



## Invoice/Self Billing Invoice

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# 1 General

Invoices/Self Billing Invoices are the basis of which payments to/from N2EX are conducted.

Key features:

- One statement (Invoice/Self Billing Invoice/Settlement statement)
- Invoicing (settlement, EoD) every day / 365 days a year
- Weekends: Invoice/Self Billing Invoice generated
- Weekends: No payment instructions are carried out
- Due dates are always London banking days
- EoD procedure executed daily
- Banking days and clearing days refer to London banking days.

Invoice –due to be paid by the respective members.

Self Billing Invoice – due to be paid by N2EX to the respective members.

The paper (pdf) version of the Invoice/Self Billing Invoice contains the following:

- Invoice details (due date, invoice number, issue date etc.)
- Invoice – sum of deliveries bought
- Self Billing Invoice – sum of deliveries sold
- Bought volume and settlement amount
- Sold volume and settlement amount
- Amount owed/to be received due to net – settlement statement
- Banking details. IBAN Account number, SWIFT/BIC code

All Invoices/Self Billing Invoices are dated according to the delivery of power, Delivery Day (D). The customer is obliged to initiate payment of due amount D+1 before 11:00 UK time at the latest. N2EX initiates payments to the customer D+3 at approximately 12:00 UK time, but at 14:00 UK time at the latest.

N2EX will make sure that Invoices are made available through two alternatives. Members will be able to retrieve invoices and self billing invoices from Condicto Clearing Station's Billing Reports. In addition, Condicto shall issue a "paper Invoice" in PDF which is sent to a pre-defined e-mail address specified by each member.

N2EX' daily routines include checking the status of Invoices by verification of sent PDF Invoices as well as the status of Condicto Clearing Station and availability of reports.

## 1.1 Legal framework and document references

- Clearing Rules v.1.01 as issued by NASDAQ OMX Stockholm AB.  
In the event of any discrepancies or deviations in this document, these clearing rules should be considered superior.
- The business description "Payments" which can be found here:  
[http://www.n2ex.com/digitalAssets/65/65077\\_payment.pdf](http://www.n2ex.com/digitalAssets/65/65077_payment.pdf)  
*The "Payments" document contains detailed descriptions of the payment process.*

## 2 Settlement calculation

The Settlement calculation is performed as an end-of-day procedure each Delivery Day and covers hours 00-24 (Calendar Day). Contracts covering several delivery days are settled as separate calendar days. A Week contract is thus settled as separate delivery days.

### Example:

EFA (23-23) Day Contract DB-YYYYMMDD;

- covers hour 23 'DD-1' & hours 00-23 'DD', which are;
- included in two (2) different '00-24 periods' (DD-1 and DD)
- cash settlement is calculated separately and;
- presented in separate invoices

The settlement calculation takes into account the additional or reduced number of hours of a delivery day at the clock-change days in March and October respectively.

The settlement calculation for each trade is performed by using the following formula:

**Delivery value = contracts \* lot size \* price**

**Where;**

**The delivery value is the bought(+) or sold(-) amount in GBP, included in the settlement**

**Contracts is the bought (+) or sold (-) volume in MW**

**The lot size is the number of delivery hours included the settlement**

**The price is the trade price in GBP**

### 3 Invoicing Process – End of Day

The “End of Day” (EoD) process contains the following steps:

Settlement – Daily	Fees & Miscellaneous - Monthly
1) Settlement – calculation of amounts to be settled. 2) Invoicing – issuing invoices/self billing invoices. Sent as password protected PDF document by email to customers, and available as reports in Condicto. 3) EoD Margining – overnight margin calculation. 4) Create payment instructions.  Daily invoices are calculated and invoiced during the evening/ night.	1) Fees/ miscellaneous – calculation of amounts to be settled. 2) Invoicing – issuing invoices. Sent as password protected PDF document by email to customers, and available as reports in Condicto. 3) Create payment instructions.  Monthly invoices are calculated and issued during daytime.

#### 3.1 Output from EoD Process

1. Invoicing/Self Billing Invoicing – two categories:

- a. Trading
  - Issued daily
  - Issued delivery day (D)
  - Invoice/Self Billing Invoice date equal to delivery date
  - Due date: depending on net bought/sold – one (1) London banking day after issuance or three (3) London banking days after issuance.
- b. Fees and miscellaneous
  - Issued monthly – due date is set to five (5) London banking days following issuance
  - Trading and Clearing fees
  - Annual fees
  - RSA token fees
  - Corrections and other fees

2. Payment instruction – (PAYMUL) generated and sent. Payment process is described in the “Payments” document which can be found here:

[http://www.n2ex.com/digitalAssets/65/65077\\_payment.pdf](http://www.n2ex.com/digitalAssets/65/65077_payment.pdf)

## 4 Settlement and Billing Reports

- Settlement report – shows all details and summaries for a daily value. Settlement reports must actively be retrieved either via Condicto Clearing Station or the API.
- Billing reports – Detailed reports containing much of the details depicted in the Invoice/Self Billing Invoice. Can be retrieved via Condicto Clearing Station or the API. Contains settlement amounts per settlement account and totals.

## 5 Error Handling

N2EX has established routines for the different scenarios that may occur on the “invoicing process” These include but are not limited to:

- Technical difficulties on distribution channels
- Cancellation of Invoice/Self Billing Invoice
- Correction of invoice/Self Billing Invoice
- Settlement reports problems
- Billing report problems
- Reconciliation issues on Invoices/Self Billing Invoices
- PDF invoices/self billing invoices are not presented to respective members