

Description of the process of commencing the provision of electricity transmission services to the TSO Counterparty.

Introduction:

Transmission services provided by Polskie Sieci Elektroenergetyczne S.A. (TSO or PSE) are rendered in accordance with the rules and to the extent specified in:

- the Energy Law and secondary legislation issued pursuant to this Act;
- Regulation 2019/943;
- Regulations issued pursuant to either Article 59 or Article 61 of Regulation 2019/943 (network codes),

in accordance with the principle of equal treatment of all entities using these services, on the basis of an agreement for the provision of electricity transmission services (the Agreement), in accordance with the conditions established in:

- 1) the Contract;
- 2) the license for the transmission of electricity issued by the President of the ERO by Decision No. PEE/272/4988/W/2/2004/MS of 15 April 2004, as amended, for the period until 31 December 2030;
- 3) TSO's tariff approved by the President of the ERO (TSO's tariff);
- 4) TNC (IRiESP – Transmission Network Code);
- 5) methods, conditions, requirements and rules adopted under Regulation 2019/943 or network codes, including in particular TCMs ("Terms, conditions and methodologies"); BC (WDB – Balancing Conditions);
- 6) procedures specified by the TSO for the fulfillment of obligations resulting from the network codes;

with the support, in accordance with the TNC and BC, of dedicated ICT systems and websites, including the business partner portal in accordance with the conditions set forth in the „Regulamin świadczenia usług drogą elektroniczną w ramach Portalu Partnera Biznesowego” (Rules for providing services electronically within the Business Partner Portal – only in Polish).

Transmission services provided by PSE under a dedicated agreement for the provision of electricity transmission services include the transmission of electricity and the use of the NPS, as well as ensuring the participation in the BM (RB – Balancing Market) for the respective Counterparty as:

- the BRP (POB – Balance Responsible Party), in order for the Counterparty to ensure its commercial balancing under the commercial balancing mechanism;
- the BSP (DUB – Balancing Service Provider), in order for the Counterparty to provide balancing services;
- the CBEP (UWM – Cross-Border Exchange Participant), in order for the Counterparty to participate in the cross-border exchange within the physical transmission rights and its implementation;
- the MO (OR – Market Operator), to enable the Contractor to perform operator functions.

The TSO starts the provision of transmission services according to the following procedure:

- I. Application by the Counterparty to the TSO for the conclusion of the Agreement for the provision of electricity transmission services with the TSO (the Application);
- II. Verification of the completeness of the Application and determination by the TSO of the possibility and conditions for the provision of transmission services;
- III. Conclusion of the Agreement by the parties;
- IV. Verification by the TSO of the fulfillment of the requirements necessary for the entry into force of the Agreement, including the establishment of a good performance bond by the Counterparty;
- V. Commencing the provision of transmission services by the TSO.

Re. I

The Application is the fulfillment of the formal and legal requirements preceding the conclusion of the Agreement with PSE, referred to in the documents approved by the President of the ERO, i.e.: the TNC and BC, and aims to verify the fulfillment of the conditions preceding the conclusion of the Agreement and to establish the rules for the transfer of information between the Counterparty submitting the Application and PSE. A template of the Application in a version that can be completed electronically is available on the PSE website at www.pse.pl/dokumenty.

Before submitting the Application:

- The Counterparty planning to perform the BSP function, in order to provide balancing services by a resource or a group of resources forming a SU (JG – Schedule Unit), is required to complete the resource qualification process in accordance with Appendix No. 2 *Zasady kwalifikacji dostawcy usług bilansujących* to the BC (Rules for the qualification of balancing service provider – only in Polish, published at www.pse.pl/dokumenty).
- A Counterparty that does not plan to perform the BRP function independently (being the owner of a resource connected to the basic or extended BM area) should authorize another BRP that will be responsible for imbalancing its resource in the BM within its BU (JB – Balancing Unit), in accordance with the template of the declaration included in part A. of Appendix No. 1 to the Application.
- Each Counterparty for all its BUs or SUs is obligated to ensure that operator functions are performed in the commercial (OH – Commercial Operator (CO) for BU) or commercial and technical (OHT – Commercial and Technical Operator (CT) for SU) areas, respectively.

The Counterparty may independently perform the above functions through dedicated power market information exchange systems, i.e. WIRE or PREU, or authorize another BMP (URB – Balancing Market Participant) that is a MO (OR – Market Operator), in accordance with the template of the declaration included in part B. of Appendix No. 1 to the Application.

Part of the tasks of the CO or CT may be delegated to the MOP (OP – Metering Operator), that is responsible for the transfer of metering data from the PMR (FRP – Physical Metering Registers) of the BMP and may participate in other activities in the process of acquiring metering data relating to the BUs or SUs of the BMP.

A Counterparty interested in using transmission services provided by the TSO shall submit to PSE a complete Application filled-in in Polish and signed by persons authorized to represent the Counterparty, whereby:

- a) the Application should be submitted with all the required Appendices.
- b) the draft Agreement shall be developed on the basis of a positively verified Application.
- c) if the Counterparty uses a qualified electronic signature, the Application and each of the documents and declarations attached to it must be signed separately.
- d) copies of the attached documents should be certified as true copies by persons authorized to represent the Counterparty.
- e) all correspondence in matters relating to the Application or the Agreement shall be in Polish.
- f) documents relating to accounting issues, prepared in a language other than Polish or English require a translation into Polish, signed by a sworn translator.
- g) other documents drawn up in a language other than Polish require a translation into Polish, signed by a certified translator.

- h) in the event of a change in the factual or legal situation occurring after the date of sending the draft Agreement to the Counterparty, the provisions of the Agreement may be amended.
- i) the Counterparty submitting the Application shall immediately notify PSE of any changes that have occurred in the data, documents and declarations contained in this Application, that have changed between the date of submission of the Application and the date of conclusion of the Agreement, and to resubmit them.

The Counterparty shall send the appropriate Appendices along with the Application, including but not limited to:

1. *Copy of the Counterparty's current license (including amendment decisions) to trade in electricity in Poland* – a document required if on the date of submission of the Application the Counterparty's license has not been published on the website: www.ure.gov.pl.
2. *Up-to-date excerpt from the relevant register of entrepreneurs obtained in accordance with the rules set forth in the regulations of the country of the Counterparty's registered office, with an issue date no earlier than 3 months ago* – applies to Counterparties without a business registered office in the territory of the Republic of Poland.
3. *Powers of attorney confirming the right of persons representing the Counterparty to act and incur obligations on behalf of the Counterparty, including authorization to submit the Application and conclude the Agreement* – shall be enclosed by the Counterparty who has authorised persons other than the representation of the Counterparty specified in accordance with the National Court Register (KRS) to submit the Application or conclude the Agreement.
4. *Application for exemption from the obligation to provide the good performance bond for the Agreement* – a completed and signed document, compliant with the template included in part C. of Appendix No. 1 to the Application, shall be attached by the Counterparty applying for the exemption from the obligation to provide the good performance bond, with current BBB- or higher rating, assigned by one of the rating agencies approved by PSE, i.e.: S&P, Moody's, Fitch ratings, with an issue date no older than 18 months. Original or copies of documents confirming the Counterparty's current rating must also be attached to the Application.
5. If the Counterparty does not have the BBB- or higher rating or fails to submit a document to confirm the rating, subject to point 5.3., the following is required:
 - 5.1. *Financial documents relating to closed reporting periods*, i.e. if the Counterparty:
 - a) prepares annual reports – copies of annual reports containing audited financial statements for the last two closed reporting periods,
 - b) does not prepare annual reports – at least a balance sheet and a profit and loss account for the last two closed reporting periods, signed by the person responsible for the performance of accounting obligations, whereby if the Contractor prepares a profit and loss account reported in the by-function income statement format, it is required to provide the value of depreciation in each reporting period,
 - 5.2. *Financial documents relating to current reporting periods*, i.e. if the Counterparty:
 - a) prepares F-O1 statistical and financial statements – copies of these F-O1 statements for the period from the last closed reporting period referred to in point 5.1. above to the end of the quarter preceding the submission of the Application,
 - b) does not prepare the F-O1 statistical and financial statements – at least a balance sheet and a profit and loss account for the period from the last closed reporting period referred to in point 5.1. above to the end of the quarter preceding the submission of the Application, whereby if the Counterparty prepares a profit and loss account reported in the by-function income statement format, it is required to provide the value of depreciation in each reporting period,

- 5.3. In the event that the Counterparty, due to too short a period of operation, has not prepared the financial statements referred to in points 5.1. and 5.2., the *Company Opening Balance Sheet* is required.
6. *Original or copy of the certificate on the lack of default in payment of social insurance contributions* – a document issued by an institution competent for the country of the Counterparty's registered office, with an issue date no older than 3 months.
7. *Original or copy of the certificate from the Tax Office on the lack of default in payment of taxes* – a document issued by an institution competent for the country of the Counterparty's registered office, with an issue date no older than 3 months.
8. *Bank Opinion* – a document issued by the bank at which the Contractor maintains the main account, with an issue date no earlier than 3 months ago, containing at least the following information:
- a) the date from which the bank maintains the account of the Counterparty,
 - b) information on the timely repayment of credits granted to the Counterparty by the bank,
 - c) information about bailiff seizures on the account and other executory titles that occurred in the past or of which the bank is aware as of the date of the opinion.
9. *Oświadczenie o umocowaniu podmiotu odpowiedzialnego za bilansowanie* (Declaration on authorization of the Balance Responsible Party – only in Polish) – a filled in and signed document compliant with the template included in part A. of Appendix No. 1 to the Application shall be attached by the Counterparty who has authorized other BRP, which as part of its JB will be responsible for commercial balancing of its resource in the BM.
- Note:
- ✓ the code and name of the resource are not the same as the BU or SU code,
 - ✓ in order to obtain data or information necessary for the proper completion of the declaration, we suggest contacting PSE in advance.
10. *Informacje o planowanych nośnikach i należnościach dotyczących opłaty OZE, opłaty kogeneracyjnej i opłaty mocy* (Information on planned carriers and amounts due for the RES fee, cogeneration fee and capacity fee – only in Polish) – a filled in and signed document compliant with the template included in part D. of Appendix No. 1 to the Application shall be attached by the Counterparty who has the status of Electricity Generator.
11. *Deklaracja zamówienia Mocy Umownej* (Declaration on ordered Contracted Capacity – only in Polish) – a filled in and signed document compliant with the template included in part E. of Appendix No. 1 to the Application shall be attached by the Counterparty who has the status of the Distribution System Operator, End Consumer and/or Electricity Storage Facility connected to the transmission grid.
12. *Planowane wielkości energii elektrycznej* (Planned electricity volumes – only in Polish) – a filled-in and signed document compliant with the template included in part F. of Appendix No. 1 to the Application shall be attached by the Counterparty who has the status of the Distribution System Operator, Electricity Generator, End Consumer and/or Electricity Storage Facility connected to the transmission grid.

The specification of the Appendices is included in the Application.

Re. II

The TSO, upon receipt of the Application from the Counterparty, shall verify it in terms of:

- possibilities and conditions for the provision of transmission services,
- completeness and accuracy of the data contained therein and the attached documents.

In the case of:

- rejection of the Application – the TSO shall request the Counterparty to supplement it or inform the Counterparty about its rejection.
- acceptance of the Application:
 - a) the TSO, subject to point b) below, shall create electronic versions of Appendices to the Agreement, which, after completion and confirmation by the Counterparty, shall form the basis for the development of an electronic version of the draft Agreement,
 - b) the Counterparty who will not act as an MO independently and plans to authorize another RMP (URD – Retail Market Participant) for this purpose will receive BUs and/or SUs codes from PSE, which should be used to fill in the *Oświadczenie o umocowaniu operatora rynku* (Declaration on authorisation of the Market Operator – only in Polish). Declaration signed in accordance with the representation of the Counterparty and the MO, compliant with the template included in part B. of Appendix No. 1 to the Application, will form the basis for the development of the relevant Appendix to the Agreement, containing configuration data regarding the Counterparty's participation in the balancing market.

Note:

- ✓ operator functions for the Counterparty's BU are carried out by the CO who, in accordance with the BC, is also required to provide metering and settlement data (subject to point c) below),
- ✓ operator functions for the Counterparty's SU are carried out by the CT who, in accordance with the BC, is also required to provide metering and settlement data (subject to point c) below),
- ✓ part of the tasks of the CO or CT can be transferred to the MO who is responsible for the transmission of metering and settlement data (e.g. in the event that they can not be carried out by the CO/CT),
- ✓ in order to obtain data or information necessary for the proper completion of the declaration, we suggest contacting PSE in advance.

Re. III

The complete electronic version of the Agreement, initialed by the TSO, is submitted to the Contractor for signature. PSE, after the receipt of the signed Agreement, verifies the correctness of the signatures and the Counterparty's method of representation – if there are no objections, the Agreement is signed using qualified electronic signatures by persons authorized by the Management Board of PSE.

Re. IV

After the parties sign the Agreement, the TSO verifies whether the conditions for its entry into force have been met, in particular, i.a.:

- the establishment of a good performance bond by the Counterparty,
- ensuring the implementation of operator functions in the BM,
- the fulfillment of other technical or formal requirements in accordance with the provisions of the concluded Agreement, including those relating to the conclusion of an [agreement with an energy market information operator \(Umowa CSIRE – only in Polish\)](#)* for the purpose of implementing energy market processes and exchanging energy market information via the central energy market information system (CSIRE).

Confirmation of the Contractor's compliance with the above-mentioned requirements is the basis for the entry into force of the Agreement and the commencement of the provision of transmission services by the TSO .

* Information concern the conclusion of the CSIRE Agreement and the related requirements can be found in [IRIESP CSIRE](#) (only in Polish).

Re. V

The TSO shall inform the Counterparty about the date on which PSE begins to provide electricity transmission services for it, in particular with regard to the Counterparty's participation in the BM.

If you have specific questions about, i.a., the contents of the Application, individual Appendices, or the Agreement conclusion process, please contact us directly at one of the email addresses below:

- marek.poleszak@pse.pl – Counterparties of the type: Distribution System Operator connected (OSD)/not connected (OSDn) to the transmission grid, End Consumer connected to the transmission grid,
 - pawel.barnas@pse.pl – Counterparties of the type: Electricity Generator and Storage Facility,
 - marcin.falinski@pse.pl – Counterparties of the type: Virtual Entity participating in the RB.
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Supplementary information:

a) Balancing the resources of RMP:

- The entry into force of the Agreement and the commencement of provision of transmission services by the TSO, is not tantamount to the ability of the Counterparty acting as the BRP, to conduct balancing of RMP resources in the BM.
- Within 15 days after the date of entry into force of the Agreement with the Counterparty, the TSO shall submit to every DSO an Annex to the Agreement, introducing a list of the Physical Delivery Points of the BM ($_{FD}MB$) assigned to this Counterparty for a given area of the DSO/DSOn network.
- The given DSO is obliged to sign and send back to the TSO the said Annex no later than 15 days from the date of its receipt.
- $_{FD}MB$ of a given BRP for the area of the DSO/DSOn network shall be activated (come into force) as of the day following 10 calendar days after the date of receipt from the given DSO of a signed Annex to the Agreement, or after the effective date of the Agreement with the given DSO, in the case a new Agreement is concluded with that DSO.
- The TSO shall inform the relevant DSO and the Counterparty about the activation date of the $_{FD}MB$ for a given area of the DSO/DSOn network area.

b) Balancing of resources of BMP:

- The BMP owning the resource connected to the primary or extended BM area, as the BRP, is responsible for its balancing.
- A BMP that is a BRP may, with respect to a resource it owns, authorize another BRP that will be responsible for balancing this resource in the BM within its BU.
- the authorization is based on sending the appropriate declaration in accordance with the template contained in part A. of Appendix No. 1 to the Application.

- the commencement of balancing is governed by the provisions of the Agreements or Annexes to the Agreements between the TSO and the BRP transferring responsibility for balancing the resource and between the TSO and the BRP assuming responsibility for balancing the resource.

c) Provision of balancing services in the BM:

- a Counterparty acting as a BSP provides balancing services through one or more SUs formed from resources it owns or for which it has been authorized by the owners of those resources to provide balancing services.
- the assignment, with respect to a SU formed from the resources included in it, is based on a new Agreement between the TSO and the given BSP, or an Annex to the Agreement between the TSO and the given BSP, if the BSP already has signed an Agreement with the TSO.

d) Implementation of operator functions in the BM:

Each BMP for the SUs or BUs it owns is obliged to provide operator functions in the commercial or commercial and technical field. These functions can be carried out by the URB independently through electronic data exchange systems, i.e. the WIRE system and the PREU, or only the PREU (the PREU is the primary channel for transferring market information only if the market operator disposing of the SU does not have the WIRE system and for a given type of SU it is possible to transfer market information only through this system. Otherwise, the PREU is a back-up channel for transmitting market information, and WIRE is the primary system).

WIRE system – was developed to ensure secure exchange of commercial, technical, metering and settlement information between the BMP and the TSO. This system is the primary channel of information exchange for BUs disposed by the BRP and SUs disposed by the BSP, according to Appendix No. 2 to the BC.

- The BMP who intends to perform the MO function independently may purchase the software from WIRE/UR system providers or develop such software in accordance with the document *Standardy techniczne systemu WIRE* (Technical standards of the WIRE system – only in Polish), available at www.pse.pl/dokumenty.
- technical requirements concerning the functionality and configuration of computer network equipment on the part of the MO and the link provision are described in the document *Wymagania techniczne dla systemów wymiany informacji przez WAN* (Security requirements for data transmission systems via the WAN – only in Polish), available at www.pse.pl/dokumenty.
- The MO should commence the activities associated with connecting and accepting the WIRE/UR IT system to the WIRE/OSP IT system by providing physical links to establish a network connection between the WIRE/UR servers and the WIRE/OSP servers.
- physical links shall be established according to the following scenario:
 - the MO requests the ICT Department of PSE to identify the interface points of the OR's systems with the TSO's telecommunication network, in order to provide links between WIRE/UR servers and WIRE/OSP;
 - in response to the above request, the TSO will provide the MO with information on the selected interface points (their physical location) along with detailed requirements for equipment installed at the interface points;
 - the MO shall, at its own expense, provide and maintain telecommunication links between the WIRE/UR servers and the designated interface points;
 - the TSO shall ensure the provision and maintenance of telecommunication links between the designated interface points and the WIRE/OSP servers.

- confirmation of the correct operation of the physical telecommunication links enables the commencement of the activities described in detail in the document *Instrukcja przyłączenia i akceptacji systemów informatycznych Operatora Rynku do systemów informatycznych OSP dla WIRE/UR i WIRE* (Instruction for connection and acceptance of Market Operator's IT Systems to TSO's IT Systems for WIRE/MP and WIRE – only in Polish), available at www.pse.pl/dokumenty.
- successful completion of all steps within the framework of the aforementioned instructions is a prerequisite for the MO to perform its functions in the BM, associated with information exchange with the TSO.

Portal rynku energii i usług (PREU – Power Market and Services Portal) – is dedicated to the exchange of commercial and technical data, cross-border exchange and sharing archived documents supported by the WIRE system and is part of the BPP (PPB – Business Partner Portal).

- the list of electronic documents exchanged through the PREU in individual processes carried out in the balancing market and their detailed scope are included in the technical standards of the WIRE system published on the TSO website.
 - the PREU is made available to dedicated representatives of market operators or business partners.
 - the PREU can be accessed using the BPP.
- e) Portal Partnera Biznesowego (PPB – Business Partner Portal) – it is a website maintained, administered and made available by the TSO, in accordance with the Act on providing services electronically, according to the conditions specified by the TSO pursuant to this Act in the Rules for providing services electronically within the BPP.
- the BPP and the BPP rules are made available on the TSO website,
 - it is possible for system users to have access to portal applications provided by the TSO via the BPP,
 - the use of IT tools made available by the TSO requires the Counterparties participating in the data exchange with the TSO to register as a business partner and obtain a business partner identifier, in accordance with the BPP rules (available at <https://www.pse.pl/portal-partnera-biznesowego/regulamin>).