

# **Moyle Interconnector**

**Access Arrangements from October 2011  
(subject to Moyle Auction Platform Go-Live)**

**Version 1.0**

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## **SECTION A: GENERAL INTRODUCTION**

### **Rule A1: Introduction**

A1.1. Moyle Interconnector Limited (“**Moyle**”) is the owner of the Moyle Interconnector (the “**Interconnector**”);

A1.2. Moyle is required, pursuant to condition 17 of its licence under Article 10(1)(b) of the Electricity (Northern Ireland) Order 1992, (the “**Interconnector Licence**”), to prepare relevant access arrangements in respect of the Interconnector for approval by the Northern Ireland Authority for Utility Regulation (“**NIAUR**”); and to periodically review the relevant access arrangements which are in force from time to time.

A1.3. Moyle will implement an electronic auction platform, to manage auctions with effect from the Moyle Auction Platform Go Live Date;

A1.4. The following Rules shall constitute the relevant access arrangements to apply to Moyle with effect from the Moyle Auction Platform Go Live Date.

A1.5 These Rules set out:

- (a) the auction mechanism by which an offer for the acquisition of Units of capacity may be made by a Participant; and
- (b) the basis upon which Moyle may accept an offer for the acquisition of Units of capacity from a Participant.

### **Rule A2: Parties and participation**

#### **Participation in Auctions and Use of Interconnector Capacity**

A2.1 A person wishing to participate in any Auction and/or Secondary Market, and/or wishing to use Interconnector Capacity shall comply with Rule B2 [Participation Requirements] and agrees to be bound by and comply with these Rules.

A2.2 For the avoidance of doubt and notwithstanding anything else in these Rules, a person wishing to use Interconnector Capacity in the Single Electricity Market (SEM) or wishing to participate in any Implicit Intraday Auction in the SEM will be required to accede to the SEM Trading and Settlement Code.

#### **Moyle Interconnector Limited**

A2.3 Moyle is issuing these Rules as owner of the Interconnector.

#### **System Operator Northern Ireland**

A2.4.1 Moyle has appointed SONI to act as its agent in making arrangements for the grant of use of interconnector rights pursuant to the terms of the Moyle Interconnector Operation Agency Agreement.

A2.4.2 The Participant acknowledges that SONI shall carry out the functions of Moyle as set out in these relevant access arrangements.

A2.4.3 SONI performs the functions of Interconnector Administrator and Interconnector Error Administrator under the Balancing and Settlement Code and the Trading and Settlement

Code, on the terms of Moyle Interconnector Framework Deed and the Moyle Interconnector Procedures.

### **Moyle Participant Forum**

A2.5 Moyle will from time to time invite Participants to meet to discuss future Auctions and the commercial and operational aspects in relation to the Interconnector. Details of those who may attend the meetings, the agenda and location will be notified by Moyle within a reasonable time before the meeting.

### **Rule A3: Definitions and interpretation**

#### **Definitions**

A3.1 In these Rules, unless the context otherwise requires, capitalised words and phrases have the meaning given to them in Part I of Schedule 1 [Definitions].

#### **Interpretation**

A3.2 The rules of interpretation applicable to these Rules are set out in Part II of Schedule 1 [Interpretation].

#### **Time**

A3.3 All timings referred to within these Rules are GMT, unless otherwise stated.

### **Rule A4: Amendment**

#### **Amendment**

A4.1.1 Subject to Rule A4.6, Moyle is entitled to amend these Rules from time to time by giving an Amendment Notice to Participants.

A4.1.2 Nothing in this Rule A4 [Amendment] shall prevent a Participant from proposing in writing amendments to these Rules at any time.

A4.1.3 In the event that an amendment is proposed by a Participant, Moyle shall, within 5 business days, confirm receipt of the proposed amendment and provide timescales for consideration of such proposal.

#### **Effective time**

A4.2 Subject to Rule A4.5 [Amendments due to legal requirements], an amendment made under Rule A4.1 [Amendment] shall take effect from the date and time specified in the Amendment Notice.

#### **Application**

A4.3.1 Each amendment applies to any aspect of these Rules, including but not limited to all Auctions conducted after the date on which the amendment takes effect.

A4.3.2 Unless expressly stated otherwise by Moyle, the amended Rules shall govern all rights to use Interconnector Capacity and all other rights and obligations acquired under these Rules including those acquired before but for use after the amendment takes effect.

A4.3.3 Any amendment of these Rules will apply automatically on the date notified to the Participant but without prejudice to the Participant's right to request termination of its MICFA in accordance with Clause [6.2] of the MICFA.

#### **Participant comments**

A4.4 Before making any amendment to these Rules under Rule A4.1 [Amendment], Moyle will, unless the amendment is deemed by Moyle to be urgent or trivial in its nature, give Participants a reasonable opportunity, and in any event not less than ten (10) Business Days, to review and give written comments to Moyle on the proposed amendment. If Moyle decides to modify a proposed amendment as a result of comments from Participants, it may give Participants a further opportunity to review and comment on the modified proposals under this Rule indicating timescales for provision of such comments.

#### **Amendments due to legal requirements**

A4.5 These Rules are subject to the law prevailing at the time at which they take effect. In the event that there is a change in law or any action by Competent Authorities at national or international level which have an effect on these Rules then, notwithstanding any other provision of these Rules, the Rules will be amended accordingly and, where possible, pursuant to this Rule A4 [Amendment].

#### **Rules approval**

A4.6 These Rules are approved by the relevant regulatory authorities. Accordingly, any Amendment Notice will be issued to Participants only after such approval(s) (as required) has/have been received by Moyle. Following receipt of such approval(s) the amended Rules will be published on the Moyle website.<sup>1</sup>

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<sup>1</sup> [http://www.mutual-energy.com/The\\_Moyle\\_Interconnector/Access\\_Arrangements.php](http://www.mutual-energy.com/The_Moyle_Interconnector/Access_Arrangements.php)

## **SECTION B: RULES APPLICABLE TO PARTICIPATION**

### **Rule B1: Introduction**

#### **Scope**

B1.1 This Section B of the Rules sets out rules which are applicable to participation by Participants in Auctions and the Secondary Market.

#### **Structure**

B1.2 Section B is divided into four Rules as follows:

- (a) Rule B1: Introduction;
- (b) Rule B2: Participation Requirements;
- (c) Rule B3: MICFA; and
- (d) Rule B4: Participant Systems.

### **Rule B2: Participation Requirements**

#### **Eligibility**

B2.1 To be eligible to participate in the Auctions and the Secondary Market, a person must satisfy the following conditions:

- (a) be a party to the MICFA and comply with its requirements;
- (b) not be in receipt of a notice from Moyle suspending its rights to participate in any further auctions pursuant to Clause 6.3 of the MICFA;
- (c) have signed any agreements which may become necessary to facilitate interconnector trading, as determined by SONI and approved by the Authority, and notified to each Participant;
- (d) have established and confirmed to Moyle its interface between its Participant System and the Moyle Auction Platform and SEM systems in accordance with Rule B4 [Participant Systems]
- (e) be a party to the following agreements:
  - (a) Use of System Agreement with SONI;
  - (b) a Framework Agreement established under the SEM Trading and Settlement Code;
  - (c) a Framework Agreement established under the CUSC;
  - (d) a Framework Agreement as defined in the Balancing and Settlement Code;

#### **Suspension and Reinstatement**

B2.2 A Participant, in receipt of a notice under Rule F6.1 [Suspension by Moyle], is prohibited from submitting Bids in any Auction and/or participating in the Secondary Market from the date its eligibility is suspended until such date (if any) as it is reinstated by Moyle.

## **Regulatory and legal requirements**

B2.3 It is the responsibility of each Participant to ensure that it has complied with all requirements, including Applicable Laws; the requirements of any Competent Authority, and obtained all necessary authorisations in connection with its participation in Auctions and its use of Interconnector Capacity. Moyle reserves to the right to suspend a Participant's right to participate upon receipt of a notice from any Competent Authority that the Participant is in breach of the necessary authorisations.

## **Costs of participation**

B2.4 All Participants will participate in Auctions and/or the Secondary Market, at their own cost, expense and risk. Moyle will not be liable to any person (including Participants) for any cost, claim, or expense of any Participant in connection with the Participant participating in Auctions and the Secondary Market.

## **Collusion and gaming**

B2.5.1 There must be no collusion by any Participant with any other Participant and Participants must not otherwise seek improperly to influence the outcome of any Auction. Where in its opinion collusive or other improper behaviour may have occurred or be occurring, Moyle will refer the matter to the relevant Competent Authority or jurisdiction and, upon decision of the Competent Authority or jurisdiction that the Participant's behaviour is unlawful, may disqualify the relevant Bids.

B2.5.2 The Authority reserves the right, at any time during the process, to declare any auction void if it determines that the process appears to have been gamed, or that the outcome would lead to a non-competitive situation in the all island wholesale market. In the event of such occurrence another suitable auction would be enacted at a later date.

## **Other issues**

B2.6.2 All Participants participate in Auctions on the terms of the MICFA, these Rules and the relevant Auction Specifications.

## **Rule B3: MICFA**

### **Application for an agreement**

B3.1.1 Any person ("Applicant") may apply to enter into a MICFA by submitting a completed MICFA to Moyle together with all the appropriate information and documents required by the MICFA.

B3.1.2 The Applicant must complete one MICFA only and can only enter into one MICFA at any one time.

### **Refusal**

B3.2.1 Moyle may refuse to enter into a MICFA with an Applicant:

- (a) if Moyle has previously terminated a MICFA with the Applicant pursuant to as a result of a failure by the Participant (as it was at the time) to pay any amount owed under or in connection with these Rules and the Participant has not paid all amounts owed by it to Moyle in connection with that termination;

- (b) if the act of the Participant causes Moyle to breach any condition of the Interconnector Licences granted to it by the Northern Ireland Authority for Utility Regulation and OFGEM; or
- (c) if the act of the Participant causes Moyle to breach any applicable legal requirement.

B3.2.2 Moyle shall not enter into a MICFA with an Applicant if the Applicant does not undertake to be bound by the terms of:

- (a) such parts of the Grid Code and to such extent as such parts of the Grid Code and to such extent as the Authority shall from time to time specify in directions issued by the Authority to the licensee for the purposes of this Condition;
- (b) the Single Electricity Market Trading and Settlement Code
- (c) the terms of any code of general application or agreement made between the licensee and any co-operator of the Moyle Interconnector governing the operation and maintenance of the Moyle Interconnector approved for the time being by the Authority; and
- (d) a transmission use of system agreement with the transmission system operator.

### **Information provided by Participants**

B3.3.1 Applicants and Participants must provide Moyle with the data and information in Schedule 1 ("Capacity Holder") of the MICFA before they are eligible to participate in any Auction.

B3.3.2 An Applicant or a Participant must notify Moyle if there is any change to the its information at least ten (10) Business Days before the change comes into effect and, where that is not possible, as soon as practicable after the Participant becomes aware of the change.

B3.3.3 An Applicant or Participant must notify Moyle if it does not consent to Moyle publishing its name as a Unit Holder for the facilitation of the Secondary Market.

B3.3.4 Pursuant to any notification sent by the Participant in accordance with Rule B3.3.3 [Information provided by Participants], such notification will be reflected in the Moyle Auction Platform and SEM systems, where relevant, as soon as practicable and in any event within two (2) Business Days of the receipt of the notification.

### **Accuracy and completeness**

B3.4 Each Participant is responsible for all data and other information that it provides to Moyle pursuant to these Rules and must ensure that all data and other information that it provides to remains accurate and complete in all material respects and must promptly notify any change.

## **Rule B4: Participant Systems**

### **General requirement**

B4.1 Each Participant must establish and maintain, at its own cost, its own Participant Systems. Moyle shall have no liability in the event that the Participant's System fails, for any reason, to communicate with the Moyle Auction Platform or, where applicable, SEM and BETTA systems.

### **Interfaces with the Moyle Auction Platform, SEM and BETTA systems**

B4.2 Moyle will give Participants the information (including updates as applicable) reasonably necessary to enable Participant Systems to interface with the Moyle Auction Platform.

### **Interface testing**

B4.3. Moyle shall use reasonable endeavours to facilitate access to Participants to the Moyle Auction Platform for testing.

### **Security and confidentiality and binding nature of communications**

B4.4.1 Without prejudice to Clause 14 of the MICFA Moyle may from time to time, where reasonably necessary for the purpose of protecting the security and authenticity of communications under these Rules, including those between the Moyle Auction Platform, and where applicable SEM, BETTA and Participant Systems, establish communication protocols and standards with which Participants must comply.

B4.4.2 Participants accept that data sent to the Moyle Auction Platform and, where applicable, SEM and BETTA systems is binding, and that Participants are fully responsible for those individuals who have access to the Moyle Auction Platform and, where applicable, SEM and BETTA systems on behalf of the Participant.

### **Training**

B4.5.1 Standard Training for the use of the Moyle Auction Platform is available to the Participant upon request to Moyle. Moyle will discuss with the Participant the training required in order to determine the nature and extent of such request. When the scope of the required training is agreed, Moyle will use reasonable endeavours to organise such Standard Training to commence within ten (10) Business Days of such agreement, the duration of which Standard Training to be a maximum of two (2) days.

B4.5.2 Standard Training for the use of the SEM and BETTA systems will be addressed by the relevant market operator in SEM and BETTA.

## SECTION C: FINANCIAL MATTERS APPLICABLE TO THESE RULES

### Rule C1 Introduction

#### **Scope**

C1.1 This Section C of the Rules sets out Rules in respect of financial matters relating to the acquisition and use of Units of Interconnector Capacity.

#### **Structure**

C1.2 Section C is divided into three Rules as follows:

- (e) Rule C1: Introduction;
- (f) Rule C2: Payment and Other Financial Provisions ;
- (g) Rule C3: Auction Credit Limit

### Rule C2 Payment and Other Financial Provisions

C1 Financial Rules applying to the acquisition and use of Units of Interconnector Capacity are set out in the MICFA.

### Rule C3: Auction Credit Limit

C3.1.1. The Auction Credit Limit, for each Capacity Holder in respect of each Auction is calculated as follows:

$$ACL = CC - UNL$$

Where:

CC is Credit Cover, as confirmed in place immediately prior to the Auction commencement; and  
UNL = Unpaid Net Liabilities.

Unpaid Net liabilities shall be calculated as:

$$UNL = UL - UC$$

Where:

UL = Unpaid liabilities, the Capacity Holder's aggregate liability for Capacity Charges during the three month period commencing on day D under all Capacity Contracts to which the Capacity Holder is a party.

UC = Unpaid Compensations in respect of Units Resold and Unused Units, calculated at the commencement of the Auction in question. In respect of Units resold in Auctions of Product Period greater than one (1) month, up to three (3) continuous months of liability will be considered in this calculation from the day of Resale of the Unit until the day of payment of the last instalment of this Unit.

C3.1.2 The potential maximum commitment associated with any Bid, taking into account taxes and levies in force, will be assessed against the Auction Credit Limit. In the case of Long Term Auctions with a Product Period greater than one (1) month, up to three (3) months of potential maximum commitment associated with the Bid will be considered.

C3.1.3 Any Bid into a Long Term Auction that breaches the Auction Credit Limit shall generate a warning message to communicate this breach.

C3.1.5 A Capacity Holder may increase its Credit Cover. The increased Credit Cover shall be reflected in the Capacity Holder's Auction Credit Limit:

- (i) at the time specified by the Capacity Holder and approved by Moyle; or
- (ii) in the absence of any time specified by the Capacity Holder, within one (1) Business Day of Moyle's approval.

A Capacity Holder may at any time request a decrease of its Credit Cover, such request to specify a certain time in the future at which such decrease in credit cover is requested to take effect. All such requests must be received and approved by Moyle. Provided that the reduced value at the specified time does not cause the Auction Credit Limit to be reduced below zero (0) at such specified time then the requested decrease shall be approved by Moyle, otherwise the request shall be rejected by Moyle.]

## **SECTION D: AUCTION RULES**

### **Rule D1: Introduction**

#### **Scope**

D1.1 This Section D of the Rules sets out the Rules relating to the Auction processes.

#### **Structure**

D1.2 Section D is divided into seven Rules as follows:

- (a) Rule D1: Introduction;
- (b) Rule D2: Types of Auctions;
- (c) Rule D3: Long Term Auctions;
- (d) Rule D4: Daily Auctions;
- (e) Rule D5: Intraday Auctions;
- (f) Rule D6: Submission of Bids;
- (g) Rule D7: Allocation; and

### **Rule D2: Types of Auctions**

#### **Types of Auctions**

D2.1.1 Subject to Rule D2.8 [Electronic operation of the Auctions], Moyle will use the following procedures for Auctions:

- (a) Auctions for Long Term Units, using the procedure described in Rule D3 [Long Term Auctions];
- (b) Auctions for Daily Units, using the procedure described in Rule D4 [Daily Auctions]; and
- (c) Auctions for Intraday Units, using the procedure described in Rule D5 [Intraday Auctions].

D2.1.2 The different types of Auctions referred to above are closed Auctions (i.e. Auctions are for Interconnector Capacity only and Participants have no visibility of other Participants' Bids).

#### **Types of Unit**

D2.2 Each Auction will be of Units. Units will be divided into categories as specified by Moyle by designating, in respect of each category of Unit:

- (a) the direction of Units in that category, which will either be "Northern Ireland to Great Britain" or "Great Britain to Northern Ireland";
- (b) the duration of the Product Period of Units in that category;

- (c) the applicable Unit Validity Times of Units being sold in a relevant Auction;
- (d) any other terms applicable to that category of Unit; and
- (e) the Planned Outage Periods, if any.

### **Separate and concurrent Auctions**

D2.3 Each category of Unit will be auctioned separately. Separate Auctions may be conducted concurrently.

### **Acquisition of Units**

D2.4.1 Where Moyle accepts any Bid by allocating one or more Units to a Participant in accordance with these Rules, then the Participant is bound to acquire such Unit(s) for the Unit Price on the terms and conditions of these Rules, the MICFA and the relevant Auction Specification. The rights and obligations of Participants are set out in these Rules and the MICFA.

D2.4.2 Notwithstanding anything else in these Rules, Moyle reserves the right to limit the capacity allocation made to any Participant and its related entities where it is required by the Authority to impose such a limit.

### **Publication of preliminary results**

D2.5.1 The preliminary results will be published only on the Moyle Auction Platform:

- (a) for each Long Term Auction as soon as practicable and within two (2) hours after the end of the Bidding Period;
- (b) for each Daily Auction as soon as practicable and within twenty (20) minutes after the end of the Bidding Period.

D2.5.2 The preliminary results are non-binding and shall be for information purposes only.

D2.5.3 Each Participant may consult only its own preliminary results on the Moyle Auction Platform. The preliminary results are detailed per Auction and per Participant.

D2.5.4 Should Moyle not publish the preliminary results within the relevant timeframe, Moyle will keep the Participants informed of the new timeframe of publication and/or any other consequences related to the relevant results.

### **Checking of the Results by Participants**

D2.6.1 The Participant agrees to check the Auction results and where the Participant reasonably considers that there is any error in the Auction results for a Long Term Auction, may query Auction results for Long Term Auctions no later than two (2) hours after the Auction preliminary results have been published on the Moyle Auction Platform;

D2.6.2 Any query pursuant to D2.6.1 shall be marked as such, supported with full details and sent by email to Moyle. Only queries where the Participant believes there is an error in the Auction results shall be considered.

D2.6.3 If the Participant does not query the Auction result within the times specified in D2.6.1 and under the conditions specified above, the Participant agrees that it loses all rights to query such Auction results.

D2.6.4 Moyle shall endeavour to reply to the Participant no later than one (1) Business Day after receipt of any query in respect of Long Term Auctions.

D2.6.5 The Participant expressly acknowledges that Moyle shall not be required to consider any queries in respect of Daily or Intra-Day Auctions. Moyle accepts no liability or responsibility for any error in the results of any or its consideration of (or failure to consider) any queries, and the Participant hereby expressly indemnifies and holds harmless Moyle and its agents in respect of any loss arising from such error. Nothing in this paragraph will restrict any rights of any person with respect to any fraud on the part of any other person.

### **Publication of final results**

D2.7.1 Moyle will publish on the Moyle Auction Platform the final results:

- (a) for each Long Term Auction as soon as practicable and within thirty (30) minutes after the end of the Period dedicated to checking of Auction results;
- (b) for each Daily Auction as soon as practicable and within thirty (30) minutes after the publication of the preliminary results.

D2.7.2 The final Auction results are binding.

D2.7.3 The final results shall comprise:

- (a) each Participant's own final results, available only to that Participant on the Moyle Auction Platform, with the number of Units allocated to that Participant in the Auction and the Unit Prices;
- (b) the Auction's statistics, available to all Participants on the Moyle Auction Platform, which shall comprise the Auction Price and the total number of allocated Units;
- (c) unless otherwise notified by the Participant in respect of Rule B3.3 [Information provided by Participants], Moyle may publish a list of Units Holders for facilitation of the Secondary Market.

D2.7.4 Should Moyle not publish the final results within the relevant timeframe, Moyle will keep Participants informed of the new timeframe of publication and/or any other consequences related to the relevant results. Moyle shall have no liability for any costs or loss incurred by Participants in respect of any delayed publication of results.

### **Electronic operation of the Auctions**

D2.8 Auctions will be conducted electronically via the Moyle Auction Platform except in case of an Moyle Auction Platform failure as described in Rule D2.9 [Fall back procedure in case of an Moyle Auction Platform failure].

### **Fall back procedure in case of an Moyle Auction Platform failure**

D2.9 If the Moyle Auction Platform fails, and in the reasonable opinion of Moyle it is not practical to conduct an Auction electronically, Moyle may allocate the Units using a procedure for conducting the Auctions by email, post or fax to be specified by Moyle.

## **Cancellation, suspension, deferral**

D2.10.1 In the unlikely event of unavailability or technical difficulties, Moyle may be forced to cancel an Auction:

- (a) before and during the course of the Auction itself: Participants are informed by a message that appears directly on the Moyle Auction Platform or by an electronic message;
- (b) after the preliminary Auction Results have been published, in the event of erroneous Results: Participants are informed by an electronic message. The Results of the Auction are thereupon cancelled;
- (c) after the final Auction Results have been published, in the event of erroneous Results: Participants are informed by an electronic message and corresponding Units are reduced to zero (0).

D2.10.2 Moyle shall notify Participants as soon as possible of the reasons which caused the Auction cancellation.

D2.10.3 Moyle may defer the dates or times of an Auction by notifying Participants of the revised date or time of such Auction. In this event, the Bidding Period will open and close at the revised time as notified by Moyle. Only Bids submitted during the revised Bidding Period and confirmed by Moyle will be valid.

D2.10.4 If the fallback procedure described in D2.9 [Fall back procedure in case of an Moyle Auction Platform failure] cannot, in the reasonable opinion of Moyle, and based on objective grounds (for example due to a lack of time or to technical difficulties), be implemented as necessary to enable an Auction to be conducted, the Auction will be deferred.

D2.10.5 If deferral of an Auction is not considered by Moyle as being possible, based on objective grounds (for example due to a lack of time or to technical difficulties), the Auction will be cancelled and all Bids already submitted will automatically be cancelled.

## **Rule D3: Long Term Auctions**

### **Application**

D3.1 Moyle will conduct Long Term Auctions in accordance with this Rule D3 [Long Term Auctions] for Units having a Product Period longer than one (1) Trading Day.

### **Annual Publication of Products Offerings and Provisional Timetable**

D3.2 Schedule 4 of these Rules contains an indicative schedule of products to be offered for sale by Moyle in the time period in respect of which these Rules are published, together with a provisional calendar setting out the dates of Long Term Auctions to be held in that period.

### **Volumes**

D3.3.1 The number of Units auctioned in a Long Term Auction will include:

- (a) a proportion (as determined by Moyle) of the available Interconnector Capacity (in the form of Units) not already allocated to Participants; and
- (b) such Units (if any) made available for Resale at that Long Term Auctions pursuant the MICFA.

D3.3.2 Schedule 3 of these Rules sets out the basis on which the Deemed Metered Volume Allocation will be calculated for the period in respect of which these Rules are published.

### **Auction Specification**

D3.4.1 At least five (5) Business Days before the day of the start of the Bidding Period of a Long Term Auction, Moyle will publish the initial Auction Specification for that Long Term Auction stating in particular:

- (a) the code identifying the Auction in the Moyle Auction Platform;
- (b) the category of Units being auctioned (see Rule D2) [Types of Auctions];
- (c) the provisional number of Units to be made available in the Long Term Auction, coming from a proportion (as determined by Moyle) of the available Interconnector Capacity not already allocated to Participants;
- (d) the Product Period of the Units, by specifying the time and date on which the right to use the Units commences and the time and date on which the right to use the Units ends;
- (e) if necessary, any Planned Outage Period(s) associated with this Product Period;
- (f) the Unit Validity Times;
- (g) the dates and times of the Bidding Period for that Auction; and
- (h) any other relevant information or terms applicable to the Units or the Auction.

The Offered Capacity in this initial Auction Specification does not include Units submitted by any Participant for Resale at this Long-Term Auction.

D3.4.2 At least thirty (30) minutes before the opening of the Bidding Period of a Long Term Auction, Moyle will publish the final Auction Specification for that Long Term Auction stating in particular:

- (a) the number of Units to be made available in the Auction, comprising of:
  - (i) the proportion (as determined by Moyle) of the available Interconnector Capacity not already allocated to Participants, and;
  - (ii) valid Resale Requests submitted for this Long Term Auction in accordance with the MICFA; and
- (b) any other update of relevant information or terms applicable to the Units or the Auction.

D3.4.3 Moyle, SONI and the Authority do not make any representation, warranty or undertaking, express or implied, in or in relation to any Auction and no responsibility or liability is or will be accepted by Moyle, SONI or the Authority as to, or in relation to, the accuracy or completeness of any Auction Specification, any suggestion made by any of them or any other written or oral information made available to any interested party or its advisers and any such responsibility or liability is hereby expressly disclaimed. Nothing in this paragraph will restrict any rights of any person with respect to any fraud on the part of any other person.

### **Bidding Period**

D3.5 The Bidding Period for each Long-Term Auction will be at such times specified by Moyle in the relevant Auction Specification.

## **Rule D4: Daily Auctions**

### **Introduction**

D4.1 Moyle will conduct Daily Auctions, for Units having a Product Period of a Trading Day, in accordance with this Rule D4 [Daily Auctions].

### **Timing**

D4.2.1 The Daily Auction(s) held on day “D-1” is/are for Units relating to use of Interconnector Capacity on the Trading Day commencing at 06:00hrs on day “D”.

D4.2.2 Daily Auctions are held seven (7) days a week, including weekend and public holidays, provided that the Offered Capacity for Daily Auctions is at least of one (1) Unit (to the extent that the Interconnector Capability permits).

### **Offered Capacity**

D4.3 The total Offered Capacity for any Trading Day in Daily Auctions will include:

- (a) available Interconnector Capacity (in the form of Units) not already allocated to Participants and that is not unavailable due to Outages and/or due to the application of Curtailment;
- (b) Unused Units (if any) that have become available for the Daily Auctions pursuant to a Resale Request or [UIOSI/UIOLI] under the MICFA and that are not unavailable due to Outages and/or due to the application of Curtailment.

### **Auction Specifications**

D4.4.2 No later than fifteen (15) minutes before opening of the Bidding Period of a Daily Auction, Moyle will publish the Auction Specification for that Daily Auction stating:

- (a) the code identifying that Auction in the Moyle Auction Platform;
- (b) the category of Units being auctioned (see Rule D2) [Types of Auction];
- (c) the number of Units being auctioned;
- (d) the Product Period for the Auction, by stating the Trading Day on which the Unit can be used;
- (e) the Unit Validity Times;
- (f) the times of opening and closure of the Bidding Period for that Auction; and
- (g) any other relevant information or terms applicable to the Units or the Auction.

D4.4.2 Moyle, SONI and the Authority do not make any representation, warranty or undertaking, express or implied, in or in relation to any Auction and no responsibility or liability is or will be accepted by Moyle, SONI or the Authority as to, or in relation to, the accuracy or completeness of any Auction Specification, any suggestion made by any of them or any other written or oral information made available to any interested party or its advisers and any such

responsibility or liability is hereby expressly disclaimed. Nothing in this paragraph will restrict any rights of any person with respect to any fraud on the part of any other person.

### **Bidding Period**

D4.5 The Bidding Period for each Daily Auction will be at such times specified by Moyle in the relevant Auction Specification.

### **Rule D5: Intraday Auctions**

D5.1 Information on the Auction rules applicable to Intra-day Auctions will be provided under the SEM Trading and Settlement Code.

D5.2 Netting of capacity in two opposite directions (Northern Ireland-GB and GB-Northern Ireland) shall be employed, in order to maximise capacity available to Participants. Information on the application of super-positioning intraday will be provided under the SEM Trading and Settlement Code.

### **Rule D6: Submission of Bids**

#### **Introduction**

D6.1 Bids in Auctions must be submitted in accordance with this Rule D6 [Submission of Bids].

#### **Nature of Bids and Set of Bids**

D6.2.1 A Bid or a Set of Bids become valid when acknowledged as such by Moyle, pursuant to Rule D6.4.1.

D6.2.2 Each valid Bid or Set of Bids registered at closure of the Bidding Period will constitute an unconditional and irrevocable offer by the Participant to Moyle to buy Units up to the quantity and at prices up to those specified in the Bid or the Set of Bids and on the terms and conditions of these Rules and the relevant Auction Specification.

D6.2.3 Once submitted, a Bid or a Set of Bids cannot be withdrawn but the Participant may modify its previous Bid or Set of Bids at any time during the Bidding Period. The modified Bid or Set of Bids will supersede the previous Bid or Set of Bids. Irrespective of whether the previous submission was a Bid or a Set of Bids, only the updated valid Bid or Set of Bids will be taken into account for the Auctions allocation.

#### **Requirements for Bids**

D6.3.1 Each Bid must:

- (a) be submitted electronically using the Moyle Auction Platform during the Bidding Period;
- (b) be in the form and include the information required by Moyle from time to time;
- (c) identify the Participant submitting the Bid, using the form of identification required by Moyle for the purposes of Auctions;

(d) state the price for the Bid in pounds sterling. All prices bid must be to a maximum of two decimal places and must be a price per Unit for one hour of the Product Period of the Unit. Therefore, Units Prices for any Product Period will be a price per Mega Watt per hour (£/MW/h); and

(e) state the number of Units being bid for.

D6.3.2 The Participant must not submit more than twenty (20) Bids within a Set of Bids for any Auction.

D6.3.3 The Participants will submit their Bids either via the Moyle Auction Platform or by such other means as specified by Moyle from time to time.

D6.3.4 The format of such Bid submission shall be as specified by Moyle and pursuant to ENTSO-E recommendations or to any other technical recommendations provided by Moyle.

### **Registration of Bids**

D6.4.1 Provided that the format of the Bid file is in a compliant format pursuant to Rule D6.3. [Requirements for Bids], Moyle will acknowledge receipt of Bids to Participants by a message indicating whether the Bids have been correctly registered.

D6.4.2 Bids shall be registered in accordance with D6.2.1 [Nature of Bids and Set of Bids].

### **Rejection of Bids**

D6.5.1 A Participant shall provide a range of parameters of min/max prices and volumes, outside of which bids will be rejected.<sup>2</sup>

D6.5.2 Moyle may reject any Bid that:

- (a) causes the Participant to exceed its Auction Credit Limit, calculated pursuant to Rule C3 where the bid relates to a Daily Auction or Intra-Day Auction; or
- (b) does not comply with the requirements of this Rule D6 [Submission of Bids];
- (c) exceeds any parameter specified pursuant to Rule 6.5.1; or
- (d) is received from a Participant which is suspended pursuant to Rule F2; or Clause 26 of the MICFA.

D6.5.2 Moyle will notify any Participant whose Bid is rejected as invalid and the reason of this rejection, as soon as reasonably practicable after the Bid is rejected.

### **Taxes**

D6.6 All Bid prices are deemed to be exclusive of Taxes.

### **Time stamps**

D6.7.1 The time of bid is the timestamp as recorded on the Moyle Auction Platform.

D6.7.2 For any modified bids, only the time of the last update shall be displayed.

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<sup>2</sup> Moyle to confirm.

## **Default Bids**

D6.8.1 The Participants may define, at any time, in the Moyle Auction Platform, Default Bids for Auctions which shall be identified as such in the Moyle Auction Platform by the Participant.

D6.8.2 The Participant shall specify under the specific form its Default Bids and what Auction its Default Bids apply to.

D6.8.3 A Default Bid will apply automatically to each subsequent and relevant Auction. On the opening of a relevant Bidding Period, the registered Default Bid is considered as a Bid submitted by the Participant for the relevant Auction. This Bid is considered as a valid Bid once confirmed by Moyle. A Set of Default Bids may only be prepared with a maximum of twenty (20) Bids within the Set of Bids per Auction. In the event that more than twenty (20) Bids are within the Set of Bids, the submission of such a Default Set of Bids will be invalid and therefore automatically rejected.

D6.8.4 If the number of Units submitted in a Default Bid for a given Auction is greater than the Offered Capacity of this Auction, the number of Units of the Bid resulting from this Default Bid is set at the value of the Offered Capacity of the relevant Auction.

D6.8.5 The Participant may modify a Bid resulting from a Default Bid for a specific Auction within the Bidding Period of such Auction.

D6.8.6 A Participant not wishing to submit a Default Bid on the Moyle Auction Platform anymore for a given Timescale must set the volume and the price of its Default Bids for this Timescale to zero.

## **Rule D7: Allocation**

### **Determination of Auction Results**

D7.1 After the close of the Bidding Period for an Auction, Moyle will determine such Auction results and allocate Units in accordance with this Rule D7 [Allocation].

D7.2 If the total number of Units for which valid Bids have been submitted is lower than or equal to the Offered Capacity for the relevant Auction, then all such valid Bids will be accepted and the marginal price will be the reserve price or zero in the event of the reserve price being equal to zero.

D7.3 If the total number of Units for which valid Bids have been submitted exceeds the Offered Capacity for the Auction in question, the marginal price is equal to the lowest Bid price allocated in full or in part, and the Auction results are obtained using the methodology described below:

1. First, for each Auction Moyle ranks the valid Bids in decreasing Bid Price order. (Different Bids with the same Bid Price receive the same rank. Only valid Bids that comply with the terms of Rule D6 [Submission of Bids] are taken into account in this ranking).
2. The highest ranked valid Bid(s) received for a number of Units requested which in aggregate does(do) not exceed the Offered Capacity is (are) allocated. Any residual available Offered Capacity is then allocated to the next highest ranked valid Bid(s). If the number of Units requested in such next highest ranked valid Bid(s) does/do not exceed in aggregate the residual Offered Capacity, this process is then repeated for the remainder of the residual Offered Capacity;
3. Following the iterative process described in D7.3.2, when the number of Units requested under the next highest ranked valid Bid is equal to or greater than the

residual Offered Capacity, the Bid is allocated either in full, or partially up to the limit of the residual Offered Capacity, as the case may be. The price of this Bid constitutes the marginal price;

4. If two (2) or more Participants have submitted valid Bids with the same Bid price, for a total requested number of Units which exceeds the residual Offered Capacity, the residual Offered Capacity is allocated in proportion to the number of Units requested in the Bids by these Participants, in Units of at least one (1) MW. The Units attributed are rounded down to the nearest Megawatt. The price of these Bids constitutes the marginal price.
5. Any remainder after the previous calculations is not allocated.

D7.4 The Units are deemed to have been allocated to a Participant after the publication of the final results of the relevant Auction.

D7.5 Participants acknowledge and accept that their Bids may be partially accepted according to the methodology above.

D7.6 In the event of a reserve price greater than zero applying to an auction, bids with prices lower than the reserve price will not be part of the determination of the auction results.

## **SECTION E: CAPACITY USAGE RULES**

E.1 Rules in relation to the use of Units of Interconnector purchased in accordance with these Relevant Access Arrangements are set out in the MICFA

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## **SECTION F: GENERAL CONDITIONS**

### **Rule F2: Introduction**

#### **Scope**

F1.1 This Section F of the Rules sets out Rules of General Application.

#### **Structure**

F1.2 Section F is divided into three Rules as follows:

- (a) Rule F1: Introduction
- (b) Rule F2 Suspension and Termination
- (b) Rule F3: Annual Publication of Information

#### **Suspension by Moyle**

F2.1.1 If any of the events in Rule F2.1.2 (each a "Suspension Event of Default") occurs in relation to a Participant, Moyle may by notice to the Participant suspend temporarily the Participant's rights to participate in Auctions and/or the Secondary Market until the Participant has remedied the Suspension Event of Default specified in the notice.

F2.1.2 The Suspension Events of Default referred to in Rule F2.1.1 are the following:

- (a) if a Participant fails to pay any amount properly due and owing to Moyle pursuant to the MICFA;
- (b) if a Participant fails to provide and maintain Credit Cover in accordance with the MICFA;
- (c) Moyle is satisfied on reasonable grounds that the Participant no longer satisfies one or more of the Eligibility Conditions set out in Rule B2;
- (d) In the circumstances described in Rule B2.3;
- (e) if Moyle has required a Participant, based on reasonable to remedy a Participant's breach of these Rules or its breach of the MICFA (other than a failure to pay); or
- (f) if the Participant has taken any action which may lead to the damaging or reduction in effectiveness of the Moyle Auction Platform or of the Moyle Auction Platform's hosting system (it being understood that such an action is deemed to happen in case of any behaviour that can be assimilated to an attack on the information system such as, but not limited to, deny of service, spam, virus, brute forcing, Trojan horse attack etc.).

F2.1.3 A notice under Rule F2.1.1 takes effect from the time it is given or any later time specified in it. Moyle may withdraw a notice under Rule F2.1.1 at any time. Having given a notice under Rule F2.1.1, Moyle may give a further or other notice at any time in respect of the same or a different Event of Default.

F2.1.4 Once the Participant has fulfilled or remedied the Suspension Event of Default as notified to it in the notice sent by Moyle, Moyle will reinstate as soon as reasonably practicable the Participant's rights in relation to use of the Interconnector and its ability to participate in Auctions and/or the Secondary Market by written notice to the Participant ("Reinstatement Notice"). As from the date of effect of the Reinstatement Notice, the Units allocated prior to the suspension and which remain unused may be included in the

Participant's ICE and the Participant shall also be entitled to participate in Auctions and/or Secondary Market.

### **Termination by Moyle**

F2.2 Nothing in these Rules shall prejudice Moyle's right to terminate the MICFA in accordance with its terms.

### **Preservation of rights**

F2.3 Termination of a MICFA does not affect any rights and liabilities under or in connection with the MICFA and these Rules which arose prior to that termination. Accordingly, any Participant whose MICFA is terminated will remain liable, subject to and in accordance with the Rules, in respect of all such rights and liabilities.

## Schedule 1: Definitions and interpretation

### Part I: Definitions

In these Rules, capitalised words and phrases have the meanings given to them below unless the context requires otherwise.

“Active Capacity Holding” means for each Interconnector Unit, the Active Interconnector Unit Import Capacity Holding and the Active Interconnector Unit Export Capacity Holding for each Trading Period during the Optimisation Time Horizon, with values in aggregate for import being consistent with the Maximum Import Available Transfer Capacity for import and with values in aggregate for export being consistent with the Maximum Export Available Transfer Capacity for export;

“Active Capacity Holding Data” means data outlining the Active Capacity Holding for each Interconnector Unit;

“Amendment Notice” means the notification and any associated documents issued by Moyle pursuant to Rule A4, provided to the Participants and which provide Participants with Moyle’s proposed amendment(s) to the Rules;

“Applicant” has the meaning given to it in Rule B3.1;

“Application Pack” means the package of information and other documents designated by Moyle as such for the purposes of these Rules from time to time;

“Auction” means any auction conducted under these Rules;

“Auction Credit Limit” means a credit limit established in respect of a Participant in respect of participation in any Auction, and calculated in accordance with Rule C3;

“Auction Price” means the value of the marginal price of an Auction, and which is payable by all Unit Holders resulting from such Auction;

“Auction Specification” means, the specification for the Auction published by Moyle and includes Offered Capacity, Auction Product, Bidding Period etc.

“Authority” means the Northern Ireland Authority for Utility Regulation.

“Balancing Mechanism Unit” is a term used in the BETTA Market, representative of an Interconnector Unit’s relative energy usage;

“Balancing and Settlement Code” means the code of that name established under the NGET Transmission Licence;

“British Electricity Transmission and Trading Arrangements” or “BETTA” means the single wholesale electricity market for Great Britain which is provided for in Chapter 1 of Part 3 of the Energy Act 2004;

“Bid” means a Participant’s offer to buy Units in an Auction, and made in accordance with these Rules;

“Bid amount” is the requested amount of capacity in a bid in MW;

“Bid Price” is the price in pounds sterling which a Participant is willing to pay per MW of capacity;

“Bidding Period” means, in relation to an Auction, the time during which Bids may validly be submitted in that Auction in accordance with these Rules. It can also be referred to as “Bidding Window” or “Trading Window”;

“Business Day” means a week-day when Northern Irish banks are open;

“Business Rules” means the rules for day to day use of Interconnector Capacity in Schedule 2;

“Capacity Limit” is the Technical Capacity limitation on the interconnector;

“Capacity Transfer” means the mechanism by which a Participant passes over Units to another Participant in accordance with the MICFA and “Transfer Capacity”, “Transferred”, “Transferee” shall have corresponding meanings;

“Capacity Unit” means 1MW that has been allocated to a Participant, which is part of the ICE in a particular direction and during the Product Period of that Capacity Unit;

“Competent Authority” means the Authority, the Department of Enterprise Trade and Investment, the Department of Communications, Energy and Natural Resources, the Irish Regulator, the GB Regulator any court of competent jurisdiction and any local, national or supra-national agency, authority, department, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of the United Kingdom or any part of it, or the European Union;

“Credit Cover” means security for payment of amounts owed under these Rules;

“Curtailement” has the meaning given in the MICFA;

“Curtailement Compensation” has the meaning given in the MICFA.

“CUSC” means the Connection and Use of System Code established under the NGET Transmission Licence;

“Daily” means processes relating to Auctions with Product Period of one (1) Trading Day and associated Interconnector Capacity activities, the business process for which is described in Schedule 4;

“Daily Auction” means any Auction of Daily Units;

“Daily Unit” means a Unit offered in a Daily Auction, with Unit Validity Times as specified in the relevant Auction Specification;

“Day Type” means any of Working Days, non-Working Days or all Days as the case may be, in the context of a Capacity Transfer Notice;

“Deemed Metered Volumes” means volumes of energy allocated to Participants’ Energy Accounts under the TSC.;

“Default Bid” means the automatic submission of Bids in respect of a particular Auction type pre-prepared by the Participant;

“Dispute” has the meaning given to it in the MICFA;

“Energy Account” means in relation to a Participant the Participant’s Production Interconnector BM Unit and Consumption Interconnector BM Unit under the Balancing and Settlement Code;

“Energy Transmission” means the transmission of electricity across the Interconnector;

“ENTSO-E” is the European Network of Transmission System Operators for Electricity;

“Forced Outage” means any Outage of which notice was given after the publication of the Auction Specification for the Daily Auction for the Trading Day on which the Outage occurs;

“Gate Closure” means, for a specific Timescale and in relation to a Settlement Period (or Trading Period), the last time at which bids can be made in relation to that Settlement Period (or Trading Period);

“GB Grid Code” means the document referred to as the Grid Code in the NGET Transmission Licence;

“GB Regulator” means the Gas and Electricity Markets Authority, as established under the Governing Act;

“Governing Act” means the Electricity Act 1989 as amended and supplemented by the Utilities Act 2000;

“Interconnector” means the interconnection of the Northern Ireland Transmission System with the NGET Transmission System;

“Interconnector Capability” means the capability of the Interconnector to transmit electrical energy between Northern Ireland and GB;

“Interconnector Capacity” means the right of use of the Interconnector made available by Moyle in Auctions, to facilitate the Transmission of energy by Participants between Northern Ireland and GB, to the extent that Interconnector Capability permits and as provided for in these Rules;

“Interconnector Capacity Entitlement” the ICE of a Unit Holder for a Trading Day in a direction and per Timescale is a schedule showing the total number of MW of Interconnector Capacity the Unit Holder is entitled to Nominate during each hour of that Trading Day in that direction and for the relevant Auction Type determined in accordance with these Rules.

“Intraday” starts after SEM gate closure (currently 10:00 am) on TD-1 and may be defined as any time after SEM gate closure and before real-time;

“Intraday Auction” means any Auction of Intraday Units;

“Intraday Unit” means a Unit with a Product Period shorter than a Trading Day;

“Long Term” means processes relating to Auctions with Product Periods greater than one (1) Trading Day;

“Long Term Units” means a Unit with a Product Period longer than one (1) Trading Day, as specified in the relevant Auction Specification;

“Manifest Error” has the meaning given to it in Rule D6.7;

“MICFA” means the Moyle Interconnector Capacity Framework Agreement

“Moyle Auction Platform Go Live Date” means such date as may be notified by Moyle to the Participant in advance, as being the date from which all purchases of Units of Capacity will be required to be made using the Moyle Auction Platform.

“Moyle Interconnector Framework Deed” means the document of that name in the form prescribed by Moyle from time to time which is required to be executed by the Participant pursuant to Clause 4.1 of the MICFA.

“Moyle Interconnector Procedures” means the procedures for the use of the Interconnector established by SONI in its capacity as Interconnector Administrator, as may be amended by SONI from time to time;

“Netting” means the superposition of Nominations in two opposite directions (Ireland-GB and GB-Ireland), in order to release some capacity in the more congested direction for the next allocation step, and “Netted” shall have corresponding meaning;

“Net Transfer Capacity” from the ECAN guide ‘Corresponds to the maximum transfer between two areas. Taking into consideration compatibility with security standards applicable in both areas, the technical uncertainties on future network conditions and the Interconnector capability.

“NGET Transmission System” means the system comprising electric lines owned or operated by NGET for the transmission of electricity as defined in the GB Grid Code;

“NGET” means National Grid Electricity Transmission plc, a company incorporated in England and Wales;

“Offered Capacity” means the number of Units being made available in the respective Unit Validity Times in an Auction;

“Outage” means any reduction of Interconnector Capability, caused by a limitation on the Interconnector or for reasons of operational security, in either direction and includes Forced Outages and Trips;

“Participant” means any person, other than Moyle, who for the time being is a party to a MICFA and who may be allocated Units under these Rules;

“Participant System” means any and all relevant systems of the Participant required to be in place and approved by Moyle before the Participant is eligible to trade on the East West Interconnector;

“Pass Through Charges” means any charges or levies which are paid directly or indirectly, by or on behalf of, Moyle in connection with the transfer of electricity to or from the NIE System or the GB System, including, if applicable, use of system charges, public service obligations and system service and infrastructure demand charges;

“Payment Period” means a calendar month or part thereof;

“Physical Notification” is a file containing IUNs submitted to NGC on behalf of each Participant;

“Physical Transmission Rights” are rights acquired by Participants for use of capacity;

“Planned Outage Period” defines the period where the Interconnector is operating at a reduced availability and hence Capacity Units allocated through Long-Term auctions may be allocated to a reduced extent during this period;

“Product Period” means the period of time beginning on the first Trading Day in respect of a specific Auction and ending at the end of the last Trading Day in respect of such Auction.

“Resale” means the offering of Units in an Auction by Moyle on behalf of a Participant, and the resulting reallocation of those Units to another Participant [in accordance with the MICFA], and “Resell”, “Resold” shall have corresponding meanings;

“Resale Period” means the period of time specified as such by a Participant in a Resale Request;

“Resale Request” means a written notice from a Participant to Moyle requesting Moyle to Resell the Participant’s Units during the Resale Period;

“Resold Unit Quantity” means (in megawatt-hours) equals the product of the (a) number of Units Resold by the Participant at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Auction;

“Rules” means these Moyle Access Arrangements, as amended from time to time;

“Secondary Market” means Resale and Capacity Transfer of Interconnector Capacity;

“Set of Bids” means all valid Bids from a Participant registered in the Moyle Auction Platform and as modified during the relevant Bidding Period, at any time;

“Settlement Period” means each half-hour period coinciding with Settlement Periods as defined in the Balancing and Settlement Code;

“Single Electricity Market” or “SEM” means the single wholesale electricity market for the Island of Ireland, implemented in Northern Ireland pursuant to Section 23 of the Northern Ireland (Miscellaneous Provisions) Act 2006 and implemented in Republic of Ireland pursuant to the Act and the Single Market Regulations;

“Single Electricity Market Operator” or “SEMO” means both the Northern Ireland Market Operator Licensee and Republic of Ireland Market Operator Licensee for the Single Electricity Market;

“Single Market Regulations” means the Electricity Regulation Act 1999 (Single Electricity Market) Regulations 2007;

“Standard Training” means a set of on-line exercises designed by Moyle to enable Participants to become sufficiently familiar with the Moyle Auction Platform. The exercises shall be undertaken on the test platform of the Moyle Auction Platform with remote support from Moyle and in conjunction with a Participant Guide and other relevant documentation;

“Standing Data” means, in relation to a Participant, the data and other information to be given by the Participant to Moyle as per Schedule 1 of the MICFA

“System Operator” means the operator for the time being of the Northern Ireland transmission system;

“Taxes” means all forms of taxation and any penalty, fine, surcharge, interest, charges or costs payable in connection with any Taxes;

“Timescale” means either Long-Term, Daily or Intraday period of time;

“Trading Day” means the period commencing at 06:00 each day and ending at 06:00 the next day.

“Trading Period” has the meaning given in the Trading and Settlement Code;

“Trading and Settlement Code” refers to the Rules governing SEM;

“Transmission System Operator” means each of EirGrid, SONI or NGET in their capacity as operator of the Irish Transmission System, Northern Ireland Transmission System, and NGET Transmission System respectively;

“Trip” means any unforeseen event which results in an Outage;

“Unit” means capacity on the Moyle Interconnector (subject to Curtailment and these Rules) in a particular direction and during the Product Period of the Unit, subject to and on the terms and conditions of these Rules;

“Unit Price” means, for a Unit, the Auction Price (in pounds sterling per megawatt hour) resulting from the Auction at which the Unit was allocated to the Participant;

“Unit Quantity” means, in megawatt-hours, the product of (a) the number of Units allocated to the Participant at a specific Auction (in megawatts) and (b) the aggregate hours of the Unit Validity Times within the Product Period of such Units;

“Unit Resale Price” means, for a Unit, the Auction Price (in pounds sterling per megawatt hour) resulting from the Auction at which the Unit was Resold by the Participant;

“Unit Validity Times” means:

- (i) in the case of Long Term Units, the specific periods within the Product Period for which the Units have been offered in the applicable Auction,
- (ii) in the case of Daily Units, the individual periods for which the Units have been offered in the applicable Auction,
- (iii) in the case of Intraday Units, the individual periods for which the Units have been offered in the applicable Auction;

“Unused Units” has the meaning given to it in the MICFA, and is referred to in the Moyle Auction Platform as “Non-Nominated capacity”;

## **Part II: Interpretation**

In these Rules (including its Schedules) unless the context requires otherwise:

- (a) the singular indicates the plural and vice versa;
- (b) references to one gender include all other genders;
- (c) the table of contents, headings and examples are inserted for convenience only and do not affect the interpretation of the Rules;
- (d) the word “including” and its variations are to be construed without limitation;
- (e) any reference to legislation, regulations, directive, order, instrument, code or any other enactment shall include any modification, extension or re-enactment of it then in force;
- (f) any reference to a “Rule” is a reference to a rule contained in the relevant Section, any reference in a Schedule to a “paragraph” is a reference to a paragraph contained in that Schedule and any reference to a “Schedule” is a reference to a Schedule to the Rules, unless otherwise indicated. Rules are identified by reference to the relevant Section and Rule number. For example Rule D4 refers to Rule 4 in Section D;
- (g) any reference to another agreement or document, or any deed or other instrument is to be construed as a reference to that other agreement, or document, deed or other instrument as amended, varied, supplemented, substituted or novated from time to time;
- (h) a reference to time is a reference to GMT time unless otherwise specified;
- (i) the symbol \* requires multiplication to be effected;

- (j) where Moyle is required to publish any information under these Rules, it may do so by making the information or data available on its website or via the Moyle Auction Platform;
- (k) capitalised terms not otherwise defined in these Rules shall have the meaning given in the MICFA.

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## **Schedule 2: Business Rules for Use of Interconnector Capacity**

### **1. Introduction**

1.1 This Schedule 2 sets out a non-binding summary of the Business Rules for Use of Interconnector Capacity, and in particular describes the business process and timings of the following activities:

- (a) calculation and notification by Moyle of the Settlement Period values of the ICE's per Timescale for each Participant in each direction for each Trading Day;
- (b) notification by each Participant of Resales and Capacity Transfers at each relevant Timescale;

1.2 Timings given in this Schedule 2 are nominal timings, which may be subject to change. In this case, Participants would be informed of new timings to follow in due course.

1.3 Times are given in GMT.

1.4 Participants should note that in addition to these Business Rules, in using the Interconnector they must comply with the Grid Code and NGET Grid Code and any other binding SEM or GB rule.

### **2. Energy Accounts**

2.1 Each Participant must identify its Production and Consumption Interconnector BM Units under the SEM Trading and Settlement Code and Balancing and Settlement Code in its Standing Data.

2.2 Each Participant may notify an Energy Transmission against one of each of the types of Energy Account referred to above in any one Settlement Period.

### **3. Long-Term Business Process**

3.1 Dates of Long-Term Auctions are published in advance (end of Trading year Y-1 for Long-Term Auctions taking place in Trading year Y) by Moyle.

3.2 At least five days before the day when a Long-Term Auction is planned, Moyle shall publish an initial Auction Specification, pursuant to Rule D3. The Offered Capacity in this initial Specification does not include Units offered for Resale at this Long-Term Auction.

3.3 After the Final Results publication of any previous Long-Term Auction and no later than 30 minutes before the Final Specification of another Long-Term Auction, Capacity Transfer Notices and Resale Requests of Units initially allocated in any previous Long-Term Auction can be submitted to Moyle, in accordance with the MICFA.

3.4 Thirty minutes before the opening of a Long-Term Auction, the final Specification of this Long-Term Auction is published by Moyle, pursuant to Rule D3. The Offered Capacity in this Final Specification includes Units submitted for Resale at this Long-Term Auction, subject to rule D3 and any Curtailment.

3.5 A Long-Term Auction opens and closes at the times given in the relevant Long-Term Auction Specification (or at any other times specified by Moyle after publication of the Auction

Specification). During this period of time, Participants can submit Bids to Moyle, in accordance with Rules D3 and D6.

3.6 Once the Auction is closed, at the time specified in the Auction Specification (or at any other time specified by Moyle), Units are allocated, pursuant to Rule D7, and preliminary Results of this Long-Term Auction are published.

3.7 Two hours after the publication of the preliminary Results of a Long-Term Auction (or at any other time specified in advance by Moyle), the Final Results of this Auction are published, and Capacity Transfer Notices and Resale Requests can be submitted to Moyle, in accordance with the MICFA.

3.8 Capacity Transfer Notices and Resale Requests of Units initially allocated in any previous Long-Term Auction can be submitted to Moyle, in accordance with the MICFA, up to 30 minutes before the Final Specification of another Long-Term Auction. Any Capacity Transfer of Long-Term Units must be confirmed by the Participant to whom the Capacity Transfer was made within 3 hours of the Capacity Transfer Notice being received by Moyle, and no later than 30 minutes before the Final Specification of another Long-Term Auction.

3.9 Any Long-Term Unit for the Trading Day D can be subject to a Capacity Transfer Notice until D-2.

#### **4. Day-Ahead Business Process**

4.1 The Auction Specification of a Daily Auction of Units for Trading Day D is published by Moyle no later than 08:35 on day D-1, in accordance with Rule D4.

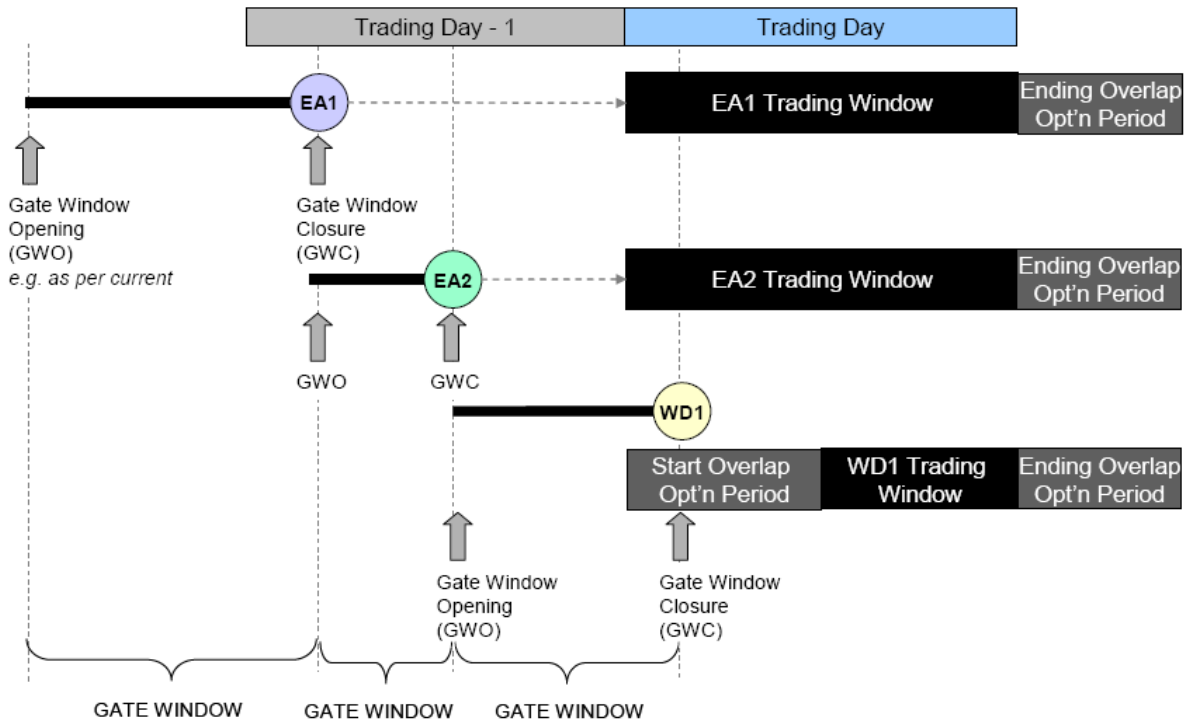
4.2 A Daily Auction of Units for Trading Day D opens at 08:40 and closes at 09:00 on day D-1 (or at any other times specified by Moyle in the relevant Auction Specification or after publication of the Auction Specification). During this period of time, Participants can submit bids to Moyle, in accordance with Rules D4 and D6.

4.3 Once the Daily Auction is closed, Units are allocated, pursuant to Rule D7, and Final Results of this Daily Auction are published before 09:30 on the day D-1.

#### **5. Intra-day Business Process**

5.1 Information on the detailed Intra-day business process will be provided under the SEM Trading and Settlement Code.

5.2 An overview is provided below of the expected Intraday Trading Arrangements in SEM with three Gate Windows (EA1, EA2 and WD1) relating to a Trading Window, comprising a portion of the Trading Day, and separate EA1, EA2 and WD1 Optimisation Time Horizons associated with each Trading Window.



### **Schedule 3: Deemed Metered Volume Allocation**

#### **1. Losses**

1.1 The physical flow on the Interconnector is subject to losses. Interconnector Losses shall be as follows:

Moyle 1.8% in either direction

Participants should note that this loss figure has been reviewed in the light of expected trading across the Moyle Interconnector in 2011-12. The figure will continue to be kept under review and any further change will be published on SONI's website. Moyle capacity values as set out in the relevant access arrangements apply at the connection point of the Auchencrosh converter station to the Scottish transmission system. These losses are incorporated into the Auchencrosh Transmission Loss Adjustment Factor (TLAF) used in the SEM Trading and Settlement Code.

## Schedule 4: Auction products

### 1. Available Transfer Capacity

- 1.1. Moyle will make available to Participants the maximum Available Transfer Capacity as that term is defined in the Trading and Settlement Code.
- 1.2. The nominal Available Transfer Capacity of the Interconnector, measured at Auchencrosh (Scotland) at the date of publication of these Rules, and having regard to Moyle's connection agreements, is:

Month	Import capacity available to Participants
November - March	450 MW
April - October	410 MW

Month	Export capacity available to Participants
May - August	287 MW
September - April	295 MW

- 1.3. Details of transparency measures are provided in Schedule 5 to these Rules.

### 2. Products

- 2.1. Capacity made available to Participants will be profiled flat for the applicable period both for Import (East-West) and Export (West-East) capacity. For clarity 410MW of Import (East-West) capacity will be available every hour of the year and an additional 40MW will be available during the winter hours. Ramping of 10MW/minute (aggregated) will apply in accordance with the SEM Trading and Settlement Code.
- 2.2. Some capacity will be offered for the second and/ or the third year of a three year period from October 2011.
- 2.3. Moyle intends to continue offering capacity for monthly, quarterly and half-yearly periods to allow users greater flexibility when hedging their portfolio within year.
- 2.4. In addition Moyle may introduce weekly, daily and eventually intra-day capacity products (the latter will be implicitly allocated in SEM and is dependent on SEM modification). This level of granularity is consistent with that of other interconnectors in the region.
- 2.5. The appropriate level of capacity to be offered in each product category will be set by Moyle and published.
- 2.6. The table below sets out the minimum volumes to be offered for each product category:

Capacity Product	Import (East-West) Capacity made available	Export (West-East) Capacity made available
	Minimum MW	Minimum MW
Year 2 and 3	Tbc	Tbc
Annual	Tbc	Tbc
Half-yearly	Tbc	Tbc
Quarterly	Tbc	Tbc
Monthly	Tbc	Tbc

<b>Weekly</b>	Tbc	Tbc
<b>Daily</b>	Tbc	Tbc

2.7. Capacity unsold in any auction will be made available in the shorter term auctions for the relevant period (e.g. unsold annual capacity will be made available in the monthly auctions).

### 3. Auction Timing

3.1. Timing of auctions will be set by Moyle subject to the following constraints

<b>Capacity Product</b>	<b>Auction timing prior to relevant capacity period "CP"</b>	
	<b>Latest Time</b>	<b>Earliest Time</b>
<b>Annual or 2/3 Year</b>	CP- 4 weeks	CP – 5 months
<b>Half-yearly</b>	CP- 4 weeks	CP – 5 months
<b>Quarterly</b>	CP- 2 weeks	CP – 3 months
<b>Monthly</b>	CP- 5 days	CP - 1 month
<b>Weekly</b>	CP- 2 days	CP- 7 days
<b>Daily</b>	CP - 1 day	CP- 2 days

3.2. Auctions for half-yearly, quarterly and monthly, weekly and daily capacity products will be held once for each Product Period.

3.3. For the annual and longer term auctions a multi-stage auction process will be employed and the available capacity will be divided over a number of separate auctions. The multi-stage approach is to allow bidders the opportunity to reassess their bids and their requirements following the disclosure of the marginal bid price in the previous iterations. Any unsold capacity in the first auction may become available again by the same product type in the next iteration and so on.

3.4. Notwithstanding the above if any capacity in a particular auction is not sold then Moyle may at its own discretion hold a further auction at any time prior to the start of the relevant capacity period for this unsold capacity.

## **Schedule 5: Transparency**

1.1. These Rules will be made publicly available to all Participants via Moyle's website and the Moyle Auction Platform.

1.2. All relevant data will be published as required on the following websites: Moyle website, SEMO website, Moyle Auction Platform and ENTSO-E Transparency Platform in accordance with these Rules.

1.3. Moyle will maintain the following reports and publish them on the Moyle [website](#):

- Current and historic summary of capacity holdings - updated after each explicit auction.
- Current and historic summary of outages (including Scottish Power outages)
- Historic summary of average auction prices and auction allocations
- Historic aggregate physical flows half hourly

Historic information will run from 01 April 2006.

## Schedule 6: Further Information

Any technical or operational queries in relation to the auction process should be addressed to SONI:

Interconnector Administrator, SONI Ltd.  
Castlereagh House Control Centre  
Manse Road  
Belfast BT6 9RT  
Tel: 028 90794336  
Fax: 028 90707560  
Email: [interconnectorauctions@soni.ltd.uk](mailto:interconnectorauctions@soni.ltd.uk)

Other queries regarding these access arrangements may be addressed to:

Paul McGuckin  
Moyle Interconnector Limited  
First Floor The Arena Building  
85 Ormeau Road  
Belfast BT7 1SH  
Tel: 028 90437580  
Email: [paul.mcguckin@mutual-energy.com](mailto:paul.mcguckin@mutual-energy.com)

Further information is available on <http://www.mutual-energy.com/> or <http://www.soni.ltd.uk/>.