



**RULES OF THE MARKET SURVEY PROCEDURE  
REGARDING THE LONG TERM CAPACITY  
DEMAND AND THE EXPANSION OF CROSS-  
BORDER INTERCONNECTIONS BETWEEN  
TRANSMISSION SYSTEMS OF POLAND AND  
GERMANY**

Warsaw, September 2015

## GENERAL INFORMATION

This market survey is carried out in the framework of the long-term planning of future development of connections between transmission systems on the territory of Poland and Germany. Based on questionnaires received under this market survey procedure, GAZ-SYSTEM S.A. will assess the level of market users' demand for capacity on firm basis in the both directions of the flow between transmission systems of Poland and Germany. This market survey is not intended to determine only the interest in capacity in already existing Interconnection Points, but to determine the need for new capacity on the firm basis in the long term perspective. The results will be used in the work for updating the National Plan for the Development of the Gas Transmission Network, which will be performed at the turn of the year 2016/2017.

## INFORMATION ABOUT GAZ-SYSTEM

The business core of GAZ-SYSTEM S.A. is transportation of gas through transmission network on the territory of Poland, supply it to distribution network and to final customers connected with transmission system. On the 13 October of 2010 President of Energy Regulatory Office issued a decision, whereby GAZ-SYSTEM S.A. obtained status of Transmission Pipelines Operator on the territory of Poland until 31 December of 2030.

The Company carries out transmission activity on the basis of the transmission network on the territory of the Republic of Poland which is owned thereby.

On the 22 September of 2014 GAZ-SYSTEM S.A. obtained a decision issued by the President of ERO granting a certificate of independence in connection with the operatorship of the company's own networks.

Share capital of the Company is 3 771 990 842 PLN.

### 1.1. DEFINITIONS

- 1.1.1. GAZ-SYSTEM S.A. – the company under the name Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. with its headquarters in Warsaw;
- 1.1.2. Schedule – described in point 1.3. framework plan of the Procedure;
- 1.1.3. Transmission Network Code - currently valid Transmission Network Code, drawn up on the basis of binding law and published on the website of GAZ-SYSTEM S.A. The Rules refers to the version of the Transmission Network Code approved by the President of ERO of 29 July 2014. (sign.: DRR-4322-1(4)/2014/AN), or for each new version of the TNC to replace or change the aforementioned version of the TNC;
- 1.1.4. Capacity Demand Questionnaire („Questionnaire”) – completed questionnaire submitted by the Participant on the form, being an Appendix no. 1 to the Rules;
- 1.1.5. kWh (kilowatt hour) – shall mean a unit of energy, an equivalent of the quantity of transmitted gas, being the product of the gas transmitted in the given entry point or a given exit point in volume units and the gross calorific value which is characteristic for this point;

- 1.1.6. Procedure - all activities related to conducting market survey to determine the demand for capacity on the firm basis between Polish and German gas market;
- 1.1.7. Capacity - the maximum hourly amount of gaseous fuel expressed in units of energy (kWh/h) that can be transferred to send in a physical entry point or received from the transmission system in a physical exit point;
- 1.1.8. Interconnection Points – physical existing points or virtual points connecting transmission systems of Poland and Germany;
- 1.1.9. The Rules – this document describing the rules of conducting the Procedure;
- 1.1.10. Participant – each entity that has submitted the Questionnaire indicating the future demand for the capacity on firm basis between Polish and German gas market;
- 1.1.11. ERO – Energy Regulatory Office, national regulatory authority in Poland.

## 1.2. LEGAL BASIS

- 1.2.1. The Rules shall describe rules of conducting the Procedure and rights and obligations of entities participating in the Procedure. The Rules is binding document that includes requirements of GAZ-SYSTEM S.A. to Participants of the Procedure.
- 1.2.2. Submission of the Questionnaire shall mean that Participant shall accept provisions of the Rules.
- 1.2.3. The Market Survey regarding the demand for capacity is conducted according to the provisions 2.2.1.12 and 4.1.2. of Transmission Network Code, which specify the obligation of GAZ-SYSTEM S.A. to plan the development of the grid by basing on the market survey.

## 1.3. TIMESHEDULE OF THE PROCEDURE

GAZ-SYSTEM S.A. intends to conduct the Procedure in accordance with Schedule presented below. Nevertheless, GAZ-SYSTEM S.A. shall reserve the right to modify Schedule in the case of occurrence the events during conducting the Procedure, which cause necessity of change the Schedule.

	<b>Timeframe</b>	<b>Phase of the Procedure</b>
1.	14.09.2015	Publication of the Rules The start of the period for submitting questionnaires
2.	09.10.2015	The end of the period for submitting questionnaires
3.	from 10.10.2015	Evaluation of the submitted questionnaires and results of the Procedure

## **2. THE PROCEDURE OF MARKET SURVEY**

- 2.1. In the context of this Procedure, GAZ-SYSTEM S.A. intends to establish interest in capacity on firm basis in both directions of the flow between the transmission systems of Poland and Germany.
- 2.2. Participants of the Procedure shall complete and submit to GAZ-SYSTEM S.A. the questionnaire in accordance with Annex 1 to the Rules to determine their interest in capacity on firm basis in both directions of the flow between the transmission systems of Poland and Germany.
- 2.3. Participants of the Procedure shall determine in the Questionnaire:
  - 2.3.1. corporate details of the Participant;
  - 2.3.2. the amount of capacity on firm basis which the participant is interested in (in kWh/h or MWh/d) in both directions of the gas flow;
  - 2.3.3. the period for which Participants would like to acquire the capacity on firm basis between transmission systems of Poland and Germany.
- 2.4. Apart from the information referred in point 2.3. above, the Participants can include in the Questionnaire their remarks and comments regarding the possible extension of the Interconnection Points connecting transmission systems of Poland and Germany.
- 2.5. Only the Form signed by a person authorized to represent the Participant of the non-binding phase of the Open Season will be analyzed. The right of the persons signing the Form to represent the Participant should be demonstrated by attaching an excerpt of the relevant register and a proxy.
- 2.6. The deadlines for submission of the Questionnaires are indicated in the Schedule presented in point 1.3. of this Rules.
- 2.7. After receiving Questionnaires from the Participants, GAZ-SYSTEM S.A. shall assess the demand for capacity on firm basis between transmission systems of Poland and Germany. Based on these results, the analysis will be conducted as to the direction, scope and appropriateness of the development of Interconnection Points connecting the transmission systems of Poland and Germany.

## **3. CONFIDENTIALITY**

- 3.1. Any information obtained by GAZ-SYSTEM in the course of the Procedure shall be treated as confidential and shall not be made available to any third parties. However, GAZ-SYSTEM reserves the right to make the confidential information obtained during the course of the Procedure available to the following:
  - 3.1.1. corporate bodies of GAZ-SYSTEM S.A.;
  - 3.1.2. ERO, European Commission and all its executive entities;
  - 3.1.3. other entities that are entitled to obtain information on the basis of applicable provisions of law.

#### **4. SUBMISSION OF THE QUESTIONNAIRE**

- 4.1. The questionnaire specifying the demand for capacity on the firm basis between transmission systems of Poland and Germany as an Excel file should be sent via electronic means of communication to the e-mail address specified in point 6.2 of the Rules.
- 4.2. Scan of the document mentioned in point 4.1. with signatures of authorized representatives of the Participant along with the scanned valid transcript (extract) of respective institution in each jurisdiction (i.e. National Court Register, Commercial Register for Legal Entities) and valid proxy. It is necessary to prove the authorization of persons, who place their signatures under the Form, to represent the given entity by attaching the updated extract from the register and the proxy. These scans need to be also delivered by the e-mail addresses indicated in point 6.2. and sent in the paper form on the address of GAZ-SYSTEM S.A. also indicated in that point.
- 4.3. All the above-mentioned documents need to be delivered not later than **on 9 October 2015, 16.00 (CEST)**.

#### **5. FINAL PROVISIONS**

- 5.1. Any expenses incurred by the Participant in connection with participation in the Procedure shall be borne by the Participant and shall not be asserted against GAZ-SYSTEM.
- 5.2. These Rules do not constitute an offer to the Participants in the meaning of the article 66 § 1 of the Civil Code of the Republic of Poland (Journal of Laws from 1964 No16 item. 93 as amended).
- 5.3. Neither the Participant nor GAZ-SYSTEM, shall be liable towards each other for the loss suffered due to the Procedure, unless the party suffered loss due to willful misconduct of the other party.
- 5.4. GAZ-SYSTEM S.A. may invalidate the Procedure for serious reasons at any time. GAZ-SYSTEM shall inform Participants and ERO on the cancellation of the Procedure and specify reasons for such invalidation and an expected date on which the Procedure may be repeated.
- 5.5. GAZ-SYSTEM S.A. reserves the right to amend or supplement the Rules hereto, including the extension of time limits set out herein, in particular in the case of changes in legal regulations, a need to obtain, unforeseen in the Rules, administrative approvals or decisions from competent authorities, including regulators. Such amendments and supplements will be published on the website of GAZ-SYSTEM S.A.
- 5.6. In the event any of the provisions hereof is found impermissible or unenforceable, such a provision will be deemed to be excluded therefrom. Other provisions of the Rules will remain in force and the provision that is considered impermissible or unenforceable will be replaced with a similar provision that reflects the original intention of the Parties to the extent it complies with the applicable law.

- 5.7. The Parties shall endeavor to amicably resolve any potential disputes arising from the Procedure or the interpretation of the Rules. If an amicable settlement fails, any dispute arising from the Rules or related to it shall be settled by the Court of Arbitration at the Polish Chamber of Commerce according to its rules applicable at the date of filing the petition, by three arbitrators established in accordance with the mentioned Rules. Submission of a binding questionnaire in accordance with point 4 is an arbitration clause within the meaning of the Code of Civil Procedure.
- 5.8. In matters not covered by the provisions of the Rules, the provisions of Polish law shall apply.
- 5.9. Regulations and its Appendices were developed in Polish and English. In case of any discrepancies between documents in Polish and documents in English, Polish version prevails.

## **6. NOTICES AND CONTACT DATA**

- 6.1. Documents and correspondence submitted in written form should be delivered in sealed envelope with notice „The Market Survey Procedure Regarding the long term capacity demand and the expansion of cross-border interconnections between transmission systems of Poland and Germany” on the address:

Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A.  
Sekretariat Pionu Rynku Gazu  
ul. Mszczonowska 4  
02-337 Warszawa

- 6.2. Any and all questions and electronic correspondence on the Procedure must be addressed to the following e-mail address: [openseason@gaz-system.pl](mailto:openseason@gaz-system.pl);
- 6.3. The leading language of correspondence is Polish. GAZ-SYSTEM will also accept correspondence in English.

## **APPENDICES:**

1. Appendix no. 1. – Questionnaire of demand for capacity on a firm basis