TRANSMISSION NETWORK CODE

OF THE POLISH SECTION OF THE TRANSIT GAS PIPELINE SYSTEM JAMAL – EUROPE

Project of 19th May 2022

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PART I
GENERAL CONDITIONS FOR THE USE OF THE TRANSIT GAS PIPELINE SYSTEM (SGT)

1. DEFINITIONS AND UNITS

1.1. Definitions

Allocation	The allotment of a certain quantity of gaseous fuel delivered for transmission at an entry point or off-taken from an exit point, to individual Shippers.
Physical balancing	The activities of the Transit Pipeline System Operator (OSGT), which are aimed at balancing the quantity of gaseous fuel delivered to and off-taken from the SGT.
Commercial balancing	The activities of the OSGT involving the definition and settlement of Shippers' imbalance.
System balancing	A business activity carried out by the OSGT as part of the provided transmission services, which consists in the balancing of the demand for gaseous fuel with the supplies of the same, including physical balancing and commercial balancing.
Reference Gas Price (CRG)	The price representing the weighted average purchase price of gaseous fuel purchased by the OSGT in the gas month preceding the month in which the CRG will be published. The price will apply in the month following the month in which it was published on the OSGT website. ~~The weighted average purchase price of gaseous fuel by the OSGT for high-methane balancing area, published on the OSGT's website and determined in accordance with the methodology specified in the TNC.~~
Average Balancing Settlement Price ($CSRB_{SGT}$)	Volume-weighted average price from all transactions of Towarowa Giełda Energii session of the Intraday Market for SGT (RDB_{SGT}), related to the present gas day, as published on the OSGT's website and on the website of Towarowa Giełda Energii called TGEsgtID index. In case of no publication of the TGEsgtID index, the last published TGEsgtID index is taken as the $CSRB_{SGT}$.
CEREMP	Centralised European Register of Energy Market Participants kept by the Agency for the Cooperation of Energy Regulators (ACER) established on the basis of the REMIT Regulation.
Gross calorific value (H_{SN})	The amount of heat that is released as a result of complete combustion of $1m^3$ of gaseous fuel in air under normal conditions (at a pressure of 0.101325 MPa and temperature of 0^0C) when the reaction takes place under a constant absolute pressure of 101.325 kPa, where all products of combustion, except for water, are in the liquid state, and the temperature of combustion products is the same as the temperature of substrates prior to combustion and amounts to 25^0C.
Pressure	The pressure of gaseous fuel measured within the SGT under static conditions as an overpressure, which is the difference between the absolute static pressure of the gaseous fuel and atmospheric pressure.

Absolute pressure	The pressure of gaseous fuel measured within the SGT under static conditions as an absolute pressure.
Business days	The days from Monday to Friday, except statutory holidays.
Gas day	A period from 6:00 on a given day to 6:00 on the following day.
Daily Imbalance Quantity (DIN)	The difference between the quantity of gaseous fuel that was delivered by the Shipper at the entry points to SGT and off-taken by the Shipper from SGT at the exit points in a given gas day
Available transmission capacity / Available transmission ability	A portion of the technical capacity (transmission ability) of the SGT, that is not reserved~~: (1) in accordance with the provisions of the Entrustment Agreement and (2)~~ in connection with Transmission Contracts and the capacity allocation (PP) or transmission ability allocation (PZ) concluded by the OSGT with Shippers.
Physical entry point	The place of the delivery of gaseous fuel with specified physical location or group of these points (PWP).
Physical exit point	The place of the off-take of gaseous fuel with specified physical location or group of these points (PWP).
Gas Exchange	The operator of a commodity exchange within the meaning of the Commodity Exchanges Act of 26 October 2000 (i.e. Journal of Laws of 2019, item 312, as amended) where gaseous fuel is traded, or the operator of a regulated market in the territory of the Republic of Poland within the meaning of the Act on Trading in Financial Instruments of 29 July 2005 (i.e. Journal of Laws of 2020, item 89, as amended) that organizes the trade in exchange commodities within the meaning of the Commodity Exchanges Act, including gaseous fuel.
SGT Network Code/ Network Code	A Transmission Network Code, within the meaning of Art. 9g sec. 1 of the Energy Law, which is applicable to the SGT.
Transmission Network Code (TNC)	The Transmission Network Code applied by the Transmission System Operator for the KSP.
Auction Calendar	A reference table which is published by the European Network of Transmission System Operators for Gas (ENTSOG) and displays all relevant timings for auctions taking place during the period of March until February of the following calendar year, including starting dates and standard capacity products to which they apply.
Marginal Buy Price (KCK_{SGT})	Price determined for the calculation of daily imbalance charges, equal to the higher of the two following prices for a given gas day: a) The highest price of any purchases of title products, in which the OSGT is involved in respect of this gas day,

	b) $CSRB_{SGT}$ in relation to this gas day, plus 10%.
Marginal Sell Price (KCS_{SGT})	Price determined for the calculation of daily imbalance charges, equal to the lower of the two following prices: a) lowest price of any sales of title products, in which the OSGT is involved in respect of this gas day, b) $CSRB_{SGT}$ in relation to this gas day, reduced by 10%.
EIC Code	Codes used on the European electricity and gas market to identify entities, entry points or exit points, as well as market areas in electronic data exchange.
KSP	A high-pressure gas network and the facilities and installations connected to it and interoperating with this network, owned by the OSGT.
Gas Month	A period from 6:00 of the first day of a given month to 6:00 of the first day of the following month.
Imbalance	The difference between the quantity of gaseous fuel that has been delivered by the Shipper for transmission at an entry point and off-taken by the Shipper from the SGT at an exit point, as established in accordance with the principles of allocation set forth in the Network Code.
Nomination	A Shipper's declaration submitted to the OSGT and confirmed by the OSGT regarding the quantity of gaseous fuel to be delivered by the Shipper at a specified time at an entry point to the SGT and off-taken by the Shipper from the SGT at an exit point.
Contractual congestion	Restrictions on the capability to transport gaseous fuel arising from ~~a~~ (contracted) capacity booking by the Shippers in excess of the actually used capacity.
Technical congestion	Restrictions on the ability to transmit gaseous fuel arising from congestion in the technical facilities, installations or networks.
Billing Point Operator (OPR)	An entity performing measurement and billing tasks at the entry points to or exit points from the SGT.
Transit Pipeline System Operator (OSGT)	Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. – the energy company engaged in the transportation of gaseous fuel and responsible for the network operation within the SGT.
Interoperating System Operator (ISO)	The operator of a system interoperating with the SGT.
Gaseous fuel	High-methane natural gas transported through the SGT.
Auction Platform	An online platform indicated by the OSGT, which supports electronic auctioning of capacity, including bundled capacity.

Gas Trading Platform	An electronic platform where Shippers may place and accept buy and sell orders for gaseous fuel and have the right to modify or withdraw such orders.
Notifying party (PZPT)	The party which notifies all the transactions concerning $WPWE_{PPG}$ and $WPWY_{PPG}$ concluded on a specific Gas Trading Platform, except for transactions concluded at the Gas Exchange, to the OSGT for the purposes of their execution, under an agreement with OSGT.
~~Linepack~~	~~The gaseous fuel that is kept under pressure in the SGT.~~
Transmission	The transport of gaseous fuel through the SGT between an entry point and an exit point.
Capacity (contracted capacity)	The maximum hourly quantity of gaseous fuel, expressed in energy units (kWh), as specified in the capacity allocation (PP), which may be delivered for transmission at a physical entry point to the SGT, or off-taken from the SGT at a physical exit point. Capacity (contracted capacity) is the base for settlement of the gaseous fuel transmission service provided by OSGT to Shippers
Incremental capacity (incremental transmission ability)	The potential increase in the technical capacity (technical transmission ability) at an existing FPWE or FPWY, or a newly created FPWE or FPWY, which may be offered based on investments into infrastructure or long-term optimisation of technical capacity.
Technical capacity	The maximum ~~firm~~ capacity on firm or conditionally firm basis which may be made available taking into consideration the integrity and operational requirements of interoperating systems.
Capacity allocation (PP)	A part of the Transmission Contract that specifies the capacity (contracted capacity) the Shipper is eligible to at a specified physical entry point or physical exit point.
Transmission ability allocation (PZ)	A part of the Transmission Contract that specifies the transmission ability the Shipper is eligible to at the specified entry point or exit point. ~~or the ability reserved in accordance with the Entrustment Agreement.~~
Entry point (PWE)	The contractual place where gaseous fuel is delivered to the SGT specified in transmission contract.
~~Virtual Point~~	~~A point of unspecified physical location where the trade in gaseous fuel may take place in SGT.~~
Exit point (PWY)	The contractual place where gaseous fuel is off-taken from the SGT specified in transmission contract.
Point of Interconnection (PWP)	A point that comprises all the physical points located at the interconnection of the KSP with the SGT.
Commercial Report	A document prepared by the OSGT containing a set of information concerning the transmission services provided to the Shipper in the respective settlement period (gas month).
Renomination	A Shipper's declaration on the revision of a nomination.

Gas year	A period of time from 6:00 on 1 October of the previous year to 6:00 on 1 October of a given year.
Force majeure	An extraordinary external event that is beyond the control of a party and permanently or temporarily prevents the performance of a contract, and the occurrence or consequences of which could not have been foreseen at the time of executing the contract, nor avoided or overcome, by such party despite exercising due care.
SGT	The transmission system known as the Transit Gas Pipeline System (System Gazociągów Tranzytowych) located on the territory of the Republic of Poland, which is owned by SGT EuRoPol Gaz S.A.
Interoperating system	Another transmission system which interoperates with the SGT.
Emergency situation	A situation resulting in the loss of technical operability of the SGT, or any of its interconnected networks, installations or facilities, or a direct threat to human life, health, property, the environment, or a sudden need to take measures in order to prevent or avoid the emergence of such threats or to eliminate the consequences caused by their emergence, and resulting in a restriction in the supply, transmission or off-take of gaseous fuel.
SGT tariff	A set of prices and charges and the underlying conditions applicable to the settlements with Shippers for the SGT.
Entrustment Agreement	Agreement on entrusting operators' obligations on the Polish section of the Yamal-Europe Transit Gas Pipeline System, concluded by the SGT Owner and the OSGT or established by the decision of the President of the Energy Regulatory Office, in accordance with art. 9h paragraph 3e of the Energy Law.
Transmission contract	A contract for provision of gas transmission service through the SGT executed between the OSGT and a Shipper.
~~Reverse-flow transmission service~~	~~A reverse-flow transmission service or virtual reverse-flow transmission service provided by the OSGT on firm or interruptible basis at the points indicated on the OSGT's website.~~
Virtual reverse flow service	A transmission service provided by the TSO on interruptible basis, at the points indicated on the TSO's website, consisting in contractual transmission of the gaseous fuel in the direction opposite to the physical flow of gaseous fuel – a service provided at a physical point, in a direction where the physical flow cannot be performed.
~~System User~~	~~An entity that delivers gaseous fuel to the SGT or is supplied with gaseous fuel from the SGT.~~
~~SGT User~~	~~An entity that has executed a contract for provision of gas transmission service with the SGT Owner before the day of the designation of Gas Transmission Operator GAZ-SYSTEM S.A. as the OSGT.~~

Energy Law	The Energy Law of 10 April 1997 (Journal of Laws of 2021~~0~~, item ~~833~~716, as amended).
Stockpiling Act	The Act of 16 February 2007 on stocks of crude oil, petroleum products and natural gas, the principles of proceeding in circumstances of a threat to the fuel security of the State and disruption on the petroleum market (Journal of Laws of 2021~~0~~, item ~~411~~2249, as amended)
~~Net calorific value~~	~~The amount of heat that is released as a result of the complete combustion of 1 m³ of gaseous fuel (at the pressure of 0,101325 MPa and the temperature of 0°C) when the combustion process takes place under a constant absolute pressure of 101.325 kPa, all products of combustion, including water, are in a vaporous state and the temperature of combustion products is the same and the temperature of substrates before the combustion and amounts to 25°C.~~
Normal conditions	The reference conditions for billing purposes, absolute pressure of 101.325 kPa and temperature of 273.15 K.
~~GOST standard conditions~~	~~The reference conditions: absolute pressure of 101.325 kPa and temperature of 293.15 K.~~
Virtual Trading Point	A point with an unspecified physical location where the trade in gaseous fuel is traded in the SGT.
~~SGT User's Order~~	~~The order placed by the SGT User to the OSGT regarding the amount of gaseous fuel to be transmitted under the Entrustment Agreement.~~
SGT Owner	Transit Gas Pipeline System EuRoPol Gaz S.A.
Congestion management	The activity carried out by the OSGT as part of the provided transmission services in order to ensure a safe operation of the SGT and to maintain the required technical parameters of gaseous fuels in the event the occurrence of technical or contractual congestion.
Transmission ability	The maximum hourly quantity of gaseous fuel specified in the transmission ability allocation (PZ) and expressed in energy units (kWh/h), which may be delivered for transmission at an entry point and off-taken at an exit point. Transmission ability constitutes a basis for transmission service execution including commercial balancing.
Shipper (ZUP)	A natural or legal person, as well as an entity not having legal personality, but having legal capacity, which has entered into a Transmission Contract with the OSGT.

1.2. Applicable units.

1.2.1. The units of measure used in this Network Code are:

m³ cubic metre (under normal conditions, unless expressly indicated otherwise)

^{0}C	degree Celsius
h	hour
K	Kelvin
km	kilometre
kWh	kilowatt-hour
MJ	megajoule
mg	miligramme
µg	microgramme
MPa	megapascal
kPa	kilopascal

1.2.2. Any reference to a "quantity of gaseous fuel" in this Network Code means a reference to such "quantity of gaseous fuel expressed in the units of energy (kWh)", unless specifically indicated otherwise. The "volume of gaseous fuel" is expressed in cubic metres (m^3).

1.3. List of acronyms:

A_i	Factor depending on the 24-hour average pressure at the entry point
~~GRP~~CRG	Reference Gas Price
$CSRB_{SGT}$	Average Balancing Settlement Price
DIN	Daily imbalance quantity
GIIP	Gas Inside Information Platform (https://www.gasinsideinformationplatform.pl/)
I_{GP}	Daily amount of gaseous fuel injected by the Shipper at the entry point when the minimum pressure value is not met
KCK	Marginal Buy Price
KCS	Marginal Sell Price
MOD	Absolute value
NPV	Net present value
OPM_D	Fee for the delivered gaseous fuel which is paid by the Shipper to the OSGT
OPM_P	Fee for the off-taken gaseous fuel which is paid by the OSGT to the Shipper
ONB	Charge related to financial neutrality of balancing
O_{NSJW}	Charge for an off-spec quality parameter
O_{NSTW}	Charge for an off-spec water dew point parameter
OPR	Billing Point Operator
O_S	Underpressure fee
OSGT	Transit Gas Pipeline System Operator
TSO	Transmission System Operator
ISO	Interoperating System Operator
PP	Capacity allocation
PZ	Transmission ability allocation
PWE	Entry Point
PWP	Point of Interconnection
PWY	Exit Point
PZPT	Transaction Notifying Party
Q_{max}	The maximum actual flow rate expressed in the units of volume per hour
IES	Information Exchange System
ERO	Energy Regulatory Office

ZUP	Shipper

1.4. Legal basis for the application of the SGT Network Code.

1.4.1. The SGT Network Code has been drafted by the OSGT pursuant to the requirements of Article 9g of the Energy Law and sets out detailed conditions for the use of the SGT by Shippers and the conditions and methods of carrying out the operation and maintenance of the SGT and its development planning .

1.4.2. The SGT Network Code takes into consideration the requirements specified in the provisions of the Energy Law, Regulation of the Minister of Economy on detailed conditions of gas system operations (i.e. Journal of Laws of 2018, item1158, as amended), Regulation of the Minister of Energy on detailed principles of tariff design and calculation, and settlements in the trade in gaseous fuels (Journal of Laws of 2018, item 640, hereinafter: "Tariff Regulation"), as well as the Directive of the European Parliament and Council 2009/73/EC of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC, and the Regulation of the European Parliament and Council (EC) No. 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) 1775/2005 (OJ L 211, 14.8.2009, p. 94, as amended).

1.4.3. The SGT Network Code has been drafted taking into consideration the rules specified in the network codes referred to in the Regulation of the European Parliament and Council (EC) No. 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) 1775/2005 (OJ L 211, 14.8.2009, p. 36, as amended), including the rules contained in the Commission Regulation (EU) No. 312/2014 of 26 March 2014 establishing a network code on balancing gas in transmission networks (OJ L. 91, 2014, p. 15 - hereinafter: "NC BAL") and Commission Regulation (EU) No. 2017/459 of 16 March 2017 establishing a network code on mechanisms for capacity allocation in gas transmission systems and repealing Regulation (EU) No. 984/2013 (Journal of Laws of the EU. L. of 2017 No. 72, p. 1 - hereinafter: "NC CAM").

2. GENERAL PROVISIONS

2.1. Introduction.

2.1.1. The SGT Network Code (the Network Code) regulates the principles of the provision of transmission services in the SGT by Gas Transmission Operator GAZ-SYSTEM S.A. designated as the Operator of the Transit Pipeline System (OSGT) by the President of the Energy Regulatory Office (ERO).

2.1.2. The SGT Owner and the OSGT are bound by the Entrustment Agreement.

2.1.3. The Network Code shall be binding upon the OSGT and Shippers. The Network Code shall be also binding upon the SGT Owner (to the extent that the relevant provision of the Network Code refers thereto) ~~and shall not be in conflict with the Entrustment Agreement~~.

2.1.4. The OSGT shall offer the transmission services for gaseous fuel within the limits of available capacity.

2.1.5. The OSGT shall provide gas transmission services to Shippers under a Transmission Contract and subject to the terms and conditions set forth in the Network Code~~, within the limits of the capacity (contracted capacity) which has been made available to the OSGT~~.

2.1.6. The SGT Network Code comprises the following:

2.1.6.1. Part I – General conditions for the use of the SGT, the operation and planning the development of the network;

2.1.6.2. Part II – Balancing and congestion management in the SGT.

2.1.7. The Network Code is posted on the website of OSGT www.gaz-system.pl and is delivered to the parties upon the execution of the Transmission Contract and made available to any entities that are applying for a connection to the SGT.

2.2. The OSGT, applying objective and transparent principles which ensure an equal treatment of ~~system users~~the Shipper according to the Article 9c of Energy Law, and taking into account the environmental considerations, shall ensure, among others:

2.2.1. control of gas flows,

2.2.2. safety of the operation of the SGT and the control of the gas flow by the OSGT with due regard to the rights of the SGT Owner to the SGT as specified in the Entrustment Agreement, by the means of, among other things, performing ~~the management, supervision and control of the~~ maintenance activities, repairs and operations of the SGT,

2.2.3. dispatcher cooperation with the services of operators of other sections of the Yamal – Europe gas pipeline,

2.2.4. balancing and congestion management of the SGT,

2.2.5. delivery of information for ~~System Users~~the Shipper and operators of other transmission systems concerning the terms and conditions of transmission services;

2.2.6. the cooperation with other operators of gas systems ~~with the participation of the SGT Owner~~.

2.3. OSGT provides all necessary information to the Agency for the Cooperation of Energy Regulators and to other relevant authorities in accordance with applicable law imposing on OSGT the legal obligation to provide such information, including the Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L 2011.326.1 – hereinafter referred to as "REMIT") and implementing acts to REMIT.

2.4. The Shipper shall use the gas transmission service subject to the principles set out in the Energy Law, the Network Code and the Transmission Contract. The Shipper shall be obliged to pay to the OSGT fees and charges that are set forth in the SGT Tariff and in Part II of the Network Code.

2.5. The Shipper shall be obliged to observe the provisions of the Network Code, in particular, shall:

2.5.1. deliver gaseous fuel for transmission and off-take from the SGT in quantities specified in the confirmed nominations for the entry and exit points in accordance with the provisions of point 12,

2.5.2. ensure that the gaseous fuel delivered for transmission at the physical entry point to the SGT conforms to the quality requirements set out in point 3.4.1 and the pressure levels set out in point3.4.2.1,

2.5.3. refrain from exceeding the capacity and transmission ability specified in the capacity allocation (PP) and transmission ability allocation (PZ),

2.5.4. make payments in accordance with the provisions of the Transmission Contract,

2.5.5. take account of the restrictions specified in SGT Network Code in the submitted nominations,

2.5.6. immediately notify the OSGT of any change in the formal/legal and commercial conditions that constitute the basis for the conclusion of the Transmission Contract, as specified in point 7,

2.5.7. ensure the possibility of 24-hour contact with the Shipper in the event of the occurrence of any unexpected events that may affect the provision of the transmission service,

2.5.8. immediately obey the instructions of the OSGT's dispatcher services and assure fulfilment of such instructions by the entities delivering gaseous fuel to or taking it from the SGT for the Shipper.

~~2.6. The SGT User uses the gas transmission service on the terms set out in the Energy Law with regard to the Article 22 of the Act of 26 July 2013 amending the Energy Law and certain acts (Journal of Laws of 2013, item 984) and the transmission service agreement concluded with the SGT Owner.~~

~~2.7.~~2.6. Complementary documents.

~~2.7.1.~~2.6.1. SGT diagram.

~~2.7.2.~~2.6.2. Application form~~s~~ for the definition of the conditions for connection to the SGT.

~~2.7.3.~~2.6.3. Specimen Transmission Contract with the general contractual conditions.

~~2.7.4.~~2.6.4. Application form for the capacity allocation (PP) and transmission ability allocation (PZ).

~~2.7.5.~~2.6.5. Specimen Commercial Report.

~~2.7.6.~~2.6.6. SGT tariff.

~~2.7.7.~~2.6.7. The decision of the President of ERO issued on the basis of NC BAL approving the mechanism of ensuring cost neutrality of OSGT balancing activities.

2.6.8. Norms and technical standards specifying technical requirements for facilities, installations and networks.

~~2.7.8.~~2.6.9. The complementary documents are posted on the OSGT's website at www.gaz-system.pl.

~~2.7.9. Norms and technical standards specifying technical requirements for facilities, installations and networks.~~

~~2.8.~~2.7. Application of the Network Code.

~~2.8.1.~~2.7.1. The amended or new provisions of the Network Code shall be binding upon, among others, the OSGT, Shippers and the SGT Owner, upon their approval by the President of ERO and the promulgation in the ERO Bulletin as of the date specified in the relevant decision of the President of ERO.

~~2.8.2.~~2.7.2. The consolidated text of the Network Code containing all the introduced changes and any subsequent changes to the Network Code shall be posted on the OSGT's website and made available for review at the OSGT's registered office.

~~2.8.3.~~2.7.3. The OSGT shall forward the consolidated text of the Network Code containing all the changes introduced thereto to the entities that are the parties to an agreement for connection to the SGT.

~~2.8.4.~~2.7.4. In the event of refusal to accept changes to the SGT Network Code or a new SGT Network Code, the Shipper shall have the right to terminate the Transmission Contract by serving a notice within fourteen (14) days from the date of the publication of the changes to the SGT Network Code or a new SGT Network Code and subject to, depending on the Shippers' discretion, either: (i) fourteen (14) days' notice period or (ii) other (i.e. either shorter or longer) notice period indicated by the Shipper which, however, must not lapse later than on the day preceding the entry of the changes to the SGT Network Code, or the new SGT Network Code, into force; or (iii) without any notice period and with effect at the end of the gas day preceding the entry of the changes to the SGT Network Code, or the new SGT Network Code, into force. In case when the change to the SGT Network Code or a new SGT Network Code enters into force during the notice period, the Shipper shall apply such amended SGT Network Code or the new SGT Network Code as of its effective date throughout the notice period.

3. DETAILED TECHNICAL CONDITIONS. CONDITIONS AND METHODS OF MANAGEMENT OF THE OPERATION AND MAINTENANCE OF THE SGT

3.1. The characteristic of the SGT.

3.1.1. The SGT comprises the following:

3.1.1.1. DN 1400 p_r 8,4 MPa pipeline with a length of approximately 684 km, i.e. from the Polish-Belorussian border in the vicinity of the village of Kondratki to the German-Polish border on the Odra river, along with system facilities including compressor stations and metering stations;

~~3.1.1.2. transit gas compressor stations in Kondratki, Zambrów, Ciechanów, Włocławek and Szamotuły;~~

~~3.1.1.3. Kondratki metering station at the Polish-Belorussian border;~~

~~3.1.1.4. System Regulating-and-Measuring Station (SSRP) in Włocławek;~~

~~3.1.1.5. interconnection fittings for the Lwówek Station.~~

3.1.2. On the territory of the Republic of Poland, the SGT interoperates with gas pipelines owned by the Transmission System Operator – GAZ-SYSTEM S.A., i.e. the KSP.

3.2. List of system points.

3.2.1. The SGT diagram and the list of physical entry points (FPWE), physical exit points (FPWY), entry points and exit points are posted on OSGT's website www.gaz-system.pl.

3.2.2. The following points shall be defined within the SGT:

3.2.2.1. physical entry points (FPWE) and physical exit points (FPWY),

3.2.2.2. entry points (PWE) and exit points (PWY), including:

3.2.2.2.1 points with specified physical location – single points or groups of points, including PWP,

3.2.2.2.2 Virtual Trading Points ~~i.e. points of unspecified physical location where the trade in gaseous fuel may take place:~~:

3.2.2.2.2.1 Gas Exchange point – for transactions executed in Gas Exchange ($WPWE_{GG}$ or $WPWY_{GG}$),

3.2.2.2.2.2 Gas Trading Platform point - for transactions concluded on the Gas Trading Platform and notified by PZPT ($WPWE_{PPG}$ and $WPWY_{PPG}$)

3.2.2.2.2.3 OTC market point - for transactions executed in the OTC market ($WPWE_{OTC}$ or $WPWY_{OTC}$),

3.2.2.2.3 the SGT Exit Point – a point operated for own needs of the SGT.

~~3.2.3. The capacity made available to Shippers at the Point of Interconnection (PWP) corresponds to the aggregate the available transmission capacity at all the physical exit~~

~~points at the interconnection between the SGT and the KSP, taking into account the technical capabilities for the off-take of gaseous fuel in the KSP.~~

3.3. Transfer of risk.

3.3.1. The transfer of risk related to the transmission of gaseous fuel for the benefit of the Shipper onto the OSGT shall take place at the point of the delivery of such gaseous fuel to the SGT at the border of the Republic of Poland or at the physical entry points located on the territory of the Republic of Poland.

3.3.2. The transfer of the risk related to the transported gaseous fuel onto the Shipper shall take place, as appropriate, at the border of the Republic of Poland upstream of the Mallnow station, or at physical exit points located on the territory of the Republic of Poland.

3.4. Quality parameters of gaseous fuel.

3.4.1. Quality parameters.

3.4.1.1. Gaseous fuel transported through the SGT shall conform to the following requirements:

~~Quality~~ Parameter characterizing the quality of the gaseous fuel ~~parameter~~	Unit of measure	Maximum permissible ~~V~~value / range
Gross calorific value*	MJ/m^3	≥ 3~~9~~8,0~~5~~
	kWh/m^3	≥10,~~97~~2556
Range of variations of the Wobbe index	MJ/m^3	45,0 ÷ 56,9
	kWh/m^3	12,500 ÷ 15,806
~~Methane~~	~~% mol~~	~~≥ 92.00~~
~~Ethane~~	~~% mol~~	~~≤ 4.00~~
~~Propane, butane and heavier hydrocarbons~~	~~% mol~~	~~≤ 2.00~~
~~Nitrogen~~	~~% mol~~	~~≤ 2.00~~
Carbon dioxide content	% mol	≤ 3~~1~~.00
Oxygen content		~~traces~~0.2
Mercaptan sulphur content	mg/m^3	≤ ~~5.6~~16.0
Hydrogen sulphide content	mg/m^3	≤ 7~~2~~.0
Total sulphur content	mg/m^3	≤ 4~~2~~0.0
~~Water dew point at the pressure of 3.92 MPa~~	~~^0C~~	~~≤ -8~~
Mercury vapor content*	$\mu g/m^3$	30,0

Temperature of the water dew point at the pressure of 5,5 MPa from April 1 to September 30	°C	+3,7
Temperature of the water dew point at the pressure of 5,5 MPa from October 1 to March 31	°C	-5,0
~~Hydrocarbon dew point under working pressure~~	~~°C~~	~~≤ 0~~
Hydrocarbon dew point under a pressure of 2.7 MPa	°C	≤ 0
Dust particle diameter greater than 10 µm content*	mg/m^3	1,0
The range of variation ~~in~~of the temperature of gaseous fuel entering the transmission system	°C	0-50

* - *All values in the table, except for the water dew point temperature, are given for normal conditions~~value for normal conditions~~*

3.4.2. Gas pressure.

3.4.2.1. Pressure requirements at entry or exit points.

Absolute pressure at Kondratki physical entry point	MPa	≥ 6,1
Absolute pressure at Mallnow ~~Rewers~~ physical entry point (in case of physical gas flow to Poland)	MPa	≥6,6
Absolute pressure at a physical exit or entry point to/from the KSP	MPa	≥ 6,1

3.4.2.2. In the event when the Shipper fails to maintain the required pressure of gaseous fuel at a physical entry point, the OSGT shall have the right to refuse to accept the delivery of such gaseous fuel to the SGT.

3.5. Measurements of pressure, quantity, volume and quality parameters of gaseous fuel in the SGT.

3.5.1. The measurements of the quality, volume and quantity of gaseous fuel shall be taken at physical entry points and physical exit points to/from the SGT.

3.5.2. The measurements of the volume of gaseous fuel shall be taken with the use of ~~constriction~~ orifice ~~and~~ or ultrasonic flow-meters, provided that the measurement taken with an ultrasonic flow-meter shall be the primary measuring system used for the determination of the volume of gaseous fuel. ~~The readings of constriction flow-meters shall be used for comparison with the readings of the primary measuring system. In the event of the lack of a measurement taken by an ultrasonic flow-meters, a measurement taken by turbine gas meters shall be acceptable.~~

~~3.5.3. The measurement paths(pipelines) at the points indicated in point 3.5.1 shall be numbered and the measurement shall be taken at a single of multiple paths, depending on the quantity of gaseous fuel delivered to the SGT.~~

~~3.5.4. The characteristics and types of measurement instruments used at the physical points listed in point 3.5.1 shall be analogous.~~

~~3.5.5.~~3.5.3. The measurement of the composition, physical and chemical parameters ~~quality~~ of gaseous fuel shall be performed by the means of a processing chromatographs at least four (4) times per hour. ~~This being the case, prior to the analysis of the gaseous fuel delivered for measurement purposes, an analysis of gaseous fuel with established chemical composition (calibration gas) similar to the delivered gaseous fuel shall be performed.~~

~~3.5.6. The quantity of gaseous fuel expressed in the units of energy (kWh) shall be determined on the basis of the measurements of the volume under normal conditions and gross calorific value of such gaseous fuel, taken in the manner described in point 3.5. The amount of energy (kWh) in a given period shall be calculated based on meter readings. The energy flow calculations shall be performed according to the following formula:~~

~~3.5.7. $E = V_n \cdot H_s$~~

~~where:~~

~~E - quantity of gaseous fuel in the units of energy [kWh]~~

~~V_n - volume of gaseous fuel under normal conditions [m3]~~

~~H_s - gross calorific value [kWh/m3]~~

~~After transformation this formula takes the following form:~~

$$E = V_m \cdot \left[\frac{P_1 \cdot T_n}{P_n \cdot T_1} \cdot \frac{1}{K}\right] \cdot \left[\frac{\sum_{j=1}^{n}(x_j \cdot Hs_j)}{z_{mix}}\right]$$

~~where:~~

~~Vm - volume of gaseous fuel under normal conditions [m³]~~

~~P_1 - absolute pressure of gaseous fuel [MPa]~~

~~P_n - normal pressure [MPa]~~

~~T_1 - temperature of gaseous fuel [K]~~

~~T_n - normal temperature [K]~~

~~K - relative compression factor~~

~~H_{sj} - gross calorific value of j-th component [kWh/m³]~~

~~x_j - molar fraction of j-th component~~

~~Z_{mix} - compression factor~~

3.5.4. The quantity of gaseous fuel that constitutes the basis for settlement for the provided transmission services and balancing is determined in the following manner:

3.5.4.1. the hourly quantity of gaseous fuel transferred for transmission at a physical entry point and received at a physical exit point shall be determined as the product of the volume of gaseous fuel measured at the relevant physical entry or exit point and the gross calorific value determined for the relevant physical entry or exit point in accordance with the provisions of point 3.5.6 for the same hour,

3.5.4.2. the daily gaseous fuel quantity shall be calculated as the sum of the hourly gaseous fuel quantities calculated in accordance with the point 3.5.4.1,

3.5.4.3. the monthly gaseous fuel quantity shall be calculated as the sum of the daily gaseous fuel quantities calculated in accordance with the point 3.5.4.2.

~~3.5.8.~~3.5.5. The determination of the quantity of hydrogen sulphide, mercaptan sulphur and total sulphur content in the gaseous fuel delivered to the SGT shall be made by the means of an automatic analyser ~~capable of recording the analysis results~~. The frequency of the analysis shall not be less than once (1) in two (2) hours. ~~However, in case of measurement results close to the acceptable limits for sulphur compounds, the analysis shall be performed at least once (1) in an hour.~~

~~3.5.9.~~3.5.6. The gross calorific value ~~and net calorific value~~ of gaseous fuel shall be determined by the calculation method on the basis of the composition recorded by the chromatograph, in accordance with ISO 6976~~:2008~~.

~~3.5.10.~~3.5.7. The determination of the quality parameters and pressure referred to in point 3.4.1.1 and 3.4.2.1 shall be made for each physical entry and exit point, and for the group of physical points, including PWP, the quality parameters shall be established as an average value weighted by the total volume of gaseous fuel measured at the physical points comprised in this group. The average values referred to above shall be established as daily values.

~~3.5.11.~~3.5.8. The water dew point and of the hydrocarbons dew point shall be measured on a continuous basis using automatic analysers ~~capable of recording the measurement results~~.

~~3.5.12.~~3.5.9. The density of gaseous fuel shall be calculated on the basis of its chemical composition, in accordance with the results of the ~~process~~ chromatograph-made analysis.

~~3.5.13.~~3.5.10. The quality parameters of gaseous fuel, which are determined from time to time, shall be deemed to be true and correct until the subsequent measurement is taken. ~~In the event of the deviation of quality parameters from the acceptable range, the deviation shall be deemed to have occurred starting from the day on which the performed measurement revealed the inconsistency with the parameters specified in point 3.4.~~

3.5.14. Quality parameters of gaseous fuel, which are established by the means of by measurement instruments operating in a continuous mode, shall be deemed as true and correct, unless the erroneous measurement or a lack of measurement has been discovered. In the event of the erroneous measurement or a lack of measurement, the average value established on the basis of the measurements taken during the past six (6) hours of correct measurement shall be deemed to be true and correct.

3.5.15. The results of daily measurements of the quantity of gaseous fuel that are recorded by the principal measurement system and the control measurement system shall be deemed consistent when the difference between the respective results does not exceed:

3.5.15.1. in case of the operation of a single measurement path +/-0.7 % of the measured value;

3.5.15.2. in case of the operation of two or more measurement paths +/-0.5 % of the measured value.

3.5.16. If the difference between the results of measurement of the quantity of gaseous fuel recorded by the primary measuring system and by the control measuring system during a day does not exceed the scope, indicated in point 3.5.14, the quantity of gaseous fuel recorded by the primary measuring system shall be assumed as the basis for billing purposes.

3.5.17. If the difference between the results of measurement of the quantities of gaseous fuel recorded by the primary measuring system and by the control measuring system during a day exceeds the range, specified in point 3.5.14, the quantity of gaseous fuel recorded by the properly operating measuring system, whose true and correct measurement has been verified, shall be taken as the basis for billing purposes.

3.5.18. The acceptable error of measurement instruments, computing equipment and devices shall correspond to the accuracy class of devices that is guaranteed by the manufacturer, and specifically:

3.5.19. for measurement instruments (electronic system):

3.5.20. pressure differential converters with the range from 62 mbar to 620 mbar	3.5.21. +/- 0.1 % of the measurement range
3.5.22. pressure differential converters with the range from 6.2 mbar to 62 mbar	3.5.23. +/- 0.15% of the measurement range 3.5.24. (excluding static pressure) 3.5.25. +/- 0.25% of the measurement range (under a static pressure of 6.1 MPa)
3.5.26. pressure converter	3.5.27. +/- 0.1 % of the measurement range
3.5.28. temperature transducer	3.5.29. +/- 0.1 ^{0}C absolute

~~3.5.30. temperature measurement sensor~~	~~3.5.31. +/- 0.1 ^{0}C absolute~~
~~3.5.32. converter error rate~~	~~3.5.33. +/- 0.01 %~~
~~3.5.34. ultrasonic gas meter~~	~~3.5.35. +/- 0.2% of the value measured within the range from 0.2 Q_{max} to Q_{max}~~
~~3.5.36. turbine gas meter~~	~~3.5.37. +/- 0.5% of the measured value~~
~~3.5.38. Chromatograph~~ ~~3.5.39. Methane~~ ~~3.5.40. Other components~~ ~~3.5.41. 0.01 – 1.00 %~~ ~~3.5.42. 1.01 – 5.00%~~ ~~3.5.43. 5.01 – 25.00%~~ ~~3.5.44. gross calorific value~~	~~3.5.45.~~ ~~3.5.46. +/- 0.1%~~ ~~3.5.47.~~ ~~3.5.48. +/- 0.01 %~~ ~~3.5.49. +/- 0.03%~~ ~~3.5.50. +/- 0.05%~~ ~~3.5.51. +/- 0.2%~~
~~3.5.52. Instrument for the measurement of:~~ ~~3.5.53. water due point~~ ~~3.5.54. hydrocarbon dew point~~ ~~3.5.55. Instrument for the measure of the sulphur compounds content:~~ ~~3.5.56. hydrogen sulphide~~ ~~3.5.57. total sulphur and mercaptan sulphur~~	~~3.5.58.~~ ~~3.5.59. +/- 1 ^{0}C~~ ~~3.5.60. +/- 2 ^{0}C~~ ~~3.5.61.~~ ~~3.5.62. +/- 3%~~ ~~3.5.63. +/- 5%~~

~~3.5.64.~~

~~3.5.65.~~

~~3.5.66. operating range of the instruments:~~

~~3.5.67. pressure drop~~	~~3.5.68. 30% – 95 % of the range~~
~~3.5.69. ultrasonic gas meter~~	~~3.5.70. 10% – 95 % of the range~~

~~3.5.71. Pressure~~	~~3.5.72. 30% - 90% of the range~~
~~3.5.73. Temperature~~	~~3.5.74. 30% - 90% of the range~~

~~3.5.75. In case when any deviations are discovered during an inspection, checking or calibration of a measurement instrument, and such deviations exceed the acceptable levels, the party in charge of the operation of such instrument shall remove technical irregularities of measurement instruments and shall readjust such instruments. If the removal of technical irregularities of measurement instruments and devices is impossible, such instruments and devices shall be replaced with new ones.~~

3.6. Technical requirements for measuring equipment

3.6.1. The basic functional requirements for the design, construction, commissioning and use of metering stations are set out in the PN-EN 1776:2016-04 Gas infrastructure - Gas metering systems - Functional requirements norm, as well as in the norms and technical standards indicated on the TSO website.

3.6.2. Legal regulations that provide for absolute obligation to apply other standards then the technical standards indicated on the TSO website shall prevail over ~~the above~~this technical standards.

~~3.5.76.~~3.6.3. Conditions to be met by gas meters.~~facilities, installations and networks together with the necessary supporting infrastructure are set out in norms, technical standards as well as compliance and security certificates indicated on the OSGT website~~

~~3.7. Legal regulations that provide for absolute obligation to apply other standards then the technical standards indicated on the OSGT website shall prevail over the above technical standards.~~

3.6.3.1. ~~3.6.3.1.~~ New gas meters put into service, intended for billing at physical entry or exit points to/from the transmission system, shall pass the conformity assessment procedure.

3.6.3.2. ~~3.6.3.2.~~ Gas meters at physical entry or exit points to/from the transmission system shall be subject to legal metrological control or metrological supervision.

3.6.3.3. ~~3.6.3.3.~~ Gas meters not subject to legal metrological control shall be subject to metrological supervision and shall be calibrated in accordance with the relevant standards published on the TSO website every eight (8) years or after repair. The period of eight (8) years is counted from January 1 of the year following the year in which the calibration was performed. Calibration shall be conducted in accordance with the following rules:

3.6.3.3.1 ~~3.6.3.4.~~ Calibration of turbine and ultrasonic gas meters, installed in a gas network in which the maximum working pressure exceeds 0.5 MPa, should be performed with natural gas at a pressure close to the working pressure.

3.6.3.3.2 3.6.3.5. The gas meter errors determined during calibration shall be less than the permissible error limits:

3.6.3.3.2.1 two (2) % in the range of QG_{min} to QG_t,

3.6.3.3.2.2 one (1) % in the range of QG_t to QG_{max}.

3.6.3.3.3 When the gas meter errors determined during calibration are greater than the values specified in para. 3.6.3.3.2, the gas meter shall be adjusted and recalibrated.

3.6.3.3.4 The characteristics of turbine and ultrasonic gas meters, obtained during calibration with natural gas at a pressure close to the working pressure, shall be entered into volume conversion devices.

3.6.3.3.5 When calibrating gas meters, efforts shall be made to minimize errors obtained during calibration by performing adjustments in such a manner as not to favor any of the billing parties.

3.6.4. The ~~converters~~flow computers used for measurement of quantity or volume of transmitted gaseous fuel shall operate according to standard winter time (UTC+1) throughout the gas year. The TSO shall settle the System User according to the official time.

4. CRITERIA OF SECURITY OF SGT OPERATIONS

4.1. The safety of the SGT operation shall rely on the following safety criteria:

4.1.1. ensuring sufficient capacity of the SGT enabling the performance of ~~transmission contracts concluded by the SGT Owner before the day of the designation of Gas Transmission Operator GAZ-SYSTEM S.A. as the OSGT, as well as the~~ transmission contracts concluded by Shippers;

4.1.2. the maintenance of gas pressure, determined in point3.4.2.1, in individual physical points;

4.1.3. maintaining the quality parameters of gaseous fuel in the SGT in accordance with the Network Code.

4.2. In order to ensure the achievement of the safety criteria of the SGT operation, the OSGT shall take the following measures:

4.2.1. manage the operation of the SGT, by the means of, among other things, the nomination acceptance and approval procedures specified in this Network Code;

4.2.2. check the quality parameters of gaseous fuel in the SGT;

4.2.3. ensure that appropriate resources are continuously on duty in order to provide immediate response in the event of the occurrence of any emergency situation.

5. COOPERATION BETWEEN GAS SYSTEM OPERATORS

5.1. The OSGT shall cooperate with other operators of gas transmission systems or energy companies in order to ensure a reliable and effective operation of the SGT and other gas systems and to coordinate their development.

5.2. The detailed conditions and methods of cooperation with interoperating systems operators shall be specified in separate interconnection agreements.

5.3. The interconnection agreements shall specify, in particular, the following:

5.3.1. the principles of transfer of information about nominations and re-nominations;

5.3.2. the principles of transfer of measurement results and the allocation of gaseous fuel;

5.3.3. the procedures applicable in the event of the occurrence of an emergency or any other event that presents a risk affecting the operation of the of interoperating gas systems;

5.3.4. the procedures applicable in the event of restrictions imposed on the transmission of gaseous fuel.

5.4. The OSGT shall have the right to pass on information concerning nominations and re-nominations submitted by Shippers ~~and SGT Users' Orders~~ for the points of interconnection between the SGT and the respective interoperating system and information concerning the results of measurements and allocations for the points of interconnection between the SGT and the respective interoperating system to the operators of such interoperating systems.

~~5.5. The OSGT shall provide the SGT Owner with aggregated information on the Shipper's nominations, renominations and allocations as well as measurement data and information concerning the quality of gaseous fuel, to the extent required by the SGT Owner to carry out settlements.~~

~~The OSGT shall provide the SGT Owner with information on the SGT User's Orders.~~

6. DEVELOPMENT OF THE SGT

6.1. Development planning.

6.1.1. The development of the SGT in view of the of current and future demand for gaseous fuel shall be based on the criteria defined in the documents on the national energy policy and the recommendations of the competent authorities of the European Union, taking into account the technical conditions of the SGT as an element of the trans-European energy network~~, which falls within the scope the provisions of Intergovernmental Agreement between Russian Federation and Republic of Poland of 1993, as amended.~~

6.1.2. The OSGT conducts a process to assess the market demand for incremental capacity, including a non-binding phase in which Shippers express and estimate their demand for incremental capacity, and a binding phase in which the OSGT requests Shippers to undertake binding obligations regarding the contracting of incremental capacity according to the provisions of the NC CAM.

6.2. Connection to the SGT.

6.2.1. In order to maximise the use of the existing SGT infrastructure, as a fundamental rule, priority shall be given to connections to the existing physical entry points or physical entry points.

6.2.2. If it is not possible to establish the connection at an existing physical point, the OSGT shall specify the conditions of connection for a new physical point, subject to the existence of technical and economic conditions.

~~6.2.3. The existing physical points of interconnection with the SGT include:~~

~~6.2.3.1. SSRP Włocławek;~~

~~6.2.3.2. Lwówek Station.~~

~~6.2.4.~~6.2.3. The connection of entities to the SGT shall be effected by the OSGT, in cooperation with the SGT Owner.

~~6.2.5.~~6.2.4. In the process of connection of an entity to the SGT shall comprise the following distinctive steps:

~~6.2.5.1.~~6.2.4.1. the submission of an application by the applying entity for the specification of the conditions of connection and a formal assessment of such application;

6.2.4.2. analysis of technical and economic conditions of connection to the SGT carried out by the OSGT ~~in cooperation with the SGT Owner~~;

6.2.4.3. submission by the OSGT to the SGT Owner of the draft ~~terms and~~ conditions of connection to the SGT,

~~6.2.5.2.~~6.2.4.4. for the SGT Owner to make technical data available to the OSGT in order to determine the technical conditions for the implementation of the connection covered by the draft connection conditions and for the SGT Owner to provide the OSGT with an opinion regarding the draft connection conditions - within 14 business days of the date of receipt of the draft of those conditions from the OSGT,

~~6.2.5.3.~~6.2.4.5. the specification of the conditions of connection by the OSGT;

~~6.2.5.4.~~6.2.4.6. the conclusion of a connection agreement with the OSGT;

~~6.2.5.5.~~6.2.4.7. the performance of the connection ~~agreement~~.

~~6.2.6.~~6.2.5. The OSGT shall refuse the connection to the SGT in case the lack of conditions of connection to the SGT, as specified in the Energy Law. This does not exclude the application of the provisions of Art. 7 Section 9 of the Energy Law.

~~6.2.7.~~6.2.6. The OSGT shall inform the concerned entity applying for the connection and the President of ERO on its refusal to issue the connection conditions, or the issuance of connection conditions that partly consider the application for the connection conditions, stating the grounds for its decision.

~~6.2.8.~~6.2.7. In the event of the refusal to specify the conditions of connection to the SGT due to the reasons referred to in the Energy Law, the OSGT, on request of the entity applying for the connection, shall present the information about the measures to be taken in respect of the SGT development in order to establish the connection to the SGT.

~~6.2.9.~~6.2.8. Detailed conditions of connection of entities to the SGT are specified in the Energy Law and the related implementing regulations.

~~6.2.10.~~6.2.9. Any additional information concerning the connection to the SGT and specimen document~~s~~ related to the connection procedure shall be available on the OSGT's website.

~~6.2.11.~~6.2.10. Any disputes concerning the refusal to enter into an agreement for connection to the SGT shall be resolved by the President of ERO, on request of the entity seeking to establish such connection.

6.3. Application for the specification of conditions of connection to the SGT.

6.3.1. The applicant shall file the application for the determination of the conditions of connection to SGT by using the obligatory form titled "Application for determination of the conditions of connection".

6.3.2. The application for the specification of the conditions of connection shall be filed with the OSGT.

6.3.3. Together with the application for the definition of connection conditions, the applicant shall be required to present relevant documents to enable the technical and economic analysis of the connection conditions.

6.4. The conditions of connection to the SGT.

6.4.1. The application shall be considered taking into account the available transmission capacity, currently provided transmission service and existing connection agreements.

6.4.2. The application review process shall include

6.4.2.1. the review of its correctness and the completeness of the enclosed documents, and the determination of the location for the connection of facilities, installations or networks. In case when the application does not meet the applicable formal

requirements, the OSGT shall, within seven (7) days of the receipt of the application, shall notify the applicant about the necessity to supplement the application or to deliver missing documents within a period that must not be shorter than twenty one (21) days. The application which has not been supplemented within the designated time-limit shall not be considered;

6.4.2.2. a technical and economic analysis whereby the OSGT~~, in cooperation with the SGT Owner,~~ shall assess whether the connection to the SGT is possible and shall specify the conditions of connection within the legally binding time-limit.

6.4.3. In the event when the issue of the conditions of connection depends on the obtaining of conditions of connection from another energy company, the time limits specified in point 6.4.2.1 will be extended by a period which is necessary to obtain these conditions from another energy company.

6.4.4. The OSGT shall immediately inform the applicant about a different time limit for the issuance of the connection conditions in the event when, due to material reasons, the time limits specified in point 6.4.2.1 and 6.4.2.2 cannot be met.

6.4.5. The technical and economic analysis shall be carried out by the OSGT~~, in cooperation with the SGT Owner,~~ on the basis of information provided in the application and shall include:

6.4.5.1. the definition and analysis of alternative connection options;

6.4.5.2. the evaluation of the costs of transmission, investment expenditures on the construction of the connection and the development of the SGT, including the specification of the connection fee;

6.4.5.3. the analysis of economic conditions of connection to the SGT and supply of gaseous fuel.

6.4.6. Any change in the connection conditions shall only be possible by way of submitting a new application to the OSGT for the issuance of connection conditions or through the provisions of the relevant connection agreement.

6.4.7. When considering the application, the OSGT shall take into account the existing Transmission Contracts concluded with the ~~SGT Users and~~ Shippers, the capacity allocations (PP) and transmission ability allocations (PZ) and the existing connection agreements, unless the deadline set out therein for the conclusion of an agreement to be the basis for the supply of gaseous fuels has lapsed, subject to point 6.4.8.

6.4.8. If, on the same day, at least two (2) applications for connection in the same point are filed, the OSGT shall consider all such applications together and shall determine the conditions of connection to the SGT for each entity applying for the connection at this point and shall proportionally divide the available transmission ability of the SGT.

6.4.9. The OSGT shall have the right to determine whether the facilities, installations or networks to be connected to the SGT owned by entities applying for connection satisfy the technical and operational requirements which ensure:

6.4.9.1. safety of the SGT operation and the performance of transmission contracts with the ~~SGT Users and~~ Shippers,

6.4.9.2. protection of the SGT against damage caused by any inappropriate operation of the connected facilities, installations and networks,

6.4.9.3. protection of the connected facilities, installations and networks against damage in the event of an emergency or imposition on curtailment measures on the consumption or supply of gaseous fuels,

6.4.9.4. adherence to the quality parameters of the gaseous fuel at the place of connection of the facilities, installations and networks,

6.4.9.5. satisfaction of environmental requirements, as stipulated in legal regulations,

6.4.9.6. ability to take measurements of the necessary values and parameters required for the operation of the SGT and billing for the transmission of gaseous fuel.

6.4.10. Specifically, it shall be deemed that technical conditions for connection to the SGT do not exist when the provision of the transmission service to the entity applying for the connection undermines the reliability of transmission or quality of gaseous fuel or could prevent the performance of existing transmission contracts with ~~SGT Users and~~ Shippers, or other of obligations in respect of the protection of the interests of ~~System Users~~Shippers or environmental protection.

6.4.11. Specifically, it shall be deemed that economic conditions for connection to the SGT do not exist when the connection results in a detrimental change in the level of prices or charges for the provision of the transmission service to other parties.

6.4.12. The connection conditions shall specify, in particular, the following:

6.4.12.1. the place of connection of facilities, installations or networks, and their technical parameters,

6.4.12.2. the extent of necessary adaptations in the SGT related to the connection to the SGT,

6.4.12.3. the technical parameters of the connection line to the SGT,

6.4.12.4. the group and sub-group of the gaseous fuel in accordance with PN C 04750/2011 "Gaseous fuels, classification, labelling and requirements",

6.4.12.5. the minimum and maximum pressures for the supply and off-take of gaseous fuel,

6.4.12.6. the requirements applicable to the measurement system and the location where it is to be installed,

6.4.12.7. the connection capacity,

6.4.12.8. the characteristics of the delivery and off-take of gaseous fuel, including the minimum and maximum hourly and yearly quantities to be delivered or off-taken, expressed in the units of volume (m3) and energy (kWh).

6.4.12.9. the place of the delivery and off-take of the gaseous fuel,

6.4.12.10. point delimiting the ownership of the SGT and the facilities, installations or networks owned by the entity to be connected,

6.4.12.11. the requirements related to the features of a gas station or a measurement system, type of such system, as well as telemetry and cathodic protection systems,

6.4.12.12. the expected starting date for the off-take of gaseous fuel and the quantities of gaseous fuel to be off-taken, expressed in the units of volume (m3) and energy (kWh).

6.4.12.13. the purpose of gas use.

6.5. Agreement for connection to the SGT.

6.5.1. The entity shall be connected to the SGT on the basis of an agreement for connection to the SGT (hereinafter referred to as the connection agreement), to be executed by and between the OSGT and the entity being connected.

6.5.2. The connection agreement shall be executed on the basis of the application to be filed by the entity that holds valid conditions of connection to the SGT. The OSGT shall send a draft connection agreement to such entity without undue delay and in any case not later than within thirty (30) days of receiving the application for a connection agreement.

6.5.3. If, after the issue of the conditions of connection to the SGT, the technical capabilities for the supply of gaseous fuel have ceased to exist, the OSGT may refuse to execute the connection agreement.

6.5.4. The connection agreement shall constitute the basis for the OSGT for undertaking any engineering, construction and assembly works in accordance with the scope specified in the agreement.

6.6. The provisions of sections 6.2.4.6, from 6.2.5 to 6.2.7, 6.2.10 and 6.5 shall not apply to the execution of the connections between the SGT and the KSP.

7. TRANSMISSION CONTRACT

7.1. General conditions.

7.1.1. The transmission services, including balancing, shall be provided pursuant to the Transmission Contract and the capacity allocation (PP) and/or transmission ability allocation (PZ).

7.1.2. The Transmission Contract shall be of a framework nature and provide the basis for the execution of annexes to the transmission contract in the form of a capacity allocation (PP) and/or transmission ability allocation (PZ).

7.1.3. The Transmission Contract may only be concluded with an entity whose EIC Code is registered in CEREMP.

7.1.4. "The capacity and transmission ability allocation (PP/PZ)" shall be attached as an Annex to the Transmission Contract. The Annex "capacity and transmission ability allocation PP/PZ" defines the capacity allocation (PP) and/or the transmission ability allocation (PZ), including the amount of capacity (contracted capacity) allocated to the Shipper, type of allocated capacity (contracted capacity), i.e. on a firm, conditionally firm, ~~or~~ interruptible or conditionally interruptible basis, and the product (time for which the capacity (contracted capacity) is allocated). The execution of the Annex "capacity and transmission ability allocation" takes place in electronic form by providing the Shipper access to the digital document in the IES by the OSGT.

7.1.5. The Shipper agrees to the disclosure of all the necessary data concerning the performance of the Transmission Contract, including measurement and billing data, to the ISO.

7.2. Application for a Transmission Contract.

7.2.1. The application for a Transmission Contract shall be submitted via the IES after registering in the IES and obtaining a login and password to the IES in accordance with the IES rules.

7.2.2. An entity seeking to execute a Transmission Contract (the Applicant) shall be required to provide through the IES, together with an application for a Transmission Contract, the scans of originals of the following documents and certificates, or copies thereof authenticated by individuals authorised to represent the entity, or a legal counsel or attorney:

7.2.2.1. documents confirming the legal status of the activity carried out by the entity, including specifically a confirmation of entry in the Central Registration and Information on Business (CEIDG) or a current extract from the National Court Register (KRS) or a computer printout of an information on the entry to the KRS, and in case of an Applicant without a registered office in the territory of the Republic of Poland, a current, issued not earlier than three months before the date of submission of the application for a Transmission Contract, extract from the relevant commercial registered obtained in accordance with the principles specified in the regulations of the country where the Applicant has its registered office,

7.2.2.2. power of attorney or other documents confirming the right of the individuals who represent the Applicant to incur obligations on its behalf, unless such right can be inferred from the content of the document referred to in point 7.2.2.1,

7.2.2.3. certificate of tax identification number for the purposes of the tax on goods and services (VAT) for the Applicants based in the European Union Member States, unless this information can be inferred from the content of the document referred to in point 7.2.2.1,

7.2.2.4. the Applicants having their registered office in the territory of the Republic of Poland shall also present a certificate of REGON statistical number, unless this information can be inferred from the content of the document referred to in point 7.2.2.1,

7.2.2.5. the Applicants carrying out an activity in the territory of the Republic of Poland shall present a licence promise, copy of the licence or a declaration signed by persons authorised to represent the Applicant that the activities carried out by the entity do not require a licence, as provided for by the Energy Law. OSGT provides the President of the ERO with information on the submission of the above declaration by a given entity,

7.2.2.6. power of attorney for the person authorized to represent the Applicant in the course of the procedure of the conclusion of the capacity allocation or capacity allocation through SWI,

7.2.2.7. the Applicant intending to participate in the process of allocation of available capacity through an auction shall submit the power of attorney for the person who will represent the Applicant during the auction on the Auction Platform or other online platform indicated by the OSGT, in accordance with the form published on the OSGT website.

7.2.2.8. In addition to the documents referred to in point 7.2.1, an Applicant without a registered office on the territory of the Republic of Poland shall also present, together with the application for a Transmission Contract, the sworn Polish translations of the documents referred to in point 7.2.2.1, point 7.2.2.2 and point 7.2.2.3, which are not executed in the Polish language.

7.2.3. The applicant is obliged to immediately notify the OSGT of any changes to the data and documents contained in the submitted application for the conclusion of the Transmission Contract and to re-submit the current data and documents that have changed. The above obligation applies to changes that will occur in the period from the date of submission by the Applicant of the application for the conclusion of the Transmission Contact, to the date of conclusion of the Transmission Contract with the Applicant, as well as during the validity of the Transmission Contract. The provisions of point 7.2.2.8 shall apply accordingly. The selection of the person or change of the person authorized to represent the Applicant in the auction is done by submitting a new power of attorney form.

7.2.4. After receiving the application for a Transmission Contract, the OSGT shall review the application to verify the completeness and validity of the data contained therein and in the enclosed documents. The OSGT shall consider the application for a Transmission Contract within fourteen (14) days of the date of its receipt. After considering the application for a Transmission Contract, the OSGT shall advise the Applicant of either its acceptance or rejection or request the Applicant to supplement the application.

7.2.5. The OSGT shall request the Applicant, through the IES, to supplement the application for a Transmission Contract in case when any essential data are missing or the application is incomplete. The applicant should deliver the supplemented application for a

Transmission Contract, through the IES, within fourteen (14) days of receiving the request for its supplementation. In the case of subsequent requests of the Applicant to supplement the application for a Transmission Contract and for the Applicant to provide the supplemented application for the Transmission Contract by the required date, the deadline indicated in point 7.2.4 begins from the date of receipt by the OSGT of a complete application that meets the requirement referred to in point 7.2.2. If the supplemented application for a Transmission Contract is not delivered within the required time limit, the OSGT shall leave the application unconsidered.

7.2.6. The information about the application having been left unconsidered, rejected, or about the refusal to execute the Transmission Contract shall be without undue delay communicated by the OSGT to the Applicant in writing, together with the grounds therefor.

7.2.7. In case of accepting the application, the OSGT shall send the draft of the Transmission Contract to the Applicant, against a written confirmation of receipt, within three (3) business days of finalising the application consideration process, such draft to be prepared on the basis of the currently applicable specimen.

7.2.8. The applicant shall submit the signed draft of the Transmission Contract to the OSGT against a confirmation of receipt within thirty (30) days of the delivery date of such draft with the originals of the documents and certificates referred to in point 7.2.2 or copies thereof authenticated by individuals authorised to represent the entity, or a legal counsel or attorney.

7.2.9. If the Applicant fails to deliver a signed draft Transmission Contract or does not report any reservations at to the content of draft Transmission Contract within the deadline specified in point 7.2.8, its application for Transmission Contract shall be deemed withdrawn and the Applicant shall be informed thereof by the OSGT in writing without undue delay. In case when the Applicant reports some reservations as to the content of the draft Transmission Contract, the OSGT shall communicate its position to the Applicant regarding the reported reservations within fourteen days of receiving the same.

7.2.10. The OSGT shall send the bilaterally signed Transmission Contract to the Applicant against a confirmation of receipt within twelve (12) days of the date of delivery of the Transmission Contract signed by the Applicant, provided that the Transmission Contract was signed by people authorized to represent the Applicant and all the attachments to the Transmission Contract have been forwarded.

7.2.11. In the event of the rejection of the application or the refusal to sign the Transmission Contract, the OSGT shall immediately notify the President of ERO stating the grounds for such refusal.

7.3. The Shipper is obliged to provide a financial security, in accordance with the principles of transparency and equal treatment, in the amount and form specified in accordance with the decision of the President of the ERO, issued on the basis of NC BAL approving the mechanism for ensuring the cost-neutrality of OSGT balancing activities to secure the claims of OSGT under the Transmission Contract.

7.4. Transmission Contract.

7.4.1. In order to ensure non-discriminatory treatment of the Applicants and Shippers the OSGT shall use a standard form of the Transmission Contract and general terms and conditions of the transmission contract, which shall be published on the OSGT's website.

7.4.2. Upon the conclusion of the Transmission Contract, the Applicant receives the status of a Shipper.

7.4.3. The Transmission Contract signing by the Applicant is synonymous with the acceptance of all the conditions of the transmission contract and all the provisions of the SGT Network Code.

7.4.4. The Transmission Contract, and the Annex "capacity and transmission ability allocation (PP/PZ)" shall be executed in the Polish language. Upon a request of the Shipper, the OSGT shall execute the transmission contract together with "capacity and transmission ability allocation (PP/PZ)" in the Polish and English language, provided that in case of any inconsistencies between the Polish and English language version, the Polish language version of the document shall prevail.

7.4.5. Unless a capacity allocation (PP) and/or transmission ability allocation (PZ) is made, the Shipper shall not be eligible to any capacity (contracted capacity) or transmission ability at entry points or exit points to/from the SGT under the Transmission Contract. On the basis of the transmission contract, the Shipper may apply for the capacity allocation (PP) and transmission ability allocation (PZ).

8. CONDITIONS OF USE OF THE SGT BY THE SHIPPER

8.1. Types of services provided.

8.1.1. The basic service provided by the OSGT shall consist in the transportation of gaseous fuel through the SGT (the transmission service).

8.1.2. With respect to the possibility of restricting the service performance, the transmission services shall be classified as follows:

8.1.2.1. firm service – when a firm performance of the ordered transmission service is guaranteed to the Shipper, except for any works that result in the reduction of the transmission capacity, referred to in point 11, the occurrence of emergency situations or the introduction of restrictions in accordance with the provisions of ~~Part II of~~ the Network Code, ~~including~~ including on the basis of:~~reverse flow transmission service provided on a firm basis;~~

8.1.2.1.1 ~~8.1.2.1.1.~~ conditionally firm service – when the Shipper, provided that the condition specified by the OSGT is met, involving gas delivery or off-take at respectively physical entry point(s) (FPWE) or physical exit point(s) (FPWY), in accordance with the principles regulated in point 8.3, guarantees firm provision of the contracted transmission services, with the exception of works resulting in a reduction of transmission capacity referred to in clause 11, the occurrence of emergency situations or the introduction of limitations in accordance with the provisions of the Network Code,

8.1.2.2. interruptible service – when the performance of the ordered service is guaranteed to the Shipper in accordance with the provisions of point 8.4, subject to the reservation that the OSGT may restrict or completely interrupt the performance of the gas transmission service, including on the basis of: ~~virtual reverse flow transmission service provided on an interruptible basis.~~

8.1.2.2.1 virtual reverse flow - when transmission is performed in the direction opposite to the physical flow of gaseous fuel - the service provided at a physical point in the direction in which the physical flow cannot be performed in accordance with principles regulated in point 8.6 with the exception that OSGT may limit or completely stop provision of the gas transmission services-, or

~~8.1.2.1.1~~8.1.2.2.2 conditionally interruptible service - when the Shipper, provided that the condition specified by the OSGT is met, involving the delivery or off-take of gaseous fuel at respectively the physical entry point(s) (FPWE) or physical exit point(s) (FPWY), is ensured in accordance with the principles regulated in point 8.5. with the provision that OSGT may limit or completely interrupt the performance of the gaseous fuel transmission service.

8.1.3. Capacity (contracted capacity) limitations on a firm basis, including firm conditional basis, as specified in points 8.1.2.1- 8.1.2.1.1, shall be introduced by the OSGT:

8.1.3.1. in case of submitting by the Shipper, using the transmission services within the capacity (contracted capacity) on a firm or conditionally firm basis, the nomination at a given point, in which the quantities of gaseous fuel planned to be transmitted are greater than zero (0) - through individual information provided to the Shipper about the reduction of nomination due to reduction of capacity (contracted capacity) on a firm or conditionally firm basis at this point, pursuant to point 12.1.27, or

8.1.3.2. in other cases - through the publication of an Urgent Market Announcement published on the GIIP, in which the point to which the limitation applies and the total level of capacity limitation for this point shall be indicated. Limitation of capacity (contracted capacity) on a firm basis, including conditionally firm basis, shall take place proportionally to the reduction of the capacity of a given point.

8.1.4. In case when firm capacity (contracted capacity) is acquired by the Shipper at a given physical point where such Shipper previously acquired interruptible capacity (contracted capacity) for the same period under yearly, quarterly or monthly products, the Shipper shall have the right to release the interruptible capacity (contracted capacity) under such yearly, quarterly or monthly products in the amount corresponding to the acquired firm capacity. The declaration on releasing the interruptible capacity (contracted capacity) shall be delivered by the Shipper to the OSGT within three (3) business days from the day the capacity to be released was acquired indicating the amount of capacity (contracted capacity) which is being released. The respective changes to the capacity allocation (PP) shall be effective from the moment when the revised "capacity and transmission ability allocation (PP/PZ)" is made available by the OSGT in a digital format in the IES. The remaining capacity (contracted capacity), which has not been released by the Shipper for the given product, shall be adjusted to respective products with shorter term, matching the outstanding term.

~~8.1.3.~~8.1.5. The provisions of clause 8.1.4 shall apply respectively to the Shipper, who booked capacity (contracted capacity) on a continuous conditional basis at the physical point for which the Shipper had previously purchased capacity (contracted capacity) on an interruptible conditional basis.

8.2. Capacity allocation (PP)

8.2.1. With respect to the term of making available of the capacity (contracted capacity), the following products shall be offered:

8.2.1.1. yearly – where the capacity (contracted capacity) is made available for the term of one gas year, at a constant rate for each hour during such gas year, which corresponds to the long-term contract under the SGT Tariff;

8.2.1.2. quarterly – where the capacity (contracted capacity) is made available for the term of one quarter in a gas year (subsequent quarters of the gas year start, respectively, on 1 October, 1 January, 1 April or 1 July), at a constant rate for each hour during such quarter, which corresponds to the short-term contract under the SGT Tariff;

8.2.1.3. monthly – where the capacity (contracted capacity) is made available for the term of one (1) month in a gas year (subsequent months start on 1st day of each gas month), at a constant rate for each hour during such month, which corresponds to the short-term contract under the SGT Tariff;

8.2.1.4. daily – where the capacity (contracted capacity) is made available for the term of one gas day, at a constant rate for each hour during such gas day, which corresponds to the short-term contract under the SGT Tariff;

8.2.1.5. within-day – where the capacity (contracted capacity) is made available for the term from the given hour in the gas day to the end of the gas day, which corresponds to the short-term contract under the SGT Tariff.

8.2.2. The OSGT shall offer the technical capacity of the physical entry and exit points ~~on a firm basis~~ in accordance with the following breakdown:

8.2.2.1. a maximum of 90% of technical capacity of the physical point is offered in a gas year (R) for yearly products provided for gas years from R+1 to R+5,

8.2.2.2. a maximum of 80% of technical capacity of the physical point is provided in a gas year (R) for yearly products offered for gas years from R+6 to R+15,

8.2.2.3. at least 10% of technical capacity and the capacity (contracted capacity) not allocated through auction of products referred to in 8.2.2.1 and 8.2.2.2 of the physical point is offered for quarterly products offered for the next gas year,

8.2.2.4. unsold capacity of products referred to in 8.2.2.3, is offered as part of monthly, daily or within-day products.

8.2.3. The technical capacity of FPWE and FPWY and PWP, offered as unbundled capacity, shall be offered as a yearly or quarterly product for the gas year following the gas year of the auction, or as quarterly, monthly, daily and within-day products in the gas year of the auction, or as monthly, daily and within-day product in the gas year following the gas year during which the technical capacity is offered in the case when the offering takes place, respectively, in the last gas month of the gas year or in the last gas day of the gas year. In case when a Transmission Contract for unbundled capacity exists on the other side of FPWE, FPWY and PWP, the technical capacity may be offered as unbundled capacity only to the maximum extent and for the maximum term resulting from such Transmission Contract.

~~8.2.4. The OSGT shall also offer a reverse-flow capacity (contracted capacity) as a reverse-flow transmission service.~~

8.3. Conditionally firm capacity (contracted capacity).

8.3.1. The OSGT may make capacity available for a physical exit point (FPWY) or a physical entry point (FPWE) on a conditionally firm basis. The condition for the Shipper to use the allocated capacity (contracted capacity) on a conditionally firm basis is the delivery of the relevant quantities of gaseous fuel at the physical entry point(s) (FPWE) specified by the OSGT or, respectively, the off-take of the relevant quantities of gaseous fuel at the physical exit point(s) (FPWY) specified by the OSGT. The OSGT shall inform on the OSGT's website about the available capacity on a conditionally firm basis at the physical exit point(s) (FPWY) or at the physical entry point(s) (FPWE), indicating respectively the entry points (PWE) where the supply of gaseous fuel is required or the exit points (PWY) where the off-take of gaseous fuel is required and the quantities of gaseous fuel that should be supplied or received at the respective physical exit point(s) (FPWY) or physical entry point(s) (FPWE).

8.3.2. The Shipper shall be provided with a permanent possibility to use the capacity (contracted capacity) on a conditionally firm basis if the condition referred to in point 8.3.1 is fulfilled and with the exception of carrying out works causing reduction of transmission capacity referred to in clause 11, the occurrence of emergency situations or the introduction of limitations pursuant to the provisions of Part II of the Network Code.

~~8.3.~~8.4. Interruptible capacity (contracted capacity).

~~8.3.1.~~8.4.1. In the event when there is no possibility of providing firm capacity (contracted capacity), including conditionally firm capacity, interruptible capacity (contracted capacity) shall be made available by the OSGT, including conditionally interruptible.

~~8.3.2.~~8.4.2. The Shipper may use both firm, including conditionally firm (if offered for the point) and interruptible, including conditionally interruptible (if offered for the point) capacity (contracted capacity) at a given physical entry point or physical exit point.

~~8.3.3.~~8.4.3. When making the capacity available on an interruptible service basis, including conditionally interruptible basis, the OSGT shall have the right to reduce the interruptible capacity, including conditionally interruptible capacity, at a given physical entry point or physical exit point due to non-compliance with the quality parameters of gaseous fuel specified in the Network Code, performance of transmission services for products allocated on firm basis, maintenance and repairs of the transmission network, constraints related to feeder or fed markets, performance of public utility obligations and due to capacity management under system congestion ~~in~~management, in accordance with the provisions of point 12.1.24, point 12.1.25, point 8.4.4 and point 8.4.5.

~~8.3.4.~~8.4.4. The OSGT shall restrict the provision of transmission services within the capacity (contractual capacity) on an interruptible basis, including conditionally interruptible basis:

~~8.3.4.1.~~8.4.4.1. in the case of the Shipper submitting a nomination for a given point within interruptible capacity (contracted capacity), including conditionally interruptible capacity, in which the quantities of gaseous fuel planned to be sent are greater than zero (0) - through an individual information given to the Shipper on the reduction of nominations due to the limitation of the interruptible capacity (contractual capacity) ~~on interruptible terms~~, including conditionally interruptible capacity, at this point in accordance with point 12.1.24 and point 12.1.25, or

~~8.3.4.2.~~8.4.4.2. in other cases, by publishing (i) the information on the OSGT's website or (ii) an Urgent Market Message, published on GIIP, indicating the point to which the restriction applies and the total capacity constraint level for such point. The restriction of interruptible capacity (contracted capacity), including conditionally interruptible capacity, shall be proportionate to the capacity reduction at a given point.

Only the above actions of the OSGT constitute limitations of contractual capacity within the meaning of the SGT Tariff and Tariff Regulation, if the conditions for restriction of the transmission services are independent on the Shippers.

8.4.5. With respect to a given physical point, the reductions referred to in point 8.4.3 shall be introduced by the OSGT starting from the capacity offered under shorter-term products (i.e. first within-day, then daily, monthly, quarterly and, lastly, yearly) and taking into account the time of concluding the capacity allocation for the given product. . In case of the capacity offered under products with the same term, the reduction shall be prorated in accordance with the quantities of gaseous fuel stated in the nomination.

~~8.3.5.~~8.4.6. When introducing the limitations referred to in point 8.4.3, conditionally interruptible capacity (contracted capacity) shall be treated as interruptible capacity (contracted capacity).

~~8.3.6.~~8.4.7. The information on the reduction for given hour shall be communicated by the OSGT without undue delay, but in any case not later than forty-five (45) minutes after the beginning of the hour when submission of renomination is possible for this hour.

~~8.3.7.~~8.4.8. The Shipper shall be required to conform to the restrictions introduced by the OSGT.

~~8.3.8.~~8.4.9. The duration of the capacity restrictions in a given gas day shall correspond to the total number of hours for which the restrictions were introduced.

8.5. Conditionally interruptible capacity (contracted capacity).

8.5.1. The OSGT may make capacity available for a physical exit point (FPWY) or a physical entry point (FPWE) on a conditionally interruptible basis. The condition for the Shipper to use the allocated capacity (contracted capacity) on a conditionally interruptible basis is the delivery of the relevant quantities of gaseous fuel at the physical entry point(s) (FPWE) specified by the OSGT or, respectively, the off-take of the relevant quantities of gaseous fuel at the physical exit point(s) (FPWY) specified by the OSGT. The OSGT shall inform on the OSGT's website about the available capacity on a conditionally interruptible basis at the physical exit point(s) (FPWY) or at the physical entry point(s) (FPWE), indicating respectively the entry points (PWE) where the supply of gaseous fuel is required or the exit points (PWY) where the off-take of gaseous fuel is required and the quantities of gaseous fuel that should be supplied or received at the respective physical exit point(s) (FPWY) or physical entry point(s) (FPWE).

8.5.2. The capacity (contracted capacity) transmission service may be interrupted on a firm basis if the condition referred to in point 8.5.1 is not fulfilled or limitations in accordance with the provisions of point 8.4.3 are introduced.

~~8.4.~~8.6. Virtual r~~R~~everse-flow capacity.

~~8.4.1.~~8.6.1. The virtual reverse-flow transmission services shall be offered by the OSGT at a limited number of physical points identified in the OSGT's website (www.gaz-system.pl).

8.6.2. The virtual reverse-flow transmission service shall be provided ~~either~~ as~~:~~ interruptible capacity (contracted capacity).

~~8.4.2.~~8.6.3. The capacity (contracted capacity) transmission service within the virtual reverse-flow may be interrupted in case of absence of adequate amounts of gaseous fuel as part of the physical flow at a given point, preventing the contractual transmission in the opposite direction to the physical flow of the gaseous fuel, or when limitations in accordance with the provisions of point 8.4.3 are introduced.

~~firm capacity, or~~

~~8.4.2.1. interruptible capacity.~~

~~8.5.~~8.7. General principles for offering the capacity (contracted capacity).

~~8.5.1.~~8.7.1. The capacity (contracted capacity) of physical entry points and physical exit points to/from the SGT shall be made available under a Transmission Contract and a capacity allocation (PP), as well as on the basis of nominations in the cases referred to in point 9.

~~8.5.2.~~8.7.2. Both capacity (contracted capacity) and transmission ability are expressed in units of energy (kWh/h) and have the same value.

~~8.5.3.~~8.7.3. The capacity (contracted capacity) allocation shall be made separately for the physical entry and the physical exit point.

~~8.5.4.~~8.7.4. The available transmission capacity of the physical entry and exit points at interconnections with the transmission systems of the Members States of the European Union and the Point of Interconnection (PWP), to the extent agreed with the interoperating system operator, shall be made available on a bundled basis. The amount of capacity made available on a bundled basis shall be published by the OSGT on its website.

~~8.5.5.~~8.7.5. As a result of jointly held bundled capacity allocation procedure, the same amount of capacity (contracted capacity) shall be contracted in both systems at the same time ("offering capacity on a bundled basis").

~~8.5.6.~~8.7.6. Bundled capacity shall be made available under a non-discriminatory and transparent procedure to be carried out in conformity with the principles set forth in the network codes of the interoperating system operators (ISOs). The schedule for offering bundled capacity shall be published specified in the Auction Calendar.

~~8.5.7.~~8.7.7. The OSGT shall determine the available transmission capacity taking into consideration:

~~8.5.7.1.~~8.7.7.1. currently provided transmission service,

~~8.5.7.2.~~8.7.7.2. capacity allocated under the capacity allocation (PP)

~~8.5.7.3.~~8.7.7.3. existing agreements for connection to the SGT, unless the expected date for the conclusion of the gaseous fuel supply agreement specified under these agreements has lapsed,

~~8.5.7.4.~~8.7.7.4. capacity (contracted capacity) retained to be made available as a bundled product,

~~8.5.7.5.~~8.7.7.5. principles referred to in point 8.2.2.

~~8.5.8.~~8.7.8. The capacity allocation shall be made as follows:

~~8.5.8.1.~~8.7.8.1. in case of yearly products, for the period corresponding to any of the fifteen (15) consecutive gas years following the gas year when the capacity allocation is made for firm capacity (contracted capacity), including conditionally firm, and for the following year for interruptible capacity, including conditionally interruptible, subject to the provisions of point 8.2.3;

~~8.5.8.2.~~8.7.8.2. in case of quarterly products, for the period of quarter of the gas year following the gas year when the capacity allocation is made;

~~8.5.8.3.~~8.7.8.3. in case of monthly products, for the gas month falling after the month in which the capacity allocation is made.

~~8.5.8.4.~~8.7.8.4. in case of daily product, for the gas day following the day when the capacity is allocated;

~~8.5.8.5.~~8.7.8.5. in case of within-day product, for the period from given hour in the gas day to the end of the gas day.

~~8.5.9.~~8.7.9. Only Shippers may apply for capacity allocation.

~~8.6.~~8.8. The allocation of capacity (contracted capacity) under the auction procedure.

~~8.6.1.~~8.8.1. The allocation of yearly, quarterly, monthly and daily products within the available capacity on a firm, conditionally firm, ~~or~~ interruptible and conditionally interruptible basis, as well as within-day products within the available capacity on a firm or conditionally firm basis at FPWE, FPWY, and PWP, takes place through an auction.

~~8.6.2.~~8.8.2. Prior to the auction, the OSGT will publish on its website information on:

~~8.6.2.1.~~8.8.2.1. the name of the physical entry or exit point, the available capacity of which will be made available through the auction,

~~8.6.2.2.~~8.8.2.2. the products made available through the auction and the amount of available capacity made available for each product,

~~8.6.2.3.~~8.8.2.3. the date of the auction,

~~8.6.2.4.~~8.8.2.4. the value of small and big price steps – for ascending clock auctions, or

~~8.6.2.5.~~8.8.2.5. the minimum price – for uniform-price auctions.

~~8.6.3.~~8.8.3. The information referred to in 8.8.2 will be published by the OSGT at the latest:

~~8.6.3.1.~~8.8.3.1. one (1) month prior to an auction of yearly products,

~~8.6.3.2.~~8.8.3.2. two (2) weeks prior to an auction of quarterly products,

~~8.6.3.3.~~8.8.3.3. one (1) week prior an auction of monthly products,

~~8.6.3.4.~~8.8.3.4. at the start of an auction of daily products,

~~8.6.3.5.~~8.8.3.5. upon completion of an auction for daily products and each time before the start of each auction for within-day products.

~~8.6.4.~~8.8.4. Auctions are held on the dates set out in the Auction Calendar.

~~8.6.5.~~8.8.5. Auctions of yearly, quarterly and monthly products are conducted using an ascending clock auction algorithm. Auctions of daily and within-day products are conducted using a uniform-price auction algorithm.

8.8.6. The Shipper, who has registered on the platform determined in accordance with the provisions of point 8.8.9, and has obtained the possibility to use this platform two (2) days before the auction, has the right to participate in an auction.

8.8.7. If the demand for capacity (contracted capacity) at the physical entry points or physical exit points does not exceed the available capacity, the OSGT allocates to all Shippers the capacity (contracted capacity) specified in the first bidding round of the given auction and the value of the auction margin will be "0" (zero).

~~8.6.6.~~8.8.8. At the end of the auction, the OSGT will publish its final result, including the aggregation of allocated capacity (contracted capacity), the auction margin and the capacity (contracted capacity) available for the next auction. The individual data will be disclosed only to the parties concerned electronically without undue delay. The OSGT shall allocate capacity (contracted capacity) according to the outcome of this auction.

~~8.6.7.~~8.8.9. Internet platform for conducting auctions

~~8.6.7.1.~~8.8.9.1. Auctions are conducted on the Auction Platform, following the rules of the Auction Platform.

~~8.6.7.2.~~8.8.9.2. When the auction is not held on the Auction Platform, the OSGT shall hold the auction on an Internet platform ~~agreed with and approved by the President of ERO~~. The information on the Internet platform where the auctions are to be held shall be published by the OSGT on its website not later than simultaneously with the information referred to in point 8.8.2. The auction shall be held according to the rules of the Internet platform. Auctions on an Internet platform shall be carried out according to the provisions of NC CAM.

~~8.6.8.~~8.8.10. The designation or change of the individual authorised to represent the Shipper in an auction shall be made through the submission of the power of attorney form. The power of attorney form shall be published by the OSGT on its website.

~~8.6.9.~~8.8.11. Upon the presentation of the power of attorney referred to in point 8.8.10, and after the choice of the form of financial security, the Shipper shall obtain a login and password for the OSGT's internet platform which enables the participation in the auction.

~~8.6.10.~~8.8.12. The level of capacity specified in the bidding round of the given auction for a given physical entry point or physical exit point shall be a natural number and must not exceed the technical capacity of such point.

~~8.6.11.~~8.8.13. Taking part in an auction for capacity allocation (contracted capacity) for the Point of Interconnection (PWP), the Shipper shall be required to have a valid contract for transmission services between such Shipper and the TSO, executed in accordance with the provisions of the applicable TNC.

~~8.6.12.~~8.8.14. The interruptible capacity (contracted capacity), including conditionally interruptible capacity, for yearly, quarterly and monthly products shall be offered to Shippers once 90% of technical capacity of given physical point has been allocated on firm basis, including conditionally firm basis.

~~8.6.13.~~8.8.15. The interruptible capacity (contracted capacity)~~—~~, including conditionally interruptible capacity, for daily and within-day products shall be offered to Shippers once 100% of technical capacity of given physical point has been allocated on firm basis, including conditionally firm basis.

~~8.6.14.~~8.8.16. In the event when, in the process of capacity allocation through an auction it is necessary to use mechanisms involving pricing steps, i.e. in case when the demand for capacity exceeds the capacity offered in the auction, the OSGT shall charge an auction margin in the amount established upon the completion of the respective auction procedure.

~~8.6.15.~~8.8.17. The OSGT shall charge the auction margin earned as a result of the auction of a given capacity product in each settlement period on the basis of a basic invoice. The

revenues from the auction margin shall be subject to the scrutiny by the President of ERO and shall be used by the OSGT for development of the transmission system with a view to eliminating any system congestion at the interconnections between the transmission system and transmission systems of other countries.

~~8.6.16.~~8.8.18. The OSGT shall report to the President of ERO, on a quarterly basis, on the revenue generated from the auction margin paid by the Shippers and on the use of the said funds for the planned or on-going development of the transmission system with a view to eliminating any system congestion at the interconnections between the transmission system and transmission systems of other countries.

~~8.7.~~8.9. The conversion of unbundled capacity (contractual capacity) to bundled capacity (contractual capacity).

~~8.7.1.~~8.9.1. The Shipper may apply to the OSGT for conversion of its allocated unbundled capacity (contractual capacity) to bundled capacity (contractual capacity) to the extent that ~~resulting in the allocation of~~ the bundled capacity (contractual capacity) was allocated to the Shipper. Conversion can only be made within the same type of capacity (contracted capacity), i.e. as part of capacity (contractual capacity) on a continuous basis, conditionally continuous basis, ~~or as part of~~ capacity (contractual capacity) on an interruptible basis or conditionally interruptible basis.

~~8.7.2.~~8.9.2. The application referred to in point 8.~~7~~9.1 for annual, quarterly and monthly product shall be submitted via Auction Platform (GSA) with bids placed in the bundled capacity (contractual capacity) auction or via the IES within three (3) ~~working~~ business days from the end of the auction, in which bundled capacity (contractual capacity) was allocated to the Shipper, while for daily products via Auction Platform with bid placed in the bundled capacity (contractual capacity) auction before the end of the bundled capacity auction, no later than at the last moment when it is possible to submit bid.

~~8.7.3.~~8.9.3. The conversion may be carried out within the bundled capacity (contractual capacity) allocated in the auction for annual, quarterly, monthly and daily products. In the application referred to in point 8.9.1 the Shipper indicates the bundled capacity (contractual capacity) (annual, quarterly or monthly product) which is to be subject to conversion.

~~8.7.4.~~8.9.4. In the event that the conversion procedure results in unbundled capacity becoming available, the OSGT shall offer such capacity not earlier than one (1) day after the conversion procedure has been carried out.

~~8.7.5.~~8.9.5. As a result of the conversion, the Shipper shall only pay charges for bundled capacity (contractual capacity) rather than for the sum of unbundled capacity (contractual capacity) and bundled capacity (contractual capacity), subject to the provisions of points 8.9.6 and 8.9.7. The provisions of this point shall only apply to the part (amount) of capacity (contracted capacity) that has been converted.

~~8.7.6.~~8.9.6. In the case of conversion, the charge for the converted capacity is applied at the rate for the transmission service specified in the SGT Tariff applicable to capacity product (contracted capacity) before the conversion (unbundled capacity).

~~8.7.7.~~8.9.7. In the event that during the auction of unbundled capacity (contracted capacity) or bundled capacity (contracted capacity) which is subject to conversion, an auction premium has occurred, the OSGT shall charge the Shipper for the converted

capacity (contractual capacity) the sum of the auction premiums applied in such auctions.

~~8.8.~~8.10. Conclusion of the capacity allocation (PP).

~~8.8.1.~~8.10.1. Conclusion of capacity allocation (PP) takes place electronically.

~~8.8.2.~~8.10.2. The Annex "capacity and transmission ability allocation (PP/PZ)" shall make part of the Transmission Contract. The "capacity and transmission ability allocation (PP/PZ)" shall specify the following:

~~8.8.2.1.~~8.10.2.1. the capacity (contracted capacity) and transmission ability allocation (PZ) the Shipper is eligible to,

~~8.8.2.2.~~8.10.2.2. the type of capacity (contracted capacity) and transmission ability allocation on:~~,~~ ~~i.e.~~ firm, conditionally firm, ~~firm reverse flow,~~ interruptible, conditionally interruptible ~~reverse flow~~ basis,

~~8.8.2.3.~~8.10.2.3. the product according to point 8.2 and the period for which it has been allocated.

~~8.8.3.~~8.10.3. The allocated capacity (contracted capacity) shall be the basis for the application of charges in respect of the transmission of gaseous fuel.

~~8.8.4.~~8.10.4. The OSGT shall inform the Shipper about the allocated capacity immediately~~, pursuant to the provisions of the NC CAM~~.

~~8.8.5.~~8.10.5. Once the "capacity and transmission ability allocation (PP/PZ)" is provided to the Shipper in the IES in a digital form, it shall be deemed that the OSGT and the Shipper have effectively amended the capacity allocation (PP). The information shall be deemed delivered at the moment when relevant documents are made available in an electronic form in the IES.

~~8.9.~~8.11. Change of the capacity allocation (PP).

~~8.9.1.~~8.11.1. The increase of the capacity (contracted capacity) shall be effected through participation in an auction and in accordance with point 15.3.~~7~~8.

~~8.9.2.~~8.11.2. The reduction of the capacity (contracted capacity) may be effected through the process of releasing capacity (contracted capacity), referred to in 8.1.3, or through the process of surrendering, referred to in ~~15.3.10~~15.3.8, or through the rules referred to in 15.3.~~4~~5 and 15.3.~~7~~8.

~~8.9.3.~~8.11.3. Any change of the capacity (contracted capacity) shall require a confirmation in the form of an updated annex "capacity and transmission ability allocation (PP/PZ)", through providing electronic documents in IES, otherwise being null and void, and in case when the capacity allocation is made under an auction procedure, by providing the capacity allocation (PP) in the IES in accordance with point 8.10.5.

9. INTERRUPTIBLE WITHIN-DAY SERVICES.

9.1. Within-day capacity (contracted capacity) and transmission ability allocation on an interruptible basis, including conditionally interruptible basis, shall be made available pursuant to a Transmission Contract, capacity allocation (PP) and a nomination confirmed by the OSGT in the overnomination procedure. In respect of the capacity and transmission ability allocation for within-day products on an interruptible basis, including conditionally interruptible basis, the provisions of point 8 shall apply as appropriate, unless otherwise provided for under point 9.

9.2. The Shipper that intends to use capacity (contracted capacity) and transmission ability allocation for within-day products on an interruptible basis or conditionally interruptible, submits an application for capacity allocation (PP) stipulating therein, as appropriate, the entry/exit points at which it intends to use ~~such~~ corresponding capacity (contracted capacity) as offered in a given point.

9.3. Nominations under the overnomination procedure are submitted by the Shipper from 00:00 on the gas day preceding the gas day to which the nomination relates under the increased nomination procedure.

9.4. The allocated capacity (contracted capacity) on interruptible or conditionally interruptible basis for within-day products is purchased in an amount corresponding to the difference between the next maximum hourly quantities in the approved nomination and the capacity (contracted capacity) allocated before the approval of the nomination or re-nomination. The capacity (contracted capacity) is allocated for the period from the occurrence of a given maximum to the end of the gas day.

10. SGT TRANSMISSION ABILITY ALLOCATION

10.1. General conditions.

10.1.1. The basis for rendering gas transmission services by the OSGT, including the commercial balancing referred to in point 14, is the transmission ability allocation (PZ).

10.1.2. The allocated ability (PZ) is expressed in units of energy (kWh/h) in natural numbers.

10.2. Transmission ability allocation (PZ) at PWE and PWY.

10.2.1. The capacity allocation (PP) for physical entry points and physical exit points shall also constitute the ability allocation (PZ) for the respective points. In this respect, and in the same form, the allocation of transmission ability allocation (PZ) shall occur simultaneously with the allocation of capacity (PP). The transmission ability allocation (PZ) shall be made for the same time and have the same value (kWh/h) as the capacity allocation (PP).

10.3. Transmission ability allocation for $WPWE_{GG}$, $WPWY_{GG}$, $WPWE_{PPG}$, $WPWY_{PPG}$, $WPWE_{OTC}$, $WPWY_{OTC}$.

10.3.1. A Shipper may request transmission ability allocation (PZ) for points $WPWE_{GG}$ and $WPWY_{GG}$, $WPWE_{PPG}$ and $WPWY_{PPG}$ and $WPWE_{OTC}$ and $WPWY_{OTC}$ after concluding the Transmission Contract.

10.3.2. A Shipper shall be entitled, under the Transmission Contract and transmission ability allocation (PZ), to use the transmission ability at:

10.3.2.1. entry and exit points to/from the Gas Exchange ($WPWE_{GG}$ and $WPWY_{GG}$), after fulfillment of additional conditions which are laid down in the rules of the Gas Exchange

10.3.2.2. entry and exit points to/from a Gas Trading Platform ($WPWE_{PPG}$ and $WPWY_{PPG}$), and

10.3.2.3. entry and exit points to/from the OTC market ($WPWE_{OTC}$ and $WPWY_{OTC}$).

10.3.3. There are no limits for the transmission ability allocated for ~~virtual points~~Virtual Trading Points, i.e. $WPWE_{GG}$, and $WPWY_{GG}$, ~~and~~ $WPWE_{OTC}$ and $WPWY_{OTC}$, $WPWE_{PPG}$ and $WPWY_{PPG}$.

10.3.4. Allocation of transmission ability for $WPWE_{GG}$, $WPWY_{GG}$, $WPWE_{PPG}$ and $WPWY_{PPG}$, and $WPWE_{OTC}$ and $WPWY_{OTC}$ is for an indefinite period.

10.4. Request for transmission ability allocation (PZ)

10.4.1. Transmission ability allocation for $WPWE_{GG}$, $WPWY_{GG}$, $WPWE_{PPG}$ and $WPWY_{PPG}$, $WPWE_{OTC}$, and $WPWY_{OTC}$ requires the Shipper to submit a request for transmission ability allocation.

10.4.2. The Shipper shall submit to the OSGT such request for allocation of ability (PZ) via the IES.

10.4.3. The OSGT shall process the request within fourteen (14) days from the date of its receipt. After processing the request for transmission ability allocation (PZ), the OSGT shall notify the Shipper of accepting or rejecting the request or call the Shipper to supplement it. In case of a failure to supplement the request according to the OSGT's call, the request shall be left unconsidered.

10.4.4. The information about the request being left unconsidered or the rejection of the request for transmission ability allocation (PZ) shall be communicated by the OSGT to the Shipper in writing and shall state the reason therefor.

10.4.5. If a request for transmission ability allocation (PZ) is rejected, the OSGT shall immediately notify the interested entity and the President of ERO in writing, indicating the reasons for refusal.

10.4.6. If the Shipper submits a request for transmission ability allocation (PZ) at the entry point $WPWE_{GG}$, at the entry point $WPWE_{PPG}$ -or the point of entry from the OTC market ($WPWE_{OTC}$), the OSGT shall allocate the requested transmission ability also for the exit point $WPWY_{GG}$, at the exit point $WPWY_{PPG}$ -or the exit point to the OTC market ($WPWE_{OTC}$).

10.4.7. If the Shipper submits a request for transmission ability allocation (PZ) at the exit point $WPWY_{GG}$, at the exit point $WPWY_{PPG}$-or exit point to the OTC market ($WPWY_{OTC}$), the OSGT shall allocate the requested transmission ability also for the entry point $WPWE_{GG}$, the entry point -$WPWE_{PPG}$ or the entry point from the OTC market ($WPWE_{OTC}$), respectively.

10.5. Conclusion of transmission ability allocation (PZ)

10.5.1. Conclusion of transmission ability allocation (PZ) occurs when the electronic document specifying the transmission ability (PZ) is published by the OSGT in the IES.

10.6. Changing the transmission ability allocation (PZ).

10.6.1. Change in the capacity allocation (PP) at physical entry or exit points leads to an automatic change in transmission ability allocation (PZ) at the corresponding points with a physical location.

10.6.2. Chang in the transmission ability allocation (PZ) occurs when the electronic document specifying the transmission ability (PZ) is published by the OSGT in the IES.

11. WORKS WITHIN THE SGT

11.1. Planning of works that affect the conditions of the operation of the SGT.

11.1.1. The OSGT, acting with due regard to the rights of the SGT Owner with respect to the SGT specified in the Entrustment Agreement, shall realize ~~manage, supervise, control~~ the maintenance, repair and operation of the SGT.

11.1.2. Subject to the conditions specified in the agreements, referred to in point 5.3, the OSGT shall coordinate the dates and duration of the planned interruptions or restrictions in the transmission of gaseous fuel with ~~the SGT Owner and~~ the ISOs to be affected by the restrictions resulting from the planned maintenance and modernization works within the SGT.

11.1.3. Subject to the conditions specified in the agreements referred to in point 5.3, the OSGT shall coordinate the scope and timing of any works planned within the interoperating transmission systems with ~~the SGT Owner and~~ the ISOs.

11.2. Notification of changes in the conditions of the operation of the SGT to Shippers.

11.2.1. By 25 December of given calendar year, the OSGT shall post an information on its website regarding the works planned for the calendar year, which may affect the conditions of the operation of the SGT leading to reduced gas transmission capacity. In such information, the OSGT shall incorporate the information provided in accordance with the provisions of point 11.1.3.

11.2.2. The OSGT shall notify the Shippers affected by the restrictions about the dates, duration and scope of such restrictions applying at entry or exit points at least forty-two (42) days prior to the date of planned works.

11.2.3. The Shipper shall be obliged to take account of the restrictions referred to in point 11.2.1and 11.2.2in its nominations.

PART II
BALANCING AND CONGESTION MANAGEMENT IN THE SGT

12. SUBMISSION OF TRANSMISSION CONTRACTS FOR EXECUTION

12.1. Nominations and re-nominations – general principles.

12.1.1. In performance of the contracts the Shipper shall nominate the quantities of gaseous fuel for transmission. The nominations may be amended under the re-nomination procedure. A re-nomination confirmed in accordance with the provisions of the Network Code shall be deemed to be a confirmed nomination.

12.1.2. The confirmed nomination (renomination) shall constitute the basis for allocation as well as for the settlement of within-day service made available in the overnomination procedure according to point 9.

12.1.3. All the quantities of gaseous fuel in the nominations and renominations shall be specified in the units of energy (kWh) in natural numbers.

12.1.4. Nominations shall be submitted with daily frequency. Daily nominations shall specify the quantity of gaseous fuel to be delivered for transmission or off-taken from the SGT on a given gas day, broken down by hour, for each entry point and exit point specified in the transmission ability allocation (PZ).

~~12.1.5. The level of the reductions referred to in point 12.1.9 may vary in each hour of the gas day, depending on the capacity of a given point available in a given hour.~~

~~12.1.6.~~12.1.5. PZPT and the Gas Exchange shall submit nominations or renominations for the Virtual Trading Point (i.e. for $WPWE_{PPG}$ and $WPWY_{PPG}$ or for $WPWE_{GG}$ and $WPWY_{GG}$, as appropriate) on behalf and in the name of the Shipper that executed a transaction in respect of the purchase or sale of gaseous fuel at the Virtual Trading Point. The nomination or re-nomination submitted by PZPT or the Gas Exchange shall stipulate the balance of the Shipper's transactions executed at the Virtual Trading Point. The nomination or re-nomination received from PZPT or the Gas Exchange is not subject to approval by OSGT. The nomination or renomination received from PZPT or the Gas Exchange shall be considered as confirmed by the OSGT.

~~12.1.7.~~12.1.6. The aggregated quantities of gaseous fuel sold by all Shippers, nominated at the Virtual Tading Point in respect of a gas day shall be equal to the aggregated quantities of gaseous fuel purchased by the Shippers in such gas day.

~~12.1.8.~~12.1.7. The Shippers that buy or sell gaseous fuel at the Virtual Trading Point at point $WPWE_{OTC}$ and $WPWY_{OTC}$ shall submit respective nominations or renominations in which they shall indicate the quantities or gaseous fuel to be delivered and taken at the Virtual Trading Point.

~~12.1.9.~~12.1.8. The quantities declared in the nominations/ renominations which result from transactions at the Virtual Trading Point should match each other. In case when the quantities for the respective Shipper pairs do not match, the nominated/ re-nominated quantity of gaseous fuel shall be deemed to be equal to the lower of the nomination/ re-nomination values compared for a given Shipper pair (the "lesser rule" principle). The information on the confirmation or rejection of the nomination/ renomination shall be communicated to the Shipper and should include information on the application of the lesser rule and on the quantities of gaseous fuel confirmed for delivery.

~~12.1.10.~~12.1.9. In case when the reduction of a nomination proves necessary ~~in connection with the use of interruptible capacity by the Shipper, due to the following reasons: a failure~~

~~to maintain the quality parameters of gaseous fuel specified in the SGT Network Code, the provision of the transmission service for products allocated on a firm basis, the maintenance and repairs of the transmission network, restrictions related to the supplying or supplied markets, the performance of public service obligations or as a result of capacity management measures taken under congestion management procedures, the~~ OSGT shall confirm reduced nominations. The Shipper shall have the right to re-nominate in accordance with the provisions of point 12.3.

~~12.1.11. Quantities of gaseous fuel specified in nominations for a given hour for the same Shipper – Shipper's counterparty code pairs for points identified by the same EIC code may only be specified in one direction.~~

12.1.10. The reduction referred to in point 12.1.9 may vary depending on the capacity (contracted capacity) available at a given point during a given hour.

12.1.11. To enable the matching of nominations and re-nominations in the interoperating systems by the OSGT, nominations and re-nominations submitted for entry and exit points shall clearly identify the quantities of gaseous fuel by entity off-taking or delivering gaseous fuel at a given entry/exit point to/from the SGT (counterparty of the Shipper).

12.1.12. The quantities of gaseous fuel reported in the nominations for a given hour for the same pair of Shipper-Shippers' Counterparty at points having the same EIC Code may be reported in one direction only.

12.1.13. The Shipper shall be responsible for providing information about the quantities of gaseous fuel set out in its nominations and renominations to the Interoperating System Operator (ISO) or to entities that deliver or off-take gaseous fuel to/from the SGT for the benefit of Shipper.

12.1.14. For the Point of Interconnection (PWP), the Shipper shall submit a single (combined) nomination to the OSGT, in accordance with the provisions of this SGT Network Code. A nomination confirmed by the OSGT in the SGT system shall constitute the basis for the performance of the transmission service (confirmed nomination) at the Point of Interconnection (PWP) in the KSP.

12.1.15. A change of the nomination (renomination) referred to in point 12.1.14 shall automatically result in the corresponding change of the nomination (re-nomination) for the Point of Interconnection in the KSP.

12.1.16. Nominations and renominations, as well as the information on their confirmation, shall be submitted in accordance with the procedures and on the terms and conditions set out in point16.

12.1.17. The OSGT shall be allowed to pass on the information on nominations and renominations to the ISOs and OPRs.

12.1.18. The hourly quantities of gaseous fuel specified in the nominations and re-nominations for a given entry or exit point must not exceed the capacity established for such entry or exit point in the transmission ability allocation to the Shipper, subject to point 12.1.19

12.1.19. In the case when the Shipper uses within-day ~~interruptible~~ gas transmission service on interruptible basis, including conditionally interruptible, at a given point, the hourly quantity of gaseous fuel specified in the Shipper's nomination for such point must

not exceed the current maximum capacity at that point (Q_{max}) published on the OSGT website. ~~technical capacity of the point~~.

12.1.20. The nominations and renominations should take into account the transition from summer time to winter time and from winter time to summer time. In such cases the gas day shall be longer or shorter by an hour, respectively.

12.1.21. Nominations and renominations submitted by the Shipper should take into consideration any restrictions and interruptions introduced in accordance with the provisions of the SGT Network Code and, with respect to the Point of Interconnection (PWP), also in accordance with the provisions the TNC.

12.1.22. Nominations submitted by Shippers for entry points or exit points located at interconnections between the SGT and interoperating systems should match the corresponding nominations in those systems.

12.1.23. Should the OSGT be informed by an Interoperating System Operator, also when under different a procedure than those specified in point 12.4, of the lack of the capability to transport the quantities of gaseous fuel specified in the nomination, the OSGT shall immediately inform the Shipper thereof. The Shipper shall adjust its nomination at the relevant point and submit a renomination to the OSGT within two (2) hours of the receipt of the above information.

12.1.24. The nomination/re-nomination by the Shipper for which interruptible transmission service, including conditionally interruptible, is provided may be confirmed subject to a reduction of the quantity of gaseous fuel specified by the Shipper in the nomination/renomination. The reduction shall be applied in accordance with the provisions of point 8.4.5 l 8.4.6.

12.1.25. The Shipper that has been advised by the OSGT of the approval of its nomination/renomination or its approval subject to the reduction of the quantity of gaseous fuel specified in such nomination/renomination, may be advised by the OSGT of a further reduction of the quantity of gaseous fuel under such nomination. Such further reduction of the quantity of gaseous fuel in the submitted nomination shall be applied when necessitated by nominations and renominations submitted by a Shipper ~~or SGT User's Order~~ that uses firm transmission service, including conditionally firm, or interruptible~~ed~~ service, including conditionally interruptible, with a longer implementation period.

12.1.26. The quantities of gaseous fuel specified in confirmed nominations for services provided on an interruptible basis, including conditionally interruptible, shall not be subject to further reduction, unless such reduction results from re-nominations by Shippers holding unused capacity under firm services, including conditionally firm, and subject to point 12.5 or interruptible~~ed~~ service, including conditionally interruptible~~ed~~, with a longer implementation period ~~or renomination of the SGT User's Order~~.

12.1.27. Subject to the provisions of point ~~1~~8.~~4~~3, in case of necessity to reduce the nomination or renomination due to maintenance works or due to an emergency situation:

12.1.27.1. in the first order nominations or renominations in terms of services provided on an interruptible basis, including conditionally interruptible, will be reduced, in accordance with the provisions of point 12.1.24,

12.1.27.2. in the second order nominations and renominations in terms of services provided on firm basis, including conditionally firm, with appropriate application of the provisions of point 8.4.6, will be reduced, starting from:

12.1.27.2.1 capacity under products with a shorter implementation period (i.e. within-day capacity will be reduced first, followed by daily, then monthly, quarterly and last yearly), and

12.1.27.2.2 in case of products with the same implementation period, the reduction takes place in proportion to the quantity of gaseous fuel specified in the nomination.

12.1.28. The provisions of point 12.1.27 the OSGT shall apply accordingly when it is necessary to reduce a nomination or renomination submitted for capacity on a conditionally firm or conditionally interruptible basis due to the failure to meet a condition specified in point 8.3.1 or 8.5.1.

12.2. Nomination process.

12.2.1. The Shipper shall submit nominations to the OSGT no later than by 14:00 hours on the gas day preceding the gas day the nomination relates to.

12.2.2. In case when the Shipper submits more than one nomination within the time limit specified in 12.2.1, the OSGT shall consider the last received nomination.

12.2.3. The OSGT shall notify the Shipper about the confirmation or rejection of the nomination by 16:00 hours on the gas day preceding the gas day the nomination relates to. In the case of rejecting the nomination, the OSGT shall state the reason for the rejection.

12.2.4. A nomination may be rejected due to:

12.2.4.1. a failure to conform to the requirements concerning its form, content or the method and time of its submission, as stipulated in the SGT Network Code,

12.2.4.2. the submission of the nomination by a non-authorised party,

12.2.4.3. overrun of the capacity specified in the transmission ability allocation (PZ) and in case of using the within-day product, the overrun of the technical capacity,

12.2.4.4. the Shipper's failure to take account of the transmission ability congestion at entry points or exit points notified by the OSTG~~, the SGT Owner,~~ or an ISO and preventing the performance of services in accordance with the nominations submitted by the Shipper.

12.2.5. In case when the Shipper fails to submit a nomination for the following gas day to the OSGT within the time limit specified in point 12.2.1, it shall be deemed that a nomination with the quantity of gaseous fuel equal to "0" (zero) has been confirmed for such Shipper with respect to the relevant point.

12.2.6. In the case of the nomination for the given point being rejected it shall be assumed that the quantity of gaseous fuel in the nomination confirmed for the Shipper for the relevant point shall amount to "0" (zero).

12.2.7. The OSGT has the right to adjust the nomination of a given Shipper when the quantity of gaseous fuel specified in this nomination exceeds the transmission ability possessed by

this Shipper at the given point, where, under the surrender procedure mentioned in~~15.3.10~~15.3.8, the capacity (contracted capacity) surrendered by this Shipper, was allocated by the OSGT to another Shipper. The OSGT shall advise the Shipper of the nomination adjustment.

12.2.8. The OSGT may change the nomination or renomination made by the Shipper in exceptional cases and in extraordinary situations when the safety and stability of the transmission system are clearly at risk. The OSGT shall inform the President of ERO each time it takes such measure.

12.3. Renomination process.

12.3.1. The provisions concerning nominations shall apply to renominations unless the SGT Network Code provides otherwise.

12.3.2. The Shipper, Gas Exchange and PZPT may renominate the hourly quantities of gaseous fuel specified in the nomination confirmed by the OSGT for a given gas day. Renominations may be submitted from 16:00 on the gas day before the gas day concerned by the renomination up to 3:00 on the gas day concerned by such renomination. A renomination of the hourly quantities of gaseous fuel may be submitted no later than two (2) hours before the first hour in which the change is to take effect.

12.3.3. The renomination review procedure for a given point shall commence at the top of every hour and shall last two (2) hours. The OSGT shall consider the last renomination that was received before the top of the hour.

12.3.4. The OSGT shall advise the renomination submitting entity whether the renomination has been accepted or rejected, and shall state the reasons for such rejection within two (2) hours from the commencement of a given re-nomination review procedure but no later than before the beginning of hour that the re-nomination concerns.

12.3.5. In the case of the OSGT rejecting the re-nomination, the last nomination (renomination) confirmed by the OSGT shall remain valid and binding for the Parties, subject to the restrictions and interruptions mentioned in point 12.1.21 and point 12.2.4.

12.3.6. Firm day-ahead "use-it-or-lose-it" mechanism.

12.3.6.1. . The OSGT applies the firm day-ahead "use-it-or-lose-it" mechanism at interconnection points, in which the President of ERO obliged the OSGT to apply the above mechanism on the basis of the report referred to in point 2.2.3. 1of Annex I to Regulation (EC) No. 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No. 1775/2005 (OJ L 211, 14.8.2009, p. 36).

12.3.6.2. The President of the ERO may decide to terminate the firm day-ahead "use-it-or-lose-it" mechanism, pursuant to point 2.2.3.2 of Annex I to Regulation (EC) No. 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No. 1775/2005 (OJ L 211, 14.8.2009, p. 36).

12.3.6.3. When it comes to entry and exit points at interconnections with transmission systems of other member states of the European and at PWP point, renomination is only permitted in the range of 10% to 90% of the transmission ability allocated on a firm basis for the Shipper. However, if the nomination exceeds 80% of this transmission

ability, then only half of the non-nominated amount may be renominated upwards. When it comes to the remaining allocated ability of the given Shipper, the renomination is treated as complex renomination for the interruptible capacity. If the nomination does not exceed 20% of the allocated transmission ability, then a half the nominated amount ma by renominated downwards.

12.3.6.4. Firm day-ahead "use-it-or-lose-it" mechanism does not apply to Shipper that fulfils all of the following conditions:

12.3.6.4.1 in the gas year preceding the year of renomination the Shipper was entitled to less than 10% of the average technical transmission ability at a given entry or exit point at interconnection with transmission systems of other countries being members of European Union or at PWP point the re-nomination applies to,

12.3.6.4.2 the Shipper is not a member of a capital group within the meaning of Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings, which in the gas year preceding the year of renomination, was entitled to at least 10% of the average technical ability at a given entry or exit point at interconnection with transmission systems of other countries which are EU Member States, or at the PWP point the renomination applies to.

12.4. Matching of nominations and re-nominations in interoperating systems

12.4.1. Nominations or renominations ~~submitted by~~of the Shippers for entry points or exit points located at interconnections between the SGT and interoperating systems should match the corresponding nominations in those systems.

12.4.2. If the process of nomination or renomination matching in interoperating systems reveals any divergence of the nominations or renominations, the OSGT shall apply the "lesser rule" principle, which means that the quantity of gaseous fuel according to the lower of the compared nominations shall apply in both systems.

12.4.3. In the situation referred to in point 12.4.2, the nomination specifying the quantities of gaseous fuel determined in accordance with the provisions of point 12.4.2, as applicable, shall be accepted by the OSGT as the confirmed nomination, and the OSGT shall notify Shipper thereof.

12.5. Emergency situations.

12.5.1. In the event of the occurrence of an emergency, a significant pressure drop of gaseous fuel in the SGT, or when the OSGT has been informed by the SGT Owner, an ISO or an OPR, under the procedure specified in point 12.4, or otherwise, about the incapacity to transport the quantities of gaseous fuel specified in a nomination, the OSGT shall immediately notify the Shipper thereof, and shall, at the same time, specify the level of nomination and the period for which the Shipper shall be required to adjust its nomination.

12.5.2. The Shipper shall adjust its nomination at the relevant point and, as appropriate, at other entry points or exit points and to submit a re-nomination to the OSGT within thirty (30) minutes of receiving the notification.

12.5.3. Thirty (30) minutes after the receipt of the re-nomination, the OSGT shall inform Shipper about any inconsistencies in the re-nomination that may constitute the basis for the rejection thereof in accordance with the provisions of point 12.2.4.

12.5.4. In case of receiving the information about inconsistencies in the re-nomination referred to in point 12.5.3, the Shipper shall deliver an adjusted re-nomination within fifteen (15) minutes.

12.5.5. The OSGT shall inform the Shipper about the approval of the re-nomination with the reduction of the quantities gaseous fuel specified by the Shipper in the re-nomination, or about the rejection of such re-nomination within one (1) hour of its receipt.

12.5.6. In applying the reduction referred to in point 12.5.5, the OSGT shall take into account the following order of product priority in respect of service performance according to point 12.1.27.

12.5.7. If the Shipper fails to submit a re-nomination in accordance with point 12.5.2, or to adjust the re-nomination in accordance with point 12.5.4, the OSGT shall determine the quantity of gaseous fuel to be transported for the benefit of such Shippers at particular points, and the so-determined quantity of gaseous fuel shall constitute a confirmed nomination. The OSGT shall provide the Shipper with the relevant information, in accordance with point 12.5.1.

13. ALLOCATION OF THE QUANTITIES OF GASEOUS FUEL

~~13.1. The allocation of the quantities of gaseous fuel delivered by Shipper at an entry point or off-taken by Shipper at an exit point shall match the quantities specified in the confirmed nomination.~~

~~The allocation for Shipper pursuant to the above-described conditions shall be made by the OSGT.~~

13.1. Allocations for entry points.

13.1.1. Allocations at individual PWE and PWP entry points shall be made by the OSGT.

13.1.2. Subject to point 13.3 the quantities of gaseous fuel received at each entry point shall be allocated to the individual Shippers ~~in~~ proportionally to the approved nominations by OSGT.

13.1.3 Subject to point 13.3, in the event that at a given entry point gaseous fuel is transferred for transmission by only one Shipper, the total quantity of gaseous fuel determined on the basis of measurement results for a given point shall be assigned to that Shipper.

13.1.4. Subject to point 13.3 the total quantities of gaseous fuel determined by measurement for a given entry point shall be allocated to individual Shippers in PWE, respectively, in proportion to their approved nominations, unless the Shippers using the point enter into an agreement with the OSGT specifying a different algorithm for the allocation of the total quantities of gaseous fuel determined by measurement.

13.1.5. In the process of allocating gas volumes for the virtual entry point ($WPWE_{GG}$, $WPWE_{PPG}$, $WPWE_{OTC}$), Shippers are assigned quantities of gaseous fuel corresponding to the volumes specified in approved nominations.

13.2. Allocations for exit points.

13.2.1. Allocations at individual PWY and PWP exit points shall be made by the OSGT.

13.2.2. The allocated quantities of gaseous fuel received by the Shipper at the exit point shall correspond to the quantities specified in the approved nomination.

13.3. The OSGT publishes on its website a list of points for which the allocated quantities of gaseous fuel introduced by the Shipper in the entry points or received by the Shipper in the exit points correspond to the quantities of gaseous fuel specified in the nominations approved for those points.

13.4. For the points referred to in point 13.3, the hourly quantities of gaseous fuel transferred by the Shipper for transmission or received from the system, respectively, shall be the quantities established in the approved nomination for these points.

14. BALANCING OF THE SGT

14.1. General conditions of balancing.

14.1.1. The OSGT shall perform physical balancing in order to ensure the safe performance of transmission contracts.

14.1.2. Commercial balancing shall be performed in order to settle the Shippers' imbalances arising under individual transmission contracts on the basis of the quantities of gaseous fuel assigned to the Shippers in accordance with the allocation principles described in point 13.

14.1.3. Shippers shall be obligated to balance their deliveries and off-takes from the SGT to minimize the necessity of taking the balancing actions by the OSGT.

14.1.4. As the part of the balancing function, the OSGT shall deliver to or off-take from Shippers the necessary quantities of gaseous fuel required to balance the difference between the quantity of gaseous fuel that has been delivered to the SGT and off-taken from the SGT.

14.1.5. The OSGT shall off-take gaseous fuel from or deliver gaseous fuel to the Shipper in case of an imbalance of the quantity of gaseous fuel delivered for the SGT to or off-taken from the SGT by the Shipper, to the extent of the capabilities available to the OSGT.

14.1.6. For the balancing purposes, the OSGT shall enter into buy and sell transactions in respect of gaseous fuel on the following trading platforms:

14.1.6.1. Towarowa Giełda Energii S.A.

14.1.6.2. another trading platform, according to the scope and timing specified in the decision of the President of ERO issued pursuant to NC BAL.

14.2. Balancing – detailed provisions.

14.2.1. In the situation where there is an imbalance in the quantity of gaseous fuel delivered for transmission and off-taken from the SGT, the OSGT shall take measures in order to stabilise the operation of the system.

14.2.2. In the event that the measures available to the OSGT are not sufficient to maintain stable operation of the SGT, the OSGT shall implement the procedures described in point 17.

14.2.3. The OSGT shall specify the daily imbalance amount for a given gas day as the difference between the quantity of gaseous fuel that the Shipper delivered at entry points and off-taken from the SGT at exit points on the basis of the allocation referred to in point 1.1.

14.2.4. Commercial balancing shall be performed by the OSGT after the end of the gas month, on the basis of the allocations referred to in point 1.1.

14.2.5. The OSGT shall carry out the commercial balancing procedure for each Shipper.

14.2.6. The Shipper's imbalance shall be expressed in the units of energy – kWh.

14.2.7. Providing information on imbalance status.

14.2.7.1. The OSGT will provide information to Shipper for the purpose of determining Shipper's imbalance status. The level of detail of the information provided will reflect the level of information available by the OSGT.

14.2.7.2. The OSGT shall determine for each Shipper the estimated value of the daily imbalance quantity (DIN).

14.2.7.3. The determination of the estimated imbalance quantity shall be based on the data obtained in the allocation process.

14.2.7.4. The estimated imbalance value shall be determined for the first four (4) hours of a given gas day and shall be communicated to the Shipper by 2:00 p.m. of the given gas day.

14.2.7.5. The estimated imbalance value shall be determined for the first eight (8) hours of a given gas day and shall be communicated to the Shipper by 6:00 p.m. of a given gas day.

14.2.7.6. The estimated imbalance value shall be determined for a given gas day within six (6) hours of the end of the gas day.

14.2.7.7. The information referred to in point 14.2.7.4, point 14.2.7.5 and in point 14.2.7.6, shall be made available to Shipper through the SWI IT system. This information is not billing data.

~~14.2.7.~~14.2.8. The volumes specified on the basis of the commercial balancing shall be included in the Commercial Report prepared by the OSGT.

14.3. Principles of settlements in respect of the imbalance.

14.3.1. The settlement in respect of balancing shall be made by the OSGT for each gas day upon the end of the gas month.

14.3.2. The OSGT shall make the settlement in respect of the imbalance of each Shipper, and such settlement shall consist in the recalculation of the DIN values for each day of the gas month.

14.3.3. The settlements with the Shipper shall be based on the quantities set out in the Commercial Report compiled by the OSGT.

14.3.4. The Commercial Report containing the data to be used as the basis for settlements in respect of the imbalance and congestion management shall be compiled by seventh (7^{th}) day of the month following the month such settlement relates to.

14.3.5. After each gas day, when the value of DIN is not zero and:

14.3.5.1. DIN < 0, the Shipper is obliged to pay the OSGT a charge for the gaseous fuel supplied by OSGT (OPM_D), defined as follows:

$$\mathbf{OPM_D = MOD(DIN) * KCK}$$

where:

OPM_D	Fee for the delivered gaseous fuel which is paid by the Shipper to the OSGT
KCK	marginal buy price [PLN/kWh]
MOD	absolute value
DIN	daily imbalance quantity [kWh]

14.3.5.2. DIN>0, the OSGT is obliged to pay the Shipper a charge for the gaseous fuel off-taken by OSGT (OPM_D), defined as follows:

$$\mathbf{OPM_P = (DIN) * KCS}$$

where:

OPM_P	Fee for the off-taken gaseous fuel which is paid by the OSGT to the Shipper
KCS	marginal sell price [PLN/kWh]
DIN	daily imbalance quantity [kWh]

14.4. Charge related to financial neutrality of balancing.

14.4.1. In accordance with the decision of the President of ERO referred to in point 7.3, a charge related to financial neutrality of balancing shall be credited to the Shipper or charged from the Shipper by the OSGT. The charge is determined in accordance with the provisions of the mechanism ensuring the financial neutrality of the OSGT balancing actions.

14.4.2. In case when the value of the charge related to financial neutrality of balancing is negative, the Shipper shall issue an invoice in respect of the charge.

14.4.3. In case when the value of the charge related to financial neutrality of balancing is positive, the Shipper shall make the payment to the OSGT based on an invoice issued by the OSGT.

14.4.4. The charge related to financial neutrality of balancing is settled only with the Shipper who had the status of Shipper in the period to which the settlement applies.

14.4.5. The charge related to financial neutrality of balancing and the SNF rate shall be established in each settlement period.

14.4.6. The mechanism for ensuring the cost neutrality of the balancing measures of OSGT approved by a decision of the President of ERO, which defines the method of calculation of the charge related to financial neutrality of balancing and determines the rate of the charge, shall be published by the OSGT on its website.

15. SYSTEM CONGESTION MANAGEMENT

15.1. Reasons for the occurrence of system congestion.

15.1.1. Technical congestion may occur in the SGT in connection with:

15.1.1.1. technical congestion of the network or system facilities,

15.1.1.2. need to maintain minimum pressure at entry or exit points to/from the SGT,

15.1.1.3. need to maintain stable quality parameters of the gaseous fuel in the SGT,

15.1.1.4. works carried out within the SGT or in other interoperating systems,

15.1.1.5. occurrence of an emergency situation.

15.1.2. Contractual congestion may occur in the SGT in connection with:

15.1.2.1. underutilisation of the capacity contracted by the Shipper,

15.1.2.2. limited technical capacity.

15.1.3. The charges for transmission services provided in case of contractual congestion (restrictions on interruptible capacity) shall be adjusted in accordance with the provisions of the SGT Tariff.

15.2. Measures taken by the OSGT to eliminate the potential occurrence of system congestion.

15.2.1. At the stage of reviewing requests to provide transmission services, the OSGT shall assess the capabilities for the execution of new capacity allocations (PP) and transmission ability allocations (PZ) such that they do not undermine the level of security of supply or quality of gaseous fuel delivered to the existing Shippers.

15.2.2. In case when the capabilities exist for the performance of transmission services, the OSGT shall offer the available transmission capacity in accordance with the provisions of the Network Code.

15.2.3. In case of the lack of the capability to provide a firm transmission service, the OSGT shall offer an interruptible transmission service, to the extent it is possible.

15.2.4. In order to prevent the occurrence of congestion the OSGT shall work together with ~~the SGT Owner and~~ the operators of interoperating systems.

15.2.5. Furthermore, the OSGT shall take the following measures with a view to preventing the occurrence of system congestion:

15.2.5.1. ~~manage and oversee~~performs the maintenance and operation of the SGT and control its operation so as to reduce the probability of the occurrence of congestion,

15.2.5.2. monitor technical and quality parameters of the transported gaseous fuel,

15.2.5.3. ~~approve~~ applies operating procedures applicable in the event of the occurrence of an emergency situation in the SGT, ~~as prepared by the SGT Owner,~~

15.2.5.4. charge an auction margin,

15.2.5.5. apply congestion management mechanisms in case of contractual congestion referred to in point 12.3.6, point 15.3.3, point ~~15.3.5~~15.3.4, point ~~15.3.10~~15.3.8, according to the provisions of Annex I to Regulation of the European Parliament and the Council (EC) No 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005.

15.3. System congestion management in case of contractual congestion.

15.3.1. The OSGT shall regularly assess the use of reserved capacity (contracted capacity) taking into account the currently provided transmission services . The purpose of such analysis is to prevent capacity blocking in the SGT and the occurrence of contractual congestion. The OSGT shall advise the President of ERO of the underutilisation of reserved contracted capacity by ~~System Users~~the Shipper in case when the circumstances set forth in point 15.3.3.1 and point 15.3.3.2 apply.

15.3.2. In case of the occurrence of contractual congestion that prevents the execution of capacity allocations (PP) and transmission ability allocations (PZ), the OSGT shall take efforts in order to mitigate such congestion and enable the execution of a capacity allocation (PP) and transmission ability allocation (PZ) at least on an interruptible basis.

15.3.3. If, during the review of an application for capacity allocation it is revealed that no transmission capacity is available, and contracted but unused capacity exists, the OSGT shall present an appropriate declaration to the Shipper following the obligation by the President of ERO to withdraw, in part or in full, the capacity allocation at a given entry or exit point, when:

15.3.3.1. the Shipper systematically underutilises the allocated capacity and transmission ability, i.e. uses less than on average 80 % of the capacity (contracted capacity) and transmission ability allocated to him, both in the period from 1 April until 30 September and in the period from 1 October until 31 March, when the effective term of the capacity allocation (PP) and transmission ability allocation (PZ) has been longer than one gas year, and such situation cannot be reasonably justified, and

15.3.3.2. the Shipper has failed to sell or release the unused capacity (contracted capacity) and transmission ability on reasonable terms, and specifically in accordance with the procedure set out in point ~~15.3.10~~15.3.8, and other Shippers are seeking access to capacity (contracted capacity) and transmission ability at such point on a firm basis, and the Shipper fails to justify the underutilisation of capacity in a satisfactory manner, in particular by evoking the following reasons:

15.3.3.2.1 the necessity to conform to legal requirements in respect of security of supply,

15.3.3.2.2 a failure of the SGT or an interoperating system,

15.3.3.2.3 an extraordinary event on the part of a customer,

15.3.3.2.4 a force majeure.

~~15.3.4. The capacity allocation through an auction.~~

~~15.3.4.1. The right to participate in the auction shall be available to Shippers that fulfil the following conditions:~~

~~15.3.4.1.1 have an existing Transmission Contract,~~

~~15.3.4.1.2 have registered on the platform indicated by the OSGT on the OSGT's website and obtained access to the platform two (2) days before the auction.~~

~~15.3.4.2. If the sum of the capacity resulting from binding bids of all the Shippers is lower or equal to the capacity offered in the first bidding round, the OSGT shall close the auction and the value of the auction margin shall be equal to "0" (zero).~~

~~15.3.4.3. After closing the auction, the OSGT shall publish its final outcome, including the aggregated allocated capacity, auction margin and the capacity available for the next auction. Individual data shall only be disclosed to the parties concerned, by electronic means and without unnecessary delay. The OSGT shall make the capacity allocation in accordance with the result of such an auction.~~

~~15.3.5.~~15.3.4. Oversubscription and buyback mechanisms.

~~15.3.5.1.~~15.3.4.1. The OSGT shall publish on its website www.gaz-system.pl, by 12:00 hours (noon) on the gas day, information on additional firm capacity to be made available for the following gas day in each entry point and exit point, taking into account the technical conditions, expected offtakes from the SGT and capacities in the adjacent transmission systems.

~~15.3.5.2.~~15.3.4.2. In case when, during the performance of transmission contracts, it is necessary to reduce the firm capacity made available under point 15.3.4.1, the OSGT shall apply the capacity buyback mechanism described below with respect to the Shippers.

~~15.3.5.3.~~15.3.4.3. The buyback shall take place in an auction procedure according to the rules of the relevant Auction Platform which should be drafted taking into account the principles set out in point 15.3.4.6 and be published on the OSGT's website. The auction to be used in the buyback procedure shall be carried out in accordance with the principles of a uniform-price auction within the meaning of the NC CAM, save that the bids shall be ordered from the lowest one rather than from the highest one.

~~15.3.5.4.~~15.3.4.4. The participation in the auction shall be open to any Shipper that holds firm capacity at the point concerned by the buyback procedure.

~~15.3.5.5.~~15.3.4.5. The OSGT shall inform the Shippers referred to in point 15.3.4.4 about launching the buyback procedure in the form of an auction at least thirty (30)minutes prior to the beginning of the auction:

~~15.3.5.6.~~15.3.4.6. Auction principles:

~~15.3.5.6.1~~15.3.4.6.1 the right to participate in the auction as an auction participant shall be available to the Shippers referred to in point 15.3.4.4, provided that they obtained a login and password for the OSGT's internet platform in accordance with point 8.8.11,

~~15.3.5.6.2~~15.3.4.6.2 the participation in the auction shall be anonymous, and in the course of the auction and the identity of the auction participant shall be known exclusively to the OSGT,

~~15.3.5.6.3~~15.3.4.6.3 each auction shall comprise one bidding round only and last for thirty (30) minutes,

~~15.3.5.6.4~~15.3.4.6.4 the bid of the auction participant may be placed, revised or withdrawn at any time during the bidding round; the bid shall be deemed binding until it is modified or removed,

~~15.3.5.6.5~~15.3.4.6.5 in the bid, the auction participant shall indicate the following:

~~15.3.5.6.5.1~~15.3.4.6.5.1 the identity of the auction participant,

~~15.3.5.6.5.2~~15.3.4.6.5.2 the entry or exit point for which the bid is placed,

~~15.3.5.6.5.3~~15.3.4.6.5.3 the capacity offered, which shall not exceed the firm capacity held by the auction participant, to the extent it is used in a confirmed nomination for the period concerned by the buyback procedure,

~~15.3.5.6.5.4~~15.3.4.6.5.4 the price, specified taking into account the provisions of point 15.3.4.6.7.

~~15.3.5.6.6~~15.3.4.6.6 The bid of the auction participant shall be deemed binding provided that it meets all the requirements set forth in point 15.3.4.6.5.

~~15.3.5.6.7~~15.3.4.6.7 The maximum price at which capacity buyback may be offered by the auction participant shall not exceed ten times (10) of the fixed charge applicable to services for one gas day, as specified in the SGT's Tariff.

~~15.3.5.6.8~~15.3.4.6.8 The capacity buyback under the auction procedure shall be made at the lowest price offered to the OSGT.

~~15.3.5.6.9~~15.3.4.6.9 The OSGT may accept the bid of the auction participant in part only.

~~15.3.5.6.10~~15.3.4.6.10 The final result of the auction shall be published by the OSGT within thirty (30) minutes of its closing. Individual data shall only be disclosed to the parties concerned, by electronic means and without unnecessary delay.

~~15.3.5.6.11~~15.3.4.6.11 In case when, as a result of the auction referred to in point15.3.4.3, the OSGT does not obtain sufficient capacity (contracted capacity) that is required to perform the transmission service in the SGT according to confirmed Shippers' nominations for a specific point for a given gas day, the OSGT, subject to appropriate discount at the rate set out in SGT Tariff, shall reduce the capacity allocation in respect of firm capacity held by Shippers. The reduction referred to above shall be done from the products with the shortest time of execution to the products with the longest time of execution, in case of products of the same time of execution prorated according to the hourly quantities of gaseous fuel in the confirmed Shippers' nominations for the period concerned by such reduction.

~~15.3.5.6.12~~15.3.4.6.12 As a result of the buyback procedure, the OSGT shall reduce, as appropriate, the confirmed nominations of the parties whose bid was accepted, or those referred to in point 15.3.4.6.11. The provisions of point ~~11~~2.1.10 12.1.9 shall apply accordingly.

~~15.3.5.6.13~~15.3.4.6.13 The reduction of the compensation due to the buyback of the Shipper's capacity (contracted capacity) under the procedure referred to in point 15.3.4.3 shall be reflected in the invoice issued to the Shipper for the performance of the Transmission Contract, in the form of appropriate discount.

~~15.3.5.6.14~~15.3.4.6.14 The method of determining the amount of additional capacity offered under the oversubscription mechanism shall be agreed by the OSGT with the President of ERO.

~~15.3.6.~~15.3.5. The Shipper may sublet the capacity (contracted capacity) and transmission ability.

~~15.3.7.~~15.3.6. In case of capacity (contracted capacity) sublet, the subletting Shipper shall remain a party to the capacity allocation (PP) and transmission ability allocation (PZ) under the relationship with the OSGT.

~~15.3.8.~~15.3.7. The Shipper may sell the capacity (contracted capacity) on the internet platform indicated by the OSGT in accordance with the regulations of this platform.

~~15.3.8.1.~~15.3.7.1. In case of resale of capacity (contracted capacity) all rights and obligations (including OZO) arising from the allocation of capacity and ability (PP / PZ) are transferred to the purchaser of the capacity (contracted capacity).

~~15.3.8.2.~~15.3.7.2. In case of resale of capacity (contracted capacity) on related terms, the Shipper is obliged to resell this capacity (contracted capacity) simultaneously on both sides of the point, to the same Shipper, with the provision that:

~~15.3.8.2.1~~15.3.7.2.1 the OSGT, in consultation with the OSW, shall confirm whether the Shipper, for whose benefit the resale of capacity (contracted capacity) is to be made on the basis of related rules, meets the formal requirements set out in the OSGT or OSW network codes necessary to conclude a Transmission Contract with it in the scope of resold capacity (contracted capacity) on related terms,

~~15.3.8.2.2~~15.3.7.2.2 in case the OSGT or OSW state that the Shipper, for whose benefit the resale of capacity (contracted capacity) is to be made on the basis of related principles, does not meet the formal requirements referred to in point 15.3.7.2.1 the operators will not agree to resale.

~~15.3.9. In case of resale of capacity and transmission ability to an entity other than a Shipper, the procedures described point 15.3.8 shall apply following the execution of a Transmission Contract by the transferee in accordance with the provisions of point 7.~~

~~15.3.10.~~15.3.8. Surrendering of the allocated firm capacity (contracted capacity) and transmission ability by the Shipper.

~~15.3.10.1.~~15.3.8.1. The Shipper may surrender the allocated capacity (contracted capacity) on a secondary market platform, following the rules of such platform.

~~15.3.10.2.~~15.3.8.2. If the Shipper surrenders the capacity (contracted capacity) allocated on a bundled basis, the Shipper must surrender the capacity in both transmission systems.

~~15.3.10.3.~~15.3.8.3. The Shipper shall be obliged to pay the OSGT the auction margin due for the settlement periods covered by the capacity product being surrendered by the

Shipper, based on an invoice issued by the OSGT, payable within fourteen (14) days from the invoice date, under the pain of rejecting the declaration of surrendering the capacity (contracted capacity).

~~15.3.10.4.~~15.3.8.4. The Shipper shall retain its rights and obligations under the capacity allocation (PP) and transmission ability allocation (PZ) until the capacity and transmission ability being surrendered by the Shipper is re-allocated by the OSGT to another Shipper and to the extent that it is not re-allocated by the OSGT. The contracted capacity referred to in point ~~15.3.10~~ 15.3.8 ~~and point 15.3.11~~ shall be made available in the order at which the Shippers ~~and the SGT Users~~ present their complete declarations on surrendering the capacity.

~~15.3.10.5. The capacity (contracted capacity) and transmission ability allocation, referred to in point 15.3.10 shall be made available according to the order of the submission of complete declarations of surrender by the Shippers.~~

~~15.3.10.6.~~15.3.8.5. The capacity (contracted capacity) and transmission ability allocation being surrendered by the Shipper shall be allocated only once the OSGT has allocated the entire transmission capacity available up to date~~available prior to the capacity surrendering by the Shipper~~. The OSGT does not offer capacity (contracted capacity) that has been surrendered by the Network User pursuant to Section 19.7, under the products for a single gas day period.

~~15.3.10.7.~~15.3.8.6. The OSGT shall advise the Shipper forthwith about the re-allocation of the capacity (contracted capacity) and transmission ability surrendered by such Shipper, making available in the IES the changed capacity allocation (PP), reflecting the changes related to the surrendering by this Shipper, and the changed capacity allocation (PP) for other Shippers.

~~15.3.10.8.~~15.3.8.7. In case when the capacity and transmission ability referred to in point 15.3.8.6 is re-allocated by the OSGT, the Shipper that surrendered capacity and transmission ability shall pay charges for transmission services in respect of the capacity and transmission ability that has not been surrendered by the Shipper concerned, according to the terms applicable to the originally purchased product.

~~15.3.11.~~15.3.9. ~~Surrendering of contracted capacity by the SGT User.~~

~~15.3.11.1. In case of the SGT User's intention to surrender contracted capacity, the SGT User shall present a declaration of surrender to the SGT Owner. The SGT Owner shall immediately offer the contracted capacity, which is being surrendered, to the OSGT.~~

~~15.3.11.2. The SGT User shall retain its rights and obligations under its contract for provision of gas transmission service with the SGT Owner as long as the contracted capacity being surrendered by the SGT User is allocated by the OSGT to another Shipper, and to the extent that it is not allocated by the OSGT.~~

~~15.3.11.3. The SGT User shall retain in full its rights and obligations under its contract for provision of gas transmission service with the SGT Owner after the lapse of the period for which the contracted capacity was surrendered under point 15.3.11.~~

~~15.3.11.4. The contracted capacity referred to in point 15.3.11 shall be made available in the order at which the SGT Users submitted their complete declarations on surrendering the capacity.~~

~~15.3.11.5. The contracted capacity being surrendered by the SGT User shall allocated only once the OSGT has allocated the entire available transmission capacity.~~

~~15.3.11.6. The provisions of point 15.3.10 shall apply accordingly.~~

15.4. Congestion management in case of the imbalance of the deliveries and off-takes of gaseous fuel.

15.4.1. In situations when the Shipper's imbalance leads to the inability to maintain integrity of the SGT, the OSGT may introduce restrictions on the Shippers who have caused the situation of the shortfall or the excess of gaseous fuel in the SGT. In such case, the OSGT shall advise Shippers of the starting date of the restrictions and their duration, as well as of the maximum hourly and daily capabilities for the delivery of gaseous fuel for transmission or its off-take from the SGT at the specified entry and exit points. In case when the OSGT informs about the restrictions in the performance of the gas transmission service, the Shipper shall be required, within thirty (30) minutes of receiving such information, to submit a re-nomination to the OSGT, which shall reflect the restrictions introduced at the respective point and, as appropriate, at other points. The provisions of point 12.5 shall apply accordingly.

15.4.2. The restrictions introduced pursuant to point 15.4 shall be implemented by the Shipper according to the information provided by the OSGT pursuant to point 12.5.7.

15.4.3. The costs of the restrictions in the quantities of gaseous fuel, as well as the restoration of the transmission of the contracted quantities of gaseous fuel are borne by the Shipper. Throughout the period of the restriction, the OSGT shall be entitled to a charge as determined in accordance with the applicable SGT Tariff.

15.4.4. In case when the measures available to the OSGT are not sufficient to maintain the stable operation of the SGT, the OSGT shall initiate the procedures referred to in point 17.

15.5. Congestion management in case of the failure to maintain the quality parameters of the gaseous fuel and the minimum pressure.

15.5.1. In case when the quality parameters of the gaseous fuel specified in physical point 3.4.1.1 are not observed at the entry points, the OSGT may introduce restrictions on the receipt of gaseous fuel for transmission at the physical entry points and off-take at the physical exit points with respect to the Shipper on whose part the circumstances resulting in such a situation have arisen.

15.5.2. When enforcing the restrictions referred to in point 15.5.1, the OSGT shall advise Shippers of the starting date of the restrictions and their duration, as well as of the maximum hourly and daily capabilities for the delivery of gaseous fuel for transmission or its off-take from the SGT at the specified physical entry and exit points. In case when the OSGT informs about the restriction or complete interruption of the gas transmission service, the Shipper shall be required, within thirty (30) minutes of receiving such information, to adjust the nomination at the physical point concerned and to submit a re-nomination to the OSGT. The provisions of point 12.5 shall apply accordingly.

15.5.3. In case when the Shipper fails to observe the restriction, the OSGT may stop accepting gaseous fuel to the SGT or enforce the provisions of 12.5.7.

15.5.4. Additional charges shall be imposed if the gaseous fuel delivered for transmission into the SGT at the entry point does not conform to the quality parameters specified in the following table.

Gaseous fuel quality characteristics	Unit of measure	Acceptable value X_{SJNmax}
Hydrogen sulphide content	mg/m^3	7.0
Total sulphur content	mg/m^3	40.0

15.5.5. If the Shipper delivers gaseous fuel for transmission at an physical entry point, and such gaseous fuel does not satisfy at least one of the quality parameters specified in point 15.5.4, the OSGT shall be entitled to charge a fee from the Shipper for each of the quality parameters in point 15.5.4 that is off-spec, and such fee shall be calculated according to the following formula:

$$\mathbf{O_{NSJW} = IGI * 0.2 * CRG * (X_{SJW} - X_{SJNmax}) / X_{SJNmax}}$$

where:

- O_{NSJW} - charge for an off-spec quality parameter [PLN],
- I_{GI} - daily quantity of gaseous fuel with off-spec value of a given quality parameter, as delivered for transmission at the physical entry point [kWh],
- CRG - Reference Gas Price [PLN/kWh],
- X_{SJNmax} - acceptable value of a given quality parameter specified in point15.5.4 [mg/m^3]
- X_{SJW} - daily average value of a given quality parameter of gaseous fuel delivered for transmission at the physical entry point [mg/m^3]

15.5.6. The parties shall ensure an adequate level of water dew-point of the gaseous fuel delivered for transmission at physical entry points or delivered for off-take at physical exit points from the SGT, which shall not exceed – 8 °C under a pressure of 3.92 MPa.

15.5.7. In the event when the gaseous fuel delivered to the SGT at the physical entry point is off-spec with regard to the parameters specified in point 15.5.6, the OSGT shall be entitled to a charge from the Shipper in the amount calculated according to the following formula:

$$\mathbf{O_{NSTW} = I_{GI} * 0.0004\ 1 * CRG * (X_{STW} - X_{STNmax}) / MOD(X_{STNmax})}$$

where:

- O_{NSTW} - charge for an off-spec water dew point parameter [PLN]
- I_{GI} - daily quantity of gaseous fuel with off-spec value of the water dew point parameter [kWh],
- CRG - Reference Gas Price, [PLN/kWh]
- MOD - Absolute value

X_{STNmax} - the highest admissible value of the water dew point temperature [^{O}C]

X_{STW} - daily average value of the water dew point temperature of gaseous fuel delivered for transmission at the physical entry point [^{o}C]

15.5.8. The OSGT shall be entitled to charge a fee from the Shipper, which shall be calculated in accordance with the formula set out in point 15.5.5 or point 15.5.7 in respect of each of the quality parameters referred to in point 15.5.4 or point 15.5.6. The charge shall be calculated individually for each of the off-spec quality parameters.

15.5.9. In the event of any reservations regarding the quality of gaseous fuel transported, the Shipper or the OSGT may demand that such quality is analysed at an independent research laboratory that has accreditation of a certifying unit obtained in accordance with the applicable legal regulations. The cost of the tests shall be borne by the party challenging the quality of gas, unless the result of such test confirms that the reservations were justified, in which case the cost of the test shall be borne by the other party.

15.5.10. The parties shall be required, in the event of assessing the capacity of transporting gaseous fuel of an inadequate quality, to immediately inform the other party of the possibility of the occurrence of such a situation.

15.5.11. In case when the Shipper fails to maintain, at the physical entry point, the quality parameters of gaseous fuel set out in point 3.4.1.1, the quality parameters of gaseous fuel at the physical exit points shall not be worse than the quality parameters of the gaseous fuel delivered to the SGT at the physical entry point. The Shipper shall not refuse to off-take gaseous fuel from the SGT if its parameters are not worse than the parameters of the gaseous fuel delivered by the Shipper to the SGT.

15.5.12. In case when the gaseous fuel delivered to the SGT does not conform to the quality parameters set forth in point 3.4.1.1 and the ISO refuses to accept off-spec gaseous fuel, the OSGT shall have the right to restrict the delivery of gaseous fuel.

15.5.13. In the circumstance referred to in point 15.5.12, the Shipper shall cover the cost of removing the off-spec gaseous fuel from the SGT.

15.5.14. In case of Shipper's failure to comply with the gas pressure level at the physical entry point Kondratki, when the OSGT does not refuse to accept such fuel to SGT in accordance with point 3.4.2.2 the Shipper shall cover the additional costs of gaseous fuel compression related to failure to comply with the pressure level specified in points 3.4.2.1 in proportion to the quantities delivered at the entry point concerned by that Shipper according to following formula:

$$O_S = I_{GP} \cdot A_i \cdot CRG$$

where:

O_S - Underpressure fee [PLN]

I_{GP} - Daily amount of gaseous fuel injected by the Shipper at the entry point when the minimum pressure value is not met, [kWh]

A_i - Factor depending on the 24-hour average pressure at the entry point

CRG - Gas Reference Price, [PLN/kWh].

Daily average pressure range [MPa]		A_i
Equal or higher then	Lower then	
4.9	5.1	0.3432
5.1	5.3	0.2634
5.3	5.5	0.1995
5.5	5.7	0.1197
5.7	5.9	0.0718
5.9	6.1	0.0319

16. EXCHANGE INFORMATION RELATED TO PRESENTATION OF CONTRACTS FOR EXECUTION, BALANCING AND SYSTEM CONGESTION MANAGEMENT

16.1. General provisions.

16.1.1. Information concerning the provision of the transmission service shall be exchanged between the OSGT and the Shippers, ~~SGT Owner and~~ the OPR by the means of the Information Exchange System (IES). The Shipper shall be informed about the change of the data status in the IES by email.

16.1.2. Detailed information concerning the access to the IES, its operation, content and functionality shall be described in the user manual available at the OSGT's website.

16.1.3. The electronic exchange of information related to the performance of transmission contracts shall be based on the electronic document interchange standard EDIG@S and its version described on the OSGT's website.

16.1.4. The description of file formats shall be published on the OSGT's website. The information on the modification of the requirements applicable to the files to be transferred shall be announced on the website at list six months in advance.

16.2. Method of information exchange.

16.2.1. The interchange of the files referred to in point 16.1.3 shall take place using ~~ICT connections~~ the AS4 protocol.

16.3. Responsibility for the content of data transferred

16.3.1. The responsibility for the form and content of the information of the documents rests with the party sending the document.

16.4. Information to be provided by the OSGT.

16.4.1. The OSGT shall publish the full wording of the SGT Network Code on its website, which shall set forth the standard terms and conditions specifying the Shipper's rights and obligations.

16.4.2. The OSGT shall notify the Shipper and the ISO, as appropriate, of any events that may affect the provided gas transmission service, or the operation of interoperating systems, including any changes in the timing of work and the timing of previously unscheduled work through the publication of information on the OSGT's website, including the publication on the GIIP of Urgent Market Messages.

16.4.3. The OSGT shall publish, on its website, information on the transmission capacity available at entry and exit points in the current and the following gas day.

16.4.4. The OSGT shall advise the ISO of nominations and re-nominations received from Shippers ~~and SGT Users' Orders~~ in order to confirm the possibility of performing them in the interoperating system.

16.4.5. The OSGT shall make the following operative (estimated) data covering the first four (4) hours of a given gas day (6 a.m. – 10 a.m.) available to Shipper electronically via the SWI by 2 p.m. of a given gas day:

16.4.5.1. the quantities of gaseous fuel transferred and received in the individual entry and exit points,

~~16.4.3.1.~~16.4.5.2. imbalanced in the first four hours of the gas day.

16.4.6. The OSGT shall make the following operative (estimated) data available to Shipper, electronically via SWI by 6 p.m. of a given gas day, covering the first eight (8) hours of a given gas day (6 a.m. – 2 p.m.):

16.4.6.1. the quantities of gaseous fuel transferred and received in the individual entry and exit points,

16.4.6.2. imbalanced in the first eight (8) hours of the gas day.

16.4.7. The OSGT shall make the following operative (estimated) data for the previous gas day available to Shipper, electronically via the SWI by 12 p.m. noon of the next gas day:

16.4.7.1. the quantities of gaseous fuel transferred and received in the individual entry and exit points,

16.4.7.2. daily imbalance.

~~16.4.4.~~16.4.8. The OSGT shall send to the Shipper, by the seventh (7th) day of the following month, the following billing data concerning a given gas month:

~~16.4.4.1.~~16.4.8.1. daily quantities of gaseous fuel delivered and off-taken at individual entry and exit points;

~~16.4.4.2.~~16.4.8.2. daily imbalance for particular gas days,

~~16.4.4.3.~~16.4.8.3. aggregated quantities of gaseous fuel delivered to and off-taken at entry and exit points for each gas day in the gas month.

~~16.4.5.~~16.4.9. The information referred to in points from 16.4.3 to 16.4.~~5~~ 8 shall be provided in the formats specified by the OSGT.

~~16.4.6. The OSGT shall provide the SGT Owner with aggregated information required for billing under the contracts with SGT Users by the second (2nd) business day of the month following the month such billing relates to and information about aggregated imbalance quantity.~~

16.5. Information to be delivered by the Shipper~~, SGT User and the SGT Owner~~.

16.5.1. The Shippers shall deliver the following information to the OSGT:

16.5.1.1. nominations and re-nominations of the quantity of gaseous fuel in accordance with the provisions of point 12,

16.5.1.2. information on any disruptions on the part of the Shipper's suppliers, or within an interoperating system, which could affect the operating conditions of the SGT, including reasons for such disruptions, their expected duration, reduction of capacity at the points of interconnection with the SGT, off-spec parameters that do not conform to contractual conditions, and the confirmation of adjusted nominations arising from such disruptions,

16.5.1.3. information on entities being the owners of gaseous fuel quantities introduced in a given gas month at the entry points to the SGT from outside the territory of the Republic of Poland or of-taken in a given gas month at exit points from the SGT outside the territory of the Republic of Poland, including the assignment of the appropriate quantities – within seven (7) days from providing the Commercial Report for a given gas month, the abovementioned information is provided in the form indicated by OSGT on the OSGT website.

~~16.5.2. The SGT Owner shall deliver the following information to the OSGT for entry and exist points to/from the SGT, by the fifth (5) business day of the following month:~~

~~16.5.2.1. measurement data, including daily and monthly quantities of gaseous fuel delivered for transmission and the daily average delivery pressure, except for points for which the OSGT acts as the OPR,~~

~~16.5.2.2. daily average gross calorific value of gaseous fuel, daily average net calorific value, daily average content for total sulphur, hydrogen sulphide and water dew point, as well as other data, as agreed, which are required by the OSGT for the purposes of Shipper billing.~~

~~16.5.3. The SGT User's Orders are provided to the OSGT.~~

~~16.5.4. The SGT Owner provides the OSGT with the data of people authorised by the SGT User, and SGT Owner to provide the OSGT with information on the implementation of contracts for the provision of transmission services concluded with the SGT Owner.~~

~~16.5.5. The information referred to in point 16.5.2 and 16.5.4 shall be provided in the formats agreed between the OSGT and the SGT Owner.~~

17. PROCEDURES APPLICABLE IN EMERGENCY SITUATIONS

17.1. Emergency situation in the SGT.

17.1.1. In the event of the occurrence of an emergency situation resulting in a threat to the safety of the SGT operation, the OSGT, ~~acting in cooperation with the SGT Owner,~~ shall take immediate action to eliminate the emergency situation and restore the correct operation of the SGT.

17.1.2. In the event of the occurrence of an emergency situation resulting in a shortage of gaseous fuel in the SGT, the OSGT shall undertake measures aimed at stabilising the operation of the system.

17.1.3. The OSGT shall immediately inform the Shippers ~~, SGT Users~~ and interoperating system operators about the occurrence of an emergency situation that may affect the operation of their facilities, installations or networks and, in particular, about the expected duration and scope of the restrictions in the transmission of gaseous fuel.

17.1.4. In case of an emergency situation, the OSGT shall not accept gaseous fuel for transmission or shall not deliver gaseous fuel to an exit point, if this could result in a threat to the safety of the operation of the SGT, or human health or lives or the environment, or cause damage to property.

17.1.5. In an emergency situation, the Shipper shall be obliged to cooperate with the OSGT as required.

17.1.6. The respective personnel of the parties authorised to act as contact persons in case of an emergency situation shall be indicated in the Transmission Contract.

17.2. Emergency situation in an interoperating system.

17.2.1. In case of an emergency situation that has occurred in the installation of a Shipper's ~~or SGT User's~~ customer or supplier, or an interoperating system, which is likely to result in restrictions in the delivery of gaseous fuel for transmission or its off-take, the Shipper ~~or SGT User respectively~~, shall be required to immediately notify the OSGT thereof and specify the expected duration and scope of restrictions.

17.2.2. The respective personnel of the parties authorised to act as contacts in case of an emergency situation shall be indicated in the Transmission Contract.

17.2.3. In the event of an emergency situation or maintenance work within the network of an ISO, transmission service for the benefit of the ISO shall be charged for in accordance with the applicable principles set out in the SGT Tariff.

17.3 The mobilisation of the compulsory stocks of natural gas.

17.3.1 According to the TNC, in case of mobilisation of the compulsory stocks of natural gas according to the Stockpiling Act, the obligation to supply natural gas constituting a compulsory stock held by the Shipper outside the territory of the Republic of Poland shall be fulfilled by submitting nominations for SGT Mallnow ~~reverse~~ entry point and PWP exit point, with hourly value corresponding to at least one nine hundred sixty (1/960) parts of the compulsory stock, under the pain of recognition that the compulsory stock was not delivered to the territory of the Republic of Poland.

17.3.2. The OSGT notifies the President of ERO about the fact of using the transmission capacity reserved for the supply of total mandatory natural gas stocks maintained outside the territory of the Republic of Poland for other purposes, i.e. in the situation when the daily amount of natural gas allocated to a given Shipper at the SGT Mallnow entry point and the exit point of the PWP is greater than the sum of allocated capacities in all hours of a given gas day decreased by the capacity reserved for the supply of total mandatory natural gas stocks maintained outside the territory of the Republic of Poland.

17.3.3. The notification referred to in point 17.3.3 ~~art 24a point 4 of the Stockpiling Act~~, shall be made by the OSGT based on daily quantities specified in the Commercial Report within seven (7) days of the date establishing the final data in the Commercial Report.

18. IMPLEMENTING PROVISIONS

18.1. The provisions of point 6.1.2, point 12.3.6, point 15.3.1, point 15.3.3, point ~~15.3.5~~15.3.4 and point ~~15.3.10~~ 15.3.8 ~~and point 15.3.11~~ shall not be applied to the Kondratki entry point.

18.2. In case of inability to verify compatibility of nominations and renominations submitted for Kondratki entry point in the interoperating system the provisions of point 12.4 shall not apply.

~~18.1. When determining the available capacity for the Kondratki point the OSGT shall take into account the provisions of the Entrustment Agreement.~~

~~18.2. Until the completion of the SGT Users' contracts referred to in point 2.6, in case of necessity to reduce the nomination or renomination of SGT User's Orders due to maintenance works or due to an emergency situation:~~

~~18.2.1. in the first order nominations or renominations in terms of services provided on an interruptible basis will be reduced by the OSGT, in accordance with the provisions of point 12.1.24,~~

~~18.2.2. in the second order nominations and renominations in terms of services provided on firm basis will be reduced by the OSGT, starting from:~~

~~18.2.2.1. capacity under products with a shorter implementation period (i.e. within-day capacity will be reduced first, followed by daily, then monthly, quarterly and last yearly), and~~

~~18.2.2.2. in case of products with the same implementation period, the reduction takes place in proportion to the quantity of gaseous fuel specified in the nomination.~~

~~18.2.3. in the third order the SGT Users' Orders will be reduced.~~

~~Until the completion of the SGT Users' contracts referred to in point 2.6, in case of Shipper's failure to comply with the gas pressure level at the physical entry point Kondratki, when the OSGT does not refuse to accept such fuel to SGT in accordance with point 3.4.2.2 the Shipper shall cover the additional costs of gaseous fuel compression related to failure to comply with the pressure level specified in points 3.4.2.1 in proportion to the quantities delivered at the entry point concerned by that Shipper according to following formula:~~

$$O_S = I_{GP} \cdot A_i \cdot CRG$$

~~where:~~

- ~~O_S – Charge for off-spec pressure level [PLN]~~
- ~~I_{GP} – daily quantity of gaseous fuel delivered for transmission at the physical entry point with pressure lower then specified minimum value [kWh],~~
- ~~A_i Coefficient depends on value of pressure daily average at the entry point~~
- ~~CRG – Reference Gas Price [PLN/kWh]~~

~~Scope of pressure daily average [MPa]~~		~~A_i~~
~~Equal or higher then~~	~~Lower then~~	
~~4,9~~	~~5,1~~	~~0,3432~~
~~5,1~~	~~5,3~~	~~0,2634~~
~~5,3~~	~~5,5~~	~~0,1995~~
~~5,5~~	~~5,7~~	~~0,1197~~
~~5,7~~	~~5,9~~	~~0,0718~~
~~5,9~~	~~6,1~~	~~0,0319~~

18.3. Until the first transaction is concluded on the RDB_{SGT}, the TGEsgtDA index is taken as the $CSRB_{SGT}$. If TGEsgtDA index equals 0, the CSRB for the high-methane gas E type for a given gas day in accordance with the provisions of the Transmission Network Code (TNC) is taken as $CSRB_{SGT}$.

18.4. Due to the lack of the exit point to the final customer, the regulations on fall-back supply within the meaning of the Energy Law are not applicable in the SGT.

18.5. The OSGT is entitled to change the type of transmission service provided at a physical entry / exit point during the gas year, from firm capacity to conditionally firm capacity or from interruptible capacity to conditionally interrupted capacity. This shall result in a corresponding change in the type of transmission service allocated to the Shipper for a given point, without affecting the duration of the capacity product allocated to the Shipper. Once the capacity allocation (PP) is provided to the Shipper in the IES including the aforesaid change, it shall be deemed that the OSGT and the Shipper have effectively amended the capacity allocation (PP) to the extent specified by the OSGT. The information shall be deemed delivered at the moment when relevant documents are made available in an electronic form in the IES.