [••••], having its registered office at [•••••]

A list of the Delivery Point(s) from which the Service is provided and concerned by the exchange of metering data and the communication of other specific data necessary for the provision of this Service is provided below. Prior to the activation of the Service, the Delivery Point(s) must possess a meter that satisfies the technical requirements set out in the applicable grid code as a minimum.

Annex 2.1 contains all the technical details concerning these Delivery Points, including the list of the individual meters associated with the Delivery Point(s) in question and the corresponding metering equation where applicable, for example when several meters are associated with a single Delivery Point.

At ELIA's request and when required, pursuant to Article 6 of this agreement, the Closed Distribution System Operator shall also provide the contractual information described in Annex 2.2 for the specified Delivery Point(s) associated with the provision of the Service.

ARTICLE 4: GENERAL OBLIGATIONS CONCERNING THE EXCHANGE OF METERING DATA

4.1. Obligations concerning the exchange of metering data

Pursuant to Article 3.2 of Appendix 14 of the Access Contract concluded between ELIA and the Closed Distribution System Operator, the Closed Distribution System Operator provides ELIA with the metering data recorded by the meters associated with the Delivery Point(s) in question using the protocols and data exchange formats specified in Annex 1 of this cooperation agreement.

Pursuant to Article 3 of Appendix 14 of the Access Contract concluded between ELIA and the Closed Distribution System Operator and to Article 5.3 of this cooperation agreement, the Closed Distribution System Operator shall be liable for the correct values and validation of the metering data communicated to ELIA. Such data shall comprise metering data associated with the Delivery Point(s) in question and with the corresponding CDS Access Point(s) as per Annex 2.1.

The Closed Distribution System Operator shall be responsible for installing, managing, maintaining and inspecting the meters belonging to its closed distribution system, as well as the data management systems used to communicate and exchange with ELIA those metering data referred to in this cooperation agreement. Any and all costs associated with the collection, validation and communication of metering data under this cooperation agreement shall be borne by the Closed Distribution System Operator and/or the Closed Distribution System User, based on any agreements concluded between them.

4.2. Confidentiality and ownership of metering data concerning the User of the Closed Distribution System and of other information communicated for the purpose of the provision of the Service

The Closed Distribution System Operator declares that it has received explicit authorisation from the Closed Distribution System User to send to ELIA the metering data (quarter-hourly values of active power) for its Delivery Point and the corresponding CDS Access Point, as well as the additional information necessary for the provision of the Service pursuant to the templates in Annexes 2.1 and 2.2.

Such authorisation is set down in the CDSO Declaration that the CRM Candidate submits to ELIA as part of the Prequalification File.

This specific communication takes place in line with the confidentiality obligation which the Parties are bound to observe with regard to data of the Closed Distribution System User. Furthermore,

the Parties accept that the confidentiality of the data cannot be invoked between them, nor with regard to the Closed Distribution System User and/or the CRM Candidate when the latter is not the Closed Distribution System User, all of whom are involved in the implementation of this cooperation agreement.

The communication of the data of the Closed Distribution System User to ELIA shall under no circumstances entail a transfer of ownership of said data to ELIA or the Closed Distribution System Operator.

ARTICLE 5: IMPLEMENTATION OF METHODS FOR COMMUNICATING AND EXCHANGING METERING DATA

5.1. Tests and certificates of conformity for meters

The methods for communicating and exchanging data as set out in Annex 1 must be authenticated, tested, implemented and functional between the Parties prior to the successful completion of the prequalification of the related Delivery Point(s).

The Closed Distribution System Operator and ELIA shall organise the tests needed in order to implement the methods for communicating and exchanging data prior to the end of the Prequalification Process of the Delivery Point(s) in question.

The Closed Distribution System Operator shall contact ELIA to deal with the practical organisation of these tests. Each Party shall bear any costs that it incurs in relation to the communication tests.

5.2. Checking metering data and means of communication

Throughout the provision of the Service, ELIA has the right to test/inspect (or have others test/inspect), at any time and with prior justification, each of the elements involved in the transmission of metering data, including the meters listed in Annex 2.1 and the metering data management/validation system of the Closed Distribution System in order to verify that they meet the criteria set out in this cooperation agreement and/or the technical documents describing the provision of the Service.

In case the test results highlight problems with the metering data, particularly with regard to the conformity of the meters or the processes for transmitting metering data, ELIA and the Closed Distribution System Operator shall consult one another to find appropriate operational solutions.

During the term of this cooperation agreement, the Parties undertake to notify one another, as quickly as possible, should one Party become aware of any event or information which said Party can reasonably assume will likely have an unfavourable impact on the other Party's fulfilment of its obligations.

5.3. Liability

As an exception to Article 1 of this cooperation agreement, the liability regime applicable between the Parties is that detailed below.

The Party responsible shall compensate the other Party for all demonstrable costs incurred by the latter and arising directly from these prejudicial situations as well as all demonstrable costs which it might be required to pay to a third party, where necessary, owing to the occurrence of these situations:

- The meters, the methods for communicating metering data or the metering data themselves, as well as the other necessary additional information as per Annex 2.2, do not appear to

comply with the criteria set out in this cooperation agreement and/or the technical documents describing the provision of the Service.

- One of the Parties experiences problems regarding the data or the exchange of data referred to in this cooperation agreement that would prevent the active energy volume notification for the provision of the Service within the perimeter of the access responsible party or parties in question or would in any way disrupt the activation of the provision of the Service, including delays or errors in the transmission of the metering and/or allocation data to ELIA in relation to the criteria set out in Annex 1.
- There is a delay affecting the installation of the equipment required to ensure the conformity of the meters or the transmission of the metering data, this delay being caused by a serious error on the part of the Closed Distribution System Operator or the Closed Distribution System User who provides the Service to ELIA, making it difficult or impossible to provide the Service.
- One of the Parties fails to honour the other obligations set out in this cooperation agreement, provided that the principle of damage limitation is not adhered to.

Said demonstrable costs are hereinafter referred to as 'Damage'.

The Parties are liable to one another only for Damage caused by fraud, wilful misconduct or gross negligence committed by one of the Parties against the other under this cooperation agreement.

Total liability for Damage due to gross negligence is capped at €1 million per instance of Damage per year and at €5 million per year for all claims from the Parties and third parties that are based entirely or primarily on the same confirmed or suspected cause. Claims from the Parties and third parties shall, where appropriate, be settled proportionately.

This limitation of liability shall not apply to Damage caused by fraud or wilful misconduct.

During the term of this cooperation agreement, the Parties shall make every effort to avoid and, where necessary, limit any Damage caused by one Party and affecting the other. In case of an incident or event giving rise to one of the Parties' liability, the Parties shall consult one another to take all appropriate measures that may reasonably be expected of them in order to limit the Damage to the other Party.

5.4. Data hierarchy

The Parties expressly acknowledge that the metering data collected by ELIA via Headmetering as specified in the Connection Contract between ELIA and the Closed Distribution System Operator shall be considered the single and universal reference for ELIA's invoicing of energy to the Closed Distribution System Operator, as per the Access Contract concluded by the Parties, and the Closed Distribution System Operator shall under no circumstances be able to challenge these data on the basis of data from the Delivery Points.

ARTICLE 6 OBLIGATION CONCERNING CONTRACTUAL INFORMATION FOR THE DELIVERY POINTS IN QUESTION

The Closed Distribution System Operator shall ensure that the Closed Distribution System User providing the Service to ELIA has an access responsible party for its Delivery Point prior to the provision of the Service pursuant to Article 4.2 of Appendix 14 of the Access Contract.

Prior to the start of the provision of the Service, the Closed Distribution System Operator informs ELIA of the name of the access responsible party (or parties) and energy supplier relevant to the Delivery Point(s) of the Closed Distribution System User providing the Service to ELIA, said Delivery Point(s) being specified in Annexes 2.1 and 2.2 of this cooperation agreement.

Should the access responsible party (or parties) and/or the energy supplier of the Delivery Point(s) change during the period of the provision of the Service, the Closed Distribution System Operator must update this information by sending ELIA their name(s) no later than five days before the actual change, provided that the Closed Distribution System Operator is informed of this change within this timeframe by the Closed Distribution System User.

The information communicated to ELIA in accordance with the template in Annex 2.2 shall only be valid for the duration of the provision of the Service. Should the Service be renewed, the Closed Distribution System Operator shall resend this information to ELIA in accordance with the template in Annex 2.2, even if this information has not changed.

Furthermore, if the Delivery Point covered by this cooperation agreement is excluded from the provision of the Service pursuant to the Capacity Contract or the Functioning Rules for any reason whatsoever, ELIA shall notify the Closed Distribution System Operator as soon as possible.

ARTICLE 7 RECORDINGS

As most of the information exchanged between the Parties under this agreement may, in one way or another, influence ELIA's management of its grid, it is important to have sufficient traces of such exchanges. The Parties consequently accept that oral communication, including telecommunication, is recorded. The Parties shall inform their representatives and employees, who may communicate with the other Party through such means, that their conversations are recorded. The Parties shall take appropriate measures to keep these recordings safe and to limit access thereto to those who have a reasonable need thereof. The recordings in question shall at no time be used for any claim whatsoever against any natural person.

ARTICLE 8 INFORMATION ON THE RISK OF LOAD TRANSFER WITHIN THE CLOSED DISTRIBUTION SYSTEM

Pursuant to Article 6 of Appendix 14 of the Access Contract concluded between ELIA and the Closed Distribution System Operator, the Closed Distribution System Operator shall inform ELIA, prior to the conclusion of the contract for the provision of the Service, whether the load of the User of the Closed Distribution System providing the Service could be switched to another point on the Closed Distribution System upon activation of flexibility. In this case, the Closed Distribution System Operator shall inform ELIA, at ELIA's request, of any switching of the load of the User of the Closed Distribution System providing the Service of which the Closed Distribution System Operator becomes aware upon activation of flexibility.

Should the Closed Distribution System Operator fail to fulfil this obligation, it shall be liable to ELIA for any damaging consequences, pursuant to Article 5.3 of this cooperation agreement, without prejudice to any recourse by the Closed Distribution System Operator against the User of the Closed Distribution System in the event of a breach by the latter of its obligation not to transfer the load.

ARTICLE 9 AGREEMENT TERM AND AMENDMENTS

This agreement shall come into force at midnight on [...] for an indefinite period of time. A Party may terminate the agreement by means of registered letter addressed to the other Party, subject to a minimum notice period of [x] months from the first calendar day of the month following the month in which the registered letter was sent, given also that said minimum notice period is extended until the end (contractually agreed, where applicable, in advance) of the Capacity Contract. This does not affect the rights and obligations of the terminating Party during the notice period and does not automatically entitle the other Party to compensation.

ELIA may unilaterally amend this cooperation agreement in the event of changes to the Capacity Contract or the Access Contract in order to align it with these modified contracts, subject to a

minimum notice period of [x] months from the first calendar day of the month following the month in which the registered letter was sent. Rejection of the amended cooperation agreement before the expiry of the notice period automatically triggers the termination of this agreement, given also that said minimum notice period is extended until the end (contractually agreed, where applicable, in advance) of the Capacity Contract. In this case, the amended conditions of this cooperation agreement shall apply for the remaining term of the Capacity Contract.

ARTICLE 10 ENTRY INTO FORCE AND TERM

This agreement shall come into force for an indefinite period of time once it has been signed by both Parties, subject to the suspensive condition that all appendices have been sent to ELIA.

Done in Brussels on [date] in duplicate, with each Party acknowledging receipt of one original copy.

ELIA System Operator NV/SA

Name:

Title:

[•]

Name:

Title:

APPENDIX 1 COMMUNICATION METHODS - DATA EXCHANGE FORMATS

The communication methods and formats of data exchanges between ELIA and the Closed Distribution System Operator are described in the document 'Metering data exchanges for CDS Operator', which is available [here](#).

Link: <http://www.elia.be/en/grid-data/extranet-for-customers/metering/technical-information>

APPENDIX 2 FEATURES OF DELIVERY POINT METERING AND CONTRACTUAL INFORMATION CONCERNING THE DELIVERY POINTS IN QUESTION

2.1 Features of Delivery Point metering

The features of metering at the Delivery Points must be communicated to ELIA in the 'CDS Metering Technical Info Checklist'.

This checklist is formally communicated by the CRM Candidate to the Closed Distribution System Operator during the Prequalification Process, since the Closed Distribution System Operator must complete this document to allow the qualification of the Delivery Point for the provision of the Service⁵¹.

⁵¹ This document is added to the signed CDSO Declaration that is submitted to ELIA by the CRM Candidate.

The CDS Metering Technical Info Checklist is available on the ELIA website.

2.2 Contractual information concerning the Delivery Points in question

Closed Distribution System Operator: [name]

Date on which the contractual information was sent to ELIA: xxx

CDS User	CDS Access Point	Identification of the Delivery Point	Access Party Responsible for the monitoring of the energy in the Delivery Point		Supplier on the CDS Access Point
			Name	GLN (Global Location Number)	

APPENDIX 3 POINTS OF CONTACT

For ELIA:

Monitoring of the contract:
Monitoring of the metering data:

For the CDSO:

Monitoring of the contract:
Monitoring of the metering data:

17.2. ANNEX B: PRE-DELIVERY CONTROL

17.2.1 ANNEX B.1: PRE-DELIVERY PERIOD CHARACTERISTICS

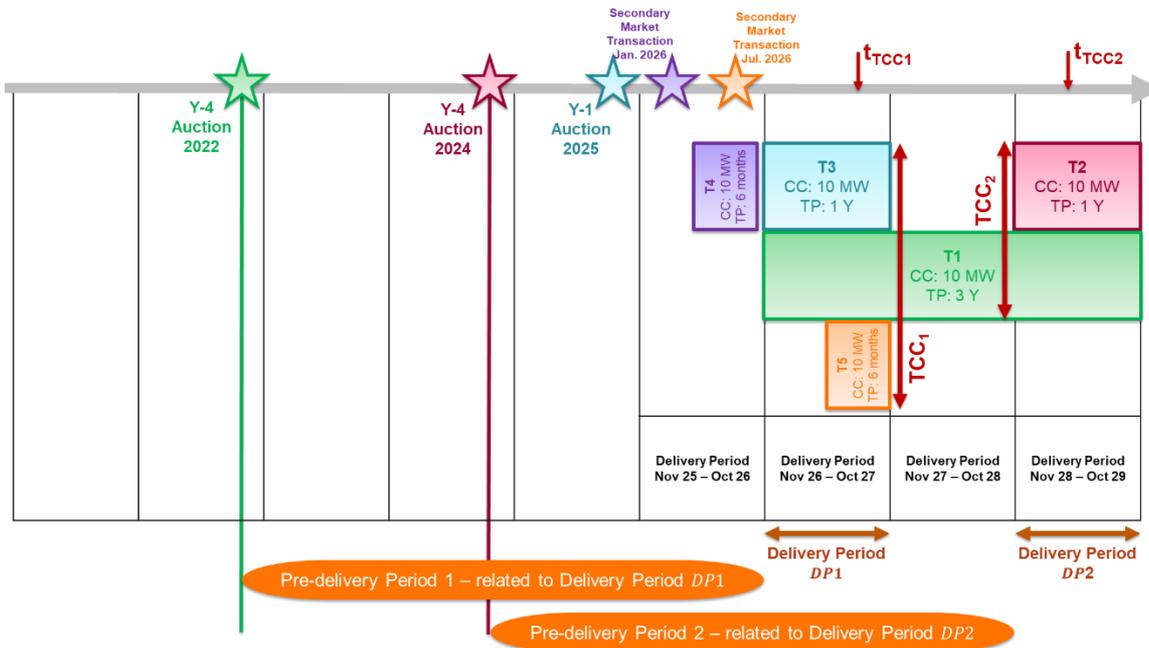
As stated in section 7.2.1.1, the Pre-delivery Period is related to one CMU and one Delivery Period. This Delivery Period – referred to hereafter as the Delivery Period *DP* – is related to at least one Transaction provided that such Transaction(s):

- Result(s) from one or more selection(s) in the Primary Market; or
- Correspond(s) to one or more validated Secondary Market Transaction(s) but only if the related Transaction Date takes place before the start of the Delivery Period containing the Transaction Period start date.

In addition to the above and related to the same CMU, it is interesting to also mention that:

- The Delivery Period *DP* may include or be overlapped by one or more Transaction Period;
- The Delivery Period *DP* includes at least the start date of one Transaction Period;
- The Delivery Period *DP* is located after the end date of the Delivery Period in which a pre-delivery control takes place;
- There are as many Pre-delivery Periods as there are Delivery Periods related to the CMU which include different Transaction Period start date.

All of the above is illustrated with an example in the following diagram:



In the diagram above:

- Transaction 4 is not linked to a Pre-delivery Period because the related Transaction Date takes place after the start of the Delivery Period containing the Transaction Period start date;
- There are two Pre-delivery Periods in this example because there are two Delivery Periods *DP* including a different Transaction Period start date:
 - Delivery Period *DP1* "November 2026 – October 2027" includes three Transaction start dates:
 - The one related to Transaction 1
 - The one related to Transaction 3
 - The one related to Transaction 5
 - Delivery Period *DP2* "November 2028 – October 2029" includes one Transaction start date:
 - The one related to Transaction 2
- The Pre-delivery Period 1:
 - Starts with the first Transaction Validation Date which is the one related to Transaction 1;
 - Is only related to Transaction 1 between the Transaction Validation Date of Transaction 1 and the Transaction Validation Date of Transaction 3
 - Is common for Transaction 1 and 3 from the Transaction Validation Date related to Transaction 3 and until the Transaction Validation Date related to Transaction 5;
 - Is common for Transaction 1, 3 and 5 from the Transaction Validation Date related to Transaction 5;
 - Ends when the Delivery Period *DP1* starts;
 - Is related to a maximum Total Contracted Capacity which is equal to:

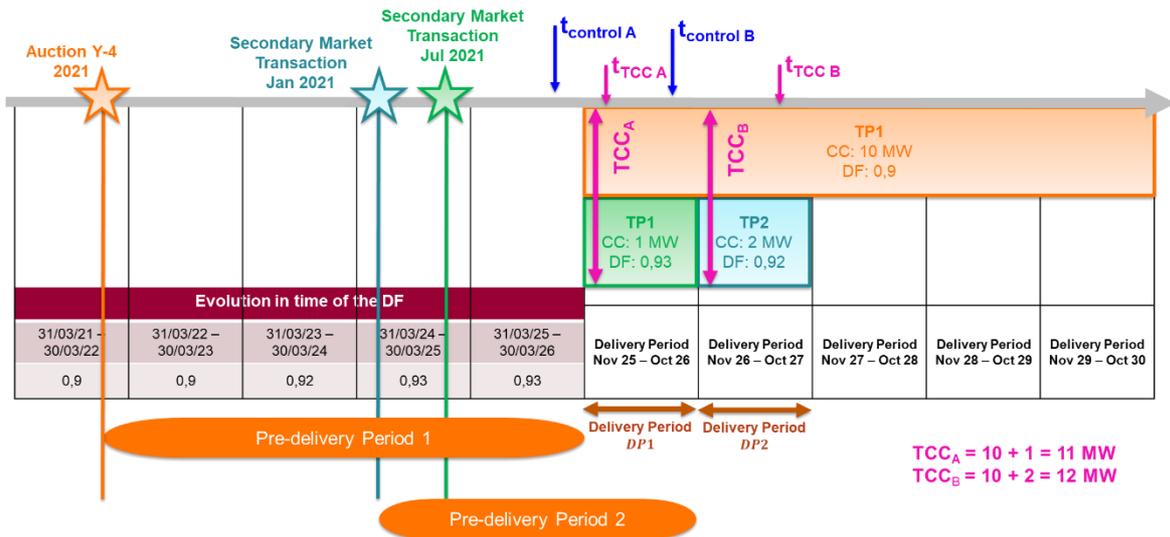
$$TCC_1 = 10 \text{ MW} (CC T1) + 10 \text{ MW}(CC T3) + 10 \text{ MW}(CC T5) = 30 \text{ MW}$$
- The Pre-delivery Period 2:
 - Starts with the first Transaction Validation Date which is the one related to Transaction 2;
 - Is only related to Transaction 2;
 - Ends when the Delivery Period *DP2* starts;
 - Is related to a maximum Total Contracted Capacity which is equal to:

$$TCC_2 = 10 \text{ MW} (CC T2) + 10 \text{ MW}(CC T1) = 20 \text{ MW}$$
- The Delivery Period "November 2027 – October 2028" is not linked to a Pre-delivery Period because it does not include a Transaction Period start date;

17.2.2 ANNEX B.2: PRE-DELIVERY OBLIGATION FOR AN EXISTING CMU

The two following diagrams represents two examples of how to identify the Pre-delivery Obligation for an Existing CMU:

- The first example is for a Non-energy Constrained CMU;
- The second example is for an Energy Constrained CMU.



17.2.2.1 Non-energy Constrained CMU

The Pre-delivery Obligation for a control at $t_{\text{control A}}$

$$\begin{aligned}
 & [PreDelivery\ Obligation]_{\text{control A}} \\
 &= 80\% \times \left(Total\ Contracted\ Capacity_{\max}(CMU, DP) \right. \\
 &\quad \left. - \sum_{i=1}^n [Contracted\ Capacity(CMU, Transaction_i, t_{\text{control A}}, t_{TCC A})] \right) \\
 &= 80\% \times ((10 + 1) - 0) = 8,8 \text{ MW}
 \end{aligned}$$

The Pre-delivery Obligation for a control at $t_{\text{control B}}$

$$[PreDelivery\ Obligation]_{\text{control B}}$$

$$= 80\% \times \left(Total\ Contracted\ Capacity_{max}(CMU, DP) - \sum_{i=1}^n [Contracted\ Capacity(CMU, Transaction_i, t_{control\ B}, t_{TCCB})] \right)$$

$$= 80\% \times ((10 + 2) - 10) = 1,6\ MW$$

17.2.2.2 Energy Constrained CMU

The Pre-delivery Obligation for a control at $t_{control\ A}$

$$Derating\ Factor(CMU, t_{TCCA})$$

$$= \frac{\sum_{i=1}^n [Contracted\ Capacity(CMU, Transaction_i, t_{TCCA}) \times Derating\ Factor(CMU, Transaction_i)]}{Total\ Contracted\ Capacity_{max}(CMU, DP)}$$

$$= \frac{(10 \times 0,9 + 1 \times 0,93)}{10 + 1} = 0,9$$

$$[PreDelivery\ Obligation]_{control\ A}$$

$$= 80\% \times \left(\frac{Total\ Contracted\ Capacity_{max}(CMU, DP)}{Derating\ Factor(CMU, t_{TCCA})} - \sum_{i=1}^n \frac{[Contracted\ Capacity(CMU, Transaction_i, t_{control\ A}, t_{TCCA})]}{Derating\ Factor(CMU, Transaction\ i)} \right)$$

$$= 80\% \times \left(\frac{10 + 1}{0,9} - 0 \right) = 9,78\ MW$$

The Pre-delivery Obligation for a control at $t_{control\ B}$

$$Derating\ Factor(CMU, t_{TCC2})$$

$$= \frac{\sum_{i=1}^n [Contracted\ Capacity(CMU, Transaction_i, t_{TCCB}) \times Derating\ Factor(CMU, Transaction_i)]}{Total\ Contracted\ Capacity_{max}(CMU, DP)}$$

$$= \frac{(10 \times 0,9 + 2 \times 0,92)}{10 + 2} = 0,9$$

$$[PreDelivery\ Obligation]_{control\ B}$$

$$= 80\% \times \left(\frac{Total\ Contracted\ Capacity_{max}(CMU, DP)}{Derating\ Factor(CMU, t_{TCCB})} - \sum_{i=1}^n \frac{[Contracted\ Capacity(CMU, Transaction_i, t_{control\ B}, t_{TCCB})]}{Derating\ Factor(CMU, Transaction\ i)} \right)$$

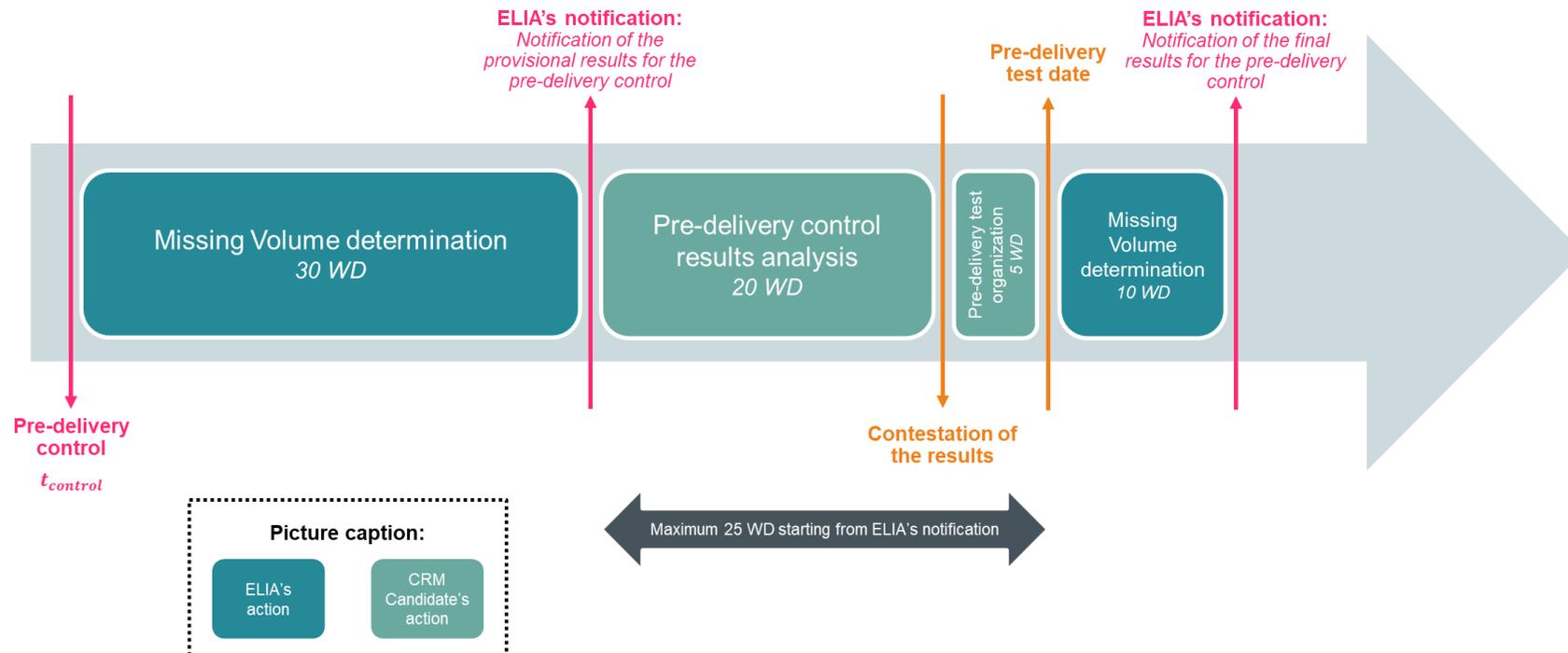
$$= 80\% \times \left(\frac{10 + 2}{0,9} - \frac{10}{0,9} \right) = 1,78\ MW$$

17.2.3 ANNEX B.3: TIME REQUIREMENTS FOR THE PRE-DELIVERY CONTROL OF AN EXISTING CMU

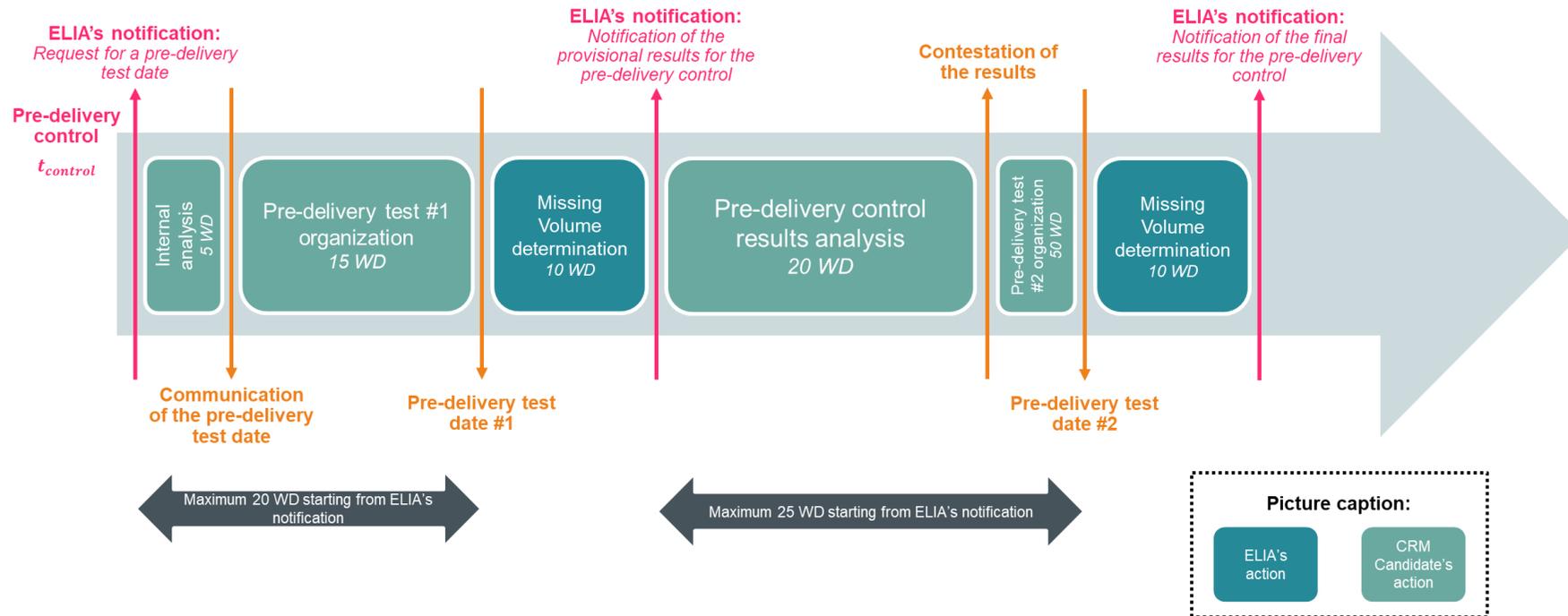
The following diagrams are provided for the purpose of clarifying the timing aspects related to the pre-delivery control of an Existing CMU or for an Additional CMU which includes Delivery Point(s) compliant with the metering requirements.

The Working Days (WD) shown in the images below indicate the maximum number of Working Days taken by ELIA or the CRM Candidate for a specific task.

17.2.3.1 Pre-delivery control when using method 1



17.2.3.2 Pre-delivery control when using method 2



17.2.4 ANNEX B.4: CONTENT OF A QUARTERLY REPORT

To support the Capacity Provider, ELIA provides below a “checklist” of questions that require an answer in each quarterly report; along with a detailed explanation for each question. This list is provided for informational purposes only and may be completed by the Capacity Provider himself to cope with his project’s specificities. This list of questions is to be communicated to ELIA in addition to the information listed in section 7.3.2.1.2.2.

Questions requiring an answer in each quarterly report	Explanations
Which Delivery Period(s) <i>DP</i> is(are) concerned by the quarterly report?	To properly evaluate the amount of the Pre-delivery Obligation, ELIA needs to know which Delivery Period(s) <i>DP</i> is(are) concerned by the quarterly report.
What is the amount of the Missing Volume? (in MW)	In each of his quarterly report, the Capacity Provider is invited to communicate the amount of the Missing Volume (even when it is equal to zero). In case of positive Missing Volume, the Capacity Provider also provides the details and the justifications of his calculations to reach the amount of this Missing Volume.
For which period does the Missing Volume apply? (From DD/MM/YY to DD/MM/YY)	This information indicates for how long will there be a Missing Volume.
To which Transaction(s) related to the CMU concerned by the quarterly report does the Missing Volume relate?	In the event that a residual delay is declared during the phase 1 of the Pre-delivery Period, ELIA needs to know to which Transaction(s), the Missing Volume relates in order to properly adapt the Capacity Contract(s).
Is the delay, resulting in a Missing Volume, a residual delay? (Yes/No) If the answer is no, why?	If the delay announced by the Capacity Provider is not a residual delay, the latter needs to justify it.
What is causing the delay?	To justify the delay, the Capacity Provider communicates the reason for this delay to ELIA.
Is the (residual) delay linked to Project Works? (Yes/No)	To properly evaluate the amount for the potential penalties, ELIA needs to know if the Missing Volume is due to a delay in the Project Works or not.
Is the (residual) linked to Infrastructure Works? (Yes/No)	To properly evaluate the amount for the potential penalties, ELIA needs to know if the Missing Volume is due to a delay in the Infrastructure Works or not.
Is there already a mitigation plan to cover the Missing Volume? (Yes/No)	If the answer is yes, the Capacity Provider needs to provide a mitigation plan in his quarterly report.
Will there be a mitigation plan to cover the Missing Volume? (Yes/No)	If the answer is yes, the Capacity Provider needs to provide a mitigation plan in a future quarterly report but obligatorily before the pre-delivery control at $t_{control 2}$ if he wants his mitigation plan to be considered by ELIA.
Is the key milestone #3 (as defined in annex 17.1.14) relevant for the concerned project and already reached by the Capacity Provider at the time of sending the quarterly report concerned? (Yes/No)	To properly evaluate the amount for the potential penalties, ELIA needs to know if the key milestone #3 is relevant for the concerned project and already reached by the Capacity Provider at the time of sending the quarterly report concerned.
Is the key milestone #3 (as defined in annex 17.1.14) not relevant for the concerned project? (Yes/No)	To properly evaluate the amount for the potential penalties, ELIA needs to know if the key milestone #3 is not relevant for the concerned project.

17.2.5 ANNEX B.5: IMPACTS ON THE CAPACITY CONTRACT FOR AN ADDITIONAL CMU

In this annex, an example of Capacity Contract adaptation, due to a Missing Volume detection in the Pre-delivery Period phase 1, is proposed.

17.2.5.1 Step 1: Prequalification

The information related to the standard Prequalification Process of the Additional CMU are presented below (The CMU is made of two Additional Delivery Points and is an Energy Constrained CMU):

Declared Nominal Reference Power_{DP1} = 6 MW

Declared Nominal Reference Power_{DP2} = 4 MW

Nominal Reference Power_{CMU} = 10 MW

OptOut Volume = 0 MW

Reference Power = 10 MW

Derating Factor = 0,9

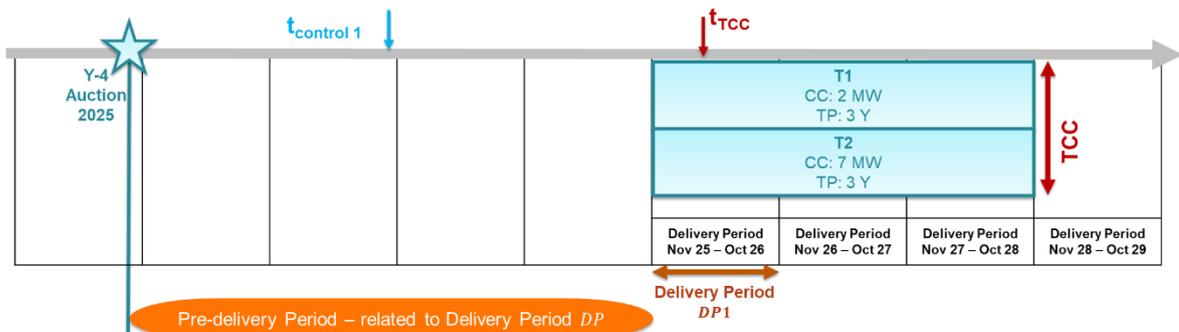
Eligible Volume = 9 MW

17.2.5.2 Step 2: Auction

The results of the Auction are gather in the table below:

	Transaction 1	Transaction 2
Selected Bid volumes	2 MW	7 MW
Capacity contract duration	3 years	3 years
Transaction Period	Nov 2025 – Oct 2028	Nov 2025 – Oct 2028

The two Transactions made by the Capacity Provider via the Primary Market are illustrated in the following diagram:



17.2.5.3 Step 3: Pre-delivery control

The following details an example of pre-delivery control by ELIA at $t_{control1}$.

- Determination of the Pre-delivery Obligation:

As the CMU is an Energy Constrained CMU:

[PreDelivery Obligation]

$$= \frac{\text{Total Contracted Capacity}_{max}(CMU, DP)}{\text{Derating Factor}} - \sum_{i=1}^n \frac{[\text{Contracted Capacity}(CMU, Transaction_i, t_{control1}, t_{TCC1})]}{\text{Derating Factor}(CMU, Transaction_i)}$$

$$= \frac{2 + 7}{0,9} - 0$$

$$= 10 \text{ MW}$$

As no Contracted Capacity overlaps the time $t_{control1}$ and the time t_{TCC1} (as detailed in the diagram above):

$$\sum_{i=1}^n \frac{[\text{Contracted Capacity}(CMU, Transaction_i, t_{control1}, t_{TCC1})]}{\text{Derating Factor}(CMU, Transaction_i)} = 0$$

- Quarterly report analysis:

By analyzing the quarterly report, ELIA notices that a residual delay has been notified by the Capacity Provider:

- The delay is linked to Project Works and not to Infrastructure Works;
- The Missing Volume is higher than 1 MW (as detailed in the next bullet point);
- No mitigation plan has been found by ELIA in the quarterly reports sent before $t_{control1}$;
- The delay will have an impact on the availability of part the Contracted Capacities related to the CMU during the entire Delivery Period DP_1 (> 2 months);
- The delay is declared in a quarterly report submitted to ELIA in phase 1;
- The Missing Volume only relates to the Transaction 2 (chosen and declared by the Capacity Provider in one of his quarterly reports).

- Determination of the Missing Volume:

In his quarterly report, the Capacity Provider declares that his Missing Volume is equal to 2 MW:

$$\text{Missing Volume} = 2 \text{ MW}$$

- Evaluation of the financial penalties and the impact on the Capacity Contract:

$\begin{aligned} & \% \text{Missing Volume (in \%)} \\ & = \frac{\text{Missing Volume}}{[\text{PreDelivery Obligation}]} \\ & = \frac{2}{10} \end{aligned}$	$\begin{aligned} & \text{Financial penalty (in EUR)} \\ & = \frac{1}{2} \times \beta \times \% \text{Missing Volume} \\ & \quad \times \text{Total Contracted Capacity}_{max}(CMU, DP) \\ & = \frac{1}{2} \times 15,000 \times 20\% \times 9 \end{aligned}$
---	---

= 20 %

= 13,500€

$\beta = 15.000\text{€}$ because the key milestone #3 was relevant for the project and has been reached by the Capacity Provider before $t_{control 1}$ (as declared by the Capacity Provider in one of his quarterly reports sent to ELIA before $t_{control 1}$).

In phase 1, in addition to the financial penalty, a Missing Volume leads to an adaptation of the Contracted Capacities by the corresponding Missing Volume. In case the Contracted Capacities for an Additional CMU are associated to more than one Transactions, the adaptation of the Contracted Capacities is done pro rata between all the Contracted Capacities linked to the residual delay and chosen by the Capacity Provider as part of the quarterly report announcing the Missing Volume to ELIA and sent before $t_{control 1}$. As the Capacity Provider declared that his Missing Volume is only related to the Transaction 2, the Capacity Contracts are adapted as follows:

- The volume of the Contracted Capacities related to the Additional CMU is as follows:
 - Related to Transaction 1: 2 MW
 - Related to Transaction 2: 7 MW
- The Contracted Capacities are adapted by the Missing Volume (2 MW) for the first Delivery Period linked to the concerned Transaction Periods, as follows because the CMU is an Energy Constrained CMU:

- Related to Transaction 1

$$Contracted Capacity_{new 1} = Contracted Capacity_{old 1} = 2 MW$$

- Related to Transaction 2:

$$Contracted Capacity_{new 2} = Contracted Capacity_{old 2} - (Missing Volume \times DF)$$

$$= 7 - (2 \times 0,9) = 5,2 MW$$

- Communication of the pre-delivery control results:

Results of the pre-delivery control at $t_{control 1}$	
Pre-delivery Obligation	10 MW
Missing Volume	2 MW
%Missing Volume	20 %
Financial penalties	13,5000€
Updated Capacity Contract	Related to Transaction 1: <ul style="list-style-type: none"> ▪ 2 MW for the first year; ▪ 2 MW for the two last years. Related to Transaction 2: <ul style="list-style-type: none"> ▪ 5.2 MW for the first year; ▪ 7 MW for the two last years.

17.2.6 ANNEX B.6: IMPACTS ON THE CAPACITY CONTRACT FOR A VIRTUAL CMU

The three following sections aims to describe an example of a situation that can happen to a Virtual CMU and that can lead to an adaptation of the Capacity Contract because of a Missing Volume identified at time $t_{\text{control } 1}$.

17.2.6.1 Step 1: Prequalification

The information related to the specific Prequalification Process of the VCMU are presented below:

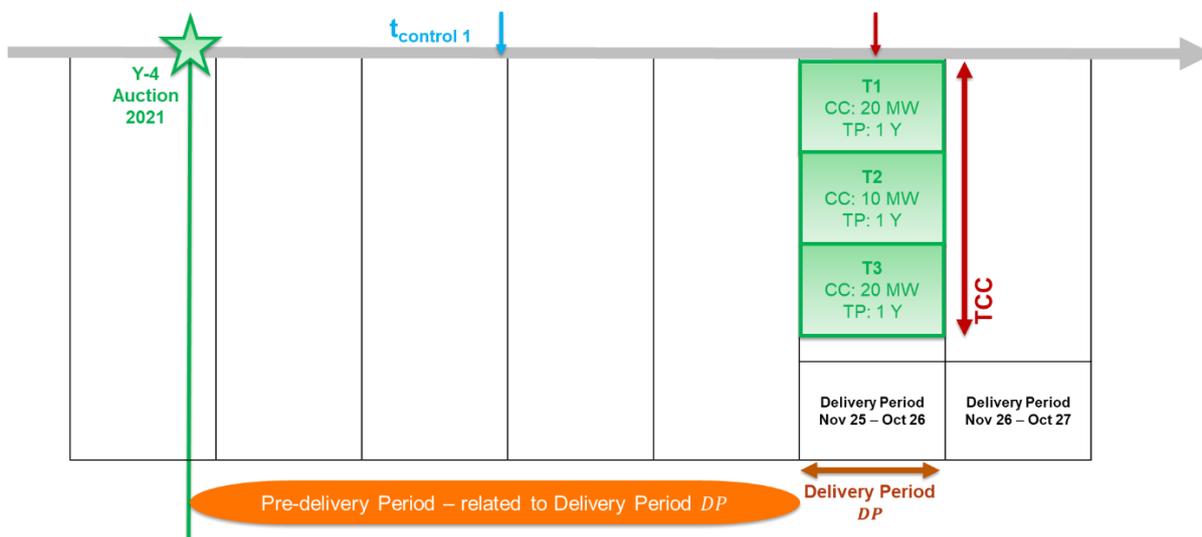
Declared Eligible Volume = 50 MW

17.2.6.2 Step 2: Auction

The results of the Auction are gather in the table below:

	Transaction 1	Transaction 2	Transaction 3
Selected Bid volumes	20 MW	10 MW	20 MW
Capacity contract duration	1 year	1 year	1 year
Transaction Period	Nov 2025 – Oct 2026	Nov 2025 – Oct 2026	Nov 2025 – Oct 2026

The three Transactions made by the Capacity Provider via the Primary Market are illustrated in the following diagram:



17.2.6.3 Step 3: Pre-delivery control

17.2.6.3.1 Prequalification of Existing CMU(s) before $t_{\text{control } 1}$

Three Existing CMUs are prequalified by the Capacity Provider during the Pre-delivery Period, prior to $t_{\text{control } 1}$.

The prequalification results of these three CMUs are gathered in the below table:

	CMU 1	CMU 2	CMU 3
Nominal Reference Power	25,02 MW	4,5 MW	5,15 MW
Opt-out Volume	0 MW	0 MW	0 MW
Reference Power	25,02 MW	4,5 MW	5,15 MW
Derating Factor	0,8	0,6	0,8
Eligible Volume	20,02 MW	2,7 MW	4,12 MW
Secondary Market Eligible Volume	25,02 MW	2,7 MW	4,12 MW

As mentioned in section 5.8.4.1.1, Derating Factors evolve over time. Below, you will find the evolution of the Derating Factors⁵² related to CMU 1, 2 and 3 over the Pre-delivery Period:

	CMU 1	CMU 2	CMU 3
31/03/2021 – 30/03/2022	0,8	0,62	0,78
31/03/2022 – 30/03/2023	0,81	0,6	0,8
31/03/2023 – 30/03/2024	0,81	0,6	0,81
31/03/2024 – 30/03/2025	0,82	0,63	0,81
31/03/2025 – 30/03/2026	0,83	0,64	0,85

From the moment the Existing CMUs are prequalified, the Capacity Provider uses the Secondary Market to transfer the Contracted Capacities related to the Transaction(s) on the VCMU towards the associated Existing CMU(s). The Capacity Provider decides to make 4 Transactions:

- Transaction 4: CMU 1 takes over all (20 MW) obligations of Transaction 1
 - Contracted **Capacity of selected volume 1** becomes equal to $[20 - 20] = 0 \text{ MW}$
- Transaction 5: CMU 1 takes over 5,02 MW of the obligations of Transaction 3
 - Contracted Capacity of selected volume 3 becomes equal to $[20 - 5,02] = 14,98 \text{ MW}$
- Transaction 6: CMU 2 takes over 2,7 MW of the obligations of Transaction 3
 - Contracted Capacity of selected volume 3 becomes equal to $[14,98 - 2,7] = 12,28 \text{ MW}$
- Transaction 7: CMU 3 takes over 4,12 MW of the obligations of Transaction 3
 - Contracted Capacity of selected volume 3 becomes equal to $[12,28 - 4,12] = 8,16 \text{ MW}$

17.2.6.3.2 Pre-delivery Control at $t_{\text{control } 1}$

Determination of the Pre-delivery Obligation:

⁵² These values are purely fictive.

PreDelivery Obligation₁

$$= 75\% \times \text{Total Contracted Capacity}_{\max}(\text{CMU}, \text{DP})$$

$$= 75\% \times (20 \text{ MW} + 10 \text{ MW} + 20 \text{ MW})$$

$$= 37,5 \text{ MW}$$

Determination of the prequalified volume:

prequalified volume₁

$$= \sum_{i=1}^n [\text{Reference Power}(\text{CMU}_i) \times \text{Derating Factor}(\text{CMU}_i; t_{\text{bid}})]$$

$$= [25,02 \times 0,8] + [4,5 \times 0,62] + [5,15 \times 0,78]$$

$$= 20,02 + 2,79 + 4,02$$

$$= 26,83 \text{ MW}$$

Determination of the Missing Volume:

Missing volume₁

$$= \text{Max}(0; [\text{PreDelivery Obligation}_1] - [\text{prequalified volume}_1])$$

$$= \text{Max}(0; [37,5 - 26,83])$$

$$= \text{Max}(0; [10,67])$$

$$= 10,67 \text{ MW}$$

%Missing volume₁

$$= \frac{\text{Missing volume}_1}{[\text{PreDelivery Obligation}_1]}$$

$$= \frac{10,67}{37,5}$$

$$= 28,45\%$$

Evaluation of the financial penalties and the impact on the Capacity Contract:

Financial penalty₁

$$= 75\% \times 20.000 \times \text{Missing volume}_1 \times \text{Total Contracted Capacity}_{\max}(\text{CMU}, \text{DP})$$

$$= 75\% \times 20.000 \times 28,45\% \times (20 + 10 + 20)$$

$$= 213.375 \text{ €}$$

At $t_{\text{control } 1}$, in addition to the financial penalty, a Missing Volume leads to an adaptation of the Contracted Capacities by the corresponding Missing Volume. In case the Contracted Capacities for a VCMU are associated to more than one Transactions, the adaptation of the Contracted Capacities is done pro-rata on the remaining volume of the Contracted Capacities related to the VCMU.

The initial volume of the Contracted Capacities is as follows:

- Related to Transaction 1: 20 MW
- Related to Transaction 2: 10 MW

- Related to Transaction 3: 20 MW

According to the information coming from the Transactions made by the Capacity Provider via the Secondary Market, the remaining volume of the Contracted Capacities related to the VCMU is as follows:

- Related to Transaction 1: 0 MW
- Related to Transaction 2: 10 MW
- Related to Transaction 3: 8,16 MW

The Contracted Capacities are therefore adapted pro-rata by the Missing Volume which is equal to 10,67 MW):

- Related to Transaction 1: The new Contracted Capacity is equal to 0 MW
- Related to Transaction 2: The new Contracted Capacity is equal to $\left[10 - \frac{10,67 \times 10}{10 + 8,16}\right] = 5,88 \text{ MW}$
- Related to Transaction 3: The new Contracted Capacity is equal to $\left[8,16 - \frac{10,67 \times 8,16}{10 + 8,16}\right] = 4,79 \text{ MW}$

Communication of the pre-delivery control results:

	Results of the pre-delivery control at t control 1
Pre-delivery Obligation	37,5 MW
Prequalified volume	26,83 MW
Missing Volume	10,67 MW
%Missing Volume	28,45%
Financial penalties	213.375 €
Updated Capacity Contracts	Related to Transaction 2 : 5,88 MW over 1 year Related to Transaction 3: 4,79 MW over 1 year

17.2.7 ANNEX B.7: PARTIAL EXISTING PRE-DELIVERY CONTROL

For each Delivery Period DP , an Additional CMU is subject to two types of pre-delivery control:

- The first one which is described in section 7.3.2; and
- The second one which is described in this annex.

The purpose of the pre-delivery control described in this annex – referred to hereafter as the “partial existing pre-delivery control” – is to verify that the Capacity Provider provided accurate information in his quarterly reports.

The partial existing pre-delivery control respects the test modalities described hereunder:

- It is realized at CMU level (one CMU at a time);
- It is related to one Delivery Period DP ;
- It is performed once by ELIA at $t_{control 2}$ (which is defined in paragraph 334).

This partial existing pre-delivery control is divided in 6 steps:

Step 1: Determination of the Pre-delivery Obligation

The Pre-delivery Obligation related to the partial existing pre-delivery control is equal to the difference between the Pre-delivery Obligation defined in section 7.3.1.1.1 and the last Missing Volume declared by the Capacity Provider in one of his quarterly report.

Step 2: Determination of the Delivery Point's Pre-delivery Measured Power

In the event that the Additional CMU has become an Existing CMU before $t_{control 2}$, ELIA follows exactly the same procedure as described in section 7.3.1.1.2 to determine the Pre-delivery Measured Power.

The only difference in case the Additional CMU did not yet become an Existing CMU but includes one or more Delivery Point(s) which already respect(s) the metering requirements, is that ELIA does not only evaluate the Pre-delivery Measured Power of each the Existing Delivery Point part of the CMU but of all the Delivery Points which respect the metering requirements (even if they are still Additional Delivery Points). In this situation, ELIA therefore needs the EAN of all the Delivery Point(s) which respect(s) the metering requirements to properly evaluate the Pre-delivery Measured Power. It is therefore the Capacity Provider's responsibility to provide this(these) EAN code(s) in the Prequalification File of the Additional CMU (according to the process of annex 17.1.19).

Step 3: Determination of the CMU's Pre-delivery Measured Power

To determine the Pre-delivery Measured Power of the CMU, ELIA uses the same formula as in section 7.3.1.1.3.

Step 4: Step 4: Determination of the Missing Volume

To determine the Missing Volume, ELIA uses the same formula as in section 7.3.1.1.4.

Step 5: Determination of the financial penalties

In case a positive Missing Volume is identified via the partial existing pre-delivery control,

ELIA applies a financial penalty. To determine the amount of this financial penalty ELIA uses the same formula as in section 7.3.2.2.1 (the one for a financial penalty determined at $t_{control_2}$) while considering that the *%Missing Volume* of the formula in section 7.3.2.2.1 is equal to one hundred percent.

Step 6: Pre-delivery control results notification

The notification of the (provisional) results – contestation process included – of the partial existing pre-delivery control follows the same rules and timings as described in section 7.3.1.1.5.

17.3. ANNEX C: SECONDARY MARKET PROCESS

17.3.1 ANNEX C.1: SECONDARY MARKET EXCHANGE MANDATE FORM

Prequalified CRM Candidate / Capacity Provider:

[[•]](*mandatory field*)

Prequalified CRM Candidate ID, as specified in the CRM IT Interface during the Prequalification Process / Capacity Provider ID, as specified in his Capacity Contract annex A, and as specified in the CRM IT Interface:

[[•]](*mandatory field*)

Address:

[[•]](*mandatory field*)

Represented by:

[[•]](*mandatory field*)

Function:

[[•]](*mandatory field*)

Hereafter the "**Prequalified CRM Candidate / Capacity Provider**"

And,

Exchange:

[[•]](*mandatory field*)

Address:

[[•]](*mandatory field*)

Represented by:

[[•]](*mandatory field*)

Function:

[[•]](*mandatory field*)

Hereafter the "**Exchange**".

Please select the appropriate option:

- Option A. Secondary Market Exchange Mandate granting: The **Prequalified CRM Candidate / Capacity Provider** gives a Secondary Market Exchange Mandate to the **Exchange** in order to notify Secondary Market transactions in the CRM as of

[[•](mandatory field)]. The Exchange commits to comply with the Exchange definition of the CRM. Any modification leading to a non-compliance to the Exchange definition will lead to an automatic and immediate revocation of the mandate.

Or,

- Option B. Secondary Market Exchange Mandate revocation: The **Prequalified CRM Candidate / Capacity Provider** revokes unilaterally the ongoing Secondary Market Exchange Mandate given to the **Exchange**.

For the Prequalified CRM Candidate / Capacity Provider, Read and approved, Name: Function: Place: Date: Signature:	For the Exchange, Read and approved, Name: Function: Place: Date: Signature:
---	--

17.4. ANNEX D: FINANCIAL SECURITIES

17.4.1 ANNEX D.1: STANDARD BANK GUARANTEE FORM ASSOCIATED WITH THE FUNCTIONING RULES [●]

Bank guarantee at first request issued by [●] in favour of: [●] (**name of the Contractual Counterparty to be added**), hereafter called the Beneficiary, in the context of the Capacity Remuneration Mechanism introduced by article 7undecies of the Belgian Act of 29 April 1999 on the organization of the electricity market (hereafter called the Electricity Act).

Our payment guarantee references: [●] (**to be filled in by the financial institution**) (to be mentioned in all correspondence).

(Select one of the two paragraphs below: the first paragraph applies to a Transaction on the Primary Market, the second paragraph to a transaction on the Secondary Market).

[Our client [●] (**name of the CRM Candidate/Capacity Provider**) informs us that on [●] (**date of foreseen submission of Prequalification File**) it will submit a Prequalification File with the reference [●] to Elia Transmission Belgium NV/SA for the CMU with identification number [●] (**identification number of the Capacity Market Unit**) in relation to the Functioning Rules⁵³ referred to in article 7undecies of the Electricity Act.]

OR: [Our client [●] (**name of the CRM Candidate/Capacity Provider**) informs us that on [●] (**date of the foreseen notification of transaction on the Secondary Market**) it will notify to Elia Transmission Belgium NV/SA a Secondary Market transaction with the reference [●] for the CMU with identification number [●] (**identification number of the Capacity Market Unit**) in relation to the Functioning Rules referred to in article 7undecies of the Electricity Act.]

The terms of the Functioning Rules provide for the issue of an irrevocable bank guarantee payable at first demand for the amount of [●] (**Euro and amount in figures and words**) in order to secure the requested and punctual fulfilment by our client of its obligations in respect of the pre-delivery control processes with respect to the CMU [or, as the case may be, (a) future CMU(s) of our client to which the obligations of a Virtual CMU are transferred] (**to be added for a Virtual CMU**).

Accordingly we, [●] (**to be filled in by the financial institution**), hereby irrevocably and unconditionally undertake to pay, in one or more payments, the amount of which corresponds to the penalty applied to the non-fulfilment of a pre-delivery obligation, up to a maximum amount of [●] (**Euro and amount in figures and words**) upon a simple request on the Beneficiary's part and being unable to dispute the grounds for such payment.

This guarantee shall enter into force as of today.

This guarantee can only be invoked by the Beneficiary as of [the publication of the Auction results (validated by CREG), confirming the selection of (part of) the CMU in the Auction] **OR:**, [the notification by the Beneficiary to our client of the validation of a transaction for (part of) its CMU in the Secondary Market]. We are aware that the pre-delivery obligations of our client are monitored in an undivided way on the level of a CMU and that our obligations under this

⁵³ Terms in this template starting with a capital letter, if not already defined in this template, are defined terms under the Functioning Rules.

guarantee is proportionately limited to the part that the capacity covered by this guarantee takes in that CMU, as the case may be.

To be valid, any invoking of this guarantee respects the following modalities:

- Must reach us by ten Working Days after **[•] (expiry date of the guarantee)**; and
- Be accompanied by **[the publication of the Auction results (validated by CREG), confirming the selection of its CMU in the auction], OR: [the notification by the Beneficiary to our client of the validation of a transaction in the Secondary Market];** and
- Be accompanied by the Beneficiary's written statement to the effect that our client has not fulfilled its pre-delivery obligations under the Functioning Rules, as further specified, as the case may be, in a Capacity Contract with respect to the CMU, **[or, as the case may be, (a) future Capacity Market Unit(s) of our client to which the obligations of a Virtual CMU are transferred] (to be added for a Virtual CMU)** and has not made the payment(s) concerned on the due date; and
- Be accompanied by a copy of the credit note related to the unpaid due penalties and a copy of the Beneficiary's letter of default.

If the guarantee is not invoked in accordance with the conditions stated above or unless an extension is granted as approved by us, this guarantee automatically becomes null and void on the first calendar day after **[•] (expiry date of the guarantee)**.

This guarantee is governed by and interpreted in accordance with Belgian law and only the Belgian tribunals and courts shall be competent to resolve any disputes with regard to this guarantee.

Signature

Function:

Date:

17.4.2 ANNEX D.2: APPENDIX B: STANDARD PARENT COMPANY GUARANTEE FORM ASSOCIATED WITH THE FUNCTIONING RULES [●]

Guarantee at first request issued by [●] in favour of: [●] (**name of the Contractual Counterparty to be added**), hereafter called the Beneficiary, in the context of the Capacity Remuneration Mechanism introduced by article 7undecies of the Belgian Act of 29 April 1999 on the organization of the electricity market (hereafter called the Electricity Act).

Our payment guarantee references: [●] (**to be filled in by the parent company**) (to be mentioned in all correspondence).

(Select one of the two paragraphs below: the first paragraph applies to a Transaction on the Primary Market, the second paragraph to a transaction on the Secondary Market).

[Our subsidiary [●] (**name of the CRM Candidate/Capacity Provider**) informs us that on [●] (**date of foreseen submission of Prequalification File**)) it will submit a Prequalification File with the reference [●] to Elia Transmission Belgium NV/SA for the CMU with identification number [●] (**identification number of the Capacity Market Unit**) in relation to the Functioning Rules⁵⁴ referred to in article 7undecies of the Electricity Act.]

OR: [Our subsidiary [●] (**name of the CRM Candidate/Capacity Provider**) informs us that on [●] (**date of the foreseen notification of transaction on the Secondary Market**)) it will notify to Elia Transmission Belgium NV/SA a Secondary Market transaction with the reference [●] for the CMU with identification number [●] (**identification number of the Capacity Market Unit**) in relation to the Functioning Rules referred to in article 7 undecies of the Electricity Act.]

The terms of the Functioning Rules provide, as an alternative to an irrevocable bank guarantee payable at first demand, for the issue of an irrevocable parent company guarantee payable at first demand for the amount of [●] (**Euro and amount in figures and letters**) in order to secure the requested and punctual fulfilment by our subsidiary of its obligations in respect of the pre-delivery control processes with respect to the CMU [or, as the case may be, (a) future Capacity Market Unit(s) of our subsidiary to which the obligations of a Virtual CMU are transferred] (**to be added for a Virtual CMU**).

Accordingly we, [●] (**to be filled in by the parent company**), hereby irrevocably and unconditionally undertake to pay, in one or more payments, the amount of which corresponds to the penalty applied to the non-fulfilment of a pre-delivery obligation, up to a maximum amount of [●] (Euro and amount in both figures, and words) upon a simple request on Beneficiary's part and being unable to dispute the grounds for such payment. A legal opinion provided by an internationally recognized law firm should confirm that the guarantee is legal, valid, binding and enforceable under the applicable law.

This guarantee shall enter into force as of today.

This guarantee can only be invoked by the Beneficiary as of [the publication of the Auction results (validated by CREG), confirming the selection of (part of) its CMUs in the Auction] **OR;** [the notification by the Beneficiary to our subsidiary of the validation of a transaction for (part of) its CMU in the Secondary Market]. We are aware that the pre-delivery obligations of our

⁵⁴ Terms in this template starting with a capital letter, if not already defined in this template, are defined terms under the Functioning Rules.

subsidiary are monitored in an undivided way on the level of a CMU and that our obligations under this guarantee is proportionately limited to the part that the capacity covered by this guarantee takes in that CMU, as the case may be.

To be valid, any invoking of this guarantee respects the following modalities:

- Must reach us by ten Working Days after the [•] (expiry date of the guarantee); and
- Be accompanied by [the publication of the Auction results (validated by CREG), confirming the selection of its CMU in the Auction], OR: [the notification by the Beneficiary to our subsidiary of the validation of a transaction in the Secondary Market]; and
- Be accompanied by the Beneficiary's written statement to the effect that our subsidiary has not fulfilled its pre-delivery obligations under the Functioning Rules, as further specified, as the case may be, in a Capacity Contract with respect to a CMU [or, as the case may be, future Capacity Market Unit(s) of our subsidiary to which the obligations of the Virtual CMU are transferred] and has not made the payment(s) concerned on the due date; and
- Be accompanied by a copy of the credit note related to the unpaid due penalties and a copy of the Beneficiary's letter of default.

If the guarantee is not invoked in accordance with the conditions stated above or unless an extension is granted as approved by us, this guarantee automatically becomes null and void on the first calendar day after [•] (**expiry date of the guarantee**).

This guarantee is governed by and interpreted in accordance with Belgian law and only the Belgian tribunals and courts shall be competent to resolve any disputes with regard to this guarantee.

Signature

Function:

Date:

17.4.3 ANNEX D.3: ILLUSTRATION OF EVOLUTION IN TIME

The Financial Security Volume for one CMU can change over time in function of his Transactions on the Primary Market and/or on the Secondary Market as illustrated by the fictive examples below.

17.4.3.1 Example of Transactions in the Primary Market

In this example, the Capacity Provider closes three consecutive Transactions in the Primary Market: in the Y-4 Auction in 2021 (for Delivery Period starting in 2025 DP_{25}), the Y-4 Auction in 2022 (for Delivery Period starting in 2026 DP_{26}) and in the Y-1 Auction in 2024 (for Delivery Period starting in 2025 DP_{25}), as illustrated in Figure 1 below.

The figure below also shows that:

- A Validity Period is always linked to a Transaction.
- Overlapping Validity Periods are possible.
- The maximal Total Contracted Capacity over a Delivery Period varies over time in function of Transactions on the Primary Market.

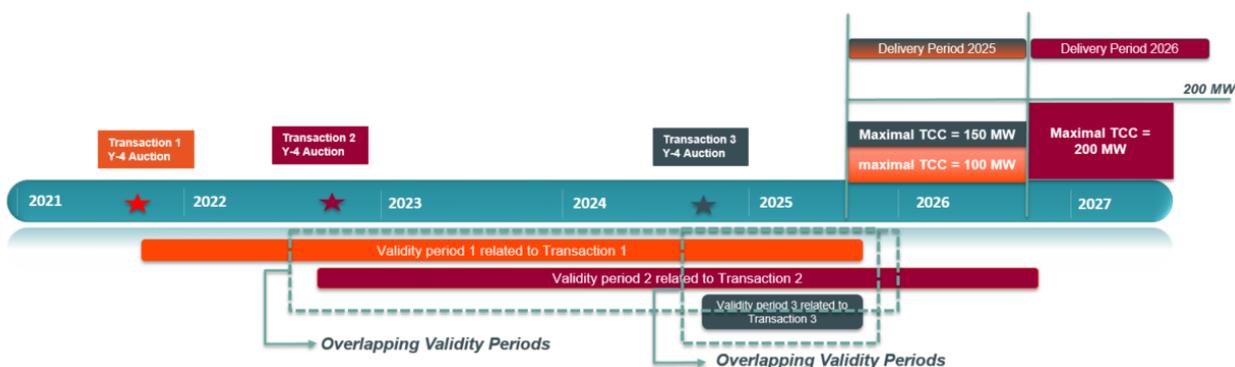


Figure 1: Overview of 3 consecutive Transactions on the Primary Market

17.4.3.2 Transaction 1

For the Y-4 Auction in October 2021 and the Delivery Period starting in 2025, the CRM Candidate prequalifies 150MW for a CMU, of which 100 MW is finally selected in the Auction.

Parameter	Value
Year Y-4 Auction	October 2021
Validity Period related to the Transaction	October 2021 – October 2025
Start Delivery Period	November 2025
Eligible Volume (after the Prequalification Process)	150 MW
Contracted Capacity (after the Auction)	100 MW

At any moment t of the Validity Period 1, associated to Transaction 1, the Financial Security Volume should be covered by a Financial Security. This Financial Security Volume is calculated as follows:

At the moment of Prequalification File submission:

The maximal Total Contracted Capacity over DP_{25} is calculated on the assumption that the maximum volume that is prequalified, would be selected in the Auction.

Validity Period 1: From October 2021 until October 2025:

Any moment t between October 2021 and October 2025 is part of Validity Period 1 that relates to the Delivery Period starting in 2025. The Financial Security Volume therefore equals the maximal Total Contracted Capacity over DP_{25} :

$$\text{Financial Security Volume (CMU, } t) = \text{Total Contracted Capacity}_{\max}(\text{CMU, } DP_{25}) = 150 \text{ MW}$$

At the moment of signing of the Capacity Contract:

The maximal Total Contracted Capacity over DP_{25} and thus the Financial Security Volume is reduced to 100MW at any moment during the Validity Period 1:

$$\text{Financial Security Volume (CMU, } t) = \text{Total Contracted Capacity}_{\max}(\text{CMU, } DP_{25}) = 100 \text{ MW}$$

17.4.3.3 Transaction 2

For the Y-4 Auction in October 2022 and the Delivery Period starting in 2026, the CRM Candidate renews the prequalification of the CMU for an Eligible Volume of 200 MW, of which 200 MW is finally selected in the Auction.

Parameter	Value
Year Y-4 Auction	October 2022
Validity Period related to the Transaction	October 2022 – October 2026
Start Delivery Period	November 2026
Eligible Volume (after the Prequalification Process)	200 MW
Contracted Capacity (after the Auction)	200 MW

At any moment t of the Validity Period 2, associated to Transaction 2, the Financial Security Volume should be covered by a Financial Security. The Financial Security Volume is calculated as follows:

At the moment of Prequalification File submission:

It concerns the second Transaction for the CMU, so the previous Transaction is to be taken into account to calculate the maximal Total Contracted Capacity over a Delivery Period.

The maximal Total Contracted Capacity over DP_{26} is calculated on the assumption that the maximum volume that is prequalified, would be selected in the Auction.

- Part 1 of Validity Period 2: From October 2022 until October 2025:

Any moment t between October 2022 and October 2025 is part of Validity Period 1 and Validity Period 2 that relate to the Delivery Period starting in 2025 and 2026 respectively. The Financial Security Volume therefore equals the maximum of the maximal Total Contracted Capacity over DP_{25} and the maximal Total Contracted Capacity over DP_{26} .

$$\begin{aligned} & \text{Financial Security Volume}(CMU, t) \\ &= \text{Max} (\text{Total Contracted Capacity}_{\text{max}}(CMU, DP_{25}); \text{Total Contracted Capacity}_{\text{max}}(CMU, DP_{26})) \\ &= \text{Max} (100 \text{ MW} ; 200 \text{ MW}) = 200 \text{ MW} \end{aligned}$$

- Part 2 of Validity Period 2: From November 2025 until October 2026 :

Any moment t between October 2025 and October 2026 is only part of Validity Period 2 that relates to the Delivery Period starting in 2026. The Financial Security Volume therefore equals the maximal Total Contracted Capacity over DP_{26} .

$$\text{Financial Security Volume}(CMU, t) = \text{Total Contracted Capacity}_{\text{max}}(CMU, DP_{26}). = 200 \text{ MW}$$

At the moment of signing of the Capacity Contract:

The full Eligible Volume was selected in the Auction, so the Financial Security Volumes above remain unchanged.

17.4.3.4 Transaction 3

For the Y-1 Auction in October 2022 and the Delivery Period starting in 2025, the CRM Candidate renews the prequalification for the CMU for a Remaining Eligible Volume of 100 MW, of which 50 MW is finally selected in the Auction.

Parameter	Value
Year Y-1 Auction	October 2024
Validity Period related to the Transaction	October 2024 – October 2025
Start Delivery Period	November 2025
Remaining Eligible Volume (after the Prequalification Process)	100 MW
Contracted Capacity (after the Auction)	50 MW

At any moment t of the Validity Period 3, associated to Transaction 3, the Financial Security Volume should be covered by a Financial Security. The Financial Security Volume is calculated as follows:

At the moment of Prequalification File submission:

It concerns the third Transaction for the CMU, so the previous Transactions are to be taken into account to calculate the maximal Total Contracted Capacity over a Delivery Period.

The maximal Total Contracted Capacity over DP_{25} is calculated on the assumption that the maximum volume that is prequalified, would be selected in the Auction.

- Validity Period 3 : From October 2024 until October 2025:

Any moment t between October 2024 and October 2025 is part of Validity Period 1, Validity Period 2 and Validity Period 3 that relate to the Delivery Periods starting in 2025 and 2026. The Financial Security Volume therefore equals the maximum of the maximal Total Contracted Capacity over DP_{25} and the maximal Total Contracted Capacity over DP_{26} .

$$\begin{aligned}
 & \text{Financial Security Volume}(CMU, t) \\
 &= \text{Max} \left(\text{Total Contracted Capacity}_{max}(CMU, DP_{25}) ; \text{Total Contracted Capacity}_{max}(CMU, DP_{26}) \right) \\
 &= \text{Max} (200 \text{ MW} ; 200 \text{ MW}) = 200 \text{ MW}
 \end{aligned}$$

No additional Financial Security is to be provided for this Transaction as the Financial Security Volume has not increased.

At the moment of signing of the Capacity Contract:

The Contracted Capacity is lower than the Remaining Eligible volume, so the Financial Security is calculated as follows:

$$\begin{aligned}
 & \text{Financial Security Volume}(CMU, t) \\
 &= \text{Max} \left(\text{Total Contracted Capacity}_{max}(CMU, DP_{25}) ; \text{Total Contracted Capacity}_{max}(CMU, DP_{26}) \right) \\
 &= \text{Max} (150 \text{ MW} ; 200 \text{ MW}) = 200 \text{ MW}
 \end{aligned}$$

No additional Financial Security is to be provided as no increase of the Financial Security Volume.

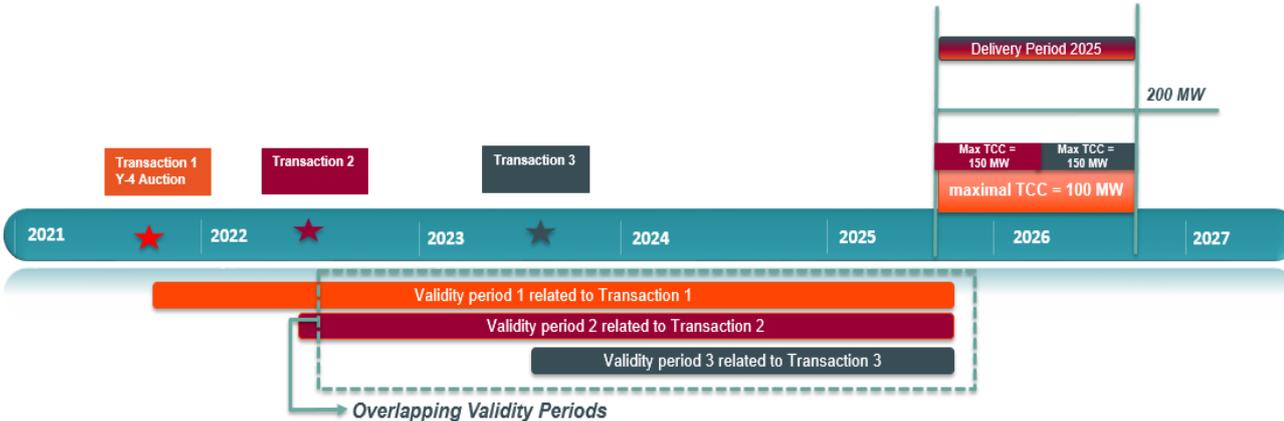
17.4.3.5 Conclusion

During the overlapping Validity Periods, no double Financial Security obligation applies, only the maximum Total Contracted Capacity over the related Delivery Periods is to be covered.

17.4.3.6 Example of Transactions in the Secondary Market

In this example, the Capacity Provider closes 3 consecutive Transactions, starting with a Transaction in the Primary Market (Y-4 Auction in 2021), followed by 2 Transactions in the Secondary Market.

The figure below shows that the maximal Total Contracted Capacity can change within a Delivery Period in function of Transactions on the Secondary Market.



17.4.3.7 Transaction 1

As detailed in section 17.4.3.2

17.4.3.8 Transaction 2

As a second Transaction, the Capacity Provider buys an additional volume of 50MW for the CMU on the Secondary Market at a Transaction Date before the start of the Delivery Period containing the start date of the Transaction Period. The Transaction Period covers the first 6 months of the Delivery Period starting in 2025.

At any moment t of the Validity Period 2, associated to Transaction 2, the Financial Security Volume should be covered by a Financial Security. The Financial Security Volume is calculated as follows:

At the moment of notification of the transaction on the Secondary Market:

It concerns the second Transaction for the CMU, so the previous Transaction is to be taken into account to calculate the maximal Total Contracted Capacity for a Delivery Period.

The maximal Total Contracted Capacity over DP_{25} is calculated on the assumption that ELIA approves the notified transaction.

- Validity Period 2: From the moment of approval until October 2025

Any moment t between the moment of approval and October 2025 is part of Validity Period 1 and Validity Period 2 that both relate to the Delivery Period starting in 2025. The Financial Security Volume therefore equals the maximal Total Contracted Capacity over DP_{25} .

$$\begin{aligned} \text{Financial Security Volume}(CMU, t) &= (\text{Total Contracted Capacity}_{max}(CMU, DP_{25})) \\ &= 150 \text{ MW} \end{aligned}$$

At the moment of signing of the Capacity Contract:

The transaction on the Secondary Market was approved, so the Financial Security Volume above remains unchanged.

17.4.3.9 Transaction 3

As a third Transaction, the Capacity Provider buys an additional volume of 50MW for the CMU on the Secondary Market at a Transaction Date before the start of the Delivery Period containing the start date of the Transaction Period. The Transaction Period covers the last 6 months of the Delivery Period starting in 2025.

At any moment t of the Validity Period 3, associated to Transaction 3, the Financial Security Volume should be covered by a Financial Security. The Financial Security Volume is calculated as follows:

At the moment of notification of the transaction on the Secondary Market:

It concerns the third Transaction for the CMU, so the previous Transactions are to be taken into account to calculate the maximal Total Contracted Capacity over a Delivery Period.

The maximal Total Contracted Capacity over DP_{25} is calculated on the assumption that ELIA approves the notified transaction.

- Validity Period 3 : From the moment of approval of the transaction until October 2025

Any moment t between the moment of approval and October 2025 is part of Validity Period 1, Validity Period 2 and Validity Period 3 that all relate to the Delivery Period starting in 2025. The Financial Security Volume therefore equals the maximal Total Contracted Capacity over DP_{25} .

$$\begin{aligned} \text{Financial Security Volume}(CMU, t) &= (\text{Total Contracted Capacity}_{max}(CMU, DP_{25})) \\ &= 150 MW \end{aligned}$$

No additional Financial Security is to be provided to cover the third Transaction as the Financial Security Volume is not increased.

At the moment of signing of the Capacity Contract:

The transaction on the Secondary Market was approved, so the Financial Security Volume above remains unchanged.

17.4.3.10 Conclusion

As a result of Transactions on the Secondary Market, the Total Contracted Capacity can be different within a certain Delivery Period. During the related Validity Period(s), the Financial Security Volume is always calculated in function of the maximal Total Contracted Capacity over the Delivery Period.

17.5. ANNEX E: TRANSPARENCY

17.5.1 ANNEX E.1: OVERVIEW OF THE OPT-OUT VOLUMES IN THE AUCTION REPORT

The annex represents the information on the Opt-out Volumes that at least will be presented in the Auction report. However, the type of information that is provided can be extended (e.g. graphs, figures, etc.), building further around the same kind of data.

17.5.1.1 For every Auction report related to a Y-4 Auction

	Additional CMUs	Existing CMUs					
	<i>Total</i>	<i>Definitive notification</i>	<i>Temporary notification</i>	<i>Grid constraints</i>		<i>Other</i>	
				G-flex	Conditional agreement		
					IN		OUT
Opt-out Volumes (MW)							

In addition, the total Opt-out Volume contributing to adequacy ("IN") (derated) and the total Opt-out Volume related to a fast track Prequalification Process will be published separately.

17.5.1.2 For every Auction report related to a Y-1 Auction

	Additional CMUs	Existing CMUs						
	<i>Total</i>	<i>Definitive notification</i>	<i>Temporary notification</i>	<i>Grid constraints</i>		<i>Other</i>		
				G-flex	Conditional agreement		IN	OUT
					IN	OUT		
Opt-out Volumes (MW)								

In addition, the total Opt-out Volume contributing to adequacy ("IN") (derated) and the total Opt-out Volume related to a fast track Prequalification Process will be published separately.

17.5.2 ANNEX E.2: OVERVIEW OF THE INFORMATION ON THE SUBMITTED BIDS IN THE AUCTION REPORT

The annex represents the information on the submitted Bids that at least will be presented in the Auction report. However, the type of information that is provided can be extended (e.g. graphs, figures, etc.), building further around the same kind of data.

17.5.2.1 Bid information

		Submitted Bids
Bid volume weighted average price (EUR/MW)	Subject to IPC	
	Not subject to IPC	
Average capacity volume (MW)		
Total number of Bids	Total	
	Of which mutually exclusive (in %)	
Total volume of mutually exclusive Bids (MW)		
Maximum volume of mutually exclusive Bids that can be selected (MW)		
Total number of CMUs		
Total number of unique CRM Candidates		

17.5.2.2 Capacity volume information

		Submitted Bids (MW)
Total capacity volumes	Total	
Capacity Contract Duration	15 years	
	14 years	
	13 years	
	12 years	
	11 years	
	10 years	
	9 years	
	8 years	
	7 years	
	6 years	
	5 years	
	4 years	
	3 years	
	2 years	
	IPC	

	1 year	No IPC	
CMU Status	Existing		
	Additional		
	Virtual		
Technology classes	<i>In function of categories in Royal Decree on Methodology.</i>		
Type of connection	TSO-connected		
	DSO-connected		
	Unproven Capacity		

17.5.3 ANNEX E.3: OVERVIEW OF THE INFORMATION ON THE SELECTED BIDS IN THE AUCTION REPORT

The annex represents the information on the selected Bids that at least will be presented in the Auction report. However, the type of information that is provided can be extended (e.g. graphs, figures, etc.), building further around the same kind of data.

17.5.3.1 Bid information

		Selected Bids
Bid volume weighted average price (EUR/MW)	Subject to IPC	
	Not subject to IPC	
Average capacity volume (MW)		
Total number of Bids		
Total number of CMUs		
Total number of unique CRM Candidates		

17.5.3.2 Auction clearing price

Auction price (EUR/MW)

17.5.3.3 Capacity volume information

		Selected Bids (MW)
Total capacity volumes	Total	
Capacity Contract Duration	15 years	
	14 years	
	13 years	
	12 years	
	11 years	
	10 years	
	9 years	
	8 years	
	7 years	
	6 years	
	5 years	
	4 years	
	3 years	
2 years		

	1 year	IPC	
		No IPC	
CMU Status	Existing		
	Additional		
	Virtual		
Technology classes	<i>In function of categories in Royal Decree on Methodology.</i>		
Type of connection	TSO-connected		
	DSO-connected		
	Unproven Capacity		

17.5.4 ANNEX E.4: OVERVIEW OF THE INFORMATION IN THE PRE-DELIVERY ACTIVITY REPORT

The annex represents the information on the pre-delivery controls that at least will be presented in the pre-delivery activity report. However, the type of information that is provided can be extended (e.g. graphs, figures, etc.), building further around the same kind of data.

	Contracted Capacities (in MW)	Missing Volumes (in MW)	
		Identified before Y-1 volume determination	Identified after Y-1 volume determination
Existing CMU			
Additional CMU			
Virtual CMU			

17.5.5 ANNEX E.5: OVERVIEW OF THE INFORMATION IN THE REPORT BEFORE THE START OF THE DELIVERY PERIOD

The annex represents the information on the Delivery Period that at least will be presented in the report. However, the type of information that is provided can be extended (e.g. graphs, figures, etc.), building further around the same kind of data.

Information on Delivery Period starting on '1 Nov of Year x' until '31 Oct of Year x +1'			
	Contracted Capacities (in MW)	Calibrated Strike Price (in EUR/MW)	Calibrated AMT Price (in EUR/MW)
Y-4 Auction			
Y-1 Auction			
Contracted Capacities in earlier Auctions			