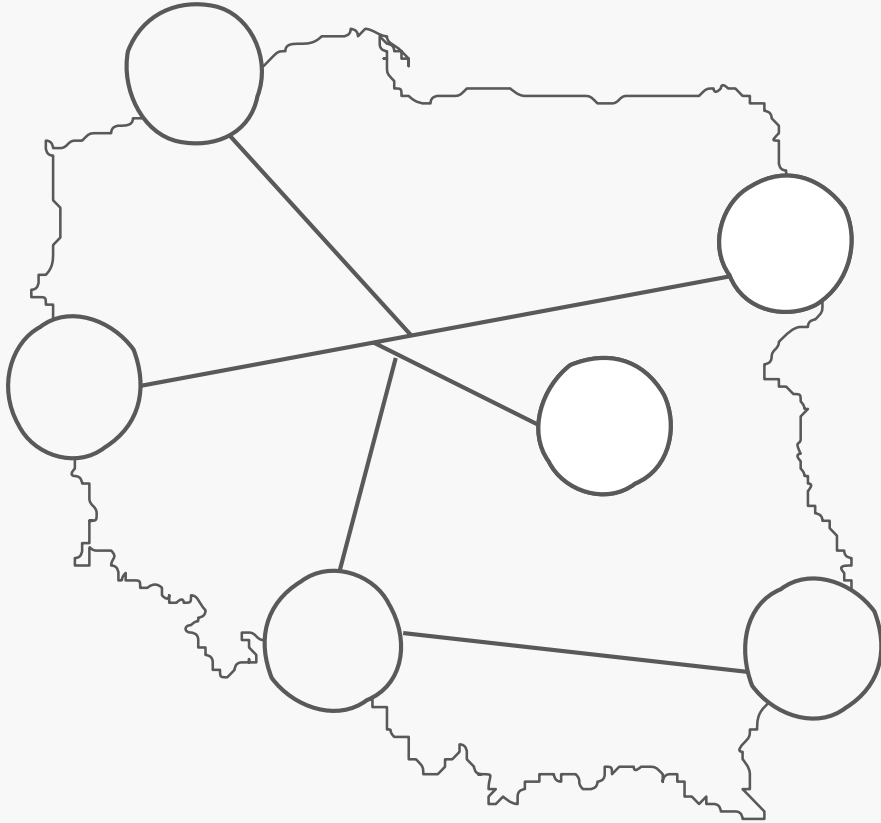


CAPACITY ALLOCATION ARRANGEMENTS

Workshop on changes to the Transmission
Network Code



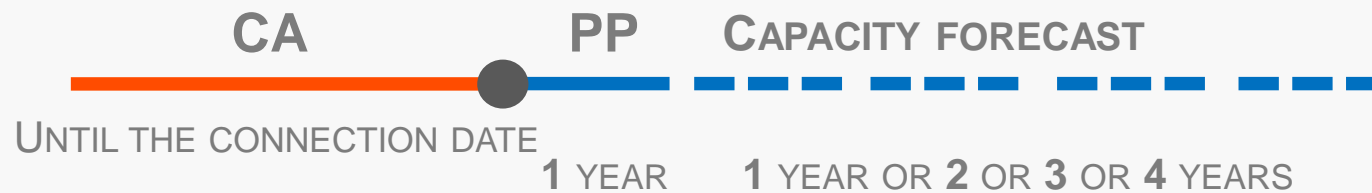
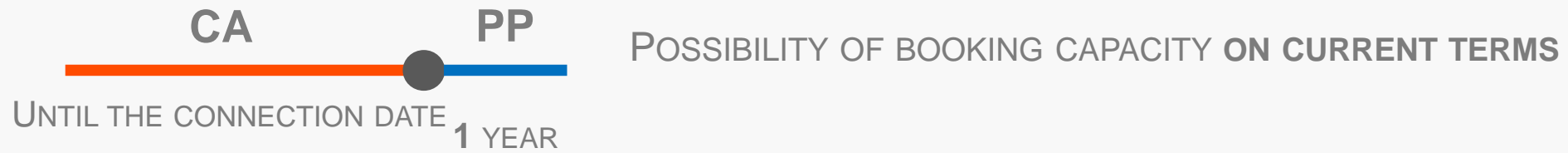
CHANGES TO THE TNC – CAPACITY BOOKING - TODAY



CAPACITY BOOKING TODAY:

- CONNECTION CONDITIONS **DO NOT IMPLY CAPACITY BOOKING.**
- CAPACITY BOOKING FOR NEW OR UPGRADED EXIT POINTS TAKES PLACE **EXCLUSIVELY ON THE BASIS OF A CONNECTION AGREEMENT**, UNTIL THE EXECUTION OF A TRANSMISSION CONTRACT OR CAPACITY ALLOCATION (PP), **HOWEVER NOT LATER THAN UNTIL THE CONNECTION DATE SET OUT IN THE CONNECTION AGREEMENT.**
- IN CASE OF CAPACITY CONGESTION AT A GIVEN EXIT POINT, THE PRIORITY ORDER FOR THE **EXECUTION OF A CONNECTION AGREEMENT IS DECIDED BASED ON THE ORDER IN WHICH THE UNILATERALLY SIGNED CONNECTION AGREEMENT IS RECEIVED.**

CHANGES TO THE TNC – CAPACITY BOOKING - TODAY AND TOMORROW

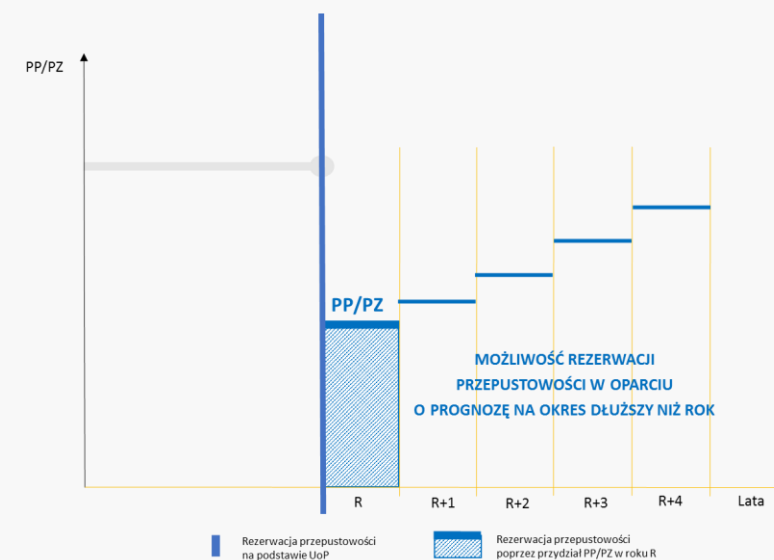
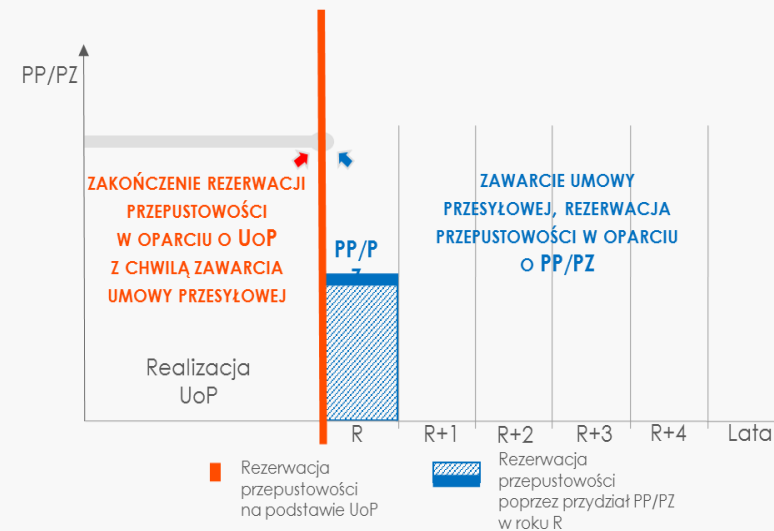


POSSIBILITY OF BOOKING CAPACITY ON THE TERMS ADOPTED FOR APPLICATION UPON THE APPROVAL OF THE TNC.

Capacity allocation forecasting mechanism for all “intra-country” entry and exit points

KEY ASSUMPTIONS FOR NEW CAPACITY BOOKING ARRANGEMENTS

- **Capacity allocation forecast** may be allocated at the request and for the benefit of **SSO, DSO, OIR or the operator of a facility connected at a given point** (including a final Customer)
- Possibility of capacity booking based on an allocation forecast for a period longer than one year – **5 years** in total
- Possibility of increasing the allocation forecast in individual years **according to technical capabilities of transmission network**
- Possibility of **not meeting** the allocation forecast within the limit of up to 5% for a given year **without financial consequences** -> in case of a reduction of the allocation forecast in excess of 5% for a given year, a **charge for failure to meet the forecast** is envisaged



WHO AND FOR WHAT POINTS MAY APPLY FOR FORECAST ALLOCATION

The right to submit an application for the approval of the capacity forecast for gas years from Y+2 to Y+5 is available to:

- **Storage System Operator** (SSO) for, respectively, Interconnection Physical Entry/Exit Points to/from the transmission system at interconnections with storage facilities ($MFPWE_{OSM}/MFPWY_{OSM}$)
- **Distribution System Operator** (DSO) for, respectively, Interconnection Physical Entry/Exit Points to/from the transmission system at interconnections with distribution systems ($MFPWE_{OSD}/MFPWY_{OSD}$)
- **Re-Gasification Facility Operator** (OIR) for, respectively, Physical Entry Points to the transmission system at interconnections with the LNG terminal ($FPWE_{OIR}$)
- **Operator of facility** connected at a given point (including a final Customer) for, respectively:

Physical Entry Points to the transmission system at interconnections

- with **domestic gas fields** ($FPWE_{ZDO}$),
- natural gas **mixing facilities** ($FPWE_M$),
- **nitrogen removal plants** ($FPWE_{OA}$) and for

Physical Exit Points to the transmission system at interconnections

- with a facility of a **final Customer** connected to the transmission system ($FPWY_{OK}$),
- natural gas **mixing facilities** ($FPWY_M$)
- **nitrogen removal plants** ($FPWY_{OA}$)

NECESSARY AGREEMENTS

Application submission and capacity forecast allocation will be possible after the execution of an ITC/Agreement

Inter-operator Transmission Contract (ITC), including technical annexes to the ITC.

- Storage System Operator (SSO) -> point 3.9.3 TNC
- Distribution System Operator (DSO) -> point 3.9.2 TNC

Agreement

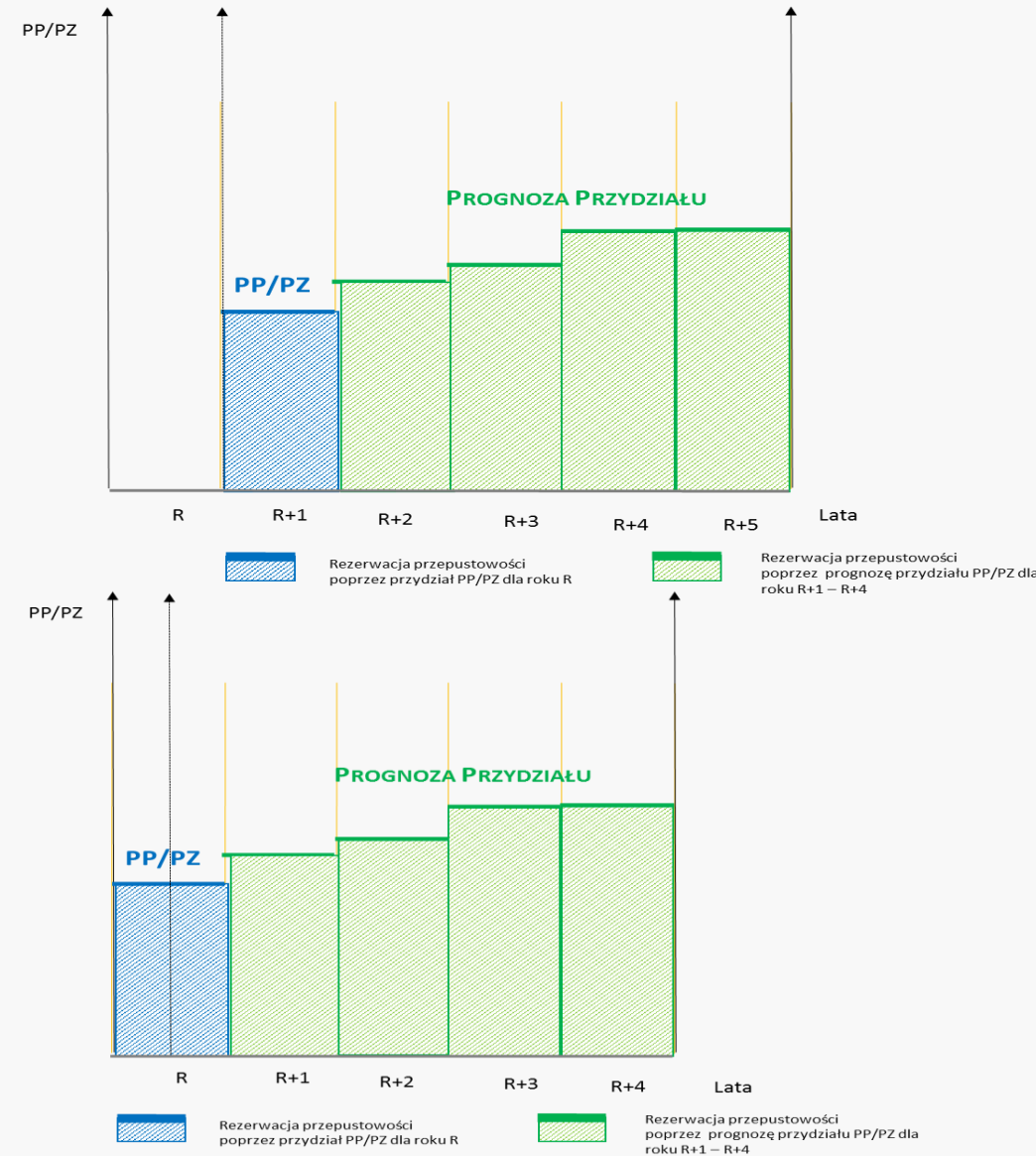
- Re-Gasification Facility Operator (OIR) -> point 3.8.11 TNC
- Operator of a Physical Entry Point from a domestic source -> point 3.8.12 TNC
- Billing Point Operators (OPRs), Customers, including energy companies that operate networks, other than DSOs -> point 3.10 TNC

Current provisions of ITCs – annexes to ITCs/Agreements must be supplemented with the principles of capacity booking on the basis of a capacity forecast, and with the approved capacity forecasts.

A refusal to execute an Agreement / amend the annexes is tantamount to resigning from the possibility of applying to the TSO for approval of the capacity forecast.

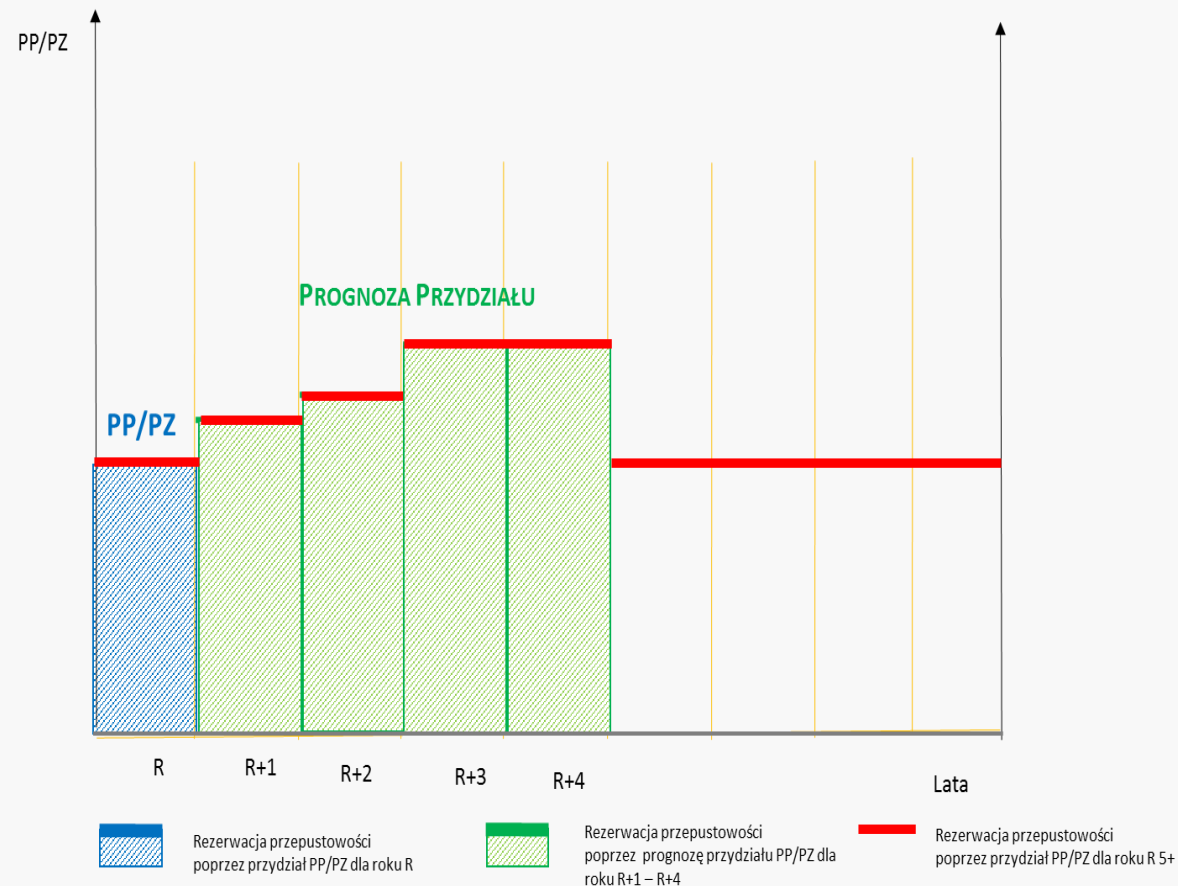
TIME FRAME AND PROCEDURE FOR THE SUBMISSION OF APPLICATIONS CONCERNING CAPACITY ALLOCATION FORECAST

- Application for allocation forecast, revision (increase/reduction) of allocation forecast is considered as part of the capacity offering procedure, i.e. **in the period from 20 April till 10 May** (every year for products concerning the gas year following the gas year in which the procedure is carried out)
- The application for capacity allocation may be considered together with an application for the first capacity allocation (PP) for a given point submitted after the performance of the Connection Agreement.



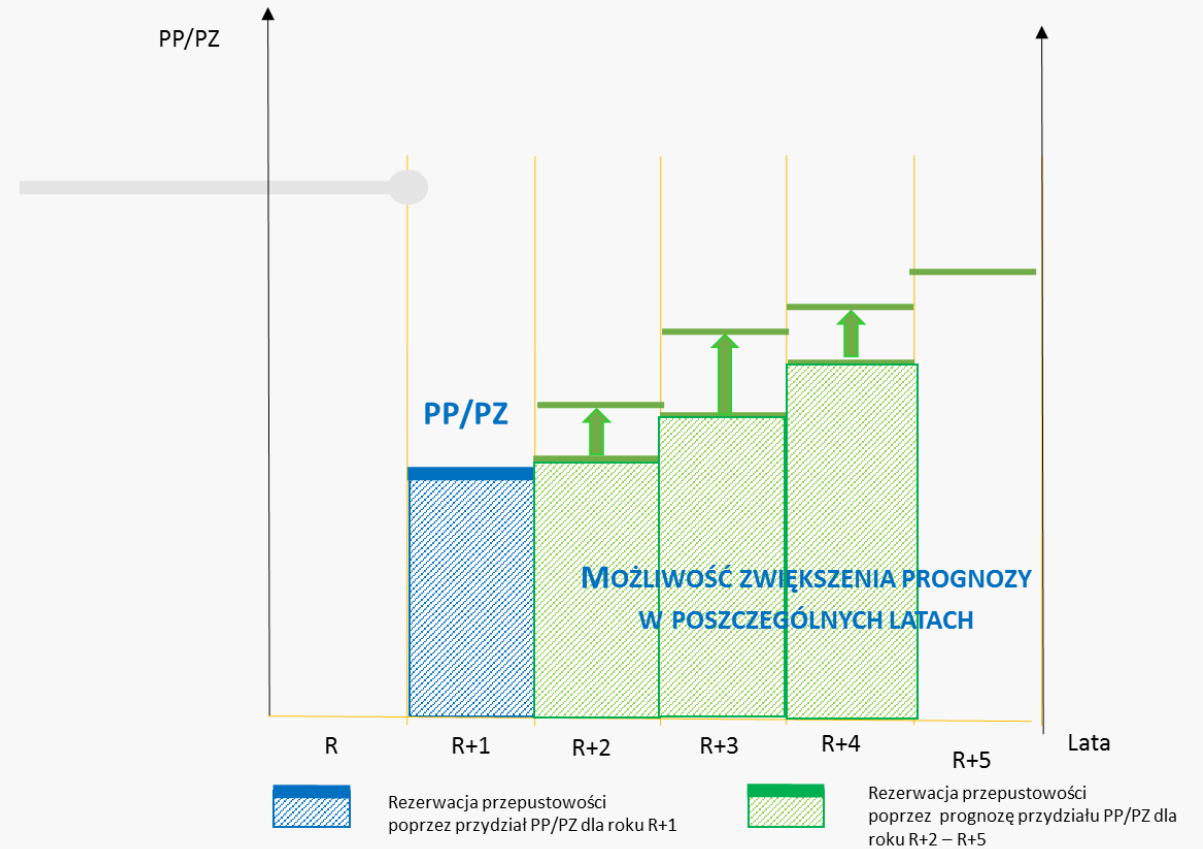
CAPACITY BOOKING

- TSO is required to allocate capacity (contracted capacity) to the Network User within the limits of the capacity forecast approved for a given point
- In case when there is no allocation forecast, the TSO allocates PP, PP/PZ according to the technical capabilities of the transmission system, taking into account the contractual obligations of the TSO

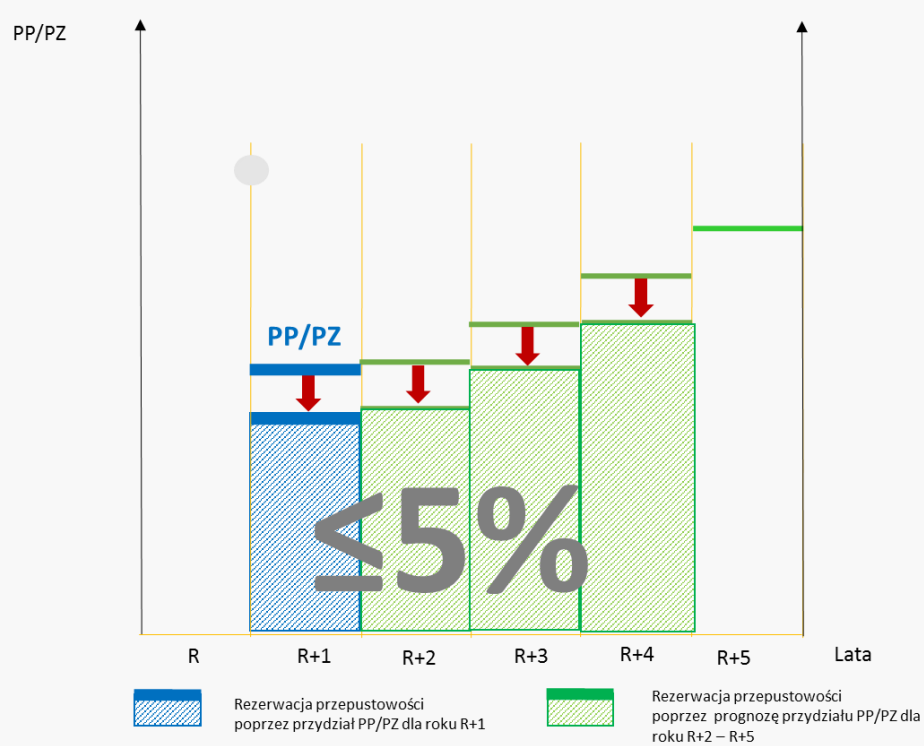


CHANGE OF CAPACITY ALLOCATION FORECAST -> INCREASE

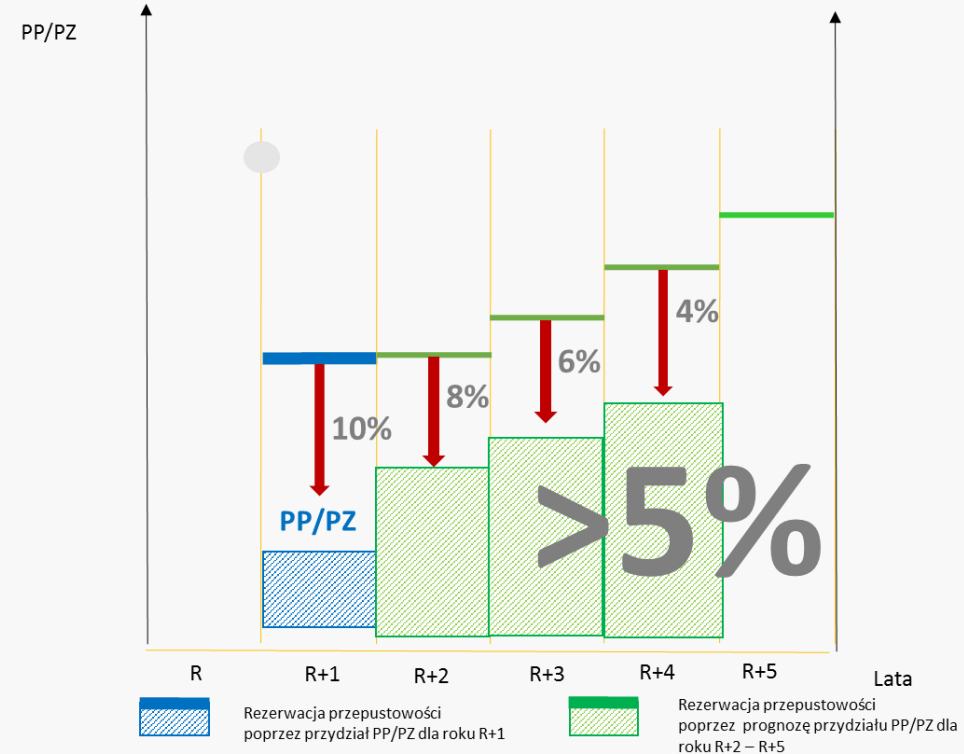
- The increase takes place according to the technical capabilities of the transmission system, taking into account the existing contractual obligations of the TSO
- TSO will
 - allocate a PP forecast on firm basis according to the application, or
 - allocate a PP forecast on interruptible basis, or
 - refuse the allocation of an additional PP forecast



CHANGE OF CAPACITY FORECAST ALLOCATION -> FORECAST REDUCTION, FAILURE TO MEET THE FORECAST



- Possibility of not meeting the allocation forecast within the limit of up to 5% for a given year without financial consequences



- For the reduction of the allocation forecast in excess of 5% for a given year, a charge for failure to meet the forecast is applied

CHANGE OF CAPACITY FORECAST ALLOCATION

-> CHARGE FOR FAILURE TO MEET THE CAPACITY FORECAST BY MORE THAN 5%

Failure to meet capacity forecast:

$$O_{NP} = 10\% * S_{FPWY} * (M_{p(\text{forecast})} - M_{p(\text{PP})}) * T$$

where:

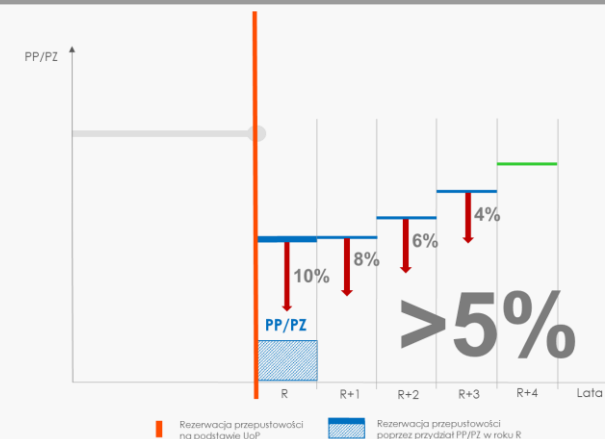
- O_{NP} charge for failure to meet the capacity forecast [PLN]
- S_{FPWY} rate of fixed charge at the exit point applied by the TSO for the gas year [PLN/kWh/h]
- $M_{p(\text{forecast})}$ booked capacity for the gas year [kWh/h]
- $M_{p(\text{PP})}$ capacity (contracted capacity) specified in PP for the gas year [kWh/h]
- T number of hours in the settlement period

In case when an application for reduction of the capacity forecast for a given year is submitted:

$$O_{ZP} = K * (S_{FPWY} * (M_{p(\text{forecast})} - M_{p(\text{PP})}) * T)$$

where:

- O_{ZP} charge for reduction of capacity forecast [PLN]
- K is 8% for year Y+2
 K is 6% for year Y+3
 K is 4% for year Y+4



CAPACITY BOOKING

The TSO shall determine available capacity having considered:

- existing network connection agreements, taking into account the deadline for the execution of an agreement on the basis of which the supply of gaseous fuels is to take place
- capacity allocated under capacity allocations (PP),
- *the most recent existing capacity allocations (contractual capacities) for annual products* within the framework of capacity allocation (PP), unless otherwise indicated by approved capacity forecasts
- *approved capacity forecasts*, including the term of the approved capacity forecast

PROCEDURE FOR THE SUBMISSION AND PROCESSING OF AN APPLICATION FOR CAPACITY FORECAST ALLOCATION

- Application for allocation forecast will be input from the level of the Agreement/ITC

- Verification of the application by GAZ-SYSTEM

- Execution of the allocation

Główne menu/ Przesył / Lista umów / ikona „Podgląd umowy” / przycisk [„Wprowadź wniosek o PP/PZ”]

Wprowadź wniosek o PP/PZ Dane Zabezpieczenia finansowe

ZUP: Określa typ i rodzaj wniosku.

Nowy wniosek o PPIPZ

Dane wniosku

Typ * : Wniosek o przydział zdolności

Numer wniosku : Wniosek o przydział zdolności

Temat : Wniosek o przydział przepustowości i zdolności

Data wpływania wniosku :

Rodzaj wniosku * : Na bieżący rok gazowy Na kolejne lata gazowe

Status oryginalny : Przygotowany

Umowa

Wniosek o PPIPZ do umowy numer : 2016/UP/

Wymagane załączniki

- Wniosek o przydział zdolności (FZ)

Załączniki

| Lp. | Typ załącznika | Plik załącznika | Data | Użytkownik | Poufność | Akcje |
|-----|----------------|-----------------|------|------------|----------|-------|
|-----|----------------|-----------------|------|------------|----------|-------|

Przejdź do PPIPZ Przejdź do umowy Dane Wycofaj Ekspert Zapisz Anuluj

GAZ-SYSTEM: Dokonuje stosownych analiz wniosku – w tym czasie status wniosku ulega zmianie.

ZUP jest informowany o zmianie statusu wniosku drogą mailową i w zależności od otrzymanej informacji może być konieczne podjęcie przez niego odpowiednich czynności w SWI (Patrz Oferta OSP, „Do uzupełnienia”).

GAZ-SYSTEM: Wprowadza PP/PZ

Edycja wniosku o PPIPZ - zmienia status na 'Przepustowość / zdolność przydzielona'

Przygotowany

Przepustowość /
zdolność przydzielona

THANK YOU!

LILIANA.BIALOBRZESKA@GAZ-SYSTEM.PL
KATARZYNA.SZENIAWSKA@GAZ-SYSTEM.PL

