

Appendix G to the TCID - Cost sharing, monitoring and settlement of SIDC TSOs-Only Common Costs

This Appendix is divided into the following two Sections which detail, pursuant to Article 7 of the Agreement

- a) the process for sharing, monitoring and settling SIDC TSOs-Only Common Costs encountered as of month following the month of Initial Go-Live;
- b) the specific process for re-settlement of the SIDC TSOs-Only Common Costs incurred under XBID Market APCA pre-financed by NWE+ TSOs among all Parties for the period between 14 February 2017 until end of month of the Initial Go-Live (it being understood that for the month of February 2017, [REDACTED] of the costs incurred under XBID Market APCA pre-financed by NWE+ TSO is to be taken into consideration).

For the purpose of this Appendix, all capitalized terms not expressly defined herein shall have the meaning attributed to them in Appendix A (Definitions).

References to provisions of this Appendix are made using the term "**Section**" (while references to provisions of the Agreement are made using "**Article**").

1. Process for SIDC TSOs-Only Common Costs

1.1. SIDC TSOs-Only Common Costs

This Section 1.1 specifies the way in which SIDC TSOs-Only Common Costs set forth under this Appendix G will be categorised, handled, budgeted, reported and calculated for the purpose of sharing between Member States and third countries, settled and invoiced. This will be done in accordance with the Agreement and Legal Provisions, such as the provisions on i) cost recovery (article 75 CACM); ii) costs of establishing, amending and operating single day-ahead and intraday coupling (article 76 CACM); and iii) cost sharing between NEMOs and TSOs in different Member States and third countries (article 80 CACM) without prejudice to any subsequent processes to be organised as the case may be within each Member States for the sake of costs recovery.

1.1.1. General principles

Costs resulting from activities made to the benefit of all TSOs, as mentioned in Section 1.1.2, shall be considered as SIDC TSOs-Only Common Cost if approved

as SIDC TSOs-Only Common Cost by the TSO SC.

The SIDC TSOs-Only Common Cost shall be recorded and shared as provided for by CACM and in particular articles 75, 76 and 80 CACM. The following principles shall apply:

1. The Parties shall ensure that all costs shall be, insofar as such costs are time and material based, appropriately and fairly recorded in timesheets and, insofar as such costs are other expenses, sufficiently documented. More detail is given in Section 5 of this Appendix.
2. SIDC TSO-Only Common Costs must be either: (i) within an approved yearly budget or (ii) the subject of an approved increase in the relevant yearly budget, or (iii) subject to a specific prior approval by the TSO SC, the expenditure of each of which must be specifically pre-approved by the TSO SC consistently with the terms of Article 4.
3. All input data for the calculation of the sharing key between Member States and third countries will be updated, at least, on a yearly basis (in quarter 1 of a given calendar year) by the TSO SC based on the all NRA(s) guidelines and shall be attached as Annex 1 of this Appendix for reference purpose. Annex 1 of this Appendix G can be updated by TSO SC decision only.
4. If a (the) respective NRA(s) would require changes based on an NRA regulation with regard to the sharing in a Member State or third country in the course of a given calendar year these changes will be implemented within and for that Member State or third country in accordance with such NRA 's regulation.
5. The necessary input for the yearly report to the NRAs shall, in due time, be provided, with a level of detail according to article 80 of CACM, by the TSO SC reporting designee to the person responsible for consolidating this information as indicated by the TSOs.
6. If requested by the NRAs, the relevant TSOs shall provide, within three months or according to the deadline specified by the NRAs, the information necessary to facilitate the assessment of the costs incurred.
7. Costs shall be reported and settled excluding VAT unless not permitted under Legal Provisions.

8. Each new contract or each amendment of any present contract with a third party service provider shall be concluded in compliance with the Directive 2014/25/EU and respective national public procurement legislation, if applicable, and shall be subsequently organised and approved by TSO SC.
9. All Parties shall strive as much as possible to avoid "vendor lock-in", meaning that contracting entity shall not discriminate the economic operators in subsequent public procurement procedure due to the fact that only the original provider owns IPR rights and therefore only he can provide the services procured. The procurement documents shall assure, to the extent possible and to the extent the TSO SC considers economic efficient, the co-ownership by all or a subset of Parties of the relevant IPR.
10. Costs for the carrying out of the public procurement procedure for services to the benefit of all Parties participating in the SIDC, as well as for the negotiation of the contracts and framework agreements for services to the benefit of all Parties participating in the SIDC shall be considered as SIDC TSOs-Only Common Costs.

1.1.2. Cost categorisation

Costs referred to under Section 1.1 will be categorised as:

- a. SIDC TSOs-Only Common Costs of establishing and amending the SIDC;
and
- b. SIDC TSOs-Only Common Costs of operating the SIDC.

1.1.2.1. SIDC TSOs-Only Common Costs of establishing and amending the SIDC

The SIDC TSOs-Only Common Costs of establishing and amending the SIDC consist of the following categories:

1. Cost of adaptations or further developments of the XBID System that comply with Appendix E "TSO Change Control Procedure";
2. Costs resulting from an amendment of the Agreement of which the modalities are specified in Article 17;

3. Costs of governance activities according to Article 4 related to SIDC TSO-Only Common Costs of establishing and amending the SIDC, to the benefit of all Parties or all TSOs participating in the SIDC, and approved as such by the TSO SC;
4. Costs to the selection, as described in Section 1.1.1., 8)-10), of service providers providing services falling under the Agreement; and
5. Any other costs element that is after decision of TSO SC classified as SIDC TSOs-Only Common Costs of establishing and amending the SIDC.

1.1.2.2. SIDC TSOs-Only Common Costs of operating the SIDC

The SIDC TSOs-Only Common Costs of operating the SIDC under this Section to be shared among only by the Operational Parties, consist of the following categories:

1. Costs resulting from governance activities related to this category, to the benefit of all Operational Parties, that are in line with Article 4 and approved as such by the TSO SC;
2. Costs associated with communication channels including, for example, ECP endpoint;
3. Costs associated with the provision of Central Administration services; and
4. Any other costs element that is after decision of TSO SC classified as SIDC TSOs-Only Common Costs of operating the SIDC.

1.1.3. Budgeting

1. The yearly budget for the SIDC TSOs-Only Common Costs, shall be subject to the approval of the TSO SC.
2. The initial budget for the first period after entry into force of the Agreement until the end of the calendar year is the budget approved by XBID Market APCA ID SC as attached as Annex 2.
3. The TSO SC shall approve on a yearly basis and by no later than on 15 October of the year, the overall yearly budget (included the resources needed to comply with this budget) for following calendar year as well as a high level road map

(expenditures and resources) for the coming 3 years taking into account the following principles, unless otherwise specified in the Agreement:

- a) Costs incurred by a Party related to internal resources, to the benefit of all Parties or to all Operational Parties, as the case may be, shall be charged at the standard daily rate of ■■■ EUR per day (based on 8 hours/day) unless stipulated otherwise by a decision of the TSO SC;

It is acknowledged by the Parties that any individual, company or other firm retained by any Party to provide professional services (each a "consultant") shall be regarded as that Party's own "internal" resources for the purposes of this Agreement; and

- b) Costs related to external contractors or advisors that provide services to the benefit of all Parties or to all Operational Parties, as the case may be, shall be taken into account at cost, provided these costs are in compliance with the requirements herein.
4. The standard daily rate may be updated on a yearly basis after approval by TSO SC, prior to preparation of the budget by TSO SC decision.
 5. The number of chargeable hours worked by external resources is limited to 8 hours per person per day Monday to Friday with no chargeable hours at the weekend (to the exclusion of services which require a 24/7 support). The TSO SC can agree a variation to this in exceptional circumstances.

1.1.4. Handling of all SIDC TSOs-Only Common Costs

1. Each Party shall complete and submit the timesheets and documentary evidence for costs classified as SIDC TSOs-Only Common Costs to the TSO BM WG by no later than the 10th Working Day of the month following the month in which work is performed. The Parties shall provide for the same requirements in contracts with service providers, except if otherwise agreed by the TSO SC.
2. In absence of delivery of the necessary timesheets and/or documentary evidence for costs classified as SIDC TSOs-Only Common Costs, these costs will not be considered as eligible for settlement between the Parties until delivery of the necessary timesheets and documentary evidence.

3. By exception, in the event that any one or more Party(ies) fail(s) for whatever reason to submit any relevant timesheet(s) and/or documentary evidence for costs classified as SIDC TSOs-Only Common Costs by the 10th Working Day of the month following the month respectively quarter in which work is performed, such Party may submit such timesheet(s) and/or documentary evidence for costs classified as SIDC TSOs-Only Common Costs for inclusion in the next month's report, provided that such report shall clearly identify such late-reported items. In any event all timesheet(s) and/or documentary evidence of costs classified as SIDC TSOs-Only Common Costs have to be reported within the reporting of the same calendar year (until 20th working day in January of the following calendar year) in which work has been performed and the later reporting of any relevant timesheet(s) and/or documentary evidence will not be taken into account, except if otherwise agreed by the TSO SC.
4. The timesheets shall include:
 - a) The time spent (including description of the related activity or service) per third party provider, the agreed rate per third party provider and the costs per related activity or service during the previous month;
 - b) the time spent (including description of the related activity) per internal staff during the previous month;
 - c) reasonable documentary evidence (including without limitation invoices) relating to the expenses incurred by external and internal resources during the previous month in performing their duties.
5. Travel and accommodation expenses by external and internal resources for activities and services classified as SIDC TSOs-Only Common Costs shall be invoiced at actual cost, and subject to compliance with the following guidelines:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

A deviation of these guidelines for travel and accommodation expenses by external and internal resources for activities and services classified as SIDC TSOs-Only Common Costs is allowed if based on a TSO SC decision.

6. The TSO BM WG shall report to ID SC as required by exhibit 12 section 1.3. of IDOA, after validation by TSO SC in accordance with Section 1.1.3:
 - a.) by no later than on 15 October of a given calendar year the yearly budget of SIDC TSOs-Only Common Costs for the following calendar year as well as a high level road map for the coming 3 years, and
 - b.) on the 15th Working Day of each month falling after the end of a Calendar Quarter of encountered SIDC TSOs-Only Common Costs for tracking of budget fulfilment.

This will be done in accordance with CACM.

7. Monthly reporting for internal follow-up: save in respect of each month falling after the end of a Calendar Quarter, the TSO BM WG shall process the information received in connection with paragraphs 1 to 4 above and shall prepare and submit on 20th Working Day of each month following the month in which work is performed an overview of the previous month's costs to the TSO SC for approval.
8. Quarterly reporting for CACM reporting requirements and invoicing purpose: each month falling after the end of a Calendar Quarter, the TSO BM WG shall process the information received in connection with paragraphs 1 to 4 above and shall prepare and submit on the 20th Working Day of such month a Quarterly Report to TSO SC for final approval. Such Quarterly Report shall contain an overview of the last month of the previous Calendar Quarter together with details of the already validated Monthly Reports in respect of such Calendar Quarter. The information in the overview of the last month of the previous Calendar Quarter shall at least be as detailed as the Monthly Report.
9. The TSO BM WG shall procure that all timesheets and documentary evidence for costs classified as SIDC TSOs-Only Common Costs provided to it and all

documentary evidence with respect to expenses provided to it are made freely available to all the Parties prior to the approval of such costs.

10. TSO BM WG shall ensure that all relevant documentation, including but not limited to calculations in the framework of the Monthly Report and Quarterly Report are stored in the common (online) storage place referred to in Article 17.2.

1.1.5. SIDC TSOs-Only Common Costs sharing key

1. SIDC TSOs-Only Common Costs shall be broken down into the categories described in the Section 1.1.2 and the sharing key shall be applied for each category separately.
2. For the calculation of contribution share of Member State and third countries to SIDC TSOs-Only Common Costs the following formula will be applied in accordance article 80(3) of CACM for each settlement period¹ by the TSO BM WG:

$$\frac{1}{8} \frac{1}{MS} + \frac{5}{8} \frac{C_x}{TC} + \frac{2}{8} \frac{TV_x}{TTV}$$

The consumption as specified in the Eurostat report 105a is used as a basis for the calculation of TV_x and TTV until NRAs indicate otherwise.

Where:

- a) For sharing of SIDC TSOs-Common Only Costs for establishing and amending the SIDC as set forth in Section 1.1.2.1 and following values shall be used:
 - MS: the number of Member States and third countries participating in the SIDC;
 - C_x : latest available value included in the Eurostat report 105a of consumption of each Member State or third country;
 - TC: sum of latest available values included in the Eurostat report 105a of consumption in all Member States and third countries;

¹ Currently defined as Calendar Quarter.

- TVx: traded volume in each Member State or third country calculated as the sum across all products effectively traded and for each trading period in each NEMO active in the Member State or third country (either designated or passporting).

$$\text{(Purchase Traded Volume [MWh] + Sale Traded Volume [MWh])} / 2;$$

- TTV: sum of traded volume across all Member States and third countries.

b) For sharing of SIDC TSOs-Only Common Costs of operating the SIDC as set forth in Section 1.1.2.2 following values shall be used:

- MS: the number of Member States and third countries where at least one Operational Party uses the SIDC;
- Cx: latest available value included in the Eurostat report 105a of consumption of each Member State or third country where at least one Operational Party uses the SIDC;
- TC: sum of latest available values included in the Eurostat report 105a of consumption in all Member States and third countries where at least one Operational Party uses the SIDC;
- TVx: traded volume in each Member State or third country where at least one Operational Party uses the SIDC calculated as the sum across all products effectively traded and for each trading period in each NEMO active in the Member State and third country (either designated or passporting).

$$\text{(Purchase Traded Volume [MWh] + Sale Traded Volume [MWh])} / 2;$$

- TTV: sum of traded volumes across all Member States and third countries where at least one Operational Party uses the SIDC.

3. For calculation of each TSO share (irrespective of whether such TSO is a Party to the Agreement) to SIDC TSOs-Only Common Costs in each Member State or third country according to CACM, the contribution share attributable to a given Member State or third country (as a result of computation included in Section 1.1.5 paragraph 2) shall be multiplied using the percentage sharing key

amongst TSOs active in such Member State or third country as defined and provided by the competent NRA(s). The outcome of this calculation shall be provided to the TSO SC for validation and made available to all Parties and stored in the common (online) storage place referred to in Article 17.2.

4. The list of percentage sharing keys amongst TSOs active in each Member State or third country is attached to this Appendix as Annex 3 and may be updated anytime following regulation of the competent NRA(s). The latest version of this Annex 3 will be maintained by TSO BM WG.
5. As long as not all TSOs of all Member State or third countries have signed the Agreement, an additional calculation specified in Section 1.1.5, paragraph 6 is needed to ensure that the costs are pre-financed by all Parties according to the sharing key set forth in article 80 CACM. The additional calculation will be performed by the TSO BM WG per applicable settlement period where the condition is not fulfilled and this calculation will be approved by TSO SC. The TSO BM WG will ensure that these calculations will be stored in the common (online) storage place referred to in Article 17.2. The settlement as described in Section 1.1.6 between Parties will be done between Parties based on the end result of the calculation specified in this Section as long as all TSOs of the Member State or third country that need to sign the Agreement have not done this.
6. For calculation of each Parties' share of the SIDC TSOs-Only Common Costs for establishing and amending the SIDC to be paid according to the Agreement, the following formula shall be used:

$$\text{Share of Party (P)} = \sum_{x \in MS} \text{share of P in MS}(x) \times \frac{1}{TSP}$$

Where:

- P refers to a Party of the Agreement;
- X refers to a particular Member State or third country;
- MS refers to set of all Member States and third countries according to CACM; and
- TSP refers to sum of shares of all TSOs who are Parties to the Agreement.

7. For calculation of each Party's share of the SIDC TSOs-Only Common Costs of operating to be shared according to the Agreement, the total amount to be shared shall be multiplied by the percentage sharing key calculated according to paragraphs 2 and 3 of this Section.

1.1.6. Cost approval and invoicing mechanism

1. Each Party shall bear the respective share of SIDC TSOs-Only Common Costs for establishing and amending the SIDC and the respective share of SIDC TSOs-Only Common Costs of operating the SIDC as calculated according to paragraphs 6 respectively paragraph 7 of Section 1.1.5 above.
2. The invoicing and payment thereof shall be performed separately for the SIDC TSOs-Only Common Costs of establishing and amending the SIDC and SIDC TSOs-Only Common Costs of operating the SIDC on a calendar quarterly basis (or such frequency as the TSO SC determines). The frequency shall be such that it allows compliance with the reporting requested in the framework of IDOA and shall be according to the following procedure:
 - a) By no later than twenty (20) Working Days after the end of each Calendar Quarter, the TSO BM WG will send via e-mail to each TSO SC member, a report (the "**Quarterly Report**") as provided under Section **Erreur ! Source du renvoi introuvable.** The Quarterly Report will also be stored in the common (online) storage place referred to in Article 17.2. The Quarterly Report shall detail the following:
 - i) In respect of such Calendar Quarter, a clear identification, expressed in euro, of the various incurred SIDC TSOs-Only Common Costs according to the different cost categories as specified in Section 1.1.2.1 and 1.1.2.2;
 - ii) A link to the common (online) storage place referred to in Article 17.2 where the timesheets and documentary evidence for costs classified as SIDC TSOs-Only Common Costs can be found;
 - iii) Details of the cumulative SIDC TSOs-Only Common Costs incurred from 1st January of the relevant year;

- iv) A short summary of important issues detected by TSO BM WG during the establishment of the report; and
 - v) Any other relevant matters as the TSO BM WG shall determine as reasonable for the purposes of the Quarterly Report.
- b) together with a document (the "**Quarterly Account**") prepared by TSO BM WG, which shall detail separately for SIDC TSOs-Only Common Costs of establishing and amending the SIDC and SIDC TSOs-Only Common Costs of operating the SIDC the following:
- i) A clear identification of the various SIDC TSOs-Only Common Cost items to be made subject to an invoice by those Party(ies) having incurred SIDC TSOs-Only Common Cost in respect of such Calendar Quarter;
 - ii) Details of the relevant share of each Party calculated according to Section 1.1.5, expressed in euro, of total SIDC TSOs-Only Common Cost in respect of such Calendar Quarter;
 - iii) Details of the invoicing between each Claiming Party towards one or more Paying Parties according to principles provided under letter c. and d. below; and
 - iv) The TSO SC will review the settlement process set forth under c) and d) following two (2) quarters of operation and shall decide based on this review whether this process for this service shall be adapted.
- c) Performed separately for the SIDC TSOs-Only Common Costs of establishing and amending the SIDC and the SIDC TSOs-Only Common Costs of operating the SIDC, if the share of a Party of total SIDC TSOs-Only Common Cost in respect of such Calendar Quarter and given category as calculated according to letter b.ii above is higher than SIDC TSOs-Only Common Cost incurred by such Party in given Calendar Quarter and given category, such Party (the "**Paying Party**") shall be subject to invoice by Party(ies) whose share of the total SIDC TSOs-Only Common Cost in respect of such Calendar Quarter and given category as calculated according to letter b.ii above is lower than the SIDC TSOs-Only

Common Cost incurred by such Party (the "**Claiming Party**") in respect of such Calendar Quarter and given category.

- d) Following mechanism shall be used in order to identify which Paying Party(ies) shall be invoiced by each Claiming Party:
- i) Parties are sorted according to net amount resulting from letter c and a comparison of the SIDC TSOs-Only Common Cost incurred by Party and share of total SIDC TSOs-Only Common Cost calculated according to letter b.ii for individual Party as follows:
- For the Claiming Party(ies), with the highest claim to the lowest;
 - For the Paying Party(ies), with the lowest to the highest amount to be paid; and
 - If two Parties do have the same outcome of the net amount, they are sorted based on alphabetical order;
- ii) The claim of the first Claiming Party on the list paired with the remaining net amount of the last Paying Party;
- iii) If the claim of first Claiming Party on the list is fully covered by the last Paying Party, then:
- the first Claiming Party is supposed to invoice the last Paying Party for the whole amount of Claiming Party's claim;
 - the remaining net amount of the last Paying Party is reduced by the invoiced amount;
 - this Claiming Party is removed from the list; and
 - the process is repeated from the step ii onwards, with the second Claiming Party on the list becoming the first Claiming Party on the list;
- iv) If the claim of first Claiming Party on the list is not fully covered by the remaining net amount of the last Paying Party, then

- the first Claiming Party is supposed to invoice the last Paying Party for Paying Party 's remaining net amount;
 - the claim of the first Claiming Party is reduced by such invoiced amount;
 - this last Paying Party is removed from the list; and
 - the process is repeated from the step ii onwards, with the last but one Paying Party on the list becoming the last Paying Party on the list; and
- v) The mechanism shall stop with the invoice between last Claiming Party and first Paying Party on the original list. It is recognised that, in view of the process, a Claiming Party may need to invoice more than one Paying party.
3. If no objection is raised by any of the TSO SC members within five (5) Working Days after receipt by them of the Quarterly Report and the Quarterly Account, the Quarterly Report and the Quarterly Account will be deemed approved by the TSO SC. The TSO SC shall also expressly record the deemed approval of the relevant Quarterly Report and Quarterly Account at the next scheduled meeting of the TSO SC or at an ad-hoc meeting of the TSO SC. If a timely objection is raised it will be discussed in TSO SC.
4. Irrespective whether the Quarterly Report and the Quarterly Account are approved at a meeting (either scheduled or ad-hoc) of the TSO SC or by deemed approval, the TSO BM WG shall, by no later than the 3rd Working Day following the date of such approval, provide the Parties with copies signed by the person indicated by TSO SC (in PDF or other suitable electronic format) of such approved Quarterly Report and Quarterly Account based on which respective Claiming Parties shall issue the invoices towards specified Paying Parties and in specified amounts according to Section 2.

2. Invoicing and payments

2.1. Invoice information

1. Each invoice issued according to the Agreement shall be sent by email, but at request of a Party a paper version shall also be provided. The approved

Quarterly Report referred to in Section 1.1.6 4) shall be attached to all invoices issued. Each invoice shall include at least the following items:

- i) Full name and address of both invoicing Party and the invoiced Party;
 - ii) VAT number of both invoicing Party and the invoiced Party;
 - iii) Invoiced amount, valued in euro;
 - iv) Bank account and bank address (including IBAN and BIC) on which the relevant payment shall be made;
 - v) Invoice number;
 - vi) Invoice issue date;
 - vii) Settlement period;
 - viii) Designation of the service on the invoice (including the reference to Quarterly Report and the Quarterly Account that are used as basis for issuing the invoice) and whether the invoice is related to the SIDC TSOs-Only Common Costs for establishing and amending the SIDC or the SIDC TSOs-Only Common Costs of operating the SIDC with indication of the period covered. In case of resettlement the invoice should refer to the resettlement. For resettlement the period covered shall not be specified;
 - ix) Tax rate and tax amount separately, if any;
 - x) Specific constraint for invoicing, required by the article 226 of the Directive 2006/112/CE, e.g. indication of the reference to the applicable provision of the Directive where the supply of services are subject to the VAT reverse charge procedure;
 - xi) Reference if required by the invoiced Party; and
 - xii) Payment term in accordance with paragraph 2) hereafter.
2. Each Party shall pay the invoiced amount within thirty (30) days from the end of the month of the receipt of the respective invoice (the "**Due Date**"). All payment(s) shall be made by wire transfer to the bank account indicated in the invoice(s).

3. Default interest on any amounts not paid by the Due Date, shall accrue at the legal interest rate as specified in the Belgian Law of 02/08/2002 on combating late payment in commercial transactions, as modified by the Law of 22 November 2013, implementing Directive 2011/7/EU).

2.2. Invoice dispute

1. All or any part of an invoice can only be contested based on a calculation or process error. In such case the contesting Party, shall inform the TSO BM WG and TSO SC as soon as possible and in any event within ten (10) Working Days of the date of the invoice of the disputed amount and the basis for disputing such invoice, together with any appropriate information supporting its position. The undisputed part of the invoiced amount shall remain payable as provided herein. Any contestation by a Party of all or any part of an invoice will, if not solved, be subject to the Dispute resolution procedure set out in Article 16. Notwithstanding the existence of any Dispute relating to all or any part of an invoice, the Disputing Party shall remain for all purposes (other than payment of the contested part of such invoice pending resolution of such Dispute) subject to all its obligations under the Agreement.
2. Payment by either Party of the invoice, wholly or in part, shall not itself, in case of a Dispute regarding such invoice, be considered as an acceptance or validation of the activities performed which are subject of such a Dispute.

3. Process for re-settlement among all Parties of costs incurred under the XBID Market APCA pre-financed by NWE+ TSOs for the period between 14 February 2017 until end of the month of the Initial Go-Live

Parties agree that for the purpose of this Section of Appendix G, the XBID Market APCA invoicing and settlement process as applied between the parties to the XBID Market APCA, shall apply until the end of the month in which Initial Go-Live takes place, it being understood that any decision making and governance in this respect shall be done in accordance with Article 4.

3.1. SIDC TSOs-Only Common Costs

1. Parties agree that for the purpose of the Agreement, SIDC TSOs-Only Common Costs for the period between 14 February 2017 until end of the

month of the Initial Go-Live consist of the following sub-categories of XBID Market APCA costs:

- i) PMO and project manager costs to support and lead TSO SC, subcommittees or working groups created in accordance with XBID Market APCA and Article 4;
 - ii) Hosting costs of TSO-only meetings;
 - iii) Provision of central TSO-only services such as project place and charges related to these services;
 - iv) Project Management, PMO, Project activities, workshops, document review, impact assessment, negotiation, testing etc. agreed by TSO SC prior to the Agreement. This excludes individual costs associated to these activities;
 - v) Procurement, tendering, selection and negotiation of contracts and framework agreements for the appointment of service providers for the TSO only project including the costs of assigning a party(ies) to undertake such procurement activities on behalf of the TSO SC members;
 - vi) Travel and accommodation costs associated with the above TSO only activities providing they are in accordance with Section 5 above;
 - vii) Service provider costs for SIDC TSOs-Only Common Costs;
 - viii) Hosting costs for meetings organized by a body governed by TSO SC;
 - ix) Provision of other additional services as agreed by TSO SC.
2. For the period from 14 February 2017 until last day of the month of Initial Go-Live, the SIDC TSOs-Only Common Costs will be initially shared by the XBID Market APCA TSO parties and shall therefore be retroactively shared amongst all Parties as soon as possible after Initial Go-Live in accordance with CACM and the competent NRAs regulation. If such process cannot be organised within 6 months after Initial Go-Live possible mitigation measures need to be discussed at TSO SC level.

3. Any TSO adhering to the Agreement after the last day of the month of Initial Go-Live shall pay its share of the SIDC TSOs-Only Common Costs for the period from 14 February 2017 until last day of the month of Initial Go-Live together with its share of all SIDC TSOs-Only Common Costs for the period from the last day of the month of Initial Go-Live until its adherence as further specified in Section 5.
4. The SIDC TSOs-Only Common Costs for the period between 14 February 2017 until end of the month of the Initial Go-Live shall be considered as SIDC TSOs-Only Common Costs for establishing and amending the SIDC.
5. SIDC TSOs-Only Common Costs for the period between 14 February 2017 until end of the month of the Initial Go-Live shall be shared in accordance with the common cost sharing key determination detailed in Section 1.1.5 above and in accordance with the following process:
 - i) By no later than thirty (30) Working Days after the end of the month of the Initial Go-Live, the TSO BM WG shall send via e-mail to each TSO SC member, a report covering the period between 14 February 2017 until end of the month of the Initial Go-Live which shall detail the following:
 - a) in respect of such period, a clear identification, expressed in euro, of the various incurred SIDC TSOs-Only Common Costs;
 - b) Cumulative amount of SIDC TSOs-Only Common Costs incurred during this period;
 - c) Any other relevant matters as the TSO BM WG or TSO SC shall determine as reasonable for such purpose.
 - ii) After approval of the above mentioned report by the TSO SC, the process described in Section 1.1.5 shall be used in order to calculate the share of each TSO in each Member State or third country according to CACM and to calculate the share of each Party to the Agreement. If the NRAs provide a different settlement for the period or a subset of the period then this will be taken into account. An overview of possible deviations can be found in Annex 3. Outcome of this calculation together with the clear identification of the costs shares already incurred by XBID Market APCA TSO Parties during the period between

14 February 2017 until end of the month of the Initial Go-Live, shall be subject to the TSO SC approval.

- iii) The net difference between each Party's share of SIDC TSOs-Only Common Costs for establishing and amending during the period between 14 February 2017 until end of the month of the Initial Go-Live (as calculated according to point ii) above) and the SIDC TSOs-Only Common Costs for establishing and amending the SIDC already incurred by such Party during this period shall be invoiced between the Parties based on the mechanism described in Section 1.1.6, paragraph 2, letter d)) within twenty (20) Working Days after approval of the calculation and incurred cost shares according to point ii) above.
- iv) Invoices shall be issued and payments shall be made in accordance with conditions described in Section 2.

4. Exit Plan and other costs

4.1. Exit Plan costs

1. The cost of an Exit as determined in the Exit Plan according to Article 9.3.3. shall be allocated and settled as proposed by the TSO SC and as consented by the Exiting Party.
2. As soon as the TSO SC and the Exiting Party have agreed upon the costs of an Exit and the modalities how these will be settled, all Parties shall follow such instructions and issue respective invoices according to Section 2.

4.2. Other costs

1. Should the TSO SC identify other costs than the one specified in this Appendix G that are up for settlement, the TSO SC will validate the conditions for the settlement of these costs as well as the classification of these costs.

5. Process for accession of a new Party

1. As soon as a Party accedes to the Agreement, the TSO BM WG will assess for this Party the amount to be paid by this Party covering:
 - a) The share of the new Party of the SIDC TSO-Only Common Costs from 14 February 2017 until the moment of its adherence, and
 - b) The costs associated to the recalculations and preparations needed for the process of resettlement being estimated as follows, except for Parties adhering to the Agreement before the start of the first resettlement process after Initial Go-Live: a fee of one Working Day (standard rate for an internal resource) per settlement period that needs to be assessed and a fee of one Working Day per settlement period for the costs specified in Section 1.1.5. paragraph 6.
2. These costs, as calculated according to Section 1.1.5, will be included in the Accession Form, as specified in Appendix C Accession form, as historical costs.
3. During settlement period following the signature of the Accession Form by the acceding Party, share of total SIDC TSOs-Only Common Cost of the acceding party will be increased by the amount of historical costs included in paragraph 1 above, while the share of total SIDC TSOs-Only Common Cost of other Parties will be reduced by a share of the amount of historical costs included in paragraph 1 of the acceding Party calculated by TSO BM WG proportionally to the share they pre-financed by application of the sharing rules set forth in Section 3.1 and, if the accession occurs after end of month of the Initial Go-Live, Section 1 for the costs related to letter a) and b) of paragraph 1 of this Section 5.

Annex 1 – reference input data for calculation of CACM cost sharing

1. With regards to formula for calculation of contribution share of Member State and third countries to SIDC TSOs-Only Common Costs for establishing and amending the SIDC according to Section 1.1.5 following data shall be used as of 1st January 2020:

- a. For the number of Member States and third countries participating in the single intra-day coupling – the “MS” = 27 shall be used, covering following EU Member States plus Norway:

Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, UK (including Northern Ireland which is considered separately when calculating cost sharing) and Norway.

- b. For the final consumption (“Cx”), following values included in the Eurostat report nrg_cb_e for each Member State or third country shall be used (it being understood that they will be replaced on a yearly basis based on updated Eurostat reports):

| Member State | Final consumption in 2018 according to Report nrg_cb_e (data from 09.04.2020) (in GWh) to be used for sharing of SIDC TSOs-Only Common Costs |
|---|--|
| Austria | 65.474 |
| Belgium | 84.384 |
| Bulgaria | 31.304 |
| Croatia | 16.625 |
| Czech Republic | 59.745 |
| Denmark | 32.033 |
| Estonia | 7.985 |
| Finland | 84.021 |
| France | 447.811 |
| Germany | 525.349 |
| Greece | 51.096 |
| Hungary | 40.595 |
| Ireland | 27.273 |
| Italy | 303.443 |
| Latvia | 6.662 |
| Lithuania | 11.283 |
| Luxembourg | 6.424 |
| Netherlands | 114.036 |
| Poland | 151.398 |
| Portugal | 48.897 |
| Romania | 49.778 |
| Slovakia | 26.872 |
| Slovenia | 13.813 |
| Spain | 245.769 |
| Sweden | 130.571 |
| UK (including Northern Ireland whose consumption is 9TWh) | 306.584 |
| Norway | 125.125 |

2. With regards to formula for calculation of contribution share of Member State and third countries to SIDC TSOs-Only Common Costs for **operating the SIDC** according to Section 1.1.5 following data shall be used for the period from 1st January 2020:

- a. For the number of Member States and third countries operationally participating in the single intra-day coupling – the **"MS" = 21** shall be used, covering following EU Member States plus Norway:

Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Latvia, Lithuania, Netherlands, Poland, Portugal, Romania, Slovenia, Spain, Sweden, and Norway.

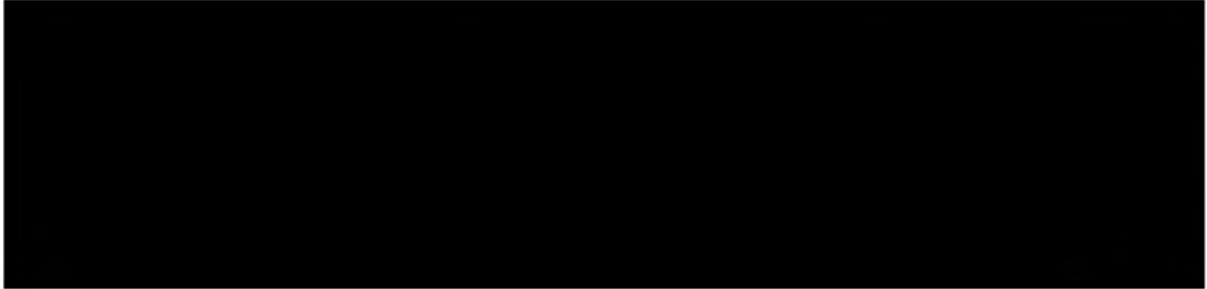
- b. For the final consumption ("Cx"), following values included in the Eurostat report nrg_cb_e of for each Member State or third country shall be used (it being understood that they will be replaced on a yearly basis based on updated Eurostat reports):

| Member State | Final consumption in 2018 according to Report nrg_cb_e (data from 09.04.2020) (in GWh) to be used for sharing of SIDC TSOs-Only Common Costs |
|---------------------|---|
| Austria | 65.474 |
| Belgium | 84.384 |
| Bulgaria | 31.304 |
| Croatia | 16.625 |
| Czech Republic | 59.745 |
| Denmark | 32.033 |
| Estonia | 7.985 |
| Finland | 84.021 |
| France | 447.811 |
| Germany | 525.349 |
| Hungary | 40.595 |
| Latvia | 6.662 |
| Lithuania | 11.283 |
| Netherlands | 114.036 |
| Poland | 151.398 |
| Portugal | 48.897 |
| Romania | 49.778 |
| Slovenia | 13.813 |
| Spain | 245.769 |
| Sweden | 130.571 |
| Norway | 125.125 |

3. The TSO BM WG shall use directly the consumption values within the cost-sharing formula provided in paragraph 2 of Section 1.1.5 in order to calculate precise percentage share of each Member State or a third country and ultimately the precise percentage share of each Party. These percentage shares shall not be rounded in order to ensure that the maximum deviation per Party is limited to 0.5 cents once the percentage share is multiplied by the total amount of costs.

Annex 2 – Budget template + budget for 2018

1. Budget for 2018 for SIDC TSOs-Only Common Costs of establishing and amending the SIDC:



2. Budget for 2018 for SIDC TSOs-Only Common Costs of operating the SIDC:



Annex 3 – the list of percentage sharing keys amongst TSOs active in each Member State or third country

1. With regards to percentage sharing keys amongst TSOs active in each Member State or third country contributing to SIDC TSOs-Only Common Costs **for establishing and amending the SIDC** according to Section 1.1.5 following data shall (unless not in line with input received from the relevant NRA, in which case the latter shall prevail) be used for the period from 14th February 2017:

| Member State (MS) | TSO | Share within MS |
|--|---------------------------------------|------------------------|
| AT (Austria) | Austrian Power Grid AG | 100,00% |
| BE (Belgium) | ELIA SYSTEM OPERATOR SA/NV | 100,00% |
| BG (Bulgaria) | ELECTRICITY SYSTEM OPERATOR EAD | 100,00% |
| CZ (Czech Republic) | ČEPS, a.s. | 100,00% |
| DK (Denmark) | Energinet | 100,00% |
| DE (Germany) | 50Hertz GmbH | 21,96% |
| | Amprion GmbH | 32,07% |
| | TenneT GmbH | 28,44% |
| | TransnetBW GmbH | 17,53% |
| EE (Estonia) | Elering AS | 100,00% |
| ES (Spain) | REE | 100,00% |
| FI (Finland) | Fingrid Oyj | 100,00% |
| FR (France) | RTE Réseau de Transport d'Electricité | 100,00% |
| GR (GREECE) | ADMIE S.A. (IPTO S.A.) | 100,00% |
| HR (CROATIA) | HOPS | 100,00% |
| HU (Hungary) | MAVIR ZRt. | 100,00% |
| IE (Ireland) | EirGrid | 100,00% |
| IT (Italy) | Terna | 100,00% |
| LT (Lithuania) | Litgrid AB | 100,00% |
| LU (Luxembourg) | CREOS Luxembourg | 100,00% |
| LV (Latvia) | AS Augstsprieguma Tikls | 100,00% |
| NL (Netherlands) | TenneT TSO B.V. | 100,00% |
| NO (Norway) | Statnett | 100,00% |
| PL (Poland) | PSE S.A. | 100,00% |
| PT (Portugal) | REN - Rede Eléctrica Nacional, SA | 100,00% |
| RO (Romania) | Transelectrica SA | 100,00% |
| SE (Sweden) | Svenska kraftnät | 100,00% |
| SI (Slovenia) | ELES, d.o.o. | 100,00% |
| SK (Slovakia) | SEPS a.s. | 100,00% |
| UK (The United Kingdom including Northern Ireland) | NATIONAL GRID INTERCONNECTORS LTD. | 48,519% |
| | BritNed Development Ltd. | 48,519% |
| | SONI Limited | 2,961% |

2. With regards to percentage sharing keys amongst TSOs active in each Member State or third country contributing to SIDC TSOs-Only Common Costs for **operating the SIDC** according to Section 1.1.5 following data shall be used for the period from 1st January 2018:

| Member State (MS) | TSO | Share within MS |
|--|---------------------------------------|------------------------|
| AT (Austria) | Austrian Power Grid AG | 100,00% |
| BE (Belgium) | ELIA SYSTEM OPERATOR SA/NV | 100,00% |
| BG (Bulgaria) | ELECTRICITY SYSTEM OPERATOR EAD | 100,00% |
| CZ (Czech Republic) | ČEPS, a.s. | 100,00% |
| DK (Denmark) | Energinet | 100,00% |
| DE (Germany) | 50Hertz GmbH | 21,96% |
| | Amprion GmbH | 32,07% |
| | TenneT GmbH | 28,44% |
| | TransnetBW GmbH | 17,53% |
| EE (Estonia) | Elering AS | 100,00% |
| ES (Spain) | REE | 100,00% |
| FI (Finland) | Fingrid Oyj | 100,00% |
| FR (France) | RTE Réseau de Transport d'Electricité | 100,00% |
| GR (GREECE) | ADMIE S.A. (IPTO S.A.) | 100,00% |
| HR (CROATIA) | HOPS | 100,00% |
| HU (Hungary) | MAVIR ZRt. | 100,00% |
| IE (Ireland) | EirGrid | 100,00% |
| IT (Italy) | Terna | 100,00% |
| LT (Lithuania) | Litgrid AB | 100,00% |
| LU (Luxembourg) | CREOS Luxembourg | 100,00% |
| LV (Latvia) | AS Augstsprieguma Tikls | 100,00% |
| NL (Netherlands) | TenneT TSO B.V. | 100,00% |
| NO (Norway) | Statnett | 100,00% |
| PL (Poland) | PSE S.A. | 100,00% |
| PT (Portugal) | REN - Rede Eléctrica Nacional, SA | 100,00% |
| RO (Romania) | Transelectrica SA | 100,00% |
| SE (Sweden) | Svenska kraftnät | 100,00% |
| SI (Slovenia) | ELES, d.o.o. | 100,00% |
| SK (Slovakia) | SEPS a.s. | 100,00% |
| UK (The United Kingdom including Northern Ireland) | NATIONAL GRID INTERCONNECTORS LTD. | 48,519% |
| | BritNed Development Ltd. | 48,519% |
| | SONI Limited | 2,961% |

3. The TSO BM WG shall use the percentages within the calculation specified in paragraph 3 of Section 1.1.5 in order to calculate precise percentage share of each TSO share (irrespective of whether such TSO is a Party to the Agreement) to SIDC TSOs-Only Common Costs in each Member State or third country

according to CACM. These percentage shares shall not be rounded in order to ensure that the maximum deviation per Party is limited to 0.5 cents once the percentage share is multiplied by the total amount of costs.

Annex 4 – estimation of total SIDC TSOs-Only Common Costs for the period between 14 February 2017 until end of the month of the Initial Go-Live

1. With regards to process for re-settlement of SIDC TSOs-only Common Costs for the period between 14 February 2017 until end of the month of the Initial Go-Live following estimation of total costs for each sub-category is made available in line with Section 3.1

