



General Terms and Conditions (entry-exit-System)

GRTgaz Deutschland GmbH

Valid from October 1, 2013

## **Convenience Translation**

# **General Terms & Conditions (entry-exit-system)**

## **GRTgaz Deutschland GmbH**

### **Valid from August 1, 2013 for transports starting October 1, 2013**

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## Preamble

The General Terms and Conditions for the entry-exit-system of the GRTgaz Deutschland GmbH of August 1, 2013 for transports starting October 1, 2013 (hereafter referred to as „general terms and conditions“) correlate to the Appendix 1 of the “Kooperationsvereinbarung” between the gas supply networks located in Germany in the modified version of June 28, 2013.

## Section 1 Conclusion of contract

1. The Shipper concludes this entry/exit contract via the primary capacity platform jointly operated by the transmission system operators. The preconditions for contract conclusion are registration as shipper on the primary capacity platform and acceptance by the transmission system operator as a shipper pursuant to Section 2a. The primary capacity platform´s terms and conditions published on the primary capacity platform operator's website apply regarding registration on the primary capacity platform jointly operated by the transmission system operators in accordance with Section 6 of the Gas Grid Access Ordinance (GasNZV). In case of a failure of the primary capacity platform or the connected systems of the transmission system operators, booking requests for day-ahead capacity may be directly forwarded in text form to the transmission system operator. In this case, allocation is carried out according to transmission system operator´s ability and without any guarantee on the basis of the chronological order of the binding requests received at the regulated daily capacity tariff.
2. The entry/exit contract for firm entry and exit capacity at market area interconnection points as well as at cross-border interconnection points comes into effect upon the allocation of capacity at the end of the auction.
3. The following capacity types are allocated in the chronological order in which binding requests are received:
  - a) Exit capacity to end-consumers and storage facilities
  - b) Entry capacity from storage, production and LNG facilities
  - c) Entry capacity from facilities within the meaning of section 6 of GasNZV for biogas injection, and
  - d) Interruptible capacity.In these cases the contract comes into effect upon receipt by the shipper of an electronic booking confirmation. Day-ahead capacity may only be booked until 18:00 hours.
4. Entry/exit contracts per item 3 may be concluded as follows: with a term of
  - one year or longer – at any time

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- less than one year – a minimum of 3 months prior to commencement of the contract term
  - less than one month – a minimum of one month prior to commencement of the contract term.
5. The supplementary terms and conditions of the respective transmission system operators in the version applicable at the time of entry/exit contract conclusion constitute an integral part of this contract. In the event of conflicting provisions between the entry/exit contract and the respective transmission system operators' supplementary terms and conditions, the terms of this entry/exit contract shall have precedence over said terms and conditions. Transmission system operators' supplementary terms and conditions may implement exceptions for cross-border interconnection points per items 2 lit. a), item 3 and 6 to the rules outlined in the Federal Network Agency's 'Determination in the matter of capacity management and auction proceedings in the gas sector' (file no. BK7-10-001) dated 24 February 2011 (KARLA). Further deviations from this entry/exit contract are possible to provide bundling at cross-border interconnection points. The Transmission system operator and the shipper may agreed on rules deviating from this contract to realize projects pursuant to Section 39 GasNZV.
6. The inclusion of shipper's general terms and conditions shall be expressly objected.

## Section 2 Definitions of terms

The definitions of terms set forth in the following shall apply. Terms used in the singular imply the plural accordingly.

1. Bundled capacity: exit capacity and the corresponding entry capacity that a shipper can book together in a single procedure.
2. Bundled booking point: consolidation of a bookable exit point and a bookable entry point between two domestic or one domestic and one foreign market area into a single point at which shippers can book bundled capacity.
3. Bundled nomination: a single nomination for a bundled booking point.
4. Day-ahead capacity: capacity bookable the day before utilization as daily capacity.
5. Rest-of-the-day capacity: capacity bookable on the day of utilization for the rest of that day.
6. Within-day capacity: capacity bookable on the day of utilization for a particular part of that day.
7. Primary capacity platform: booking platform jointly operated by transmission system operators.

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8. Person holding the network connection  
As per Section 1 (3) NDAV, applies accordingly to medium and high-pressure networks.
9. Exit network operator  
Network operator with whom the shipper concludes an exit/withdrawal contract per Section 3 (1) sentence 1 GasNZV, including in the form of a supplier framework agreement.
10. Exit point  
A point within a market area where gas can be withdrawn by a shipper from a network operator's network to supply end-consumers or for injection into storages, or to pass it at market area borders and country borders. Several exit points grouped together within a zone in accordance with Section 11 (2) GasNZV are also considered as exit point.
11. Balancing calorific value  
Balancing calorific value is an advance estimate of a final gross calorific value in a given calorific value area. It is subject to monthly review if necessary. A calorific value area is a network area in which a single final gross calorific value is applied.
12. Balancing group number  
A unique number assigned by the market area coordinator for a balancing group that principally serves the identification of gas quantity nominations/renominations.
13. Entry network operator  
Network operator with whom the shipper concludes an entry/injection contract per Section 3 (1) sentence 1 GasNZV.
14. Entry point  
A point within a market area where a shipper can put in gas from country borders, market area borders, domestic sources and production plants, LNG plants, biogas plants and storage facilities into the network operator's network. Several entry points grouped together within a zone in accordance with Section 11 (2) GasNZV also constitute an entry point.
15. Gas business year  
The period from 1 October, 6:00 a.m. of a given calendar year until 1 October, 6:00 a.m. of the following calendar year.
16. GeLi Gas (supplier business processes)  
Uniform business processes and data formats determined by the Federal Network Agency (doc. no. BK7-06-067) dated 20 August 2007, or any directive replacing or amending a determination issued by the Federal Network Agency.
17. Capacity  
Maximum hourly flow rate capacity at an entry or exit point, expressed in kWh/h.
18. KARLA  
Determination in the matter of Capacity Management and Auction Proceedings in the Gas

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Sector issued by the Federal Network Agency (Reference: BK7-10-001) dated 24 February 2011.

### 19. Flow commitment

The contractual agreements outlined under Section 9 (3) sentence 2 no. 1, GasNZV.

### 20. Month M

Month M is the delivery month.

### 21. Sub-balancing account

Sub-balancing accounts are accounts assigned to a balancing group that allow assigning entry and exit quantities to transport customers and/or clear tracking of partial quantities.

### 22. Day D

Day D is the delivery day.

### 23. Interruptible capacity

Capacity offered by the transmission system operator on an interruptible basis. The transmission system operator may interrupt the use of interruptible capacity.

### 24. Business days

In contrast to the definition of business days found under Section 2 no. 16 GasNZV, hereinafter 'business days' denotes every day except Saturdays, Sundays and legal holidays in relation to deadlines. Any day recognized as a public holiday in any German Federal Land shall be considered a national holiday. The 24th and 31st of December are always considered holidays.

### 25. For all time specifications the official German time (Central European (Summer-) Time (MEZ/MESZ)) shall apply.

## **Section 2a Admission to the primary capacity platform**

1. The transmission system operator may request from the shipper a trade register extract to prove its authorization to represent the company, or in the case of foreign shippers a corresponding proof. The form provided via the primary capacity platform needs to be completed and signed by the shipper's representative as stated in sentence 1 of this item. The name of at least one person authorized to represent the shipper as a user of the primary capacity platform must be stated in the form. Sentence 2 of this item shall accordingly apply to any user that will be added after completed admission.
2. The transmission system operator shall be entitled to not admit the shipper to use the primary capacity platform if justified cases for obtainment of a deposit or an advance payment according to Section 36 exist and the shipper does not provide a security or an advance payment in due time.
3. The transmission system operator shall immediately admit the shipper to the use of the primary capacity platform, but at least 10 business days after receipt of the complete admission request according to item 1, provided that the conditions for admission as under items 1 and 2 have been met.



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4. The shipper shall be obligated to notify the transmission system operator of any changes relevant for admission without undue delay. If the transmission system operator get to know that the conditions for admission as under items 1 and 2 are not or only partially met anymore the transmission system operator shall notify the shipper thereof. The shipper shall be obligated to provide the missing conditions for admission as under items 1 and 2 within 10 business days.
5. The transmission system operator shall be entitled to withdraw any granted admission in the events as under Section 37 and in the event of missing conditions for admission. The transmission system operator shall guarantee the execution of existing contracts, in particular with respect to the return of capacities as under Section 16. In addition, the transmission system operator shall be entitled to deactivate individual users of the shipper from using the primary capacity platform for material reason. The transmission system operator shall inform the shipper thereof without undue delay. The shipper may apply for a new admission form under the conditions stated above at any time.

### **Section 3 Scope of the entry contract**

1. Concluding an entry contract obligates the entry transmission system operator to reserve the booked capacity at the respective entry points of the transmission system operator's network for the shipper in accordance with the entry contract.
2. The entry contract entitles the shipper to use the network from the entry point up to the virtual trading point of the respective market area.
3. The shipper is obligated to provide the gas quantities to be transported in accordance with sections 12, 13, 14 at the booked entry point and deliver them to the entry transmission system operator. The entry transmission system operator is obligated to take delivery from the shipper of the gas quantity provided per sentence 1.
4. Physical identity of the gas need not to be ensured. The provision and offtake of gas quantities may be carried out together with other gas quantities in a commingled stream.

### **Section 4 Purpose of the exit contract**

1. Concluding an exit contract obligates the exit transmission system operator to reserve the booked capacity at the respective exit points of the transmission system operator's network for the shipper in accordance with the exit contract.
2. The exit contract entitles the shipper to use the network from the virtual trading point up to the exit point of the respective market area.
3. The exit transmission system operator is obligated to deliver to the shipper the gas quantities to be transported in accordance with sections 12, 13, 14 at the booked exit point. The shipper is obliged to take delivery from the exit network operator of the gas quantity provided per sentence 1 at the booked exit point.
4. The identicalness of the gas need not be preserved. Gas quantities may be received or provided mixed together with other gas quantities within a single gas flow.

## **Section 5 General entry and exit requirements**

1. The prerequisites for entry and exit usage are having a balancing group contract in place, incorporation of the booked entry or exit point to a balancing group or sub-balancing account and nomination of the entry or exit gas quantity if nomination requirements apply per Section 12 or 13.
2. Biogas quantities may be incorporated to a separate biogas balancing group in accordance with Section 35 GasNZV. Only if doing so the priority transport of biogas can be ensured.
3. Usage of booked capacity is subject to compliance with applicable capacity allocation restrictions and capacity usage restrictions.

## **Section 6 Preconditions for use of booked capacity at market area inter-connection and cross-border interconnection points**

1. The precondition for the use of bundled capacity are inclusion of the bundled booking point as exit point in the delivering market area, and as an entry point in the receiving market area within the respective balancing groups formed.
2. The shipper appoints a balancing group manager in whose balancing group the entry capacity of the bundled capacity shall be included to be responsible for bundled nomination at a bundled booking point.
3. A precondition for use of capacity is prior conclusion of a balancing group contract or, in the case of bundled capacity the prior conclusion of balancing group contracts and prior fulfillment of technical requirements (most notable the communications testing) for use of the capacity.
4. The shipper must incorporate to the balancing groups the bundled or non-bundled booking point at which he has acquired bundled or non-bundled (unbundled) day-ahead capacity without undue delay, however by 18:00<sup>1</sup> hours on the day before delivery day at the latest. To do so the shipper informs the transmission system operators of the balancing group numbers during day-ahead booking. Incorporation within the prescribed period requires a successfully conducted advance communication test between the transmission system operators and the appointed balancing group manager in accordance with the transmission system operators' supplementary terms and conditions, and the one-time submission of the confirmation per Section 12 Item 2.
5. A bundled booking point can be incorporated to several balancing groups. Should the shipper prefer to divide the bundled capacity booked by him at this point among several balancing groups/sub-balancing accounts, the shipper notifies the respective transmission system operators of such division per bundled booking point. Items 2 and 3 apply accordingly. Sentences 1 and 2 do not apply to bundled day-ahead capacity.
6. Use of booked capacity must be in compliance with any capacity allocation restrictions and capacity usage restrictions.

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<sup>1</sup> In comparison with the Attachment 1 of the Cooperation Agreement between Operators of Gas Networks in Germany as amended on 28.6.2013 the editorial mistake contained there is corrected and the time 18:00 is still valid.

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7. The possibility of incorporation of rest-of-the-day or within-day capacity offered is ensured.
8. The transmission system operators' supplementary terms and conditions outline further specifics regarding Item 7.
9. When several shippers incorporate their bundled capacity to a given balancing group, or a single shipper or several shippers incorporate bundled capacity to a balancing group to which unbundled capacity has already been incorporated, they are required to agree on the appointment of one balancing group manager who submits a consistent nomination for all capacity incorporated per item 2.

### **Section 7 Incorporation of entry and exit points to balancing groups**

1. The shipper may incorporate an entry or exit point to several balancing groups/sub-balancing accounts. In such case the shipper shall notify the transmission system operators of the capacity quantities incorporated to the respective balancing group/sub-balancing account at that point. Exit points to end consumers and entry points at biogas plants can only be booked by one shipper, and only incorporated to one balancing group.
2. Entry or exit points may only be incorporated to balancing groups or sub-balancing accounts with identical gas quality (H-or L-gas).
3. The shipper must incorporate the entry or exit point where he acquired unbundled day-ahead capacity in accordance with Section 6 Item 4.
4. The shipper shall notify the transmission system operators of the number of the balancing group/sub-balancing account to which the entry or exit points are being incorporated. The shipper warrants being authorized by the balancing group manager to incorporate on the latter's behalf entry or exit points to a balancing group or a sub-balancing account. If the shipper itself is not balancing group manager the transmission system operator reserves the right to require presentation of power of attorney documenting such authorization in case of doubt. The shipper shall indemnify the transmission system operator against third-party liability claims arising from not having the warranted legally valid authorization from the balancing group manager.

### **Section 8 Bundled booking points**

1. The market area interconnection points and cross-border interconnection points connecting transmission networks with each other will be consolidated for each flow direction to form a single booking point.
2. Shippers may book bundled capacity at bundled booking points on a firm or an interruptible basis. Booking enables the shipper to handle the transport via a bundled booking by a bundled nomination. This arrangement applies to new contracts. Old contracts (contracts concluded on or before 31 July 2011) remain unaffected unless shippers holding exit and corresponding entry capacity contracts request modification of these contracts. Where there is still an old contract on one booking side, non-bundled (unbundled) capacity may only be sold on the other booking side until expiry of the contract at the latest.
3. In the event the shipper demands the conversion of corresponding entry and exit contracts into bundled capacity pursuant to item 2 sentence 3 and at least one of the unbun-

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dled entry and exit contracts to be converted is an unbundled interruptible capacity contract, the contracts in whole shall be converted into entry and exit contracts for bundled interruptible capacity. In this case, the contract date of the last entry or exit contract for interruptible unbundled capacity concluded and converted shall be authoritative for determining the chronological order for the interruption pursuant to Section 29 item 4. The fees for interruptible capacities shall remain unaffected.

4. At bundled and non-bundled booking points transmission system operators may also offer bundled and unbundled capacity with capacity allocation restrictions and capacity usage restrictions.
5. Bundling per item 1 is done among the transmission system operators' relevant individual booking points.
6. In the event of marketing of bundled capacity pursuant to Section 1 item 2, the auction surcharge shall be split between the adjacent transmission system operators and shall be communicated to the shipper via the booking confirmation. The respective transmission system operator shall invoice the shipper for its share of the auction surcharge. The transmission system operator is entitled to amend for the future its share in the auction surcharge in coordination with the adjacent transmission system operator.
7. The parties to the contract are entitled and obligated to terminate an entry or exit contract when the corresponding contract at the bundled booking point is terminated. Accordingly, the parties are entitled to adjust a contract if the corresponding contract is adjusted. The rights and obligations proceeding from an entry or exit contract at the bundled booking point is suspended for the duration of any suspension of the performance obligations under the corresponding contract at the bundled booking point, or while the corresponding contract is not yet effective.

### **Section 9 Capacity products**

1. Via the primary capacity platform in particular the capacity products listed below may be offered on a firm basis per Section 1.
  - a) Freely allocable entry capacity: Allows network usage from the booked entry point to the virtual trading point of the market area where booking was made (Section 3 (3) GasNZV).
  - b) Freely allocable exit capacity: Allows network usage from the virtual trading point to the booked exit point of the market area where booking was made (Section 3 (3) GasNZV).
  - c) Freely allocable entry capacity for biogas: Allows the same usage as per a., but only permitted for feeding in biogas.
  - d) Freely allocable exit capacity for biogas: Allows the same usage as per b., but only permitted for offtaking biogas.
  - e) Restricted-allocable capacity: Allows use of the network from the booked entry point to one or more defined exit points. Use of the virtual trading point is excluded.

The transmission system operator offers the products per Items a) – d) also on an interruptible basis according to a transparent, non-discriminating, and standardised procedure

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within the transmission system operators. The transmission system operator is entitled to offer interruptible capacities only in case that firm capacities are not available.

In their supplementary terms and conditions transmission system operators may offer additional capacity products, including particularly capacity products with capacity allocation restrictions and capacity usage restrictions as well as relating services thereto. Transmission system operators publish capacity allocation restrictions and capacity usage restrictions affecting individual entry or exit points on the primary capacity platform.

2. Entry and exit contracts can be concluded on a yearly, monthly, quarterly or daily basis according to the offerings on the primary capacity platform. Further details are outlined on the primary capacity platform. Annual capacity products for market area interconnection points and cross-border interconnection points always begin on October 1 of a given year; quarterly products begin on January 1, April 1, July 1 or October 1 of a given year, and monthly products begin on the first of the month.
3. The transmission system operator markets available capacity on a firm basis in the following order:
  - a) Free capacity
  - b) Capacity again available because of renomination restrictions per Section 17
  - c) Returned capacity per Section 16
  - d) Withdrawn capacity per Section 18.
4. The transmission system operator may offer at cross-border and market area interconnection points reverse flow capacities. Usually, reverse flow capacities are to be booked on an interruptible basis. Nevertheless, the transmission system operator may offer reverse flow capacities on a firm basis.
5. The Gas Day shall apply on the begin and end of the capacity products.

### **Section 10 Conversion of interruptible capacity**

1. Holders of interruptible capacity at market area interconnection points or cross border interconnection points may submit bids to convert interruptible capacity into firm capacity at an auction of firm capacity (Section 13 (2) GasNZV). The shipper may specify in a binding bid whether all interruptible capacity is to be converted into firm capacity, in whole or in part. Both proportion conversion and conversion of multiple interruptible capacity quantities may be realized by the transmission system operator's allowing placement of a separate bid on the primary capacity platform.
2. Holders of interruptible capacity per Section 1 (3) a) - c) can convert interruptible capacity into firm if they made a binding declaration at the time of booking that their interruptible capacity is to be replaced by firm capacity, in whole or in part. Both proportion conversion and conversion of multiple interruptible capacity quantities can be realized by the transmission system operator allowing separate booking on the primary capacity platform.
3. If the shipper's capacity per items 1 or 2 is converted, the shipper shall pay the applicable charges determined by auction (item 1) or published by the transmission system operator

(item 2). Interruptible capacity is reduced accordingly for shipper capacity per items 1 or 2 that is converted.

### **Section 11 Subscribing/unsubscribing network usage for supplying end-consumers**

1. The processing of supply to end-consumers at exit points is governed by the Federal Network Agency determination on uniform business processes and data formats and dated August 20, 2007 (doc. no. BK7-06-067), or any directive replacing or amending a directive issued by the Federal Network Agency (GeLi Gas).
2. The booking of available capacities (e.g. successive or extensional bookings) to end-consumers that are directly connected to the transmission system of the transmission system operator does not actuate the proceedings relating to the registration/deregistration according to GeLi Gas as stated in item 1.

### **Section 12 Nomination and renomination at market area interconnection points and cross-border interconnection points**

1. Responsible for nomination and renomination is the balancing group manager appointed by the shipper for this purpose.
2. The balancing group manager nominates the gas quantities to be transported under the arrangements for the use of firm capacity at a particular booking point until 14:00 hours of the day prior to delivery day. This initial nomination is accepted if it is received by the transmission system operator by 14:00 hours. The nominated value is otherwise zero, unless the parties have agreed otherwise. For bundled nomination, the nominating balancing group manager must have been authorized, in text form, by the other balancing group manager whose balancing group is affected by the nomination; authorization vis-à-vis the respective transmission system operators need to be given once only.
3. The nominating balancing group manager can replace his initial nomination with a renomination at least two hours prior to the hour. Renomination is permitted up to 90% of capacity booked by the shipper at the booking point, subject to a minimum 10% of booked capacity. With initial nominations of a minimum 80% of booked capacity, half of the un-nominated amount is allowed for upward re-nomination. With initial nominations of a maximum 20% of booked capacity, half of the non-nominated amount is allowed for downward renomination. Allowable renomination amounts are rounded to whole kilowatt hours per hour for allocation purposes.
4. Nominations shall be first allocated to firm capacity products, and then to interruptible.
5. Renominations for firm capacity exceeding the permitted amount per item 3 shall only be accepted up to the amount of total booked capacity. The part of the renomination exceeding the quantity permitted shall be treated as a nomination of interruptible capacity, and shall be interrupted first.
6. Renomination of firm capacity falling below the quantity permitted per item 3 is accepted. If interruption in counter-current direction is necessary, the renomination amount is raised to the minimum allowable renomination value.



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7. The renomination restriction does not apply to shippers that have booked less than 10% of reported annual technical capacity at the booking point on a firm basis.
8. If several shippers incorporate a booking point to the same balancing group, the balancing group manager can set up a sub-balancing account for every shipper in the balancing group. In such case the responsible balancing group manager nominates gas quantities to the corresponding sub-balancing account for each individual shipper. Renomination limits per Items 3 and 7 then apply to the shipper's total capacity incorporated to sub-balancing accounts at the respective booking point. Unless sub-balancing accounts are set up, total capacity at the booking point within a balancing group is applied concerning renomination limits.
9. Nominations must be submitted individually for each flow direction. Bundled capacity is nominated by submitting a bundled nomination.
10. Day-ahead capacity may be nominated until 20:00 hours. Renomination of day-ahead capacity is excluded. Day-ahead capacity is not considered towards determining the permissible renomination range per Item 3.
11. The amount of booked capacity per item 3 and the renomination limit calculated thereupon are determined after 14:00 hours based on the capacity booked per the entry or exit contracts or capacity renominated to the balancing group less capacity returned to the balancing group by 14:00 hours.
12. The amount of technical annual capacity required per item 7 shall be published via the primary capacity platform by the transmission system operators yearly once in March for the following Gas Year. As far as a market area interconnecting point is affected, the transmission system operators concerned shall jointly agree on the amount of technical annual capacity to be published.
13. The balancing group manager in whose balancing group the entry capacity of the bundled capacity is included shall send the bundled nominations per Item 9 sentence 2 to the entry transmission system operator(s) of the bundled capacity. The nominating entry balancing group manager and the exit balancing group manager receives the result of matching as a confirmation.
14. Item 10 only applies to firm day-ahead capacity. Only capacity nominated after 20:00 hours counts as renominations per Item 10 sentence 2. The renomination restriction as stated in item 10 sentence 2 applies to all capacities booked at the same booking point and incorporated in the same balancing group or sub-balancing account.
15. The transmission system operator shall inform the balancing group manager daily until 18:30 hours about the portfolio of capacities within its balancing group per point for the following Gas Day as follows:
  - Notation of the point,
  - Point-ID (preferably the Energy Identification Code of the DVGW),
  - Flow direction (entry or exit),
  - Capacity product, provided that this is allowed by the agreed EDIFACT- data format
  - Sum of the incorporated firm capacity without day-ahead capacity,

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- Information, whether a renomination restriction applies and in case it does, the information about the lower and higher renomination thresholds according to item 3,
- Sum of the incorporated firm day-ahead capacities,
- Sum of the incorporated interruptible capacities,

Firm and interruptible shares of incorporated temperature related and restricted capacity products, when offered. The transmission system operator uses its best efforts to supply complete and correct information.

The transmission system operator shall be entitled to send the information listed above in up to two transmissions. The shipper declares its consent to the forwarding of these data to the balancing group manager. The details concerning the respite and data format are to be stated in the transmission system operator's supplementary terms and conditions.

### **Section 13 Nomination and renomination**

1. Shipper is required to nominate the entry quantities to be transferred at each entry point incorporated to the shipper's balancing group. The transmission system operator is entitled to state rules thereto in its supplementary terms and conditions. Exit nominations are to be provided in the cases outlined under Items 3 and 4. Physical biogas feed-in does not have to be nominated. The respective transmission system operator is entitled to state an obligation to give a technical notice in case of feed-in per sentence 4 in its supplementary terms and conditions. The transmission system operator may waive nominations at entry points defined by oneself.

Nominations are first allocated to firm capacity products, and then to interruptible. Nominations must be submitted individually for each flow direction. Nomination of balancing groups or sub-balancing accounts with day-ahead capacities starts from 18:30 hours. Transmission system operators may accept nominations before 18:30 hours. Renomination rights remain unaffected.

2. Shippers may authorize a third party (e.g. balancing group manager) to nominate. This third party provides nominations to the transmission system operator on behalf of the contracting shipper. The balancing group manager is authorized to submit combined nominations for several shippers as long as the shippers have the same balancing group for incorporation their entry or exit points. If the balancing group manager does not submit a combined nomination as described above or a shipper submits a nomination directly, the capacity amounts are to be attributed to sub-balancing accounts.
3. At exit points that are not exit points to end-consumers the shipper must nominate the exit quantities to be received at the respective exit point to the exit network operator. The transmission system operator is entitled to state rules in its supplementary terms and conditions.
4. If several shippers have booked capacity at the same exit point and incorporated this exit point to different balancing groups, the respective shippers must submit nominations to the exit network operator. This does not apply if nomination is not required due to allocation rules. Nomination obligations shall also apply if a shipper has incorporated the same exit point in different balancing groups.



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5. For operational transport handling of nomination and renomination and in case of an amendment of the allocation rules, that is leading to a nomination obligation, the initial setup of communication processes between entry/exit network operators or infrastructure plant operators and shippers or the shipper's third-party contractor, if nomination is required at entry and exit points, an implementation period of a maximum 10 business days is required.
6. If a communication process for the requested booking point has already been set up according to item 5 and if a complex point is concerned, an implementation period of 10 business days in maximum applies. The transmission system operator uses its best efforts to enable a shorter implementation period. Complex points are in particular characterized in such way that specific services of the matching process are provided by third parties, manual processes for the implementation of the matching are required for at least one party, foreign network operators are concerned or at least at one side of a point a pipeline is concerned, which is in the ownership of several network operators ("Bruchteilseigentum"). The transmission system operator marks these complex points at the primary capacity platform.
7. If a communication process for the requested booking point has already been set up according to item 5 and if a complex point is not pertained according to item 6, an implementation period of one business day in maximum applies.
8. For entry/exit points which are implemented according to item 5 to 7, no special implementation periods apply in case of implemented balancing group numbers or shipper code combinations.
9. The applicable provisions outlined in Common Business Practice 2003-002/02 CBP "Harmonisation of the Nomination and Matching Process" in its current version apply regarding nominations and renominations, posted on the transmission system operator's website. A deviation from the provisions mentioned in sentence 1 is allowed in case the adjacent transmission system operator at a cross-border interconnection point does not apply the provisions outlined in Common Business Practice 2003-002/02 CBP.
10. Barring any contrary provisions under Section 12, Section 13 shall also apply to nomination and renomination at market area interconnection points and cross-border interconnection points.

### **Section 13a Operational processing of nominations**

1. The transmission system operator and the shipper as the nominating party commit themselves to 24 hours of availability on each gas day. Accessibility must be ensured under one single phone number and via a further route of communication (email or fax). Furthermore, the nominating party and the transmission system operators shall at all times be able to receive, to send and to process the data required for the handling of nominations.
2. The data exchange in the context of the nomination shall be consistently in machine-readable and appropriate form on the basis of whole numbers of units of energy [kWh / h] on an hourly basis. Any deviating procedures must be accordingly agreed with the transmission system operator. For the exchange of all data and messages necessary for the nomination process, the transmission system operator and the nominating party agree on the standard nomination modes using the Edig@s data format. In its supplementary terms

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and conditions, the transmission system operator may also offer, in addition to the standard nomination mode using the Edig@s data format, further nomination modes.

3. The nominating party shall inform the transmission system operator without undue delay about any obstacles relating to the establishment or use of interfaces as defined in Sections 13a to 13c, to the mutual collaboration or to the procedures.
4. As far as nominations are required, the data formats defined pursuant to Edig@s shall apply. These requirements shall apply mutatis mutandis to renominations. The nominating party shall ensure that congruent nominations for all points requiring nomination are presented to the parties affected by the nominating process, and that the nomination is transmitted in due time. Only the nomination values confirmed by the transmission system operator shall be authoritative.
5. The transmission system operator may refuse the nomination if any contractual terms should not be met or if the nomination should be incomplete. If the amount of the nomination should exceed the amount of the capacity incorporated into the balancing group or sub-balancing account, the transmission system operator may limit the nomination to this amount. In this case, the nomination shall be deemed submitted in accordingly limited form by the shipper. The further auxiliary conditions and/or capacity limitation rights for capacity products of the transmission system operator pursuant to the supplementary terms and conditions shall remain unaffected.

### **Section 13b Communication test**

1. The transmission system operator shall perform a communication test with the nominating party. Details relating to the communication requirements of the transmission system operator and the communication test performed by the same are published on the website of the transmission system operator.
2. The transmission system operator shall furthermore have the right to repeat a communication test at any time during the term of the respective entry-/ and exit contract.
3. As long as the nominating party fails the communication test pursuant to the criteria defined by the transmission system operator for reasons within the responsibility of the nominating party, the transmission system operator may set all the nominations by the nominating party for the following gas days after the date of the failure of the communication test to zero (0), using a standardized method of the respective transmission system operator.

### **Section 13c Balancing of nominations (“Matching”)**

1. The nominating party must ensure that it submits nominations for the entry points and exit points of the balancing group which require nomination to the respective grid or plant operator.
2. At all points requiring nomination, the transmission system operator shall carry out a matching with the adjacent grid or plant operators and synchronize all the nominations received, taking into account the “lesser-of” rule in accordance with the provisions of Common Business Practice (CBP), with the respectively affected adjacent system operators.

3. If the respective pair of balancing group numbers or sub-balancing account numbers do not agree upon matching, or are unknown on either side, the nomination or renomination for the gas day shall be set to zero (0). The same shall apply to cross-border interconnection points if the shipper codes do not match.

### **Section 14 Nomination Replacement procedure**

1. Transmission system operators offer a nomination replacement procedure if technically possible and economically feasible. This requires the transmission system operators and shipper to conclude a separate contract. The transmission system operator publishes on its website, if a nomination replacement procedure is offered. If a nomination replacement procedure is offered, the conditions for this have to be published on the transmission system operator's website.
2. The nomination replacement procedure can be agreed to begin or end on the first of the month. An implementation deadline of 10 business days applies for conclusion and termination. When initially applying the procedure the shipper must notify the entry or exit network operator of the entry or exit points whose metering data are to be utilized in the nomination replacement method, in addition to concluding the agreement 20 business days before the nomination replacement procedure agreed with the entry network operator is applied. Sentence 3 applies accordingly to notice of termination of application of the nomination replacement procedure.
3. The substitute procedure replacement can only be used if sufficient firm capacity is booked for the respective points in an entry or exit contract. A substitute procedure replacement cannot be used with capacity booked as interruptible.
4. If the transmission system operator offers an online flow control or time lag method, the prerequisite for use is the availability of a flexible flow source to which the transmission system operator with whom the shipper has concluded a nomination replacement procedure agreement has access. The virtual trading point is not a flexible flow source, but can connect a flexible flow source with entry or exit points whose metering data are utilized in the nomination replacement procedure. The transmission system operator with whom the shipper has concluded the nomination replacement procedure agreement also takes over controlling of the entry quantities at the agreed entry point. This is based on metering data from one or more entry or exit points. The shipper must make the metering data available. With the time-lag method, the hourly metered value counts as nomination for the entry point; the maximum time lag is 4 hours.

### **Section 15 Technical feed-in and offtake notice**

1. For end-consumers with registering load profile measurement and generally unpredictable, extremely high and volatile gas consumption, the exit network operator may require prior technical offtake notice and compliance with the technical limits per Section 8 (5) GasNZV as necessary to maintain system integrity for the network. In such case the exit network operator notifies the shipper generally 1 month in advance in writing of the requirement to submit technical exit reports.
2. If the exit network operator requires an offtake notice according to item 1 EDIG@s-messages have to be used. If the shipper is not able to generate EDIG@s-messages, the

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parties may temporarily agree on another format. For this purpose, the parties will agree particularly on type, extent, technical execution of provision and documentation of data.

3. The above mentioned procedure applies accordingly for technical feed-in notices according to Section 13 item 1.

### **Section 16 Capacity return**

1. Shipper can return booked firm capacity in whole or in part, related to the booking period and quantity, to the transmission system operators via the joint booking platform (primary capacity platform) at any time until 14:00 hours on the day before supply. Any subsequent primary use or secondary marketing of the returned capacities by the shipper is excluded, except as provided under subsection 8.
2. Bundled firm capacity can be returned in bundled form only.
3. Confirmation of capacity return is given via the joint booking platform with a time stamp for the shipper. This confirmation shall not release the shipper from its obligation to pay.
4. Return is possible for any day or days in the future and for any proportion of the originally booked capacity.
5. The Transmission system operators market returned capacities as primary capacity under the applicable rules. They can combine returned capacities and any primary capacity that is still available to offer products of longer duration. Returned capacity will be marketed after other primary capacity available for the period in question.
6. If the transmission system operator markets returned capacity, in whole or in part, the shipper will be released accordingly from its obligation to pay. The extent of release from the obligation to pay depends on the revenues obtained capped at the regulated transport tariff for the period of primary marketing and the amount of re-marketed capacity. If the capacity returned by the shipper was obtained at an auction, the obligation to pay the surcharges to be added to the regulated transport tariff remains unaffected.
7. If several shippers return capacity for a particular day, the capacities will in case of supply surplus be re-marketed by the transmission system operator in the order in which they were returned (time stamp).
8. Returned capacity that could not be re-marketed will be made available again to the shipper daily for the following day after completion of day-ahead marketing, but not later than 18:30 hours for use in the balancing group it had been incorporated to prior to return.
9. The transmission system operator issues the shipper a credit for the tariff referred to in Item 6. The credit is issued monthly, and set off against any outstanding transport charges.
10. The shipper's releasing from payment obligations per item 6 only applies upon receipt of credit. The credit is issued in the month following marketing of the capacity.
11. The transmission system operator notifies the shipper by 18:30 hours of the capacity amount made re-available per Item 8.
12. The rules of Section 16 do not apply for exit points to end-consumers. Section 16 GasNZV remains unaffected.

### **Section 17 Transmission system operator offering firm capacity left unused on short notice per Section 16 (2) GasNZV**

1. The transmission system operator may offer firm capacity booked by the shipper that cannot be used in whole or in part for the next day, taking into account existing renomination rights.
2. The shipper remains obligated to pay charges if capacity is successfully remarketed.
3. Section 16 (4) GasNZV does not apply.

### **Section 18 Withdrawal of capacity left unused over a longer term per Section 16 (3) and (4) GasNZV**

1. Pursuant to Section 16 (3) GasNZV, the transmission system operator may withdraw firm capacity left unused or partially unused capacity over a longer period by the shipper for all entry or exit capacities with exception of market area and cross border interconnection points if a contractual congestion occurs. For market area and cross border interconnection points Section 18a shall apply for the withdrawal of long-term capacities insufficiently used.

A contractual congestion exists when a network access denial according to Section 20 EnWG exists.

2. Withdrawal is done for all contracts in place for the entry or exit point that have a combined term of at least one year, irrespective of respective individual contract durations.
3. Capacity is withdrawn in the amount of firm capacity booked by the shipper left unused on a non-temporary hourly basis over a period of 3 consecutive months or more within the preceding calendar year. One of these three months must be January, February, March, October, November or December. If several such periods can be identified lasting 3 calendar months, the minimum is to be determined of identified minimal non-utilization instances over all these periods. Withdrawal may maximally be made up to this limit. In determining the withdrawal amount the relevant capacity is that consistently and continuously available to the shipper in the previous calendar year, i.e. in terms of both timing and quantity. Any partial resale, return or reduction in booked capacity by the shipper will be considered accordingly.
4. The shipper may object to the withdrawal per Section 16 (4) GasNZV.
5. If several shippers have booked capacity at an entry or exit point and incorporate these to the same balancing group in a combined nomination, the transmission system operator may withdraw capacity from the respective shippers proportionately, weighted by capacity booked at that entry or exit point. This does not apply if the balancing group manager nominates in separate sub-balancing accounts for each shipper.
6. Section 16 applies accordingly regarding billing for withdrawn capacity that is actually marketed and the handling.

### **Section 18a Withdrawal of long-term capacities insufficient used at market area and cross border interconnection points**

1. At market area and cross border interconnection points the transmission system operator withdraws capacities if required by the federal network agency. The transmission system operator shall regularly provide the federal network agency with all the data necessary to monitor the extent to which booked capacities with effective contract duration of more than one year or recurring quarters covering at least two years are used. Each primary use or secondary trading of withdrawn capacity by the shipper is excluded subject to sentence 4. Withdrawn capacity, that could not be re-marketed will be made available again to the shipper daily for the following day not later than 18:30 hours for use in the balancing group it had been incorporated to prior to return. Furthermore the rights and obligations of the shipper from the entry/exit contract remain unaffected until the time of marketing of the capacity by the transmission system operator and to the extent to which the capacity is not marketed by the transmission system operator.
2. Section 16 applies accordingly regarding billing for withdrawn capacity that is actually marketed and the handling.

### **Section 19 Secondary market trading**

1. The shipper may only lease or assign booked capacity per Section 12 (2) GasNZV to a third party using the secondary platform. Bundled capacity can only be leased or assigned as bundled capacity. The provisions below govern the leasing and assignment of entry and exit contracts/contract rights.
2. The shipper may lease capacity rights (with or without nomination rights) under an entry or exit contract to a third party without the transmission system operator's permission, in whole or in part. The shipper shall remain obligated to the transmission system operator to fulfill the obligations resulting from the entry or exit contract, in particularly the payment of charges.
3. The shipper may with the transmission system operator's consent assign the entry or exit contract in whole or in part to a third party. The third party concerned must be approved by the transmission system operator. Consent may only be withheld for reasons that would likewise justify rejection of initial conclusion of an entry or exit contract with the third party in question. Such justification shall be in particular if the third party per Section 36 meets the conditions for requiring deposit and has not provided such. Transfer in relation to the transmission system operator only becomes effective upon approval per sentence 1 or notification per Section 40 point 2. Transmission system operators' supplementary terms and conditions outline the deadlines for assignment of entry and exit contracts between shippers. Transmission system operators shall endeavor to offer the assignment by no later than Day D-1, 11:00 hours, as soon as possible.

### **Section 20 Technical requirements**

1. The shipper must ensure that the gas available for entry meets the requirements per Section 19 GasNZV. Gas quantities to be delivered have to apply to worksheet G 260, 2nd Gas Family, of the German Technical and Scientific Association for Gas and Water



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(DVGW) as amended from time to time, and to the applicable nominal value of the Wobbe Index. Section 36 (1) GasNZV governs the technical specifications for biogas entry.

2. The technical specifications for the respective entry or exit points published on the transmission system operator's website constitute part of the entry or exit contract. Either party may request that a neutral party inspect whether the gas quality conforms to the transmission system operator's requirements per sentence 1. If the other party cannot reach agreement with the neutral party within one month of receipt of the other party's request, the review inspection shall be conducted by the Engler-Bunte-Institut at Karlsruhe University. The party requesting the inspection shall bear the cost of inspection if compliance is confirmed. If compliance is not confirmed, the transmission system operator must pay the cost.
3. The transmission system operator must notify shippers of any changes in technical specifications necessary due to amended laws or regulations as promptly as possible in view of the circumstances. The transmission system operator shall amend the respective contracts affected by changes with effect from the effective date of the amendments per sentence 1. When a change in technical specifications is necessary to fulfill the transmission system operator's legal obligations to cooperate, the transmission system operator may make such changes 4 months after notifying the shipper thereof. If the change affects the shipper's use of capacity, the shipper has the right to terminate the respective contract as of the effective date of the change with 3 months' notice. If the transmission system operator provides notice per sentence 1 less than 4 months in advance of the effective date of the change, the shipper may terminate the contract in question without notice as of the effective date of the change.
4. Superseding Item 3 sentence 3, the transmission system operator is entitled to change gas quality or pressure specifications in coordination with the Federal Network Agency providing 3 years' notice, effective at the start a gas fiscal year, without the shipper's consent. If a new entry or exit contract begins during the notice period after the transmission system operator has announced a change, the notice period already applicable applies to that contract as well. Any change in gas quality or pressure specifications must be limited to the entry or exit points affected the change. The contract affected by the change is to be amended with effect from the effective date of the change in gas quality or pressure specifications. When the transmission system operator changes gas quality or pressure specifications as outlined here, the shipper is entitled to terminate the contract for the corresponding entry or exit points subject to a notice period of one year prior to the effective date of the change in gas composition or pressure specifications.

### **Section 21 Non-compliance with gas quality or pressure specification**

1. If gas quantities supplied by the shipper at the entry point do not meet the technical specifications for gas quality or pressure in accordance per Section 20 Items 1 and 2 (hereinafter "off-spec gas"), the entry network operator is entitled to refuse acceptance of the off-spec gas, in whole or in part. The shipper must in such case immediately adjust nomination accordingly at that entry point and reduce the supplying of off-spec gas at that entry point accordingly. None of the transmission system operator's rights vis-à-vis the shipper are affected.
2. If gas quantities supplied by the exit network operator at the exit point do not meet the technical specifications for gas quality or pressure in accordance per Section 20 Items 1

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and 2, the shipper is entitled to refuse acceptance of the off-spec gas, in whole or in part. The exit network operator must in such case immediately reduce the supplying of off-spec gas at that exit point accordingly. None of the shipper's rights vis-à-vis the transmission system operator are affected.

3. In the case of reduction per the above, renominations shall be carried out immediately in order to avoid imbalances.
4. Each party shall immediately inform the other party upon becoming aware of off-spec gas being supplied at an entry or exit point, or expecting off-spec gas to be supplied.

### **Section 22 Allocation of quantities**

1. The entry network operator to whom entry nominations were submitted per Section 12 Items 1 and 2 and Section 13 determines for each balancing group or sub-balancing account the gas quantities fed in at entry points and allocates these to the respective balancing groups or sub-balancing accounts based on nominations or using the allocation procedure per the entry contract.
2. In allocating biogas entry quantities, any liquefied petroleum gas quantities added by the entry network operator for conditioning are not considered for adjustment to the required calorific value for the entry network operator's network in accordance with Section 36 (3) GasNZV.
3. The exit network operator allocates gas quantities withdrawn at exit points to storage facilities, at market area interconnection points and at cross-border interconnection points to the respective balancing groups or sub-balancing accounts based on nominations or using the allocation method per the exit contract.
4. For each balancing group or sub-balancing account the exit network operator determines the gas withdrawal quantities at exit points to metered end-consumers ("RLM") based on metered values and allocates these according to balancing group or sub-balancing account.
5. For each balancing group or sub-balancing account the exit network operator determines the gas withdrawal quantities to end-consumers with standard load profiles at exit points and allocates these according to balancing groups or sub-balancing accounts based on the standard load profile determined by the exit network operator.
6. If several entry or exit points are contributed to balancing groups, shippers and the respective entry/exit network operators agree on and implement allocation rules in the entry/exit contract to ensure that gas quantities allocated to this point are only accounted for once.

### **Section 23 Meter operation and Metering**

1. Metering data taken by the transmission system operator or a third party per Section 21 b of the Energy Industry Act (EnWG) are used by transmission system operators for balancing and calculating oversupply/undersupply quantities and exceeding of capacity limits.
2. Barring contrary provisions agreed between the connection user and a third party per Section 21 b EnWG, the provisions outlined below apply, in which case the transmission



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system operator is the meter operator and metering service provider. As metering service provider the transmission system operator provides metering data to the shipper.

The transmission system operator determines the type, number and size of metering and control devices, in accordance with Section 8 of the Metering Access Regulation (MessZV). These determinations must take energy industrial concerns properly into account with respect to the consumption amount and consumption behavior. The transmission system operator provides and operates the metering and control devices required for measurement and meter reading with RLM end-consumers.

3. For remote reading the end consumer must have a suitable, externally dialable telecommunications connection without time limit and a 230 V connection. The transmission system operator may use a GSM modem instead of a telecommunications connection. Upon request the transmission system operator must notify the end consumer of the relevant technical specifications (distances between connections, connections to metering installation etc.). Remote reading must be available prior to commencing supply to a RLM meter or conversion of an SLP into a RLM meter. The setup and use of telephone and electricity connections are free of charge for the transmission system operator. Cost accruing through delays caused by the transmission system operator shall not be borne by the shipper or the end consumer. Costs accruing through delays caused by the end consumer shall not be borne by the transmission system operator.
4. The transmission system operator must immediately notify the shipper daily by 13:00 hours of the previous day's load profile, recorded hourly and read daily at the RLM exit points in the MSCONS format. The load profile energy amounts are calculated using the balancing calorific value.

After the close of the supply month, all load profiles are plausibility-checked per DVGW (German Technical and Scientific Association for Gas and Water) worksheet G 685 and substitute values recorded as applicable. Load profiles are converted using the billing calorific value. The transmission system operator must provide the shipper the load profile at RLM exit points for the supply month by no later than M +10 days.

If the transmission system operator records replacement values using DVGW worksheet G 685, the load profile is also to be provided, converted using the balancing calorific value, within M +10 days.

The applied calorific value and Z number are communicated in MSCONS.

For RLM-Exit points, which are allocated to a biogas balancing group, instead of the above mentioned procedures item 5 shall apply.

5. For RLM-Exit points, which are allocated to a biogas balancing group, the load profile will be corrected to the final gross caloric value according to DVGW work sheet G 685 on Day M+12 business days. If a correction of the compression factor (K-number) is necessary according to DVGW work sheet G 486 this will be considered as well. The transmission system operator notifies the complete monthly timeline in the applicable ALOCAT format as amended from time to time on Day M+12 business days to the market area coordinator.
6. For end consumers supplied using the load profile method, metering devices are read by the transmission system operator, his agent or by the end consumer at the request of the transmission system operator at regular intervals not substantially exceeding 12 months on a date and schedule determined by the transmission system operator. If an agreement

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per Section 40 (2) sentence 2 EnWG is in place, the shipper must observe the meter-reading schedule specifications outlined therein.

The transmission system operator must arrange interim meter readings between regular readings, particularly upon a change of supplier, end-consumer move-in/out, termination of this contract or a material change in demand, in accordance with GeLi Gas. If this is not possible, the transmission system operator may estimate consumption by way of extrapolation or on the basis of the last reading. The actual situation must be appropriately taken into account.

7. The shipper must pay the transmission system operator separately when ordering an additional reading.
8. If an inspection of metering equipment reveals that error margins have been exceeded, the over-/undercharged amount must be reimbursed or paid.

If the amount of error in an SLP end-consumer's metering device cannot be determined with accuracy or the device is unreadable, the transmission system operator estimates consumption for the period since the last accurate metering based on average consumption for the metering periods preceding and following reading, or on the previous year's consumption. The actual situation must be taken into account adequately.

If the amount of error in a RLM-end consumer's metering device cannot be determined with accuracy or the device is unreadable, replacement values are derived for missing or implausible values in accordance with the latest updated version of DVGW worksheet G 685.

Claims per (1) sentence 1 are restricted to the reading period preceding determination of the error, unless the impact of the error can be determined over a longer period. In such case claims expire in 3 years, at the latest.

9. Barring other agreements to the contrary per Section 21 b (2) or (3) EnWG, metering data provided by metering service provider to the transmission system operator and processed by the transmission system operators are applied for execution and settlement of this contract. Item 8 paragraphs 2, 3 and 4 apply if the metering data are not properly available to the transmission system operator or if the available metering data are implausible.
10. A written request from the connection user and the shipper is required for registering load profile metering with annual withdrawal of less than 1,500,000 kWh and a maximum hourly withdrawal rate of less than 500 kWh/h per Section 24 (1) GasNZV, or below the limits specified by the transmission system operator per Section 24 (2) GasNZV.

The shipper bears the cost of converting standard load profile metering into registering load profile metering in the cases described above, unless otherwise agreed.

Following conversion and commencement of registered load profile metering, charges for registering load profile metering are applied as per the pricelist published by the transmission system operator, regardless of actual consumption and annual energy quantities.

11. The quantity of biogas entered is reported in "kWh" as the product of standard quantity multiplied by billing calorific value, i.e. the calorific value for billing determined for the entry point. The transmission system operator is entitled to calculate replacement values if no metering data are available for biogas quantities delivered by the shipper. Replacement values are recorded in accordance with DVGW worksheet G 685.

## **Section 24 Settlement of oversupply/undersupply quantities**

1. The transmission system operator determines oversupply/undersupply amounts after final determination of the billing-related metering measurement values and data. Consumption during the billing period for SLP and RLM exit points is measured for all exit points using DVGW worksheet G 685 is compared against the final value applied for allocation to the balancing group manager's balancing group. For RLM exit points, which are allocated to a biogas balancing group, the oversupply/undersupply billing is not applicable.
2. Oversupply amounts arise as quantity differences in the billing period when the exit gas quantity at the exit point is lower than the gas quantity allocated by the exit network operator to the balancing group/sub-balancing account. Undersupply amounts arise as quantity differences in the billing period when the exit gas quantity at the exit point is higher than the gas quantity allocated by the exit network operator to the balancing group/sub-balancing account. The transmission system operator pays the shipper for oversupply amounts, and invoices the shipper for undersupply amounts.
3. The transmission system operator settles oversupply/undersupply amounts with the shipper for SLP end consumers at the respective average balancing energy prices for the billing period. Account settlement for oversupply/undersupply amounts is done using the method described in Appendix 1.
4. Oversupply/undersupply amounts for RLM end consumers per exit point – arising particularly due to differences between balancing and billing calorific values – are determined monthly for each exit point and settled between the transmission system operator and the shipper at the average monthly balancing energy prices. These prices are the unweighted arithmetic mean of the positive and negative balancing energy prices for the gas days of the month concerned. The monthly average balancing energy price is calculated and published by the market area manager, and is used for settlement of oversupply/undersupply amounts.
5. The energy-tax exempt settlement of oversupply/undersupply amounts between transmission system operators and shippers is contingent on one party to the contract having received a declaration with the responsible customs office per Section 38 (3) of the Energy Tax Act (EnergieStG) from the other party. The other party must be notified immediately in writing of any changes pertaining to the declaration, including for example rejection thereof by the responsible customs office.

## **Section 25 Fees**

1. The shipper is obligated to pay to the transmission system operator the prices stated in the respective contract in accordance with the pricelist, including the respective specific capacity charge, plus any surcharge for capacity per Section 1 Item 2 and the metering charge, as well as the meter operation charge and billing charges plus any applicable concession or other charges and taxes including biogas pass-on costs of the market area per Section 20 b of the Gas Transport Tariff Ordinance (GasNEV) and changeover costs charged in accordance with Section 19 a, Energy Industry Act (EnWG). The applicable charges and prices per the transmission system operator's pricelist are posted on the transmission system operator's website.
2. In determining revenue caps per Section 17 (1) of the Incentive Regulation Ordinance (ARegV) and adjusting such caps per Section 17 (2) ARegV in conjunction with Section 4

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(3) to (5) ARegV and Section 5 (3) ARegV in conjunction with Section 17 ARegV, the transmission system operator is entitled to adjust transport tariffs charges if this results in a transport tariff charge increase. The transmission system operator must adjust transport tariffs charges if this results in lower tariff charges. In accordance with Section 5 (3), ARegV, the difference between the revenue actually realized and the revenue which it is feasible to realize shall be taken into account in full. In such cases the transmission system operator adjusts tariff charges in accordance with Section 17 ARegV in conjunction with the regulations under Section 2, (2) and (3) GasNEV and Section 5 (3) ARegV. The transmission system operator must notify the shipper immediately in text form of adjusted transport tariffs charges (pricelist).

3. Tariff charges may only be adjusted effective January 1 of the following calendar year.

The transmission system operator may utilize his own regulation account for processing differences arising with both increases and reductions (Section 5 ARegV).

4. In case of an increase in charges, the shipper may terminate the contract in whole or in part relating to the amount of capacity booking, providing 10 business days' written notice prior to the effective date of the adjustment. If the shipper does not receive the information according to item 2 sentence 4 at least 20 business days prior to the effective date of adjustment, shipper may - superseding sentence 1 - terminate the contract in whole or in part relating to the amount of capacity booking within 10 business days after receiving such information with a 5 business days' prior written notice, to the effective date of the adjustment at the earliest. A termination in part according to sentence 1 and 2 is only allowed, if the capacity within the booked capacity product is reduced consistently for the remaining term of the contract. A termination right according to sentence 1 and 2 is excluded, if the increase in charges is lower or equal to the increase in consumer price index for Germany (VPI) as published by the Federal Statistic Office ("Statistisches Bundesamt"). The change rate of the annual average of the VPI compared to the preceding year which is published by the Federal Statistic Office on the date of the announcement of the charge adjustment is applicable.
5. When taxes and other public levies are due on charges per the respective contract – including taxes and other public charges on services forming the basis for such charges – are introduced, eliminated or adjusted, the transmission system operator shall implement a corresponding increase or reduction in charges under the respective contract as of the effective date of introduction, elimination or adjustment of such taxes/public charges, unless the revenue cap applies.
6. When revenue caps are adjusted in view of hardship per Section 4 (4) sentence 1 no. 2 ARegV, the transmission system operator is entitled adjust tariff charges in accordance with the Federal Network Agency determinations, or on January 1 of the following calendar year.
7. The transmission system operator is additionally entitled and/or obligated to adjust charges per item 1 if such adjustments are required pursuant to legal or regulatory changes or judicial decisions.
8. The transmission system operator's right and obligation to adjust charges applies to all entry and exit capacity, regardless of the manner of its procedure of conclusion.
9. The transmission system operator pays the shipper a flat rate for avoided network costs with biogas physically fed-in directly, in the specified amount per regulations. Avoided

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network cost payments are settled finally on a monthly basis, applying the technical quantity calculation per Section 23 Item 10. Any liquefied petroleum gas quantities added by the transmission system operator for conditioning are not considered for adjustment to the required calorific value for the transmission network in accordance with Section 36 (3) GasNZV.

10. The transmission system operator's supplementary terms and conditions posted on the internet furthermore apply.
11. For exit points to end-consumers the shipper has to pay the stated meter operation charge/metering charge according to item 1 from and until the time the transmission system operator is metering service provider according to Section 21 b EnWG at the respective exit point to the end-consumer. The transmission system operator will inform shipper in case that he becomes or is not metering service provider any more, especially as a result of a change of the metering service provider according to Section 21 b (2) EnWG.

### Section 26 Invoicing and payment

1. Invoicing is conducted and any installment payments are processed in accordance with the transmission system operator's published supplementary terms and conditions. The network usage billing process per GeLi Gas remains thereby unaffected.
2. Distinct indications of an obvious invoice error entitle the shipper to postponement or refuse payment.
3. The transmission system operator is entitled to charge a flat late payment penalty. The shipper may however document lower actual damages due to late payment.
4. The transmission system operator shall refund any overpayment and the shipper shall pay any outstanding amount resulting from calculation errors in invoice amounts or invoicing data. Invoice correction is only permitted within a maximum of 3 years from receipt of the invoice to be corrected.
5. The parties may only offset counterclaims that are uncontested or upheld by legal judgment.

### Section 27 Taxes

1. The shipper must pay the applicable charges plus energy tax at the applicable rate on gas quantities delivered by the transmission system operator to a shipper who is not a supplier within the meaning of Section 38 (3) of the Energy Tax Law (EnergieStG).

Such a delivery will be deemed to have taken place in particular whenever the transmission system operator delivers gas quantities to the shipper at the exit point in addition to the gas quantities delivered by the shipper to the transmission system operator for transport.

If gas quantities are delivered to a shipper that is a registered supplier within the meaning of Section 38 (3) EnergieStG, the shipper must document to the transmission system operator meeting the requirements per Section 38 (3) EnergieStG by submitting a current registration certificate per Section 78 (4) of the Energy Tax Regulation (EnergieStV) issued by the responsible customs administration office, establishing that the shipper is entitled as a registered supplier to purchase gas quantities tax-free. Documentation of meeting the requirements per Section 38 (3) of EnergieStG must be provided to the respective



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transmission system operator until one week before the date of delivery. If adequate documentation of meeting the requirements per Section 38 (3) EnergieStG is not submitted within the prescribed period, the transmission system operator may invoice the shipper for charges due plus energy tax at the applicable rate on the gas quantity delivery.

The shipper is obligated to notify the transmission system operator immediately in writing if the shipper is not or no longer a supplier within the meaning of Section 38 (3) EnergieStG. A current delivery confirmation from the customs administration is required for address changes, company name changes and changes in legal organizational form. The shipper must reimburse the transmission system operator for resulting energy tax due if this requirement is not met on time.

2. All charges listed in the respective contracts are without applicable taxes. The shipper must pay these taxes in addition to the charges.
3. The charges per the relevant contract and this clause, plus any surcharges thereupon, represent the payment amount for purposes of the Value Added Tax Law, and do not include Value Added Tax (VAT). The shipper must pay VAT at the applicable rate to the transmission system operator in addition to this payment amount.

### **Section 28 Maintenance**

1. The transmission system operator shall be entitled to carry out maintenance (servicing, inspection and repair) on its pipeline system, as well as measures for new construction, modification and expansion of systems. The transmission system operator shall be released from obligations under this contract if and to the extent the transmission system operator is not able to fulfill its contractual obligations due to aforementioned measures. The shipper is obligated to cooperate, particularly by adjusting network usage during maintenance activities planned by the transmission system operator.
2. The transmission system operator shall inform the shipper in due time of measures per item 1 beforehand in suitable manner if and to the extent network usage per this contract should actually be compromised, in whole or in part. This advance notice requirement does not apply if advance notice is not possible for reasons for which the transmission system operator is not responsible or the remedial action necessary to eliminate any interruption of service would be delayed by such an advance notice. In such cases the transmission system operator shall inform the shipper of the reason why the shipper's rights under the contract were compromised.
3. When measures per item 1 that does not constitute measures within the meaning of Section 16 (2) EnWG reduces the agreed capacity and/or gas flow at the respective entry or exit point affected for more than 14 calendar days per contract year, the shipper is exempt from payment obligations for the duration and scope of reduction beyond 14 calendar days. This period is reduced pro rata for contracts with a term of less than one year. The shipper is furthermore released from his obligations.
4. The foregoing items shall apply accordingly when third-party transmission system operators conduct measures per item 1 as a result of which the transmission system operator is unable to fulfill its obligations under the respective contract, in whole or in part.
5. Item 1 sentences 2 and 3 and Item 2 apply accordingly in the event the transmission system operator is entitled by law or provisions of contracts with third parties to interrupt these third parties' network or connection usage.

## **Section 29 Interruption of interruptible capacity**

1. The transmission system operator is obligated to provide booked interruptible capacity at an entry or exit point as long as the usage of booked firm capacity is not affected. The transmission system operator shall also be entitled to interrupt booked interruptible capacities in whole or in part if it is requested by another transmission system operator of the same market area in accordance with Section 16 (1), EnWG to interrupt such capacities to avoid detrimental impact on booked firm capacities on its network.
  2. The transmission system operator, or in the cases per Section 13 Item 2 and Section 12 (1) the appointed balancing group manager, must give the shipper at least 3 hours' advance notice of the interruption, unless this is not possible due to operational reasons. The transmission system operator must notify the shipper of the reasons for the interruption without undue delay, and no later than occurrence of the interruption.
  3. For interruptions per item 2, the shipper must ensure – via the appointed balancing group manager if necessary – that the gas quantities at the entry and/or exit points affected by the interruption are renominated accordingly without undue delay to avoid quantity differences. In case of interruption at an exit point to an end-consumer, the shipper has to ensure that the withdrawal will be reduced by the end-consumer accordingly. The transmission system operator's supplementary terms and conditions do not apply to renomination deadlines as long as renomination is technically and operationally possible. If usage continues despite an interruption, Section 30 applies accordingly.
  4. Interruption of interruptible capacity at an entry or exit is done in the chronological order of the respective entry/exit contract concluded, starting with the most recently concluded contract. Biogas capacity is interrupted with a lower priority than other interruptible capacity. This does not apply if there is no corresponding subordinate interruption control for biogas at cross-border interconnection points. Sentences 1 and 2 may be superseded by differing provisions implemented with the adjacent operator for cross-border interconnection points.
1. In cases per Section 16 (1) and (2) EnWG, the transmission system operator may deviate from the procedure per item 4 if the security or reliability of the network would otherwise be jeopardized or compromised.

## **Section 29a Reduction procedure for firm capacity nomination**

In case the sum of all nominations of booked firm capacities is higher than the available firm capacity within an hour at an entry- or exit-point after the interruption of all interruptible capacities according to Section 29, the aforementioned nominations will be curtailed according to item a) and b). The rules of section 34 and 35 shall remain unaffected.

- a. The firm capacity nominations of all biogas balancing groups/sub-balancing accounts have to be considered preferentially. These nominations will not be curtailed provided the available capacity is sufficient. If the available capacity is insufficient, then item b) has to be applied.
- b. If the remaining firm capacity resulting from item a) is less than the amount of the sum of all nominations relating to included capacity in the balancing group/sub-balancing accounts, the firm capacity will be initially considered on a pro rata basis taking into account the ratio of the included firm capacities of the

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balancing group/sub-balancing accounts. In case residual amounts remain, because for one or more balancing accounts more firm capacities have been considered as nominated and at least one other balancing account has been curtailed, then the residual amounts will be allocated additionally on a pro rata basis considering the ratio of the included capacities. If residual amounts remain again after the allocation, the allocation process will be repeated considering the included capacities until the residual amounts are allocated.

In case of curtailment the shipper will be informed without undue delay about the cause and the estimated duration of the curtailment.

### **Section 30 Capacity overrun**

1. The shipper is entitled to use booked capacity at the entry and/or exit point in the amount incorporated to the balancing group/sub-balancing account. The shipper is not entitled to any use exceeding that amount.
2. If contrary to item 1 sentence 2 the allocated hourly gas quantities exceed 100% of capacity incorporated to the balancing group for an entry or exit point at the respective entry or exit point in question, an hourly capacity overrun shall have occurred. An hourly overrun shall not increase booked capacity.
3. When several shippers have booked capacity at an entry and/or exit point and incorporate these to the same balancing group, the transmission system operator may bill each shipper for capacity overruns proportionately weighted by capacity incorporated at that entry and/or exit point. This does not apply if the balancing group manager nominates in separate sub-balancing accounts for each shipper.
4. If the shipper exceeds capacity incorporated, a contractual penalty is due in accordance with the transmission system operator's supplementary terms and conditions.
5. The provisions under item 4 do not affect the assertion of further damage claims by the transmission system operator. Contractual penalties already paid are to be credited to such damage claims for specific capacity overruns.

### **Section 31 Suspension or modification of contractual obligations**

1. Pursuant to Section 16 EnWG, the transmission system operator is entitled to introduce capacity allocation restrictions or usage restrictions for the necessary period, modify existing allocation requirements or usage restrictions or convert booked firm capacity into interruptible to the extent necessary to ensure security and reliability of the transmission system operator's network.
2. The transmission system operator is also entitled measures per item 1 if capacity usage differs from the load flow simulation assumptions made in accordance with good gas industrial practices per Section 9 (2) GasNZV, and if the different capacity usage forces the transmission system operator to modify the assumptions applied in determining capacity as per Section 9 GasNZV so that capacity can no longer be offered in the amount previously offered. The transmission system operator may apply measures per item 1 if capacity and control instruments such as load flow commitments and operating reserve cannot or cannot completely be obtained to secure firm, freely allocable capacity required



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by the transmission system operator, or only on economically unreasonable terms, and other network or market measures are not possible. Measures applied by the transmission system operator per this item are to be reported in advance to the Federal Network Agency, stating the reasons.

3. If the entire booked firm capacity at a point is not equally affected by the measures per item 1, the transmission system operator will determine on a non-discriminatory basis for which capacity or concluded contracts these measures are to be implemented. In cases of conversion of booked firm capacity into interruptible capacity, the booked firm capacity is converted into interruptible capacity proportionately in relation to the firm capacity booked by the shippers. For the interruption of this capacity Section 29 applies provided, however, that interruption is done in the chronological order in which firm capacity is booked. Interruption is done subordinate to existing interruptible capacity bookings. Section 29 item 4 sentences 2, 3 and 4 apply accordingly.
4. The transmission system operator shall without undue delay notify the shipper in advance when the shipper's rights per items 1 – 3 are compromised, with sufficient prior notice for foreseeable developments (e.g. due to market area mergers), generally with a minimum prior notice of 3 months, stating the reasons.
5. The shipper may terminate the contracts concerned for material reason, wholly or in part, within 14 calendar days of the notification date, if the modification lasts longer than 14 calendar days per contract year. Termination becomes effective on the effective date of the modifications in the affected contracts. If the terminated capacity is firm capacity at a cross-border interconnection point or market area interconnection point, the shipper may require the transmission system operator to re-auction the terminated capacity at the same point again.
6. The contracts concerned are adjusted accordingly if the shipper does not exercise termination. If an adjustment results in firm capacity being converted into interruptible capacity, wholly or in part, the applicable charges for interruptible capacity accordingly to Section 25 apply for the converted portion. In such case, any auction surcharges are eliminated pro rata from the date of adjustment by the transmission system operator. If capacity allocation limitations or usage conditions are imposed or changed, the respective charges per the transmission system operator's supplementary terms and conditions apply. Any auction surcharges continue to apply in such case.

### **Section 32 Transmission System Operator contact person and availability**

The names of the transmission system operator's contact persons are posted on its website.

### **Section 33 Data transmission and data processing**

The transmission system operator may pass on fuel consumption, billing and contract data to other system operators or market area managers as far as and as long as necessary for proper execution of the respective contract. The shipper consents to automated data processing by the transmission system operator or provider contracted by the transmission system operator in accordance with data protection laws.

### **Section 34 Force majeure**

1. A party to the contract shall be released from its obligations to the extent it is prevented from doing so due to force majeure per item 2. The respective other party shall in turn be released from its obligations as far as and as long as the first party is prevented from fulfilling its obligations due to force majeure.
2. Force majeure is defined as any unpredictable external event that is unavoidable, even having exercised reasonably expectable due care and deploying technically and economically feasible resources. Such events include in particular natural disasters, terrorist attacks, power failures, telecommunications failures, strikes and legal lockouts or regulatory requirements and government, courts or official orders (regardless of their legality).
3. The affected party to the contract shall notify the other party immediately, stating the reasons for the force majeure occurrence and its expected duration. The affected party shall endeavor to restore his ability to fulfill his obligations as soon as possible, deploying all technically and economically feasible resources to do so.
4. If a party to the contract utilizes third-party services to fulfill contractual obligations, an event constituting force majeure for the third party or other circumstances within the meaning of item 2 shall also constitute a force majeure event affecting that party to the contract.

### **Section 35 Liability**

1. The transmission system operator shall be liable for damages to the shipper resulting from interruption or irregularity of network access in accordance with Section 5 GasNZV in conjunction with Section 18 of the NDAV. This shall be applied to low-pressure, medium pressure and high pressure grids. The wording of Section 18 NDAV is enclosed as appendix 2.
2. Moreover, the parties shall be liable to each other for injury to life, body or health, unless the party itself or its legal representatives or vicarious agents have neither acted with willful misconduct nor negligence.
3. In the event of a breach of a material contractual obligation (“wesentliche Vertragspflichten”), the parties shall be liable to each other for property damages to property (“Sachschäden”) and financial loss (“Vermögensschäden”), unless such loss or damage was not caused by willful misconduct or negligence of the party itself, its legal representatives or vicarious agents. The liability of the parties in case of damages to property or financial loss caused by slight negligence shall be limited to the typical foreseeable loss or damages for such contracts.
  - a) Material contractual obligations are obligations the fulfillment of which is prerequisite to proper execution of the contract, the fulfillment of which the parties to the contract rely on and may at all times expect.
  - b) Typical, foreseeable loss or damages are damages the parties to the contract foresaw as possible consequences of breach of contract or would have foreseen under the circumstances known or that would have been known to him at that time if exercising due care (“verkehrsübliche Sorgfalt”).

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- c) Typical damages for contracts of this kind are EUR 2.5 million for damage to property and EUR 1 million for financial loss.
4. The parties shall be liable to each other for damage to property and financial loss arising from breach of non-material contractual obligations, unless such loss or damage was neither caused by willful misconduct nor gross negligence of the party itself, its legal representatives or vicarious agents.
  - a) In cases of damages to property or financial loss caused by gross negligence, the liability of the parties and their legal representatives and vicarious agents shall be limited to the typical, foreseeable loss or damages.
  - b) In cases of gross negligence causing damages to property, the parties' liability for ordinary servants ("einfache Erfüllungsgehilfen") shall be limited to EUR 1.5 million for damage to property, and EUR 0.5 million for financial loss.
5. Section 16 and 16 a EnWG shall remain unaffected. Measures per Section 16 (2) EnWG include in particular actions to ensure domestic customers a secure natural gas supply in accordance with Section 53 a EnWG.
6. The parties' liability under mandatory provisions of the Public Liability Act ("Haftpflichtgesetz") and other laws remains unaffected.
7. Items 1 to 6 shall also apply regarding legal representatives, employees and vicarious agents of the parties, if and to the extent these conditions are applicable for the respective party.

### **Section 36 Deposit**

1. The transmission system operator may in certain justified cases demand reasonable deposit or advance payment for all payment claims arising from the commercial relationship with the shipper. The request of a deposit or of an advance payment, respectively, shall be explained to the shipper in text form.
2. A justified case is in particular presumed to be when:
  - a) the shipper is in default on a payment after having been received an explicit payment demand
  - b) enforcement measures have been initiated against the shipper for monetary claims (Section 803 - 882a Code of Civil Procedure (ZPO))
  - c) the shipper has filed a request for initiation of insolvency proceedings for the shipper's assets, or
  - d) a third party has filed a request for initiation of insolvency proceedings for the shipper's assets.

In addition, the transmission system operator shall be entitled to demand an appropriate deposit or an advance payment in the event that there are reasonable concerns about the shipper's continuing ability to fulfil its obligations under this contract, based on information concerning the shipper obtained from a recognized credit reporting provider, or on any

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other facts, and the shipper does not provide suitable evidence of its creditworthiness to allay such concerns within five business days. The shipper may make available suitable evidence of creditworthiness such as, for example, a current financial statement, a trade register extract, and, if necessary, more in-depth information relating to its creditworthiness. In the event that the shipper is not in the position to provide corresponding evidence within the period stated, it shall pay the deposit within a further five business days.

If the shipper has a rating of a recognized rating agency, causes to express reasonable concerns are, in particular, when the shipper does not have

- a Standard & Poor's long-term rating of BBB- or better,
- a Fitch rating of BBB- or better,
- a Moody's long-term rating of Baa3 or better, or,
- a Creditreform rating (credit index score 2.0) of at least risk class II or better (according to Creditreform RatingMap as of December 2011).

Same applies, if the shipper does not have a corresponding comparable rating of any other recognized rating agency. In the event that several pieces of above mentioned information are provided, reasonable concerns exist also if only one of the stated solvency indices provokes reasonable concerns.

The transmission system operator shall fully disclose to the shipper the data and the essential content of the information obtained that supports a reasonable concern.

3. Deposit types include irrevocable, unconditional bank guarantees, irrevocable unconditional corporate guarantees (binding letter of comfort and affiliate guarantee), irrevocable, unconditional, directly enforceable guarantees and deposits of cash or debt securities. It is at the shipper's discretion to determine the type of deposit. The transmission system operator may also accept cash or assignments of claim.
4. The shipper may avoid providing deposit by making advance payment.
5. The shipper must provide deposit to the transmission system operator within five business days of the corresponding request. In the event of Item 2 d) the deposit shall be provided within ten business days, if the shipper does not prove, within this period, the absence of a reason to initiate insolvency proceedings within the meaning of Sections 17 (2), 19 (2) German Bankruptcy Act (InsO). If the deposit is utilized, the transmission system operator may demand the portion utilized be re-deposited or re-provided. The shipper must likewise provide deposit per sentence 3 within the period specified in sentence 1.
6. The requirements for individual deposit types are as follows:
  - a) Bank securities must be provided in the form of an unconditional, irrevocable and directly enforceable bank indemnity letter or guarantee. The bank issuing the deposit must have a Standard & Poor's long-term rating of A- or better, a Moody's long-term rating of A3 or better, or be part of the German savings and cooperative bank sector.
  - b) For corporate guarantees and indemnity letters, the issuing company providing the deposit must have a Standard & Poor's long-term rating of BBB- or better, a Fitch rating of BBB- or better, a Moody's long-term rating of Baa3 or better or

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a Creditreform credit index score (credit index score 2.0) of risk class II or better (according to Creditreform RatingMap as of December 2011). The corporate guarantee or indemnity amount may not exceed 10% of liable capital of the legal person providing deposit. The shipper must document this to the transmission system operator upon providing the deposit.

- c) Any cash deposit provided must be deposited to an account specified by the transmission system operator. Interest is credited on these balances at the base rate published by the German Bundesbank on the first bank business day of the month. The shipper may also pledge an account credit balance to the transmission system operator.
- d) The indemnity or guarantee amount is payable on initial demand and the letter generally must feature a waiver of the right to insist on prior failed attempt at direct enforcement, waiver of contestability and waiver of offset against claims unless undisputed or upheld by legal judgment. A directly enforceable indemnity or guarantee letter must be valid for at least 12 calendar months, expiring no later than two months immediately after the end of the contract term.

7. The deposit amount shall amount to the higher of any of the following values:

- a) twice the average monthly capacity charges receivable from the shipper for the past 12 months. When the network usage period is less than 12 months, this period is used as a base for calculation of the deposit amount, or
- b) the capacity fees receivable from the shipper for the two following months.

8. Deviating from sentence 1, for a period of 6 months from the moment of admission according to Section 2a Item 2, the amount of the deposit shall amount to twice the average monthly capacity charges for expected capacity bookings for a period of 12 months. The shipper shall be obligated to provide the transmission system operator with any requested information necessary therefor in text form. In the first 6 months, admission can be restricted to the extent of the expected capacity bookings. It is possible at any time to adapt the extent of admission after the shipper has previously increased its deposit according to the amended expected capacity. The transmission system operator may utilize deposit provided that it has issued a payment due notice for overdue amounts after payment has been delayed and the reasonable deadline set for making payment has not been met.

9. Securities provided must be returned without undue delay when the reasons for their being required no longer apply. The transmission system operator must review whether the reasons justifying the posting of deposit at least every six months. During such review the transmission system operator must verify whether the deposit amount meets the specifications per item 7. In the event that such review reveals that the realizable value of all securities provided exceeds the amount of the applicable value according to Item 7 not only insignificantly, the transmission system operator shall return the corresponding portion of the deposit amount. If several securities have been provided, the transmission system operator may choose at his discretion which securities to return. In the event that the realizable value of all securities provided falls below the amount of the applicable value according to Item 7 not only insignificantly, the transmission system operator may demand

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adjustment accordingly. The shipper may demand an advance payment arrangement be ceased after six months at the earliest if payments were made on time during the last 12 month.

### **Section 37 Termination of contract**

1. This contract may be terminated without notice for a material reason ("wichtiger Grund").
2. Material reason shall in particular be deemed to be given when:
  - a) serious, repeated violation of material contractual obligations despite issuance of warning or
  - b) the shipper fails to promptly meet his obligation to provide deposit or make advance payment per Section 36 or the deposit or payment is not fully paid or
  - c) a request for initiation of insolvency proceedings for the shipper's assets has been filed and despite request, the insolvency administrator has not declared the continuation with the meaning of Section 103 German Bankruptcy Act (InsO) and in the case of requesting initiation of insolvency proceedings by a third party, the shipper or the insolvency administrator does not prove the absence of a reason to open the insolvency proceeding with the meaning of Section 17 (2), Section 19 (2) German Bankruptcy Act (InsO) within five business days.

### **Section 38 Loyalty**

1. If during the term of the contract unforeseen circumstances should occur having significant economic, technological or legal impact on the contract for which the contract or terms and conditions have no provisions in place, or which were not considered at contract conclusion so as to become any contract provision unreasonable for one party to the contract, the affected party may demand of the other party a corresponding amendment of contractual provisions addressing the changed circumstances, taking into account all economic, technological and/or legal implications for the other party.
2. The party referring to such circumstances shall set forth and prove the necessary facts of that matter.
3. A right to amend the contract provisions exists from the date on which the party in question initially demands such amendment of contractual provisions due to changed circumstances, unless earlier demand by that party was not reasonably feasible.

### **Section 39 Confidentiality**

1. The parties shall keep the content of the contract and all information obtained thereunder by one party from the other party (hereinafter referred to as "confidential information") in confidence and shall not to disclose or make available such confidential information to third parties without the other party's prior written consent, except as provided under item 2 and Section 33. Each party shall exclusively use the confidential information for the purpose of execution of the respective contract.



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2. Either party shall be entitled to disclose confidential information obtained from the other party without written consent:
  - a) to an affiliated company which shall be in the same manner as the disclosing party
  - b) to its representatives, advisors/consultants, banks and insurance companies if and to the extent that such disclosure is required for the proper performance of contractual obligations and prior to making such disclosure such person or has itself obligated to undertake confidentiality or is legally bound to do so by law or professional oath.
  - c) to the extent that such confidential information:
    - this information is legitimately already known to the obtaining party by the date of its receipt from the other party
    - is already publicly available or becomes available to the public other than through act or omission of the obtaining party
    - is required to be disclosed by a party under applicable law or by a juridical or governmental order, or by a request of a regulatory authority; in such case the disclosing party must notify the other party accordingly without undue delay.
3. The confidentiality obligation shall end 2 years after expiry of the respective contract.
4. Section 6a EnWG shall remain unaffected.

### **Section 40 Legal succession**

1. Subject to Section 19, contractual rights and obligations may only be assigned with the other party's prior consent, either in whole or in part. Consent may only be withheld for material reason.
2. Transfer in whole per item 1 to an affiliated company within the meaning of Section 15 Corporate Law (AktG) shall not require prior consent, but only written notification to the other party.

### **Section 41 Contract amendments**

1. The transmission system operator may amend the General terms and conditions outlined in this contract with immediate effect as necessary to comply with applicable laws, regulations or legally binding orders by national or international courts or authorities – including particularly determinations and related announcements of the Federal Network Agency – or to comply with generally approved technical standards. In such case the transmission system operator must notify the shipper thereof without undue delay. If contract amendments result in the shipper being more than insignificantly disadvantaged in economic terms, which impact shall be proved by the shipper, the shipper may terminate his contracts at the end of the month following the effective date, providing 15 business days' notice. No compensation shall be payable. This provision applies accordingly for amendments necessary for the further consolidation of market areas.

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2. The transmission system operator is entitled to amend the terms and conditions outlined under this contract with future effect in cases other than as outlined under item 1, in the event that the transmission system operator has a justified interest in changes to the contractual arrangements for network access. Without limitation, the transmission system operator shall be deemed to have such a justified interest if the changes are in connection with the issue of standardized entry and exit contracts in accordance with Section 3 (3) GasNZV. The transmission system operator shall notify the shipper two months prior to the effective date of the amended terms and conditions under this contract in text form and publish the amended terms and conditions under this contract on his website. In justified cases, the transmission system operator may deviate from the period laid down in sentence 2. Amendments to the terms and conditions of this contract shall be deemed to have been accepted by the shipper unless the shipper terminates the contract within 30 days of the receipt of notification thereof. The shipper shall not be entitled to claim compensation. The shipper shall not be entitled to terminate the contract if the amendment concerned does not represent any or only insignificant commercial or financial disadvantage to the shipper. In the event that the shipper considers that any such amendment would represent significant commercial or financial disadvantage to the shipper, the shipper shall submit evidence of such disadvantage. The transmission system operator is obliged to notify the shipper of the start of the termination notice period, and of the fact that the amended contract terms and conditions will be deemed to have been accepted by the shipper in the event that the shipper does not terminate the contract.
3. Adjustments of charges are made as outlined under Section 25.

### **Section 42 Severability**

1. If any provision of this contract or appendices thereto is or becomes ineffective or unenforceable, the effectiveness of the other provisions of this contract or appendices thereto shall not be affected.
2. The parties replace any ineffective or unenforceable provision with provisions which achieve an economic result as similar as possible to that of the ineffective or unenforceable provision. This shall also apply in case of gap in the provisions.

### **Section 43 Text form**

Any amendment to or termination of a contract shall only be effective if it is done in text form. The same shall apply to the waiver of the text form.

### **Section 44 Place of jurisdiction and applicable law**

1. The ordinary place of jurisdiction applies.
2. The place of jurisdiction shall be that of the transmission system operator's registered office.
3. German law applies, excluding interstate conflict of law's provisions unless bindingly applicable. The UN convention on Contracts for the International Sale of Goods shall be excluded.





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### **Section 45 Index of appendices**

The appendices below constitute an integral part of this contract:

- |            |   |
|------------|---|
| Appendix 1 | Oversupply/undersupply method applied (4 options) |
| Appendix 2 | Section 18 NDAV                                   |

### **Appendix 1: Oversupply/undersupply method applied (option 1)**

1. Method: Fixed date method  
The meter is read annually at a fixed date. In accordance with DVGW G 685, the reading may be taken between six weeks prior to and four weeks after the fixed date. Readings not taken on the fixed date are estimated as of the deadline by extrapolation. To determine oversupply/undersupply amounts network usage quantities during the period between the fixed dates are compared against the amounts allocated to the balancing group/sub-balancing account for the corresponding period. Changes of supplier are factored into the allocation monthly, and into quantity measurement up to the day. However move-ins and -outs are treated in accordance with GeLi Gas however.
2. Billing type:
3. Billing period:
4. Fee:
5. Weighting method:
6. Invoicing schedule: annually, no later than 3 months after the billing period
7. Invoicing of oversupply/undersupply billing statement together with network usage billing:
8. Invoice delivery:

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### **Appendix 1: Oversupply/undersupply method applied (option 2)**

1. Method: Appointment method  
Oversupply/undersupply amounts are calculated once annually at a fixed date independent of exit point reading cycle and from the network charges billing process and cycle The consumption amounts for all SLP meters are appointed at a fixed date for a defined period and compared against the amounts allocated to the balancing group/sub-balancing account for the corresponding period. Changes of supplier are factored into the allocation and quantity period measurement up to the day. After one year the quantity for the period is reviewed and oversupply/undersupply billing corrected.
2. Billing type:
3. Billing period:
4. Fee:
5. Weighting method:
6. Invoicing schedule: annually, no later than March 31

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7. Preparation of oversupply/undersupply billing statement together with network usage billing:
  8. Invoice delivery:
- 

***Appendix 1: Oversupply/undersupply method applied (option 3)***

1. Method: Monthly method  
Meters are read on a rolling basis. The transmission system operator divides consumption quantities into individual months. To determine oversupply/undersupply amounts, consumption quantities – appointed for the billing month – are compared against the amounts allocated to the balancing group/sub-balancing account for the corresponding period. Changes of supplier are factored into the allocation and quantity period measurement up to the day.
  2. Billing type:
  3. Billing period:
  4. Fee:
- 

***Appendix 1: Surplus and deficit method applied (option 4)***

1. Method: Rolling invoicing  
Meters are read on a rolling basis. To determine surplus and deficit amounts, individual customers' network use quantities for the invoicing period are compared with the amounts allocated to the balancing group/sub-balancing account for the corresponding period. Supplier changes are factored into the allocation and quantity period measurement on a daily basis.
2. Invoicing type:
3. Invoicing period:
4. Fee:
5. Weighting method:
6. Invoice schedule: rolling, within deadlines set by GeLi Gas
7. invoicing of surplus or deficit together with network use invoicing:
8. Invoice delivery:

## **Appendix 2: Supplementary Terms and Conditions of GRTgaz Deutschland GmbH**

### **for the Entry and Exit Contract (Entry-Exit-System)**

#### **Section 1 Scope**

This Annex and its supplement state supplementary or more specific provisions with respect to the “General Terms and Conditions of Business with regard to the Entry and Exit Contract“ (entry/exit) (hereinafter referred to as “Standard Terms and Conditions”) and form an integral part of the contract.

#### **Section 2 Registration and admission as a shipper**

1. Pursuant to Section 1 of Article 1 of the Standard Terms and Conditions, shippers shall apply for registration and admission with GRTgaz Deutschland GmbH (GRTgaz D).
2. Within the admission procedure, the shipper shall return to GRTgaz D a completed and signed form with respect to the verification of credentials of the type made available on the platform. Furthermore, the shipper shall, in the course of the registration process, receive a document for creditworthiness checking issued by GRTgaz D.

#### **Section 3 Definitions**

In addition to Articles 2 and 9 of the Standard Terms and Conditions and definitions otherwise mentioned in the Standard Terms and Conditions, the following definitions shall apply:

1. **Reverse flow exit capacity**  
Capacity at an entry point at which no bidirectional load flows are possible and gas is contractually (virtually) exited from the gas transmission system in the direction opposite to that of the technical capacity.
2. **Reverse flow entry capacity**  
Capacity at an exit point at which no bidirectional load flows are possible and gas is contractually (virtually) entered into the gas transmission system in the direction opposite to that of the technical capacity.
3. **Dynamically freely allocable capacities (DZK)**  
DZK are freely allocable capacities with restrictions on use. DZK are firm capacities, provided that they are used solely for the purpose of balanced transport between entry

## General Terms and Conditions (entry-exit-System)

and exit points within the system of GRTgaz D at which an obligation to nominate exists pursuant to Article 15 GasNZV. The interruptible portion therefore depends on the current nomination or renomination of the shipper. The restriction of use and its utilization are specified in Articles 4 and 7.

### 4. Conditionally firm freely allocable capacity (bFZK)

bFZK are freely allocable capacities with restrictions on use. bFZK are firm capacities, provided that they are used solely for the purpose of balanced transport between entry and exit points within the system of GRTgaz D at which an obligation to nominate exists pursuant to Article 15 GasNZV, without the inclusion of the Virtual Trading Point. Beyond that, bFZK shall be deemed firm also in the event of imbalanced transports within the system of GRTgaz D subject to the proviso that certain load flow and/or temperature conditions are fulfilled. The restriction of use and its utilization are specified in Articles 5 and 7.

## **Section 4 Dynamically allocable capacities (DZK)**

1. DZK can be entered into any H-Gas balancing group of the market area of NetConnect Germany.
2. The amount of a balanced transport between the entry and exit points of GRTgaz D within a balancing group at a certain hour shall be exactly the minimum of the sum of the hourly entry nominations at GRTgaz D at the balancing group and the sum of the hourly exit nominations at GRTgaz D at the same balancing group. The same shall be applicable in sum for linked balancing groups. The equilibrium in terms of balance of the complete balancing group concerned at NCG (in the following referred to as “basis for balancing energy settlement“) shall not be relevant to the following provisions.
3. The use of the capacity portion of DZK, which is used in excess of a balanced transport between entry and exit points of GRTgaz D – in particular when the VTP is concerned – may be restricted, if, due to current nominations within the whole market area, transport is not possible for network reasons.
4. In the event that the restriction of use of a portion of DZK pursuant to Section 3 of this Article 4 is utilized, the shipper shall neither be entitled to a claim for reimbursement against GRTgaz D in the event that DZK are not used, nor to a claim for damages due with respect to the payments which may be incurred for balancing energy.

## **Section 5 Conditionally firm freely allocable capacities (bFZK)**

1. bFZK can be entered into any H-Gas balancing group of the market area of NetConnect Germany.
2. The use of bFZK may be restricted in the event that, due to current nominations within the whole market area, the physical gas flow from the stations Rimpar and Gernsheim

## General Terms and Conditions (entry-exit-System)

in the northerly direction into the system of Open Grid Europe GmbH exceeds a limit value defined by Open Grid Europe GmbH and the forecast for the previous day for the average daily temperature at Essen meteorological station (Meteorological Service Essen) is above zero degrees Celsius. This condition shall only occur in the event that restrictions of use for entry capacities pursuant to Section 3 of Article 4 in conjunction with Article 7 are utilized.

3. In the event of the utilization of the restriction of use of bFZK pursuant to Section 2 of this Article 5, the shipper shall neither be entitled to a claim for reimbursement against GRTgaz D in the event that the bFZK are not used, nor to a claim for damages with respect to payments which may be incurred for balancing energy.
4. Shippers who have booked bFZK may send to GRTgaz D a binding request to convert their bFZK into freely allocable capacities (FZK) by means of load flow commitments. If, as a result, GRTgaz D contract load flow commitments for a particular period, and if these are approved by the regulatory authority, the requesting shippers shall be obligated to convert their bFZK, which had been requested for conversion into FZK for the period concerned, and to pay the corresponding difference in cost to GRTgaz D. In the event that it is not possible to obtain the full amount of load flow commitments required on the market, FZK shall be distributed in proportion to the requested conversion amount.

### **Section 6 Reverse flow capacity**

1. GRTgaz D offers reverse flow capacity at the point Medelsheim from the system of GRTgaz (F) in the direction of the GRTgaz D network, and at the point Waidhaus from the network of GRTgaz D in the direction of the Net4gas (CZ) system.
2. Reverse flow capacity may be reduced or interrupted, if the physical gas flow at the point concerned is lower than the reverse flow capacity booked or measures in accordance with Article 16 (1) or (2), Energy Industry Act are applied in the market area of NCG. In the event that the restriction of use of DZK pursuant to Section 3 of Article 4, or bFZK pursuant to Section 2 of Article 5 is utilized, reverse flow entry capacities and reverse flow exit capacities shall be treated in the same way as interruptible capacities, irrespective of the physical gas flow.

### **Section 7 Utilization of the restriction of use and reduction**

1. In the event that GRTgaz D has to reduce transport at entry points and/or exit points, firstly the hourly capacity overruns of contracted capacity within the balancing group at the entry point or exit point concerned shall be reduced on a pro rata basis.



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2. In the event that GRTgaz D has to reduce transport at entry points and/or exit points, without any overruns of contracted capacity at the points concerned within the balancing groups, firstly the capacity contracts comprising interruptible capacities at the affected entry points or exit points shall be reduced, starting with the last capacity contract signed pursuant to Article 29 of the Standard Terms and Conditions. A possible reduction in DZK and bFZK pursuant to Section 4 of this Article 7 shall only occur thereafter.
3. In the event that GRTgaz D has to reduce the transport of reverse flow capacity at the entry points and/or exit points in accordance with Section 2 of Article 6, such reduction of the capacity contracts with reverse flow capacity shall occur at the entry point or exit point affected, starting with the last capacity contract signed pursuant to Article 29 of the Standard Terms and Conditions.
4. In the event that GRTgaz D has to reduce transport at entry points and/or exit points, because the condition pursuant to Section 3 of Article 4 has occurred and the restriction of use of the DZK is utilized, in principle, only a reduction of such balancing groups shall occur in which the sum of entry nominations received by GRTgaz D differs from the sum of exit nominations received by GRTgaz D for the period concerned. The preceding sentence shall not be applicable to nominations for interruptible capacities, because these have already been reduced according to Section 2 of this Article 7, before the provisions of this Section 4 of this Article 7 become applicable.
  - a. In the event that the reduction is carried out because it is not possible to take sufficient gas from the MEGAL system due to supply shortfalls on the downstream network, GRTgaz D shall allocate the difference between the sum of entered capacities and the sum of exited capacities pursuant to Section 2 of Article 4 ("hourly delta") to the types of entry capacity entered into the balancing group of the shipper in accordance with the following principles:

In the event that the hourly delta is smaller or equal to the entered entry FZK into the balancing group concerned, no reduction of nomination shall occur within this balancing group. In any other event, FZK entered into the balancing group concerned shall be deducted from the hourly Delta as a non-reducible nomination. The remaining quantity shall be allocated to the entry capacities entered in the order of bFZK, DZK as a reducible nomination. This allocation shall be carried out for all relevant balancing groups.

The necessary reduction shall be carried out in the following steps for all balancing groups which do not have balanced nominations with GRTgaz D, but only for the reducible quantities that have been determined:

    - i) The reducible entry nominations allocated to DZK (=fraction of the hourly Delta) shall be reduced proportionally to their amount, until no shipper can be allocated reducible nominations for DZK for the relevant hour, or the necessary total reduction of entry capacities is obtained;

## General Terms and Conditions (entry-exit-System)

- ii) In the event that, after the use of load flow commitments obtained for the purpose of guaranteeing bFZK, there is still a need for reduction, and the conditions pursuant to Section 2 of Article 5 are met, so that the restriction of use of bFZK is utilized, the nominations allocated to the bFZK (=fraction of the hourly delta) shall be reduced proportionally to the reducible nomination on bFZK allocated to the shipper until no shipper can be allocated reducible nominations on bFZK for the relevant hour, or the necessary total reduction of entry capacities is obtained.

In the event that a shipper has booked bFZK or DZK at an entry point A of GRTgaz D and FZK at another entry point B of GRTgaz D and has allocated these capacities to the same balancing group, the shipper shall be entitled to notify GRTgaz D with at least four working days' notice using a form provided by GRTgaz D whether a reduction in accordance with sub-paragraph i) or ii) is to take place at point A or at point B ("operational relocation of firm VTP access").

- b. In the event that the reduction is carried out, because it is not possible to transport sufficient gas to the MEGAL system due to supply shortfalls in the upstream network, the difference between the sum of exited quantities and the sum of entered quantities pursuant to Section 2 of Article 4 ("hourly delta"\*) shall be allocated by GRTgaz D to the entered exit capacity types within the balancing group of the shipper in accordance with the following principles. In the event that the hourly delta is smaller than or equal to the exit FZK entered into the balancing group concerned, no reduction of nomination shall occur within this balancing group. In any other event, FZK entered into the balancing group concerned shall be deducted from the hourly delta as a non-reducible nomination. The remaining quantity shall be allocated to the DZK as a reducible nomination. This allocation shall be carried out for all relevant balancing groups. The necessary reduction shall be carried out in the following steps for all balancing groups, which do not have balanced nominations with GRTgaz D, but only for the reducible quantities determined. The reducible exit nominations allocated to DZK shall be reduced proportionally to their amount, until no shipper can be allocated any reducible nominations on DZK for the relevant hour, or the necessary total reduction of exit capacities is obtained.

In the event that a shipper has booked DZK at an exit point A of GRTgaz D and FZK at another exit point B of GRTgaz D and has allocated these capacities to the same balancing group, the shipper shall be entitled to notify GRTgaz D with at least four working days' notice using a form provided by GRTgaz D whether a reduction in ac-

cordance with the preceding paragraph is to take place at point A or at point B (“operational relocation of firm VTP access”).

### **Section 8 Bundled booking points**

1. The capacity products marketed in bundled form at the market area and border interconnection points of GRTGaz D are indicated on the primary capacity platform PRISMA Primary (PRISMA European Capacity Platform).
2. In the event that bundled capacities are marketed in accordance with Section 2 of Article 1 of the Standard Terms and Conditions, the auction surcharge shall be shared between the transmission system operators participating in the bundled booking point. GRTgaz D shall invoice the shipper that part of the auction surcharge which is attributable to the shipper. GRTgaz D shall be entitled to change the division of the auction surcharge in the future; any such changes shall be carried out in agreement with the other participating transmission system operator in each case.
3. Upon the conclusion of the contract for the primary capacity platform PRISMA Primary, a capacity contract shall be concluded both with GRTgaz D and with the neighbouring network operator in each case at the market area or border interconnection point.
4. In deviation from or in addition to Section 5 of Article 1 of the Standard Terms and Conditions, the following additional conditions shall apply to capacity products marketed in a bundled form at border interconnection point:
  - a. In deviation from Section 2 of Article 8 of the Standard Entry and Exit Contract, bundled nominations are currently not made for capacity marketed in bundled form. For transport, nominations shall therefore be made both to GRTgaz D and to the network operator in the neighbouring country..
  - b. In deviation from Section 2 of Article 8 of the Standard Entry and Exit Contract, retroactive bundling of transport contracts already concluded is currently not effected.
  - c. Section 2 of Article 16 of the Standard Terms and Conditions shall not apply.

### **Section 9 Reverse-flow nomination**

1. The shipper shall be entitled to request GRTgaz D to permit the utilization of reverse-flow nomination at each entry point and/or each exit point if and to the extent that the shipper has concluded contracts for firm entry capacity and/or firm exit capacity at the entry point and/or exit point concerned with GRTgaz D and has allocated the entry and/or exit points concerned to a balancing group in the market area of NetConnect Germany (NCG (“reverse-flow nomination right”).

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2. The agreement concerning the reverse-flow nomination rights shall be concluded between GRTgaz D and the shipper by signing a form provided by GRTgaz D. The reverse-flow nomination form signed by the shipper shall be received by GRTgaz D no later than 4 working days before the proposed start date. In deviation from Article 40 of the Standard Terms and Conditions, the shipper shall not be entitled to assign any reverse-flow nomination right unless the reverse-flow nomination is submitted under the same balancing group contract as the nomination concerned in the main flow direction.
3. The reverse-flow nomination shall be submitted to GRTgaz D together with the nomination in the main flow direction for the entry point and/or exit point concerned. The provisions of Articles 12 and 13 of the Standard Terms and Conditions shall apply mutatis mutandis. The reverse-flow nomination shall not be larger than the nomination in the main flow direction for any hour of a gas day. If and to the extent that any reverse-flow nomination is larger than the nomination in the main flow direction of the person responsible for nominations for any hour of a gas day in contravention of the provisions of the preceding sentence, GRTgaz D shall be entitled to reduce said reverse-flow nomination to the amount of the corresponding nomination in the main direction of flow as in the case of a capacity overrun or to impose a penalty in accordance with Section 4 of Article 30 of the Standard Terms and Conditions. If and to the extent that the allocated gas quantities in the reverse-flow direction are larger than the allocated gas quantities in the main flow direction within any hour, the reverse-flow nomination shall be deemed to constitute an hourly overrun.
4. Without taking the reverse-flow nomination into consideration, the nomination in the main flow direction shall not be larger than the capacity booked for any hour of a gas day. In such cases, GRTgaz D shall also be entitled to deal with the amount by which the nomination in the main flow direction exceeds the capacity booked as a capacity overrun.
5. The shipper shall ensure that the balancing group manager concerned receives the above requests for the utilization of the reverse-flow nomination right.
6. Any shipper who has firmly booked 10% or more of the stated technical annual capacity of the booking point concerned shall comply with the following provisions. The balanced nomination shall not be lower than the lower renomination limit calculated on the basis of the initial nomination made for the physical gas flow. If a renomination of the reverse-flow nomination results in the balanced nomination being higher than the maximum renomination limit calculated for the initial nomination made on the basis of the physical gas flow, the amount by which the renomination exceeds said upper limit shall be dealt with in accordance with sentence 2 of Section 5 of Article 12 of the Standard Terms and Conditions.

## **Section 10 Invoicing and payment**

1. GRTgaz D shall invoice the fees under the capacity contracts booked to the shipper in accordance with Section 1 of Article 25 of the Standard Terms and Conditions by the 20<sup>th</sup> calendar day of the invoicing month M-1 for the transport month M in each case. Each such invoice shall be paid to GRTgaz D with a fixed value date by the 14<sup>th</sup> calendar day after the date of the invoice. The amount of the preliminary invoice shall correspond to the status of bookings as at the date of the invoice.
2. Charges in accordance with Section 1 of Article 25 of the Standard Terms and Conditions which are not invoiced in the preliminary invoice shall be invoiced to the shipper by the fifth calendar day of the invoicing month following the transport month (ex-post invoicing). Each such invoice shall be paid to GRTgaz D with a fixed value date by the 14<sup>th</sup> calendar day after the date of the invoice.
3. Any adjustments as a result of special events such as the sale of return rights shall be covered by ex-post invoicing in accordance with Section 2 of this Article 10.
4. GRTgaz D shall invoice to the shipper the charges for capacity overruns in accordance with Section 4 of Article 30 of the Entry and Exit Contract. The amount of overrun charges shall be determined in accordance with the latest price list published by GRTgaz D in each case. Each such invoice shall be paid to GRTgaz D with a fixed value date within 30 calendar days after the date of the invoice.
5. Payments shall be deemed to have been made in good time, if the amounts concerned are credited to the account designated by GRTgaz D within the deadlines indicated. In the event that payments are not made in good time, GRTgaz D shall be entitled to claim interest without prejudice to any further claim. Interest shall be calculated in accordance with Article 247 of the German Civil Code at an annual rate of eight percentage points above the base rate published by Deutsche Bundesbank as of the first banking day of the invoicing month concerned.
6. The calculations made for the determination of specific charges or prices shall be made without rounding. The prices to be paid for each capacity booking shall be rounded to 2 decimal places in each case by normal commercial principles.

## **Section 11 Priority of the German version**

The English translation of these Standard Terms and Conditions, which is also published on [www.grtgaz-deutschland.de](http://www.grtgaz-deutschland.de), is merely a convenience translation. The German version only is legally binding. In the event of deviations and/or contradictions between the German version and the English convenience translation, the German version shall always prevail.