

## **GUIDELINES FOR THE IMBALANCE DISTRIBUTION OF A STANDARD BALANCING GROUP WITH A COORDINATOR ENERGY MT EAD**

Energy MT EAD owns a license for electricity trading № И1-Л 331/09.07.2012 issued by the State Energy and Water Regulatory Commission (SEWRC), which includes the rights and obligations related to coordinating a balancing group.

### **I. Definition and Purpose of the Balancing Group**

The purpose of the balancing group is the partial aggregation of the total imbalances accumulated by its group members. They (the Members) transfer the responsibility for balancing to the Balancing Group Coordinator (the Coordinator), who distributes the imbalances among the group members. In effect, the cumulative financial burden related to the balancing market prices for each member is reduced.

### **II. Guidelines for the imbalance distribution**

#### ***Defining the imbalances***

The imbalances in the group are the differences between the aggregated consumption and physical transfers and the Coordinator's schedules for each period of the settlement. They are determined for the energy consumptions during each astronomical hour. When the Coordinator's schedule for the respective hour exceeds the quantities actually consumed, there is shortage. When the Coordinator's schedule for the respective hour reflects smaller the quantities actually consumed, there is excess.

#### ***Proportionality***

The Coordinator distributes the imbalances among the members with respect to the weight each of them adds to the total imbalance individually. Based on the results of the imbalance aggregation within the group, the Coordinator determines the prices for excess and surplus for each member. The quantities, coefficients, and the prices for shortage and excess are determined monthly in the Balancing Group Participation contract annex.

#### ***Transparency***

The Coordinator will inform the members of the balancing group about the generated shortage and surplus before and after the aggregation within the group, the average prices for each determined by TSO EAD, and all additional information relevant to their participation in the balancing group. Each Member will receive updates on their individually generated imbalances, their surplus and excess prices, as well as the MWh rate at which the balancing market administrator (TSO EAD) would have charged them.

### **III. Participation in the Balancing Group with Coordinator Energy MT EAD**

A balancing group member is an active participant on the market for electricity (consumer, producer, or trader). They are registered on the market for balancing energy with the TSO EAD

and can meet all prerequisites for joining the standard balancing group with coordinator Energy MT EAD.

Joining a balancing group with coordinator Energy MT EAD:

1. Submit an application to the Coordinator, including the following:
  - contact details for the legal entity of the Member and their current coordinator;
  - a start date, at which the Member will join the balancing group /cannot be earlier than thirty (30) calendar days from the application entry date/;
  - hourly data for the electric energy the Member has requested and consumed for the last six months.
  
2. Upon the receipt of the hourly data, we analyze the savings potential and benefits for the applicant, associated with their participation in a balancing group with a coordinator, Energy MT. Within seven days the applicant will receive a formal letter of approval or rejection to participate in Energy MT's balancing group.

These guidelines are developed according to the requirements of the State Energy and Water Regulatory Commission (SEWRC). Each change alteration in the regulatory framework will be published on Energy MT's web page.