



ALPEX

Albanian Power Exchange

EXCHANGE COMMITTEE PROCEDURE

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A. INTRODUCTION

A.1 PURPOSE

A.1.1 Exchange Committee Procedure

A.1.1.1 This document defines the detailed procedures for the Exchange Committee established under the Electricity Market Rules - General Conditions.

A.1.1.2 This Procedure enables the Exchange Committee to perform its role and functions in promoting the Electricity Market Rules — General Conditions and Procedures to remain current and relevant over time, through timely consultation and advice with ALPEX for the proposed amendments in the Electricity Market Rules - General Conditions and Procedures.

A.1.2 Legal basis of this Procedure

A.1.2.1 This Procedure is drafted based on section B.3.3 of the Electricity Market Rules - General Conditions.

A.1.2.2 The content of this Procedure is based on the provisions of:

(a) Section B.2 of the Electricity Market Rules - General Conditions, regarding the Exchange Committee, which determine:

- a) its role and function
- b) its composition
- c) arrangements for a chairperson and deputy chairperson
- d) meeting requirements
- e) arrangements for costs; and
- f) confidentiality requirements and

(b) Section J.2.3 of the Electricity Market Rules - General Conditions which sets out the rights of the Exchange Committee to propose modifications to the Electricity Market Rules - General Conditions or Procedures.

A.1.3 Modification to Procedures

A.1.3.1 This Procedure shall only be modified in accordance with Chapters J or K of the Electricity Market Rules - General Conditions.

A.1.4 Compliance with Procedures

A.1.4.1 This Procedure is binding on ALPEX, the Exchange Committee, and each Exchange Member, and are enforceable in accordance with the Electricity Market Rules - General Conditions and Procedures.

A.1.4.2 Each Exchange Member upon his/her election or appointment shall sign a written commitment to comply with this Procedure and the confidentiality requirements under section B.2.7 of the Electricity Market Rules – General Conditions and shall submit it to the Exchange Committee Secretariat (whose role is provided in section I of this Procedure).

Only after submitting the written commitment, this person shall receive the attributes of the Committee member.

A.1.5 Role of the Regulatory Authorities

A.1.5.1 This Procedure allows the involvement of the Regulatory Authorities in some aspects of Exchange Committee and ALPEX meetings and decisions.

A.2 COMMITTEE MEMBERS IN FUNCTION OF PROMOTING OBJECTIVES

A.2.1.1 In carrying out their duties according to the Electricity Market Rules - General Conditions, the Electricity Market Rules - Trading Procedure, Clearing and Settlement Procedure and this Procedure, each Member of the Exchange Committee shall promote the objectives of ALPEX, defined in section A.1.2 of the Electricity Market Rules - General Conditions.

A.2.1.2 All members of the Exchange Committee shall act independently, professionally and in good faith to achieve the objectives of ALPEX as defined in the Electricity Market Rules - General Conditions, supported by the Principles of ALPEX.

A.3 OVERVIEW OF THIS PROCEDURE

A.3.1 Content

A.3.1.1 This procedure deals with:

(a) The Exchange Committee composition (Chapter C), including:

- (i) Number of members
- (ii) Categories of members and observers
- (iii) Interests to be represented
- (iv) Member qualifications;

(b) Exchange Committee meetings

(c) The initiation of the Exchange Committee activity

(d) Ongoing Exchange Committee procedures including:

- (i) Vacancies, nominations and elections of Exchange Committee members;
- (ii) The terms and conditions of Exchange Committee member appointments;
- (iii) Resignation and removal of Exchange Committee members

(e) Timelines for consultation and modification proposals on the Electricity Market Rules - General Conditions and Procedures.

A.3.2 Definitions

A.3.2.1 The terms defined in the Electricity Market Rules - General Conditions or the Definitions of the Electricity Market Rules shall have the same meaning when used in this Procedure.

A.3.2.2 **“Recommendation Submission”** means the summary submission to be sent by the Secretariat to ALPEX or to the Regulatory Authorities as appropriate, where required under Chapter G of these Procedures.

B. FORMS OF ADVICE

B.1 GUIDELINES

B.1.1.1 ALPEX may develop and publish guidelines for the specific types of decisions, recommendations and reports of the Exchange Committee, in relation to its:

- a) Consideration of proposed Modifications in the Electricity Market Rules - General Conditions or Procedures (Chapter J of the Electricity Market Rules - General Conditions; Chapter F of this Procedure),
- b) Development of Recommendation Submissions to ALPEX on proposed Modifications to the Electricity Market Rules - General Conditions or Procedures, that present Exchange Committee members' views (Chapter F of this Procedure),
- c) Suggestions for ALPEX to obtain external advice (section G.3.8.3 of this Procedure); and
- d) Decisions on whether to remove a member in accordance with Section A of this Procedure.

C. EXCHANGE COMMITTEE

C.1 MEMBERSHIP REQUIREMENTS

C.1.1 Number of Members

C.1.1.1 The composition of the Exchange Committee shall be as defined in section B.2.3 of the Electricity Market Rules - General Conditions. The Electricity Market Rules - General Conditions provide for no more than 10 (ten) members, where 8 (eight) members are appointed by the Exchange Members and 2 (two) members are appointed by ALPEX.

C.1.2 Chairperson and deputy chairperson appointments

C.1.2.1 The chairperson and deputy chairperson of the Exchange Committee are appointed by ALPEX in accordance with section B.2.4 of the Electricity Market Rules - General Conditions.

C.1.3 Categories of members and observers

C.1.3.1 In accordance with section B.2.3.2 of the Electricity Market Rules - General Conditions, a member of the Exchange Committee may be either:

- a. One of the members proposed by the Exchange Members in accordance with this Procedure; or
- b. One of the two members appointed by ALPEX.

C.1.3.2 An Exchange Committee observer may be either:

- a. A regular observer appointed by the Regulatory Authorities in accordance with section B.2.3.3 of the Electricity Market Rules - General Conditions; or
- b. An ad hoc observer, authorized by the chairperson to attend a specific meeting in accordance with section D.2.2 of this Procedure.

C.1.4 Diversity of interests represented

C.1.4.1 The Exchange Committee members shall have:

- a. Equal representation to the fullest extent by the Exchange Members of both Albania-Kosovo bidding areas.
- b. At least two Members who have knowledge or expertise in the role of Producers (as defined in the Electricity Market Rules - General Conditions).
- c. At least two Members who have knowledge or expertise in the role of Supplier (as defined in the Electricity Market Rules - General Conditions).
- d. At least one Member representing Transmission System Operators.
- e. At least one Member representing Traders.

C.1.5 Member qualifications

C.1.5.1 ALPEX and the Exchange Members must ensure that their nominees for Exchange Committee Members have the requisite skills, authority and capacity to fulfill the role, including:

- a. Knowledge of and experience in electricity markets, including knowledge of particular sectors from which they are drawn;
- b. Knowledge and understanding of the Electricity Market Rules - General Conditions, Electricity Market Rules - Procedures, and the European, Albanian and/or Kosovar legal and regulatory framework.

C.1.6 Members to act in furtherance of ALPEX objectives

C.1.6.1 Notwithstanding:

- a) The interests of the Exchange Member who nominated an Exchange Committee member; and
- b) Sections C.1.4 and C.1.5 of this Procedure,

In performing their duties under the Electricity Market Rules - General Conditions and Procedures, each Exchange Committee member must act at all times in accordance with the provisions of this Procedure, in the overall best interests of ALPEX and in furtherance of ALPEX objectives which are supported by ALPEX Principles.

D. EXCHANGE COMMITTEE MEETINGS

D.1 SCHEDULING OF MEETINGS

D.1.1 Frequency of meetings

D.1.1.1 The Exchange Committee shall meet:

- a) At least once a year.
- b) Whenever required, based on specific issues if deemed appropriate by the Exchange Committee Members, (as defined in paragraph B.2.5.1 of the Electricity Market Rules - General Conditions).
- c) When ALPEX or a quorum of three members of the Exchange Committee calls a meeting in accordance with subsection B.2.5.3 of the Electricity Market Rules - General Conditions.
- d) The meeting is chaired by the Chairperson of the Exchange Committee and in their absence by the Deputy Chairperson.

D.1.2 Notice of meetings

D.1.2.1 ALPEX shall:

- a. Publish the dates for the meetings of the Exchange Committee at least 10 days in advance. Such notice shall include:
 - i. Date, time and place.
 - ii. An agenda.

D.1.2.2 Before each meeting of the Exchange Committee:

- a. ALPEX shall notify the members about the organization of the meeting.

- b. The Secretariat shall provide the Exchange Committee Members with details of Modification Proposals, as set out in section G.3.2.1 of this Procedure, as well as details of other matters.

D.2 ORGANIZATION OF MEETINGS

D.2.1 Quorum

D.2.1.1 The quorum for a meeting of the Exchange Committee is at least half of the number of elected or appointed Members. No decision of the Exchange Committee member may be reached without a quorum.

D.2.1.2 If an Exchange Committee member is unable to attend an Exchange Committee meeting, that Exchange Committee member may provide in advance written materials to be considered by the Exchange Committee, where appropriate. In addition, another member may represent this member by having the right to vote. The Secretariat must be informed in writing in such cases.

D.2.2 Attendance of observers

- In accordance with paragraph B.2.5.4 of the Electricity Market Rules - General Conditions, any person may attend a meeting of the Exchange Committee as an observer provided that:
- The person has informed the chairperson at least 8 Working Days beforehand, of their request to attend the meeting, and the nature of their interest
- The person has provided any appropriate undertaking of confidentiality;
- The person has provided in a timely manner any additional information or undertakings reasonably requested by the chairperson; and
- The chairperson has confirmed in writing that the person may attend a specified meeting or meetings.

D.2.2.1 Other than observers appointed by Regulatory Authorities, observers are not entitled to participate in discussions or debates, if any, at meetings unless approval has been received from the chairperson.

D.2.2.2 Observers cannot vote at Exchange Committee meetings.

D.2.2.3 Where meeting space is limited, attendance of observers may be limited on a first come first served basis (other than observers appointed by Regulatory Authorities who may always attend meetings).

D.2.3 Decisions and Voting

D.2.3.1 Decisions shall be approved by a simple majority of valid votes. In the event of a tied vote, the chairperson of the meeting shall cast the deciding vote. If the chairperson abstains from voting, the decision shall be deemed rejected.

D.2.3.2 An Exchange Committee member may request a debate or discussion before voting, and the chairperson shall comply with such a request where reasonable and practicable.

D.2.4 Minutes

D.2.4.1 The Secretariat shall summarize in writing at a high-level the content and outcome of Exchange Committee meetings, in minutes signed by the chairperson.

E. EXCHANGE COMMITTEE COMPOSITION

E.1 EXCHANGE COMMITTEE COMPOSITION

E.1.1 Initial of the Exchange Committee

E.1.1.1 The Regulatory Authority may appoint an observer who shall participate in the meetings of the Exchange Committee by submitting a written request to ALPEX.

E.1.2 Members in the initial of the Exchange Committee

E.1.2.1 In order to facilitate market commencement, the Exchange Committee shall consist of:

(a) A minimum of four (4) members elected:

- i. To reflect the diversity of the Exchange /members as provided in section C.1.4 of this Procedure; and
- ii. Drawn from persons nominated in writing to the Secretariat by prospective Exchange Members; and
- iii. Appointed for an initial term not exceeding two years;

(b) At least two other members who are appointed by ALPEX, one of whom shall be the chairperson.

E.1.2.2 The term of an appointment made according to paragraph E.1.2.1(a) of this Procedure expires according to the stipulated deadlines or when the appointments are made according to chapter C of this Procedure, whichever is the first.

E.1.2.3 Subject to paragraph F.3.1.2 of this Procedure, a member of the Exchange Committee appointed under paragraph E.1.2.1(a) of this Procedure may be subject to be reappointed under Chapter F of this Procedure.

E.1.3 Timing for future appointments

E.1.3.1 At its first meeting, the Exchange Committee shall agree the timing for Exchange Committee members to be appointed in accordance with Chapter F of this Procedure¹

F. SUBSEQUENT EXCHANGE COMMITTEE ARRANGEMENTS

F.1 GENERAL PROVISIONS

F.1.1 Application of this Chapter

F.1.1.1 After the Exchange Committee is established, if an Exchange Committee member position becomes vacant for any reason, including any general elections proposed under the Procedures, then the procedures in this Chapter E shall apply.

F.1.2 Administration of Committee Elections

F.1.2.1 The Secretariat established by ALPEX to carry out the duties defined in Section H of these Procedures, shall administer any election of Exchange Committee members.

F.1.3 Authority to make nominations and appointments

F.1.3.1 Exchange Members may nominate Exchange Committee members at such times as may be notified by the Secretariat.

F.1.3.2 Upon the termination of the mandate or dismissal of any member of the Exchange Committee who is appointed by ALPEX, that person shall be replaced by a nominee of ALPEX, who shall automatically be appointed to the Exchange Committee.

F.1.3.3 Each Regulatory Authority shall be entitled to replace their respective nominated observers at any time by giving notice to ALPEX and the Exchange Committee, and with effect from the date specified in such notice.

' Section K.1.4 of the Electricity Market Rules —Applicable Terms requires that the initial appointment of the Exchange Committee Members shall be made under terms that include some appointments for a one-year term and some for a two-year term. Setting different end dates is aimed at promoting the continuity of the Exchange Committee.

F. ELECTION PROCEDURES

F.2 ELECTION PROCEDURES

F.2.1 Notification of vacancies

F.2.1.1 At least 30 days before the end of the mandate of any persons' membership of the Exchange Committee, or prior the date for the elections defined in paragraph E.1.3.1 of this Procedure, the Secretariat shall:

- a. Notify the Exchange Members about the end of the mandate for the respective member; and
- b. If the vacancy is not subject to appointment by ALPEX according to section C.2.2 of this Procedure, candidacies shall be selected in accordance with section F.2.2 of this Procedure.

F.2.1.2 Where an Exchange Committee member is removed, resigns or retires from the Exchange Committee, the Secretariat shall within thirty (30) days:

- a. Notify Exchange Members on the removal, resignation or retirement; and
- b. Where the vacancy is:
 - i. not subject to appointment by ALPEX according to section F.1.3.2 of this Procedure.
 - ii. The Exchange Committee chairperson agrees that an election is required and warranted;
 - iii. Shall invite candidates to fill this vacancy in accordance with section F.2.2 of this Procedure.

F.2.1.3 ALPEX shall arrange an election to fill that vacancy in accordance with the steps in sections F.2.3 and F.3 of this Procedure.

F.2.1.4 Elections shall be held, where possible, no later than thirty (30) days before the date of termination of membership of one or more of the elected members of the Exchange Committee to replace these persons in the Exchange Committee.

F.2.2 Nominations

F.2.2.1 The Secretariat shall provide details of the form of nomination to Exchange Members which shall require as a minimum those nominations:

- a) Are made in writing;
- b) Are signed by the authorized representative of the nominating Exchange Member;
- c) Identify the skills and qualifications of the nominee (see section C.1.5.1 of this Procedure) that would be relevant to his or her appointment to the Exchange Committee;

F.2.2.2 The Exchange Committee may require candidates with particular skills or qualifications in order to achieve the diversity described in section C.1.4 of this Procedure.

F.2.2.3 Each Exchange Member is entitled to nominate two nominees according to the categories described in section C.1.4.

F.2.3 Appointment where vacancies exceed nominations

F.2.3.1 If the number of nominees fulfilling the qualifications for an Exchange Committee member is less than or equal to the number of vacancies, the Secretariat shall:

- a. Declare those nominees to have been successfully elected to be Exchange Committee members; and
- b. If the minimum number of Exchange Committee members is not achieved, inform Exchange Committee members and allow them five (5) Working Days to propose new nominees and alternates for appointment for election in accordance with paragraph (a) above, or with section F.2.4 of this Procedure, as appropriate.

F.2.3.2 If no further nominations are made, the Exchange Committee shall be deemed to have satisfied its obligation under this Procedure to establish the Exchange Committee and the Exchange Committee shall notify Exchange Committee members that the election has failed.

F.2.3.3 Notwithstanding the election has failed, at least 75% of Exchange Committee members may request the Exchange Committee to seek further nominations relating to an unfilled Exchange Committee vacancy, within six (6) months after the date of the notification of the failed election. The Exchange Committee shall comply with such request.

F.2.4 Election where nominees exceed vacancies

F.2.4.1 If the number of nominees fulfilling the qualifications for an Exchange Committee member is more than the number of vacancies, the Secretariat shall prepare and distribute to Exchange Committee members:

- a. A ballot paper listing the nominees in alphabetical order; and
- b. A biography for each nominee (prepared by that nominee) and addressing the criteria in section C.1.5 of this Procedure.

F.2.4.2 In order to be counted, the ballot paper shall be completed as per any instructions accompanying the ballot paper and lodged with the Secretariat:

- a. By 16:30 on the specified return date;
- b. To the person noted as the person to whom the ballot paper should be returned
- c. At the address noted as the address for the return of the ballot paper.
- d. The ballot paper may be returned electronically to a specified email address, manned by the Secretariat, upon agreement of the Exchange Committee;

F.2.4.3 In order to ensure the intended diversity of membership, ALPEX may structure the ballot paper to:

- a. Divide it into the categories listed in section C.1.4 of this Procedure, and require at least one vote for a nominee in each category; or
- b. Require Exchange Members to distribute their votes among the candidates and not place all their votes against the name of one preferred candidate.

F.2.4.4 Each Exchange Member shall be entitled to one vote.

F.2.4.5 Voting by each Exchange Member shall be by way of a mark in the box against the name of the nominees.

F.2.4.6 If a ballot paper contains more marks against the names of the nominees than the votes that can be cast or (more than one mark against a single candidate) or the intention of the Exchange Member is otherwise unclear, such vote shall not be valid and shall not be included in any count.

F.2.5 Determination and publication of results

F.2.5.1 The Secretariat shall determine those nominees who have been successfully elected to the Exchange Committee as follows (and in this order):

- a. The nominee who receives the highest number of votes shall be provisionally elected.
- b. The nominee who receives the next highest number of votes shall be provisionally elected, and so on until all vacancies are provisionally filled.
- c. Where there are an equal number of votes for two (2) or more nominees, if there are sufficient vacancies, each of those nominees shall be provisionally elected in priority to a nominee who has received fewer votes. If there are insufficient vacancies, the Secretariat shall place the names of the nominees receiving equal number of votes in a container and without favor randomly draw a name and that nominee shall be provisionally elected. Such procedure shall be repeated until all vacancies are provisionally filled.
- d. Where after all vacancies have been provisionally filled an insufficient number of members who are or represent Producers, Suppliers, TSOs, Traders, has been provisionally elected as required under section C.1.4.1 of this Procedure, the Secretariat shall determine that the nominee representing the relevant category polling the highest number of votes is elected in place of the last person provisionally elected under the foregoing provisions and so on until a sufficient number of members who are or represent each of the relevant categories are elected.
- e. The nominees who have been provisionally elected under the foregoing provisions, and who have not been replaced under paragraph (d) of this section F.2.5.1, are elected.

F.2.5.2 The Secretariat shall publish the election results within five (5) working days from the counting in section F.2.5.1 of this Procedure.

F.2.5.3 If for any reason, these Procedures do not result in the diversity of interests defined in section C.1.4 of these Procedures, ALPEX may appoint additional members.

F.3 TERM OF APPOINTMENT

F.3.1.1 Each Exchange Committee member shall be appointed for a maximum term of two years, provided that, where an ad hoc, election has taken place to fill a vacancy, because a member has been removed, resigned or retired from the Exchange Committee, the newly elected member shall be appointed in principle for a maximum term of two years, and this term shall expire in accordance with the annual election date which is closest to the term expiry date.

F.3.1.2 Members who have previously served on the Exchange Committee may be re-appointed or re-elected to the Exchange Committee provided that they have not at any time been removed from the Exchange Committee or otherwise ceased to be eligible in accordance with section C.3.2 of these Procedures.

F.3.1.3 Membership of the Exchange Committee shall automatically terminate at the end of a member's term unless such termination would leave the Exchange Committee with fewer than four (4) members, in which case the term of membership may be extended until a replacement member is appointed or elected to the Exchange Committee.

F.4 RESIGNATION AND REMOVAL OF MEMBERS OF THE EXCHANGE COMMITTEE

F.4.1 Removal by Exchange Committee

F.4.1.1 Any Exchange Committee member may be removed during his or her term by the majority decision of the Exchange Committee if that person:

- a. Ceases to be in a position to represent those Producer participants, Supplier participants, TSOs or Trade participants from which the member was nominated;
- b. Becomes incapable of performing the functions of a member of the Exchange Committee;
- c. Has been, or is, in the reasonable opinion of the majority of the other members of the Exchange Committee, engaged in conduct which is inconsistent with or detrimental to being a member of the Exchange Committee; or
- d. Fails to discharge the obligations of a member of the Exchange Committee, including through repeated non-attendance at meetings.

F.4.2 RESIGNATION

F.4.2.1 A member may resign by giving at least two weeks' notice in writing to the Exchange Committee chairperson.

G. PROCEDURES FOR MODIFICATION PROPOSALS

G.1 BACKGROUND

G.1.1 Sources of Modification Proposals

G.1.1.1 According to the Electricity Market Rules - General Conditions, section J.2.1, any Party in the Exchange Member Agreement, the Exchange Committee itself, the Regulatory Authorities or ALPEX may propose a modification of Electricity Market Rules - General Terms or Electricity Market Rules - Procedures, in the form of a Modification Proposal, published by ALPEX.

G.1.2 PURPOSE OF THIS CHAPTER

G.1.2.1 After initial review, clarification and evaluation of a modification proposal, the Electricity Market Rules - General Conditions require ALPEX to consult with the Exchange Committee on all modification proposals to be processed²

G.1.2.2 For the purposes of that consultation, this Chapter sets out the principles to be applied by the Exchange Committee, the deliverables required of the Exchange Committee, information and timelines for ALPEX and the Exchange Committee in relation to Modification Proposals generated by persons other than the Exchange Committee itself.

G.1.3 Exchange Committee-initiated Modification Proposals

G.1.3.1 When the Exchange Committee itself initiates a Modification proposal (and provides a supporting report), then the consultation required by the Exchange Committee under the Electricity Market Rules - General Conditions shall be deemed to have taken place and ALPEX can make a decision according to Article J.3 of the Electricity Market Rules - General Conditions.

G.2 PRINCIPLES/APPROACH

G.2.1 Timely advice

G.2.1.1 It is not necessary for the Exchange Committee to reach a consensus on advice. However, it is important that the Exchange Committee captures its members' views in a timely and accurate way, to provide timely and effective feedback to ALPEX according to the provisions of section J of the Electricity Market Rules - General Conditions.

G.2.2 ACCURATE REPRESENTATION OF VIEWS

G.2.2.1 In preparing submissions of recommendations to ALPEX, the Exchange Committee shall identify any differing opinions of the Exchange Committee Members.

Referred to Section J.2.3 of the Electricity Market Rules — General Conditions.

G.3 TIMELINES FOR CONSIDERING MODIFICATION PROPOSALS

G.3.1 Preliminary steps by ALPEX

G.3.1.1 Before submission of modification proposals at Exchange Committee meetings, ALPEX shall:

- a. Consider and assess each Modification Proposal against the ALPEX Objective and Principles as soon as practicable;
- b. If the Modification Proposal is spurious contrary to legal and regulatory acts, notify its proponent, and reject the Modification Proposal;
- c. Decide whether to modify the Modification Proposal or combine it with another; and
- d. Request additional information from the proponent, if required.

G.3.2 Notification of modification proposals

G.3.2.1 ALPEX shall provide for each Exchange Committee meeting:

a. With regard to any new Modification Proposal that is ready to be referred to the Exchange Committee for its consideration:

- i. Full details of Modification Proposals;
- ii. Initial assessment of ALPEX towards the objective and principles of ALPEX;
- iii. A draft of the text of Modification Proposals;
- iv. Available information; and
- v. Any specific question, input or guidance that ALPEX requests from the Exchange Committee;

b. Details of the status of all active Modification Proposals;

c. Details of any Modification Proposal rejected as spurious, and the rationale for that assessment.

G.3.2.2 The details provided in section G.3.2.1(b) of these Procedures shall include:

a. a list of Modification Proposals that ALPEX has received since the previous Exchange Committee meeting;

b. Details of any Modification Proposal in respect of which the proponent has requested urgent consideration;

c. Details on how ALPEX has responded to, or proposes to approach, each Modification Proposal that has not yet been referred to the Exchange Committee for consultation; and

d. Where ALPEX has modified or combined Modification Proposals, details of the changes made and the supporting rationale.

G.3.3 Urgent Modification Proposals

G.3.3.1 ALPEX, shall, as soon as possible on receipt of a Modification Proposal which is marked “Urgent”, determine whether or not it shall be treated as urgent.

G.3.3.2 A Modification Proposal shall be defined as urgent by ALPEX when, according to its judgment:

- a. If not made, it can reasonably be anticipated that the event or circumstance with which the Modification Proposal is concerned would imminently unduly interfere with, disrupt or threaten the efficient operation of the exchange; or
- b. The Modification with which the Modification Proposal is concerned is required to correct:
 - i. A material error or non-compliance with the Electricity Market Rules — General Conditions or Electricity Market Rules - Procedures.
 - ii. A conflict among the provisions of the Electricity Market Rules - General Conditions and one or more Legal requirements.

G.3.3.3 If ALPEX considers that a Modification Proposal is urgent under the section G.3.3.2 of these Procedures, ALPEX shall schedule a meeting or an additional meeting of the Exchange Committee in accordance with section B.2.5.3 of the Electricity Market Rules - General Conditions.

G.3.4 Expedited process for simple changes

G.3.4.1 ALPEX may identify to the Exchange Committee that a Modification Proposal is of a minor or routine nature, and therefore ALPEX considers that this change can be made through the expedited process. Examples of such changes are:

- a. Correct formatting, numbering or typographical errors;
- b. Update references;
- c. Add boxes with explanatory text or examples;
- d. Implement minor changes that are considered likely to be widely accepted or desired by Exchange Members;

G.3.4.2 The Exchange Committee may consider and vote on Modification Proposals identified under section G.3.4.1 of these Procedures, without following the procedures set out in section G.3.5 to G.3.9 of these Procedures.

G.3.5 Procedure for developing Recommendations Submissions and reports

G.3.5.1 ALPEX may publish on the official website Recommendation Submissions as appropriate. Modifications Proposals may be confidential and therefore ALPEX shall not publish these confidential data on the official website.

G.3.6 Reporting timeline

G.3.6.1 Except where expressly provided otherwise, the Exchange Committee, assisted by the Secretariat, shall produce a Recommendation Submission in respect of each Modification Proposal which shall be submitted to ALPEX for decision and to the Regulatory Authorities where applicable.

G.3.6.2 The report shall be submitted to ALPEX within:

- a. 60 days after receiving a Modification Proposal from the Exchange Committee;
- b. Another date as agreed by ALPEX and the Exchange Committee, (Reporting Date).

G.3.6.3 Where there is a clear view from the Exchange Committee, then the Recommendation Submission may provide the Exchange Committee's views on:

- a. If the Electricity Market Rules - General Conditions or Procedures shall be in accordance with ALPEX Objectives and ALPEX Principles (precondition for changes under section J.4.2.1(a) of the Electricity Market Rules - General Conditions).
- b. How the Electricity Market Rules - General Conditions or Procedures would affect different sectors.
- c. How the Electricity Market Rules - General Conditions or Procedures would affect or impact small players vs. large.

G.3.6.4 However, where there is no consensus within the timeframe, then the Secretariat should provide a Recommendation Submission which would:

- a. Summarize the views of the Exchange Committee members supporting or opposing the Modification Proposal;
- b. Suggest any changes what would increase support for the Modification Proposal;
- c. Indicate any further analysis or action by ALPEX that is recommended by the Exchange Committee.

G.3.6.5 In preparing the Recommendation Submission the Exchange Committee and the Secretariat shall have due regard to the potentially commercially sensitive nature of Exchange Committee views. For this reason, the Recommendation Submission shall be in summary form provided by ALPEX on its website.

G.3.6.6 After receipt of a Modification Proposal from ALPEX, the Exchange Committee consider the Modification Proposal at the next meeting.

G.3.6.7 ALPEX or the chairperson may invite the proponent of a Modification Proposal or its representative to present the Modification Proposal at the Exchange Committee meeting at which it is to be initially considered.

G.3.6.8 At the Exchange Committee meeting where it first considers a Modification Proposal, the Exchange Committee chairperson shall:

- a. Note the Reporting Date set in accordance with section G.3.6.2 of these Procedures.
- b. Make an initial assessment of the significance, urgency and potential impacts of the changes proposed;

G.3.6.9 The Exchange Committee shall agree a timetable and approach to develop its Recommendation Submission.

G.3.7 Alternative Proposals

G.3.7.1 Any Exchange Committee member who does not support a Modification Proposal that is under consideration may propose an alternative Modification Proposal which, if received in sufficient time to be considered within the Exchange Committee's original timeline to progress the initial Modification Proposal, may be considered in conjunction with, or in substitution for, the initial Modification Proposal.

G.3.8 Exchange Committee consideration and voting on Modification Proposals

G.3.8.1 In considering whether to support a Modification Proposal, the Exchange Committee members may express views on:

- a. The compliance with ALPEX Objectives and ALPEX Principles, supporting the Electricity Market Rules -General Conditions or Procedures; and
- b. How the Electricity Market Rules- General Conditions or Procedures would affect or impact different Exchange Members.

G.3.8.2 Unless agreed otherwise, each Exchange Committee member shall bear its own costs, as set out in section B.2.6 of the Electricity Market Rules-General Conditions.

G.3.8.3 Generally, the Exchange Committee shall draw on the expertise and resources of its members to consider and assess Modification Proposals. The Exchange Committee may also:

- a. Procure external advice, at its members' cost, subject to confidential requirements of the Electricity Market Rules -General Conditions and these Procedures; or
- b. Suggests to ALPEX that ALPEX either:
 - i. Procures itself external advice of a specified nature; or
 - ii. Agrees to pay the costs associated with external advice provided to the Exchange Committee.

G.3.8.4 The Exchange Committee shall request a vote by its Exchange Committee members on whether each Modification Proposal is supported or not supported by each Exchange Committee member, which outcome shall be captured in the Recommendation Submission to ALPEX in accordance with section F.3.9 of these Procedures.

G.3.8.5 Voting may be conducted by a show of hands at a meeting, or as may be otherwise agreed by the Exchange Committee and ALPEX.

G.3.9 Report

G.3.9.1 On or before the Reporting Date for a Modification Proposal, the Exchange Committee shall notify ALPEX in writing of the outcomes of its consideration of the Modification Proposal.

G.3.9.2 Where a vote requested under section F.3.8.4 of these Procedures has been taken, the Exchange Committee shall report to ALPEX that the Modification Proposal is either:

- a. Supported by the Exchange Committee, if the majority of Exchange Committee members support the proposed implementation of the Modification Proposal; or
- b. Not supported by the Exchange Committee if the majority of Exchange Committee members do not support the proposed implementation of the Modification Proposal.

G.3.9.3 The Recommendation Submission under section G.3.9.2 of these Procedures shall include a summary of any dissenting opinions of Exchange Committee members.

G.4 DECISION OF ALPEX

G.4.1.1 Following receipt of Recommendation Submission from the Exchange Committee, ALPEX shall decide which of the options in section J.3.1 of the Electricity Market Rules-General Conditions to pursue.

G.4.1.2 ALPEX shall make its decision as soon as reasonably practicable following receipt of the Exchange Committee's Recommendation Submission.

H. NOTICES

H.1 Exchange Committee notices

H.1.1.1 Any nomination form or ballot paper issued by the Secretariat shall provide the details of the return date and the person to whom the nomination form or ballot paper should be returned, including their:

- a. Name;
- b. Position; and
- c. Contact details (including a fixed and mobile phone number, fax number, postal and an email address).

H.1.1.2 The return date for a nomination form shall be a date which is not more than thirty (30) Working Days from the date of dispatch of a nomination form by the Exchange Committee.

H.1.1.3 The return date for a ballot paper shall be a date which is at least fourteen (14) Working Days from the date of dispatch of a ballot paper by the Exchange Committee.

H.2 Exchange Member representative

H.2.1.1 In issuing notices to Exchange Members under these Procedures, the Secretariat shall contact the person designated by an Exchange Member as its contact, using the details provided by the Exchange Member (the Membership Contact). The Membership Contact may be either:

- a. The designated person and details provided to ALPEX during the admission process under Chapter C of the Electricity Market Rules-General Conditions; or
- b. A person and details subsequently formally notified by the Exchange Member to ALPEX, in accordance with the Electricity Market Rules-General Conditions and Procedures.

H.2.1.2 The Secretariat shall be deemed to have complied with any obligations concerning service of notices set out in these Procedures when it serves a notice to the Membership Contract. If an Exchange Member has not complied with its obligation to keep its contact details up-to-date, the Secretariat shall not be responsible for that Exchange Member failing to be aware of a notice.

H.3 Service of notices

H.3.1.1 A Secretariat notice required under these election Procedures may be given to an Exchange Member by any of the below listed means:

- a. Serving it to the Membership Contact personally;
- b. Sending it by prepaid post addressed to the Membership Contact's notified address; or
- c. Sending it by electronic mail to the Membership Contact's notified electronic (email) mail address.

H.3.1.2 Any notice served to the Membership Contact personally is deemed to have been served when delivered.

H.3.1.3 Any notice sent by post is deemed to have been served forty-eight (48) hours after the envelope containing the notice is posted; and in proving service, it is sufficient to prove that the envelope containing the notice was properly addressed and posted.

H.3.1.4 Any notice served to the Membership Contact by electronic mail is deemed to have been served when the electronic mail is sent, provided that the sender has not received electronic notification that the electronic mail was not deliverable or otherwise not successfully delivered to its intended recipient.

I. SECRETARIAT

I.1 DUTIES

I.1.1.1 ALPEX shall appoint the Secretariat and shall inform the Exchange Committee.

I.1.1.2 The Secretariat shall maintain the list of Exchange Committee members to include name, organization, business address, telephone number (including a mobile number to facilitate Urgent Modification Proposals) and electronic mail address for all members of the Exchange Committee.

I.1.1.3 The Secretariat shall maintain the website, updating it within ten (10) Working Days of the relevant new material becoming available. The following information may be included on the website:

- a. Relevant information related to the Modification Proposals, so long as this information is not commercially sensitive, received in confidence and where such information is subject to the confidentiality provisions set out in Electricity Market Rules-General Conditions and Procedures, as well as according to the relevant legal and regulatory basis.
- b. All meeting agendas and high-level summary minutes which are approved by the Exchange Committee chairperson prior to publication on the website;
- c. A schedule of meetings published at the beginning of the year and the time and location of any new meetings, if any, as they arise;

I.1.1.4 The Secretariat shall prepare an agenda for each meeting to include:

- a. Status updates on any Modification Proposals;
- b. Status updates on Recommendation Submissions, if any;
- c. Update on implementation;
- d. Any other duty; and
- e. Any agenda item that can be generated by a person other than the Secretariat may be provided to the Secretariat up to and including the same Working Day of the issuance of the agenda for that meeting.

I.1.1.5 The Secretariat shall ensure that all Exchange Committee members and attending observers sign the undertaking with respect to confidentiality as required under these Procedures.

I.1.1.6 The Secretariat is also responsible for:

- a. The management of the progression of Modification Proposals through the process, with responsibility on the Exchange Committee for the full development of Modification Proposals. The onus is on the Exchange Committee to review and further the progress of the Modification Proposal.

- b. The production of Recommendation Submissions for each Modification where appropriate, with input from the Exchange Committee members.
- c. Where a Modification Proposal has been deemed by the Regulatory Authorities or by ALPEX as requiring further work, the Secretariat shall, based on the direction in the decision paper and with the Exchange Committee's input, allocate responsibilities and track the progress of this work.

I.1.1.7 The Secretariat shall take all minutes which shall be high-level summary minutes at all meetings and shall:

- a. Circulate the high-level summary minutes to members within ten (10) Working Days of an ordinary meeting or Extraordinary Meeting, and within five (5) Working Days of an Emergency Meeting, where such high-level summary minutes are approved by Exchange Committee chairperson.

I.2 MEETINGS

I.2.1.1 Meetings shall be held as per the fixed yearly schedule, at least once every year or as otherwise agreed by the Exchange Committee. If there are no proposed agenda items, the scheduled meeting may be cancelled with the agreement of the Exchange Committee.

1.2.1.2 Additional or extraordinary meetings may be called as specified in Section G.3.3.3 of these Procedures and section B.2.5.1 and B.2.5.2 of the Electricity Market Rules-General Conditions.

I.2.1.3 Emergency meetings shall be limited to discussion of the relevant urgent Modification Proposal. If there are no Modification Proposals under discussion, a meeting can be cancelled.

I.2.1.4 Emergency meetings are called after an Urgent Modification Proposal has been raised and is deemed to be Urgent by ALPEX.

1.2.1.5 Extraordinary meetings may be called:

- b. By the Exchange Committee chairperson, or
- c. By a notice mailed by at least four members of the Exchange Committee, or
- d. Through agreement at an ordinary meeting.