

# **Network Access Conditions of Thyssengas GmbH for the Transport of Natural Gas dated 23.4.2010**

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## Part 1: General

### §1 Scope

These Network Access Conditions contain Thyssengas's rules of access to one or more networks (or parts thereof) in the market territories of Thyssengas H-Gas and Thyssengas L-Gas, including auxiliary services offered for this purpose. Network access shall take place according to the contracts named in §3, on the basis of these Network Access Conditions.

The transmission customer's general terms and conditions shall be excluded. The provision of further auxiliary and other services require separate written agreement between the transmission customer or balancing group manager and Thyssengas.

Where the following provisions apply only to the offering of capacity, and not to the offering of maximum offtake, they shall not be applicable to local distribution network operators' exit contracts.

### §2 Definitions of terms

The definitions given in Annexe NZB 1 of the Network Access Conditions and elsewhere in these Network Access Conditions shall apply. Terms used in the singular shall also comprise the plural, and *vice versa*, unless expressly otherwise provided or apparent from the factual context. Terms not otherwise defined in Annexe NZB 1 shall be as defined in the German Federal Electricity and Gas Supply Act (Energy Industry Act), of 7 July 2005, and the Ordinance on Tariffs for Gas Network Access, of 25 July 2005, in the respective current versions.

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### §3 Summary of Contract

1. Access to one or more (part-) networks in the market territory shall take place on the basis of the following individual contracts:
  - an entry contract, whereby the transmission company shall feed gas into the market territory at an entry point and the entry network operator is bound to provide the respective transmission service for the transmission customer;
  - an exit contract, whereby the transmission customer shall reserve maximum off-take or capacity at an exit point within the market territory and the exit network operator is bound to provide the respective transmission service to the transmission customer;
  - a balancing group contract, whereby the balancing and settlement of differences between the exit and entry quantities of gas allocated to this balancing group, the transmission of gas quantities between balancing groups via a virtual exit and entry point, and the handling of the communication processes necessary for this purpose, shall take place.

The provisions of these Network Access Conditions for the entry of natural gas shall also apply to the entry of biogas, unless otherwise provided.

2. For ease of handling of exit contracts, transmission customers and local distribution network operators shall conclude supplier master contracts for multiple exit points on local distribution networks.

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## Part 2: Capacity reservation and maximum offtake

### §4 Registration/deregistration for network use to supply end-consumers

In case of registration/deregistration for network use to supply end-consumers, the supply of exits with gas shall be handled according to the Federal Network Agency's Ruling on Uniform Business Processes and Data Formats dated 20 August 2007 (case ref. BK7-06-067) or a Federal Network Agency ruling replacing or supplementing this.

In the other cases, §§5 and 6 below shall apply.

Designations of metering points, used to identify the exits registered or deregistered, shall no longer be altered after allocation.

### §5 Binding application

1. To conclude an entry or exit contract, the transmission customer shall make a binding application to the entry and/or exit network operator, to acquire capacity at entry points and/or capacity and/or maximum offtake at exit points within a market territory.
2. The transmission customer may make a binding application at [www.thyssengas.com](http://www.thyssengas.com), or in writing using the network operator's standard form available at [www.thyssengas.com](http://www.thyssengas.com). Otherwise the network operator may offer an online application/reservation procedure for capacity as per §6.

The network operator shall require the transmission customer to submit authorisation from the balancing group manager, allowing the transmission customer, in the name of the balancing group manager, to introduce entry/exit points into a balancing group or balancing sub-account.

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3. Binding applications may be made for firm or interruptible entry and exit capacity, subject to the deadlines of §7.2, for a period of one or more years, months, weeks or days. The transmission customer can also make binding applications for capacity and/or maximum offtake at entry points, regardless of capacity and/or maximum offtake at exit points at different times, and in varying amounts. Such binding application shall be made in m<sup>3</sup>/h (Vn) or kWh/h, as the network operator shall require.
4. The network operator shall publish allocation requirements and restrictions of use, relevant to individual entry and/or exit points, at [www.thyssengas.com](http://www.thyssengas.com). If, for reasons of scale, a local distribution network operator cannot reasonably be expected to publish on the Internet, it shall suffice to publish a note on how the transmission customer can find out about an allocation requirement or restriction of use. Allocation of exit points to market territories shall not constitute an allocation requirement in the terms of this provision.

## **§6 Online application/reservation with transmission system operators**

1. The transmission customer may reserve capacity at entry and exit points on the relevant network operator's network, with the network operator at [www.thyssengas.com](http://www.thyssengas.com).
2. If the respective network operator has to make a binding application for capacity on upstream networks, the effectiveness of the exit contract shall be subject to the condition precedent of availability of the required capacity on such upstream networks. In this case the exit network operator shall inform the transmission customer within a maximum of four working days of receipt of the binding application, of the result of the availability check.
3. The Terms & Conditions for the Online Reservation System, published by the network operator at its website, shall govern the use of the network operator's online reservation system.

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4. For the purpose of online reservation, the transmission customer shall first check, by entering the necessary data at [www.thyssengas.com](http://www.thyssengas.com), whether the desired capacity is available. If such capacity is available, the transmission customer may submit a binding application to use such capacity, by confirming its entered particulars. The network operator shall provisionally accept such offer, subject to item 2, by electronic confirmation of reservation.
5. Allocations of firm and interruptible capacity shall take place in the time order of binding applications received.

## **§7 Conclusion of contract**

1. An entry and/or exit contract shall come into being on receipt of the network operator's confirmation, or declaration of acceptance or, in the case of §6, on receipt of the electronic confirmation of reservation by the transmission customer as per §6.4.
2. Entry and exit contracts for a term of one year or longer may be concluded at any time.

If the term is less than one year, they may be concluded no earlier than three months before the planned commencement of the period of reservation of the capacity to be reserved.

If the term is less than one month, they may be concluded no earlier than 20 working days before the planned commencement of the period of reservation of the capacity to be reserved.

3. To use the capacity or maximum offtake, account shall also be taken of the deadline for implementation of the balancing group contract as per §15.3. The introduction of exit points to end-consumers into the balancing group shall also only take

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effect as of the first day of a calendar month, unless the relevant network operators offer such introduction within a shorter period of time.

### **Part 3: Entry contract**

#### **§8 Subject of entry contract**

1. On conclusion of an entry contract, the entry network operator is bound to hold the firm and/or interruptible capacity, reserved for the transmission customer, at the entry points into the market territory, having regard to any allocation requirements and restrictions of use, as per the entry contract.
2. On conclusion of the entry contract, the transmission customer shall acquire the right, subject of §9, to feed gas into the market territory. The entry contract shall confer access to the virtual trading point of the market territory, at which the gas entering in accordance with these Network Access Conditions can be delivered.
3. The transmission customer is bound to provide the quantity of gas nominated, as per §22, at the agreed entry point. The entry network operator is bound to take delivery of the quantity of gas made ready by the transmission customer as per the first clause, and to hold it ready at the same time, with equivalent heat, at the virtual trading point, for delivery to the transmission customer. The transmission customer is bound to take delivery of the quantity of gas held ready by the entry network operator in accordance with the second clause. As an exception, an entry restriction as per §38.2 may apply to entry to downstream networks, e.g. where storage is used.
4. On entry of biogas, the quantity of gas provided by the transmission customer shall be allocated. This shall ignore any quantities of liquid gas mixed in by the network operator for conditioning, to adapt to the necessary calorific value on the network of

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the biogas entry network operator as per the Ordinance on Tariffs for Gas Network Access §41.f.2.

5. Exactly the same gas need not be preserved. Quantities of gas may be taken on delivery and held ready with other quantities of gas, mixing the quantities to form a single gas flow.

## **§9 Entry condition**

1. The condition of entry shall be introduction of the reserved entry point into a balancing group as per §21.
2. Contrary to item 1, entries of biogas may be introduced to a separate balancing group for biogas, in accordance with the Ordinance on Tariffs for Gas Network Access §41e.

## **Part 4: Exit contract**

### **§10 Subject of exit contract**

1. On conclusion of an exit contract, the exit network operator is bound to hold the reserved firm or interruptible capacity or maximum offtake for the transmission customer at the exit point, in compliance with any allocation requirements and restrictions on use, and with any agreed capacity reductions in accordance with the exit contract.
2. On conclusion of the exit contract, the transmission customer shall obtain the right to transmission of quantities of gas at the exit point, by the exit network operator, subject to the provision of §11.

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3. In accordance with §22, the transmission customer is bound to provide the quantity of gas at the virtual trading point and to take delivery of it from the exit network operator at the agreed exit point. The exit network operator is bound to take delivery of the quantity of gas supplied by the transmission customer as per the first clause, and to deliver it to the transmission customer at the same time, at equivalent heat, at the agreed exit point. The transmission customer is further bound suitably to inform the end-consumer supplied by it, in writing, of the allocation of the exit point to the market territory, e.g. by stating the market territory on every customer bill.
4. There shall be no need to preserve exactly the same gas. Quantities of gas may be delivered, and received, with other quantities of gas, mixing those quantities into a single gas flow.

#### **§11 Exit conditions**

1. A condition of exit shall be introduction of a reserved exit point into a balancing group as per §21, without prejudice to GeLi Gas.
2. A condition of exit of the quantity of gas to an end-consumer shall be the existence of relations of network connection and connection use between the connection taker/ user and the exit network operator.
3. A condition of exit of the quantity of gas to downstream storage shall be an existing storage access right.
4. As an exception to item 1, exits of biogas in the terms of the Ordinance on Tariffs for Gas Network Access §41e may be introduced into a separate balancing group for biogas.

## §12 Settlement of over/under-supply

1. The exit network operator shall record quantities of over/under-supply for each exit, after final recording of metered values. For all exits, the value finally used for allocation to the balancing group manager's balancing group shall be compared with the consumption of the SLP and exits with consumption metering, recorded as per G 685 in the period of settlement. The final calorific values, obtained as per G 685, shall be used to record consumption.
2. The exit network operator shall settle the quantities of over/under-supply to SLP customers with the transmission customer at the mean settlement energy prices for the period of settlement. The mean monthly settlement energy price shall be the unweighted arithmetical average of the going buy/sell reference prices for the gas business days of the respective month, as per §27. The balancing group network operator shall record and publish these. The mean settlement energy price shall be the unweighted arithmetical average of the mean monthly settlement energy prices for the period of settlement. This price shall likewise be used to settle quantities of over and under-supply.
3. The quantities of over/under-supply to interval-metered customers per exit (based on differences between provisional and final calorific values) shall be recorded monthly and settled by the exit network operator with the transmission customer at the mean monthly settlement energy prices. These prices shall be the unweighted arithmetical average of the going buy/sell reference prices for the gas business days of the respective month, as per §27. The balancing group network operator shall record and publish the mean monthly settlement energy price. This shall likewise be used to settle quantities of over and under-supply. Settlement shall take place monthly.

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4. The following invoicing variants shall, in particular, be possible:
  - a) Settlement of over/under-supply quantities with settlement of network use: separate invoices per meter point designation; or
  - b) Separate settlement of over/under-supply quantities, in addition to settlement of network use: separate invoices per meter point designation; or
  - c) Collective invoice for several designated metering points.
5. Settlement of quantities of over/under-supply shall not impinge on the balancing group.
6. The network operator and the balancing group network operator shall offset the costs and proceeds of settlement of quantities of over/under-supply and enter them on the balancing and settlement energy levy account as per §30.

## **Part 5: The balancing group contract**

### **§13 Application**

1. To conclude a balancing group contract, the balancing group manager shall submit an application to the balancing group network operator, stating the information which it requires.
2. The balancing group manager shall submit the application in writing, via the balancing group network operator's website, or using the network operator's standard form. The standard form shall be obtainable at the balancing group network operator's website.

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#### **§14 Processing the application**

1. The balancing group network operator shall answer a complete application by sending a binding written offer to conclude a balancing group contract to the balancing group manager.
2. If an application is incomplete, the balancing group network operator shall immediately inform the balancing group manager which data are still needed to process its application.

#### **§15 Conclusion of contract**

1. A balancing group contract shall take effect on receipt by the balancing group network operator of the written contract, signed by the balancing group manager.
2. After receipt of the balancing group contract, signed by the balancing group manager, the balancing group network operator shall inform it of the balancing group code.
3. To allow technical implementation on the system, the contract shall be concluded no later than 10 working days before commencement of use of the points to be introduced into the balancing group (implementation deadline). Implementation within the set period shall only take place after passing the communication test as per the Operating Manual, Annexe NZB 2.

#### **§16 Concluding a balancing group contract online**

1. As an alternative to concluding a balancing group contract in accordance with §§13 to 15, the balancing group network operator may offer online conclusion of such a contract.

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2. By confirming the data entered for this purpose, the balancing group manager shall submit a binding application to conclude a balancing group contract. That application shall be accepted directly, by electronic confirmation of reservation, provided that the time of application is at least 10 (ten) working days before the planned commencement of transmission. The balancing group manager shall receive a written notification of acceptance of its application.

### **§17 Subject and term of balancing group contract**

1. The subject of the balancing group contract shall be the balancing and settlement of differences between the quantities of gas allocated and taken off to this balancing group, the transmission of quantities of gas between balancing groups via a virtual entry and exit point, and the handling of the communication processes necessary for this purpose.
2. The balancing group network operator and the balancing group manager are bound to service the balancing group in accordance with these Network Access Conditions and to carry out settlement with it.
3. The balancing group contract shall end one (1) year after conclusion thereof, unless, since conclusion thereof, entry or exit points have been introduced to the balancing group, or nominated, or virtual entry or exit points have been nominated. This shall not apply if the balancing group manager makes a written objection three months before expiry of the balancing group contract. In this case, the balancing group contract shall be renewed for a further year.

### **§18 Balancing sub-accounts**

1. The balancing group manager may set up balancing sub-accounts within an existing balancing group.

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2. The balancing group manager shall report the formation of balancing sub-accounts in writing to the balancing group network operator, quoting the balancing group code. On notification of a balancing sub-account number, the balancing group network operator shall acknowledge, to the balancing group manager, that a balancing sub-account has been formed.

## **§19 Linking of balancing groups**

1. Several balancing group managers within a market territory may link their balancing groups. They may declare to the balancing group network operator that claims arising from the balancing group network operator's balancing group contract shall, from then on, only be settled in relation to one of these balancing group managers. The effect of this declaration shall be to combine balancing group settlements as follows:
  - a) The daily differences between entry and exit quantities of gas of each of these balancing groups shall be balanced against each other in the designated balancing group and, from then on, only settled with regard to the designated balancing group manager.
  - b) As regards settlement of the respective balancing energy level as per §30, the levy of each such balancing group shall only be settled with regard to the designated balancing group manager.
  - c) Settlement under the hourly incentive system of §29 shall take place by recording the hourly deviations of the individual balancing groups, balancing them against each other, and settling them in relation to the designated balancing group manager. The total of all applicable tolerances from the individual balancing groups shall be applied to the balance thus obtained.

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2. If the balancing group network operator cannot realise its claim against the designated balancing group manager within two weeks of occurrence of payment default, the other balancing group managers shall remain liable to pay, to the level of the claims incurred by their respective balancing groups.
3. A separate contract between the balancing group network operator and the relevant balancing group manager shall govern the further details. This shall have a minimum term of one calendar month. The contract shall be concluded before the beginning of the relevant calendar month.

## **§20 The balancing group manager**

A balancing group manager may be a transmission customer or a third party. The rules on the checking of credit standing (§50) shall apply to the balancing group manager accordingly. The balancing group manager shall meet the requirements of the communication test as per the Operating Manual, Annexe NZB 2 of the Network Access Conditions.

The balancing group network operator shall inform the balancing group manager of a final balancing group code.

## **§21 Introduction of points**

1. The balancing group manager shall introduce physical entry or exit points into balancing groups. This shall be a prerequisite for the balancing of gas quantities. The transmission customer shall notify the points for introduction to the balancing group to the entry or exit network operator, with an authorisation from the balancing group manager. The balancing group code or balancing sub-account number shall be stated.

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2. No separate declaration shall be necessary to introduce the virtual entry or exit point for the balancing of quantities of gas. The virtual entry and exit point shall already be deemed included in the balancing group on conclusion of the balancing group contract.
3. The respective points for introduction shall lie in the same market territory as the balancing group. Points of one or more transmission customers may be introduced into a balancing group. Entry and exit points as per §25.4.a) may be introduced into several balancing groups.

If the transmission customer wishes to apportion its reserved capacity at one of these points to various balancing groups/balancing sub-accounts, it shall notify the entry and exit network operators of the apportionment of the respective reserved entry/exit capacities or of the maximum offtake per point.

Points governed by different network access conditions may be introduced into one balancing group, provided that this is technically and/or operationally feasible, from the balancing group network operator's point of view, without unreasonable effort and expense.

4. Introduced points shall be used in accordance with any allocation requirements and restrictions of use.

## **§22 Nomination**

1. The balancing group manager is bound to nominate the entry quantities for transmission at each of the entry points included in its balancing group, to the entry network operator. This shall take place according to the conditions of the Operating Manual, Annexe NZB 2 of the Network Access Conditions. Exit nominations shall only be necessary in the cases of items 3 and 4.

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2. The transmission customer shall be allowed five working days from the beginning of the month prior to that of first use of the nomination substitute procedure agreed with the entry network operator, to inform the exit network operator of the exits subject to nomination substitute procedure. The first clause shall likewise apply to notification of the end of application of the nomination substitute procedure.
3. If an exit point to storage, for transmission to another market territory, for transmission to a neighbouring country or the virtual exit point has been contractually agreed, the balancing group manager is bound to nominate the exit quantities to be received at this exit point to the exit network operator. This shall take place according to the conditions of the Operating Manual, Annexe NZB 2 of the Network Access Conditions.
4. If several transmission customers have reserved capacity/maximum offtake at the same exit point, and if that exit point is included in different balancing groups, the respective balancing group managers are bound to make a nomination to the exit network operator. Such obligation to nominate shall also exist if a transmission customer has introduced the same exit point into different balancing groups.
5. Where an obligation to nominate exists at entry and exit points, a deadline for implementation of 10 working days shall apply to the first set-up of communication channels between entry/exit network operator and transmission customers. When changing points between existing balancing groups, where communication channels have already been set up, the deadline for implementation shall be five working days. For short-term capacity trading, the separate implementation deadlines, published at the network operator's website, shall apply.

### **§23 Technical exit reports**

If an exit point to interval-metered end-consumers has been contractually agreed, the balancing group manager is bound to provide a prior technical report of the quantities of gas

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for offtake at this exit point, where necessary for the safe and reliable operation of the network, e.g. due to the end-consumer's purchase pattern. In this case, the exit network operator shall inform the transmission customer in written form, on conclusion of the exit contract, that an obligation exists to issue a technical exit report.

## §24 Allocation of quantities

1. The entry network operator or balancing group network operator, to which entry nominations were submitted as per §22.1, shall calculate the quantities of gas fed in at entry points or transmitted at the virtual entry point, for each balancing group or balancing sub-account, and allocate them to the relevant balancing group or balancing sub-account. This shall be based on the balancing group manager's nominations, following the allocation procedure established in the entry contract.
2. The exit network operator shall allocate, to the balancing group, the quantities of gas taken off at exit points into storage, taken off at exit points by transmission into another market territory, or accepted at the virtual exit point. This shall be based on the balancing group manager's nominations, or following the allocation procedure established in the exit contract.
3. For each balancing group or balancing sub-account, the exit network operator shall record the quantities of gas taken off at exit points to interval-metered end-consumers ("RLM") on the basis of metered values, and allocate them to the balancing group or balancing sub-account, by the allocation procedure established in the exit contract:
  - The exit network operator shall allocate, to the balancing group or balancing sub-account, offtake at exits with consumption metering, where total reservation of exit capacity or maximum offtake is greater than or equal to 300 MWh/h, based on the hourly metered values as per the allocation procedure established in the exit contract, unless the balancing group manager has expressly declared that

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the exit should belong to hourly incentive system case group (b) as per §29.2, and the balancing group network operator has not objected. The transmission customer may only use this option right one month before commencement of the levy period as per §30.3 or in the context of a change of supplier.

- The exit network operator shall allocate, to the balancing group or balancing sub-account, the gas offtake quantities at exits with consumption metering, where total reserved exit capacity or maximum offtake is less than 300 MWh/h, based on the metered values and as per the allocation procedure established in the exit contract. In doing so, it shall ensure that the daily quantity is evenly allocated to all hours, as a daily band, unless the balancing group manager has expressly declared that the exit should belong to hourly incentive system case group (a) as per §29.2. The balancing group manager may declare to the balancing group network operator that one or more exits with consumption metering, where exit capacity reservation or maximum offtake exceed 300 MWh/h, should be balanced as a large-scale consumer with a daily band. Transmission customers may only use their option right one month before commencement of the levy period as per §30.3 or in the context of a change of supplier.
- From 1 October 2008, the exit network operator shall record once, on an intra-day basis, for each balancing group or balancing sub-account, the hourly quantities taken off by 1200 hours at exit points to interval-metered end-consumers. This shall be in kWh, based on provisional metered values (known as "actual offtake"). The exit network operator shall report the quantities, added up for large-scale consumers without daily band, for large-scale consumers with daily band, and for exits with consumption metering, which are subject to a nomination substitute procedure. This shall be a business report, in the applicable ALOCAT format. The exit network operator shall allocate this hourly load profile provisionally to the respective balancing group or balancing sub-account. It shall immediately notify this to the balancing group network operator, by 1800 hours at latest. This shall not prejudice the Ordinance on Tariffs for Gas Network Access, §33.1.

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On expiry of one calendar month, it shall finally allocate, to the balancing group or balancing sub-account, the gas quantities taken off, corrected as applicable, following the allocation procedure established in the exit contract. The calorific value shall not be corrected.

4. For each balancing group or balancing sub-account, the exit network operator shall record the gas quantities taken off at exit points to end-consumers with standard load profiles, and allocate them to the balancing group or balancing sub-account, based on the exit network operator's established standard load profile procedure.

For exits with standard load profiles, the daily quantities of the standard load profiles shall be of balancing relevance. The system shall be as follows:

- In the synthesised standard load profile procedure, the relevant daily quantity of the load profile shall be that obtained when the projection temperature is set on the previous day. The temperature projection shall be the temperature projected for the day of supply/balancing (D), not the actual temperature on the previous day (D - 1). There shall be no subsequent correction of the temperature (e.g. to the actual temperature on the day of supply).
- In the analytical standard load profile procedure, the daily quantities of balancing relevance shall be recorded with a 48-hour time lag. The quantity of balancing relevance on day D shall be the offtake of the last day but one (D - 2) of the load profile obtained on the basis of the actual temperature of the last day but one (D - 2).

Exit network operators may agree correction coefficients with the Federal Network Agency, to reduce the need for balancing energy caused by standard load profiles, especially in view of the time lag in allocation under the analytical procedure.

The exit network operator shall inform the balancing group network operator, by 1200 hours on the previous day (D - 1), of the SLP quantities thus calculated for allocation to the respective balancing groups/balancing sub-accounts. The balancing group network operator shall forward these data, broken down into balancing groups/balancing sub-accounts, to the balancing group manager by 1300 hours on the previous day, so that the balancing group manager can nominate these quantities for entry. If no values have been received from the exit network operator by 1200 hours, the balancing group network operator shall obtain the previous day's value, on which the allocation shall then be based.

The balancing group network operator shall record each balancing group's status (including time series), based on the data supplied as per this §24. It shall immediately pass them to the balancing group manager on D + 1.

For exits with standard load profiles, the allocations notified on D - 1 shall be final: there shall be no corrections of calorific value or of substitute values.

5. If entry/exit points are included in several balancing groups, the transmission customers shall agree allocation rules in their entry/exit contracts with the respective entry/exit network operators, to ensure that quantities of gas allocated to those points shall only be balanced once.

## **§25 Daily reporting**

1. The balancing period for all quantities shall be the gas business day. The balancing group manager is bound to ensure a settled balance within this balancing period.
2. At the end of the balancing period, the balancing group network operator shall settle the difference between entry and exit quantities of gas of balancing relevance, as settlement energy. The balancing group network operator shall charge or pay settlement energy tariffs for this, as per §27.

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3. In addition to the daily reporting system, there shall be an hourly incentive system as per §29, covering all physical and virtual entry and exit points, accurate to the hour.
4. Quantities of gas, of balancing relevance, shall be obtained from the following data:
  - (a) In principle, nominated quantities shall be entered in the balance for the following points:
    - entry and exit points at the border between market territories;
    - entry and exit points at border interconnection points;
    - entry points from inland production plants;
    - virtual entry and exit points; and
    - entry and exit points to and from storage.

The principle "allocate as nominated" shall apply to all these points, for all transmission customers and balancing group managers, provided that the network operators control these points on the basis of nominations from transmission customers. If the transmission customers control them themselves, the measured values shall be of balancing relevance.

- (b) For all exits with consumption metering, only metered quantities ("actual off-take") shall be included in the balancing.
- (c) Standard load profiles shall be included in the balancing for all exit points for which §29 of the Ordinance on Tariffs for Gas Network Access requires the network operators to develop and allocate standard load profiles ("exits with standard load profiles"). For exits with standard load profiles, the daily quantities of the standard load profiles are of balancing relevance, under the following system:

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- For the synthesised standard load profile procedure, the relevant daily quantity is that of the load profile occurring when the temperature projection is set on the previous day.
- When quantities of balancing relevance are recorded by the analytical standard load profile procedure, there is a 48-hour time lag. The exit quantity of balancing relevance on day D is that of the last day but one (D - 2) of the load profile resulting from setting the actual temperature of the last day but one (D - 2).

For balancing purposes, the balancing group network operator is entitled and bound to apply its own SLP, provided that the exit network operator has not placed an SLP at its disposal. The balancing group network operator shall notify this to the balancing group manager in advance.

5. Gas quantities actually provided for the supply of balancing energy shall count as delivered to, or taken off by, the balancing group network operator. The daily reporting and hourly incentive system (§29) shall ignore them.

## **§26 Information obligations**

1. The balancing group network operator shall pass the quantitative figures recorded and allocated by the exit network operator, added up for exits with consumption metering ("RLM"), to the balancing group manager within the day, so that the balancing group manager can then take suitable action to avoid or settle these imbalances in its balancing group.
2. The balancing group network operator shall balance the quantities recorded and provisionally allocated by the entry or exit network operator with the entry quantities provisionally allocated to the balancing group or balancing sub-account.

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It shall immediately notify the balancing group manager of the balance. The same shall apply to the quantities finally allocated. The quantities finally allocated shall also not subsequently be corrected by the calorific value.

## **§27 Recording, balancing and settling quantitative differences**

1. To determine the daily quantitative differences per balancing group, the daily entry quantities and daily exit quantities shall constantly be balanced in a gas account for each balancing group, insofar as these quantities were allocated to that balancing group. In principle, no exchange of quantitative differences shall be permitted between balancing groups after the end of the balancing period ("retroactive balancing"). If the balancing group network operator cannot meet its information obligations under §26.1, because the exit network operators are not yet providing the relevant data in time, the balancing group network operator shall be bound, for the interim period up to 1.4.2009 (0600 hours), to facilitate retroactive balancing by the balancing group manager.
2. The balancing group network operator shall pay the balancing group manager a tariff amounting to the second-lowest selling price of the reference prices, multiplied by 0.9, insofar as the entry quantities exceed the exit quantities (hereinafter "negative settlement energy"). The balancing group manager shall pay the balancing group network operator a tariff amounting to the second-highest purchase price of the reference prices, multiplied by 1.1, insofar as the exit quantities exceed the entry quantities (hereinafter "positive settlement energy"). Tolerances shall not be allowed. The reference prices shall be determined as per item 3. If no separate selling and purchase prices are published at one or more trading exchanges, the daily mean price of the respective exchange shall count both as a selling and a purchase price.
3. The prices in €/ct/kWh at the following exchanges shall be valid as reference prices for the relevant gas business day:

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- Title Transfer Facility in den Netherlands ("TTF")
  - selling price and purchase price is the APX TTF-Hi DAM All-Day Index published at [www.apxgroup.com](http://www.apxgroup.com);
- National Balancing Point in the UK ("NBP"):
  - selling price and purchase price is the APX Gas UK NBP published at [www.apxgroup.com](http://www.apxgroup.com) ;
- Zeebrugge Hub in Belgium ("Zeebrugge"):
  - selling price and purchase price is the APX Zeebrugge DAM All-day Index published at [www.apxgroup.com](http://www.apxgroup.com);
- E.ON Gastransport Virtual trading point H-Gas ("EGT VP"):
  - selling price and purchase price is the E.ON GT Settl. Price, published for the gas business day at [www.eex.com/Marktinformation/Erdgas](http://www.eex.com/Marktinformation/Erdgas) on the trading day immediately prior to the gas business day.

The gas price occurring on the calendar day on which the gas business day begins shall apply for the whole gas business day. For each gas business day, the balancing group network operator shall convert the reference prices into gas prices in €/ct/kWh. For this purpose it shall use the GBP/EUR exchange rate published at the European Central Bank's website under statistics/exchange rates/euro foreign exchange reference rates and a factor from therms to kWh of 29.3071 kWh/therm.

By prior agreement with the Federal Network Agency, the balancing group network operator shall be entitled temporarily to cease using the reference prices of one or more exchanges to calculate the settlement energy prices, if the balancing group network operator finds, on the strength of specific circumstances, that the price information it has used is no longer sufficiently authoritative. By prior agreement with the Federal Network Agency, the balancing group network operator shall be entitled to use reference prices of further liquid exchanges. The same shall apply if the

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balancing group network operators wish to use other publications of the exchanges listed above.

4. The balancing group network operator shall publish the settlement energy prices daily at its website, for at least the past 12 months (for the first time from 1.10.2008).

#### **§28 Settled balancing group**

The balancing group manager shall ensure that, within its balancing group, the total gas quantity in kWh transmitted into the balancing group shall, as far as possible, match the total gas quantity in kWh taken from the balancing group. The balancing group manager shall make every reasonable effort to avoid foreseeable deviations.

#### **§29 The hourly incentive system**

1. In the context of the hourly incentive system, and for each hour within the gas business day, the balancing group network operator shall balance the relevant entries into the balancing group in that hour, as per item 2 (a) to (c), against the relevant exits from the balancing group. There shall be no separate treatment of entry or exit quantities at individual points. If over or under-supply persists after balancing and application of any tolerances allowed (hourly deviation), the balancing group manager shall pay the balancing group network operator a structuring contribution in euro per MWh. The hourly deviation shall not be settled.
2. The following case groups shall be identified for the hourly incentive system:
  - (a) points of special importance to network stability and the virtual trading point:

The exact quantity allocated per hour shall be relevant to the following entry and exit points:

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- entry and exit points on borders between market territories;
- entry and exit points at border interconnection points;
- entry points from inland production plants;
- virtual entry and exit points;
- entry and exit points from storage; and
- offtake at exits with consumption metering to large-scale consumers:
  - offtake at exits with consumption metering, where exit capacity reserved or maximum offtake exceeds 300 MWh/h, shall in principle belong to case group (a). At the transmission customer's request, the balancing group manager may declare to the balancing group network operator that one or more such exits with consumption metering in its balancing group should not belong to case group (a). In this case, the affected exits with consumption metering in the hourly incentive system shall follow the rules of case group (b). The balancing group manager's declaration shall be binding on the balancing group network operator, unless the latter can immediately prove, in written form, that assigning the exits to case group (b) would unreasonably destabilise the system. Transmission customers shall only use their option rights one month before commencement of each levy period as per §30, or in the context of a change of supplier.
  - Offtake at exits with consumption metering where exit capacity reservation or maximum offtake is less than 300 MWh/h shall belong to case group (a), if the balancing group manager has expressly declared this to the balancing group network operator at the

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transmission customer's request. Transmission customers shall only use this option right one month before commencement of each levy period as per §30, or in the context of a change of supplier.

With regard to the large-scale consumers, mentioned above, a tolerance of  $\pm 2\%$  of the hourly exit quantity metered at this point shall be allowed for an over or under-supply remaining after balancing (hourly deviation). However, this shall not apply to quantities subject to a nomination substitute procedure. The balancing group manager shall receive no tolerance of hourly deviation for all other points of this case group.

(b) Other exits with consumption metering

For the other exits with consumption metering, which are not large-scale consumers in the terms of (a) above, the structuring contribution shall apply as follows outside a tolerance of  $\pm 15\%$  of the hourly values recorded below: for these exits, the hourly proportion of the daily actual offtake quantity, evenly spread across the whole gas business day, shall count for the hourly treatment (the "daily band"). This shall not, however, apply to quantities subject to a nomination substitute procedure.

(c) Exits with standard load profiles

For exits with standard load profiles, the hourly proportion of the daily quantity of the respective standard load profile, equally spread across the whole gas business day, shall count for the hourly incentive system ("daily band"). The balancing group manager shall receive no tolerance for these quantities when calculating the hourly deviation which counts for the structuring contribution.

3. If the hourly incentive system results in over or under-supply, taking account of any existing tolerance as per item 2 a) and b), the balancing group manager shall pay the balancing group network operator a structuring contribution in euro per MWh.

(a) Constant structuring contributions

The level of the structuring contribution shall be 15% of the mean of the two settlement energy prices (positive and negative settlement energy), applied for the current balancing period for the settlement of over and under-supplies of balancing groups.

(b) Variable structuring contributions

Contrary to this, the balancing group network operator may allow non-discriminatory, different structuring contributions for the various hours of a balancing period. These shall lie between 5 and 25% of the mean of the two settlement energy prices for the current gas business day.

The balancing group network operator may plan a structuring contribution of less than 15% for the over-supply of balancing groups, if an over-supply in a given hour is able to reduce the market territory's total balancing energy requirement. It shall then plan a structuring contribution of more than 15% for over-supplies in the same hour. The balancing group network operator may proceed likewise for hours in which an under-supply is able to reduce the market territory's total balancing energy requirement. If the balancing group network operator avails itself of this possibility, the daily mean of the structuring contributions applying in the different hours shall amount to 15% of the mean value of the two settlement energy prices.

If the balancing group network operator imposes variable structuring contributions, it shall publish and justify the percentages of the structuring contributions applicable to the different hours of a gas business day, broken down into over and under-supplies, in machine-readable form, at its website. Such publication shall take place at least 10 working days in advance. The balancing group network operator shall apply the variable structuring contributions unaltered for at least one month. Such term shall commence on publication at the website.

4. The provisions on the structuring contribution in items 1 to 3 shall not affect the daily reporting.

### **§30 Balancing and settlement energy levy**

1. The costs or proceeds arising from procurement of the balancing energy, proceeds from structuring contributions and costs or proceeds of settlement energy settled shall be imputed to the balancing group manager, according to the items below, as a levy (the "balancing and settlement energy levy").
2. For the balancing and settlement energy levy, the balancing group network operator shall set up a levy account for each market territory, for costs and proceeds of balancing and settlement energy. Entries on this account shall include the following:
  - proceeds of positive settlement energy for the necessary settlement of under-supply;
  - costs of negative settlement energy for the settlement of over-supply;
  - proceeds of structuring contributions; and

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- costs and proceeds of the procurement or disposal of external balancing energy.
3. The balance of the levy account shall be projected for the levy account settlement period ("levy period"). If the proceeds to be updated are expected to be less than the costs to be updated, the balancing group network operator shall impose a balancing energy levy at rate to be published in advance, and unalterable for the levy period. The levy period shall amount in each case to the period of a gas business year, commencing on 1.10.2008. As an exception to this, it may be reduced to six months, in which case the levy period shall always commence on 1 April or 1 October of a calendar year.
  4. Deficits and excess amounts on the levy account shall be corrected in the next projection and lead to a corresponding increase or decrease of the levy.
  5. The balancing group managers which supply exits with standard load profiles and exits with daily-band consumption metering, in the terms of §29.2.b), shall bear the balancing and settlement energy levy.

The balancing and settlement energy levy shall be imposed on the basis of the balance-related exists from these offtake points, in euro per MWh of offtake.

In the case of standard load profiles, the settlement of the annual quantity of over and under-supply shall be ignored when calculating the levy. The balancing group network operator may require reasonable down-payments of balancing and settlement energy levy.

6. If over-supply is generated in a levy period, in excess of a projected deficit amount for the next levy period, the difference between over-supply and projected deficit shall initially be distributed proportionately to the balancing group managers, at the

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beginning of the next levy period, up to a maximum of the amount of balancing and settlement energy levy paid by them in the levy period of relevance to the settlement. If over-supplies exist over and above this, they shall be offset against the transmission exit quantities of all balancing group managers, of relevance to the balance.

7. The balancing group network operators shall publish the following information on the Internet, in a format usable for further electronic processing:

- the scope and price of balancing energy used. In the case of external balancing energy, this shall be broken down into services for intra-day structuring and procurement or disposal of quantities of gas. Such information shall, as far as possible, be published on the day after use of the balancing energy, and for at least the past 12 months. Such publication shall include the proportion of the external balancing energy used because of local or geographically limited imbalances;
- and the monthly balance of the account for the balancing and settlement levy at the end of the previous month.

### **§31 Other balancing rules**

1. The price of settlement energy shall be calculated and commercially rounded to four places of decimal.
2. §29.2.a shall apply accordingly to exits with consumption metering, where exit capacity reservation or maximum offtake is exactly 300 MWh/h.

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3. Where retroactive balancing has to be guaranteed as per §27.1, balancing group managers shall be entitled, after receipt of the provisional settlement data within a general deadline set by the respective balancing group network operator, to balance the balances of their balancing group against the balances of another balancing group which occurred on the same date, as an hourly load profile. This shall be conditional upon the balancing groups being in the same market territory.
4. A guideline shall govern the configuration of the balancing of special biogas balancing groups.
5. The Mini-MüT shall constitute a case sub-group of the MüT. §25.4.a) shall apply accordingly to the Mini-MüT.
6. In case of procedure in substitution for nomination, the second clause of §25.4.a) shall apply.

### **§32 Provision of balancing energy**

1. Balancing energy shall be provided by transmission to or from the balancing energy supplier's balancing group or by transmission to a physical entry or exit point in the market territory.
2. If balancing energy is provided in the context of a balancing group, the balancing network operator shall call forward the quantities of balancing energy, by the call-forward procedure which it shall prescribe. Such quantities of gas shall be deemed delivered, or accepted, in that amount as if from the balancing energy supplier's balancing group. If the balancing group is adjusted according to the level called forward, the balancing energy supply shall, to this extent, not be subject to daily reporting or the hourly incentive system.

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3. If balancing energy is provided at a physical entry or exit point, the balancing group network operator shall call forward quantities of balancing energy by call-forward procedure. To this extent, they shall not be relevant in the balancing energy supplier's balancing group.
4. Balancing energy shall not be provided by exploitation of tolerances.

### **§33 Transmission of gas quantities between balancing groups**

1. The balancing group manager may transmit quantities of gas, at the virtual trading point within the market territory, from one balancing group to another balancing group, via virtual entry and exit points. The transmission of quantities of gas between balancing groups at the virtual trading point shall require no transmission capacity.
2. The balancing group manager shall nominate the quantities of gas for transmission at the virtual entry and exit point, on an hourly basis, to the group network operator, in accordance with the provisions of the Operating Manual, Annexe NZB 2. Transmitted quantities of gas shall be allocated by declaration based on nominated values or by nomination substitute procedure.
3. The balancing group manager is bound to pay the respective tariff, published by the balancing group network operator for the transmission of quantities of gas via the virtual entry or exit point. Otherwise the "Conditions of Use of the Virtual Entry and Exit Point," published by the balancing group network operator at its website, shall apply.

### **§34 Balancing between market territories**

If the balancing group network operators offer balancing between market territories ("MÜB"), the balancing group manager shall be entitled to undertake balancing between market territories, on the terms published by the balancing group network operators.

## **Part 6: Transmission of gas between balancing groups of different market territories on the exit network and transmission between market territories**

### **§35 Transmission of gas between balancing groups of different market territories on the exit network**

1. If end-consumers are accessible via several market territories on one exit network, the network operator on whose network the market territories overlap (hereinafter called "the network operator carrying out Mini-MüT") shall offer the transmission customers/balancing group managers the transmission of quantities of gas between the balancing groups formed in the respective market territories, within the bounds of technical feasibility and economic reasonability (hereinafter called "Mini-MüT"). Such transmission may take place on an interruptible basis (in the context of capacity ordered internally on upstream networks) or on a firm basis (in the context of extra capacity to be ordered internally on upstream networks). Reserved firm transmission capacity shall only be available to the transmission customer under the restrictions of item 8.
2. The transmission customer may agree on the use with the network operator carrying out the Mini-MüT. To do so, the transmission customer shall inform the network operator carrying out the Mini-MüT, no later than the tenth working day before the

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start of the month of delivery, of its use of the Mini-MüT, and appoint the implementing balancing group manager(s). Transmission points shall only be introduced in accordance with §21. The level of use shall be restricted, in accordance with §21.4.

3. The network operator carrying out the Mini-MüT shall set up entry and exit points. The Mini-MüT shall proceed analogously to §22, by nomination of an exit from the releasing balancing group and a corresponding nomination of an entry into the recipient balancing group, by the respective balancing group to the network operator carrying out the Mini-MüT. This network operator shall check these nominations. If it is not possible to transfer the quantities of gas nominated, the network operator shall inform the relevant balancing group manager that the nomination has been adjusted.
4. Each month, by the sixteenth working day of the month of the deadline, the exit network operators in overlapping market territories shall inform the network operator carrying out the Mini-MüT of the percentage of maximum offtake, or equivalent capacity quantity per balancing group/balancing sub-account available to this balancing group/balancing sub-account, on an interruptible basis, on the internal order. The network operator carrying out the Mini-MüT shall calculate a maximum possible, daily, interruptible Mini-MüT capacity for a clearly defined market territory, from these data, at least once a year per balancing group carrying out a Mini-MüT, and shall notify this to the balancing group manager on request.
5. Mini-MüT nominations may be issued daily, up to a maximum of the expected daily sale of the balancing group/balancing sub-account taking up the Mini-MüT. If the expected daily sale in the balancing group/balancing sub-account taking up the Mini-MüT exceeds the maximum Mini-MüT capacity of the releasing balancing groups/balancing sub-accounts as per item 4, the maximum Mini-MüT capacity shall limit the possible nomination.

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This shall not affect the network operator's right to adjust nominations on grounds of technical impossibility or economic unreasonableness. If the nomination is adjusted on the stated grounds, the network operator shall notify these grounds to the balancing group manager on request.

6. The quantities of gas, transmitted between the balancing groups on the exit network, shall be allocated by declaration based on the nominated values. However, they shall not exceed the amount of gas which was actually taken off by end-consumers, which were to be supplied by the transmission customer in the market territory in which gas was to be transmitted to the balancing group.
7. If transmission takes place on the basis of firm capacity, the transmission customer shall pay the exit network operator for the order of such firm capacity on the upstream networks, according to the tariffs charged to the said network operator by the upstream network operators.
8. If the network operator carrying out the Mini-MüT needs to supply end-consumers in this market territory from the capacity ordered internally for the transmission of quantities of gas as per item 1, on a firm basis, on upstream networks, (e.g. for changeover of market territory or new connections), the transmission customer shall to this extent release the capacity, reserved as per item 1, at the said network operator's request.

### **§36 Transmission between market territories**

1. Exit from the network (releasing network) of a market area-wide network operator, and entry to the network (recipient network) of an adjacent market area-wide network operator of another market territory (transmission between market territories) shall be handled on the basis of entry and exit capacity reservations.

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2. The market area-wide network operators shall offer transmission between market territories to the market territory in which the gas is to exit to the end-consumer or into storage. For this purpose, an exit contract from the releasing network and an entry contract into the recipient network shall be concluded. The transmission customer may appoint the network operator of the releasing network to conclude the necessary entry and, as applicable, exit contract(s) on its behalf with the network operator of the recipient network and, as the case may be, with other network operators of other market territories adjacent to the recipient network, up to the market territory in which the gas is to exit to the end-consumer or into storage.
3. The market area-wide network operators shall agree and offer a suitable procedure in substitution for entry and exit nomination, at the request of the balancing group manager. The balancing group manager shall place the values in substitution for nomination, necessary for this purpose, at the disposal of the market area-wide network operators. The relevant network operators shall co-operate as necessary.

## **Part 7: Load flow covenants; introduction of storage facilities**

### **§37 Load flow covenants**

1. The network operator may make entry acceptances with transmission customers, by separate agreement.
2. The agreement on an entry acceptance shall contain at least the following parts:
  - term;
  - maximum entry service or various time-related services;and

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- minimum period between notification of the request for entry acceptance by the network operator and entry.

Such entry acceptance agreement may also contain rules on the conditions for requesting entry acceptance.

3. The network operator may also enter into other load flow covenants with transmission customers at entry and exit points.

### **§38 Introduction of storage**

1. For entry to storage, the transmission customer shall conclude an exit contract, on a firm or interruptible basis, with the network operator on whose network the storage is physically included.
2. For exit from storage, the transmission customer shall conclude an entry contract with the network operator on whose network the storage is physically included. The actual entry shall be no higher than the respective network load allows. If the network of entry lies in several market territories, entry shall only take place into a balancing group of one such market territory, to a level corresponding to the respective network load at the exit points allocated to this market territory. Entries beyond this limit may be introduced to balancing groups in the other market territories, provided that the conditions of the last clause shall be met. The entry network operator shall reject nominations from the balancing group manager which exceed the projected network load, and immediately notify the balancing group manager accordingly.

## Part 8: Technical Conditions

### §39 Reference calorific value for capacity reservations in m<sup>3</sup>/h/settlement-related calorific value

1. The basis of conversion of capacity into energy units shall be the calorific value of reference ( $H_0$ ) established by the entry and/or exit contract for each entry or exit point in kWh/m<sup>3</sup> ( $V_n$ ), if the transmission customer has reserved this capacity in m<sup>3</sup>/h. The reference calorific value shall, in particular, be binding for the calculation of a capacity overrun, subject to §46.4, for the operational handling of the balancing group, e.g. for nominations, and in the context of the balancing settlement.
2. As far as possible, the reference calorific value shall be published on the Internet at [www.thyssengas.com](http://www.thyssengas.com) or notified on request.
3. Calculations of quantities of natural gas actually received at the entry point, or delivered at the exit point, by the network operator on entry/exit networks shall be based on a calorific value established afterwards (the settlement-related calorific value).
4. If a shortfall in the reference calorific value in an upstream network means that the exit network operator cannot totally fulfil its exit obligations deriving from the reserved maximum offtake, for reasons beyond its control, the exit network operator and the transmission customer shall be released, to this extent, from their performance obligations.

### §40 Metering at entry and exit points

1. The entry network operator, exit network operator or an appointed service provider shall carry out metering at entry and exit points.

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2. The network operator's regulations on metering at entry or exit points, published at [www.thyssengas.com](http://www.thyssengas.com), shall form part of the entry or exit contract.

#### **§41 Technical requirements**

1. The technical requirements, published for the respective entry and exit points at [www.thyssengas.com](http://www.thyssengas.com) shall form part of the entry and exit contract. Each contracting party may request a neutral body to examine the conformity of the gas composition to the network operator's requirements as per the first clause. If the contracting parties cannot agree on such a neutral body, within one month of receipt of the request by the other contracting party, the examination shall be conducted by the Engler-Bunte Institute of Karlsruhe University. The contracting party which made the request shall meet the costs of examination of conformity is confirmed. Otherwise the other contracting party shall pay.
2. The technical requirements for the entry of biogas shall be governed by the Ordinance on Tariffs for Gas Network Access, §41f.
3. If an amendment of the technical requirements is necessary to comply with legal or official conditions, the network operator shall inform the transmission customer of this as early as possible in the circumstances. The network operator shall amend the contract affected by such amendment as of the effective date of the conditions mentioned in the first clause. If an amendment of the technical requirements becomes necessary to fulfil the network operator's statutory obligations of cooperation, the network operator shall be entitled to make such amendment within four months of due notice to the transmission customer. If the amendment affects the transmission customer's capacity utilisation and/or maximum offtake, the transmission customer shall be entitled to terminate the respective contract at three months' notice, to the effective date of amendment. If the network operator provides the information as per the first clause less than four months before the effec-

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tive date of amendment, the transmission customer shall be entitled to terminate the respective contract, without notice, as of the effective date of amendment.

4. Contrary to the third clause of item 3, the network operator shall be entitled to modify the gas composition or pressure specification at three years' notice to the beginning of a gas business year, without the transmission customer's consent. Any modification of gas composition or pressure specification shall be limited to the entry and/or exit points thereby affected. The contract affected by such modification shall be corrected as of the time when the modification of the gas composition or pressure specification takes effect. If the network operator modifies the gas composition or pressure specification as per this item, the transmission customer shall be entitled to terminate the contract for the respective entry and/or exit points at one year's notice to the effective date of modification of the gas composition or pressure specification.

#### **§42 Off-spec. gas composition or pressure specification**

1. If the quantities of gas delivered by the transmission customer at the entry point do not conform to the technical requirements for gas composition or pressure specification as per §41.1 (hereinafter called "off-spec. gas"), the entry network operator shall be entitled to refuse to take delivery of all or part of the off-spec. gas. In this case the transmission customer shall immediately amend its nomination at this entry point accordingly, and reduce further provision of the off-spec. gas at this entry point accordingly. All the network operator's rights against the transmission customer shall remain unaffected by this.
2. If the quantities of gas delivered by the exit network operator at the exit point do not conform to the technical requirements of gas composition or pressure specification as per §41.1, the transmission customer shall be entitled to refuse to take delivery of all or part of the off-spec. gas. In this case the exit network operator shall immediately reduce the provision of the off-spec. gas at this exit point accordingly. All the

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3. In case of reduction as per the above rules, appropriate renominations shall be made at once, to avoid quantitative differences.
4. Each contracting party shall notify the other contracting party immediately on learning that off-spec. gas is being delivered at an entry or exit point, or that a delivery of such off-spec. gas can be expected.

## **Part 9: General Conditions**

### **§43 Secondary trading**

1. A transmission customer may transfer or dispose of acquired capacity in the terms of items 2 and 3 to a third party for use, without prejudice to the Ordinance on Tariffs for Gas Network Access §14.
2. The transmission customer may transfer the use of capacity rights (with or without right of nomination) under an entry or exit contract to a third party, without the network operator's consent. The transmission customer shall remain liable to the network operator for fulfilment of the obligations resulting from the entry and/or exit contract, especially tariff payments.
3. The transmission customer shall be entitled, with the network operator's consent, to transfer the entry and/or exit contract as a whole to third parties. Such consent shall only be refused on grounds which would also justify refusal of first-time conclusion of an entry or exit contract with the third party. Such grounds shall, in particular, exist if the third party has not proved its credit standing or provided appropriate collateral security as per §50. Such transfer shall only take effect with regard

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to the network operator on expiry of 10 days from consent as per the first clause, or notification as per the first clause of §59.2.

4. The network operator shall provide a bulletin board and ensure that capacity rights available for reservation from it can be traded at a common electronic trading platform. This shall not apply to local distribution network operators (Ordinance on Tariffs for Gas Network Access §8.1 clause 1).

#### **§44 Interruption**

1. The network operator is bound to hold reserved interruptible capacity at an entry or exit point, insofar and as long as this does not impair the use of reserved firm capacity.
2. If possible, the network operator should give 12 hours' notice of interruption. The network operator shall give the transmission customer at least two hours' notice of interruption, unless impossible on operating grounds. The network operator shall inform the transmission customer of the reasons for such interruption immediately on occurrence, at latest.
3. In case of interruption as per item 2, the transmission customer shall immediately renominate the appropriate quantities of gas at the entry and/or exit points affected by the interruption, to avoid quantitative differences. The deadlines for the transmission customer to renominate as per the Operating Manual, Annexe NZB 2 of the Network Access Conditions, shall not apply here, to the extent, and as long as, such renomination is technically and operationally feasible.
4. An interruption of interruptible capacity at an entry or exit point shall follow the time order of the related binding application, starting with the last such binding application received.

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**§45 Conversion of interruptible capacity**

1. The network operator shall offer a transmission customer which has reserved interruptible capacity, at an entry or exit point, conversion of such capacity into firm capacity at the said entry or exit point, as soon and insofar as firm capacity becomes available at the entry or exit point.
2. The network operator shall give information about the availability of firm capacity as per item 1 at [www.thyssengas.com](http://www.thyssengas.com). It shall set a deadline by which the transmission company shall place a binding application for conversion of interruptible to firm capacity. If several applications are received from transmission customers, of competing timescale and scope, priority shall be given to the application from the transmission customer whose binding application for interruptible capacity is dated longest before.
3. If the transmission customer converts the capacity as per item 2, it is bound to pay the going tariffs published by the network operator for firm capacity at the entry or exit point, at the time of conclusion of the contract of conversion.
4. If firm capacity remains after completing the allocation procedure as per item 2, the network operator shall offer it to start up the contract as per Part 2.

**§46 Overrun of reserved capacity**

1. The transmission customer shall be entitled to use the reserved capacity at the entry point and/or exit point. The transmission customer shall have no right to more offtake than this.
2. The quantities of gas nominated and/or allocated shall be converted, using the reference calorific value as per §39, from kWh/h to m<sup>3</sup>/h ( $V_n$ ), if the transmission customer has reserved capacity in m<sup>3</sup>/h. Notwithstanding the last clause, the network

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operator shall be entitled to suspend the portion of reserved capacity resulting from falling below the reference calorific value at the entry or exit point. Such interruption shall be a lower priority than interruption of reserved interruptible capacity.

3. If, contrary to the second clause of item 1, the quantities of gas provided or taken off at an entry or exit point exceed 100% of the capacity introduced to the balancing group for that entry or exit point, this shall constitute an hourly overrun (allocated hourly gas quantity minus contracted capacity). An hourly overrun shall not lead to an increase of reserved capacity.
4. If, and insofar as, an hourly overrun as per item 3 derives from the actual calorific value lying below the reference value, no hourly overrun shall be deemed to have occurred at the respective entry and/or exit point, as long as the transmission customer does not exceed the capacity introduced to the balancing group multiplied by the reference calorific value at the respective entry and/or exit point and the period within which hourly overruns occur lasts no longer than seventy-two (72) hours.
5. If the transmission customer exceeds the reserved capacity at interval-metered exit points, or at entry points, a contractual penalty shall be due for the overrun, as per the Price Sheet, save as provided in items 3 and 4.
6. The provision of item 5 shall not prejudice assertion of further loss incurred by the network provider through such overrun. Contractual penalties already paid for the specific overrun shall be credited against such compensation claim.

## §47 Tariffs

1. The transmission customer and balancing group manager is bound to pay the network operator the tariffs agreed in the respective contract (network tariffs, settlement energy tariffs, balancing energy levy, structuring contributions and tariffs for quantities of over/under-supply). Such tariffs shall be liable, in each case, to any li-

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cence fees and other duties and taxes, and pending introduction of the target model, including rolling biogas costs as per the Ordinance on Tariffs for Gas Network Access §20b, in the market territory.

2. If the level of the tariffs as per item 1 changes due to legislative and/or official and/or judicial decisions, the tariffs, amended according to those decisions, shall become part of the respective contract from the effective date of the decision. Amended tariff shall also mean an approved maximum price as per the Energy Industry Act §23a.2 or a tariff set in the context of the incentive regulation. The network operator shall inform the transmission customer of this in good time.

If the tariff also includes tariffs for use of upstream networks, this item 2 shall apply accordingly. The level of the tariffs as per item 1 shall also be amended if an upstream network operator, which sets tariffs as per the Ordinance on Tariffs for Gas Network Access §3.2, permissibly amends its network tariffs. The network operator shall inform the transmission customer of this in good time.

If network tariffs change, the transmission customer shall be entitled to terminate the contract at two weeks' notice, from the effective date of amendment, to the end of the month.

#### **§48 Invoicing and payment**

1. Invoicing and any payments on account shall take place as per the respective network operator's tariff and payment terms published at [www.thyssengas.com](http://www.thyssengas.com) save as provided in §§27 and 30. The GeLi Gas process of settlement for network use shall remain unaffected.
2. The invoice amount shall be payable without deduction, except of obvious errors.

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3. If a payment deadline is missed, the affected party shall be entitled to request interest, without prejudice to further claims. Such interest shall be calculated at an annual rate of 8 percentage points above the interest base (as per the German Federal Civil Code §247) at the rate made known by Deutsche Bundesbank on the first bank working day of the month of invoicing.
4. Objections concerning the invoice's accuracy shall be submitted immediately and, in any case, no later than two weeks from receipt of invoice. Objections to metered results or errors which the transmission customer and/or balancing group managers cannot recognise without incurring negligence may be made, without delay, after expiry of the deadline stated above, after the objecting party learns of the grounds of objection, or no later than the end of the following gas business year.
5. Only claims which are undisputed or *res judicata* shall be offset against claims of the network operator arising from the Contract. If an obvious error of computation is present, the amount shown in the invoice shall be adjusted by the missing amount. A written explanation of the adjustment made shall be enclosed.

#### **§49 Taxation**

1. If the network operator supplies quantities of gas under the applicable contract to a transmission customer which is not a supplier in the terms of the Energy Tax Act §38.3, the transmission customer shall pay the tariffs thereby incurred, plus energy tax at the going statutory rate.

Such supply shall, in particular, always take place if the network operator releases quantities of gas to the transmission customer additional to those which the transmission customer delivered to it for transmission.

If quantities of gas are supplied to a transmission customer which is a supplier in the terms of the Energy Tax Act §38.3, such transmission customer shall be bound

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to prove to the network operator, by suitable documents, that the conditions of the Energy Tax Act §38.3 are met. Such proof may especially be provided by submitting a current confirmation of registration, issued by the competent customs authority in the terms of the Energy Tax Act §78.4, showing that the transmission customer is entitled to procure untaxed quantities of gas. Evidence that the conditions of the Energy Tax Act §38.3 are met shall be made available to the respective network operator no later than one week before delivery. If suitable proof that the conditions of the Energy Tax Act §38.3 is not produced by the set deadline, the network operator shall be entitled to invoice the transmission customer for the tariffs due on the quantities of gas supplied, plus energy tax at the going statutory rate.

The transmission customer is bound immediately to inform the network operator if the transmission customer is not, or ceases to be, a supplier in the terms of the Energy Tax Act §38.3. If the transmission customer does not meet this notification obligation promptly, if at all, it shall be bound to repay to the network operator the energy tax which it thereby incurred.

2. If taxes or other duties in public law are introduced, abolished or amended, in relation to the tariffs as per the respective contract, including taxes or other duties in public law on services forming the basis of those tariffs, the network operator shall raise or lower the tariffs in the respective contract, with effect from the time of effective introduction, abolition or amendment of the taxes or other duties in public law. This shall apply accordingly to the introduction, abolition or amendment of other tariffs by, or on the strength of, national or European legal provisions, administrative acts or other orders of authorities.
3. All tariffs as per the respective contract shall be listed exclusive of the taxes due on them. The transmission customer and/or balancing group manager shall pay these taxes in addition to the said tariffs.

4. The tariffs as per the respective contract and this article, and any supplements thereof, shall constitute the tariff in the terms of the Value-Added Tax Act and shall be deemed exclusive of value-added tax (VAT). In addition to this tariff, the transmission customer and/or balancing group manager shall pay the network operator the value-added tax at the respective statutory rate.
5. The provisions of the respective contract and of this article shall not comprise general taxation of the network operator's profit (corporation and industry tax), paid by the network operator.

#### **§50 Check of credit standing and provision of collateral security**

1. The transmission customer may undergo a procedure, followed by the network operator, to check individual credit standing in relation to tariffs, taxes and other public duties payable, especially gas tax, as per the relevant contract. It shall have this possibility even if there is no definite intention to conclude a contract. For this purpose, the network operator shall carry out evaluations of publicly available information, e.g. economic information. The transmission customer shall provide the network operator, on request, with further information necessary for the assessment of credit standing. The transmission customer shall immediately notify any alteration which significantly influences the assessment of its credit standing, especially termination of any profit and loss transfer agreement under the German Federal Commercial Code §291.

If the transmission customer is a natural person, it shall issue the network operator with its consent to the obtaining of information from SCHUFA and shall also forward proofs of income for the last three months.

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2. If a procedure to check credit standing as per item 1 proves that the transmission customer's credit standing is sufficient, the transmission customer shall be under no obligation to provide collateral security to the network operator. The network operator may conduct the procedure to check credit standing annually thereafter and repeat it in cases where it expects credit standing to have deteriorated. For this purpose, at the network operator's request, the transmission customer shall provide, in updated form, the documents produced at the last completed procedure to check credit standing. Item 3 shall apply accordingly.
3. If a procedure to check credit standing as per item 1 does not prove that the transmission customer's credit standing is sufficient, or if no such procedure to check credit standing is carried out, or an ongoing procedure to check credit standing is not concluded positively, the transmission customer shall be bound to provide reasonable collateral security to the network operator, immediately after conclusion of the relevant contract.
4. If the procedure to check credit standing is only completed after provision of security, and the check revealed that the transmission customer has to provide reduced collateral security or none, the network operator shall be bound to repay the collateral security accordingly.
5. On completed performance of the relevant contract, the network operator shall return the collateral security to the transmission customer.
6. The network operator shall be entitled to terminate the relevant contract with immediate effect, as per §55, if the transmission customer fails to provide the security promptly, or with the requisite quality and content.
7. If a transmission customer has provided collateral security and later disposes of its reserved capacity and/or maximum offtake, by secondary trading as per §43, to a



third party, the network operator shall return to that transmission customer the collateral security which it provided.

8. The network operator may also have a qualified third party conduct the check of credit standing.

## **§51 Indemnity insurance**

1. Before concluding a contract, the transmission customer shall prove to the network operator that indemnity insurance exists, appropriate to the risk which it is to bear under the respective contract. Such indemnity insurance shall, in particular, provide sufficiently large sums of cover for personal injury, material damage and pecuniary loss. If the indemnity insurance policy ends during the term of the Contract, regardless of grounds, the transmission customer shall immediately notify the network operator accordingly in writing. If the transmission customer has not furnished evidence, one month at latest before expiry of the indemnity insurance policy, that a follow-on indemnity insurance policy exists, the network operator shall be entitled to terminate the Contract as per §55. In any case, the transmission customer shall immediately inform the network operator in writing of any amendment of its indemnity insurance policy.
2. As a rule, the indemnity insurance shall be deemed sufficient, in the terms of the first clause of item 1, if it sufficiently covers the risk to be borne by the transmission customer under the respective contract, for the whole term of that contract. The generally recognised general insurance terms for indemnity insurance of the insurance companies licensed to engage in the insurance business by the German Federal Financial Supervisory Authority shall determine the extent of loss to cover.

## §52 Maintenance

1. The network operator shall have the right to carry out maintenance (servicing, inspection and repair) of its pipeline system and measures to build new and modify and extend existing plant. If such measures prevent the network operator from fulfilling its obligations under this Contract, the network operator shall be released from those obligations. The transmission customer is bound to co-operate, especially by adjusting its network use during the network operator's planned maintenance measures.
2. The network operator shall suitably inform the transmission customer of measures as per item 1, promptly before their execution. The duty of notification shall not apply if prompt notification is not possible in the circumstances, for reasons beyond the network operator's control, or if this would delay the repair of interruptions which have already occurred. In this case, the network operator is bound to inform the transmission customer later of the reason for the interruption.
3. If measures as per item 1, which do not represent measures in the terms of the Energy Industry Act §16 paragraphs 2 and 3 but do reduce the agreed capacity and/or maximum offtake and/or gas flow at the affected entry and/or exit point for a duration of more than 14 calendar days per contract year, the transmission customer shall be released from its payment obligations corresponding to the duration and scope of the reduction beyond 14 calendar days. If the contract term is less than one year, this period shall be reduced *pro rata*. Otherwise, the transmission customer shall be released from its performance obligations.
4. The network operator shall also be released from its obligation under item 1 if other network operators in the market territory implement measures as per item 1 which prevent the network operator, in whole or in part, from performing its obligations under the respective contract.

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**§53 Force majeure**

1. If a contracting party is prevented from fulfilling its obligations as a consequence of force majeure as per item 2, it shall be released from those obligations. The other contracting party shall be released from its obligations in consideration of them, insofar and for as long as the contracting party shall be prevented by force majeure from the fulfilment of its obligations. This shall not apply to the transmission customer's obligation to pay the annual service price or the monthly standing charge.
2. Force majeure shall be an event of external origin. It shall be unforeseeable and not avoidable in time, if at all, even by use of reasonably expected care and technically and economically reasonable resources. Such events shall include, in particular, natural disasters, terrorist attacks, power outage, failure of telecommunications links, strike and lockout, where such lockout is lawful, or legal provisions or measures of government, courts or authorities (regardless of their legality).
3. The affected contracting party shall immediately inform the other contracting party and state the grounds of force majeure and their predicted duration. It shall try all technically feasible and economically reasonable means to ensure resumption of the fulfilment of its obligations as soon as possible.

**§54 Liability**

1. The contracting parties shall be liable to each other for losses deriving from harm to health or loss of life or limb, unless the contracting party itself, its legal representatives, performing or vicarious agents acted without negligence or deliberate intent.
2. In case of breach of essential contractual obligations, the contracting parties shall be liable to each other for material damage and pecuniary losses, unless the contracting party itself, its legal representatives, performing or vicarious agents acted

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without negligence or deliberate intent; the contracting parties' liability for material damage or pecuniary loss caused by minor negligence shall be limited to foreseeable losses typical of the contract. Typically, a loss amounting to EUR 2.5 million can be expected from physical damage and EUR 1.0 million for pecuniary loss, in transactions of the type in question.

3. The contracting parties shall be liable to each other for material damage and pecuniary losses relating to non-essential contractual obligations, unless the contracting party itself, its legal representatives, performing or vicarious agents acted without gross negligence or deliberate intent.

The contracting parties' own liability, and their liability for their legal representatives, executive performing agents and vicarious agents, shall be limited to foreseeable loss typical of the contract, in case of material damage and pecuniary loss caused by gross negligence. The contracting parties' liability for gross negligence of "simple" performing agents shall be limited to EUR 1.5 million in case of material damage and EUR 0.5 million in case of pecuniary losses.

4. Contrary to items 2 and 3, the network operator shall be liable for material damage and pecuniary losses incurred by the transmission customer due to interruption or other irregularity in the reception or delivery of gas by contract or by prohibited act only if the network operator, its legal representatives, performing or vicarious agents caused material damage deliberately or negligently and pecuniary loss deliberately or by gross negligence. Deliberate intent or negligence, in case of material damage, and deliberate intent or gross negligence in case of pecuniary losses, shall be presumed to have occurred, unless refuted.
5. The network operator's liability for material damage caused by minor negligence as per item 4 shall be limited to EUR 5000 per event of loss per end-consumer supplied by the transmission customer.

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The network operator's liability for pecuniary losses caused by gross negligence as per item 4 shall be limited to EUR 5000 per event of loss per end-consumer supplied by the transmission customer.

The network operator's liability for material damage, not caused deliberately, shall be limited to the maximum sums listed below per event of loss. Total liability for pecuniary losses caused by gross negligence shall be limited to 20 percent of the maximum amounts listed below:

- a) EUR 2.5 million on a network with up to 25 000 connection users;
- b) EUR 10 million on a network with up to 100 000 connection users;
- c) EUR 20 million on a network with up to 200 000 connection users;
- d) EUR 30 million on a network with up to 1 million connection users; and
- e) EUR 40 million with more than 1 million connection user.

Connection user shall mean each end-consumer who uses a connection to the low/medium or high-pressure network to take off gas by contract.

6. The above provisions shall be applicable to claims in tort of the transmission customer, asserted by it against a third network operator, in the terms of the Energy Industry Act §3.27. Liability per event of loss in cases of material damage shall be limited to three times the maximum amounts listed in item 5 a) to e), depending on the number of connection users connected to the network. If the third network operator has no connection users of its own, connected to the network, liability per event of loss, in cases of material damage, shall be limited to EUR 200 million. Liability for pecuniary losses caused by gross negligence shall be limited to a total of 20 percent of three times the maximum amounts listed in item 5 a) to 3), or, as the case may be, of EUR 200 million.

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7. If the total individual compensation claims for a loss exceed the respective maximum, the individual claims shall be reduced by the proportion of the total of all such compensation claims to the respective maximum.
8. There shall be no liability on the part of the network operator for measures under the Energy Industry Act §16.2. Measures under the Energy Industry Act §16.2 shall especially include those adopted to secure the supply of natural gas to domestic customers as per the Energy Industry Act §53a.
9. This shall not prejudice a liability of the contracting parties under compelling provisions of the Liability Act and other legal requirements.
10. Items 1 to 9 shall also apply in favour of the network operator's legal representatives, employees and performing and vicarious agents.

#### **§55 Suspension of performance and notice of termination**

1. The network operator shall be entitled under Energy Industry Act §§16 and 16a to suspend or modify contractual services.
2. If the contract is not concluded for a fixed term, it may be terminated at three months' written notice to the end of a calendar month.
3. Irrespective of items 1 and 2 above, in case of serious breach of contract, especially non-fulfilment of payment obligations by the transmission customer or balancing group manager, or breach of obligations to provide services by the network operator, the respective other contracting party shall be entitled to terminate the relevant contract with immediate effect.
4. Each contracting party shall further be entitled to terminate the relevant contract with immediate effect if:

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- a) the other contracting party has filed a petition for opening of insolvency proceedings concerning its assets;
  - b) orders under the Insolvency Ordinance §21 have been given against the other contracting party; or
  - c) insolvency proceedings have been opened, or refused due to lack of assets, concerning the other contracting party.
5. In case of suspension of contractual services, the contracting parties shall immediately resume their respective obligations as soon as the grounds of suspension cease to apply.

#### **§56 Disclosure and processing of data**

The network operator shall be entitled to pass on consumption, settlement and contractual data to network operators, insofar and as long as this is necessary for the proper handling of the respective contract. The transmission customer hereby declares that it consents to the automated processing of data by the network operator or by a company appointed by the network operator, on the terms of the data protection acts.

#### **§57 Economic clause**

1. If unforeseen circumstances arise during the term of a contract, which have considerable economic, technical or legal effects on the contract, but the contract and these Network Access Conditions make no provisions for them, or the contract did not contemplate them at the time of conclusion, and if any contractual provision thereby becomes unreasonable for a party, the affected party may request the other to adapt the contract terms accordingly, to allow for the changed circumstances, having regard to all economic, technical and legal effects on the other party.

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2. A party invoking such circumstances shall present and document the requisite facts.
3. The right to amendment of the contract terms shall exist from the time when the requesting party first requests amendments of the contract terms on grounds of changed circumstances, assuming the requesting party could not reasonably have been expected to assert its claim earlier.

### **§58 Confidentiality**

1. The parties shall treat as confidential the content of a contract and all information which they have received in connection with it (hereinafter called "confidential information), save as provided in item 2 and in §56. They shall not disclose or make the confidential information accessible to third parties, unless the relevant contracting party has given prior, written approval for this purpose. The contracting parties hereby undertake only to use the confidential information for the purpose of performance of the relevant contract.
2. Each contracting party shall be entitled, without the other contracting party's written approval, to disclose confidential information which it has received from the other party, as follows:
  - a) to an affiliate bound by confidentiality in the same way;
  - b) to its representatives, advisors, banks and insurance companies if, and insofar as, disclosure is necessary for proper fulfilment of the contractual obligations, and such persons or companies have, in turn, already undertaken to treat such information as confidential, or are professionally bound by law to maintain secrecy; or
  - c) to the extent that such confidential information:

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- was already legitimately known to the contracting party receiving it, at the time of receipt from the other contracting party;
  - is already in the public domain or enters it other than by act or omission of the receiving contracting party; or
  - has to be disclosed by a contracting party, on the grounds of a legal requirement or order of a court of law or authority, or a request of the regulatory authority; in this case, the contracting party making the disclosure shall immediately inform the other contracting party.
3. The obligation to preserve confidentiality shall lapse four years after the end of the relevant contract.
4. This shall not prejudice the Energy Industry Act §9.

### **§59 Legal succession**

1. Save as provided in §43, the transfer of contractual rights and/or obligations, in whole or in part, shall require the other contracting party's prior consent. Such consent shall only be refused for good cause.
2. Transfer as per item 1 to an affiliate in the terms of the Stock Corporations Act §15 shall not require prior consent. Instead, only written notice to the other contracting party shall be required. An affiliate shall also be an undertaking which, directly or indirectly, holds at least 50% of the shares or votes in the business of the transferor or transferee.

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**§60 Amendments of the Network Access Conditions**

1. The network operator shall be entitled to amend these Network Access Conditions at any time. Save as provided in item 2 below, such amendment shall apply to all contracts concluded from the time of amendment of the Network Access Conditions. Amendments as per §41 items 2 and 3 shall remain unaffected.
2. The transmission customer or balancing group manager shall be entitled, though not bound, to accept the amended within 30 working days of entry into force ("effective date"). However, they shall accept them as a whole, by written declaration to this effect to the network operator, for all its existing contracts. Such statement by the transmission customer or balancing group manager shall state the date from which the amended Network Access Conditions shall apply to its contracts ("elective date"). The elective date shall be the first day of a month. It shall lie no longer than three months after the effective date of the amended Network Access Conditions, though not before the effective date. From the elective date, the amended Network Access Conditions and the price list published by the network operator on the effective date shall apply to all existing contracts with the transmission customer or balancing group manager.
3. Contrary to the second clause of item 1 and to item 2, the balancing group network operator shall be entitled to amend the Operating Manual, Annexe NZB 2 of the Network Access Conditions, at three months' notice, to maintain the working integrity of the gas transmission systems in the market territory and/or comply with recognised rules of technology or rulings of national and international authorities.
4. Contrary to the second clause of item 1 and to item 2, the network operator shall be entitled to amend the Network Access Conditions and price list, with immediate effect on all existing contracts with the transmission customer or balancing group manager, if such amendment is necessary to comply with relevant laws or legal ordinances and/or legally binding requirements of national or international courts and

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authorities, especially rulings of the Federal Network Agency, and/or generally recognised rules of technology. In this case, the network operator shall immediately notify the transmission customer or balancing group manager accordingly. If the amendment to its contract causes significant economic disadvantage to the transmission customer or balancing group manager, the transmission customer or balancing group manager shall be entitled to terminate its contracts at 15 working days' notice to the end of the month after the effective date. There shall be no compensation. §46.2 shall stand.

This provision shall apply accordingly to amendments necessary on further combination of market territories.

5. Contrary to the second clause of item 1 and to item 2, the network operator shall be entitled to correct obvious errors of spelling and/or computation in the Network Access Conditions.

## **§61 Severability**

1. If individual provisions of this agreement or its annexes are, or become, ineffective or unworkable, the agreement and its annexes shall otherwise remain unaffected.
2. The contracting parties shall undertake to replace the ineffective or unworkable provisions, by suitable procedure, with others which come as close as possible to their intended economic return. The same shall apply to gaps in provision.

## **§62 Written form**

Any amendment or notice of termination of a contract shall only be effective if written. The same shall apply to any waiver of the requirement of written form.

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### **§63 Jurisdiction clause and applicable law**

1. All disputes arising from a contract concluded under these Network Access Conditions shall be referred to the courts, by ordinary recourse.
2. This shall not prejudice the Energy Industry Act §31.
3. Contracts concluded on the basis of these Network Access Conditions, these Network Access Conditions themselves, and their interpretation, shall be governed by German law, to the exclusion of the UN Sales Convention.

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## **Annexe NZB 1: Definitions**

The following definitions shall apply. Terms used in the singular shall also comprise the plural, unless explicitly otherwise stated or apparent from the context. Terms not otherwise defined below shall have the definitions of the German Federal Electricity and Gas Supply Act (Energy Industry Act) of 7 July 2005 and the Ordinance on Access to Gas Supply Networks (Ordinance on Tariffs for Gas Network Access) of 25 July 2005, in their respective current editions.

1. Connection user

Each end-consumer using a connection to the low/medium/high-pressure network for the offtake of gas, by contract or in the context of connection use relations as per §3 of the Ordinance on General Conditions of Network Connection and Use for Low-Pressure Gas Supply (Low-Pressure Connection Ordinance – NDAV) of 1 November 2006.

2. Settlement energy

A set-off quantity amounting to the difference between the exit and entry quantities of each balancing group in the market territory, obtained (retrospectively) at the end of the balancing period.

3. Design temperature

The temperature determined according to the relevant climatic zone as per DIN EN 12831 insert sheet 1 table 1a.

4. Exit network operator

A network operator with which the transmission customer concludes an exit contract.

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5. Exit point

A point within a market territory at which a transmission can take off gas from a network operator's network to supply end-consumers, at market territory borders or for storage purposes. If the exit network operator is a local distribution network operator, the exit point is also the metering point.

6. Balancing period

The balancing period for all quantities of gas except biogas in a biogas balancing group is the gas business day.

7. Balancing group code

A definitive number which the balancing group network operator assigns to a balancing group manager for a balancing group and which serves to identify nominations or renominations of quantities of gas.

8. Balancing group network operator

A market area-wide network operator or a third party with which a balancing group can be formed, and with which a balancing group contract is concluded.

9. Entry network operator

A network operator with which the transmission customer concludes an entry contract.

10. Entry point

A point within a market territory at which gas can be transmitted to a network operator on its network, including transfer to import points, inland sources and production plants, storage facilities or mixing and conversion plants.

11. External balancing energy

Network balancing and control services which are not internal balancing energy in the terms of item 18, especially:

- procurement of gas to make up under-supply quantities and/or
- disposal of gas to eliminate quantities over-supplied.

12. Firm capacity

Capacity which transmission customers can reserve on a firm basis as per §5.

13. Gas business day

The period from 0600 hours on one calendar day to 0600 hours on the next calendar day.

14. Gas business year

The period from 0600 hours on 1 October of one calendar year to 0600 hours on 1 October of the next calendar year.

15. GeLi Gas

The business processes for switching gas supplier.

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16. Large-scale consumer without daily band

Exits with consumption metering and a total exit capacity reservation or maximum offtake of 300 MWh/h or more, unless the balancing group manager has informed the balancing group network operator that the exit shall, instead, belong to the case group of the large-scale consumer with daily band and the balancing group network operator in this case has not objected.

17. Large-scale consumer with daily band

Exits with consumption metering, where total exit capacity reservation or maximum offtake is less than 300 MWh/h, unless the balancing group manager has informed the balancing group network operator that the exit shall, instead, belong to the large-scale consumer without daily band.

18. Internal balancing energy

Services to balance and control the networks, reducing the need for external balancing energy and provided by network operators from

- their own networks;
- the adjacent networks within the market territory;
- the adjacent networks outside the market territory.

19. Capacity

Maximum hourly flow rate at an entry or exit point within a given period of time, expressed in m<sup>3</sup>/h (Vn) or kWh/h, according to the network operator's requirements.



20. Load flow covenant

A contractual agreement between transmission customers and network operators accepting a given gas flow at an entry or exit point. Load flow covenants shall, in particular, comprise entry acceptances.

21. Market territory

A combination of (part-) networks. [www.gasnetzkarte.de](http://www.gasnetzkarte.de) shows which (part-) networks belong to which market territories.

22. Market area-wide network

(Part-)network(s) of the market area-wide network operator(s).

23. Market area-wide network operator

The network operator or operators of a market territory, appointed as market area-wide network operator(s) in the designation of the market territory, or a third party appointed by it/them, to whom the rights and obligations of the market area-wide network operator(s) have been transferred, in whole or in part.

24. Mini-Müt

The transmission of quantities of gas for the relevant transmission customer between balancing groups of different market territories on the exit network.

25. Network operator

A generic term for entry network operators, exit network operators and balancing group network operators.

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26. Network account

In a network account, all quantities entering a network are compared, on a daily basis, with the allocated exit quantities to end-consumers and transfers to downstream networks, storage and adjacent market territories from that network.

27. Line pack

Possibility of storing gas by compression on transmission and distribution networks.

28. Nomination

Application for gas quantities to be transmitted within defined time spans as per §22 and the Operating Manual, Annexe NZB 2 of the Network Access Conditions.

29. Balancing energy

Energy to balance and control the networks in the market territory, including offsetting the total of all balancing group deviations.

30. Renomination

Subsequent amendment of a nomination.

31. Residual load curve

The residual load curve is the daily difference between the quantity entering a network, the total of the load profiles of all interval-metered customers and the transmissions to downstream networks, storage facilities and to adjacent market territories.

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32. Balancing sub-account

An account in a balancing group for the allocation of entry and exit quantities to transmission customers.

33. Day D

Day D is the day of delivery.

34. Technical requirements

Technical parameters which are necessary for the reservation and transmission of gas, especially: pressure, composition of gas, metering and allocation.

35. Interruptible capacity

Capacity which a transmission customer may reserve on an interruptible basis as per §5. The network operator may suspend the use of interruptible capacity as per §44.

36. Contract

A generic term for entry contract, exit contract and balancing group contract.

37. Virtual exit point

An exit point, not for reservation, in a balancing group, via which gas is transmitted to another balancing group.

38. Virtual entry point

An entry point, not for reservation, in a balancing group, via which gas is transmitted from another balancing group.

39. Virtual trading point

A virtual point where gas can be traded after entry and before exit, within the market territory. The virtual trading point is not allocated to a physical entry or exit point and enables buyers and sellers of gas to buy or sell gas without reserving capacity.

40. Maximum offtake

The maximum possible use of the output of the network, under design conditions, prescribed at an exit or entry point of a local distribution network.

41. Working days

Contrary to the definition in Ordinance on Tariffs for Gas Network Access §2.15, working days shall, for the purpose of meeting deadlines, mean all days other than Saturdays, Sundays and public holidays. If a day is a designated public holiday in one German federal region, it shall be deemed a public holiday nationwide. 24 and 31 December each year shall be deemed public holidays.

## **Annexe NZB 2: Operating Manual**

### **Part 1 Basics**

#### **§1 Information obligations**

1. To ensure proper handling of the transmission, each network operator on the transmission chain shall receive information on the quantities for transmission.
2. Standard message formats shall be necessary for the exchange of data (e.g processing data, settlement data, route of transmission, transmission system etc).

#### **§2 Contactability**

Thyssengas and the balancing group manager undertake to be contactable 24 hours every gas business day. Contact shall be assured, at least by telephone, on one telephone number alone and, as far as possible, via another channel of communication. Balancing group managers and network operators shall also always be able to receive, send and process the data necessary for handling.

#### **§3 Identification**

Thyssengas shall allocate a balancing group code to the balancing group manager promptly before commencement of use of the balancing group, in order definitively to identify its balancing group.

#### **§4 Data exchange**

1. The balancing group manager shall promptly inform Thyssengas of the necessary addresses, telephone numbers and e-mail addresses, and amendments to these, in written form.

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2. The exchange of all data necessary for handling of each nomination procedure shall take place via the following channels of communication or data formats, which shall be agreed in written form:
  - Edig@s via AS2; alternatively ISDN/FTP
  - e-mail using templates published/authorised by Thyssengas (if the above communication by Edig@s is impossible or inappropriate, e.g. to exchange contact details)
  - fax (failing the above options).

The necessary handling data shall be stated in SI units.

## **§5 Communication test**

Before commencement of balancing group handling, Thyssengas shall carry out a communication test with a natural person bindingly appointed by the balancing group manager in the balancing group contract. In this communication test, Thyssengas shall check whether its communication requirements are met, and whether the appointed natural person is able to forward messages and notices concerning the handling of the contracts for the balancing group manager to Thyssengas, and to receive and process such notices and messages from Thyssengas. On passing the communication test, the natural person, appointed by the balancing group manager, shall be recognised by Thyssengas.

## **§6 Conversion between CET and CEST**

1. With regard to the changeover from CET to CEST (normally at the end of March each calendar year), Thyssengas shall be entitled to apply special conditions to nominations on the gas business day on which the changeover from CET to CEST takes place.

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At present the balancing group manager shall nominate twenty-three (23) consecutive hourly values per point to be nominated.

2. With regard to the changeover from CEST to CET (normally at the end of October each calendar year), Thyssengas shall be entitled to apply special conditions to nominations on the gas business day on which the changeover from CEST to CET takes place. At present the balancing group manager shall nominate twenty-five (25) consecutive hourly values per point to be nominated.
3. Unless otherwise provided below, the provisions of the BDEW/VKU/GEODE Guideline "Business Processes for the Management and Handling of Gas Balancing Groups" and the DVGW Worksheet G2000, in the current edition, concerning handling between balancing group managers and network operators, shall apply. They shall be published at [www.thyssengas.com](http://www.thyssengas.com) (network access/download area).

## **§7 Balancing sub-accounts**

1. A balancing sub-account shall form part of a balancing group and shall have a separate balancing sub-account number. Balancing sub-accounts shall summarise entry and/or exit points and the quantities of gas allocated to them. The manager of the relevant balancing group shall bear responsibility for nomination and for quantitative differences for balancing sub-accounts.
2. Unless otherwise provided, all rules concerning handling in balancing groups shall apply accordingly to balancing sub-accounts.

## Part 2: Nominations and nomination procedure

### §8 Nominations

Nominations shall comprise notices of the hourly quantities for transmission per gas business day, within defined periods, for defined points, based on CET or CEST, in kWh/h.

Nominations shall be necessary for the following:

- entry points/zones (including biogas entries);
- transmissions between market territories, at the level of market area-wide network operators (MüT);
- transmission of quantities of gas between balancing groups of different market territories on the network of a market area-wide, downstream network operator (MiniMüT);
- transmission of quantities of gas between balancing groups via the respective virtual trading point;
- storage connection points; and
- exit points/zones (where envisaged under NZB §22 paragraphs 3 and 4).

### §9 Nomination periods

1. Nominations may be made for different periods of time. In principle, daily nominations shall be made. Daily nominations shall be submitted no later than 1400 hours for the following gas business day. If the next gas business day is not a working day, the balancing manager may submit extra nominations for gas business days thereafter, which are not working days, and for the following working day, no later than 1400 hours, by prior agreement with Thyssengas.

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2. The balancing group manager and the network operator may agree, in writing, on longer-term nominations.

### **§10 Nomination procedure**

1. The balancing group manager shall nominate the quantity of gas for transmission. It shall state the nomination period, and refer to one of the points mentioned in §8 of this Annexe NZB 2. Nominations shall be made for 24 hours and make up a whole number for each hour.
2. The balancing group manager shall make nominations in separate notifications for each balancing group, separated into physical points and the respective virtual trading point. Thyssengas shall send confirmation messages for each balancing group contract to the balancing group manager by the same system, unless Thyssengas and the balancing group manager have agreed otherwise in writing. In the case of an entry zone, Thyssengas shall be entitled to require nominations for each station of that zone. In the case of an exit zone, nominations shall be made for the zone as a whole.
3. The balancing group manager shall ensure that the hourly entry quantities match the hourly exit quantities in the balancing group.
4. Nominations shall state the necessary pairs of balancing group codes (at national border crossing points by prior agreement; where applicable shipper code pairs) for the points to be nominated, and quote the identification codes.
5. To allow correct allocation, the balancing group manager shall inform Thyssengas, at least 10 working days before using the agreed capacity rights, which adjacent network operator has been allocated to it to settle the relevant balancing group codes. The same shall apply in case of amendment of balancing group codes. It shall e-mail this information to Thyssengas' designated e-mail address. To allow correct allocation at the virtual trading point, the balancing group manager shall

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inform Thyssengas, at least 10 working days before first trade with a new trading partner at this virtual trading point, of the new trading partner's balancing group code.

6. After checking the contract parameters and reconciliation with the adjacent network operators, Thyssengas shall confirm the nominations, as a rule by automated procedure.
7. Nominations shall be reconciled with the adjacent network operator if and insofar as one of the network operators so desires, or if it is necessary and reasonable from a technical viewpoint with regard to transmission. The reconciliation shall be based on hourly figures. In case of deviations between these nominations, the network operator shall confirm the lower of the nominations registered. Otherwise the network operator shall confirm the reconciled nominations for the next gas business day by 1800 hours on the previous day, if pre-agreed in writing.

## **§11 Consequences of wrong or omitted nomination**

1. The network operator may refuse nominations if they are incomplete or infringe contract parameters.
2. Thyssengas may reduce nominations which exceed the agreed capacity rights, until they match the agreed capacity rights. This shall apply accordingly to reduction as per NZB §42. This shall not prejudice the rules on overrunning reserved capacity as per NZB §46.
3. If the balancing group manager omits nomination for the next gas business day, the longer-term nomination in force for the respective period shall be deemed the nomination for the relevant gas business day. If no such information is available, the nominated gas quantities shall be taken as 'nil.'

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## §12 Renomination procedure

1. The balancing group manager may amend the nominations made, by renominations. Thyssengas shall try to act on such renominations as quickly as possible. When Edig@s is used, such amendment shall normally take a lead time of 2 (two) hours, to the nearest whole hour. Otherwise, the lead time shall be four hours to the nearest whole hour. Renominations outside office hours (0800 - 1700) shall be notified by telephone. Thyssengas shall confirm the settled renomination to the balancing group manager, provided that the forwarding of confirmation of the renominations was previously agreed in writing between the network operator and the transmission customer. Thyssengas may limit the maximum number of renominations per transmission customer per day.
2. Otherwise the provisions of §§8 and 10 of this Annexe NZB 2 shall apply, with the exception of §10.5.

## Part 3: OFC in substitution for nomination procedure

### §13 Conditions

1. As an alternative to the nomination procedure, Thyssengas and the transmission customer shall agree in writing on the OFC procedure (online flow control), subject to the "Standard Agreement on Following the OFC Procedure", published at [www.thyssengas.com](http://www.thyssengas.com) (network access/download area).
2. For transmissions between networks, the OFC procedure shall require the consent of all network operators involved.
3. Use of the OFC procedure shall be conditional on not jeopardising the stable running of the network. The transmission customer shall provide the corresponding quantities of natural gas, with sufficient flexibility, at a physical entry point (other

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than an entry point to storage). Otherwise the OFC procedure shall only be agreed if transfer of measured data to Thyssengas's technical installations is assured. For this purpose, it shall be necessary that the interface of data transfer and the formats of data to be transmitted shall meet the Thyssengas technical standards. The necessary measured data shall be made available to Thyssengas via TASE.2 link. The transmission customer shall ensure that the necessary online measured data are prepared for Thyssengas at three-minute intervals. Responsibility for fault-free functioning of the relevant technical installations up to provision of the data shall rest with the transmission customer.

4. If the transmission customer would like to agree a storage facility as the physical entry point for use of the OFC procedure, this shall require separate, individual agreement with Thyssengas. The transmission customer shall first produce a written consent of the storage operator on the OFC capability of the storage in the specific case.

#### **§14 Set-up**

In addition to the agreement, to be concluded as per §13.1 of this Annexe NZB 2, the transmission customer shall notify Thyssengas, by the fifth working day of the month before that of first use of the OFC procedure, of the start of the OFC procedure, exclusively by e-mail to the mailbox [eesy@thyssengas.com](mailto:eesy@thyssengas.com).

#### **§15 Settlement**

1. For the OFC procedure, the balancing group manager shall set up a balancing sub-account in the balancing group into which the allocated physical entry capacity, necessary for OFC, is introduced. Only exit points of the market territory of time series type RLMNEV, as per item 2.4.1 (Definition of Time Series Types) of the BDEW/VKU/GEODE Guideline "Business Processes for Management and Settlement of gas balancing groups" shall be included in such balancing sub-account.

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Such set-up shall take place, in the context of use of the online balancing group contract system, by marking the balancing sub-account as type "OFC" accordingly.

2. When following the OFC procedure, the transmission customer shall ensure that the exit points for flow control are included in the relevant separate OFC balancing sub-account, while meeting the implementation deadline of NZB §15.3. In so doing, the transmission customer shall also notify Thyssengas to which entry point to allocate the added exit point.
3. The total capacities of the exit points included in this balancing sub-account shall not exceed the physical entry capacity of the balancing group allocated to these exit points.
4. Thyssengas shall route the gas quantities at the allocated entry point with the respective online measured value of the transmission-related exit point to an end-consumer, as an entry to its network.
5. The transmission customer shall prepare the OFC data for Thyssengas for flow control at the allocated entry point, in kWh/h. The transmission customer shall agree the calorific value to use as a reference for converting the measured value (in m<sup>3</sup>/h) into the unit kWh/h with the relevant exit network operator.

## **§16 Loss of metered data and failure of metered data transfer**

In case of loss of metered data or failure of remote data transmission in the context of the OFC procedure, the transmission customer shall be responsible for restoring data transfer. Pending restoration of data transfer, the transmission customer shall work out an applicable substitute value and ensure transfer via TASE.2 connection to Thyssengas. While no valid substitute value is made available, the value for the OFC shall be 'zero.' This value shall be applied to the allocated entry point.

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## **§17 Settlement**

1. The balancing group manager shall receive no tolerance for the exit quantities allocated to the balancing sub-account via the OFC procedure, even in relation to the hourly incentive system of NZB §29.2.
2. Any quantitative differences occurring shall be balanced in the balancing group and settled as applicable, regardless of any OFC outage.

## Annexe NZB 3: Supplementary Network Access Conditions

The Network Access Conditions (hereinafter: NZB), published by Thyssengas as legal successor of RWE Transportnetz Gas GmbH, shall be the same as the Network Access Conditions in KoV III Annexe 3. Where KoV III allows additions to, or deviations from, KoV III Annexe 3, Thyssengas shall use those Supplementary Network Access Conditions (hereinafter: Supplementary NZB).

### §1 Entry and exit zones (NZB Annexe NZB 1)

In some areas, Thyssengas has combined several entry or exit points to form an entry or exit zone. An entry or exit zone shall count as an entry or exit point in the terms of Annexe NZB 1, unless otherwise provided for entry or exit zones.

### §2 Allocation requirements and restrictions of use (NZB §5.4)

1. The allocation requirements and restrictions of use, applicable at Thyssengas to individual entry or exit points, shall be specifically described in the relevant points at Info Help at [www.thyssengas.com](http://www.thyssengas.com) (network access/network information).
2. Thyssengas shall be entitled also to impose allocation requirements, or restrictions of use, on contracts already concluded, or to amend existing allocation requirements or restrictions of use, where necessary to guarantee security of supply and network stability. This shall especially be the case if, for unforeseeable reasons, transmission customers' or balancing group managers' use of capacity does not match Thyssengas' projected load flows, or the instruments of control needed by Thyssengas to guarantee security of supply and network stability, e.g. load flow covenants are only obtainable on uneconomic terms, if at all and, for network technical reasons, Thyssengas has no possibility of transmission without such allocation requirements or restrictions of use, or amendment thereof. Thyssengas shall immediately inform transmission customers accordingly. The transmission cus-

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tomers shall have the right of extraordinary termination of the relevant contracts at 14 days' notice from the time of notification, to the end of the month, where such amendment is permanent and unreasonably affects it. If the transmission customer does not avail itself of this, the relevant contracts shall be amended accordingly.

3. Entry or exit points with allocation requirements shall only be introduced to a balancing group on condition that compliance with such requirements shall be assured. On request, contrary to NZB §21.2, a virtual entry and exit point shall only be introduced to such a balancing group if the transmission customer agrees with Thyssengas a corresponding load flow covenant, guaranteeing the relevant allocation requirements.

### **§3 Registration/deregistration for network use to supply end-consumers (NZB §4)**

The reservation of free capacity to supply end-consumers directly connected to the Thyssengas network (e.g. connection reservation, additional reservation of previously unreserved capacity, etc.) shall not trigger registration/deregistration in the terms of NZB §4.

### **§4 Online reservation for transmission system operators (NZB §§5 and 6)**

It shall only be possible to reserve entry and exit capacity with Thyssengas online via the market territory platform [www.marktgebiete.com](http://www.marktgebiete.com).

### **§5 Conclusion of Contract (NZB §7.3)**

For end-consumers directly connected to the Thyssengas network, Thyssengas shall offer introduction of exit points into the balancing group at any time, in the context of use of the online balancing group contract system at [www.thyssengas.com](http://www.thyssengas.com) (network access/online services with EESy interaktiv). Such offer shall be effective on the next gas business day, subject to the implementation period of NZB §15.3.

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## **§6 Invoicing on settlement of over/under-supply quantities (NZB §12.4)**

Over/under-supply quantities shall be settled in addition to settlement for network use (capacity tariff settlement), as a separate settlement of over/under-supply quantities identified at the meter point.

## **§7 Online conclusion of balancing group contract (NZB §16)**

It shall only be possible to conclude balancing group contracts with Thyssengas online via the Thyssengas online balancing group contract system at [www.thyssengas.com](http://www.thyssengas.com) (network access/online services with EESy interaktiv).

## **§8 Linking of balancing groups (NZB §19.3)**

The linking contract, necessary to link balancing groups as per NZB §19 NZB and published at [www.thyssengas.com](http://www.thyssengas.com) shall be completed at latest 10 working days before the transmission month in which the balancing group linking is to take effect.

## **§9 Introduction of points (NZB §21)**

1. It shall only be possible to introduce entry and exit points of end-consumers directly connected to the Thyssengas network into balancing groups or balancing sub-accounts online, via the Thyssengas online balancing group contract system at [www.thyssengas.com](http://www.thyssengas.com) (network access/online Services with EESy interaktiv).
2. For settlement-related technical reasons, it is not currently possible to allocate capacity, reserved at one point by the same transmission customers, to different balancing groups/balancing sub-accounts.

**§10 Balancing group formation in the nomination substitute procedure (NZB §§18, 22 and 29)**

1. For the OFC procedure, the balancing group manager shall set up a balancing sub-account in the balancing group into which the physical entry capacity necessary for online flow control (OFC) is introduced. Only exit points of the market territory of time series type RLMNEV as per item 2.4.1 (Definition of Time Series Types) of the BDEW/VKU/GEODE Guideline "Business Processes for the Management and Settlement of Gas Balancing Groups." Such balancing sub-account shall be set up in the context of use of the online balancing contract system, by appropriate flagging of the balancing sub-account as type "OFC." The total capacities of the exit points included in this balancing sub-account shall not exceed the physical entry capacity of the balancing group, assigned to such exit points.
2. The transmission customer shall inform Thyssengas of commencement of the OFC procedure by the fifth working day of the month prior to the month of first application of the agreed OFC procedure. Such information shall only be given by e-mail, to the mailbox [eesy@thyssengas.com](mailto:eesy@thyssengas.com).

**§11 Set-up of OFC procedure (NZB §22.2)**

1. When the OFC procedure is followed, the transmission customer shall be responsible for equipping the metering point and setting up the data transfer. The Transmission customer shall meet the costs of equipping the metering point, setting up the data transfer and providing the OFC data at three-minute intervals. This shall especially comprise recording of metered data and transferring them via TASE.2 link.
2. The transmission customer shall provide the OFC data for control at the allocated Thyssengas entry point, in kWh/h. The transmission customer shall agree the calorific value to be used as a reference for converting the metered value (in m<sup>3</sup>/h)

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into the unit kWh/h with the respective exit network operator.

## **§12 Quantity allocation (NZB §24.3)**

Transmission customers shall only make their declarations as per NZB §24.3 by e-mail to the mailbox **eesy@thyssengas.com**. They shall do this only one month before commencement of the levy period as per §30.3 or in the context of a change of supplier, in accordance with the requirements of item 2.4.2 (Change of Case Groups) of the BDEW/VKU/GEODE Guideline "Business Processes for the management and Settlement of Gas Balancing Groups." They shall note that an exit point can only ever be allocated to one case group.

## **§13 Transfer of gas quantities between balancing groups (NZB §33.3)**

1. At present no separate conditions of use shall apply to the transfer of quantities of gas via the virtual entry or exit point, subject to the tariff published in the Price Sheet.
2. If balancing power is provided at the virtual exit or entry point as per NZB §32, no separate tariff shall be payable for use of such virtual entry or exit point.

## **§14 Calculating the settlement energy prices (NZB §27 items 2 and 4)**

1. Contrary to NZB §27.2, the balancing group manager shall pay a tariff amounting to the second-highest purchase price of the reference prices, multiplied by 1.2, to the extent that exit quantities exceed entry quantities (positive settlement energy).
2. Contrary to NZB §27.3, the prices in €/kWh at the following trading exchanges shall apply as reference prices for the relevant gas business day:

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- Title Transfer Facility in The Netherlands ("TTF")  
- sell price and buy price shall be as per the APX TTF-Hi DAM All-Day Index published at [www.apxgroup.com](http://www.apxgroup.com);
- Virtual trading point of the "Gaspool" market territory
- Zeebrugge hub in Belgium ("Zeebrugge"):  
- sell price and buy price shall be as per the APX Zeebrugge DAM All-Day Index published at [www.apxgroup.com](http://www.apxgroup.com)
- E.ON Gastransport virtual trading point for H-Gas ("EGT VP"):  
- sell price and buy price shall be the E.ON GT Settl. price published for the gas business day, on the trading day immediately prior to the gas business day, at [www.eex.com/Marktinformation/Erdgas](http://www.eex.com/Marktinformation/Erdgas).

If there are no up-to-date daily reference prices, Thyssengas shall be entitled to use the last published value to determine the reference price.

## **§15 Interruptible capacity** (NZB §§5.3 and 44)

1. The transmission customer may also reserve interruptible capacity. Interruptible capacity shall be classified according to the degree of reservation at the relevant entry or exit point at the time of reservation, for the reservation period applied for. The degree of reservation shall be obtained from the ratio of total firm or interruptible capacity reserved to firm and interruptible capacity available for reservation during the reservation period. If the reservation changes, there shall be no automated regrouping later via the system.

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Category	Degree of reservation at entry or exit point
1	Up to 100%
2	> 100 -110%
3	> 110%

2. Supplementing NZB §44.4, interruptible capacity at an entry or exit point shall be suspended first in category order, starting with Category 3. Suspension within categories shall follow the time sequence of the relevant binding application, starting with the last binding application received.
3. Until 0600 hours on 1.1.2010, no system display of the classification into reservation categories, and hence also the interruption as per item 2 shall be possible. Up to that date, suspension shall take place in the time order of the respective binding application, beginning with the last binding application received. At 0600 hours on 1.1.2010, the first calculation of the degree of reservation shall take place. This shall include classification of all reserved interruptible capacity as per item 1, into categories 1 - 3.

## §16 Tariff and payment terms (NZB §48)

1. Invoice amounts shall be payable from the beginning of the reservation period.
2. Network tariffs for entry and exit contracts shall be invoiced in advance, on the first of each month, in equal monthly instalments.
3. If Thyssengas levies progress payments in the context of the balancing and settle-

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ment energy levy, these shall be invoiced in advanced, on the first of a month, in equal monthly instalments. Final settlement shall take place after final settlement of the relevant balancing group (of accounting).

4. The structuring contribution as per NZB §29.3 shall be invoiced after final settlement of the relevant balancing group (of accounting).
5. Over/under-supply quantities shall be invoiced after final obtaining of the measured values (reconciliation of quantities taken off with quantities applicable to the balancing group) with the settlement energy price, then calculated as per NZB §12 item 2 or 3.
6. The daily differences in quantity per balancing group (of accounting) shall be settled monthly, as soon as the relevant information is available and, as a rule, by the last working day of the next month but one.
7. The contractual penalty for overrun of reserved capacity as per NZB §46.3 shall be settled monthly as a rule, at the end of the month after that of overrun.
8. Tariffs as per NZB §33 shall be settled monthly by the last working day of the next month but one.
9. All tariffs shall be calculated without rounding; then rounded up or down commercially to two places of decimal.
10. The transmission customer shall pay the invoice amounts within 10 working days of receipt of invoice, to the bank account shown by Thyssengas on the invoice.
11. Place of performance of payments shall be the administrative headquarters of Thyssengas. Payments shall deemed promptly made if the relevant amounts are

credited to Thyssengas' designated bank account within the deadline as per item 10 above.

### **§17 Transmission between market territories (NZB §36.2)**

In a context of transmission between market territories, the transmission customer may commission Thyssengas to enter into the necessary entry and/or exit contract(s) on its behalf with the relevant operator of the network adjacent to the Thyssengas market territories (the receiving network). The transmission customer may also commission Thyssengas to enter into the necessary entry and/or exit contracts on its behalf with other network operators of market territories bordering on the receiving network, up to the market territory from which the gas will exit to the end-consumer or into storage.

### **§18 Counterflow transmission**

1. The transmission customer may also reserve capacity against the main direction of flow (counterflow capacity) at national border crossing points and at interconnection points for transmissions between market territories (MÜT). The maximum reservation shall be the amount of firm capacity shown at the relevant point. Reservation of counterflow capacity shall only be possible on an interruptible basis. In particular, a shortage of load flows in the main direction, or load flows in the main direction which solely serve to maintain network stability shall trigger suspension of counterflow capacity.
2. The transmission customer shall only use counterflow capacities at national border crossing points and MÜTs if at least equal capacity has been reserved and nominated in the main direction of flow. Thyssengas shall provide no guarantee of usability of counterflow capacities in the reservation period.

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3. Other restrictions of usability of counterflow capacities shall be described in the relevant sections of Info Help under **www.thyssengas.com** and **www.marktgebiete.com**.
  
4. Until 0600 hours on 1.1.2010, counterflow capacity shall not be available for reservation online via the market territories platform **www.marktgebiete.com**. Up to that time, reservation inquiries shall be directed to the contact persons listed at **www.thyssengas.com**.

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## **Annexe NZB 4: Rules on extended biogas balancing**

NZB §31.4 states that the balancing of special biogas balancing groups shall be governed by a guideline. BDEW and the Trade Association Fachverband Biogas e.V. jointly published a "Biogas Balancing Guideline" on 14 August 2009, which further develops the existing rules on biogas balancing groups.

The provisions of this Annexe NZB 4 on extended biogas balancing shall implement the statutory requirements on the basis of the provisions of the BDEW "Biogas Balancing" guideline, as follows:

### **§1 Biogas balancing groups**

1. To form a biogas balancing group, the balancing group manager shall introduce, into a biogas balancing group, entry points for the first physical entry of biogas into the network. At the request of the balancing group network operator, the balancing group manager shall suitably prove that the gas physically entering is biogas. Contrary to the first clause, the balancing group manager may also introduce other physical entry points or the virtual entry point to form a biogas balancing group, if it can prove that the gas entering is biogas. Such proof shall in principle be deemed furnished if the gas is transferred under a biogas balancing group contract.
2. The balancing group manager shall remain entitled to introduce biogas entry points into a balancing group as per §17 of the balancing group network operator's network access conditions. In this case, the balancing group manager shall not be entitled to extended biogas balancing settlement. In such case, separate settlement of the biogas quantities shall not be possible.

### **§2 Extended balancing settlement for biogas balancing groups**

1. The balancing group network operator shall allow the balancing group manager

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extended balancing settlement for biogas balancing groups amounting to 25% of the annual physical entry quantity. Contrary to Gas NZV §41e paragraph 3 clause 1, the balancing group network operator and the balancing group manager may agree an initial balancing period of less than 12 months (a short balancing period).

2. Before any balancing period begins, the balancing group manager shall make a non-binding nomination of the predicted entry and exit quantities, and their time spread within the balancing period, for the balancing group network operator.
3. An ongoing daily balance shall be kept of the cumulative entries and exits within the balancing period, taking account of advance indications. This balance of the biogas balancing group shall at no time lie outside the scope of flexibility. To obtain the scope of flexibility, all physical entry quantities at the biogas entry points (biogas plants) in the biogas balancing group shall be calculated. This means the quantities entering via physical biogas entry points introduced directly into the respective biogas balancing group. Thus quantities transferred at the virtual point or between market territories (via MÜT) shall be ignored. All physical entry quantities at the biogas entry points of each biogas balancing group shall be added up to obtain the annual quantity physically entering. The absolute flexibility in kWh shall be  $\pm 25\%$  of the annual quantity physically entering. Allowance shall be made for possible retroactive flexibility transfers (item 4). Daily deviations beyond this scope shall be settled via the daily settlement energy prices (buy/sell prices) as per NZB §27 items 2 and 3, at the end of the balancing period. In case of settlement of a greater daily deviation, the reduced balance shall be carried forward in each case. A provisional monthly settlement shall also be possible, by mutual agreement, e.g. based on the projected annual entry quantity reported as per item 2.
4. Where quantities of biogas are transmitted between different biogas balancing groups in the same market territory, or to biogas balancing groups in another market territory, flexibility may be transferred retroactively as follows, after the set balancing period, between biogas balancing groups whose balancing periods end

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at the same time:

After the end of the balancing period, the balancing group manager shall be entitled to transfer all or part of its biogas balancing group's absolute flexibility, based on the annual quantity physically entering, to other biogas balancing groups to which it has transmitted biogas, provided that their balancing periods shall end on the same day.

On expiry of the balancing period, the balancing group network operator shall inform the balancing group manager of the absolute flexibility of the relevant biogas balancing groups, based on the GABI Gas deadlines.

On this premise, both the balancing group manager releasing and the balancing group manager taking up flexibility shall notify the balancing group network operator, within 20 working days of the settlement dates of the relevant biogas balancing groups, of the flexibility transfer and its amount per biogas balancing group. Such notification shall not, however, take place earlier than 30 working days from the end of the balancing period. In such cases, the following conditions shall apply to flexibility transfer between biogas balancing groups:

- the amount of flexibility for transfer (the total amount in case of transfer of biogas quantities to different biogas balancing groups) shall be less than or equal to the absolute scope of flexibility of the releasing biogas balancing groups **and**
- the flexibility for transfer shall be less than or equal to 25% of the biogas quantity transferred, in each case, between the two biogas balancing groups.

The balancing group network operator shall check that the transfer figures notified by the balancing group manager(s) match and that the limit values have been met. If the notified transfer figures do not match and/or the limit values are not met, the balancing group network operator shall inform the balancing group manager(s) and

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allow them reasonable time to make a correction. After this, the balancing group network operator shall be entitled to reduce the lower and/or limit value (the matching process). The respective balancing group network operator shall conduct an independent check at the virtual point. In case of transfer between market territories, the process shall take place by arrangement with the adjacent balancing group network operator(s).

5. The balancing group manager shall pay the balancing group network operator the extended balancing settlement fee as per Ordinance on Tariffs for Gas Network Access §41e.8, for using the scope of flexibility actually taken up. The scope of flexibility actually taken up for the balancing period shall be measured by the highest daily deviation of cumulative entries and exits within the flexibility scope of  $\pm 25\%$ , as per item 3. Flexibility transferred as per item 4 shall be counted. Settlement shall take place at the end of the respective balancing period.
6. The balancing group manager shall ensure that the cumulative entry and exit quantities are balanced at the end of the balancing period. If a balance still persists between entry and exit on expiry of the balancing period, the balancing group network operator shall after deduction of any positive balance transferred as per item 7. The balancing group network operator shall pay the balancing group manager a tariff amounting to the average settlement energy price for the balancing period, where entry quantities exceed exit quantities after deduction of any transferred positive balance as per item 7 (hereinafter "negative settlement energy"). The balancing group manager shall pay the balancing group network operator a tariff amounting to the average settlement energy price for the balancing period, where exit quantities exceed entry (hereinafter "positive settlement energy").
7. It shall be possible, under a biogas balancing group contract, to carry forward a positive balance, within the existing scope of flexibility, to the next balancing period.

### **§3 Scope and other provisions**

1. The supplementary rules on extended biogas balancing settlement shall only apply if the gas entering is biogas in the terms of the Energy Industry Act §3.10c.
2. If the balancing group manager learns that the entry quantities no longer meet the requirements of the Energy Industry Act §3.10c, it shall inform the balancing group network operator accordingly, immediately on receipt of such knowledge.
3. Biogas shall only be balanced in a biogas balancing group if:
  - (a) the entry points included in the balancing group are exclusively entry points of biogas plants;
  - (b) the balancing group manager ensures that gas entering from other market territories comes from biogas balancing groups;
  - (c) each balancing group, connected for set-off purposes, is a biogas balancing group; and
  - (d) the gas taken off at the virtual trading point is transmitted from another biogas balancing group.
4. If the balancing group network operator learns that the entry quantities no longer meet the requirements of the Energy Industry Act §3.10c, the supplementary rules on extended biogas balancing settlement for the whole contract term shall cease to apply.
5. If individual provisions of Annexe NZB 4: Supplementary Regulations for the Extended Biogas Balancing Settlement contradict the Thyssengas Network Access Conditions or annexes thereof, Annexe NZB 4: Supplementary Regulations for the

Extended Biogas Balancing Settlement shall prevail over the provisions of the Thyssengas GmbH Network Access Conditions and annexes thereof.

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