

**IGB  
NETWORK  
CODE**

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[to be updated with the final draft]

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## **1. IGB NETWORK CODE**

### **1.1 Scope and Background**

- 1.1.1 This document and its Annexes constitute the IGB Network Code (**INC**) of the Natural Gas transportation facilities of the IGB Pipeline and the relevant definitions thereto are contained in Article 2.
- 1.1.2 These INC provisions include the set of rights and obligations of the ICGB, the Network Users and the Registered Parties in relation to the Transmission Services on the IGB Pipeline. This INC forms an integral part of a Gas Transportation Agreement.
- 1.1.3 Any Registered Party as well as any Network User who has executed a GTA are subject to the provisions of the INC.
- 1.1.4 This INC has been assessed against the provisions of (i) the Exemption Decision and (ii) any existing co-operation agreements related to interconnection and interoperability executed between the ICGB and Adjacent TSOs. This INC has been finally assessed and approved by the National Regulatory Authorities, following approval of the IGB Transmission Tariff Code which is included in this INC as ANNEX A -.
- 1.1.5 In accordance with the Exemption Decision, this INC shall continue in force, as amended from time to time upon the NRAs' instructions and approval, for twenty-five (25) Years from the Commercial Operation Date.

### **1.2 Governing Law**

#### **1.2.1 Governing Law**

This INC (including the arbitration agreement contained herein) and any non-contractual obligations arising out of or in connection with it shall be exclusively governed by and construed in accordance with the laws of England and Wales, excluding any rules or principles (such as rules on conflicts of laws), that would require application of the laws of another jurisdiction to this INC or any matter arising under it. For the avoidance of doubt, mandatory provisions of the relevant Applicable Law shall prevail.

#### **1.2.2 Disputes**

If a Dispute arises, the Parties agree that management from each Party (with due regard to conflicts of interest impacting individual members of such management) shall meet and negotiate in good faith to seek a resolution to such Dispute. If negotiations do not resolve the Dispute:

- (a) with respect to matters to be determined by the Expert, within two (2) Months of the date of submission of a notice of a Disputed Amount;  
or
- (b) with respect to any other Dispute, within thirty (30) Days of the date that a Party gave written notice to the other Party of such Dispute,

then either Party may submit such Dispute to arbitration pursuant to Article 1.2.3.

### 1.2.3 Arbitration

Any Dispute which is not resolved by good faith negotiations pursuant to Article 1.2.2 shall be referred to and finally settled under the Rules of Arbitration of the International Chamber of Commerce, by three (3) arbitrators appointed in accordance therewith.

### 1.2.4 Dispute Language

The language to be used in any arbitral proceedings shall be English.

### 1.2.5 Judicial seat for Disputes

The juridical seat of any arbitration shall be Vienna, Austria.

### 1.2.6 Provisions of the arbitration duration

The provisions of this INC relating to arbitration shall continue in force three (3) Years after its termination or, as it may be, the termination of the GTA this INC is an integral part of.

## 2. DEFINITIONS

Unless the context suggests otherwise, the defined terms set out below shall have the corresponding meaning in this INC:

**ACAA Clearing Price** means, in accordance with article 17 of NC CAM (*Ascending clock auction algorithm*), the price announced for the last bidding round in which an auction closes, except where the aggregate demand across all Users is greater than the Available Capacity offered in a bidding round with a price equal to that which led to the first-time undersell, in which case it shall be the price that led to the first-time undersell.

**ACER Yearly Monitoring Report** means the report described in Article 16.1.2.

**Adjacent TSOs** means, TAP, DESFA and Bulgartransgaz EAD.

**Affiliate** means, with respect to a Party, any Entity Controlled, directly or indirectly, by that Party, any Entity that Controls, directly or indirectly that Party or any Entity directly or indirectly under the common Control of a Party.

**Agreed Interest Rate** means interest (compounded monthly), at a rate equal to the arithmetic mean of the daily quotation of the three (3) Months EURIBOR rate plus two hundred (200) basis points.

**Allocated Quantities** means the quantity of Gas expressed in kWh/D, allocated, daily, to the Network Users pursuant to formulae set in Article 19.2.

**Annual Deficiency** means the Annual Reserved Capacity or Annual Booked Capacity less the sum of  $MNC_n$  in a Contract Year calculated pursuant to clause 8 of the GTA and Article 21.4 of this INC.

**Annual Ship or Pay Payment** means, in respect of any Contract Year, any Annual Deficiency for that Contract Year multiplied by the Transmission Tariff for the same Contract Year, together with all Taxes payable in accordance with Article 20.1 and article 6.1 of ANNEX A -.

**Applicable Law** means any legislation, regulation, rule, decision or established practice of the Republic of Bulgaria, Republic of Greece, the European Union or of international nature applicable from time to time.

**Approval(s)** means, regarding a Party, any approval, authorisation, certificate, consent, decision, decree, judgment, licence, order, permit, or other endorsement of any kind (regardless of the formal nomenclature given to any of the foregoing) necessary or proper to be granted, delivered, issued, or promulgated by any Person in relation to this INC or the GTA, including in relation to (i) the performance of a Party's obligations, (ii) the exercise of a Party's rights, (iii) a Party's financial obligations, or (iv) the conduct of a Party's business.

**ARCA** means an "*Advance Reservation Capacity Agreement*" executed by an Exempted Network User at completion of the procedure of the IGB Market Test.

**Available Capacity** means the capacity of the IGB Pipeline made available by the ICGB for booking purposes under Article 10.

**Average Use** means the average use described in Article 16.4.5.

**Balancing Session** means each session of calculation relevant to the Matching Process, the Provisional Network User Balance, the Final Transportation Balance and the Energy Imbalance.

**Bank Guarantee** means the bank guarantee described in Article 31.2.1.

**Battery Limits** means the geographical boundaries, as defined pursuant to Article 5.3, within which the commercial transactions between the Interconnected Systems take place.

**Booked Capacity** means the portion of the Available Capacity contracted by a Network User in kWh/D and booked pursuant to Article 10:

- (a) for a period of up to one (1) Gas Day (**Daily Booked Capacity**);
- (b) for a period of one (1) Month, in respect of any Month of the GTA entered into by a Network User with the term longer than one (1) Year (**Monthly Booked Capacity**);
- (c) for a period of one (1) Contract Year, in respect of any Contract Year of the GTA entered into by a Network User with the term longer than one (1) Year (**Annual Booked Capacity**);

which, in each case, may be modified in accordance with Article 16.

**Booking Account Code** means a code (to be) provided by the ICGB to a Registered Party pursuant to Article 9.3.1, for the purpose of booking and Nomination procedures.

**Bulgartransgaz EAD** means the entity of that name which is the TSO of the Bulgarian Natural Gas Transmission System incorporated under Bulgarian law with whom the ICGB has entered into an Interconnection Agreement and whose network will be physically interconnected with the IGB Pipeline pursuant to Article 5.3.3.

**Buying Party** means the purchasing entity referred to under the secondary market procedures set out in Article 16.3.

**Change in Law** means the occurrence of any of the following after the COD:

- (a) the enactment of any new Applicable Laws;
- (b) the modification or repeal of any Applicable Laws;
- (c) the commencement of any Applicable Laws that were not effective on the Signing Date;
- (d) a change in the interpretation, application or enforcement of any Applicable Laws;
- (e) the imposition of a requirement for Approval of a Governmental Authority not required on the Signing Date;
- (f) any Approval of a Governmental Authority not being granted on a timely basis where application for that Approval has been duly made; and
- (g) after the grant of an Approval of a Governmental Authority, a revocation or termination of that Approval, a change in the terms or conditions of that Approval, an imposition of additional terms or conditions to that Approval or, if granted for a limited period, a failure to extend or renew that Approval on a timely basis after the timely submittal of an application for extension or renewal, or being renewed on terms or subject to conditions that are materially less favourable to the affected Party, other than those terms and conditions attached to the original Approval.

**Change in Law Notice** means a notice containing the details set out in Article 34.1.2.

**Commercial Operation Date** or **COD** means the date on which the IGB Pipeline is certified by the ICGB and the ICGB's engineer as ready for commercial operation and able to provide the Transmission Services to the Network User.

**Compensation Fee** means the sum of Daily Imbalance Charges for the relevant Month to be paid by Network User or deducted by the ICGB in accordance to the monthly Energy Imbalance.

**Compressor Station** mean a facility that forms part of the IGB Pipeline that has the purpose of compressing the Natural Gas in the IGB Pipeline to assist the flow of Natural Gas.

**Confirmed Quantities** means the hourly quantity of Gas to be transported for each Network User on the basis of the Matching Process according to Article 14.4.

**Contract Month** means:

- (a) for the first (1st) Contract Month, the period commencing at 07:00 hours on the date on which the Transmission Services start and ending at the same time on the last Day of the Month in which the date on which the Transmission Services start occurs;
- (b) for each subsequent Contract Month other than the last Contract Month, the period commencing at 07:00 hours on the first (1st) Day of each Month and ending at the same time on the last Day of the same Month; and
- (c) if the Termination Date does not coincide with the end of the Contract Month, the last Contract Month shall be the period commencing at 07:00 hours on the first (1st) Day of the Month in which the Termination Date occurs and ending at 07:00 hours on the Termination Date.

**Contract Quantity** means the annual quantity of Gas to be transported on the basis of a GTA longer than one (1) Year or the total quantity of Gas to be transported on the basis of a GTA shorter than one (1) Year. Such Contract Quantity is the reference quantity for applying Article 27.3 in case of early termination of a GTA.

**Contract Year** means:

- (a) for the first (1st) Contract Year, the period commencing at 07:00 hours on the date on which the Transmission Services start and ending at 07:00 hours on 31 of December.
- (b) for each subsequent Contract Year other than the last Contract Year, the twelve (12) Month period commencing at 07:00 hours on 1<sup>st</sup> January and ending at the same time on the following 31<sup>st</sup> December; and
- (c) if the Termination Date does not coincide with the end of the Contract Year, the last Contract Year shall be the period commencing at 07:00 hours on January 1<sup>st</sup> and ending at 07:00 hours on the Termination Date.

**Control** means the ownership directly or indirectly of fifty per cent. (50%) or more of the voting rights in a legal entity. **Controls, Controlled by** and other derivatives shall be construed accordingly.

**Conversion Factor** means the conversion factor of 10,24 kWh/Nm<sup>3</sup>, calculated on the LHV. The conversion factor shall be used only for converting the values of the ARCAs' capacity from Ncm/h/y into kWh/D/y.

**Credit Limit** means the limit set by the ICGB for a Network User, as determined in accordance with Article 9.3 of this INC.

**Daily Imbalance Charge** means an amount of money (calculated by the ICGB in accordance with Article 18.4.4) that a Network User needs to pay (or, as it may be, is entitled to receive), in respect of Daily Imbalance Quantity, which amount is always different than zero.

**Daily Imbalance Quantity** has the meaning given to it in Article 18.4.3.

**Daily Quantity** means for each Network User, the sum of all Confirmed Quantities for each Network User as a result of the Matching Process set under Article 14.4.

**Daily Notice** means the notice that any Network User shall provide the ICGB with for the purpose of commencing the Matching Process under Article 14.2.

**Day** means a period of twenty-four (24) hours commencing at 00:00 hours on each calendar day and ending at 24:00 hours on the same calendar day.

**DESFA** means the TSO of the Greek Natural Gas transmission system incorporated under Greek law and with whom the ICGB has entered into an Interconnection Agreement and whose network will be physically interconnected with the IGB Pipeline pursuant to Article 5.3.1.

**Dispute** means any dispute, controversy, or claim of any kind or type, whether based on contract, tort, statute, regulation or otherwise, arising out of, relating to, or connected with this INC or the GTA, or the operations carried out under this INC or the GTA, including any dispute concerning the existence, validity, interpretation, performance, breach or termination of this INC or the GTA.

**Disputed Amount** means all or a portion of any amount that is invoiced under this INC or the GTA and disputed by a Party or subject to manifest error.

**Electrical Consumption** means any consumption of electricity for compression purposes, if any, as elaborated under Article 17.4.

**Energy** means the quantity of energy that may be produced by burning the Gas expressed in kWh, MWh, MJ or other units that express always the same concept.

**Energy Imbalance** means the Energy imbalance calculated in accordance to the formula set in Article 18.

**Entity** means an individual, government or state or division thereof, government or state agency, corporation, partnership or such other entity as the context may require.

**Entry Point** means the location where Natural Gas passes from the Gas delivery facilities to the ICGB's Facilities and where custody to Gas transfers from the Network User to the ICGB under Article 28. The Entry Points are specified in the Network User's GTA.

**Entry Point Specification** means the Natural Gas composition values for Gas delivered or to be delivered by the Network User at the Entry Point for transportation through the IGB Pipeline by the ICGB, as set out in Article 24.5.

**Entry Pressure** means the pressure at which the Network User makes available, and the ICGB takes custody of, Natural Gas at the Entry Point, as set out in Article 24.2.

**EWRC** means the Energy and Water Regulatory Commission of Bulgaria.

**Exempted Capacity** means capacity subject to the third-party access exemption in accordance with the Exemption Decision, corresponding to the values set out in Article 6.3.

**Exempted Network User** means a Network User which has executed an ARCA with the ICGB after having been awarded capacity on the IGB Pipeline during the IGB Market Test. An Exempted Network User and the Network User have the same obligations under this INC unless explicitly stated otherwise herein.

**Exemption Decision** means the Joint Decision of May 2018 as amended by the Final Joint Decision PB-O-2 on 8<sup>th</sup> August 2018 jointly issued by RAE and EWRC, upon the Decision n. C(2018) 5058 on 25<sup>th</sup> July 2018 of the European Commission.

**Exit Point** means the location where Gas passes from the ICGB's Facilities to facilities of the Adjacent TSOs, immediately after the Metering Station and where custody to Gas transfers from the ICGB to the Network User. Exit Point(s) is/are specified in the relevant GTA.

**Exit Point Specification** means the Gas composition values for Gas delivered or to be delivered by the ICGB to the Network User at the Exit Point from time to time, as set out in Article 24.6.

**Expert** means the natural person selected pursuant to schedule 2 of the GTA to determine certain Disputes.

**Facilities** means the Network User's Facilities or the ICGB's Facilities, as the context requires.

**FF Capacity** means the capacity used for the Available Capacity calculation for the booking process pursuant to Article 10, for transporting Gas from the Entry Point(s) of Komotini to the

Exit Point of Stara Zagora. It corresponds, from the COD, to the difference between the IGB Minimum Capacity and the Exempted Capacity (by the COD, it is approximately 91.019.666 kWh/D). This capacity is updated from time to time in accordance to the actual performance of the IGB Pipeline taking into consideration also the Matching Process results pursuant to Article 14.2. This capacity can take form of:

(a) Firm Forward Flow (FFF) capacity (**FFF Capacity**) (b) Interruptible Forward Flow (IFF) capacity (**IFF Capacity**).

**Final Transportation Balance** has the meaning given to it in Article 18.9.

**Firm Forward Flow (FFF)** means a flow from the Entry Points of Komotini to the Exit Point of Stara Zagora (south to north direction), which flow may not be interrupted by the ICGB during normal commercial operations of the IGB Pipeline.

**Firm Reverse Flow (FRF)** means a flow from the Exit Point of Stara Zagora to the Entry Point(s) of Komotini (north to south direction), which flow may not be interrupted by the ICGB during normal commercial operations of the IGB Pipeline.

**Force Majeure Event** means any event or circumstance occurring under Article 32.

**Fuel Gas** means any quantity of Gas delivered by the Network User to the ICGB, if any, at the Entry Point under Article 17.3 for use as fuel by the ICGB in the provision of the Transmission Services.

**Gas Characteristics** means the characteristics of Natural Gas required under this INC and set out in Article 24.

**Gas Day** means the period from 05:00 UTC on one (1) Day to 05:00 UTC on the following Day for winter time and from 04:00 UTC on one (1) Day to 04:00 UTC on the following Day when daylight saving is in force.

**Gas Deficiency Notice** means the notice defined in Article 14.7.1.

**Gas Deficiency Remediation Notice** has the meaning given to it in Article 14.7.3.

**Gas Directive** means Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC.

**Gas Losses** means the quantity of Gas that is lost due to technical leakages.

**Gas Quantities** means the quantity of Gas delivered at each Entry Point to be assured by the relevant Nominations by the Network User.

**Gas Transportation Agreement or GTA** means an agreement for the provision of Transmission Services from an Entry Point to an Exit Point entered into between the ICGB and the Network User, as amended and/or restated from time to time.

**Gas Year** means the period of time beginning with the first Gas Day in October of the current year and ending on the last Gas Day of September of the next year.

**Governmental Authority** means any national or local government, any regulatory or administrative agency, commission, body or other authority, and any court or governmental

tribunal lawfully exercising jurisdiction over this INC, the GTA, the Network User's Facilities and/or the ICGB's Facilities.

**GCV** means the amount of heat that would be released by the complete combustion of one Nm<sup>3</sup> of Natural Gas in air, in conditions according Article 26.3, and all products of the combustion are returned to the same specified temperature (25°C) as that of the reactants, all of these products being in the gaseous state except for water formed by combustion, which is condensed to the liquid state at 25°C.

**ICGB** means ICGB AD, a company incorporated under Bulgarian law, registered in the Commercial Register at the Registry Agency under the number UIC 201383265.

**ICGB Approvals** means all Approvals required from any Governmental Authority of Greece or Bulgaria concerning the design, construction, installation, commissioning, maintenance, repair, and operation of ICGB's Facilities.

**ICGB's Annual Plan** means the programme prepared and issued by ICGB on an annual basis, in accordance with Article 13.

**ICGB's Facilities** means the Gas reception, transportation, and delivery facilities of the IGB Pipeline that are located between the Entry Point and the Exit Point and are necessary to transport Gas to the Exit Point under this INC and the relevant GTA.

**IGB Digital Support** means the system described in Articles 4.2 and 7.6.4.

**IGB Intergovernmental Agreement** means the intergovernmental agreement relating to the IGB Pipeline (to be) entered into between the Government of the Republic of Bulgaria and the Government of the Republic of Greece, as amended and/or restated from time to time.

**IGB Market Test** means the market test conducted between October 2015 and March 2017 by the ICGB within the procedure for obtaining the Exemption Decision and which allowed Exempted Network Users to book Reserved Capacity in advance without participating in the procedure pursuant to Article 10.

**IGB Minimum Capacity** means the specific hourly volumes of Gas transportable by the IGB Pipeline on an annual basis. It is nominally set in forward mode at approximately 380,517 Nm<sup>3</sup>/h/y assuming a load factor = 0.9 at COD. It is the total indicative amount that shall be put on the market in accordance to the actual Entry Pressure and/or Exit Pressure at the Interconnected Points set in Article 24.2.

**IGB Pipeline** means the gas interconnector and the related facilities connecting the Greek and Bulgarian Natural Gas transportation systems from Komotini (Greece) to Stara Zagora (Bulgaria), developed, designed, financed, built, owned and operated by ICGB AD (the ICGB). It shall be interconnected initially with the Bulgartransgaz EAD, DESFA and TAP systems and thereafter with such other systems as may be determined in accordance with any applicable NRA frameworks.

**Insolvency Event** means in respect of a Party:

- (a) dissolution (other than pursuant to a consolidation, amalgamation or merger);
- (b) becoming insolvent or unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;



- (c) an arrangement or composition with or for the benefit of creditors (including any voluntary arrangement) being entered into by or in relation to the Party;
- (d) a receiver, administrator, administrative receiver or other encumbrance taking possession of or being appointed over, or any distress, execution or other process being levied or enforced (and not being discharged within ten (10) Working Days) upon, the whole or any material part of the assets of the Party;
- (e) the Party ceasing to carry on its business;
- (f) a petition being presented (and not being discharged within twenty (20) Working Days or resolution being passed, or an order being made for the administration or the winding up, bankruptcy, insolvency or liquidation (other than pursuant to consolidation, amalgamation or merger) of the Party; or
- (g) the Party suffering any event analogous to the events set out in paragraphs (a)-(f) of this definition in any jurisdiction in which it is incorporated or resident or takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts referred in paragraphs (a)-(f) above.

**Interconnected Systems** means, initially, TAP, DESFA and Bulgartransgaz EAD Natural Gas systems.

**Interconnection Agreement** means the agreement to interconnect the IGB Pipeline with the Gas transportation systems of Adjacent TSOs which contains all necessary technical and commercial provisions including, but not limited to, balancing provisions for the proper functioning of the IGB Pipeline and the Interconnected Systems.

**Interconnection Point(s)** means the interconnection point(s) in Komotini and/or in Stara Zagora, as defined in Article 5.3.

**Interruptible Forward Flow (IFF)** means a flow from the Entry Point(s) of Komotini to the Exit Point of Stara Zagora (south to north direction), which flow may be interrupted by the ICGB during normal commercial operations. The IFF may be physical or virtual.

**Interruptible Reverse Flow (IRF)** means a flow from the Entry Point of Stara Zagora to the Exit Point(s) of Komotini (north to south direction), which flow may be interrupted by the ICGB during normal commercial operations. The IRF may be physical or virtual and, in case of no Compressor Station having been installed, it may be offered by the ICGB and Nominated by the Network User only when the corresponding quantity of Firm Forward Flow is booked and Nominated.

**Line-pack Gas** means the quantity of Gas which meets the Entry Point Specification, provides the initial fill of Gas for the IGB Pipeline at operating pressure in accordance to the INC and assures a quantity of Gas between the Maximum Allowable Stock and the Minimum Allowable Stock.

**Maintenance Day** means a Day on which Scheduled Maintenance is being or is to be performed under this INC.

**Maintenance RC Reduction** means *[to be inserted after finalisation of discussions with Adjacent TSOs]*.

**Marginal Buy Price** means, for a Gas Day, the higher of:

- (a) the highest Gas price of any purchases of title products (pre-identified by the ICGB and approved by the NRAs) in which the ICGB is involved in respect of such Gas Day; and
- (b) the Reference Price of that Gas Day, plus a small adjustment (in accordance with article 22(6) and (7) (*Applicable price*) of NC BAL,

both expressed in €/kWh.

**Marginal Sell Price** means for a Gas Day, the lower of:

- (a) the lowest Gas price of any sales of title products (pre-identified by the ICGB and approved by the NRAs) in which the ICGB is involved in respect of such Gas Day; or
- (b) the Reference Price of that Gas Day, minus a small adjustment (in accordance with article 22(6) and (7) (*Applicable price*) of NC BAL,

both expressed in €/kWh.

**Matching Process** has the meaning given to such term in Article 14.4.1.

**Maximum Allowable Stock** means a maximum stock of Line-pack Gas, as determined by the ICGB from time to time and timely notified to the Network Users.

**Maximum Period** has the meaning given to it in Article 8.1.2.

**Measurement Equipment** means that portion of the ICGB's Facilities used to measure the quantity and quality of Gas, including a meter, gas chromatograph, temperature probe and other equipment necessary and incidental to accurate measurement under the standards, methods, and procedures referred to in this INC.

**Metering Stations** means those stations for the metering of Gas as described in Chapter 5 of ANNEX B -.

**Minimum Allowable Stock** means a minimum stock Line-pack Gas, as determined by the ICGB from time to time and timely notified to the Network Users.

**Minimum Credit Rating** means a rating equivalent of at least Ba1 (per Moody's Investor Services rating rank) or BB+ (per Standard & Poor's Corporation rating rank) or if such credit rating agencies have ceased to exist and have not been replaced, then a reasonably equivalent credit rating agency in which event the credit ratings referred to above shall be revised to an appropriate equivalent standard.

**MNC<sub>n</sub>** means the total monthly capacity in the "n<sup>th</sup>" Month expressed in kWh according to Final Transportation Balance.

**Month** means a period commencing on the first (1st) Day of a calendar month of the Gregorian calendar and ending on the first (1st) Day of the next calendar month of the Gregorian calendar.

**Monthly Fee** means, in respect of any Contract Month, the aggregate of the Nominated Quantities during that Contract Month multiplied by the Transmission Tariff, together with all Taxes payable in accordance with Article 20.1 and article 6.1 of ANNEX A -.

**Monthly Statement** has the meaning given to it in Article 23.1.1.

**National Regulatory Authority(s) or NRA(s)** means the Regulatory Authority for Energy of Greece (RAE) and the Energy and Water Regulatory Committee of Bulgaria (EWRC).

**Natural Gas or Gas** means gaseous hydrocarbons or a mixture of gaseous hydrocarbons corresponding with the Gas Characteristics as set out in Article 24 and being transported by the IGB Pipeline. Gas Characteristics may vary in accordance with the allowable ranges set out in the Entry Point Specification.

**NC BAL** means Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks, as such may be amended, supplemented or replaced from time to time.

**NC CAM** means Commission Regulation No (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013, as such may be amended, supplemented or replaced from time to time.

**NC TAR** means Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas, as such may be amended, supplemented or replaced from time to time.

**Net Measured Quantities** means the quantity of Natural Gas in kWh measured over a specified period at an Interconnection Point or a Compressor Station, as determined by the Measurement Equipment, adjusted at that Interconnection Point or that Compressor Station.

**Network User** means a Person or a company who has executed a GTA with ICGB and **Network User** may be used for defining a Person who is authorized and/or certified to participate in the auction procedure set out in Article 10.

**Network User Approvals** means all Approvals required from any relevant Governmental Authority concerning the Network User's obligations under its GTA and this INC and the transactions contemplated thereunder and hereunder.

**Network User Credit Support** means the credit support referred to in Articles 27.1 and 31.

**Network User Credit Support Cap** has the meaning given to it in Article 31.1.3.

**Network User Credit Support Period** means:

- (a) in relation to the Exempted Network Users, the period commencing on the Signing Date, continuing for the duration of the GTA and being in effect until all claims under this INC and the GTA have been settled or discharged in full (e.g. including any termination payment); or
- (b) in relation to the Network Users (other than the Exempted Network Users), the period commencing on the date the applicant provided the Network User Credit Support as part of its application to become a Registered Party and continuing until the earlier of:
  - (i) the date when the applicant's registration to become a Registered Party has been withdrawn by the applicant; or

- (ii) for the duration of the GTA and until all claims under this INC and the GTA have been settled or discharged in full (e.g. including any termination payment).

**Network User Credit Support Requirement** means the requirement to provide Network User Credit Support in respect of the Network User's obligation to make payments under this INC and the GTA as and when such obligation arises under the terms of this INC and the GTA, in an aggregate amount equal to and not exceeding the Network User Credit Support Cap.

**Network User's Facilities** means the Gas delivery and reception facilities upstream of the Entry Point which are necessary for the delivery of Gas at the Entry Point; and downstream of the Exit Point which are necessary to take delivery of Gas at the Exit Point under this INC and the relevant GTA.

**Network User's Stock Account** means the designated account of the Network User which records the volumes of Gas from time to time held in the IGB Pipeline by ICGB for the account of the Network User.

**Neutrality Account** means a notional account through which the ICGB shall ensure that it remains financially neutral in respect of its balancing activities.

**Neutrality Payment Amount** has the meaning given to it in Article 18.5.2(a).

**Nominated Quantity** means, in respect of a Nomination Period, the quantity of Gas that has been Nominated or deemed Nominated by the Network User under Article 14.2

- (a) for delivery by that Network User to the ICGB at an Entry Point; and
- (b) for redelivery by the ICGB to that Network User at an Exit Point,

and **Nominated Quantities** shall be construed accordingly.

**Nomination** means the prior notification by a Network User to ICGB of its Nominated Quantities and **Nominate** or **Nominated** shall be construed accordingly.

**Nomination Period** means, in respect of each Day during the Transmission Period, a period of [two (2)] consecutive hours within that Day, and the first (1st) Nomination Period on a Day shall commence at [*to be inserted after finalisation of discussions with Adjacent TSOs*] hours on that Day.

**Non-Exempted Capacity** means the Available Capacity referred to in Article 3.2.2 and Article 3.2.3.

**Normal Cubic Meter (Nm<sup>3</sup>)** means the amount of Natural Gas that fills 1m<sup>3</sup> of space at a temperature of 0°C with an absolute pressure of 1.01325 bar.

**Off-Specification Entry Gas** means Gas made available for delivery at the Entry Point which does not conform with the Entry Point Specification.

**Off-Specification Exit Gas** means Gas made available for delivery at the Exit Point which does not conform with the Exit Point Specification.

**Operational Balancing Agreements** means agreements (to be) executed between the Adjacent TSO and the ICGB that set out the terms and conditions for balancing of the quantities of Gas at each Interconnection Point.

**Other Network User** means any Person other than the Network User named in a particular gas transportation agreement (or ARCA, in respect of an Exempted Network User) who, at the relevant time, is delivering Gas into the IGB Pipeline and/or, as the context requires, is off-taking Gas from the IGB Pipeline.

**Partial Interruption** has the meaning given to it in Article 8.1.2.

**Party** means any party bound by this INC, including the Network User, the Registered Party and the ICGB individually; collectively, **Parties**.

**Person** means any individual, partnership, corporation, association, trust, Governmental Authority, or other entity.

**Platform** means the capacity booking platform chosen by the ICGB for complying with the provisions of article 37 (*Capacity Booking Platforms*) of NC CAM (as endorsed by the Greek and Bulgarian respective regulatory frameworks).

**Price Bid** means the unit price in €/kWh offered by the Network User at auctions conducted pursuant to Article 10.

**Provisional Network User Balance** means the balance provided to each Network Users on a daily basis by the ICGB pursuant to Article 18.7.

**RAE** means the Regulatory Authority for Energy of Greece.

**Reasonable and Prudent Party** means a Person (including the Parties) seeking in good faith to perform its covenants or obligations under this INC and the relevant GTA and in so doing and in the general conduct of its undertaking exercising that degree of skill, care and ability that would reasonably and ordinarily be expected from a skilled and experienced operator and/or network user of a pipeline system similar to the IGB Pipeline complying with all Applicable Laws and engaged in the same type of undertaking under the same or similar circumstances and conditions.

**Reasonable Efforts** means, for any action required to be made, tried, or taken by a Party under this INC or the relevant GTA, the efforts that a prudent Person would undertake to protect its own interests, including commercial interests, taking into account the conditions affecting the action, including the amount of notice to act, recognition of the need to act, the duration and type of action, the competitive environment in which the action happens, and the projected benefit, cost and risk to the Party required to take the action.

**Reference Price** means *[to be defined after finalisation of discussions with Adjacent TSOs.]*.

**Reference Gas Year** means the Gas Year used for Congestion Management Procedure calculation according to Article 16.

**Registered Party** means any Person who can access the IGB Pipeline in accordance with Article 9.

**Registration Fee** means the fee to be paid by the Network User where it wishes to access the IGB Pipeline Transmission Services pursuant to Articles 9 and 10. The Registration Fee shall be revised from time to time and published at [www.icgb.eu](http://www.icgb.eu).

**Re-nominated Quantities** means Nominated Quantities that become the subject of a Re-nomination Notice.

**Re-nomination** means a Nomination submitted by a Network User for a particular Gas Day after the deadline for the confirmation of the initial Nomination for that Gas Day, and **Re-nominate** shall be construed accordingly.

**Re-nomination Notice** means the notice defined in Article 14.5.

**Representative** means as regards each Party, and/or its Affiliates if applicable, the person(s) designated by the Party and/or its Affiliates to give and receive notices under this INC and the relevant GTA and to exercise the rights of the Party under this INC and the relevant GTA.

**Reserved Capacity** means the capacity expressed in kWh/D reserved by an Exempted Network User in accordance with its ARCA and the Exemption Decision, which may be:

- (a) the upper limit that an Exempted Network User may Nominate in a Gas Day (**Daily Reserved Capacity**);
- (b) the upper limit that an Exempted Network User may Nominate in any Month (**Monthly Reserved Capacity**);
- (c) the upper limit that an Exempted Network User may Nominate in any Contract Year (**Annual Reserved Capacity**),

which, in each case, may be modified in accordance with Article 16.

**Reserve Price** means the unit price used during the first (1st) round of auctions pursuant to this INC in respect of each Standard Capacity Product, conducted in accordance with article 7 of ANNEX A -.

**RF Capacity** means the reverse flow capacity from the Interconnection Point of Stara Zagora to the Interconnection Point(s) of Komotini. Firm Reverse Flow Capacity shall be initially offered as "*incremental capacity*" (as defined in NC CAM), at COD, to be adjusted to reflect any actual reverse capacity resulting from the installation of a Compressor Station. Actual installation of such capacity shall be subject to article 22 (*Economic test*) of NC CAM (as reflected by the Greek and Bulgarian respective regulatory frameworks). This capacity can take a form of:

- (a) Firm Reverse Flow (FRF) capacity (**FRF Capacity**); or
- (b) Interruptible Reverse Flow (IRF) capacity (**IRF Capacity**).

**Sanctioned Country** means any country or state that is at the relevant time subject to Sanctions. A country or state shall not be deemed to be a Sanctioned Country by virtue of Sanctioned Person(s) being, in the case of individuals, citizens of or residents in such state or country and, in the case of entities and organisations, domiciled or resident in such country or state unless expressly stipulated in the relevant Sanctions.

**Sanctioned Person** means any individual, entity, or organisation that is at the relevant time subject to Sanctions and does not benefit from an exemption to the extent that such exemption would remove the effect of the applicable Sanctions for the purposes of the transactions carried out under this INC and the relevant GTA.

**Sanctions** means the economic or trade sanctions, embargoes or restrictive measures of the United Nations, United States of America, European Union or European Union Member States (as amended, modified or replaced from time to time), as applicable in the Republic of Bulgaria and the Republic of Greece.

**Scheduled Maintenance** means, in relation to any of the ICGB's Facilities, the inspection, maintenance, repair, modification or replacement of it; as determined under Article 13.

**Short Term Booking Credit Limit** has the meaning given to it in Article 31.1.3(a).

**Signing Date** means the date on which a GTA is signed by the ICGB and the Network User and becomes effective, subject only to the fulfilment of conditions precedent set out in the GTA (if any).

**Standard Cubic Meter (Sm<sup>3</sup>)** means a Natural Gas quantity that fills 1m<sup>3</sup> at a pressure of 1.01325 bar (standard atmospheric pressure) and at a temperature of 15°C.

**Standard Capacity Product** means the product put on the market pursuant to Article 7, collectively, Standard Capacity Products.

**TAP** means an independent Natural Gas TSO of the Greek Natural Gas transmission system incorporated under Swiss law and with whom the ICGB has entered into an Interconnection Agreement and whose network will be physically interconnected with the IGB Pipeline pursuant to Article 5.3.2.

**Transmission Tariff** means the Exit Point transmission tariff and the Entry Point transmission tariff applicable as determined under articles 4 and 5 of ANNEX A - and payable by the Network User to the ICGB under Article 21 of this INC.

**Tax or Taxes** means any tax, charge, fee, levy or other assessment imposed by any Governmental Authority, whether federal, state, local or otherwise; including all income, withholding, windfall profits, gross receipts, business, environmental, value added, capital gain, duties, capital stock, registration, excise, ad valorem, real property, personal property, land, local development, licence, sales, production, occupation, use, service, service use, transfer, payroll, employment, social security (or similar), unemployment, travel, franchise, severance, bonus or other tax of any kind, as well as any charges and assessments (including any interest, penalties or additions to tax due to or imposed on or regarding any assessment, whether disputed or not, but excluding any royalties, over-riding royalties and like charges), and all stamp or documentary taxes and fees.

**Termination Date** means the date on which the Transmission Period (as set in a specific GTA) ends.

**Third Party** means any Person other than a Party.

**Trade Notification** means the prior notification by a Network User or a Registered Party to the ICGB of its Traded Quantities at the Virtual Trading Point pursuant to Article 10.4.

**Traded Quantities** means the aggregate quantity of Natural Gas (in kWh per Gas Day) that has been Nominated by a Network User either:

- (a) for transfer from it to another Network User at the Virtual Trading Point; or
- (b) for transfer to it from another Network User at the Virtual Trading Point.

**Transmission Period** has the meaning given to it in the relevant GTA. The Transmission Period cannot be longer than the exemption period granted by the Exemption Decision (i.e. 25 Years from COD).

**Transmission Services** means the services to be provided by the ICGB under the GTA (including clause 5.1 of the GTA, this INC and, in particular, its Article 7.6), which include the transportation of Gas from/to any Entry Point and to/from any Exit Point and any other service as specified in the GTA and this INC.

**TSO** means a transmission system operator.

**Unaccounted Gas** means the quantity of Gas (in Energy units) resulting from make-up necessary for the purpose of compensating measurement tolerance.

**Unused Capacity** means that portion of the Network User's capacity which is unused by the Network User, as determined in accordance with Article 16.5.

**UPAA Clearing Price** means, in accordance with article 18 (*Uniform-price auction algorithm*) of NC CAM, the price of the lowest successful bid (pursuant to the auction procedure set out in this INC) if the demand exceeds the offer at the Reserve Price. In all other cases, the UPAA Clearing Price shall be equal to the Reserve Price.

**User** means the Network User and/or Other Network Users.

**UTC** means Coordinated Universal Time.

**Virtual Trading Point** means a virtual point at between an Entry Point and an Exit Point in which Network Users may register Gas trades.

**Volume Bid** means the hourly Gas quantity Nm<sup>3</sup>/h requested by the Network User at auctions conducted pursuant to Article 10.

**Week** means a period of seven (7) consecutive Days commencing on a Monday.

**Wilful Misconduct and/or Gross Negligence** has the meaning given to it in Article 26.1.3.

**Working Day** means any Day other than a Saturday, a Sunday, or a public holiday in Bulgaria and Greece.

**Year** means a calendar year of 365 or 366 Days.

### 3. REGULATORY FRAMEWORK

#### 3.1 The European regulatory framework

3.1.1 The IGB Pipeline was developed within the framework of the Gas Directive, as implemented respectively by the Greek and the Bulgarian regulatory frameworks.



In the context of this INC, particular importance is placed on the Exemption Decision and the current capacity allocation mechanism set out in NC CAM.

- 3.1.2 The Exemption Decision defines the terms and conditions for the IGB Pipeline's exemption from third party access, transmission tariff and ownership unbundling obligations and NC CAM defines the framework for operating the IGB Pipeline in a complementary manner. To the extent that NC CAM does not contradict the provisions of the Exemption Decision, NC CAM shall apply as set out herein.

### 3.2 Cross-border and exempted context

The IGB Pipeline will operate in a cross-border context between Greece and Bulgaria under an exempted and regulated regime in accordance with the Exemption Decision. To this extent, the ICGB is bound by the respective regulatory frameworks of Greece and Bulgaria and by the Exemption Decision. The Exemption Decision prevails over these regulatory frameworks and includes, *inter alia*, the following provisions:

#### 3.2.1 Exemption Period

The exemption period shall last twenty-five (25) years from the Commercial Operation Date (COD), in accordance with the Exemption Decision.

#### 3.2.2 Third party access exemption

A third-party access exemption is granted in respect of a certain amount of the IGB Minimum Capacity which is allocated to the Exempted Network Users. The following table shows the Exempted Capacity compared to the Non-Exempted Capacity and the IGB Minimum Capacity at COD:

<i>Period from</i>	<i>Period to</i>	<i>Exempted Capacity (Nm<sup>3</sup>/h/y)</i>	<i>Non-exempted Capacity (Nm<sup>3</sup>/h/y)</i>	<i>IGB Minimum Capacity (Nm<sup>3</sup>/h/y)</i>
<i>COD</i>	<i>up to 5 years</i>	<i>179.673,55</i>	<i>200.843,45</i>	<i>380.517,00</i>
<i>1st Day of the 6th year</i>	<i>up to 10 years</i>	<i>173.966,55</i>	<i>206.550,45</i>	<i>380.517,00</i>
<i>1st Day of the 11th year</i>	<i>up to 20 years</i>	<i>162.551,05</i>	<i>217.965,95</i>	<i>380.517,00</i>
<i>1st Day of the 21st year</i>	<i>up to 25 years</i>	<i>131.044,05</i>	<i>249.472,95</i>	<i>380.517,00</i>

#### 3.2.3 Non-Exempted Capacity

The ICGB shall make Non-Exempted Capacity available in accordance with NC CAM (as implemented by the Greek and Bulgarian respective regulatory frameworks).

#### 3.2.4 Transmission Tariff regime

FF Capacity and RF Capacity are exempted from the provisions of Gas Directive (as implemented in Bulgaria and Greece), as set out in ANNEX A - of this INC and is applicable to all Network Users.

#### **4. PUBLIC DATA, DIGITAL SUPPORT AVAILABILITY AND INFORMATION EXCHANGE**

##### **4.1 Publication by the ICGB**

From time to time, the ICGB shall publish on its website ([www.icgb.eu](http://www.icgb.eu)) the information regarding the technical features and the status of the IGB Pipeline.

##### **4.2 IGB Digital Support features**

4.2.1 The IGB Digital Support shall be developed and made available to support the information exchange between the Platform, the ICGB and the Network Users.

4.2.2 The IGB Digital Support shall have the following features available:

- (a) IGB Digital Support User's guide;
- (b) Portal for Network Users' registration pursuant to Article 9.2;
- (c) Portal for accessing the Platform for booking the Available Capacity pursuant to Article 10;
- (d) Portal for accessing the forms and data exchange facilities for planning the Transmission Service pursuant to Article 13; and
- (e) Portal for accessing forms and data exchange facilities for nominating and confirming the quantities to be transported pursuant to Article 14.

4.2.3 Any Network User shall use the IGB Digital Support for exchanging data and information necessary for accessing the IGB Pipeline services and the implementation of the relevant GTA provisions.

#### **5. IGB PIPELINE DESCRIPTION**

##### **5.1 Interconnections with TSOs**

5.1.1 The IGB Pipeline is a high-pressure Gas pipeline set for interconnecting the Natural Gas transportation systems of Greece and Bulgaria and for interconnection with TAP.

5.1.2 The IGB Pipeline is physically interconnected with the DESFA and TAP systems in Komotini (Greece) and with the Bulgartransgaz EAD system in Stara Zagora (Bulgaria).

5.1.3 The IGB Pipeline may be interconnected with other systems (a) in accordance with the regulatory frameworks of Greece and Bulgaria, or (b) following any explicit requests to do so by any TSO (other than the ICGB).

## 5.2 Geographical extension

The IGB Pipeline has a predominantly northward flow of Gas and shall operate in the Forward Flow mode, northward from Komotini to Stara Zagora, and in the Reverse Flow mode, southwards from Stara Zagora to Komotini. It shall be approximately 182 km long, with a 32” nominal diameter.

## 5.3 Interconnection Points, Entry Points and Exit Points

In case of the Firm Forward Flow (FFF) and the Interruptible Forward Flow (IFF), the Entry Points and the Interconnection Points in Komotini are the following:

### 5.3.1 Entry Point and Interconnection Point with DESFA

The Interconnection Point (D-IP) with DESFA shall be at the location (to be) determined by the ICGB and DESFA and the Battery Limits are defined in ANNEX B -.

### 5.3.2 Entry Point and Interconnection Point with TAP

The Interconnection Point (T-IP) with TAP shall be at the location (to be) determined by the ICGB and TAP and the Battery Limits are defined in ANNEX B -, and the Exit Point in Stara Zagora is the Exit Point set forth in Article 5.3.3.

### 5.3.3 Exit Point and Interconnection Point with Bulgartransgaz EAD

The Interconnection Point with Bulgartransgaz EAD (B-IP) shall be at the location (to be) determined by the ICGB and Bulgartransgaz EAD and the Battery Limits are defined in ANNEX B -.

Subject to Article 7.2, in case of the Firm Reverse Flow (FRF) or the Interruptible Reverse Flow (IRF), the only Entry Point of the IGB Pipeline is:

### 5.3.4 The Entry Point in Stara Zagora and the Interconnection Point with Bulgartransgaz EAD

The Interconnection Point with Bulgartransgaz EAD shall be at the location (to be) determined by the ICGB and Bulgartransgaz EAD and the Battery Limits are defined in ANNEX B -,

and the Exit Points of the IGB Pipeline are the Exit Points set out in Article 5.3.5 and Article 5.3.6.

### 5.3.5 Exit Point in Komotini and the Interconnection Point with DESFA

The Interconnection Point with DESFA shall be at the location (to be) determined by the ICGB and DESFA and the Battery Limits are defined in ANNEX B -.

### 5.3.6 Exit Point in Komotini (Greece) at interconnection with TAP

The Interconnection Point with TAP shall be at the location (to be) determined by the ICGB and TAP and the Battery Limits are defined in ANNEX B -.

## 5.4 Technical characteristics

5.4.1 In ANNEX B -, the IGB Pipeline is described in detail. In particular in ANNEX B - the following features can be found:

- (a) Pipeline Geographical Extension;
- (b) Technical Characteristics;
- (c) Pressures and Transportation Capacity;
- (d) Control Equipment;
- (e) Metering Stations;
- (f) Compressor Station;
- (g) Dispatching Centre;
- (h) IGB Flow Model;
- (i) Capacity at the Entry Points;
- (j) Capacity at the Exit Points;
- (k) Calculation Methods for Transportation Capacities;
- (l) Simulation Programs;
- (m) Technical and Operational Constraints and Boundary Conditions.

## 6. EXEMPTED CAPACITY, RESERVED CAPACITY, BOOKED CAPACITY

### 6.1 Exempted Capacity

The Exempted Capacity shall be contracted by the Exempted Network Users, for the relevant capacity and duration. A Gas Transportation Agreement shall be executed in relation to such Exempted Capacity, *provided that* the Network User fulfils the requirements set out in Article 9.2.

### 6.2 INC obligations in relation to the Exempted Capacity

The Exempted Network Users shall comply with this INC to the extent that this INC does not contradict the Exemption Decision.

### 6.3 Exempted Capacity from COD for a period of 25 years

<i>Period from</i>	<i>Period to</i>	<i>Exempted Capacity (Nm<sup>3</sup>/h/y)</i>	<i>Non-exempted Capacity (Nm<sup>3</sup>/h/y)</i>	<i>LHC MJ/Nm<sup>3</sup> in</i>	<i>Reserved Capacity (kWh/D)/y</i>
<i>COD</i>	<i>up to 5 years</i>	<i>179.673,55</i>	<i>200.843,45</i>	<i>36,87</i>	<i>44.166.454</i>

<i>1st Day of the 6th year</i>	<i>up to 10 years</i>	<i>173.966,55</i>	<i>206.550,45</i>		<i>42.763.587</i>
<i>1st Day of the 11th year</i>	<i>up to 20 years</i>	<i>162.551,05</i>	<i>217.965,95</i>		<i>39.957.486</i>
<i>1st Day of the 21st year</i>	<i>up to 25 years</i>	<i>131.044,05</i>	<i>249.472,95</i>		<i>32.212.593</i>

The above table shows the amount of Exempted Capacity in accordance with the Exemption Decision in different time periods. The profiles of Exempted Capacity vary depending on the expiration of the GTA executed with the Exempted Network Users.

#### **6.4 Reserved Capacity**

6.4.1 The table set out in Article 6.3 shows the total amount of the Annual Reserved Capacity for the Exempted Network Users. Such Annual Reserved Capacity shall be allocated on a firm basis to the Exempted Network Users in accordance with their respective ARCA's terms and conditions and represents, when used for Nomination purposes (in accordance with Article 14), the Daily Reserved Capacity. The Daily Reserved Capacity shall be used, *inter alia*, for netting the Available Capacity pursuant to Article 10.

6.4.2 Conversion Factors for ARCAs are 10,24 kWh/Nm<sup>3</sup> and 24 h/Day.

#### **6.5 Booked Capacity**

6.5.1 The Booked Capacity, expressed in kWh/D/y, is the Available Capacity allocated (by execution of a GTA) to a Network User that has booked the Available Capacity pursuant to Article 10 and represents, when used for Nomination purposes (in accordance with Article 14), the Daily Booked Capacity.

6.5.2 The Exempted Network Users are allowed to participate at the booking procedure to the extent permitted by the Exemption Decision and within the limits set in ANNEX E -. In case of allocation of capacity to an Exempted Network User, the Exempted Network User and the ICGB shall enter into a separate GTA concerning such capacity.

### **7. STANDARD CAPACITY PRODUCTS OFFERED AND RELATED SERVICE**

Each product put on the market by the ICGB pursuant to this Article 7 is considered as Standard Capacity Product.

#### **7.1 Firm Forward Flow**

7.1.1 The ICGB shall confirm for the Exempted Network Users and offer to the Network Users, from COD, FFF Capacity at the Exit Point of Stara Zagora (i.e. at B-T) as per Article 5.3.3 above.

7.1.2 The Network Users may book, from COD, FFF Capacity at the Entry Point(s) of Komotini (i.e. at D-IP and/or T-IP, as the case may be), to be transported up to the Exit Point of Stara Zagora (i.e. at B-IP).

- 7.1.3 For FFF Capacity, payable Entry Point Transmission Tariff and Exit Point Transmission Tariff ( $ENT_{FFF}$  and  $EXT_{FFF}$ , respectively) are defined in articles 4.1 and 5.1 of ANNEX A -.
- 7.1.4 Fuel Gas or Electrical Consumption for compression shall be treated within the Energy Imbalance calculations in accordance with Article 18.
- 7.1.5 Booking procedures for FFF Capacity shall comply with the provisions of Article 10.3.
- 7.1.6 Due to technical limitations at the D-IP, FFF Capacity may offered conditional to actual technical conditions at such Interconnection Point. Prior to the auctions, relevant information will be communicated to all Network Users by ICGB and the concerned TSO.

## 7.2 Firm Reverse Flow

- 7.2.1 The ICGB may offer, at any time from COD, Firm Reverse Flow (FRF) capacity (FRF Capacity at the Exit Point(s) of Komotini (i.e. at D-IP and/or T-IP, as the case may be)).
- 7.2.2 If offered, FRF Capacity shall be initially treated at COD as “*incremental capacity*” and shall follow the relevant procedure set out in NC CAM for investing in the necessary Facilities and ensuring the relevant Transmission Service by the ICGB.
- 7.2.3 Following the successful completion of such procedure and the ICGB having made relevant commitments to invest in necessary Facilities, the execution of a GTA between the ICGB and a Network User for FRF Capacity shall take place.
- 7.2.4 Subject to the preceding sentences, from the commercial operations date of the relevant Facilities, the Network Users may book FRF Capacity at the Entry Point of Stara Zagora (i.e. at B-IP), to be transported up to the Exit Point(s) of Komotini (i.e. at D-IP and/or T-IP, as the case may be).
- 7.2.5 For FRF Capacity, payable Entry Point Transmission Tariff and Exit Point Transmission Tariff ( $ENT_{FRF}$  and  $EXT_{FRF}$ , respectively) are defined pursuant to articles 4.4 and 5.4 of ANNEX A -.
- 7.2.6 Fuel Gas or Electrical Consumption for compression shall be treated as part of the Energy Imbalance calculations in accordance to Article 18.
- 7.2.7 The booking procedure for FRF Capacity shall comply with the provisions of Article 10.3.

## 7.3 Interruptible Forward Flow

- 7.3.1 From COD, the Network Users may book Interruptible Forward Flow (IFF) capacity (IFF Capacity at the Entry Point(s) of Komotini (i.e. at D-IP and/or T-IP as the case may be), but only if no FFF Capacity is available. Notwithstanding the interruptible nature of the Transmission Services applicable to IFF Capacity, the following provisions shall apply to the Network User who has been allocated IFF Capacity.

- 7.3.2 For IFF Capacity, payable Entry Point Transmission Tariff and Exit Point Transmission Tariff ( $ENT_{IFF}$  and  $EXT_{IFF}$ , respectively) are defined pursuant to article 4.2 of ANNEX A -.
- 7.3.3 Fuel Gas or Electrical Consumption for compression shall be treated as part of the Energy Imbalance calculations in accordance to Article 18.
- 7.3.4 The booking procedure for IFF Capacity shall comply with the provisions of Article 10.3.

#### **7.4 Interruptible Reverse Flow**

- 7.4.1 The ICGB may offer, at any time from COD, Interruptible Reverse Flow (IRF) capacity (IRF Capacity at the Exit Points of Komotini (i.e. at D-IP and/or T-IP, as the case may be).
- 7.4.2 The provisions of Article 7.2 concerning "incremental capacity" (in accordance with CAM 2017) for FRF Capacity apply *mutatis mutandis* to the IRF Capacity.
- 7.4.3 From COD, the Network Users may book IRF Capacity at the Entry Point of Stara Zagora (i.e. at B-IP).
- 7.4.4 Subject to the preceding sentences of this Article 7.4, the Network User who booked IRF Capacity may deliver Gas at the Entry Point of Stara Zagora and off-take gas at the Exit Point of Komotini.
- 7.4.5 For IRF Capacity, payable Entry Point Transmission Tariff and Exit Point Transmission Tariff ( $ENT_{IRF}$  and  $EXT_{IRF}$ , respectively) are set pursuant to article 4.3 of ANNEX A -.
- 7.4.6 Fuel Gas or Electricity for compression shall be treated as part of the Energy Imbalance calculations in accordance to Article 18.
- 7.4.7 The booking procedure for IRF Capacity shall comply with the provisions of Article 10.3.

#### **7.5 Entry Point Specification**

At each Entry Point, the Network Users shall check compliance of Gas tendered with the Entry Point Specification. The compliance shall be continuously measured by the ICGB at each Interconnection Point. Any deviation from the Entry Point Specification shall be notified by the ICGB through the IGB Digital Support (or through written communication, if IGB Digital Support is not yet in place) and shall give to the ICGB the right to reduce or to interrupt the Transmission Service in case such deviations may affect, in the reasonable opinion of the ICGB, integrity or safety of operation of the IGB Pipeline.

#### **7.6 Services provided by the ICGB**

Without prejudice to any other provision of this INC and the relevant GTA, this Article 7.6 summarises the services provided by the ICGB:

- 7.6.1 Uninterruptible service

The Reserved Capacity or the Booked Capacity, in each case when relating to FFF Capacity or FRF Capacity, shall not be interrupted if the following requirements are satisfied:

- (a) the Gas at any Entry Point(s) is compliant with the Entry Point Specification in accordance with Article 24.5;
- (b) the Gas Quantities are confirmed through the relevant confirmation at each Interconnection Point pursuant to Article 14;
- (c) the Gas Days are outside the maximum permitted yearly interruption regulated by the ICGB's Annual Plan (as such is set and updated from time to time in accordance with Article 13); and
- (d) reduction or interruption is not caused by a Force Majeure Event.

#### 7.6.2 Capacity booking

- (a) The process of booking is implemented through the Platform's facilities. The ICGB shall define and publish the Available Capacity at the Interconnection Points, define and administer the procedure with which the Network User requests capacity, allocate capacity (in accordance with the Exemption Decision and/or NC CAM provisions, as the case may be) and execute the relevant GTAs.
- (b) The ICGB shall manage the allocation of Gas between the Network Users, where the Network Users share ownership of the Gas flowing through the same Metering Station.

#### 7.6.3 Provisional Network User Balance and Final Transportation Balance

The ICGB shall determine and transmit to the Network User the Provisional Network User Balance and provide the Final Transportation Balance in accordance with Article 18.

#### 7.6.4 Information data

The ICGB shall administer the data relating to the transportation activities on the IGB Pipeline, including those related to the Network User's Nominations, through the IGB Digital Support described in Article 4.2. Data that are to be exchanged via such IGB Digital Support are described in Article 14.

#### 7.6.5 Balancing and Allocation

The ICGB shall calculate and apply Daily Imbalance and overrun Charges, in accordance with the Interconnection Agreements and as described in Articles 18 and 19 and further elaborated in the relevant GTA.

#### 7.6.6 Gas metering

The ICGB shall be responsible for measurement data acquisition and validation and for forwarding of such data to the Network User in accordance with Article 25.3.



## 7.6.7 Gas quality

The ICGB shall measure the Gas Characteristics and verify compliance with the Entry Point Specification and Exit Point Specification (in accordance with Article 24), such as those necessary to calculate energy (Gross Calorific Value - GCV) and those related to the control of chemical and physical characteristics of Natural Gas.

## 7.6.8 IGB Pipeline interventions

The ICGB shall perform periodic inspections, control and maintenance, which may cause interruption or reduction of the transportation capacity of the IGB Pipeline. These activities can be either planned or may become necessary without planning if anomalous or unforeseen situations or emergencies occur. The planning of interventions is described in Article 13.2.1.

## 7.6.9 Management of service emergencies

The ICGB shall have its own code for emergency management, to be implemented in accordance with Article 33.

## 7.6.10 Gas shortages

In accordance with the emergency procedures to be implemented in accordance with Article 33, the ICGB shall monitor and/or act to address emergency situations resulting from an increase in demand, which cannot be covered by supply.

## 8. INTERRUPTION PROCEDURE

The Transmission Service may be subject to interruption in accordance with the interruption procedure set out in this Article 8.

### 8.1 Maximum period of interruption

8.1.1 Where the Network User has booked FRF Capacity, the ICGB shall have the right to interrupt, totally or partially, the Transmission Services for an indefinite amount of time, *provided that*, at the time of such interruption, no investment has been made by the ICGB into the equipment and/or facilities required for the ICGB to provide the FRF Capacity.

8.1.2 In all cases other than those mentioned in Article 8.1.1 above, the ICGB shall have the right to interrupt the Transmission Services for a period of *[to be inserted after finalisation of discussions with Adjacent TSOs]* Days in a Year (the **Maximum Period**) which shall be in addition to the Days planned for reduction or interruption in accordance with the ICGB's Annual Plan. For interruptions in the performance of the Transmission Services that are related to a portion of the maximum Daily Quantity (**Partial Interruption**), the ICGB shall have the right to an indefinite number of Days of Partial Interruption.

8.1.3 The values for the parameters of the Maximum Period valid for annual, quarterly and monthly capacity bookings are published, for each Entry Point, at [www.icgb.eu](http://www.icgb.eu).

## **8.2 Interruption procedure**

- 8.2.1 The ICGB shall inform the relevant Network User of its intention to reduce or interrupt the provision of the Transmission Services in accordance with this Article 8, by providing the Network User with the date and duration of the planned reduction or interruption, taking into account the minimum notice period.
- 8.2.2 The ICGB shall publish the minimum notice period values for each Entry Point at [www.icgb.eu](http://www.icgb.eu).
- 8.2.3 The ICGB, having notified the Network User of the length of the planned interruption, may proceed with interruption without any further confirmation. The number of interruption Days notified, to the extent applicable in accordance with Articles 6.2 and 6.3 above, shall be subtracted from the Maximum Period for the Gas Year.
- 8.2.4 The Maximum Period shall be in addition to the interruptions in accordance with the ICGB Annual Plan, as updated pursuant to Article 13.3.1.

## **9. REGISTERED PARTY**

### **9.1 Access to the Transmission Services**

The IGB Pipeline may be accessed by any Network User, on the basis of non-discriminatory and transparent conditions. The Network Users may access the IGB Pipeline if the minimum requirements set out in Article 9.2 are fulfilled for becoming a Registered Party. Exempted Network Users are required to fulfil all minimum requirements set out in Article 9.2, except for the provisions of last paragraph of Article 9.2.

### **9.2 Minimum requirements for accessing the IGB Pipeline**

- 9.2.1 Where the Network User wishes to book capacity on the IGB Pipeline and/or enter into a Gas Transportation Agreement with the ICGB, the Network User shall compile a relevant form by accessing the relevant portal to be set within the IGB Digital Support. A Person who wants to become a Registered Party shall provide:
- (a) a Minimum Credit Rating relating to itself. In case it has no Minimum Credit Rating, it shall provide evidence reasonably satisfactory to the ICGB about how it intends to prove its creditworthiness, thereby meeting the Minimum Credit Rating requirement (for example, through parent/sovereign/state guarantee, letter or credit or other instrument or measure);
  - (b) a declaration that no Person who is employed by it at the senior management level, or who represents it has been convicted for being a member of a criminal organization or has been convicted for fraud, corruption or money laundering;
  - (c) a declaration that it is not subject to any Insolvency Event and that there is no reasonable likelihood of any Insolvency Event occurring;
  - (d) an attested affidavit by its legal or authorised representative stating that the information and declarations provided are true;

- (e) a certified copy of a certificate of its corporate registration;
  - (f) audited financial statements from the past three (3) financial years (or its shareholders in the event that such audited financial statements cannot be produced for the last three (3) financial years);
  - (g) a declaration, agreement or deed of acceptance (in a form and substance reasonably satisfactory to the ICGB) of the terms and conditions of this INC and the conditions of use of the Platform before participating in any booking procedure; and
  - (h) the Network User Credit Support in accordance with Article 31.1.
- 9.2.2 The Registered Party that intends to sign a GTA by participating in the booking procedure (in accordance with Article 10 and article 17(5) of NC CAM) shall pay the Registration Fee.
- 9.2.3 The Registered Party shall fulfil the above requirements in digital form, with digital signatures, according to the forms downloadable from the ICGB's website and reported in the IGB Digital Support User's guide.

### **9.3 Acceptance of a Registered Party**

- 9.3.1 Once the ICGB accepted an applicant as the Registered Party, the ICGB shall provide the Registered Party with:
- (a) the Credit Limit of the Registered Party. The Credit Limit shall depend on the creditworthiness of the Registered Party and shall be set by the ICGB in accordance with Network User Credit Support provisions of Article 31;
  - (b) the Booking Account Code of the Registered Party for any auction participation pursuant to Article 10.
- 9.3.2 The Exempted Network User shall be treated as a Registered Party once the GTAs is executed by the Exempted Network User.

## **10. IGB BOOKING PROCEDURE**

For booking of the Available Capacity, the Registered Parties (including the Exempted Network Users, if willing to book additional capacity) may submit a valid bid through participation at the auctions pursuant this Article 10.

### **10.1 Dominant players' booking limitations according to the Exemption Decision**

Any Registered Party shall comply with the provisions of ANNEX E - of this INC (as set by the NRAs) for the purpose of its compliance with the competition related aspects. Consequences for a non-compliant Registered Party that has booked capacity on the IGB Pipeline in contravention with such provisions shall be set by the NRAs and be applicable as part of this INC.

## 10.2 Available Capacity to be booked

In respect of the Standard Capacity Products set out in Articles 7.1 to 7.4 above, the ICGB shall offer to the Registered Parties the Available Capacity for each Standard Capacity Product (expressed in kWh/D) for Gas transportation on the IGB Pipeline at each Interconnection Point. The Available Capacity shall be calculated net of (a) the Exempted Capacity and (b) already Booked Capacity, on the basis of the technical limits of the IGB Pipeline, the actual conditions of the Interconnection Points, the actual conditions of the Interconnected Systems, respectively, and in accordance with Article 16. On behalf of the ICGB, the Platform may allocate, through auctions described in this Article 10, the following:

### 10.2.1 Annual capacity

Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be offered for periods corresponding to one or more Gas Years, not necessarily sequential, up to a maximum of fifteen (15) Years, with effect from 1 October of each Year.

### 10.2.2 Quarterly capacity

Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be offered on a quarterly basis, for one or more quarters, not necessarily sequential, with effect from 1 October (for the period October-December), 1 January (for the period January-March), 1 April (for the period April-June), and 1 July (for the period July-September).

### 10.2.3 Monthly capacity

Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be offered on a monthly basis (coinciding with Months), with effect from the first (1st) Day of each Month, as part of the booking process set forth in Article 10.3.

### 10.2.4 Daily capacity

Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be offered on a daily basis, with effect from the start of the following Gas Day, as part of the booking process set forth in Article 10.3.

### 10.2.5 Within-day capacity

Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be offered as a within-day Standard Capacity Product, with the effect from a specific hour of a Gas Day until the end such Gas Day, as part of the booking process set forth in Article 10.3.

### 10.2.6 Bundled capacity

At each Interconnection Point, each capacity set forth in Articles 10.2.1 to 10.2.4 (inclusive), totally or partially, may be offered as "*bundled capacity*" (as defined in NC CAM), where firm or "*incremental capacity*" is available on both sides of the Interconnection Point. In such a case, relevant capacity is mutually determined with one or more of the Adjacent TSOs, as the case may be, as the lesser of the firm "*bundled capacity*" made available by the relevant Adjacent TSOs. The share of "*bundled capacity*" to be booked includes the quantities of possible "*Bundling*

*Agreements*" (as referred to in article 21(1) of NC CAM) between Network Users and one or more of the Adjacent TSOs.

### 10.3 Booking Procedure

#### 10.3.1 Auctions

All Standard Capacity Products shall be offered through auctions performed by the Platform in compliance with the procedures set in accordance with NC CAM and approved by the NRAs. The Network Users shall have access to the Platform through portals set in the IGB Digital Support, after they have become Registered Parties.

#### 10.3.2 Ascending Clock Auction

- (a) Each of the FFF Capacity, IFF Capacity, IFR Capacity and FRF Capacity shall be auctioned using an ascending clock auction algorithm, on contractual terms from a Gas Year to a Month, in accordance with the Platform's terms and conditions and the relevant procedure set out in accordance with NC CAM, as approved by the NRAs.
- (b) The Available Capacity for each Standard Capacity Product shall comply with the provisions of the Exemption Decision, with the priority from annual to monthly Standard Capacity Products, and adjusted in accordance with Article 16.

#### 10.3.3 Rolling monthly capacity auctions

- (a) Each of the FFF Capacity, IFF Capacity, IFR Capacity and FRF Capacity shall be auctioned using an ascending clock auction algorithm, on contractual terms equal to a Month, in accordance with the Platform's terms and conditions and the relevant procedure set out in accordance with NC CAM, as approved by the NRAs.
- (b) The Available Capacity for each Standard Capacity Product shall comply with the provisions of the Exemption Decision, with the priority from annual to monthly Standard Capacity Products and adjusted in accordance with Article 16.

#### 10.3.4 Rolling day-ahead capacity auctions

- (a) The rolling day-ahead capacity auction shall be held once a Day based on a uniform-price auction algorithm. Rolling day-ahead capacity shall be auctioned on contractual terms equal to a Gas Day, as per the Platform, and the relevant procedures set out in accordance with NC CAM, as approved by the NRAs.
- (b) The Available Capacity shall comply with the provisions of the Exemption Decision, with the priority from annual to monthly Standard Capacity Products, and adjusted in accordance with Article 16.

### 10.3.5 Within-day capacity auctions

Subject to the Available Capacity being made available, a within-day capacity auction shall be held every hour during a Gas Day based on a uniform-price auction algorithm. Within-day capacity shall be auctioned for contractual terms equal to an hour, as per the Platform rules, and the relevant procedures set out in accordance with NC CAM, as approved by the NRAs.

## 10.4 Virtual Trading Point

The ICGB shall facilitate trading of Gas between Network Users by allowing trades to take place at the Virtual Trading Point. Network Users who have booked FFF Capacity at an Entry Point, and Network Users who have booked FFF Capacity at an Exit Points and Registered Parties may trade title to Gas at the Virtual Trading Point.

### 10.4.1 Virtual Trading Point and Trade Notifications

- (a) A Network User may trade Gas by submitting a Trade Notification to the ICGB in accordance with the Nomination timetable set in Article 14.4.
- (b) A Trade Notification shall provide the following information:
  - (i) that it is a notification for trading at the Virtual Trading Point, with a specification as to whether it is a disposing Trade Notification or an acquiring Trade Notification;
  - (ii) the Network User's Booking Account Code (for FFF Capacity);
  - (iii) the counterparty's Network User Booking Account Code (for FFF Capacity);
  - (iv) the Gas Day to which the trade applies; and
  - (v) the quantity of Natural Gas to be traded, being a positive quantity for a purchase or a negative quantity for a sale in units of kWh per Gas Day.
- (c) Network User or a Registered Party shall be responsible for correct submission of Trade Notifications for the Gas quantities it wishes to trade.
- (d) In case, during the Matching Process, the quantities stated in Trade Notifications of two counterparties of the trade are not equal, ICGB shall "*allocate*" (as defined in NC BAL) the lower notification quantity specified in the relevant Trade Notification.

## **11. NETWORK USER'S AWARD**

### **11.1 Types of algorithm**

Network Users bidding in the auction procedure pursuant to Article 10 may be awarded in accordance with procedure set by the Platform. Procedures may follow either ascending clock auction algorithm or uniform-price auction algorithm, as the case may be pursuant to Article 10.

### **11.2 Ascending clock auction algorithm**

11.2.1 All Network Users who have placed a valid Volume Bid at the ACAA Clearing Price shall be allocated the capacity according to their respective Volume Bids at the ACAA Clearing Price. Where "*incremental capacity*" is offered, the allocation of such "*incremental capacity*" shall be subject to the outcome of the economic test according to article 22 (*Economic test*) of NC CAM.

11.2.2 Successful Network Users shall pay the ACAA Clearing Price of the specific auction, which may be a fixed price, or a price based on the floating payable price approach (as set out in article 24 of NC TAR), together with any other charges applicable at the time when the capacity allocated can be used.

### **11.3 Uniform-price auction algorithm**

11.3.1 The ICGB shall rank all Price Bids relating to a given Standard Capacity Product with the highest Price Bid ranking first. Allocation of the Available Capacity shall follow the ranking down to saturation of the capacity offered. Last ranked bidders shall be allocated the remaining capacity after the bidders offering the higher Price Bids have been satisfied. If several bidders are ranked equally at the UPAA Clearing Price and the amount of the relevant capacity remaining (which has been applied for under such bids exceeds the remaining unallocated capacity), then the remaining unallocated capacity shall be allocated among those equally ranking bidders on a *pro-rata* basis, according to the amounts applied for in each Price Bid.

11.3.2 The price payable by each successful Network User shall be the UPAA Clearing Price which may be a fixed price, or a price based on the floating payable price approach (as set out in article 24 of NC TAR), together with any other charges applicable at the time when the capacity allocated can be used. All remaining bidders who bid below the UPAA Clearing Price shall not be allocated capacity and their bids shall be considered as unsuccessful.

## **12. GAS TRANSPORTATION AGREEMENT**

### **12.1 Network Users bound**

12.1.1 Without prejudice to the obligations set out in Article 9 above, where the Network User has signed an ARCA or a Registered Party has Allocated Quantities after participating in the auction procedure in accordance with Article 10 above, the Network User or the Registered Party shall be bound to enter into a GTA.

- 12.1.2 As a condition to the provision of the Transmission Services pursuant to this INC and/or any GTA, the Network User shall be required to provide evidence (reasonably satisfactory to the ICGB) of GTA with Adjacent TSOs for the relevant Entry/Exit point(s) or contractual arrangement/s with another Network User(s) for delivery and/or offtake of Gas, in order to ensure delivery at the relevant Entry Point, and off-take at the relevant Exit Point.
- 12.1.3 In the event of the Network User's failure to provide such evidence, the Network User shall not be relieved of its obligation to pay the Monthly Fee and the Annual Ship or Pay Payment pursuant to Article 21.

### **13. PLANNING PROCEDURE**

#### **13.1 Planning Procedure**

- 13.1.1 From the Signing Date of relevant GTA, the Network User is obliged to inform the ICGB about its quantities of Gas to be taken into and/or off-taken from the IGB Pipeline with accuracy and in advance for:
- (a) the optimized exploitation of the IGB Pipeline;
  - (b) accurate planning; and
  - (c) coordinating with the Interconnected Systems.
- 13.1.2 In particular, in respect of the Entry Point, the Network User shall inform the ICGB (directly or indirectly) about the verification of the plans, assessed in accordance with the provisions of this Article 13, with the operators of interconnected upstream Gas transmission facilities ("*matching of nominations*") and the Gas allocation. This information shall include, but shall not be limited to, any capacity transfers/trades between the Network Users upstream and downstream of the Entry Point.
- 13.1.3 The Network User shall communicate to the ICGB its transportation plans in the level of detail and in accordance with the timescales described in the other provisions of this Article 13.
- 13.1.4 The Network User expressly acknowledges that no responsibility shall be attributed to the ICGB for the entries made on the basis of data received from third party TSOs.

#### **13.2 Annual plans**

- 13.2.1 The ICGB's Annual Plan
- Three (3) Months before COD and by each subsequent 1 July (or in case of a non-Working Day, by the first (1st) Working Day after 1 July for each successive Year after the COD), the ICGB shall publish, via its website and/or e-mail to the Network User, the ICGB's Annual Plan containing:
- (a) the estimated Available Capacity at the Entry Point(s) and Exit Point(s); and



- (b) its intended interventions and the proposed resultant availability for the next Gas Year of the IGB Pipeline, which shall include the Scheduled Maintenance and also possible reduction of the Transmission Service as a result of full or partial outage on the IGB Pipeline or the Interconnected System's service reductions.

#### 13.2.2 Network User's yearly notice

Within two (2) weeks after publication and/or mailing of the ICGB's Annual Plan, the Network User, having executed a GTA with the ICGB, shall communicate to the ICGB (through the IGB Digital Support pursuant to Article 15.1), its transportation programme for the following Gas Year, containing monthly Gas Quantities (in Energy units) forecast for delivery at each Entry Point on the IGB Pipeline for which the Network User has Reserved Capacity or Booked Capacity. The plan shall be drawn up taking into consideration the Reserved Capacity or the Booked Capacity of the Network User and possible Available Capacity interruptions or reductions planned for the following Months (as communicated by the ICGB to the Network User), as described in Article 13.2.1 above. The Network User shall provide, at an aggregated monthly level and by the same deadline,:

- (a) the quantities (in Energy units) forecasted for redelivery at each of the Exit Points from the IGB Pipeline in respect of the Reserved Capacity or the Booked Capacity at the Entry Point; and
- (b) a forecast GCV at the Entry Point of the IGB Pipeline referred to in Article 13.6.3

The Network Users shall also communicate to the ICGB, for the Exit Point, the percentage by volume of residential, industrial and thermoelectric users supplied by the Network User as at the following 1st October.

### 13.3 Semester revision

#### 13.3.1 The ICGB's revision

The ICGB's Annual Plan shall be updated on a semi-annual basis and shall be communicated to the Network User (by website publication and/or by e-mail), no later than 1 March of each Gas Year (or in the case of a non-Working Day, the first (1st) Working Day after 1 March).

#### 13.3.2 Network Users' revision

Within two (2) weeks after the publication and/or e-mailing of the updated ICGB's Annual Plan, the Network User shall communicate to the ICGB (through the IGB Digital Support pursuant to Article 15.1) its yearly notice (to be provided in accordance with Article 13.2.2), updated according to the updated information received from the ICGB, for the following April – September semester. The Network User's revision shall indicate the monthly Gas Quantities (in Energy units) forecast for delivery at the Entry Point for which the Network User has booked the Available Capacity.

### 13.4 Monthly plan

#### 13.4.1 The ICGB's monthly plan

By the fifteenth (15<sup>th</sup>) Day of each Month (“m-2”) (or in the case of a non-Working Day, by the first (1<sup>st</sup>) Working Day after the fifteenth (15<sup>th</sup>) of the Month), the ICGB shall inform the Network Users, via its website or by e-mail, about its monthly plan with the relevant planned interventions that may cause capacity interruptions/reductions on the IGB Pipeline for the Month (“m”) in accordance to the ICGB’s Annual Plan, as updated in accordance with other provisions of this Article 13.

13.4.2 Network Users’ monthly notice

Within one (1) week of the publication of the ICGB’s monthly plan, Network Users shall provide the ICGB with information about the Network User’s monthly notice (provided in accordance with Article 13.4.2) through the IGB Digital Support pursuant to Article 15.1. Such information shall contain daily Gas Quantities (in Energy units) forecast at the Entry Point at which the Network User has booked capacity and the availability of Line-pack Gas make up.

**13.5 The maximum planned quantity**

By the twenty-fifth (25<sup>th</sup>) of each Month (or, in the case of a non-Working Day, by the first (1<sup>st</sup>) Working Day after the twenty-fifth (25<sup>th</sup>) of the Month), the ICGB shall inform the Network User of the transportable quantities on the IGB Pipeline in the following Month, indicating the maximum planned quantity (in Energy units) at:

13.5.1 each of the Entry Points; and

13.5.2 each of the Exit Points.

**13.6 Network User’s weekly notice**

The Network User shall provide the ICGB with the Network User’s weekly notice (through the IGB Digital Support pursuant to Article 15.1) containing, at a daily level:

13.6.1 the Gas Quantities (in Energy units) forecast for delivery at the Entry Point where the Network User has booked capacity;

13.6.2 the quantities (in Energy units), forecast for redelivery at the Exit Point; and

13.6.3 to the possible extent the forecast value of GCV at each Entry Point.

**13.7 Not-binding data**

All plans and notices in accordance with this Article 13 are intended to be approximate and not binding on either the Network User or the ICGB. In case the Network User shall not send to the ICGB its Daily Notice, or the Daily Notice does not arrive to the ICGB by the specified deadline, or the Daily Notice is incomplete or not compliant with the required format, the Network User’s Daily Notice shall be replaced by the corresponding values inferred by ICGB from the Network User’s weekly notice (provided in accordance with Article 13.6).

**14. NOMINATION AND MATCHING PROCESS**

**14.1 Network User’s obligations**

The Network User, having executed a GTA according to the terms and conditions of this INC, shall be perform the following obligations from the Signing Date:

14.1.1 Nominations

The Network User shall provide a Daily Notice and/or a Trade Notification according to this Article 14, indicating the Gas Quantities to input at its Entry Point(s) and to off-take from the IGB Pipeline at its Exit Point(s) or Virtual Trading Point and communicate those Nominations to the ICGB according to the terms and conditions of this INC.

14.1.2 Delivery

During each Gas Day, the Network User shall deliver or arrange to be delivered to the Entry Point(s), Gas Quantities within the Reserved Capacity or the Booked Capacity (pursuant to Articles 6.4 or 6.5, as the case may be), in accordance to the Entry Point Specifications and the Entry Pressure set in Article 24.

14.1.3 Off-take

During the same Gas Day as that referenced at Article 14.1.2, the Network User shall off-take from the Exit Point(s), Gas Quantities equivalent (in Energy terms) to the Gas Quantities delivered or arranged to be delivered to the IGB Pipeline at the Entry Point(s), in compliance with the Exit Point Specifications and the Exit Pressure set in Article 24.

**14.2 Daily Notices and Matching Process**

14.2.1 Network User's' Daily Notice

- (a) The Network User shall Nominate the actual Gas Quantities by way of issuing a Daily Notice, in a digital format. In each daily Nomination, the Network User shall indicate,:
  - (i) the Interconnection Point's identification;
  - (ii) the direction of the Gas flow;
  - (iii) the Network User Account Code;
  - (iv) the Network User's counterparty identification (the network user account code issued by the Adjacent TSO);
  - (v) the Gas Day to which the Daily Notice applies; and
  - (vi) the quantity of Natural Gas to be transported (in kWh/D).

14.2.2 The aggregate of the Nominated Quantities which are specified by the Network User in a Daily Notice shall not be less than *[to be inserted]* and shall not be greater than its Daily Reserved Capacity or Daily Booked Capacity for that Day.

14.2.3 Where a notice of Scheduled Maintenance has been given by the ICGB in respect of a Day, the aggregate of the Nominated Quantities specified by the Network User

in a Daily Notice in respect of that same Day shall not exceed the Maintenance RC Reduction applicable to such notice.

- 14.2.4 The Nominated Quantity required in respect of each Nomination Period shall not differ from the Nominated Quantity for the preceding Nomination Period by more than *[to be inserted]* per cent (*[to be inserted]*%).
- 14.2.5 If a Daily Notice is not given by the Network User under Article 14.2.1, then the Network User shall be deemed to have given a Daily Notice under this Article 14.2.5, in which case each Nominated Quantity for the next Day shall be the same as those Nominated Quantities specified in the Daily Notice given under Article 14.2.1 (or deemed to have been given under this Article 14.2.5) in respect of the Day which precedes the Day to which the original Daily Notice would have applied.

### 14.3 Rejection of the Network User’s Daily Notice

For the related confirmations, the ICGB shall reject the Network User’s Daily Notice in the following circumstances:

#### 14.3.1 Network User’s missing communication

If the Network User shall not communicate its Daily Notice to the ICGB in accordance with Article 14.2, or if the ICGB shall have received the Daily Notice incomplete or such Daily Notice shall be non-compliant with the methods therein defined, then, for daily programming purposes, the ICGB shall adopt the values set out in the Network User’s weekly notice (provided in accordance with Article 13.6) or, if the Network User’s weekly notice is not available, the values set in the Network User’s monthly notice (provided in accordance with Article 13.4.2), in which case the monthly total values, both for the Entry Point(s) and the Exit Point, shall be split according to the number of Days in the Month.

#### 14.3.2 No respect of the maximum daily capacity

If the Network User shall Nominate in excess of its Reserved Capacity or its Booked Capacity, as the case may be, pursuant to Article 6.4 or 6.5, then the ICGB may modify the transportation programme so as to eliminate the amount of capacity exceeding the Reserved Capacity or the Booked Capacity, as the case may be.

### 14.4 Matching Process

- 14.4.1 Once the Network Users, on each Gas Day (“D-1”), have given the Daily Notice (containing the Nominated Quantities) and/or a Trade Notification to the ICGB, via the IGB Digital Support, in respect of each Nomination Period for the next Gas Day, the matching process sequence (the **Matching Process**) shall start as per the following timetable:

<b>Deadline</b>	<b>UTC winter time</b>	<b>UTC daylight saving time</b>
Submission of Daily Notice(s) (by Network Users)	13:00	12:00

(a) Sending of Nominated Quantities to Adjacent TSOs (by ICGB)	13:15	12:15
(b) Matching of quantities between Adjacent TSOs (by ICGB)	13:35	12:35
(c) Sending of Confirmed Quantities notice to Network Users (by ICGB)	15:00	14:00

14.4.2 Through the IGB Digital System, the ICGB shall provide each Network User with its Confirmed Quantities with the Entry Pressure and the Exit Pressure, based on:

- (a) the ability of the IGB Pipeline to transport the amount of Gas per the notification received from the Network User for the Gas Day; and
- (b) the notification compatibility with the involved Interconnection Point constraints and the configuration prevailing on the relevant Gas Day, in particular in relation to the forecasted Line-pack Gas and associated pressure levels.

The technical feasibility of transportation programs shall be assessed using hydraulic simulations/optimisations of the IGB Pipeline, on the basis of the planned transportation scenario and applicable technical standards.

14.4.3 Following this process, the ICGB shall confirm the transportation program in accordance with the Nominations pursuant to Articles 14.2 and 14.5.

## 14.5 Re-nomination Notices

The Network User may give notice to the ICGB of its requirement to vary a Nominated Quantity (a **Re-nomination Notice**) pursuant to this Article 14.5. Nominated Quantities cannot be subject to any variation until the expiration of their relevant Nomination Period. Re-nomination Notices shall be subject, to the extent applicable, to the provisions of Article 14.3.

14.5.1 Without prejudice to the preceding sentence, the ICGB shall vary the Nomination Quantity pursuant to the Re-Nomination Notice where the following provisions are fulfilled:

- (a) each Gas Day, the Network User may give to the ICGB a Re-nomination Notice in accordance with the following timetable for each Re-nomination cycle where the numerical values represent the minutes prior to event set under point (d) below taking place.

Deadline	Minutes
(a) Submission of Re-nomination Notice(s) (by Network Users)	-110

(b) Sending of Re-Nominated Processed Quantities to Adjacent TSOs (by ICGB)	-105
(c) Matching of quantities between Adjacent TSOs	-30
(d) Sending of Confirmed Quantities notice to Network Users	0

- (b) The Network User cannot require a change over a range of + [to be inserted]% and - [to be inserted]% of the Nominated Quantity;
- (c) Re-nomination cycles shall take place [two (2)] times each Gas Day which every three (3) hours shall be starting from the beginning of that Gas Day based on winter timings referred to in the definition of Gas Day under this INC; and
- (d) Nominated Quantities that become the subject of a Re-nomination Notice shall be “*Re-nominated Quantities*”.
- (e) If the Shipper is unable to meet any of the deadlines set out in the table of Article 14.5.1(a), the Re-nomination Notice shall be rejected.

#### 14.6 Good faith Nominations

If the ICGB has given a Gas Deficiency Notice to the Network User under Article 14.7 then, until the time that the ICGB issues a Gas Deficiency Remediation Notice, the Network User may not submit to the ICGB (i) a Daily Notice; or (ii) a variation notice for a quantity of Gas which is greater than the quantity of Gas represented by the Nominated Quantity in force at the time that the ICGB gave the Gas Deficiency Notice to the Network User.

#### 14.7 ICGB's inability to deliver Gas

Without prejudice to Article 21.3, if, in respect of any Nomination Period, the ICGB has or shall have insufficient quantities of Gas to deliver the Confirmed Quantity, then the following shall apply:

##### 14.7.1 Gas Deficiency Notice

The ICGB shall immediately give notice to the Network User (a **Gas Deficiency Notice**) of the insufficient quantities of Gas.

##### 14.7.2 Allocation of available quantities

The quantities of Gas that the ICGB may have available for delivery in respect of the Confirmed Quantities (taking into account any Other Network Users off-taking at the Exit Point (if any)) shall be allocated in accordance with Article 19.

##### 14.7.3 Gas Deficiency Remediation Notice

If the ICGB has or shall have sufficient quantities of Gas to re-commence the deliveries of Gas to meet any Nominated Quantity, then the ICGB shall

immediately give notice to the Network User of the sufficient quantities of Gas (a **Gas Deficiency Remediation Notice**).

14.7.4 Reduction or interruption of the Transmission Services

If a reduction or interruption of the Transmission Services occurs due to the ICGB's non-performance under this INC and the relevant GTA, Article 21.3 shall apply.

**15. DATA EXCHANGE**

**15.1 Network User's data exchange obligations**

15.1.1 Each Registered Party and each Network User hereby confirms that, before participating in any auction pursuant to Article 10 and/or executing any GTA with the ICGB pursuant to Article 12, it has been acquainted with this INC and with the IGB Digital Support User's guide.

15.1.2 From the Signing Date, the Network User shall implement procedures for communicating in real time with the ICGB, in particular for each Daily Notice, variation notice, Trade Notification, Network User's weekly notice (provided in accordance with Article 13.6), Network User's monthly notice (provided in accordance with Article 13.4.2) and Network User's yearly notice (provided in accordance with Article 13.2.2), which shall be submitted timely in accordance with the provisions of this INC. In addition, the Network User shall comply with the following provisions:

(a) Compilation of forms

The Network User shall digitally complete the relevant forms, downloadable at [www.icgb.eu](http://www.icgb.eu) in the section devoted to the IGB Digital Support User's guide. The forms shall contain the request for data as appropriate for each kind of Nomination. Each form shall contain the deadline for its submission.

(b) Sending the forms

The Network User shall digitally submit to the ICGB, via the IGB Digital Support, the forms referred to in paragraph (a) above, per the IGB Digital Support User's guide and using the specific software tools.

(c) Receipt check and remedy

The Network User shall monitor its messages for a "*form received*" message issued by the IGB Digital Support. Where the Network User does not receive a "*form received*" message [within thirty (30) minutes, the Network User shall immediately contact the IGB Digital Support by telephone ([*to be inserted*]) stating that it has not received confirmation that the forms have been sent digitally pursuant to paragraph (b) above. The Network User shall then send the forms, as set out in paragraph (a) above, to the ICGB by facsimile and e-mail using the following details, respectively:

- (i) [to be inserted]
- (ii) Infodataexchange@icgb.eu

## 15.2 ICGB's information data exchange obligations

From the Signing Date and without prejudice to the ICGB's communication obligations pursuant to Article 10 for following up auction procedures, the ICGB shall in a timely manner:

- 15.2.1 inform the Network User about the Daily Quantity;
- 15.2.2 respond to the Network User in relation to the matters related to this INC and/or the GTA that have been raised by the Network User;
- 15.2.3 inform the Network User about confirmation or variations of its notices submitted in accordance with this INC; and
- 15.2.4 inform the Network User about any malfunction of the IGB Digital Support. Malfunction messages shall be accompanied by details of the temporary remedies to be adopted and the estimated time for system recovery.

## 16. CONGESTION MANAGEMENT PROCEDURES

### 16.1 General

- 16.1.1 The provisions of this Article 16 shall apply at any Interconnection Point of the IGB Pipeline.
- 16.1.2 The data to be collected and elaborated pursuant to this Article 16 shall be made available to the NRAs and, upon their approval, ACER may publish by 1 March of every Year a monitoring report (**ACER Yearly Monitoring Report**) on congestion at the Interconnection Points with respect to firm Standard Capacity Products sold in the preceding Year, taking into consideration, to the extent possible, capacity trading on the secondary market and the use of interruptible capacity.

### 16.2 Capacity surrendered

From the Signing Date, the Network User shall be entitled to surrender, as an alternative to its participation in the secondary market in accordance with Article 16.3, all or any part of its Reserved Capacity and/or Booked Capacity to any Third Party upon satisfaction of all of the following conditions:

- 16.2.1 Compliance with Applicable Laws  

Surrender of all or part of the Reserved Capacity and/or Booked Capacity shall comply with Applicable Laws, including, but not limited to, any necessary approvals from the NRAs in connection with the Exemption Decision or other regulatory provisions.
- 16.2.2 Compliance with the terms of the GTA  

The Network User shall remain a party to the GTA and shall remain liable to the ICGB for all obligations thereunder.



16.2.3 Surrender agreement

Where the Network User has requested to (partially or totally) surrender its Reserved Capacity and/or Booked Capacity, it shall enter into a surrender agreement in the form at ANNEX C - of this INC, which shall be entered into between the Third Party, the Network User and the ICGB.

**16.3 Secondary market – capacity trading**

All actions performed pursuant to this Article 16.3 shall be managed through the Platform. To this extent, any request to trade and/or transfer capacity in application of the provisions of the secondary market by the Network User and the Buying Party shall be made by using the digital tools forming part of the IGB Digital Support and on the Platform. The Network User and the Buying Party shall obtain the appropriate credentials and authorizations in accordance with this INC and the Platform rules.

16.3.1 Capacity trading on the secondary market

Where the Network User and Buying Party are interested in trading on the secondary market, they shall create a trade proposal on the Platform at least two (2) Gas Days prior to the Gas Day on which the transaction is intended to take effect.

16.3.2 Requirements for capacity trading

Capacity trading requests per Article 16.3.1 shall be subject to the following condition precedents:

- (a) the Network User shall have a GTA signed with the ICGB for FFF Capacity, FRF Capacity, IFF Capacity or IRF Capacity;
- (b) the Network User and the Buying Party shall satisfy the credentials set out in the introductory provision of this Article 16.3;
- (c) the Network User and the Buying Party shall be authorised to trade on the Platform;
- (d) the Network User and the Buying Party shall possess, if so requested, the GTAs with Adjacent TSOs or other import contracts at the relevant Exit Points involved;
- (e) the Network User and the Buying Party shall have provided the appropriate credit support as set out in Article 31;
- (f) the Network User and the Buying Party shall have access to the Interconnected System(s) at the Exit Point(s); and
- (g) for the purposes of capacity trading, the transportation capacity is converted from kWh/D to kWh/h.

16.3.3 Criteria for capacity trading

The Network User or the Buying Party shall:

- (a) choose the procedure to complete the transaction from those listed below (which are detailed further in the paragraphs which follow):
  - (i) bilateral capacity transactions registration or “OTC”;
  - (ii) open procedure for selection of a proposal to sell or “*Call For Order - buy*”;
  - (iii) open procedure for selection of a request to buy or “*Call For Order - sell*”;
- (b) specify the transportation capacity included in the trade proposal, where, in the case of “*Call for Order - buy*”, specify the GTA regulating the proposed capacity in order to determine the unit price to be paid to the ICGB, regardless of the price at which the transaction is concluded between the Buying Party and the Network User on the secondary market;
- (c) specify the start and end date of the transaction (within the period set at point (g) below);
- (d) specify the expiration date of the proposal to sell (not later than the second (2nd) Gas Day prior to the start date of the transaction);
- (e) specify the deadline for the submission of proposals to buy or sell capacity;
- (f) specify the minimum acceptable capacity to be purchased or sold;
- (g) specify the minimum acceptable period during which the purchase or sale transaction must be completed; and
- (h) specify the purchase or sale unit price as the case may be.

#### 16.3.4 Exclusive trader list

With reference to the procedures referred to in Articles 16.3.1 to 16.3.3 (inclusive), the Network User and the Buying Party may, for each proposed transaction, create a trader list on the Platform containing a minimum of three (3) parties with which they propose to exclusively conclude the transaction on the secondary capacity market.

#### 16.3.5 Shortlist

The Network User or the Buying Party may assign the list referred to in Article 16.3.4 above to a particular trade proposal (created on the Platform pursuant to Article 16.3.1) at the time of the proposal creation. In this case, only the parties included in the list may submit an offer to buy or sell capacity in relation to the trade proposal created by the Network User or the Buying Party.

#### 16.3.6 Minimum duration

Transportation capacity transactions at the Entry Point(s) or the Exit Point(s) on the secondary capacity market have a minimum duration of one (1) Gas Day.

16.3.7 Binding nature of the transactions

The transactions concluded on the secondary market through the Platform are considered binding on the Buying Party and the Network User, who are parties to such transaction.

16.3.8 Payment commitment

The Buying Party undertakes, for the purpose of the Transmission Services, to pay the ICGB the Monthly Fee and the Annual Ship or Pay Payment in accordance with the relevant GTA. Where the Buying Party is successful in being awarded the transfer of the relevant capacity, then its liability for payment of the Monthly Fee and the Annual Ship or Pay Payment, which relates to the period during which it has use of that capacity, shall be triggered (and become effective) on the date the Buyer's Party's proposal is made under this Article 16.3.8.

16.3.9 "*Bundled capacity*"

Without prejudice to Article 10.2.6, capacity which was originally allocated as "*bundled capacity*" may only be offered by the ICGB or requested by the Network User in a bundled form in accordance with the procedures contained in this Article 16.3. In such case, the transaction must also be accepted by the Adjacent TSO. Failure by the ICGB or the Adjacent TSO to accept the transaction shall mean that the transaction cannot be completed.

16.3.10 Disclaimer by the ICGB

The ICGB shall not be liable for the accuracy of information provided as part of a proposal or any other information supplied by the parties associated with a proposal, with the exception of the Monthly Fee and the Annual Ship or Pay Payment payable under the relevant GTA and this INC. The Network User expressly releases the ICGB from any liability and/or claim for damages and other costs or losses, including by Third Parties, in relation to information and data that is not within its control, as described above.

16.3.11 Acceptance by the ICGB

A transaction between the Network User and the Buying Party pursuant to Article 16.3.1 is subject to the ICGB's approval (which shall not be unreasonably denied), *provided that* all the provisions of this Article 16.3 are duly observed.

16.3.12 Bilateral capacity transaction or "*OTC*"

- (a) This procedure concerns capacity transactions concluded between the Buying Party and the Network User by means of bilateral trading between the parties via the Platform.
- (b) "*OTCs*" may be created by the Buying Party or the Network User at the latest by the second (2nd) Gas Day prior to the Gas Day on which the transaction shall take effect.
- (c) The effectiveness of the "*OTC*" is subject to:

- (i) confirmation from either the Buying Party (where the Network User proposes the transaction) or the Network User (where the Buying Party proposes the transaction) that it is willing to enter into the transaction on the terms agreed; and
  - (ii) acceptance by the ICGB, in accordance with the provisions referred to in Article 16.3.11 above.
- (d) The ICGB, in accordance with the provisions of this Article 16.3.12, shall notify the acceptance or the rejection of the proposal/transaction to the Network User and Buying Party via the Platform.

16.3.13 Procedure for proposals to sell – “*Call For Order – buy*”

- (a) A Buying Party may publish on the Platform a proposal to buy capacity and, in the case of positive responses from multiple Network Users, may select one or more responses among those submitted. To this extent, the proposal procedure is initiated by the Buying Party with the creation of a proposal to buy capacity, in accordance with the Platform provisions, as per the introductory provision of this Article 16.3.
- (b) The Network Users interested in selling capacity in response to the published proposal to buy, which satisfies the requirements referred to in Articles 16.3.2 and 16.3.3 above, may submit one or more proposals to sell capacity by the deadline referred to in Article 16.3.3(e) above.
- (c) The effectiveness of the "*Call For Order – buy*" procedure is subject to the Buying Party's acceptance of one or more proposals to sell capacity, which must be submitted by the second (2nd) Gas Day prior to the Gas Day on which the transaction takes effect.
- (d) If the Buying Party shall not accept a proposal, or if no proposals to sell capacity are submitted by the expiration date of the proposal to buy, the proposal to buy shall be rejected.
- (e) The ICGB, in accordance with the provisions of this Article 16.3.1, shall notify the Network User(s) and the Buying Party of the acceptance or the rejection of the "*Call For Order – buy*" procedure via the Platform.

16.3.14 Procedure for proposals to buy – “*Call For Order – sell*”

- (a) The Network User may publish on the Platform a proposal to sell capacity and, in the case of positive responses from Buying Parties, may select one or more responses among those submitted. To this extent, the procedure is initiated by the Network User with the creation of a proposal to sell capacity, in accordance with the Platform provisions in accordance with the introductory provisions of this Article 16.3.
- (b) Parties interested in buying capacity with reference to the published proposal to sell and which satisfy the requirements referred to in

Articles 16.3.2 and 16.3.3 above, may submit one or more proposals to buy by the deadline referred to in Article 16.3.3(e) above.

- (c) The effectiveness of the transaction is subject to acceptance by the Network User of one or more proposals from those submitted by the second (2nd) Gas Day prior to the Gas Day on which the transaction takes effect.
- (d) Where the Network User does not accept a proposal or where no proposals to buy capacity are submitted by the expiration date of the proposal to sell, the proposal to sell shall be rejected.
- (e) The ICGB, in accordance with the provisions of this Article 16.3.14, shall notify the Network User(s) and the Buying Party of the acceptance or the rejection of the "Call For Order – buy" procedure via the Platform.

#### 16.3.15 Ownership of traded capacity

- (a) Upon receipt of written acceptance by the ICGB to the Network User and the Buying Party of the capacity trading requests referred to in this Article 16.3.15, the ownership of the traded capacity and the related obligations shall be transferred to the Buying Party.
- (b) If the capacity trading requests are not accepted by the ICGB, the ownership of the relevant capacity and the related obligations shall remain the responsibility of the Network User.
- (c) Capacity trading requests from the requesting parties that have been accepted by the ICGB shall result in automatic amendment of the relevant GTA(s).

### 16.4 Long Term Use-It-Or-Lose-It (LT-UIOLI) provisions

16.4.1 The provisions of this Article 16.4 apply to the Network User's Unused Capacity (as determined in accordance with Article 16.4.2) at specific Entry Point(s) and in respect of GTAs which have been executed before 1 October of the Reference Gas Year, *provided that* the GTA is still in effect and has a remaining term exceeding one (1) Year prior to its Termination Date.

#### 16.4.2 Conditions for making Unused Capacity available to the ICGB

If, during the last Gas Year, all of the following conditions have been satisfied at the relevant Entry Point, then the Network User shall make available to the ICGB, for booking by Third Parties, the Unused Capacity at the relevant Entry Point, in accordance with the procedures defined in Article 16.5.3(b). The conditions are as follows:

- (a) the Network User has recorded an Average Use of its Booked Capacity (as defined in Article 16.5.3(d) below) of less than eighty per cent (80%);
- (b) the Network User has not made available capacity under the surrender process set out in Article 16.2 above, or on the secondary market

pursuant to Article 16.3 above, at a price which is lower than the Reserve Price for the same capacity; and

- (c) the capacity available for booking, for one or more periods from 1 February of the Gas Year following the Reference Gas Year, determined as the sum of (i) the available capacity at the relevant Entry Point; and (ii) the capacity to be released under Article 16.2 above, is completely booked.

#### 16.4.3 Check of the conditions

The ICGB shall check and confirm whether the conditions pursuant to Article 16.4.2 have been satisfied at each Entry Point and Exit Point of the IGBPipeline in accordance with the following steps:

- (a) each 1 October, the ICGB shall define the Reference Gas Year as the Gas Year preceding the current Gas Year;
- (b) The ICGB shall identify those Network Users who, from 1 October of the Reference Gas Year, have FFF Capacity and/or FRF Capacity pursuant to a GTA which is in force for the Reference Gas Year with a remaining term exceeding one (1) Year; and
- (c) where Article 16.4.2 applies to the Network User, then at each Entry Point where FFF Capacity or, if applicable, FRF Capacity is booked:
  - (i) the ICGB shall check if, both in the semester between 1 October and 31 March of the Reference Gas Year, and in the semester between 1 April and 30 September of the Reference Gas Year, the Average Use of have FFF Capacity and/or FRF Capacity was less than eighty per cent (80%); and for this purpose identifies and considers any amounts of capacity that the Network User has released pursuant to Articles 16.2 or 16.3, for the latter at a price not higher than the Reserve Price associated with the same capacity that has not been booked/sold, in the Reference Gas Year; and
  - (ii) the Network Users, pursuant to the procedure and forms published at [www.icgb.eu](http://www.icgb.eu), shall certify to the ICGB the amount of capacity that cannot be released pursuant to Articles 16.2 and 16.3 and the reasons why such an amount cannot be released although not used by the relevant Network User.

#### 16.4.4 Capacity withdrawal

If, upon implementation of the procedure set out in Article 16.4.3, the conditions set in Article 16.4.2 occur by 30 November of the Gas Year following the Reference Gas Year, then the ICGB shall:

- (a) inform the relevant NRA, copying the Network User concerned, indicating the Unused Capacity to be released by the Network User and made available to the ICGB;

- (b) send the supporting note, if received pursuant to Article 16.4.3(c)(ii), to the NRAs, inclusive of information and documents, together with the assessments and elements of competence if the Network User has indicated events related to the IGB Pipeline transportation system;
- (c) report the non-acceptance by the Network User of capacity trading on the secondary capacity market (as the case may be);
- (d) upon the relevant NRAs' opinion (following the above notifications by the ICGB), withdraw the Unused Capacity and shall put such Unused Capacity on the market, for booking purposes.

#### 16.4.5 Determination of Average Use

The ICGB shall determine, for each semester of the Reference Gas Year, the Average Use of the booked capacity, defined as:

$$AU = QIJ / RCN \times 100 [\%]:$$

Where:

**AU** is the Average Use expressed in percentage;

**QIJ** is the sum of the quantities of Gas injected by the Network User at the Entry Point on each Gas Day of the relevant semester, as resulting from the Final Transportation Balances set out in Article 18.9, and

**RCN** is the sum of the Reserved Capacity on each Gas Day for the same Network User at the same Entry Point, netted:

- (a) by the sum of the capacity released by applying Article 16.2 and/or Article 16.3;
- (b) by any capacity not available at the Entry Point in case of reduction/interruption; and
- (c) by any capacity certified under Article 16.4.3(c)(ii).

#### 16.4.6 Unused Capacity

- (a) Unused Capacity shall be calculated for the Network User after the procedure set out in Article 16.4.3 has been completed.
- (b) Unused Capacity shall be calculated for specific Entry Points upon the conditions set out in Article 16.4.2 having occurred.
- (c) Unused Capacity shall relate to the GTAs executed before 1st October of the Reference Gas Year and shall be made available, in case of withdrawal by the ICGB pursuant to Article 16.4.4 above, from 1 February of the Gas Year following the Reference Gas Year, for a period to be determined in the opinion of the NRAs under Article 16.5.3(c). Unused Capacity shall be calculated as follows:

- (i) For the Network User's Nomination pursuant to Article 14.1.1, with duration "t", the amount of Unused Capacity that the Network User shall make available to the ICGB in application of Article 16.5.3(a) above shall be determined on the basis of the following formula:

$$\text{UNC} = \max [0; \text{LRC} - \text{UCM}/0.8]$$

Where:

**UNC** is the Unused Capacity having duration "t" Gas Days;

**LRC** is the lower of (i) the Daily Reserved Capacity which is booked by the Network User during the period having duration "t" Gas Days (and which is agreed pursuant to a GTA) signed before 1st October of the Reference Gas Year; and (ii) the Daily Quantity pursuant to Article 14.2 above, which is on average booked by the Network User in the semester (each of which is described in Article 16.4.3(c)(i)), of the Reference Gas Year in which the highest Average Use was found;

**UCM** is the average daily Gas injected by the Network User at the specific Entry Point, as checked at the corresponding Exit Point(s) and as shown by the Final Transportation Balances set out in Article 18.8, in the semester of the Reference Gas Year in which the highest Average Use was found.

- (ii) For the purposes of the above calculation:
- (1) in case of Reserved Capacity values by the Network User that are different in the period "t", the minimum Daily Quantity value booked in the same period shall be assumed;
  - (2) the average capacity booked by the Network User shall be calculated as the arithmetic mean of the Daily Quantity booked in each semester of the Reference Gas Year, each of the semesters being set out in Article 16.4.3(c)(i); and
  - (3) in each semester of the Reference Gas Year as set out in Article 16.4.3(c)(i), the average Daily Gas injected by the Network User at the specific Entry Point, as checked at the corresponding Exit Point(s), shall be calculated as the arithmetic mean of the Daily Gas injected by the same Network User at the same specific Entry Point, as also checked at the corresponding Exit Point(s).

#### 16.4.7 Capacity restoration

The Unused Capacity as determined in accordance with Article 16.4.6 above shall be restored to the Network User, from whom it was previously withdrawn, if the



Network User has not booked under the corresponding booking process for the period having duration “t” in which the Unused Capacity was made available.

## **16.5 Firm Day-Ahead Use-It-Or-Lose-It (FDA-UIOLI) mechanism**

16.5.1 The provisions of this Article 16.5 shall be subject to the NRAs’ decision (in accordance with article 2.2.2.7 of Commission Decision 2012/490/EU of 24 August 2012 on amending Annex I to Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to the natural gas transmission networks) and shall apply where, at a specific Entry Point, the allocations pursuant to Article 10 cannot take place due to either (a) full allocation of capacity in the previous capacity allocation/auction process; or (b) capacity demand exceeding the offer in the current auction round.

16.5.2 Such events, if any, shall be recorded in the ACER Yearly Monitoring Report in accordance with the initial provisions of this Article 16.

16.5.3 In particular, if it is shown, at the Entry Point(s) or the Exit Point(s), that demand for the Available Capacity shall exceed its availability, according to the allocation procedures at the Reserve Price in the Year covered by the ACER Yearly Monitoring Report for Standard Capacity Products for use in either that Year or in one of the subsequent two (2) Years, in the course of capacity allocation procedures pursuant to Article 10, the monitoring report for the Standard Capacity Products for use in either that Year or in one of the subsequent two (2) Years,

- (a) for at least three (3) firm Standard Capacity Products with a duration of one (1) Month; or
- (b) for at least two (2) firm Standard Capacity Products with a duration of one (1) quarter; or
- (c) for at least one (1) firm Standard Capacity Product with a duration of one (1) Year or more; or
- (d) where no firm Standard Capacity Product with a duration of one (1) Month or more has been offered.

16.5.4 Termination of the FDA-UIOLI mechanism

If, on the basis of the ACER Yearly Monitoring Report, it is shown that one of the situations listed at Articles 16.5.3(a) to 16.5.3(d) (inclusive) is unlikely to re-occur in the following three (3) Years (for example, as a result of capacity becoming available from physical expansion of the network or termination of long-term contracts), the relevant NRA(s) may decide to terminate the application of the FDA-UIOLI mechanism.

16.5.5 Permitted Re-nominations

The Network User may Re-nominate a maximum of ninety per cent (90%) and a minimum of ten per cent (10%) of the Contract Quantity referred to in the first paragraph of this Article 16.5 at the Interconnection Point. However, if the Nomination exceeds eighty (80%) of the Contracted Quantity, half of the non-Nominated volume may be Re-nominated upwards. If the Nomination does not exceed twenty per cent (20%) of the Contract Quantity, half of the Nominated

volume may be Re-nominated downwards. The application of this Article 16.5.5 is without prejudice to the applicable emergency measures regulated in Article 33 of this INC.

16.5.6 Right of the original Network User

The original Network User of the Contract Quantity may Re-nominate the lost capacity part of its Contract Quantity (FFF Capacity or FRF Capacity) on an interruptible basis.

16.5.7 Non-application of Article 16.5.5

Article 16.5.5 shall not apply to Network Users holding less than ten per cent (10%) of the average technical capacity of the IGB Pipeline in the preceding Year at the Interconnection Point.

**17. VARIABLE COSTS**

**17.1 General**

The IGB Pipeline shall be operated by the ICGB as a Reasonable and Prudent Party in order to minimize the necessary periodical make up for compensating Line-pack Gas, Unaccounted Gas and Gas Losses. In addition, the IGB Pipeline is a single pipeline that is interconnected with the Greek and the Bulgarian Natural Gas systems, in accordance with Article 5 above, and its operating parameters shall be suited to the changeable nature of the Interconnected Systems. To this extent, and subject to explicit technical justification and investment decision approved by the shareholders of the ICGB, a Compressor Station for Firm Forward Flow (FFF) and Interruptible Forward Flow (IRF) may be installed for ensuring acceptance and delivery of the Confirmed Quantities in accordance with Article 13.

**17.2 Compressor Station characteristics and cost charge**

The Compressor Station may be either Fuel Gas driven or electrically driven. In both cases compensation for Energy used for compressing the Gas shall be calculated in accordance to Article 18.

**17.3 ICGB's notice for Fuel Gas**

17.3.1 General

In case of installation of a Fuel Gas driven Compressor Station, during the Transmission Period, the Network User shall, in response to any request to do so by the ICGB, deliver Fuel Gas to the ICGB at the Entry Point. The amount of Fuel Gas delivered by the Network User shall be calculated on a *pro rata* basis once a Month. Formula for calculating the Fuel Gas shall be agreed with the NRAs.

17.3.2 Limitation of Fuel Gas use

The ICGB may use Fuel Gas only for operational purposes in connection with the ICGB's Facilities.

## 17.4 ICGB's notice for Electrical Consumption

17.4.1 In case of installation of an electrically driven Compressor Station, during the Transmission Period, the ICGB shall inform the Network User that (a) the Compressor Station is necessary, and (b) the Network User shall have to pay for the electrical energy used for compressing and delivering Gas. The amount of electrical energy consumed by the Network Users shall be calculated on a *pro rata* basis (according to the Network User's Confirmed Quantities share) and on the basis of the pressure conditions at the relevant Interconnection Point. Formula for calculating the electrical energy shall be agreed with the NRAs.

17.4.2 Costs and payments

Payment for the electrical energy shall be made on a cost basis with no extra charge, plus any administrative and operational cost associated with billing therefor.

## 17.5 ICGB's compensation for Line-pack Gas, Unaccounted Gas and Gas Losses make-up

The Network Users shall compensate the costs of the Line-pack Gas, Unaccounted Gas and Gas Losses make-up according to this Article 17.5.

17.5.1 Line-pack Gas

The ICGB shall keep the Line-pack Gas constant and any make-up compensation, if any, shall be included in the evaluation of the Energy Imbalance in accordance with Article 18. The ICGB will not provide Line-pack flexibility services and any compensation is to be considered as exceptional].

The maximum allowed Line-pack Gas make-up shall be set during the commissioning and approved by the NRAs.

17.5.2 Unaccounted Gas

The ICGB shall notify the Network User of Gas, in kWh, used for Unaccounted Gas make-up (on a *pro-rata* and monthly basis) in the ICGB's Monthly Statement. The compensation for Unaccounted Gas shall be included in the calculation of the Energy Imbalance in accordance with Article 18. The maximum allowed Unaccounted Gas make-up shall be set during the commissioning and approved by the NRAs.

17.5.3 Gas Losses

The ICGB shall notify the Network User of Gas, in kWh, used for Gas Losses make-up (on a *pro-rata* and monthly basis) in the ICGB's Monthly Statement. The compensation for Gas Losses shall be included in the calculation of the Energy Imbalance in accordance with Article 18.

Gas Losses formulas and allowable maximum values shall be calculated during the commissioning and approved by the NRAs. The ICGB shall have the right to be compensated for Gas Losses pursuant to this Article 17.5 and Article 18.

The maximum allowed Gas Losses make up shall be set during the Commissioning phase and approved by the NRAs.

## 17.5.4 ICGB compensation

The ICGB shall compensate the Network User following receipt of a Monthly Statement from the Network User in accordance with Article 23.

**18. BALANCING**

Transporter, will control in real time all the transportation flow parameters including the ones needed for balancing purposes, *i.e.* pressures and flow. For operating the commercial and physical control of the IGB Pipeline, Transporter and Network User shall follow to the applicable extent the BAL 2014.

**18.1 Commercial balancing according to NC BAL**

A Network User shall balance its Nominations at the relevant Interconnection Points through the short-term standardised products available in the relevant "*trading platform*".

ICGB shall do the same for residual commercial balance as it might be necessary. In case the short-term products will reveal to be inadequate to follow up the needs of balance or in case of shortage of gas market liquidity for maintaining the IGB Pipeline within its operational limits, ICGB shall resort to *balancing services* by stipulating appropriate contracts with supplier of gas. NRAs will approve the tender for assigning such contract for assuring the necessary transparency and non-discrimination in accordance to articles 45 and 46 of the BAL 2014.

**18.2 Operational balancing according to NC BAL**

18.2.1 ICGB shall assure that the Confirmed Quantities at each Interconnection Point be balanced through the Matching Process. Due to the technical configuration of the IGB Pipeline and the Interconnected Systems, any operational balancing in accordance to article 6 of the BAL 2014, as a consequence of checked imbalance to be compensated through *balancing actions*, will be performed by the Adjacent TSOs at Interconnection Agreements level upon coordinated exchange of information in real time.

18.2.2 The ICGB shall update the Line-pack Gas account for each Gas Day for calculation of the network balance and the Network User balance.

**18.3 Network balance**

18.3.1 The IGB Pipeline shall be balanced in each Gas Day "D+1" for the Gas Day "D" according to the following formula:

$$E_I + E_{VTP} = E_C + E_{TO} + \Delta E_{LP} + E_L + E_{UMA}$$

Where :

**E<sub>I</sub>**: Energy injected at the Entry Point(s),

**E<sub>VTP</sub>**: Energy requested for trading at the virtual trading point (trading at the virtual trading point is subject to NRAs' decision),

**E<sub>C</sub>**: Energy consumed for compression,

**E<sub>TO</sub>**: Energy taken off at the Exit Point(s),

**ΔE<sub>LP</sub>**: delta Energy for Line-pack Gas,

**E<sub>L</sub>**: Energy losses,

**E<sub>UMA</sub>**: Unaccounted energy for measurement tolerances and Gas Losses.

- 18.3.2 The values to be inserted into the above formula shall be determined on the basis of the Measured Quantity and, in relation to E<sub>UMA</sub>, formulae set by the ICGB, upon NRAs approval, in accordance to Article 18.4.2. In case of an electrically driven Compressor Station, the "Ec" will be treated separately.

## 18.4 Network User balance and imbalance equation

- 18.4.1 According to article 21 of BAL 2104, each Network User (“i<sup>th</sup>”) shall be balanced in each Gas Day “D+1” for the Gas Day “D” according to the following formula:

$$E_{L,i} + E_{VTP,i} = E_{TO,i} + \Delta E_{IM,i} + E_{OGU,i}$$

Where, for any Network User (“i<sup>th</sup>”):

**E<sub>L,i</sub>**: Allocated Quantities at the Entry Point(s);

**E<sub>VTP,i</sub>**: Allocated Quantities as per trading at the virtual trading point (positive = Gas purchase). Trading at virtual trading point shall be subject to NRAs’ decision,

**E<sub>TO,i</sub>**: Allocated Quantities at the Exit Point(s);

**ΔE<sub>IM,i</sub>**: Energy Imbalance, calculated in accordance with Article 18.4.3 and payable or compensated in accordance with Article 21.2.3;

**E<sub>OGU,i</sub>**: Energy used by the ICGB for its own use (including Gas compression), Gas Losses, Unaccounted Gas for measurement tolerance and Line-pack Gas variations. The content of this formula shall be approved by the NRAs, as well as the maximum allowed E<sub>OGU,i</sub>.

- 18.4.2 E<sub>OGU,i</sub> Reference formula

Subject to the NRAs approval of the relevant coefficients, for each Network User, the following formula shall apply:

$$E_{OGU,i} = k_F * E_{L,i} + (k_{GL} + k_{UG}) * E_{TO,i}$$

Where

**k<sub>F</sub>** means the coefficient for fuel consumption due to compression (if any);

**k<sub>GL</sub>** means the coefficient for Gas Losses;

**k<sub>UG</sub>** means the coefficient for Unaccounted Gas;

**E<sub>OGU,i</sub>, E<sub>L,i</sub>** and **E<sub>TO,i</sub>** have the same meaning as above.

18.4.3 Daily Imbalance Quantity ( $\Delta E_{IM,i}$ )

According to articles 22 and 23 (*Daily imbalance charge*) of NC BAL the BAL 2014, each Energy Imbalance shall be either:

- (a) when negative, charged to the Network User each Month at the Marginal Buy Price, or
- (b) when positive, compensated to the Network User at the Marginal Sell Price.

Network Users' imbalance for each specific Gas Day will be calculated according to following formula:

$$\Delta E_{IM,i} = E_{L,i} + E_{VTP,i} - E_{TO,i} - E_{OGU,i}$$

Where factors have the same meaning as in formula set in Article 18.4.1 **Error! Reference source not found.** above. The Energy Imbalance shall be invoiced Monthly, on a cumulative monthly basis.

## 18.4.4 Daily Imbalance Charge

The Daily Imbalance Charge (**DIC**) will be determined as follows:

for  $(\Delta E_{IM,i}) > 0$  **DIC** =  $\Delta E_{IM,i} * MSP$ , and

for  $(\Delta E_{IM,i}) < 0$  **DIC** =  $\Delta E_{IM,i} * MBP$

Where:

**DIC** means Daily Imbalance Charge,

**MSP** means Marginal Sell Price,

**MBP** means Marginal Buy Price.

18.4.5 "*Within-day obligations*"

According to article 24 of BAL 2014, the ICGB may set up "*within day obligations*" for Network Users for maintaining the IGB Pipeline within its operational limits. Before arranging relevant procedures, the ICGB shall consult with the Adjacent TSOs for a coordinated set of rules, subject to the NRAs approval.

**18.5 Neutrality Arrangements**

## 18.5.1 Neutrality Account

For the purpose of complying with article 29 of BAL 2014, the ICGB shall administratively keep a neutrality account, the Neutrality Account. All the Daily Imbalance Charges shall be invoiced and/or compensated to each Network User separately with respect to any other invoice and/or compensation and the Neutrality Account shall be exclusively used for all the relevant transactions (payments or receivals).

- (a) In the above, the following items will be debited from the Neutrality Account:
- (i) any ICGB’s Gas purchases for balancing negative Daily Imbalance Quantity (in meant as aggregate) in respect of any Gas Day;
  - (ii) amounts paid by the ICGB to Network Users in respect of the Daily Imbalance Charge; and
  - (iii) all amounts credited on Monthly Statements by the ICGB in respect of the Neutrality Payment Amount.
- (b) In furtherance of the above, the following items will be credited to the Neutrality Account:
- (i) any revenues due to the ICGB for Gas sold in case of positive Daily Imbalance Quantity (meant as aggregate) in respect to any Gas Day and the amounts received by the ICGB from Network Users in respect of the Daily Imbalance Charge; and
  - (ii) any amounts received by the ICGB in respect of the Neutrality Payment Amount.

#### 18.5.2 Neutrality Payment Amount

- (a) The ICGB will credit an amount of the positive balance or charge an amount of the negative balance on the Neutrality Account at the end of each Month (the **Neutrality Payment Amount**) on a monthly basis to Network Users that have Allocated Quantities in the relevant Gas Month.
- (b) The Neutrality Payment Amount will be allocated for each Month to each relevant Network User as follows:

$$NPA_i = \frac{AQ_i}{TAQ} \times NPA$$

Where:

**NPA<sub>i</sub>** is the amount of the Neutrality Payment Amount to be allocated by the ICGB to the “i<sup>th</sup>” Network User who will have been allocated in the relevant Gas Month;

**NPA** is the Neutrality Payment Amount for that Gas Month;

**AQ<sub>i</sub>** is the aggregate of the absolute values of Allocated Quantities of that Network User at all Interconnection Points in that Gas Month;

**TAQ** is the aggregate of the absolute values of Allocated Quantities of all Network Users at all Interconnection Points in that Gas Month.

- (c) If a Network User has different Gas Transportation Agreements in a particular Gas Month, then the Neutrality Payment Amount will be allocated to each Gas Transportation Agreement *pro rata* to the Reserved Capacity and/or Booked Capacity under each such Gas Transportation Agreement during that Month.
- (d) The amount of the Neutrality Payment Amount allocated to each relevant Registered Party will be included as a credit or a debt, as applicable, on the Master Statement (and each relevant Monthly Statement) issued to that Registered Party for the relevant Gas Month.

## 18.6 Provisional Network User Balance and Final Transportation Balance

As part of its balancing responsibilities regulated by Applicable Laws, the ICGB shall manage the provision to the Network Users of the Provisional Network User Balance and the Final Transportation Balance in accordance to the provisions of Articles 18.7 to 18.9.

### 18.6.1 Provisional Shipper Balance

ICGB shall conduct each Gas Day (D+1) for the previous Gas Day (“D”) for producing a provisional Shipper balance (**the Provisional Network User Balance**) in accordance to article 37 of the Regulation (EU) 312/2014:

- (a) the provisional Balancing Session for provisionally allocating the Daily Quantity with reference to the previous Gas Day (D) to each Network User; and
- (b) the provisional Balancing Session for provisionally calculating the Energy Imbalance with reference to the previous Gas Day (D) to each Network User;
- (c) before each Balancing Session, according to articles 32 to 36 of the BAL 2014 ICGB shall provide information to each Network User about each Network User apportionment of *non-daily metered* and *daily metered* inputs and off-takes of *measured* flows during the Gas Day “D”.

### 18.6.2 Final Transportation Balance

- (a) ICGB shall conduct every Month (M+1), the Balancing Session for Month (M), for definitively allocating the Daily Quantity with reference to Month (M) (**Final Transportation Balance**) for each Network User which includes:
  - (i) the calculation of the physical amounts of Gas transported daily basis is used to define the position of the Network User in relation to the *balancing service*; and
  - (ii) the calculation of the final Energy Imbalance for each Network User.
- (b) The Final Transportation Balance contributes to the definitive allocation of these amounts and the determination of the relevant charges for the Transmission Services and the *balancing service*.



- (c) It is assumed that all Line-pack Gas variations, if any, shall occur within the remotely controlled stretch of the IGB Pipeline.
- (d) For the purpose of the information obligations set in Article 15.2 above, the Transporter shall use the functions of the IGB Digital Support provided to the Shipper.

## **18.7 Provisional Network User Balance**

- 18.7.1 The Energy quantities which are the subject of the balance are determined during each Gas Day.
- 18.7.2 The ICGB shall make a Provisional Network User Balance available to the Network User for Gas Day (D), by 11.30 am of the Gas Day (D+1).
- 18.7.3 Although daily measurements shall be available for all Exit Point(s) and Entry Point(s) of the IGB Pipeline, the balance for Gas Day (D) that the ICGB shall determine to be Gas Day (D+1) and shall make available to the Network Users for the Gas flows relevant to them, is unavoidably indicative and provisional as the Provisional Network User Balance shall be only be confirmed by the Adjacent TSOs according to the Interconnection Agreement procedures, on the basis of the daily measurements at the Adjacent TSOs' side of the Entry Point(s) and Exit Point(s).
- 18.7.4 Where the Provisional Network User Balance is concerned, the ICGB shall inform the Network User each Month:
  - (a) by the beginning of the Month, of the allocation rules applied at the Measurement Equipment used; and
  - (b) by the end of the Month, of the type of Measurement Equipment used in the previous Month (M-1).

## **18.8 Measurement unavailability**

- 18.8.1 In the event of unavailability of the measurement data for the purposes of the Provisional Network User Balance, the ICGB shall use the appropriate estimated values of the quantities injected at the relevant Entry Point or withdrawn at the relevant Exit Point.
- 18.8.2 For this purpose, the ICGB shall use withdrawal data from the corresponding Days:
  - (a) of the previous Gas Year, taking into account the climatic trend, for the Interconnection Points subject to thermal insulation;
  - (b) of the previous week or the Month before the previous Month, for the Entry Point(s) and the Exit Point(s) not subject to thermal insulation;
  - (c) in the case of Gas supply to power plants, special estimation measures shall be agreed with the operational personnel of the power plants based on the forecast of use;
  - (d) in any case, for the purposes of the estimation, the ICGB shall evaluate the use of the data and the most appropriate procedures based

on historical withdrawal trends at the Entry Point(s) and the Exit Point(s) and the information in its possession.

## **18.9 Final Transportation Balance**

### **18.9.1 Revision of the Provisional Network User Balance**

The ICGB shall make the revision of the Provisional Network User Balance(s) available to the Network User no later than the fifth (5<sup>th</sup>) Day of the Month following that to which the Provisional Network User Balance refers. The revisions of the Provisional Network User Balance(s) shall be based on validated measurement data. If the fifth (5<sup>th</sup>) Day of the Month falls on a non-Working Day, the deadline is postponed to the next Working Day.

### **18.9.2 Accounting information**

The ICGB shall make available to the Network User (via the IGB Digital Support) the accounting information regarding the Gas transported.

### **18.9.3 Revision by the Network User**

The Network User has two (2) Working Days after receipt of the revision of the Provisional Network User Balance(s) to submit observations to or request corrections from the ICGB through the IGB Digital Support (by using a designated portal).

### **18.9.4 Rejection of the revision**

Submission of incomplete information and/or documentation by the Network User, as required to support its observations or requested corrections pursuant to Article 18.9.3, shall result in rejection of the Network User's request for revision.

### **18.9.5 ICGB reply**

The ICGB shall respond to the Network User within two (2) Working Days of receipt of the Network User's observations and/or requested revisions pursuant to Article 18.9.3 by providing the relevant Network User with:

- (a) the date of receipt of the Network User's request;
- (b) the name and address of the ICGB's contact persons;
- (c) the acceptance or rejection of the request and the grounds therefor;
- (d) if the request is accepted, the estimated date of making available the new balance.

### **18.9.6 Errors correction**

If errors are found in the Provisional Network User Balance(s), the ICGB will recalculate the revised Provisional Network User Balance(s) in the Final Transportation Balance.

### **18.9.7 Final Transportation Balance to Third Parties**

Final Transportation Balance(s) shall also be sent to those storage companies where the Network User has storage accounts, to allow the Network Users to undertake their respective processing of the data contained in the Final Transportation Balance(s).

18.9.8 Final Transportation Balance

Subject to Article 18.9.9, once the Final Transportation Balance has been issued pursuant to Articles 18.9.1 to 18.9.7, the measurement and/or allocation of values contained in it shall be considered definitive and, for the purposes of invoicing the Transmission Services, no further editing shall be allowed.

18.9.9 [Potential corrections for economic adjustment

Potential corrections of the Final Transportation Balance are only permitted pursuant to Article [18.9.6].]

18.9.10 Data for balance calculation

The ICGB shall also make available to the Network User, by the deadline for the provision of the Final Transportation Balance, the series of daily temperatures and the volume of base consumption which are necessary for the calculation of the Final Transportation Balance.

## 19. ALLOCATION

### 19.1 Commingling

19.1.1 Gas delivered at the Entry Point(s) for transportation through the IGB Pipeline by the ICGB under GTAs may be commingled in the IGB Pipeline with Gas from any Network User.

19.1.2 In the case of the commingling occurring, Gas delivered by the ICGB to the Network User at the Exit Point(s) under the relevant GTA may not necessarily be the Gas delivered by the Network User to the ICGB at the Entry Point(s).

### 19.2 Allocation Principles

The allocation shall be based on proportional allocation calculated in accordance to the Confirmed Quantities pursuant to Article 14. The following formulae shall apply:

19.2.1 In case, at an Interconnection Point, the Net Measured Quantities, (adjusted by application of the network balancing formula pursuant to Article 18.3) is equal to the difference between the aggregated Confirmed Quantities for Forward Flow and the Confirmed Quantities for Reverse Flow:

- (a) For Forward Flow Nominations and Re-nominations, for Gas Day (“D”) and for each Network User (“i<sup>th</sup>”):

$$AQFF_i = \sum_{h=1}^{h_D} CQFF_{i,h}$$

Where:

**CQFF<sub>i,h</sub>** means the Confirmed Quantities for each hour (h<sup>th</sup>);

**AQFF<sub>i</sub>** means the Allocated Quantity relevant to Forward Flow for Network User (i<sup>th</sup>) of Gas Day (“D”);

“**h<sub>D</sub>**” means the number of hours in Gas Day (“D”).

- (b) For Reverse Flow Nominations for Gas Day “D” and for each Network User (“j<sup>th</sup>”):

$$AQRf_j = \sum_{h=1}^{h_D} CQRf_{j,h}$$

Where:

**CQRf<sub>j,h</sub>** means the Confirmed Quantities for each hour (h<sup>th</sup>);

**AQRf<sub>j</sub>** means the Allocated Quantity relevant to Reverse Flow for Network User (j<sup>th</sup>) of Gas Day (“D”);

“**h<sub>D</sub>**” means the number of hours in Gas Day (“D”).

19.2.2 In case at an Interconnection Point the Net Measured Quantity, (adjusted by in application of the network balancing formula pursuant to Article 18.3) is lower than the difference between the aggregate Confirmed Quantities for Forward Flow and the aggregated Confirmed Quantities for Reverse Flow:

- (a) For Forward Flow Nominations for Gas Day (“D”) and for each Network User (“i<sup>th</sup>”):

$$AQFF_i = \sum_{h=1}^{h_D} CQFF_{i,h} \times P_{FF}$$

Where:

**CQFF<sub>i,h</sub>** means the Confirmed Quantities for each hour (h<sup>th</sup>),

**AQFF<sub>j</sub>**, means the Allocated Quantity relevant to Firm Forward Flow (FFF) and Interruptible Forward Flow (IFF) for Network User (i<sup>th</sup>) of Gas Day (“D”);

**h<sub>D</sub>** means the number of hours in Gas Day (“D”);

and

$$P_{FF} = \frac{NMQ_D + \sum_{h=1}^{h_D} CQRF_h}{\sum_{h=1}^{h_D} CQFF_h}$$

Where:

**NMQ<sub>D</sub>** means the Net Measured Quantities Gas Day (“D”);

**CQRF<sub>h</sub>** means the aggregate Confirmed Quantities for Reverse Flow for all Network Users who have Nominated Quantities for Reverse Flow;

**CQFF<sub>h</sub>** means the aggregate Confirmed Quantities for Forward Flow for all Network Users who have Nominated Quantities for Reverse Flow in the Gas Day (“D”).

19.2.3 In case, at an Interconnection Point, the Net Measured Quantities, (adjusted by application of the network balancing formula set in Article 18.3 **Error! Reference source not found.**) is higher than the difference between the aggregate Confirmed Quantities for Forward Flow and the aggregate Confirmed Quantities for Reverse Flow:

- (a) For Reverse Flow Nominations for Gas Day (“D”) and for each Network User (“j<sup>th</sup>”)

$$AQRF_j = \sum_{h=1}^{h_D} CQRF_{j,h} \times P_{RF}$$

Where:

**CQRF<sub>j,h</sub>** means the Confirmed Quantities for each hour (h<sup>th</sup>);

**AQRF<sub>j</sub>** means the Allocated Quantity relevant to Reverse Flow for Network User (j<sup>th</sup>) of Gas Day (“D”);

**h<sub>D</sub>** means the number of hours in Gas Day (“D”),

and

$$P_{RF} = \frac{NMQ_D + \sum_{h=1}^{h_D} CQFF_h}{\sum_{h=1}^{h_D} CQRF_h}$$

Where:

**NMQ<sub>D</sub>** means the Net Measured Quantities in a Gas Day (“D”);

**CQRF<sub>h</sub>** means the aggregate Confirmed Quantities for Reverse Flow for all Network Users who have Nominated Quantities for Reverse Flow;

**CQFF<sub>h</sub>** are the aggregate Confirmed Quantities for Forward Flow for all Network Users who have Nominated Quantities for Forward Flow in the Gas Day (“D”).

- 19.2.4 The Allocated Quantities at the Virtual Trading Point will be equal to the Confirmed Quantities.

## 20. TAXES AND DUTIES

### 20.1 Network User's liability for Taxes

The Network User shall pay for, or procure the payment of, all Taxes (excluding income Tax payable by the ICGB under Article 20.2) arising upstream of the Entry Point(s), downstream of the Exit Point(s) and in respect of the IGB Pipeline generally (including at the Entry Point(s) end at the Exit Point(s)) and shall indemnify the ICGB against any liability that the ICGB may incur in respect of Taxes.

### 20.2 Custom duties

- 20.2.1 The ICGB cannot import Gas as it operates only as a ICGB on behalf of Network Users. The ICGB shall not perform, therefore, any activities which are subject to custom duties and/or custom clearance but works with the relevant customs authorities to verify the quantities of Gas flowing into and out of the involved territories.

- 20.2.2 Following the NRAs' instructions, the ICGB therefore may provide the customs authorities with measurement reports to allow verification of the custom documents presented by Network Users.
- 20.2.3 In any event, all activities related to import (and export) of Network Users' Gas are the responsibility of the Network Users.

## **21. MONTHLY FEE AND ANNUAL SHIP OR PAY PAYMENT**

### **21.1 General**

- 21.1.1 The Network User is obliged to pay the Monthly Fee from the later of:
- (a) COD, unless the COD is delayed due to a breach of this INC or the relevant GTA by the Network User or a Force Majeure Event affecting the Network User, whether or not the Network User is able to make available Gas at the Entry Point(s) and/or to take Gas at the Exit Point(s) on such date in line with the Annual Reserved Capacity or the Annual Booked Capacity, in which case the COD shall be the scheduled COD or otherwise the date on which COD would have occurred, but for such event; and
  - (b) the Signing Date.
- 21.1.2 If the occurrence of the Commercial Operation Date is prevented or delayed due to the Exempted Network User's failure to provide commissioning Gas and/or Line-pack Gas when required, then the Exempted Network User shall be liable for the payment of the Monthly Fee from the Commercial Operation Date.

### **21.2 Network User's obligations**

#### **21.2.1 Annual Reserved Capacity or Annual Booked Capacity**

For the Network Users who have entered into GTAs with a term longer than one (1) Contract Year, the relevant Annual Reserved Capacity or Annual Booked Capacity shall be contracted by the Network User in accordance with the terms of this INC and the GTA for each Contract Year for the GTA's term.

#### **21.2.2 Monthly Fee and Annual Ship or Pay Payment**

The Network User, having signed a GTA, shall pay:

- (a) the Monthly Fee (MF<sub>n</sub>) according to article 6.1 of ANNEX A - and the relevant GTA. For the sake of clarity (i) where MNC<sub>n</sub> is less than or equal to 90% of the Monthly Reserved Capacity or, as it may be, Monthly Booked Capacity, for the purpose of invoicing under each GTA and the INC, the MNC<sub>n</sub> shall be rounded up to the Monthly Reserved Capacity or, as it may be, Monthly Booked Capacity; and
- (b) the Annual Ship or Pay Payment (if any) in accordance with article 6.2 of ANNEX A - and the relevant GTA.

#### **21.2.3 Charges for Energy Imbalance**

The Network User, having signed a GTA, shall pay, or be compensated for, Energy Imbalance, as calculated in accordance with Article 18 and invoiced in accordance with Article 23.

### **21.3 Failure by the ICGB**

If the ICGB fails to accept delivery of Gas at the Entry Point(s), fails to deliver Gas at the Exit Point(s) or otherwise perform the Transmission Services, other than due to:

- 21.3.1 a Force Majeure Event affecting the ICGB;
- 21.3.2 Change in Law;
- 21.3.3 Scheduled Maintenance; or
- 21.3.4 the Network User's act or omission in connection with this INC or the relevant GTA, including, without limitation, failure to comply with the relevant Entry Pressure or Exit Pressure pursuant to Article 24.2),

the Network User shall be:

- (a) relieved of its obligation to pay the Monthly Fee applicable to such undelivered Gas on a *pro rata* basis, and
- (b) compensated by the ICGB for all actual costs incurred by the Network User as a direct result of such non-performance by the ICGB, upon the Network User's production of the appropriate documentation and subject to the limitation of liability provisions pursuant to Article 26 below.

The provisions on Energy Imbalance compensation payable by or to the Network User shall not apply in such a case.

### **21.4 The Annual Deficiency**

- 21.4.1 The Annual Deficiency, in any Contract Year, is equal to the difference between the Annual Reserved Capacity or Annual Booked Capacity and the sum of  $MNC_n$  in a Contract Year.
- 21.4.2 Any Annual Ship or Pay Payment shall be due and payable by the Network User to the ICGB under article 6.2 of ANNEX A - of this INC in the Contract Year following the Contract Year in which the Annual Deficiency arose.

## **22. TRANSMISSION TARIFFS**

### **22.1 Transmission Tariff formulae**

The Transmission Tariffs shall be determined in accordance with the formulae set out in ANNEX A - of this INC and are subject to exemptions set out in the Exemption Decision.

### **22.2 Exempted Transmission Tariff and Reserve Price**

The Transmission Tariffs set out in ANNEX A - of this INC shall be used for the calculation of the Exempted Capacity Transmission Tariff and for the Reserve Price (which equals the



Exempted Capacity Transmission Tariff), each for the relevant Standard Capacity Products, as set out in ANNEX A - of this INC and in respect of any auction in accordance with Article 10.

### 22.3 Transmission Tariff revision conditions

During the term of the relevant GTAs, the ICGB and the NRAs are entitled to request a revision of the Transmission Tariffs in order to guarantee a fair return on investment, based, *inter alia*, on the following:

- 22.3.1 proven and documented additional investments;
- 22.3.2 proven and documented increases or decreases in the level of the operating costs;
- 22.3.3 proven and documented increases or decreases in the level of revenues from the Contract Quantities (i.e. FFF Capacity, IRF Capacity or FRF Capacity), due to unforeseeable events (including, but not limited to, bankruptcy, inability to upgrade the Available Capacity in a timely manner, or additional capacity being contracted as a result of a future market test);
- 22.3.4 in case of costs incurred in respect of, or investments made necessary by, the occurrence of Force Majeure Event affecting the ICGB or due to Change in Law.

## 23. INVOICING AND PAYMENT

### 23.1 Invoicing

- 23.1.1 The ICGB shall send to the Network User, not later than the tenth (10th) Day after the end of each Contract Month, a statement (**Monthly Statement**) in the form of a valid tax invoice showing the following information regarding the preceding Contract Month:
  - (a) the Monthly Fee calculated in accordance with the relevant GTA and this INC;
  - (b) the Reserved Capacity or the Booked Capacity at the relevant Entry Point and the relevant Exit Point (in kWh/Gas Day);
  - (c) quantity of Gas not taken by the Network User due to the ICGB's inability to transport Gas pursuant to Article 14.7;
  - (d) the Final Transportation Balance for each Standard Capacity Product;
  - (e) the applied Transmission Tariff(s) for each Standard Capacity Product; and
  - (f) the Energy Imbalance for each Gas Day for that Month and the relevant Marginal Sell Price or Marginal Buy Price (as applicable) applied for determining the Compensation Fee.
- 23.1.2 The Network User shall pay the Monthly Fee - that shall include the Transmission Services in accordance to article 6 of ANNEX A - of this INC and the Compensation Fee as compensations or deductions for the Energy Imbalance in

respect of each Month (M) - by the later of the twentieth (20th) Day of Month (M+1) after receipt of the Monthly Statement.

23.1.3 The Network User shall pay the Annual Ship or Pay Payment in accordance with the relevant GTA and this INC, based on the calculation of the Annual Deficiency.

23.1.4 For GTAs shorter than one (1) Year, the Annual Deficiency shall be calculated based on the total Booked Capacity for the concerned Year and the relevant Network Users shall pay the Annual Ship or Pay Payment in case of Annual Deficiency being greater than zero.

## **23.2 Payment**

23.2.1 Notwithstanding a failure by the ICGB to send the Final Transportation Balance to the Network User by the tenth (10th) Day after the end of each Contract Month, the Network User shall make payment to the ICGB of the amount determined to be due to the ICGB as per the Monthly Reserved Capacity or Monthly Booked Capacity.

23.2.2 All payments due under the GTA shall be made in Euro (€).

23.2.3 All payments due under the GTA shall be transferred to the appropriate bank account specified in the relevant Monthly Statement.

23.2.4 The liability of a Network User to make payment under the GTA shall be discharged upon the receipt of that payment by the ICGB into its specified bank account.

23.2.5 If the due date for any payment is a date other than a Working Day, then payment shall be made on the Working Day nearest to the due date for payment, and if the due date for payment falls equally between two (2) Working Days, then payment shall be made on the Working Day immediately following the due date for payment.

23.2.6 If a Network User shall fail to make payment of any amount when due under the GTA, then interest on the amount shall accrue at a rate equal to EURIBOR (at the rate in force on the Day when the payment was due) plus three per cent (3%) per annum (to accrue daily and to be compounded annually) from the Day when the payment was due until the Day when the payment is made.

## **23.3 Disputed Amounts**

Any amount (other than a Disputed Amount) due but unpaid by a Party under this INC and/or the relevant GTA shall accrue interest thereon at the Agreed Interest Rate from the due date until the date on which payment is made in full. If the due date is a non-Working Day in the country of the Network User or the ICGB, the due date for payment of a Monthly Statement shall be the first (1st) date on which such payment can be made.

## **23.4 Deductions**

23.4.1 The Monthly Fee shall be subject to the *pro rata* deductions to account for the following:

- (a) amounts not made available to the Network User by the ICGB at the Exit Point(s) on any Day because of the ICGB's breach of this INC or the relevant GTA;
- (b) a failure by the ICGB on any Day to accept Gas made available by the Network User at the Entry Point(s), *provided that* such Gas is meeting the Entry Point Specification, up to the amount of the Confirmed Quantity (to the extent such is within the Daily Quantity) and subject to any adjustment to Nomination pursuant to this INC (except where such Nomination adjustment is required as a result of a breach by the ICGB of the INC or the relevant GTA, in which event the Network User shall be entitled to *pro rata* deduction for any part of the Daily Quantity not made available);
- (c) any failure by the ICGB to make available Gas on any Day at the Exit Point(s) in an amount equal to the Allocated Quantity (subject to any adjustment to such entry Nomination pursuant to this INC, unless such adjustment is required as a result of a breach by the ICGB of this INC or the relevant GTA) to the extent that:
  - (i) the Network User has made Gas available to the ICGB at the Entry Point(s), *provided that* such Gas is meeting the Entry Point Specification and Entry Pressure applicable to the Entry Point(s), within the Daily Quantity at such Exit Point(s); and
  - (ii) the Network User accepts such Gas to the extent that it is made available for redelivery in accordance with Article [*to be inserted*];

*provided that* there shall be no double-counting of deductions between paragraphs (a) and (c) above in respect of the same element of capacity on any Day.

23.4.2 In the event of a Change in Law (other than a change in Tax for which the ICGB is entitled to relief under the IGB Intergovernmental Agreement related to Fuel Gas, Line-pack Gas or balancing Gas in relation to environmental protection arising from international obligations of Bulgaria and/or Greece:

- (a) which has the effect of increasing the operating costs of the ICGB to an amount in excess of the maximum amount allocated to operating costs; and
- (b) which causes substantial economic hardship to the ICGB,

then the ICGB and the Network User shall meet and attempt to find a mutually acceptable solution addressing such hardship through an adjustment to the Transmission Tariff. If the ICGB and the Network User are unable to reach a mutually acceptable solution to the matters referred to in paragraph (b) above, each of the ICGB and the Network User may submit such matter for resolution by Expert determination in accordance with the relevant GTA.

23.4.3 In case of a Disputed Amount, the Party disputing it shall give notice to the other Party of the Disputed Amount and the reasons for the disputing the Disputed Amount:

- (a) in the case of a manifest error, within ten (10) Days of receipt of the relevant Monthly Statement;
- (b) in the case of any Disputed Amount arising pursuant to Article 23.4.7, within thirty (30) Days of completion of such verification or audit; and
- (c) in the event of any other Disputed Amount, within twenty (20) Days of receipt of the relevant Monthly Statement.

- 23.4.4 In the case of a manifest error, the paying Party shall make payment of any undisputed part to the Party to whom payment is due on or before the due date and may withhold the Disputed Amount. In the case of any other Disputed Amount, the paying Party shall make payment of the invoiced amount to the Party to whom payment is due on or before the due date, but the Disputed Amount shall be resolved in accordance with the procedure set out in Articles 23.4.5 to 23.4.7 below.
- 23.4.5 Following receipt by a Party of the notice of any Disputed Amount under Article 23.4.3, the Parties shall meet to discuss and try to agree in writing upon a settlement of the Dispute. If the Dispute is not resolved within thirty (30) Days from the date of the relevant notice, then the Dispute shall be referred to an Expert in accordance with the relevant GTA.
- 23.4.6 Any Disputed Amount which is found by the Expert to be due for payment by a Party, or which the Parties agree in writing is due for payment, shall accrue interest thereon at the Agreed Interest Rate from the due date of such Disputed Amount until the date on which payment is made in full, and shall be paid to the Party to whom payment is due. Any Disputed Amount which has already been paid and which is agreed by the Parties or found by the Expert not to have been due shall be repaid to the paying Party or deducted from the next Monthly Statement together with interest thereon at the Agreed Interest Rate from the date of original payment to the date of repayment.
- 23.4.7 The Network User shall be entitled to audit ICGB's records relating to metering and invoicing under this INC and the relevant GTA in order to verify any amounts chargeable or payable and any invoices provided in respect of any Contract Year. Such right of audit shall be exercisable annually at the expense of the Network User and shall be carried out within the three (3) Month period following the end of the relevant Contract Year in such a way as to minimise the impact on the operations of the ICGB.
- 23.4.8 All amounts due by the Network User are exclusive of any Tax. The ICGB may add to such amounts due by the Network User all Tax lawfully imposed on the ICGB by and competent authority with respect to the Transmission Services performed by the ICGB under this INC and the relevant GTA to the extent that the ICGB is actually economically affected by such Tax and subject to the Network User's right to verify, at its expense, by means of a certified auditor's statement that such Tax has been duly paid or shall have to be paid. The Tax does not include the ICGB's corporate income tax and the like.
- 23.4.9 The Network User shall be responsible for making such declarations as are required by the Greek and/or Bulgarian Governmental Authorities in respect of Intrastat declarations or customs declarations covering the Gas entering Bulgaria as goods

acquired or imported by the Network User and leaving Greece as goods disposed of or exported by the Network User.

## **24. QUALITY AND OFF-SPECIFICATION GAS**

### **24.1 General**

24.1.1 Integrity, safety, corrosion prevention, good functioning, commercial determinations and technical compatibility within the Interconnected Systems mandatorily require that the Gas flowing in the IGB Pipeline complies with stringent quality and specifications in accordance with this Article 24.

24.1.2 To this end:

- (a) all quantities of Gas delivered or to be delivered by the Network User at the Entry Point for transportation through the IGB Pipeline by the ICGB under this INC shall, at the Entry Point, conform to the Entry Point Specifications pursuant to Article 24.5; and
- (b) all quantities of Gas delivered or to be delivered by the ICGB to the Network User at the Exit Point under this INC shall, at the Exit Point, conform to the Exit Point Specification pursuant to Article 24.7.

### **24.2 Gas Pressure at the Entry Point(s) and the Exit Point(s)**

ICGB shall manage pressure levels at each Entry Point based on the actual flow, and technical conditions of the Interconnected Systems and in accordance to balance obligations for keeping the IGB Pipeline within its operational limits through appropriate service contracts. In connection therewith, Network Users shall have the following obligations:

24.2.1 Entry Pressure at the Entry Point interconnected with DESFA

For FFF Capacity bookings, the Entry Pressure at the Entry Point of Komotini (D-IP, as set out in Article 5.3.1) shall not be less than 36 Barg. The Network Users who will Nominate FFF Capacity at D-IP shall have appropriate Gas delivery and redelivery contracts with the Adjacent TSOs for ensuring the Gas delivery in accordance to article 24.5.

24.2.2 Entry Pressure at the Entry Point interconnected with TAP

For FFF Capacity bookings, the Entry Pressure at the Entry Point of Komotini (T-IP, as set out in Article 5.3.2) shall not be less than 45 Barg. The Network Users who will Nominate FFF Capacity at T-IP shall have appropriate Gas delivery and redelivery contracts with the Adjacent TSOs for ensuring the Gas delivery in accordance to article 24.5.

24.2.3 Entry Pressure at the Entry Point interconnected with Bulgartransgaz EAD

For RFF Capacity bookings, the Entry Pressure at the Entry Point of Stara Zagora (B-IP, as set out in Article 5.3.3) shall not be less than 46.5 Barg . The Network Users who will Nominate RFF Capacity at B-IP shall have appropriate Gas delivery

and redelivery contracts with the Adjacent TSOs for ensuring the Gas delivery in accordance to article 24.5.

#### 24.2.4 Exit Pressure at the Exit Point interconnected with DESFA

For RFF Capacity bookings, the Exit Pressure at the Exit Point of Komotini (D-IP, as set out in Article 5.3.1) shall be set in case of installation of a compression station for assuring the physical reverse flow.

#### 24.2.5 Exit Pressure at the Exit Point interconnected with TAP

For RFF Capacity bookings, the Exit Pressure at the Exit Point of Komotini (T-IP, as set out in Article 5.3.2) shall be set in case of installation of a compression station for assuring the physical reverse flow.

### 24.3 Reference Conditions for Gas quality parameters and specifications

Quality specifications show the permitted values for Natural Gas quality parameters. The Network User shall deliver at its Entry Point(s) Natural Gas within the permitted values for being transported and interchanged within the Interconnected Systems. The reference conditions adopted for volume units and the enthalpy conditions to determine the physico-chemical characteristics of the Natural Gas in the network under this Article 24.3 for Gross Calorific Value and for the Wobbe Index, are the following standard conditions (ISO 13443):

Pressure	101.325(1.01325)	kPa (bar)
Temperature	288,15 (15)	K (C)

### 24.4 Gas quality parameters

Features used for determining the quality of the Natural Gas refer to the chemical contents for energy calculations (Gross Calorific Value) and to acceptance parameters. In particular the following table lists the above features:

**TABLE 24.4.1**

<b>FOR ENERGY CONTENT CALCULATION (GROSS CALORIFIC VALUE)</b>	
Components	Acceptable Range (% mol)
Methane – C1	(min 70)
Ethane – C2	(*)
Propane – C3	(*)

IsoButane – iC4	(*)
NormalButane – nC4	(*)
IsoPentane – iC5	(*)
NormalPentane – nC5	(*)
Hexanes and superior – C6+	(*)
Nitrogen – N2	<= 0.6
Hydrogen, daily average	0.001
Carbon Dioxide – CO2	<= 2.5

(\*) Acceptable values intrinsically limited by the Wobbe Index range of acceptance

**TABLE 24.4.2**

<b>PARAMETERS FOR ACCEPTANCE</b>	
Parameter	Acceptable Range
Gross Calorific Value	9.71 – 12.58 kWh/m <sup>3</sup>
Relative Density	0.555 ~ 0.87
Wobbe Index	47.31 ~ 52.33 MJ/ m <sup>3</sup>
H2S+COS	<= 4.7 mg/ m <sup>3</sup>
Sulphur from mercaptan – SRSH	<= 5.7 mg/ m <sup>3</sup>
Total Sulphur – STOT	<= 28.4 mg/ m <sup>3</sup>
Water Dew Point	<= -8 °C (@ 70 bar-a)
Hydrocarbon Dew Point	<= -20 °C (pressure range 1 - 70 bar-a)
Max Temperature	< 50°C
Min Temperature	> 3°C
Nitrogen – N2	<= 6
Carbon Dioxide – CO2	<= 2.5

## 24.5 Entry Point Specification

At each Entry Point of the IGB Pipeline, the Network User shall deliver Gas within the range of pressures in accordance with Article 24.2 and in accordance with the Table 24.4.1 and Table 24.4.2.

## 24.6 Off-Specification Entry Gas

### 24.6.1 Network User(s)' pressure requirements non-compliance

- (a) If the Gas delivered by the Network User, or by a Third Party on behalf of the Network User, to the ICGB at the Entry Point does not comply, for any reason, with the Entry Pressure requirements pursuant to Article 24.2, then the ICGB shall promptly communicate the measured pressure value to the Network User and, in addition to being released from the obligation to transport the Network User's programmed Gas Quantities at the Entry Point(s) for the Day in question (to the extent that this transportation is not allowed by the actual Entry Pressure), the ICGB has the right to shut off the relevant Entry Point until the values are restored in order to comply with the Entry Pressure requirements pursuant to Article 24.2.
- (b) Any costs and charges, appropriately documented, incurred or suffered by the ICGB as a result of the Network User not complying with the Entry Pressure requirements (such as, for example, the costs and charges incurred as a result of the failed or late communication of the same by the Network User) shall be recharged by the ICGB to the Network User. The Network User shall be liable for such costs and /or charges and shall remain liable for the payment of the Monthly Fee and the Annual Ship or Pay Payment payable under this INC and the relevant GTA.

### 24.6.2 Network User(s)' quality requirements non-compliance

- (a) If Gas delivered by the Network User, or by a Third Party on behalf of the Network User, to any Entry Point does not comply, for any reason, with the quality requirements as set pursuant to Article 24.3, the ICGB may shut off the relevant Entry Point, notwithstanding those cases where it is possible to make the Gas compatible with the quality specification through suitable mixing.
- (b) In the case of non-compliant Natural Gas, and in the absence of an immediate communication of the same from the Network User, the ICGB shall provide written communication to the Network User detailing the non-compliance referred to above.
- (c) Any costs and charges, appropriately documented, incurred or suffered by the ICGB as a result of the Network User not complying with the quality requirements (such as, for example, the costs and charges incurred as a result of the failed or delayed communication of the same by the Network User) shall be charged by the ICGB to the Network User. The Network User shall be liable for such costs and/or charges and shall remain liable for the payment of the Monthly



Fee and the Annual Ship or Pay Payment payable under this INC and the relevant GTA.

## **24.7 Off-Specification Exit Gas**

### **24.7.1 The ICGB's quality requirements non-compliance**

- (a) If the Gas made available by the ICGB to the Network User at the relevant Exit Point does not comply with the quality requirements set out in Article 24.4, the Network User shall immediately notify the ICGB of the extent of the non-compliance and has the right to curtail the input of such Gas into the IGB Pipeline.
- (b) Without prejudice to the obligation to pay the Monthly Fee and the Annual Ship or Pay Payment (with the exception of the cases regulated in Article 21.3), the Network User shall have the right to require that the ICGB compensates the Network User for all direct and actual costs and charges properly and reasonably incurred by the Network User as a consequence of the ICGB's non-compliance with the quality requirements, subject to the provisions of Article 26 on limitation of liability.
- (c) The ICGB shall not be liable for any damage, loss or other negative effects of the redelivery of Gas containing elements or compounds not permitted by the quality requirements set in Article 24.3.

## **25. METERING AND MEASUREMENT**

### **25.1 General**

25.1.1 The metering system installed as part of the IGB Pipeline infrastructure shall provide measurements for commercial transactions, fiscal and technical activities connected with the activity of Gas transportation on the IGB Pipeline at any Entry and Exit Point, through the Metering Stations, and shall be used ultimately for:

- (a) energy delivery and redelivery balances;
- (b) invoicing the fees pursuant to Article 21;
- (c) invoicing, if any, variable costs pursuant to Article 17;
- (d) invoicing any balancing charges pursuant to Article 18; and/or
- (e) operational networks management of the IGB Pipeline and the Interconnected Systems.

25.1.2 With respect to the above, the parties involved in the metering process are the following:

- (a) ICGB;
- (b) Network Users;
- (c) Adjacent TSOs;

- (d) NRAs;
- (e) any Person acting on behalf of any of the above parties.

25.1.3 Any party listed in Article 25.1.2(a)-(e) above has the right to access the Metering Stations and to witness the process of measurement on demand, as well as, either to check or require to check, the accuracy and the calibration of the relevant instruments.

## 25.2 Metering Stations

25.2.1 The Metering Stations are described in ANNEX B -, Chapter 5, of this INC. Construction criteria and features shall follow the guidelines UNI 9167. Standards followed for measurements and calculations are, as the case may be, ISO 12213-3 or the most current version of the American method AGA NX, ISO 6976. UNI EN ISO 5167 – 1 plus Amendment A1, UNI EN ISO 5167 – 1 and CNR UNI 10023.

### 25.2.2 Ownership

- (a) The Metering Stations of the IGB Pipeline are (to be) owned to the ICGB.
- (b) The following Metering Station are planned to be constructed:
  - (i) Metering Station in Komotini (Greece) at Interconnection Point IP-D (as detailed in Chapter 5 of ANNEX B - and Article 5.4);
  - (ii) Metering Station in Komotini (Greece) at Interconnection Point IP-T System (as detailed in Chapter 5 of ANNEX B - and Article 5.4);
  - (iii) Metering Station in Stara Zagora (Greece) at Interconnection Point IP-B (as detailed in Chapter 5 of ANNEX B - and Article 5.4); and
  - (iv) Metering Station in Komotini (Greece) at inlet/outlet points of the Compressor Station (as detailed in Chapter 6 of ANNEX B - and Article 5.4).
- (c) Each Metering Station shall be digitally interconnected with the control centre of the IGB Pipeline and shall transmit all the data. Measurements can be carried out on site and/or remotely at the control centre. Interconnected Systems shall be digitally interconnected for the same purposes.

### 25.2.3 Geographical position and Battery Limits

- (a) The drawings referred to in Article 25.2.2 above define the geographical positions and the Battery Limits between the Interconnected Systems and the relevant Exit Points or Entry Points of the IGB Pipeline .

- (b) The Battery Limits constitute the boundaries within which the commercial transactions take place between the Interconnected Systems.

### 25.3 General Measurement Provisions

#### 25.3.1 Procedures

ANNEX D - to this INC provides the procedures for:

- (a) calibration;
- (b) maintenance;
- (c) inspection; and
- (d) Gas measurements.

#### 25.3.2 The Metering Stations shall be equipped with the following features:

- (a) volumetric flow measurement equipment;
- (b) pressure measurement equipment;
- (c) temperature measurement equipment;
- (d) Gas samples for chemical composition analysis and Energy content calculation;
- (e) back-up systems of the above-mentioned equipment; and
- (f) remote connection for digital signals transmission (fibre cabling).

#### 25.3.3 Roles and rights of the Network User

- (a) The Network User may request in writing to:
  - (i) access data, equipment and facilities;
  - (ii) check the operation method; and/or
  - (iii) inspect the equipment and the facilities, to the extent that such request relates to the measurements and the commercial transaction between the Network User and the ICGB.
- (b) For the above purposes, a procedure for smooth, timeous and safe carrying out any of the above actions shall be agreed by the Network User and the ICGB.
- (c) If, as a result of the above actions the Network User discovers an error or defects or any other non-compliance for the purpose of the measurements, the ICGB and the Network User shall apply the procedure set out in Article [*to be inserted*].

## 25.4 Defining Parameters and Measurement Data

### 25.4.1 Determination of missing data

- (a) Day-to-day operation, inspection and checks shall be carried out by the ICGB, the Network User and other relevant parties to allow the ICGB and the other parties to identify anomalies (such as malfunctions or failures of measurement equipment). If, during validation, the data from a remotely metered systems are – totally or partially – missing, the missing data shall be determined using the criteria and methods described in the "*Gas Measurement*" procedure of ANNEX D -.
- (b) The data determined in accordance with the above procedure may be replaced at a later stage if the full availability of the back-up measurement is determined. The ICGB shall then prepare a new revision of the measurement report issued previously (to include the replacement data), *provided that* the causes and the timings of the anomaly can be ascertained.

### 25.4.2 Measurement report

- (a) The measurement report is the document that summarizes the measurement data valid in the Month, referred to at each Exit Point. The daily detail of measurement data is highlighted when available. The measurement report shall provide information concerning:
  - (i) Gas Days for which the daily measurement of the Gross Calorific Value of the Natural Gas was unavailable;
  - (ii) the method used to assess the measurement. The ICGB shall enter in its information system (on a daily basis for remotely metered systems) the primary measurement data and validate the results obtained every Month. The report must be sent monthly to Network Users and to the owner of the measurement system; and
  - (iii) the analysis of the Natural Gas delivered.
- (b) If it is necessary to issue a new measurement report due to finding errors or anomalies concerning periods for which the relevant reports have already been issued, the ICGB shall recalculate and send the new measurement report to the parties listed above, and perform the resulting economic adjustments pursuant to the provisions of Article 18.9.9.

### 25.4.3 Procedure for requesting a check of the report

- (a) The Network User may request that the ICGB checks the reported measurement data. This request shall include the following:
  - (i) the identification code of the Exit Point to be checked;
  - (ii) disputed data and time period to be checked; and

- (iii) technical information supporting the request.
- (b) The ICGB, based on the elements listed above or other elements that may be required, as agreed by the ICGB, shall perform the requested checks and assessments.
- (c) If the tests prove the grounds of the request, the ICGB shall re-determine the quantities, issue an amended measurement report, and make the resulting economic adjustments pursuant to the provisions of Article 18.9.9. Within twenty (20) Working Days from receipt of a request that includes the documentation described above, the ICGB shall send to the requesting party a report containing:
  - (i) the date of receipt of the request complete with all necessary documentation to carry out the check;
  - (ii) name and contact details of the ICGB's contact persons;
  - (iii) the description of the tests carried out;
  - (iv) if the request has been accepted, the measurement report reissued for the disputed Month;
  - (v) if the request has been rejected, the reasons for the rejection, with any supporting documentation.
- (d) The costs incurred in connection with the check shall be charged to the requesting party, unless the error found is due solely to the measurement process failure, in which case such costs shall be payable by the ICGB.

## 26. LIMITATION OF LIABILITY

### 26.1 Limitation of Liability

- 26.1.1 Subject to the other provisions of this Article 26.1 and Article 26.2, the responsibility of each Party towards the other Party for any loss or damage deriving from, or however connected with, the execution or the failed, partial or late execution of its obligations arising from or connected with this INC and/or the relevant GTA, including Gas Losses, is expressly limited to cases of Wilful Misconduct and/or Gross Negligence.
- 26.1.2 The Network User shall be also liable for loss or damage deriving from, or however connected with, the execution or the failed, partial or late execution of its obligations arising from or connected with this INC and/or the relevant GTA, including Gas Losses, caused by its negligence or recklessness.
- 26.1.3 For the purpose of this Article 26, **Wilful Misconduct and/or Gross Negligence** means an intentional, conscious or reckless disregard by a Party or any of its Affiliates or representatives (acting for and on behalf of a Party) and/or its (or such Affiliate's or representatives') officers, directors or employees of managerial or supervisory status of any provisions of this INC and/or the relevant GTA or, generally, of the obligations of a Reasonable and Prudent Party.

## 26.2 Limitation of liability exclusions

26.2.1 Without prejudice to Articles 26.3 and 26.4, neither Party, whether by way of indemnity, as a result of breach of contract, breach of statutory duty, warranty, tort (including negligence), strict liability or any other legal theory, shall be liable to the other Party for any direct or indirect, special or consequential damages (and each Party hereby releases the other Party and its contractors and agents from any such liability), except:

- (a) in the case of the Network User's liability, with respect to:
  - (i) direct, actual and documented loss or damage to the IGB Pipeline, up to the aggregate amount of [*to be inserted*] per Month;
  - (ii) all loss or damage caused by the Network User's Wilful Misconduct, Gross Negligence, negligence or recklessness; and
  - (iii) breach by the Network User of any representation, warranty or covenant under Article 29 of this INC; and/or
  - (iv) all insured losses or damages of the Network User; and
- (b) in the case of the ICGB's liability, with respect to:
  - (i) direct, actual and documented loss or damage to facilities at the Exit Point(s), up to the aggregate amount of [*to be inserted*] per Month;
  - (ii) all loss or damage caused by the ICGB's Wilful Misconduct or Gross Negligence; and/or
  - (iii) breach by the ICGB of any representation, warranty or covenant under Article 29 of this INC.

## 26.3 Network User's liabilities

Without limiting the generality of Articles 26.1 and 26.2, subject to the provisions of Article 27 on termination, the Network User shall be liable to the ICGB, among others, for the following:

- 26.3.1 the Monthly Fee payable in accordance with this INC and the relevant GTA;
- 26.3.2 the Annual Ship or Pay Payment in accordance with this INC and the relevant GTA;
- 26.3.3 the amount(s) payable by the Network User following the ICGB's termination of the relevant GTA pursuant to Article 27;
- 26.3.4 direct, actual and documented loss or damage to the IGB Pipeline, including the reasonable costs of cleaning, to the extent such loss or damage is caused by and is a consequence of the Off-Specification Gas delivered to the ICGB;

- (a) during the period before the ICGB has given notice to the Network User that the ICGB either refuses or accepts the delivery of such Off-Specification Entry Gas at the Entry Point(s); or
- (b) during the period of three (3) hours from the ICGB's receipt of the notice of the Network User has lapsed,

whichever notice occurs first;

26.3.5 any Tax payable by the Network User to the ICGB, or paid by the ICGB to a Third Party where the Network User is liable for such, under or in connection with this INC and/or the relevant GTA; and

26.3.6 any other losses, costs, expenses or damages sustained by the ICGB due to the Network User's failure to comply with its obligations under this INC and/or the relevant GTA.

#### **26.4 The ICGB's liabilities**

The ICGB shall be liable to the Network User for direct loss or damage to the facilities at the Exit Point(s) (which the Network User is liable for towards Third Parties), including the reasonable cost of cleaning, to the extent such loss or damage is caused by and is a consequence of the Off-Specification Exit Gas at the Exit Point(s) delivered to the Network User:

26.4.1 during the period before the Network User has given notice to the ICGB that the Network User either refuses or accepts the delivery of such Off-Specification Exit Gas at the Exit Point(s); or

26.4.2 during the period of three (3) hours from the Network User's receipt of the notice of the ICGB has lapsed,

whichever notice occurs first.

#### **26.5 Amount of damages**

The Parties agree that to determine accurately the actual amount of damages suffered by a Party due to the other Party's failure to comply with this INC and/or the relevant GTA would be difficult. The Parties therefore agree that all liquidated damages or compensations regulated by this INC and/or the relevant GTA form a reasonable approximation and pre-estimate of the damages that would be suffered by the relevant Party.

#### **26.6 Mitigation measures**

Each Party shall use its reasonable endeavours (in accordance with English common law principles relating to mitigation of loss or damage) to mitigate or avoid any loss or damage caused by the failure of the other Party to meet its obligations under this INC or the relevant GTA, whether or not the failure is the result of a Force Majeure Event.

#### **26.7 Sole remedy**

Where this INC sets forth a specific remedy for a breach of this INC by a Party, such remedy shall be the sole and exclusive remedy of the other Party in respect of such breach and shall be exhaustive of any other remedies for breach howsoever arising (whether at law, in equity or in consequence of any statutory duty, strict or tortious liability or otherwise), *provided that* the

foregoing limitation shall not apply to the non-breaching Party's right to terminate and the related remedies.

## **27. TERMINATION**

Subject to the other provisions of this Article 27, the GTA shall terminate automatically upon the expiry of the Transmission Period, without the requirement for any further action on the part of either Party.

### **27.1 The ICGB's Termination**

The ICGB may terminate the relevant GTA (which includes the termination of application of this INC, being an integral part of the GTA) in the event of:

- 27.1.1 an Insolvency Event affecting the Network User (in which case termination shall be immediate);
- 27.1.2 failure by the Network User to pay the Monthly Fee for a period equal to or exceeding one hundred and twenty (120) Days from the date when such payment fell due under the terms of this INC and/or the relevant GTA (other than in case of a Disputed Amount);
- 27.1.3 failure by the Network User to provide and maintain or replace, as applicable, the Network User Credit Support or the Bank Guarantee, as applicable;
- 27.1.4 any Network User shareholder (which has provided the Network User Credit Support in whole or in part) disaffirming, disclaiming, revoking, repudiating or rejecting (in whole or in part), or challenging the validity of, the Network User Credit Support or otherwise failing to comply with or perform its obligations under or in respect of the Network User Credit Support;
- 27.1.5 the credit rating of any Network User shareholder which has provided the Network User Credit Support (in whole or in part) falling below Minimum Credit Rating;
- 27.1.6 failure of the Network User to fulfil any other material obligation under this INC which remains non-remedied for a period longer than twenty (20) Days;
- 27.1.7 a long-term Force Majeure Event (as set out in Article 32.5) affecting the ICGB;  
or
- 27.1.8 any breach by the Network User of the warranty or covenant given under Articles 29.1, 29.2, 29.5 or 29.6.

### **27.2 Network User's Termination**

- 27.2.1 The Network User may terminate the relevant GTA (which includes the termination of application of this INC, being an integral part of the GTA) in the event of:
  - (a) an Insolvency Event affecting the ICGB;
  - (b) failure by the ICGB to provide the Transmission Services for a period equal to or exceeding sixty (60) Days during any Contract Year for reasons other than a Force Majeure Event, maintenance or upgrading;



- (c) a long-term Force Majeure Event (as set out in Article 32.5) affecting the Network User; or
- (d) any breach by the ICGB of the warranty or covenant given under Articles 29.3, 29.4, 29.5 or 29.6.

27.2.2 If the Network User shall exercise its rights under this Article 27.2, then, subject to any and all rights and obligations accrued under this INC and the relevant GTA prior to the date of termination and upon the Network User's payment of the amounts due under this INC and the relevant GTA, the Network User shall have no further rights, liabilities or obligations under the relevant GTA and this INC.

### **27.3 Failure to Transfer the Contract Quantity to the ICGB**

If the ICGB exercises its right to terminate the GTA (which includes the termination of application of this INC) pursuant to Article 27.1, when the Contract Quantity of the Network User under the relevant GTA is not transferred or released to the ICGB, then:

27.3.1 save as provided in Article 27.3.2, subject to any and all rights and obligations accrued under this INC and/or the relevant GTA prior to the date of termination and upon the ICGB's payment of the amounts due under this INC and the relevant GTA, the ICGB shall have no further rights, liabilities or obligations under the relevant GTA and this INC;

27.3.2 the Network User shall pay to the ICGB:

- (a) except where the termination occurs pursuant to Article 27.1.7, the Annual Ship or Pay Payment for the remainder of the Transmission Period; and
- (b) if the Termination Date occurs before the Commercial Operations Date of the IGB Pipeline, the amount equal to the Exempted Network User's *pro rata* portion (determined by the ICGB, acting as the Reasonable and Prudent Party, and notified to the Exempted Network User) of the costs already incurred by the ICGB for the purpose of the construction, commissioning and operation of the IGB Pipeline.

### **27.4 Proposed termination date notice**

27.4.1 If any Party is entitled to terminate the GTA (which includes the termination of application of the INC) in accordance with Articles 27.1 or 27.2 and wishes to effect such a termination, it shall (other than in case of an Insolvency Event and, after giving notice to the other Party to remedy or cure the default(s) remaining after expiry of a thirty (30) Day period from the issuance of the said notice) give written notice to the other Party specifying a date, which shall be no earlier than twenty (20) Days after the date of such notice, upon which such termination shall take effect.

27.4.2 During the period between the service of a notice in accordance with Article 27.4.1 and the date on which termination shall take effect, the Parties shall use reasonable endeavours to negotiate a solution which averts the need to terminate the relevant GTA (including the termination of application of this INC).

### **27.5 Right of suspension**

In case of an Insolvency Event of the other Party giving rise to the termination right under this Article 27, the non-defaulting Party shall be entitled to immediately suspend performance of its obligations under the GTA (including the termination of application of this INC) and/or terminate the GTA (including the termination of application of this INC) forthwith by giving a written notice thereof to the other Party.

## **27.6 Amounts Due**

All amounts which are properly due and payable by one Party to the other Party shall become immediately due and payable from the date of receipt of the termination notice.

## **28. TITLE, RISK AND INSURANCE**

### **28.1 Title, Risk and Insurance**

28.1.1 Title to all quantities of Gas to be transported in accordance with this INC (including any Line-pack Gas, but excluding, commissioning Gas and Fuel Gas shall remain with the Network User while such Gas is within the IGB Pipeline. Title to commissioning Gas and Fuel Gas shall pass from the Network User to the ICGB at the Entry Point(s).

28.1.2 Custody of, and the risk of loss of, all quantities of Gas to be transported in accordance with this INC and the relevant GTA shall pass from the Network User to the ICGB at the Entry Point(s) and shall pass from the ICGB to the Network User at the Exit Point(s) in accordance with the Battery Limits set in Article 25.2.3 above.

### **28.2 Network User's warranties in relation to Gas**

The Network User hereby warrants that:

28.2.1 it has full ownership of Gas delivered at the Entry Point(s); and

28.2.2 Gas delivered at the Entry Point(s) shall, subject to any express rights of the Network User hereunder, be free from all liens, charges, encumbrances or adverse claims of any and every kind.

28.2.3 The Network User hereby agrees to indemnify the ICGB for any loss, claim or liability arising out of or in connection with the breach of the warranties set out in this Article 28.2.

### **28.3 Network User's insurance and ICGB's insurance**

28.3.1 The Network User shall arrange for, at its cost, any required insurance in respect of Gas transported in the IGB Pipeline, such insurance(s) to include a waiver of subrogation rights against the ICGB.

28.3.2 The ICGB shall arrange for, at its cost, any required insurance in respect of the IGB Pipeline and the Transmission Services (including, without limitation third party risk), such insurance(s), o include a waiver of subrogation rights against the Network User.

## 29. WARRANTIES AND COVENANTS

### 29.1 The ICGB's warranties

29.1.1 The ICGB represents and warrants to the Network User, from the Signing Date, that:

- (a) Gas redelivered at the Exit Point(s) shall, subject to any express rights of the ICGB hereunder, be free from all liens, charges, encumbrances or adverse claims of any and every kind. Subject to the provisions of Article 26 on limitation of liability, the ICGB hereby agrees to indemnify the Network User for any direct, actual and documented loss, claim or liability arising out of the breach of the warranty set out in this paragraph (a).
- (b) it is a legal entity incorporated in Bulgaria and validly exists under the laws of the Republic of Bulgaria;
- (c) it is duly qualified and in good standing in all jurisdictions required for performance under this INC and the relevant GTA;
- (d) it has full power, authority and legal right to perform its obligation under this INC and the relevant GTA and, in particular, subject to it having obtained a TSO licence and certification (such to occur prior to the Commercial Operation Date), it is entitled by virtue of Applicable Law to operate the IGB Pipeline;
- (e) it has duly signed and delivered this INC and, following the effective date thereof, the relevant GTA, which constitute valid and binding obligations of the ICGB, enforceable against the ICGB in accordance with their respective terms; and
- (f) it has furnished the Network User with certified resolutions, authenticated powers-of-attorney, or other corporate instruments as are necessary to authorise its signing, delivery and performance of the INC and the relevant GTA.

29.1.2 The ICGB further represents and warrants that it shall not allow Gas to be introduced into the IGB Pipeline which has originated from:

- (a) a Sanctioned Country; or
- (b) (ii) a Sanctioned Person,

if such introduction would cause the ICGB or the Network User to breach Sanctions' restrictions or subject either the ICGB or the Network User to Sanctions' liabilities, *provided that*, in case of the Network User, this shall apply only if the ICGB has known or reasonably should have known thereof.

29.1.3 The ICGB further represents and warrants that it has put in place policies, processes and procedures aimed to ensure that it does not accept Gas from a Sanctioned Country or a Sanctioned Person for transport or use in the IGB Pipeline, if such acceptance would cause the ICGB or the Network User to breach Sanctions' restrictions or subject either the ICGB or the Network User to Sanctions' liabilities,

*provided that*, in case of the Network User, this shall apply only if the ICGB has known or reasonably should have known thereof. The ICGB shall not be deemed to have violated its representation and warranty in respect of Gas introduced into the IGB Pipeline which is commingled in a connecting entry-exit system prior to its delivery to the IGB Pipeline with Gas originating from a Sanctioned Country or a Sanctioned Person, unless such commingling would cause the Network User or any of its shareholders to breach Sanctions restrictions or subject the Network User or any of its shareholders to Sanctions liability

## **29.2 ICGB's covenants**

29.2.1 The ICGB covenants that, at no cost to the Network User (other than those included in the Annual Ship or Pay Payment), the ICGB shall:

- (a) in a timely manner, obtain, maintain and comply with all licences, permits, authorisations and approvals required under Applicable Law to enable the ICGB to implement the IGB Pipeline project and to operate and maintain the IGB Pipeline so as to have the capacity to provide the Transmission Services and to perform the ICGB's obligations under this INC and the GTA. The ICGB shall not be obliged to obtain a TSO licence and certification at any time prior to the Commercial Operation Date;
- (b) to the extent that the same is within its reasonable capacity and control, undertake to assist the Network User with any consents or approvals that might be required by the Network User in the Republic of Greece and/or the Republic of Bulgaria, such consents and approvals to be obtained by the Network User at its own cost;
- (c) maintain all relevant consents or approvals in good order and standing such that the ICGB can accept and redeliver the Gas in accordance with this INC and the GTA and shall notify the Network User as soon as reasonably practicable if any of the ICGB Approvals are not granted, lapse and are not renewed, or are cancelled or terminated or if any proceeding is initiated concerning any of the ICGB Approvals; and
- (d) to the extent that it is within its reasonable capacity and control, take such measures necessary to remove any restrictions that impede or restrict the availability of the Transmission Services.

29.2.2 The ICGB further covenants that, throughout the Transmission Period, any technical information and data that the ICGB has supplied to the Network User concerning this INC and/or the GTA is accurate and complete in all material respects.

## **29.3 Network User's warranties**

29.3.1 The Network User represents and warrants to the ICGB that the Network User:

- (a) is a legal entity duly incorporated and validly existing under the laws of its country of incorporation;

- (b) is duly qualified and in good standing in all jurisdictions required for performance under this INC and the relevant GTA;
- (c) has full power, authority and legal right to perform its obligations under this INC and the relevant GTA;
- (d) has duly signed and delivered this INC and, following the effective date thereof, the relevant GTA, which constitute valid and binding obligations of the Network User, enforceable against the Network User in accordance with their respective terms; and
- (e) has furnished to the ICGB such certified resolutions, authenticated powers-of-attorney, or other corporate instruments as are necessary to authorise its signing, delivery and performance of this INC and the relevant GTA.

29.3.2 The Network User further represents and warrants that the Gas made available under this INC has not originated from:

- (a) a Sanctioned Country; or
- (b) a Sanctioned Person,

*provided that* the Network User shall not be deemed to have violated this warranty if:

- (i) the Network User's Gas is commingled in a connecting entry-exit system upstream of the with Gas from a Sanctioned Country or a Sanctioned Person unless such commingling would cause the ICGB to breach any Sanctions' restrictions or subject the ICGB to any Sanctions' liabilities; or
- (ii) the Network User's Gas is commingled in the IGB Pipeline with Gas from a Sanctioned Country or a Sanctioned Person.

## 29.4 Network User's covenants

29.4.1 The Network User covenants with the ICGB that, at no cost to the ICGB, the Network User shall:

- (a) obtain all approvals required to enable the Network User to make Gas available at the Entry Point(s) under this INC and the relevant GTA and to perform the Network User's obligations under this INC and the relevant GTA;
- (b) obtain all the necessary approvals required by the Network User to enable the Network User to procure the off-take of Gas redelivered by the ICGB at the Exit Point(s) in accordance with this INC and the relevant GTA;
- (c) comply with the provisions on operational information sharing and notification of important events, where so required by this INC and/or the relevant GTA that may affect its performance thereunder; and

- (d) maintain consents or approvals in good order and standing and shall notify the ICGB as soon as reasonably possible if any of the Network User Approvals are not granted, lapse and are not renewed, or are cancelled or terminated or if any proceeding is initiated concerning any of the Network User Approvals.

29.4.2 The Network User further covenants that, throughout the Transmission Period, any technical information and data that the Network User has supplied to the ICGB concerning this INC and/or the relevant GTA is accurate and complete in all material respects.

## **29.5 Mutual warranties**

Each Party represents and warrants to the other Party, as of the Signing Date, that:

- 29.5.1 the entry into and performance by it of the relevant GTA and the INC does not violate its constitutional or legal statutes or breach any agreement to which it is party; and
- 29.5.2 there is no litigation existing or pending that might interfere with the performance of this INC or the relevant GTA.

## **29.6 Mutual covenants**

Each Party covenants to the other Party that:

- 29.6.1 it shall comply with all Applicable Laws (and, if applicable, other laws and regulations) governing or relating to its performance under this INC and the relevant GTA;
- 29.6.2 it shall maintain its existence and good standing and its qualifications to do business in all applicable jurisdictions where that Party's performance under this INC and the relevant GTA is required;
- 29.6.3 neither it nor its Affiliates or representatives shall make, offer, or authorise regarding the matters that are the subject of this INC and the relevant GTA, any payment, gift, promise, or other advantage, whether directly or through any other Person, to or for the use or benefit of any public official (e.g., any Person holding a legislative, administrative, or judicial office, including any Person employed by or acting for a public agency, public enterprise or public international organisation) or any political party or political party official or candidate for office, where the payment, gift, promise, or advantage would violate:
  - (a) the Applicable Laws or, in respect of a Party, the laws of any other jurisdiction applicable to that Party's performance of its obligations under this INC and the relevant GTA;
  - (b) the laws of the country of formation of the Party or the Party's ultimate parent company or of the principal place of business of the ultimate parent company;
  - (c) the principles described in the "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", signed in Paris on 17 December 1997, which entered into force on

15 February 1999, and the Convention's Commentaries; and shall, upon request of the other Party, provide evidence of its compliance with the covenants within a reasonable period of time where this is required by a Party in order to fulfil its legal obligations in any applicable jurisdiction pursuant to this Article 29.6; and

29.6.4 it shall maintain adequate internal controls, properly record and report all transactions, and comply with the laws applicable to the Party. Each Party shall rely on the other Party's system of internal controls, and on the adequacy of full disclosure of the facts, and of financial and other data about the deliveries of Gas under this INC and the relevant GTA. No Party is in any way authorised to take any action for another Party that would result in an inadequate or inaccurate recording and reporting of assets, liabilities, or any transaction or that would put the Party in violation of its obligations under the laws applicable to the operations under this INC and the relevant GTA.

### **30. SANCTIONS**

#### **30.1 Sanctions**

If at any time either the ICGB or the Network User or any of their respective shareholders would be the subject to Sanctions' restrictions and/or liability by virtue of Gas from a Sanctioned Country or a Sanctioned Person being commingled in the IGB Pipeline or any transmission system upstream of the IGB Pipeline as a result of a change in the commingling exception currently contained in article 14a 2(a) of EU Council Regulation 1263/2012 dated 21 December 2012 or as a result of any other change in Sanctions, then:

30.1.1 the Party so affected shall be entitled to claim a Force Majeure Event under this INC or the relevant GTA; and

30.1.2 the Parties shall use all reasonable endeavours to put in place such arrangements as would enable the affected Party to comply with the Sanctions' requirements and, if able to do so, and on the implementation of such arrangements, any claim for a Force Majeure Event related thereto shall cease.

#### **30.2 Obligations**

In the conduct of all activities provided for under this INC and the relevant GTA the Parties shall:

30.2.1 exercise due care with respect to awards of contracts, the receipts, payments, and accounting of funds and internal controls, in accordance with all relevant anti-corruption legislation, including but not limited to, the UK Bribery Act 2010, the US Foreign Corrupt Practices Act (FCPA), any successor or amending legislation and legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption, and/or the anti-corruption or anti-money laundering laws of any country in which activities are to be undertaken, and good and prudent practices generally followed by the international petroleum industry under similar circumstances;

30.2.2 include in its contracts with independent contractors, provisions which constitute a statement/warranty from such contractor confirming that it shall comply with all relevant anti-corruption legislation, including those listed in Article 30.2.1 above;

- 30.2.3 report to the other Party any act or omission such Party becomes aware of which constitutes a violation of relevant anti-corruption legislation, including but not limited to those listed in Article 30.2.1 above.

## **31. NETWORK USER CREDIT SUPPORT**

### **31.1 Network User Credit Support**

- 31.1.1 The Network User shall submit to the ICGB the Network User Credit Support in a form reasonably acceptable to the ICGB in accordance with the Minimum Credit Rating, not later than:

- (a) twenty (20) Days prior to the start of the relevant Network User Credit Support Period, if the GTA's term is longer than one (1) year;
- (b) five (5) Days prior to the start of the relevant Network User Credit Support Period, if the GTA's term is shorter than one (1) year.

- 31.1.2 During the Network User Credit Support Period, the Network User Credit Support shall be maintained by the Network User and shall at all times meet the Network User Credit Support Requirement.

- 31.1.3 The Network User Credit Support Requirement shall be equal to:

- (a) if the GTA's term is shorter than one (1) Contract Year, the ICGB shall set a credit limit based on the Standard Capacity Products booked (**Short Term Booking Credit Limit**). The Short Term Booking Credit Limit will be determined in accordance with the general practices of the Platform; or
- (b) if the GTA's term is longer than one (1) Contract Year, the Annual Ship or Pay Payment payable by the Network User under its relevant GTA.

(the **Network User Credit Support Cap**).

- 31.1.4 The ICGB may make a claim in relation to the Network User Credit Support only in respect of amounts invoiced to the Network User by the ICGB in accordance with this INC or the relevant GTA that have not been paid within fifteen (15) Working Days of the due date for payment or otherwise disputed by the Network User in accordance with Article 23.3 of this INC.

- 31.1.5 If the Network User's Credit Support is provided by the Network User's parent company, the Network User shall submit to the ICGB a letter (in a form satisfactory to the ICGB) of the parent company's commitment to guarantee the Network User's payment obligations to the ICGB in the name of and on behalf of the Network User and on the same terms and conditions set out in this Article 31.

### **31.2 Bank Guarantee**

- 31.2.1 If the Network User does not provide the required Network User Credit Support or there is a downgrading of the Network User's Minimum Credit Rating, the Network User shall promptly provide to the ICGB and maintain until the end of the Transmission Period, a bank guarantee which is:



- (a) in a form satisfactory to the ICGB;
- (b) on demand;
- (c) issued by a bank or insurance company, or any other financial institutions entitled to issue it in accordance with this Article 31 and that shall have a credit rating equal to the Minimum Credit Rating; and
- (d) equal in value to either:
  - (i) the Annual Ship or Pay Payment; or
  - (ii) where the term of the relevant GTA is less than one (1) Year, an amount equal to the Short Term Booking Credit Limit for the relevant Standard Capacity Product booked,

(the **Bank Guarantee**).

31.2.2 The value of the Bank Guarantee shall be adjusted for any variation which may occur for satisfying the actual Annual Ship or Pay Payment or an amount equal to the Short Term Booking Credit Limit for the relevant Standard Capacity Product booked, as the case may be.

31.2.3 In case of the full or partial enforcement of the Bank Guarantee, the Network User shall ensure that the Bank Guarantee is renewed or replenished in order to guarantee the Annual Ship or Pay Payment or the Short Term Booking Credit Limit, as the case may be, for the whole Transmission Period. Any cost incurred by the ICGB as a result of enforcing, adjusting and/or renewing or maintaining the Bank Guarantee shall be charged to the Network User in accordance to Article 26.3.6.

31.2.4 In the event that the Registered Party refuses to execute the GTA, the ICGB shall be entitled to enforce any Network User Credit Support issued pursuant to Article 9.2 or to enforce any security issued under the ARCA, as the case may be.

## **32. FORCE MAJEURE EVENT**

### **32.1 Force Majeure Event definition**

32.1.1 **Force Majeure Event** shall mean an event or circumstance (or a combination of events and/or circumstances) beyond the reasonable control of a Party, acting and having acted as a Reasonable and Prudent Party, which results in such Party being unable to perform one or more of its obligations (either wholly or partly) under this INC or the GTA which inability could not have been foreseen, prevented or overcome by such Party acting as a Reasonable and Prudent Party and incurring reasonable expenses.

32.1.2 Subject to fulfilment of the requirements set out in the preceding paragraph, Force Majeure Event shall include, without limitation: strikes; lockouts; labour and other industrial disturbances (including sabotages); acts of God; unavoidable accidents; new Applicable Law, order, rule, regulation, act or restraint of any governmental body or authority (municipal, national, supranational, including European Union, or other) or a court; acts of war or conditions arising out of or attributable to war

(declared or undeclared); shortage of materials, or limitations upon the use thereof; collapse of structures; and failure or breakdown of plant or machinery and pipes.

### **32.2 Limitation of Force Majeure Event**

Notwithstanding the provisions of Article 32.1, any or all of the following events and circumstances shall not constitute a Force Majeure Event:

- 32.2.1 changes in market conditions, including changes that directly or indirectly affect the demand for or price of Gas or any commodity produced from or with Gas, such as loss of customers or loss of market share;
- 32.2.2 financial hardship of a Party or the inability of a Party to make a profit or receive a satisfactory rate of return from its operations;
- 32.2.3 any event or circumstance whatsoever affecting infrastructure and/or facilities (directly or indirectly) used for the production, storage, transport in systems (other than the IGB Pipeline), use or consumption of Gas;
- 32.2.4 the imposition of Sanctions by any Governmental Authority due solely to the failure of the ICGB to comply with any Applicable Laws; or
- 32.2.5 the breakdown or failure of machinery caused by normal wear and tear that should have been avoided by a Reasonable and Prudent Party, the failure to comply with the manufacturer's recommended maintenance and operating procedures, or the unavailability at appropriate locations of standby equipment or spare parts in circumstances where a Reasonable and Prudent Party would have had the equipment or spare parts available.

### **32.3 Limitation on obligation relief**

- 32.3.1 Where a Party is affected by a Force Majeure Event, that Party shall (subject to the provisions of Article 32.2) be relieved from its affected obligations only and its unaffected obligations shall continue to apply.
- 32.3.2 Any failure to timely pay amounts which are owed under this INC or the relevant GTA (including, without limitation, the Monthly Fee and the Annual Ship or Pay Payment) shall not be excused by a Force Majeure Event, unless the payment procedure itself is affected by a Force Majeure Event.

### **32.4 Notification and Force Majeure Event estimation**

- 32.4.1 The Party affected by a Force Majeure Event shall, as soon as practicable after learning of the Force Majeure Event, notify the other Party of the occurrence of the Force Majeure Event and, to the extent then available, provide to it a *bona fide* non-binding estimate of the extent and duration of its inability to perform.
- 32.4.2 The Party affected by the Force Majeure Event shall use commercially reasonable endeavours to mitigate and overcome the effects of the Force Majeure Event and shall, during the continuation of the Force Majeure Event, provide the other Party with reasonable *bona fide* updates, when and if available, of the extent and expected duration of its inability to perform this INC and the GTA.

- 32.4.3 There shall be no obligation of the Party affected by a Force Majeure Event to:
- (a) settle any labour dispute (except in such a manner as it shall deem fit, in its own judgment); and
  - (b) negotiate, arrange or agree alternative transportation for Gas.

### **32.5 Termination due to a Force Majeure Event**

If any Party claims a valid Force Majeure Event, each Party shall be entitled to terminate the GTA (including this INC) on the grounds of such Force Majeure Event only in the following circumstances:

- 32.5.1 where the Transmission Period is a period of one hundred sixty five (365) Days or less:
- (a) the Force Majeure Event lasts for a period of more than twenty-five per cent (25%) of the Transmission Period; and
  - (b) the Force Majeure Event still exists at the time of the termination, or
- 32.5.2 where the Transmission Period is a period of more than one hundred sixty five (365) Days:
- (a) the Force Majeure Event (a) lasts for a period of more than one hundred sixty five (365) consecutive Days, or (b) the Force Majeure Event has occurred on one hundred sixty five (365) Days in a period of one thousand four hundred sixty (1460) Days; and
  - (b) in the case of application of Article 32.5.1(a) only, the Force Majeure Event still exists at the time of the termination. Where the provisions of Article 32.5.1(b) are satisfied, the Force Majeure Event does not need to be continuing in order for the Party to terminate.

### **32.6 Amounts Due**

Amounts that are due and payable by the Network User under this INC and the GTA may not be withheld on the grounds of a Force Majeure Event affecting the ICGB to the extent that those amounts are chargeable for the Transmission Services that were performed by the ICGB prior to the occurrence of the event qualifying as a Force Majeure Event or for the Transmission Services that are unaffected by such a Force Majeure Event.

## **33. EMERGENCY PROCEDURE**

The emergency procedure shall be developed by the ICGB at a later stage, once the ICGB shall have entered into the Interconnection Agreements. This INC shall be amended by the ICGB thereafter to reflect such developed emergency procedure.

## **34. CHANGE IN LAW**

### **34.1 Change in Law Notice**

- 34.1.1 On the occurrence of the Change in Law, the ICGB shall be entitled to provide a Change in Law Notice to the Network User to specify which changes the ICGB proposed to make to this INC and/or the GTA to reflect the Change in Law.
- 34.1.2 Each Change in Law Notice shall contain the following information and documents:
- (a) a description, in reasonable detail of the Change in Law and the manner in which it is proposed to be implemented and the effect it is expected to have on the ability of the ICGB to perform its obligations under this INC and/or the relevant GTA;
  - (b) a copy of the relevant laws and regulations implementing the Change in law or a written summary thereof, in reasonable detail;
  - (c) a description, in reasonable detail, of how the Change in Law will affect the construction, operation and maintenance of the IGB Pipeline and the steps which the ICGB proposes to take, in the case of increase, to minimize the effect of and, in the case of decrease, to take advantage of the resultant change in costs;
  - (d) a description, in reasonable detail, of the estimated effect on the costs of the IGB Pipeline from the Change in Law;
  - (e) a description, in reasonable detail, if and the extent to which the Change in Law is permitted or is in conflict with the effect of the legal and tax stabilization provided under the Exemption Decision and the IGB Intergovernmental Agreement.

## **34.2 Adjustments to this INC or the GTA**

- 34.2.1 The ICGB shall negotiate with the Network User and Other Network Users the changes required to this INC and/or the GTA to reflect the Change in Law.
- 34.2.2 If the Network User and Other Network Users decide, by simple majority decision, that they do not agree with the proposed amendments within thirty (30) Working Days after the final amendment proposal has been provided by the ICGB, they may refer the matter to the Expert for determination. The ICGB may require all affected Network Users to join such proceedings.

**ANNEX A - TRANSMISSION TARIFF CODE**

**ANNEX B - TECHNICAL DESCRIPTION**

**ANNEX C - FORM OF SURRENDER AGREEMENT**

**ANNEX D - MEASUREMENT PROCEDURE**



## **ANNEX E - BOOKING LIMITATION ACCORDING TO EXEMPTION DECISION**

### **1. Dominant players' booking limitations according to the Exemption Decision**

To prevent the establishment of a dominant position or the strengthening of an existing dominant position in the Bulgarian gas market, the following conditions shall apply to any Network User who wants to participate in the booking procedures set out in Article 10 of this INC.

#### **1.1 Capacity cap for dominant players in Bulgaria**

1.1.1 Any Network User with a share of forty per cent (40%) or more in any relevant product market for the supply of Gas in Bulgaria, or on the upstream market for supplying Gas into Bulgaria, shall not be allowed to reserve or book more than 40% of the IGB Minimum Capacity at an Exit Point in Bulgaria.

1.1.2 In the event that two or more Network Users together hold a combined market share of at least eighty per cent (80%) and each of these Network Users has a market share of more than twenty per cent (20%) of any relevant product market for the supply of Gas in Bulgaria, or on the upstream market for supplying Gas to Bulgaria, EWRC has the right to impose a capacity cap on these Network Users at an IGB Exit Point in Bulgaria.

1.1.3 For the purpose of calculating the market share and the capacity cap percentage, Network Users belonging to one group shall be considered as one Network User and the market share shall be calculated by EWRC as the average market share for that group over the last two (2) consecutive years.

1.1.4 Any (direct or indirect) long-term gas supply contracts for Bulgaria entered into with a Network User which has a share of forty per cent (40%) or a group of Network Users (which group has a combined market share of at least eighty per cent (80%)) shall fall under the capacity cap as established in Articles 1.1.2 and 1.1.3.

1.1.5 Where, due to a lack of interest by other Network Users, the capacity cap in Articles 1.1.2 and 1.1.3 above results in the IGB Minimum Capacity being underutilized, EWRC, at the request of an interested Network User, may allow capacity to be booked beyond the capacity cap defined in this Article 1.1 on an interruptible short-term basis. EWRC's decision to that effect is publishable on its website. The IGB Minimum Capacity is considered to be underutilized if, on average, 20% of the IGB Minimum Capacity is not booked for a period of at least six (6) Months.

#### **1.2 Capacity cap for dominant players in Greece**

1.2.1 Any Network User with a share of forty per cent (40%) or more in any relevant product market for the supply of Gas in Greece, or on the upstream market of supplying Gas into Greece, shall not be allowed to reserve or book more than forty per cent (40%) of the IGB Minimum Capacity at an Exit Point in Greece.

1.2.2 In the event that two or more Network Users together hold a combined market share of at least eighty per cent (80%) and each of these Network Users has a market share of more than twenty per cent (20%) of any relevant product market for the supply of Gas in Greece, or on the upstream market for supplying Gas to

Greece, RAE has the right to impose a capacity cap on these Network Users at an IGB Exit Point in Greece.

- 1.2.3 For the purpose of calculating the market share and the capacity cap percentage, Network Users belonging to one group shall be considered as one Network User and the market share shall be calculated by RAE as the average market share of the group over the last two (2) consecutive years.
- 1.2.4 Any (direct or indirect) long-term gas supply contracts for Greece entered into with a Network User which has a share of forty per cent (40%) of a group of Network Users (which group has a combined market share of at least eighty per cent (80%)) shall fall under the capacity cap as established in Articles 1.2.1 and 1.2.2.
- 1.2.5 Where, due to lack of interest by other Network Users, the capacity cap in Articles 1.2.1 and 1.2.2 above results in the IGB Minimum Capacity being underutilized, RAE, at the request of an interested Network User, may allow capacity to be booked beyond the capacity cap as defined in Article 1.2 on an interruptible short-term basis. RAE's decision to that effect is publishable on its website. The IGB Minimum Capacity is considered to be underutilized if, on average, twenty per cent (20%) of the IGB Minimum Capacity is not booked for a period of at least six (6) Months.