



LONG-TERM TRADING RULES

Version 1.5
28/03/2023
Podgorica, Montenegro

Article 1

INTRODUCTION

- 1) Long-term Trading Rules (hereinafter: Rules) define and determine standards and procedures for trading on the long-term electricity market.
- 2) Based on their needs Orderers define the exact Amount of energy, schedule and duration of delivery and Appropriate contract, specifically defined for each Procedure.
- 3) The Amount of energy can be in form of constant or variable diagram, which is specifically defined through the conditions of the subject Procedure during its publication.
- 4) Hourly delivery profile diagrams in MWh/h corresponding to Amounts of energy traded on the long-term market shall be available on MEPX website to Members who shall be contacted via email.

Article 2

TRADING ON THE LONG-TERM MARKET

- 1) Trading on the long-term market is conducted in the form of organizing Procedures for the long-term energy profile (hereinafter: Procedure). The organizer of the procedure (hereinafter: MEPX) shall publish on its website information on the planned Procedure on the long-term electricity market no later than 2 workdays before the implementation of the Procedure itself.
- 2) MEPX shall guarantee with its activities transparent, fair and non-discriminatory process, and that prices achieved in the Procedure are the most favourable offered, final and binding.
- 3) All Bidders registered on MEPX's long-term market can participate in the Procedure.
- 4) In accordance with these Rules, and after the conducted Procedure according to their request, the Orderer shall conclude the Appropriate contract(s) on electricity supply with the most favourable Bidder(s).

Article 3

SUBJECT OF THE BIDDING

- 1) The Subject of the bidding is the trade of long-term electricity profile for a period of not less than seven days.
- 2) The participant in the Procedure can be only a Bidder who:
 - a) Is registered on the long-term market;
 - b) meets other conditions provided by the Orderer by the invitation to bid.
- 3) The Procedure is carried out exclusively at the request of the Orderer, which precisely defines the type of trade (purchase or sale), the Amount of energy and the time interval for which the energy is traded.

Article 4

TECHNICAL SPECIFICATION OF THE PROCEDURE

- 1) The Bidder may offer less power than the power for which the Procedure is carried out, but not less than 1 MWh/h.
- 2) The offered power must be rounded to an integer (1 MWh/h) and refer to the entire delivery period.

- 3) Delivery power, profile, time period of delivery that are the subject of the Procedure shall be published on the MEPX website at least two (2) workdays before the start of the Procedure. MEPX shall also send notifications to Members registered on the long-term market to their email addresses.
- 4) Unless otherwise specifically stated through the publication of the Procedure, other details related to the technical specification of the subject of the Procedure shall be in accordance with the Product Specification published by MEPX on its website.

Article 5

DATA CONFIDENTIALITY

- 1) MEPX shall keep records of Members and organized Procedures in its database.
- 2) Data on Members shall be treated as confidential and shall be used for the implementation of contractual obligations. A historical overview of the data on the Procedures and the prices achieved on them shall be available for inspection to all Members through publications on MEPX website.
- 3) Pursuant to the provisions of these Rules, MEPX shall ensure that no third party obtains access to or knowledge of matters relating to the business or personal data of Orderers and Bidders which MEPX has received through registrations and transactions, and shall not use such information in any purposes other than those related to activities related to this procedure.
- 4) Pursuant to the provisions of these Rules, Orderers and Bidders undertake not to disclose to any person at any time confidential information relating to MEPX's business, customers or clients.

Article 6

IMPLEMENTATION OF THE PROCEDURE

- 1) Orderers, based on their needs, define the exact amount of energy, schedule and duration of delivery, through the Request for the Procedure Organization submitted to MEPX. Orderers also submit the draft of the Appropriate contract with aforementioned request.
- 2) All Requests for the Procedure Organization submitted during the workday by 14:30 are considered submitted on that day, and this day shall be the reference day for publishing the notification of the Procedure organization.
- 3) All Requests for the Procedure Organization submitted after 14:30 are considered submitted on the next workday, and that next day shall be the reference day for publishing the notification of the Procedure organization.
- 4) The procedure shall be held no earlier than two (2) workdays after sending the notification of the beginning of the Procedure to Members by email and publication on the Procedure organization on MEPX website.
- 5) The Order for purchase or sale must have a clearly defined price that the Bidder submits for the Subject of the bidding:
 - a) Prices are expressed in absolute amount in EUR/MWh, without VAT rounded to two decimal places.
 - b) Prices include all costs incurred up to the place of delivery.
 - c) Unit prices without VAT are fixed during the term of the contract.
 - d) Bidders shall bear all costs, taxes and all charges incurred in connection with the delivery of

electricity to the place of delivery.

- 6) Orders shall be submitted in the manner prescribed in the notification of the organized Procedure.
- 7) Orders submitted outside the prescribed time defined by the Orderer will be invalid.
- 8) By submitting an Order, the Bidder accepts the proposed text of the Appropriate contract.
- 9) Orders that meet the conditions referred to in paragraph 3 and paragraph 4 of this article shall be entered in the list of Orders. The ranking of Orders is done according to the criterion of the most favourable price, i.e. the Order with the lowest price is ranked first on the list in case of purchase, while the Order with the highest price is ranked first in case of sale.
- 10) If Orders received during the Procedure are for the amount of MWh/h less than or equal to the required amount of MWh/h, then all Orders will be accepted at the prices from the Order.
- 11) If Orders received during the Procedure are for the amount of MWh/h that is higher than the requested amount of MWh/h, then the following rule applies:
 - a) In case of purchase, Orders are accepted according to the price, from Orders with a lower price to Orders with a higher price, until the entire amount of MWh/h required in the Procedure is filled. If the quantity of the last accepted Order is higher than the remaining quantity of MWh/h requested in the Procedure, then such Order shall be accepted only in the part relating to the remaining quantity of MWh/h requested in the Procedure which remained available for distribution after acceptance of Orders with a lower price compared to such Order.
 - b) In case of sale, Orders are accepted according to the price, from Orders with a higher price to Orders with a lower price, until the entire amount of MWh/h required in the Procedure is filled. If the quantity of the last accepted Order is higher than the remaining quantity of MWh/h requested in the Procedure, then such Order shall be accepted only in the part relating to the remaining quantity of MWh/h requested in the Procedure which remained available for distribution after acceptance of Orders with a higher price compared to such Order.
 - c) If two (2) or more Members in the Procedure have submitted valid Orders with the same price which exceed the total required or remaining amount of MWh/h required in the Procedure, the system selects the Order for the remaining amount of MWh/h in such a way that Orders of those Bidders with an earlier arrival time based on the timestamp of the Order take precedence.
- 12) Orders must be valid until the deadline for making a decision on the selection of the most favourable Order defined in the invitation of the Orderer.
- 13) MEPX implements and monitors the Trading process and ensures that it is conducted in accordance with these Rules.
- 14) MEPX charges the Members a Volume Trading Fee defined by the Fee Schedule.
- 15) The Volume Trading Fee for the trade realized during the Procedure is charged to the Orderer and the Bidder.
- 16) The Amount of energy shall be adjusted with the Orderer and the Bidder on a monthly level, and based on the Agreed amounts, if there is a variation in relation to the Agreed amount, to correct the invoiced fee in relation to the Reported amount in the schedule (D-1). In case that the Reported amount of energy is higher than the agreed one, an additional invoice equal to the difference between the two amounts is issued by MEPX, and in case the Reported amount is lower than the agreed one, an additional invoice equal to the difference between the two amounts is issued by the Orderer.

Article 7

ORDER SUBMISSION IN CASE OF TECHNICAL ISSUES

- 1) The Member willing to submit or change the Order, and cannot perform this via MEPX trading platform due to technical problems on Member's side, must as soon as possible inform MEPX of this request via email.
- 2) Every Order submitted this way is considered valid if it is submitted no later than 15 minutes before Gate Closure Time for the relevant Product. Such Order receives a timestamp of the moment of direct entering into the platform.
- 3) In case of submitting the Order as stipulated in this article, the Order Submission Fee is charged to the Member according to the Fee Schedule.

Article 8

ORDER CANCELLATION IN CASE OF TECHNICAL ISSUES

- 1) The Member who wishes to cancel the Order, and there is no possibility to do that through the MEPX trading platform due to technical problems on Member's side, is obliged to notify MEPX about such a request via email as soon as possible and no later than 15 minutes before the Gate Closure Time.
- 2) Any reference to an error in Trading related to the Order is excluded and any request for cancellation of the Order will be considered invalid if the request is submitted after the deadline stated in paragraph 1 of this article.
- 3) When cancelling the Order and submitting a new Order, the time in which the initial Order was submitted will not be reserved for the Bidder requesting cancellation, but will be deleted from the list of submitted Orders and the time of submitting a new Order will be considered relevant for that Bidder.
- 4) In case of cancelling the Order as stipulated in this article, the Order Cancellation Fee is charged to the Member according to the Fee Schedule.

Article 9

COMPLETION AND PUBLICATION OF THE PROCEDURE RESULTS

- 1) MEPX submits the list of Orders to the Orderer and the Bidders by email sent to the addresses indicated in the Application for the Membership, in the shortest period possible after the end of the Procedure.
- 2) The list of Orders sent by MEPX after the end of the Procedure is a preliminary outcome of the Procedure. The final outcome of the Procedure is based on the decision submitted by the Orderer to MEPX in accordance with paragraphs 3 and 4 of this article.
- 3) The Orderer shall notify MEPX by email of the final decision on the selection of the most favourable bid or the decision on cancellation of the Procedure, and MEPX shall send a notification on the outcome of the Procedure to Bidder(s) whose Orders have been accepted on address(es) indicated in the Application(s) for the Membership after the deadline for decision.
- 4) The deadline for decision from previous paragraph is determined in Orderer's call.
- 5) The Bidder(s) from paragraph 2 has the obligation to, without delay, confirm to MEPX by email that it has received notification of the final decision. If MEPX does not receive confirmation from the

Bidder(s) that it has received notification of the final decision pursuant to this paragraph, nor notification from the Bidder(s) that it has not received notification of the final decision, the Bidder(s) shall be deemed to have received notification of the final decision.

- 6) The Orderer has the right to cancel the Procedure at any time and without stating a reason.
- 7) In the event that for any reason the Orderer asks for postponement of the Procedure, at least 1 workday before its conduction, MEPX shall publish the date and time of the new Procedure on its website.
- 8) In case of cancellation of the Procedure, MEPX charges a Procedure Cancellation Fee to the Orderer according to the Fee Schedule.

Article 10

LIMITATION OF LIABILITY

- 1) Orderers and MEPX will not be liable for any damage resulting from:
 - a) inability of the Bidder to participate in the Procedure, including inability due to technical unavailability;
 - b) delays in the Order submission;
 - c) errors of Bidders in submitting Orders;
 - d) termination, postponement, annulment, or declaration of failure of the Procedure.
- 2) The Bidders assume all risks and in accordance with Article 157 of the Law on Obligations agree that Orderer or MEPX annul, declare the Procedure unsuccessful, or terminate or postpone the Procedure for any reason and without giving reasons, including the unavailability of MEPX in any time and in these cases will not claim any compensation for damages that may be incurred by the Bidders as a result.

Article 11

CONTRACTUAL RELATIONS

- 1) The Orderer shall sign the Contract(s) with the Bidder(s) who submit/s the most favourable Bid(s) and MEPX no later than within the deadline defined in the invitation of the Orderer.
- 2) If the Bidder(s) who submits the most favourable bid(s) withdraws from the bid within its validity period or refuses to sign the contract, the Orderer may enter into a contract with the next Bidder(s) from the list of Orders. The Orderer has the right to conclude a contract with each subsequent Bidder even if the bid of the invited next Bidder from the list of Orders has expired, and the invited next Bidder from the list of Orders agrees to enter into a contract with the Orderer under the conditions from the bid on the Order list.
- 3) The delivery of the Order does not create a contractual relationship between the Bidder and the Orderer and the Orderer reserves the right to completely accept or reject any bid.
- 4) Additional terms of the contractual relations may be defined through the Appropriate contract or through the terms of article 3, paragraph 2, item b.

Annex 1: Request for the Procedure Organization