

**ALBANIAN POWER EXCHANGE - ALPEX J.S.C**

**TECHNICAL DECISION No. 7-C**

**On**  
**“Imposition of measures on Clearing Members”**

Having regard to the provisions of the;

- I. Sections F.6.1, F.6.2, F.6.3 of Chapter F of the Electricity Market Rules - Clearing and Settlement Procedures

**ALPEX J.S.C. Approved:**

1. The procedure for imposition of measures on Clearing Members.
2. Technical Decision No. 7-C is submitted for notification to the Energy Regulatory Authority – ERE / Energy Regulatory Office - ERO.

This decision takes effect immediately.

**CEO OF ALPEX J.S.C**

**Sokol Dishnica**

**TECHNICAL DECISION No. 7-C**

**ARTICLE 1**

**1. SCOPE OF APPLICATION AND DEFINITIONS**

**1.1 Scope of Application**

- (a) This Technical Decision sets out the measures taken in instances, described in F.6.2 of the Chapter F of the Electricity Market Rules - Clearing and Settlement Procedures.
- (b) This Technical Decision concerns additional measures of those included in the sections F.1.1, F.2.1, F.2.2, F.2.3 of Chapter F, sections G.5.3, G.5.4 of Chapter G of the Electricity Market Rules - Clearing and Settlement Procedures and relate to the default case of Clearing member and the relevant actions of ALPEX.

**1.2 Definitions**

- (a) The terms and definitions used in this Technical Decision shall have the same meaning as in the Electricity Market Rules - Glossary and in the Electricity Market Rules - Clearing and Settlement Procedures, as well as in other decisions adopted in implementation thereof.
- (b) In every case, the provisions of this Technical Decision are interpreted in accordance with the rules and principles foreseen in the Electricity Market Rules - Clearing and Settlement Procedures.

**ARTICLE 2**

**2. DEFINITION OF MEASURES PER INSTANCE**

- (a) For each instance included in F.6.2 of the Electricity Market Rules - Clearing and Settlement Procedures, the following measures are set out.

Instance	Initial Measure	Measure in case of relapse or not resolving the problem within a reasonable time <sup>1</sup>
<b>1. Breach by a Clearing Member of the provisions of the Electricity Market Rules - Clearing and Settlement Procedures,</b>		

<b>in particular:</b>		
a) A Clearing Member does not fulfil or inadequately fulfils the necessary conditions for acquiring the capacity of ClearingMember, such as by way of indication:		
(i) Lack of the required organisational and operational adequacy of the ClearingMember.	Written warning	Fine equals to 10% of the clearing fees calculated during the previous month and within the terms set in the paragraph F.6.1.1 (d) of the Electricity Market Rules - Clearing and Settlement Procedures. If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.
(ii) Decrease of the Clearing Member's own funds below the minimum required for acquisition of the aforesaid capacity.	Written warning	If the problem has not been resolved within reasonable time period, a restriction concerning Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.
(iii) Failure of the Clearing	Written warning	Prohibition in participating of the

<p>Member's employees who perform Certified Clearer tasks to satisfy the eligibility criteria.</p>		<p>Certified Clearer of Clearing Member in Clearing. If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.</p>
<p>(iv) Non-payment or default on payment of the required subscriptions and other fees and debts in general of the Clearing Member to ALPEX.</p>	<p>Written warning</p>	<p>Fine equals to 10% of the late payments and within the terms set in the paragraph F.6.1.1 (d) of the Electricity Market Rules - Clearing and Settlement Procedures. If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>
<p>(v) Failure to meet the requirements pertaining to the Clearing or Settlement of Transactions, as the case may be.</p>	<p>Written warning</p>	<p>If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>
<p>b) Non-compliance of a Clearing Member with the technical instructions of ALPEX or with the</p>	<p>Written warning</p>	<p>Fine equals to 10% of the clearing fees calculated during the previous month for the</p>

<p>technical specifications set by ALPEX for the use and operation of the systems utilized by the Clearing Member to participate in the Electricity Market Rules - Clearing and Settlement Procedures</p>		<p>Clearing Member and within the terms set in the paragraph F.6.1.1 (d) of the Electricity Market Rules - Clearing and Settlement Procedures. If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.</p>
<p>c) Unlawful or unauthorized use or misuse of the systems used by a Clearing Member for its participation in the Clearing or Settlement of Transactions.</p>	<p>Written warning</p>	<p>Fine equals to 10% of the clearing fees, which calculated during the previous month for the Clearing Member and within terms set in the paragraph F.6.1.1 (d) of the Electricity Market Rules - Clearing and Settlement Procedures. If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.</p>
<p>d) Non-compliance of a Clearing Member with the requirements stipulated</p>		

from time to time by ALPEX with respect to its participation in Clearing or Settlement, such as by way of indication:		
(i) Failure to provide the required collateral to ALPEX or deposit the required contributions to the Default Fund.	Written warning	If the problem has not been resolved within reasonable time period, restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted
(ii) Inadequate monitoring of the risks arising from the Positions of the Clearing Accounts maintained by the Clearing Member.	Written warning	If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.
(iii) Failure of the Clearing Member to fulfil its obligations or comply with the instructions of ALPEX regarding the management of defaults in the Clearing Accounts it maintains or the late fulfilment of its obligations.	Written warning	If the problem has not been resolved within reasonable time period, restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.
<b>2. Submission by a Clearing Member of false or misleading information to ALPEX, by way of indication in the following cases:</b>		

<p>a) Upon submission of the application for the acquisition of the capacity of Clearing Member.</p>	<p>Written warning</p>	<p>If the false or misleading information submitted, is obviously not due to negligence of the Clearing Member or the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>
<p>b) When opening or using any of the Exchange Member's Clearing Accounts in connection with its participation in the Clearing or Settlement of Transactions.</p>	<p>Written warning</p>	<p>If the false or misleading information submitted, is obviously not due to negligence of the Clearing Member or the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>
<p>c) Upon submission of data, supporting documents or information requested from the Clearing Member by ALPEX from time to time.</p>	<p>Written warning</p>	<p>If the false or misleading information submitted, is obviously not due to negligence of the Member or the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>
<p><b>3. Failure of a Clearing Member to comply</b></p>	<p>Written warning</p>	<p>If the problem has not been resolved within</p>

<p><b>with the announcements, decisions or instructions of ALPEX.</b></p>		<p>reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.</p>
<p><b>4. Non-fulfilment or improper fulfilment of the obligations of a Clearing Member which arise from any and all contracts signed with ALPEX, including but not limited to the technical contracts and general contracts signed by the Clearing Member with ALPEX for the purpose of connecting to the System, as well as any other obligation arising from the commitments undertaken by the Clearing Member towards ALPEX.</b></p>	<p>Written warning</p>	<p>Fine equals to 10% of the clearing fees calculated during the previous month and within the terms set in the paragraph F.6.1.1 (d) of the Electricity Market Rules - Clearing and Settlement Procedures. If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.</p>
<p><b>5. Acts or omissions of a Clearing Member which harm the reputation and standing of ALPEX or discredit the services provided and the activities exercised by ALPEX.</b></p>	<p>Written warning</p>	<p>Fine equals to 10% of the clearing fees calculated during the previous month and within the terms set in the paragraph F.6.1.1 (d) of the Electricity Market Rules - Clearing and Settlement Procedures. If the problem has not been resolved within reasonable time period,</p>



		a restriction concerning the Clearing Member's participation is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.
<b>6. The occurrence of events that affect the operation of a Clearing Member, such as the dissolution of the undertaking or company of the Clearing Member, the initiation of insolvency proceedings, including bankruptcy, compulsory winding up or rehabilitation of the undertaking or company of the Clearing Member, as well as revocation of the Clearing Member's license to operate or provide services.</b>	imposition of restriction with regard to the Clearing Member's participation or suspension of the capacity of Clearing Member	Deletion of Clearing Member
<b>7. The imposition of sanctions on a Clearing Member by the Competent Authorities, which are not directly related with the clearing operations.</b>	Written warning	If the problem has not been resolved within reasonable time period, a restriction concerning the Clearing Member's participation is imposed. If the non-resolution is prolonged, a suspension of the capacity of Clearing Member is initially imposed and eventually the Clearing Member is deleted.

<p><b>8. The receipt of information by ALPEX from the Competent Authorities, notifying that measures have to be imposed by ALPEX against a Clearing Member in order to protect the market.</b></p>	<p>Imposition of the measures defined by Competent Authorities (e.g imposition of restrictions concerning the Clearing Member's participation in Clearing)</p>	<p>If the problem has not been resolved within reasonable time period, restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>
<p><b>9. Serious misconduct by a Clearing Member in respect of its compliance with legal provisions.</b></p>	<p>Written warning</p>	<p>If the problem has not been resolved within reasonable time period, restriction concerning the Clearing Member's participation, is imposed. If the non-resolution is prolonged, the Clearing Member is finally deleted.</p>

<sup>1</sup>The reasonable time period depends on each case and is notified to the Clearing Member during the imposition of the initial measure

The procedure of imposition of the above measures is described in paragraphs F.6.3 up to F.6.6 of the Electricity Market Rules - Clearing and Settlement Procedures. The procedure of reviewing of the decisions about impositions of measures as well as the execution and lifting of them, described in paragraphs F.6.4 & F.6.5 of the Electricity Market Rules - Clearing and Settlement Procedures.

### ARTICLE 3

#### 3. ENTRY INTO FORCE

This Technical Decision enters into force as of 07/09/2023.

This Technical Decision will be posted on official website [www.alpex.al](http://www.alpex.al).