



## **INSTRUCTION 01/2013**

**Financial Capacity Rights for the  
Interconnection Portugal-Spain**

17.December.2013

**Versions Index****17.December.2013**

Initial Version

**DISCLAIMER**

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This document is available in [www.omip.pt](http://www.omip.pt)

Whereas:

- a) The existing legal and regulatory framework in the MIBEL market concerning the allocation of electricity transmission rights in the interconnection Portugal-Spain, in particular the Manual of Procedures on the Mechanism for the Joint Management of the Interconnection Portugal – Spain, of December 2013, of ERSE, and the equivalent Instruction of the *Comisión Nacional de los Mercados y la Competencia*, which define how the capacity rights will be allocated in the interconnection Portugal-Spain, including the products to be provided to the agents;
- b) According to the documents referred to in the preceding paragraph, OMIP and OMIClear are responsible for managing the trading, clearing, risk management, settlement and central counterpart of the products concerned;
- c) The trading of FTR Contracts takes place in periodical “closed envelope”-type auctions, at least once a month;
- d) Given the characteristics and specificity of the products concerned, specific participation terms must be defined for entities that do not want to trade other products available on the Market.
- e) The Trading Rulebook:
  - i. In Article 16(3) establishes that OMIP can define various categories of Trading Members, including for entities that access only a sub-set of Contracts or trading modes on the Market, and in Article 16(4) stipulates that the admission terms and procedures are established by Instruction or Notice;
  - ii. In Article 39(4) stipulates Special Trading Sessions.

Pursuant to Article 16(3)(4) and Article 39(4), both in the Trading Rulebook, OMIP approves this Instruction that embodies the provisions on the trading of FTR Swap Contracts, in Special Trading Sessions, and the registration of Bilateral Transactions to be cleared with OMIClear, as well as the relevant conditions for participation.

## I – SCOPE AND APPLICATION

1. This Instruction establishes the conditions applicable to the Special Trading Sessions for the trading of FTR Contracts, as well as the relevant conditions for participation. It also lays down the rules on the registration, through OMIP, of Bilateral Transactions of these Contracts to be cleared with OMIClear.
2. Trading on the Market and the registration of Bilateral Transactions of FTR Contracts take place on the MIBEL Derivatives Market.
3. Except as stated otherwise in this Instruction, the provisions in the Market Rules apply to the Special Trading Sessions of FTR Contracts.
4. Contracts, hereinafter referred to as FTR Contracts, constitute Financial Transmission Rights and include the following classes:
  - a. FTR Contracts S-P, whose Underlying asset corresponds to the value of the IFTR S-P index, calculated as the daily arithmetical average value of differences, if positive, between the hourly marginal price of the Spanish system and the hourly marginal price of the Portuguese system, calculated for the 24 (23 or 25) hours of the day (HOES), rounded to two decimal places, formed on the daily Spot Market managed by OMIE.
  - b. FTR Contracts P-S, whose Underlying asset corresponds to the value of the IFTR P-S index, calculated as the daily arithmetical average value of differences, if positive, between the hourly marginal price of the Portuguese system and the hourly marginal price of the Spanish system, calculated for the 24 (23 or 25) hours of the day (HOES), rounded to two decimal places, formed on the daily Spot Market managed by OMIE.

5. A series of terms, beginning with capital letters, will henceforth be used, the definitions of which are to be found in Annex I or in the Trading Rulebook.

## **II – PARTICIPANTS**

### **Scope of Participation**

6. The following Agents, jointly referred to as Participants, are admitted to the Special Trading Sessions in which FTR Auctions are held:
  - a) All Trading Members of OMIP (TM), under the conditions allowed by the relevant statute;
  - b) The agents that meet the specific conditions established in this Instruction, hereinafter referred to as FTR Trading Members (TM-FTR), who can only access the trading and registration of these Contracts for their own account.
  - c) The Transmission System Operator (TSO) as Issuers representing their electrical systems, as selling entities.
7. The TM-FTR can access the status of FTR Registration Agent with OMIP, for the purpose of registering Bilateral Transactions with OMIClear.

### **Requirements and procedures for the Admission of Issuers**

8. Access to the capacity as Issuer is granted by OMIP to the entities with the status of TSO on the MIBEL Market and who also:
  - a) Submit their registration details in the Companies Register;
  - b) Have registered an Authorised Representative;
  - c) Have clearing capacity with OMIClear;
  - d) Enter into the Issuer Admission Agreement with OMIP, in accordance with the relevant model in Annex II.

### **Admission Requirements for TM-FTR**

9. Access to the TM-FTR capacity is granted by OMIP to the entities that meet the following requirements:
  - a) Are legal persons eligible to operate on the Market;
  - b) Have clearing capacity with OMIClear, in the manner established by OMIClear.
  - c) Have at their disposal the appropriate human resources to participate in the FTR Auctions;
  - d) Have at their disposal the appropriate technical and operational conditions to participate in the FTR Auctions;
  - e) Have entered into the Admission Agreement for FTR Trading Member with OMIP, in accordance with Annex II, to trade Financial Capacity Rights in the Interconnection Portugal-Spain.

### **Human resources, technical and operational conditions of TM-FTR**

10. Notwithstanding the preceding paragraph, the human, technical and operational resources required to access the status of TM-FTR are those set out in Chapter III of the Trading Rulebook.
11. To register, Trading Managers are required to have prior trading experience in the energy market, in derivatives or “spot” products.

#### Admission Procedures of TM-FTR

12. For the purpose of obtaining the status of TM-FTR, applicants must show that the admission requirements are met, by submitting the following information:
- a) Application for admission;
  - b) Certificate of the Companies Register or equivalent;
  - c) Proof of clearing capacity provided for in paragraph 9(b);
  - d) Statement whereby the applicant declares that it meets the technical and operational conditions set out in paragraph 9(c) and (d).

#### Processing of TM-FTR application

13. The TM-FTR application is processed in accordance with the Trading Rulebook.

#### Termination and cancellation of the MN- FTR status and Issuer status

14. The termination and cancellation of the TM-FTR status and Issuer status are processed in accordance with the Trading Rulebook.

### III – SPECIAL TRADING SESSIONS OF FTR CONTRACTS

#### General Principles

15. FTR Contracts are traded in auctions, in the Special Trading Sessions established for that purpose, hereinafter referred to as FTR Auctions.
16. FTR Auctions can run concurrently with any Trading Session phase, and also after they close.

#### Specification of FTR Auctions

17. FTR Contracts are traded in FTR Auctions, as defined in this Instruction and in other applicable terms, including those set by the regulatory authorities of the MIBEL electrical sectors.
18. The regulatory authorities of the MIBEL electrical sectors define:
- a) The time horizons of Contracts traded, which may be annual, quarterly or monthly;
  - b) The number of Contracts offered by the TSO, as Issuers;
  - c) The date and time of the auction;
  - d) Any other aspects of the auction.

#### General characteristics of FTR Auctions

19. FTR Auctions are of the “Closed Envelope” type, in which:
- a) The procedure is anonymous, competitive and non-discriminatory, where the Bids and Asks for each Contract likely to interfere with each other give rise to a single marginal-type balance price called Auction Price.
  - b) Notwithstanding the provisions in paragraph 33, Participants’ Bids and Asks are anonymous and are not disclosed to the Market.
20. Several Contracts can be auctioned at the same time, but in an independent way, i.e., the Bids for each Contract are independent of the others.

#### The FTR Auction Model

21. The FTR Auction model is of the closed envelope type, consisting of a single round.
22. For each Contract, Participants are given:
- a) The Minimum Auction Price;
  - b) The Maximum Auction Price, instrumental and higher than the previous one.

23. The FTR Auction consists of a sequence of Phases:
- a) Preliminary information – first phase of the FTR Auction, during which the Auction Platform displays all the relevant information on the Auction, as well as the screen area designated for the entry of Offers (not editable by the user at this stage);
  - b) Submission of Offers – phase during which the Participants can place their Bids and Asks on the Auction Platform, subject to validation prior to acceptance;
  - c) Post-validation – phase during which the validation of Bids and Asks is homologated by OMIP and Participants can lodge a complaint concerning a rejected Bid and Ask;
  - d) Processing – phase during which Bids and Asks are processed and results are calculated;
  - e) Provisional information – phase during which the provisional results are made available on the Auction Platform and validated by the regulatory authorities of the MIBEL electrical sectors;
  - f) Final information – final phase of the FTR Auction, during which the final results of the auction are made available on the Auction Platform.
24. OMIP informs the Participants within Two Trading Days before the FTR Auction on the lengths of each Phase.
25. OMIP may decide, during the FTR Auction, to extend any of the Auction Phases.

#### Operational Procedures

26. FTR Auctions are held on a dedicated platform (Auction Platform), accessible on the Internet, using a username and a password.
27. Those interested in participating for the first time in FTR Auctions must send a written intent for participation to OMIP (e-mail or fax), according to the form in Annex III, by 16:30 of the Trading Day prior to the date on which a FTR Auction is held, failing which, after this limit the conditions for participation may not be guaranteed.
28. Participants must state in the written intent for participation the Trading Account in which potential business will be registered.
29. OMIP provides the software for installing the Auction Platform to Participants interested in taking part in FTR Auctions, as well as the username/password for participants to place their Bids, and a different username/password for Asks.
30. Business resulting from the FTR Auction is registered by OMIP on the Trading Platform of the MIBEL Derivatives Market as Market Transactions.
31. The registrations referred to in the preceding paragraph are done on the Trading Day on which the Final Information phase takes place, and Transactions are registered with the same date. If the Final Information phase begins after the end of the Pre-closing phase of the Trading Session, the registration in OMIClear will bear the date of the next Clearing Day.
32. With the exception of the Issuers, Participants may place their Bids and Asks, which will be handled independently, except for the validations provided for in paragraphs 45 to 49.
33. The Asks of Issuers, defined by the regulatory authorities of the MIBEL electrical sectors, are placed by OMIP at the price of 0.00 €/MWh, and their volume will be disclosed to the Market.

#### Prices

34. The characteristics of prices associated to Offers are defined in the General Contractual Clauses of Contracts taken to Auction.
35. The Minimum and Maximum Auction prices are set as follows:
- a) Minimum Round Price equals 0.00 €/MWh.
  - b) Maximum Round Price is 180.00 €/MWh
  - c) Given the characteristics of the FTR Auction, the maximum variation price limits do not apply.

### Format and Contents of Orders

36. Notwithstanding the provisions in paragraph 33, Offers are placed by Participants on the Auction Platform, during the Offer Submission Phase, their format being defined in this platform area. Each Offer has its Registration time.
37. Bidding and Asking Participants place their Offers on the Auction Platform, in pairs showing volume-price, for which ten intermediate levels are given, defined by the Participant, to specify the price levels at which they intend to reduce (bidders) or increase (askers) the volume of their Offer to higher prices.
38. An Offer includes the following price/volume pairs:
  - a) The bidding volume at Minimum Auction Price; placed by OMIP and sent by bidders by e-mail or fax, according to the form in Annex IV, within at least one hour before the FTR Auction begins.
  - b) Up to 10 pairs of Exit Volume / Exit Price for Bidders and 10 pairs of Volume / Entry Price for Askers. To this end, the Minimum Auction price is said to be an additional Exit Price to the 10 prices mentioned before, defined by the Participants.
  - c) The volume desired at the Maximum Round Price will in any case be null. If a TM places a value at the Maximum Price, OMIP will once again enter the value of 0 MW during the Post-validation phase.
39. The volumes included in the Offers correspond to the number of Contracts that Participants wish to buy or sell, and can only assume positive integer values.
40. The format of Offer prices complies with the specifications in the General Contractual Clauses, each representing the maximum value at which the Bidder accepts to buy the volume indicated in the relevant price/volume pair, or the minimum value at which the Asker accepts to sell the volume in the relevant price/volume pair.
41. The minimum price of pairs volume / Entry Asking Price must be higher than the maximum price of the volume / Exit Bidding Price for the same Participant.
42. Cumulative Buy Volume, at price P, is the sum of the volumes bid by the buying Participants at a price equal or higher than P.
43. Cumulative Sell Volume, at price P, is the sum of the selling volumes of Issuers/TSO and of selling Participants at a price equal to or lower than P.
44. If a Participant does not submit a valid Offer, it is considered that the Participant did not make any Offer in the Auction.

### Validation of Offers

45. Offers are submitted for validation on the Auction Platform, in order to check conformity with:
  - a) Maximum volume allowed for each bidding Participant, which is equal to or lower than the Maximum Volume Auctioned by the Issuers;
  - b) Provisions on the volumes and prices accepted in the Auction;
  - c) The acceptable period for placing Offers on the Auction Platform, corresponding to the Offer Submission Phase.
46. Offers that do not comply with the requirements in the preceding paragraph will be rejected by the Auction Platform.
47. Regarding rejected Offers:
  - a) OMIP informs the relevant Participants, through the Auction Platform, of the reasons why they were rejected;
  - b) Participants can claim the rejection of an Offer until the end of the Post-validation period;
  - c) If a Participant demonstrates that one of its Offers was improperly rejected during the Offer Submission Phase, and wants the Offer to be considered, it may send a request to OMIP by a means that enables the registration, and OMIP will place it on the Auction Platform.

48. When a Participant submits more than one valid Offer, it is considered that the last valid Offer replaces and invalidates all the preceding ones, and the last valid Offer will be the one used in the process for determining the SRP Auction.
49. In the Post-validation Phase, OMIP checks:
- a) Whether the minimum price of the pair volume / entry bidding price is higher than the maximum price of the volume / exit price pair of Bids for the same Participant. If this is not the case, OMIP cancels the pair volume / asking price with a price equal or lower than the maximum price of the pair volume / exit bidding price of the same Participant.
  - b) Whether the maximum volume of the selling Participant is not higher than its bidding position for the Contract concerned. If this is not the case, OMIP successively cancels each pair of volume / asking price with the highest price until it totals a maximum volume equal to or lower than its buying position.

### Auction Price

50. The results of the Auction are calculated as follows:
- a) A group formed by various Exit Prices submitted by Participants in the Bids, and by the Minimum and Maximum Auction process are sorted in decreasing order;
  - b) A group formed by various Entry Prices submitted by Participants in the Asks, and by the Minimum and Maximum Round prices are sorted in increasing order;
  - c) For each of the prices defined in the preceding paragraphs, the Executed Volume is calculated.
  - d) The Auction Price corresponds to the price that maximises the Executed Volume and, in the event of a tie, to the highest price.
51. The Auction Price corresponds to the asking price of Issuers for all sell Participants, and to the bidding price for all buy Participants.

### Provisional Allocation of Volumes

52. All buy volumes bid at prices equal to or higher than the lowest price corresponding to negative or null Excess Demand are allocated.
53. All sell volumes bid at prices equal to or lower than the highest price corresponding to positive or null Excess Demand are allocated.
54. For buy volumes bid at Auction Price or for sell volumes bid at the lowest price corresponding to negative or null Excess Demand, the Remaining Volume is allocated according to the pro-rata matching rules defined in the following paragraph.
55. The Remaining Volume is allocated among the Participants involved as follows:
- a) Allocation of volumes proportional to the Exit Volume (or Entry Volume) of each Offer involved in the pro-rata process, thus obtaining integer values through truncation and, if necessary, allocating 1 (one) contract to each Exit Volume in increasing order until a value equal to the Remaining Volume is achieved;
  - b) If there are Offers whose volumes match those required for the application of the mechanism referred to in the preceding paragraph, a time-sensitive order of preference is defined, in which the volume of 1 (one) contract is allocated in increasing chronological order according to the time recorded by the Auction Platform;

### Final Allocation of Volumes

56. Following the provisional allocation of volumes described in the previous section, the Remaining Volume is assessed by the energy supervision entities within no more than 24 hours. If results



produced are validated, the Transactions are considered firm and placed on the Trading Platform of the Market.

#### Information to Participants

57. OMIP provides the following information to all Participants on the Auction Platform, the part that concerns them:
- a) Auction Price;
  - b) Total Volume allocated.

#### Technical means

58. The conditions of access to the Auction Platform are described in the Technological Access Guide available on request to Participants.
59. If one or more Participants are unable to access the Auction Platform, OMIP may adopt one or more of the following alternatives:
- a) Accept the sending of Offers through alternative means defined in the paragraph 60 below;
  - b) Suspend the FTR Auction, which will be resumed after Participants are informed;
  - c) Cancel the FTR Auction, setting a new date and conditions with the authorities involved; these conditions will be communicated to Participants by OMIP.
60. Pursuant to paragraph 59(a), Participants may ask OMIP to submit Offers via fax, telephone or e-mail, to the operational contacts of OMIP established for the Market.
61. The use of these means will only be allowed and take effect for the actual acceptance of Offers if expressly authorised by OMIP.
62. If the Auction Platform is unable to run properly, jeopardising the FTR Auction in accordance with the Trading Rules, OMIP may adopt one of the alternatives referred to in paragraph 59(b) or (c).
63. If OMIP decides to suspend or cancel a FTR Auction, Participants will be informed via telephone, e-mail or fax.

### IV – INFORMATION

#### Information to the Regulatory authorities

64. OMIP sends to the CMVM and the regulatory authorities of the Issuers the full information on each FTR Auction, including the Positions taken by each entity and the structure of Offers submitted to the FTR Auction.

#### Public information

65. OMIP posts on its webpage:
- a) The FTR Auction Rules, including the minutes of the FTR Trading Member Admission Agreement;
  - b) A brief description of the registration process in the FTR Auction;
  - c) A brief description of the FTR Auction procedure;
  - d) Operational contact details (fax and telephone numbers, and e-mail);
  - e) The dates of the FTR Auctions and times of the various Phases;
  - f) The specifications of each auction, indicating the type of contract to be auctioned and the maximum number of electrical system contracts up for bidding;
  - g) The forms to be used by the Participants in order to satisfy the documentary requirements of the Auction;

- h) The results of each FTR Auction, including the price and volume awarded in each auctioned product, number of Participants in the auction and number of bidders;
- i) Other relevant information.

**Fees**

66. The OMIP Price List will define the fees payable for the admission and maintenance of Participants, for the Contract buy and sell Transactions, and for other services properly specified.

**Entry into Effect**

67. This Instruction has been registered with CMVM on December 12<sup>th</sup>, 2013 and enters into effect on December 17<sup>th</sup>, 2013.

*The Board of Directors*

## ANNEX I

### Definitions and Acronyms

**Auction Platform** – Computer system accessible via Internet using a username and a password; it supports the operation of the FTR Auction, namely the entry of Offers by Participants and the dissemination of information provided for in this Instruction.

**Auction Price** – Price obtained as the result of the Auction process, to be paid to all buyers and sellers concerning all volumes allocated pursuant to this Instruction.

**Cumulative Buy Volume** - Cumulative Buy Volume, at a price of P, is the sum of the volumes bid by the buying Participants at a price equal or higher than P.

**Cumulative Sell Volume** - Cumulative Sell Volume, at a price of P, is the sum of the selling volumes of the Portuguese electricity system and of selling Participants at a price equal to or lower than P.

**ERSE** – Energy Services Regulatory Authority

**Entry Price** – Price defined by sell Participants in their Offers, to specify the minimum price at which they are willing to sell the volume mentioned in the relevant pair Entry price / Entry quantity.

**Entry Volume** - Volume included in a pair Entry Price / Entry Volume.

**Excess Demand** – Defined, for a price P, as the difference between the Cumulative Buy Volume and the Cumulative Sell Volume at that price.

**Executed Volume** – The lowest between the Cumulative Buy Volume and the Cumulative Sell Volume at a price of P.

**Exit Price** - Price defined by sell Participants in their Offers, to specify the maximum price at which they are willing to buy the volume mentioned in the relevant pair Exit Price / Exit Volume.

**Exit Volume** – Volume included in a pair Exit Price / Exit Volume.

**FTR Auction** – Descending-Clock type Auction, of a single round, carried out in accordance with this Instruction, to determine:

- The Auction Price;
- The Volume Awarded to each TM.

**FTR\_MIBEL Contracts** - referred to as FTR Contracts, constitute Financial Transmission Rights of the electricity interconnections Portugal-Spain, and include the following classes:

- a. FTR Contracts S-P, whose Underlying asset corresponds to the value of the IFTR S-P index, calculated as the daily arithmetical average value of differences, if positive, between the hourly marginal price of the Spanish system and the hourly marginal price of the Portuguese system, calculated for the 24 (23 or 25) hours of the day (HOES), rounded to two decimal places, formed on the daily Spot Market managed by OMIE.

- b. FTR Contracts P-S, whose Underlying asset corresponds to the value of the IFTR P-S index, calculated as the daily arithmetical average value of differences, if positive, between the hourly marginal price of the Portuguese system and the hourly marginal price of the Spanish system, calculated for the 24 (23 or 25) hours of the day (HOES), rounded to two decimal places, formed on the daily Spot Market managed by OMIE.

**Issuers** – Transmission System Operators (TSO), representing their electrical systems as net sellers of FTR Contracts

**Maximum Auction Price** – Instrumental price representing the price threshold (inclusive) at which no volume can be entered by Participants.

**Maximum biddable buy volume**

Maximum volume biddable by a Participant in a FTR Auction, for each contract auctioned, Subject to prior notification to OMIP in accordance with this Instruction and the OMIP Notice 05-2007\_ Phases and Times of the Trading Session.

**Maximum biddable sell volume** - Maximum volume biddable by a selling Participant, which is equal to or lower than its buying position for the Contract concerned.

**Minimum Auction Price** – the Minimum Round Price is set at 0 €/MWh.

**Offers** – Bids and Asks in FTR Auctions, in number of Contracts, containing the following information:

- The volume bid at the Minimum Round Price;
- The volume bid at the Maximum Round Price;
- Up to ten pairs Exit Volume / Exit Price for buy Participants;
- Up to ten pairs Entry Volume / Entry Price for sell Participants.

**Participant** – Trading Member or FTR Trading Member.

**Phase** – Each of the Phases in which the FTR Auction is subdivided.

**Remaining Volume** – The remaining Volume is defined as follows:

- a. If on the buy side, it is described as the difference between the Cumulative Sell volume at the highest price corresponding to positive Excess Demand and the Cumulative Buy Volume at a price immediately above the Auction Price.
- b. If on the sell side, it is described as the difference between the Cumulative Buy Volume at Auction Price and the Cumulative Sell Volume at the price immediately below the lowest price corresponding to Negative Excess Demand.

**TM** – Trading Member.

**TM-FTR** – Trading Member with sole access to the Trading of FTR Contracts.

**Transmission System Operator (TSO)** – Entity responsible for the management and operation of an electricity transmission system.

**Volume Auctioned** – Volume Auctioned is the total volume to be sold by the Portuguese Electricity System.

## Annex II

### Agreement on the Admission of [Issuer/ FTR Trading Member]

Between:

OMIP – Pólo Português, S.G.M.R., S.A., with head-office at Avenida Casal Ribeiro, 14 – 8.º, 1000-092 Lisboa, company number 506533786, with a share capital of € 2,500,000.00, represented in this act by \_\_\_\_\_ (name), \_\_\_\_\_ (position), hereinafter referred to as FIRST PARTY,

and

(...), with head office at \_\_\_\_\_, share capital of \_\_\_\_\_, company number \_\_\_\_\_, registered at the Commercial Registry Office of \_\_\_\_\_ under number \_\_\_\_\_, represented in this act by \_\_\_\_\_ (name), \_\_\_\_\_ (position), hereinafter referred to as the SECOND PARTY.

Whereas:

1. The FIRST PARTY is responsible for the management of the MIBEL Regulated Market (hereinafter Market), trading derivatives contracts on energy-based products, including the trading of Financial Capacity Rights for the Interconnection Portugal-Spain;
2. The SECOND PARTY meets all requirements set out in the Market Trading Rules to perform the functions as [Issuer/ FTR Trading Member].

This Agreement is made and entered into and will be governed by the following clauses:

#### CLAUSE ONE

The SECOND PARTY has the right to operate in the Market as [Issuer/ FTR Trading Member], and is authorised to perform the functions foreseen in the Trading Rules on the Trading of Financial Capacity Rights for the Interconnection Portugal-Spain.

#### CLAUSE TWO

The SECOND PARTY declares having full knowledge and accepts expressly and unreservedly the provisions in the National Regulations and Trading Rules, composed by the Rulebook, instructions and Notices applicable to the Transactions of Financial Capacity Rights for the Interconnection Portugal-Spain taking place in the Market, in particular:

- a) The characteristics of the products corresponding to the Financial Capacity Rights for the Interconnection Portugal-Spain;
- b) The responsibilities listed in the Trading Rules and other applicable National Regulations;
- c) The disciplinary procedures established under the Trading Rules and the applicable rules of the National Regulations.

### CLAUSE THREE

The SECOND PARTY authorises the FIRST PARTY:

- a) To monitor, by whatever means it deems appropriate, the full compliance with its obligations, undertaking to adopt the behaviours and to provide all the elements necessary for that purpose;
- b) To request from the Supervisory Entities the information deemed necessary to confirm the requirements on which its admission and maintenance as [Issuer / FTR Trading Member] as well as to transmit to those entities the information concerning the SECOND PARTY that it may be asked to provide;
- c) To record all its telephone calls, including instructions or requests, and use such recordings as evidence that they were made, as well as for the purpose of Market supervision carried out by the FIRST PARTY or by the competent Entities.

### CLAUSE FOUR

The SECOND PARTY undertakes to:

- a) Comply with the technical conditions to access and use the Auction Platform of the FIRST PARTY, acting with the utmost diligence, preventing and taking responsibility for using it in a wilful misconduct or negligent manner;
- b) Use the data and information obtained from the Auction Platform for the sole purpose of Trading and processing the transactions;
- c) Install, configure and manage the communication network infrastructure and the computer resources (hardware and software) to access the Auction Platform at their own charge, and to provide any other services associated to its use.

### CLAUSE FIVE

The SECOND PARTY declares having full knowledge and accepts expressly and unreservedly that the FIRST PARTY is not responsible for any damages sustained:

- a) Due to adverse market conditions, unforeseen circumstances, force majeure or the interruption, suspension or exclusion from trading a specific Contract;
- b) Resulting from the implementation of the provisions in the Rules;
- c) Resulting from technical failures, including power supply, damages caused by fire or water, or any other events beyond the control of the FIRST PARTY.

### CLAUSE SIX

1. This Agreement takes effect from the date it is signed, and will be valid for an indefinite period of time and cease:
  - a) By termination of the PARTIES, in writing, with a prior notice of, at least, 30 (thirty) days in relation to the termination date;

- b) By termination of the SECOND PARTY, as [Issuer/ FTR Trading Member] of the SECOND PARTY, in accordance with the Trading Rules.
- 2. The termination, for whatever reason, of this Agreement does not preclude the duty to comply with all obligations arising from the Positions for which the SECOND PARTY is responsible vis-à-vis the FIRST PARTY.
- 3. The SECOND PARTY may no longer perform Operations from the date of termination of this Agreement, or when the FIRST PARTY so determines it in accordance with the applicable Trading Rules.

#### **CLAUSE SEVEN**

This Agreement is governed by the Portuguese law.

#### **CLAUSE EIGHT**

For the resolution of any disputes concerning the validity, interpretation or application of this Agreement, the PARTIES expressly waive any other jurisdiction and agree to submit them to the Civil Court of Lisbon.



This Agreement is done in two copies and is signed by both PARTIES in acceptance thereof.

Lisbon, \_\_\_\_\_

THE FIRST PARTY

THE SECOND PARTY

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*OMIP – Pólo Português, S.G.M.R., S.A.*

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*(Signature(s) of the representative(s) of the  
SECOND PARTY)*

## Annex III

### FTR MIBEL Auctions

2

#### Form 1 – Qualification Declaration (new FTR MIBEL participants)

..... [1], hereby represented by  
.....[2], as registered person with OMIP, declares:

- That it intends to participate in the FTR MIBEL Auctions.
- That the Trading Platform access should be given to .....  
.....[3], as a registered trader in OMIP
- That the positions should be registered in our OMIP trading account:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☒ ☐ ☐  
F/P

Signature:

Fax to: (+351) 21 000 6012

e-mail to: trading@omip.pt

Date & Place:

(1) – Company name (2) – Representant name  
(3) – Trader name

## Annex IV

### FTR MIBEL Auctions Form 2 – Reserve Price Bid (MANDATORY)

3

..... [1], hereby represented by  
..... [2], requests OMIP to input  
the following Reserve Price order on its behalf:

Signature:

Date & Place:

Fax to: (+351) 21 000 6012

FTR MIBEL Auction		
	Minimum Price	No. Of Contracts <sup>(3)</sup>
	€/MWh	
(4)	0,00	Max 1
(4)	0,00	Max 2
(4)	0,00	Max 3

(1) Company name

(2) Representant name

(3) Number of contracts my company is willing to buy at reserve price level. (max. = contracts auctioned).

(4) This line is to be used only for the Minimum Price Bid, which must be sent until **MM-DD CET 16h30**