



Technical Terms and Conditions of Access and Connection to Underground Natural Gas Storage Facility Láb 4 and Rules of Operation Thereof

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PART 1 GENERAL PROVISIONS

Article 1 General Provisions

- (1.1) POZAGAS, a. s. (hereinafter referred to as “POZAGAS”), is the owner and operator of Underground Natural Gas Storage Facility Láb 4 (hereinafter also referred to as “POZAGAS Storage Facility”).
- (1.2) POZAGAS provides reliable, safe and efficient operation of the POZAGAS Storage Facility with due consideration of development of the storage facility and equally transparent and non-discrimination access of gas market participants to the services provided by POZAGAS in line with the conditions set for in the Rules of Operation.
- (1.3) POZAGAS has elaborated this document under the title “Technical Terms and Conditions of Access and Connection to Underground Natural Gas Storage Facility Láb 4 and of Operation Thereof (hereinafter referred to as the “Technical Terms and Conditions”) because applicable laws impose such obligation on POZAGAS.
- (1.4) The Technical Terms and Conditions constitute conditions under which POZAGAS enables access to POZAGAS Storage Facility and provides Gas storage services defined in the Rules of Operation.
- (1.5) Provisions of these Technical Terms and Conditions shall be binding upon POZAGAS and all of the Gas market participants.
- (1.6) Technical Terms and Conditions represents inseparable part of the Gas Storage Contract concluded in line with the Rules of Operation as well as Contract on Network Interconnection and contract on connection.

Article 2 Definition of Terms

- (2.1) Terms with capital letters used in these Technical Terms and Conditions, application for connection, application for interconnection, contract on connection, Contract on Network Interconnection, in correspondence and during communication with a Customer and a Connected Network Operator, Interconnected Network Operator and with an applicant which were not defined in the Rules of Operation shall have the meaning assigned to them herein below:
 1. “**Storage Facility Dispatching Centre**” – the workplace to perform the continuous dispatching service of POZAGAS, in which they implement a Customer’s requests for injection, and/or withdrawal of gas to/from the Storage Facility, for injection, and/or withdrawal of gas to/from the connected storage facility and the requests for operations related thereto. This workplace is equipped with technical and communication means necessary for provision of dispatching service in accordance with these Technical Terms and Conditions, as well as Gas Storage Contracts and Contracts on Network Interconnection.

2. **“Dispatching Centre of Interconnected Network”** – the workplace to perform the continuous Interconnected Network Operator’s dispatching service. This workplace is equipped with technical and communication means necessary for provision, in particular, for management of interconnected network and for exchange of the data necessary.
3. **“Measurement Point”** – the point, where the measurements of specified Gas parameters (in particular the flow rate, pressure, temperature, composition, dew points) are carried out for purposes of commercial reconciliation between POZAGAS, Customers and/or the relevant Interconnected Network Operator, which use such measurement point.
4. **“Point of Connection”** – the point, where the Interconnected Network Operator’s equipment is physically connected to the POZAGAS Storage Facility equipment, and/or where such networks are interconnected. For avoidance of any doubts, term “Point of Connection” and “Point of Interconnection” used in these Technical Terms and Conditions shall have identical meaning.
5. **“MPa”** – a multiple of basic pressure unit, i.e. 1,000,000 Pa. Such designated pressure shall mean overpressure, i.e. absolute pressure reduced by barometric pressure.
6. **“MPa abs.”** - a multiple of basic pressure unit, i.e. 1,000,000 Pa. Such designated pressure shall mean absolute pressure, i.e. overpressure increased by barometric pressure.
7. **“Interconnected Network Operator”** – operator of MAB system, to which the POZAGAS Storage Facility is connected or the operator of a storage facility to which the POZAGAS Storage Facility is connected or the operator of a distribution network to which the POZAGAS Storage Facility is connected.
8. **“Rules of Operation”** – shall mean the valid document “Rules of Operation of POZAGAS” stipulating general commercial terms and conditions for access to the storage facility UNGSF Láb 4 and its utilization”.
9. **“Contract on Network Interconnection”** – a contract entered into by and between POZAGAS and the Interconnected Network Operator, with which the POZAGAS Storage Facility is physically interconnected. Contract on Network Interconnection shall be concluded after network connection to the POZAGAS Storage Facility.

Article 3

Gas Quality Parameters, Gas Pressure and Measurement

- (3.1) Gas quality parameters, pressure levels and Gas measurement rules at entry into/exit from the POZAGAS Storage Facility in relevant Points of Connection accepted by the Interconnected Network Operator are subject of the Contract on Network Interconnection.
- (3.2) Measurement of Gas volume including measurements of Gas temperature, measurement of Gas quality, measurement of the dew point of water in Gas and the dew point of hydrocarbons in Gas and Gas pressure, for commercial purposes shall meet metrological regulations applicable in the Slovak Republic. Meters shall be subject to examination and certification by the state metrology service, namely the Slovak Institute of Metrology (SMÚ). Measurement method of Gas volume and quality and checks of measurement facilities is defined in relevant Contract on Network Interconnection.
- (3.3) POZAGAS shall be entitled to refuse Gas flowing into Storage Facility from interconnected network in case such Gas does not comply with Gas quality parameters, resp. pressure levels according to ANNEX 1 of these Technical Terms and Conditions. In such case, the rules for limitation or interruption according to Article 7 of these Technical Terms and Conditions shall apply accordingly.

Article 4

Technical and Communication Criteria

- (4.1) A Customer and each Gas market participant that is connected to the POZAGAS Storage Facility shall provide for the following functional means of technical and communication nature in continuous operation, intended for communication with the Storage Facility Dispatching Centre, related in particular to Nominations, Renominations, and management of a Gas physical flow:
- a) access to the Internet with an active and secure email box (preferred system of written communication),
 - b) devices intended for telephone connection by having minimum of two (2) independent lines, where one shall be the main line, the other ones the reserve ones,
 - c) a device for sending out and receiving facsimile messages, with an activated fax line, to provide for written communication between the Parties.
- (4.2) Communication between the Storage Facility Dispatching Centre and a Customer by way of a telephone connection shall be used if and when such communication is sufficient, or if connection by way of e-mail, the internet or facsimile line is not possible due to a failure. In such a case the Storage Facility Dispatching Centre and a Customer shall promptly confirm a telephone message in writing by using technical-communication means under Section 4.1 (a) or (c) of these Technical Terms and Conditions.

- (4.3) The Parties shall inform each other forthwith on valid e-mail addresses, telephone and facsimile numbers, authorized persons for communication pursuant to Section 4.1 of these Technical Terms and Conditions.
- (4.4) POZAGAS reserves the right to change technical-communication means if technical development requires so. However, reasonable data transfer security must be ensured.

Article 5

Technical and Operational Limitations of POZAGAS Storage Facility

- (5.1) Technical limitations on the POZAGAS Storage Facility at the relevant Measurement Point are the following:
- a) the maximum operating pressure value for the Entry–Exit (Handing-over and Acceptance) Point Transmission Network Slovak Republic amounts to 5.5 MPa,
 - b) the maximum operating pressure value for the Exit (Handing-over and Acceptance) Point Distribution Network Slovak Republic amounts to 3.9 MPa,
 - c) the minimum operating pressure value for the Entry-Exit (Handing–over and Acceptance) Point Virtual Trading Point Austria amounts to 5.0 MPa abs. and the maximum operating pressure value amounts to 7.1 MPa abs.
- (5.2) Pressure of Gas coming from connected networks at the Points of Connection shall not exceed the lower of the values of maximum operating pressure of interconnected networks' equipment.
- (5.3) Technical minimum of facilities of POZAGAS Storage Facility at the Entry-Exit (Handing-over and Acceptance) Points is following: 40,000 Sm³/hour at injection, or 20,000 Sm³/hour at withdrawal.
- (5.4) Further limiting conditions, if any, shall be agreed by and between contractual partners in the Contract on Network Interconnection and/or the Gas Storage Contract.
- (5.5) The minimum operating pressures, maximum operating pressures and quantities of Gas for particular units of equipment shall be specified by POZAGAS based on the relevant technical possibilities determined by an authorized manufacturer of equipment, and the applicable regulations and standards effective in the Slovak Republic, and geological and operating potential of the POZAGAS Storage Facility.
- (5.6) Other operating limitations are defined in the Rules of Operation.

PART 2

CONDITIONS OF STORAGE SERVICES UTILIZATION

Article 6

Nominations, Renominations and Allocations (dispatching management)

- (6.1) POZAGAS, Customer and relevant Connected Network Operator or Interconnected Network Operator shall exchange with each other all necessary information, documents

- and instructions in connection with injection and withdrawal. POZAGAS for these purposes shall assign code to Customer so called shipper code.
- (6.2) A Customer sends to the Storage Facility Dispatching Centre its Nominations in the format of daily Nomination for injection and/or withdrawal of Gas for the next Gas Day no later than:
- a) by 15:00 of the given Gas Day for Entry-Exit (Handing-over and Acceptance) Point Transmission Network Slovak Republic and Exit (Handing-over and Acceptance) Point Distribution Network Slovak Republic,
 - b) by 14:00 of the given Gas Day for Entry-Exit (Handing-over and Acceptance) Point Virtual Trading Point Austria.
- (6.3) A Customer shall submit Nominations along with a breakdown of hourly flow rates and an indication of whether the request is for a fixed or interruptible service. Should the Customer fail to include in the Nomination an hourly breakdown of flow rates, POZAGAS shall allocate to the Nomination an hourly flow rate determined as a ratio of a “daily flow rate/24 h (a sum of nominated hourly flow rates representing a daily flow rate)”. A Customer shall be entitled to nominate a variable hourly flow rate during a Gas Day, however such an hourly flow rate must not exceed the maximum hourly flow rate for the given Gas Day specified as the maximum daily flow rate for the given Gas Day/24, unless the Gas Storage Contract provides otherwise.
- (6.4) A Nomination from a Customer refers to required level of Injection Flow Rate, and/or Withdrawal Flow Rate, and the specification of the Entry-Exit (Handing-over and Acceptance) Point.
- (6.5) Unless the Gas Storage Contract provides otherwise, a Customer shall be entitled to change his Nominations for the Gas Day on the basis of Renominations submitted to Storage Facility Dispatching Centre as follows:
- a) from 15:00 of the immediately preceding Gas Day to 20:00 of the given Gas Day in case of utilisation of Entry-Exit (Handing-over and Acceptance) Point Distribution Network Slovak Republic,
 - b) from 15:00 of the immediately preceding Gas Day to 3:00 of the given Gas Day in case of utilisation of Entry-Exit (Handing-over and Acceptance) Point Transmission Network Slovak Republic,
 - c) from 14:00 of the immediately preceding Gas Day to 3:00 of the given Gas Day in case of utilisation of Entry-Exit (Handing-over and Acceptance) Point Virtual Trading Point Austria,
- (6.6) Sections 6.3 a 6.4 applies also to the Renominations.
- (6.7) Customer shall nominate Gas injection and/or withdrawal using the energy unit - MWh.
- (6.8) POZAGAS shall be entitled to reject a Renomination delivered by a Customer to the

Storage Facility Dispatching Centre after deadline specified for delivery of Renominations.

- (6.9) A Customer shall nominate an Injection Flow Rate or a Withdrawal Flow Rate in a way corresponding to nominations for the dispatching centre of connected network based on the Gas Storage Contract concluded. If this is not the case, a Customer's Nomination/Renomination of Customer shall be adjusted by POZAGAS based on rule of acceptance of lower nominated value ("lesser rule").
- (6.10) Following the compliance check of Nomination/ Renomination with the Gas Storage Contract, the Rules of Operation, and these Technical Terms and Conditions, the Storage Facility Dispatching Centre shall send out a confirmation of the Nomination/Renomination. In case of any discrepancy, the Storage Facility Dispatching Centre shall adjust a Nomination/Renomination to make it compliant with the documents specified, stating the reason for adjustment. Confirmation of a Nomination/Renomination or of adjusted Nomination/Renomination shall be sent out by the Storage Facility Dispatching Centre, unless specified otherwise in the Gas Storage Contract, within following terms:
- a) confirmation of a Nomination submitted according to Section 6.2 shall be sent by Storage Facility Dispatching Centre by 18:00 of the given Gas Day for following Gas Day,
 - b) confirmation of a Renomination submitted by 20:00 of the preceding Gas Day shall be sent by Storage Facility Dispatching Centre by 22:00; Storage Facility Dispatching Centre shall commence to fulfil such Renominations starting at 6:00 of the Gas Day they relate to,
 - c) confirmation of a Renomination submitted between 20:00 and 4:00 of the preceding Gas Day shall be sent by Storage Facility Dispatching Centre by two (2) hours after completion of the full hour within such Renomination's receipt; Storage Facility Dispatching Centre shall commence to fulfil such Renominations starting at 6:00 of the Gas Day they relate to,
 - d) confirmation of a Renomination submitted between 4:00 of the preceding Gas Day and 3:00 of the given Gas day shall be sent by Storage Facility Dispatching Centre by two (2) hours from the hour within such Renomination's receipt. Storage Facility Dispatching Centre shall commence to fulfil such Renominations two (2) hours after completion of the full hour within such Renomination's receipt.
- (6.11) In case of an emergency caused by a Customer, which cannot be solved in cooperation with relevant Operator of Interconnected Network and which results in a change of requests' fulfilment of affected Customers, POZAGAS shall be entitled to propose an alternative program for all affected Customers. The alternative program POZAGAS shall propose in such way it is closest to an original program of all affected Customers for the given Gas Day. Specification of the alternative program cannot be deemed to be a breach of POZAGAS' obligations from the Gas Storage Contract. Concerned Customer shall give its statement to such proposed program within one (1) hour. If the affected Customer fails to give its statement within such period, POZAGAS shall understand that the affected Customer agrees with the proposed program.

- (6.12) Templates of forms of Nominations and Renominations are listed in ANNEX 2 of these Technical Terms and Conditions. A Customer may also choose format of forms other than listed in ANNEX 2 upon agreement with POZAGAS, however, it must comply with the documents contents that are binding on all Customers.
- (6.13) After the end of a Gas Day POZAGAS shall send to the Customer daily overview of Gas quantities injected to or withdrawn from the Storage Facility, on initial and final status of the stored Gas by the Customer in the Storage Facility and on default volumes for a respective Gas Day.
- (6.14) POZAGAS accepts and hands over to the Customer the Gas quantities requested by a Customer based on allocation mechanism:

Gas quantity which POZAGAS has confirmed to store or hand over, i.e. quantity of gas nominated and confirmed shall be considered as injected or withdrawn and a discrepancy, i.e. the actually measured quantity of Gas, shall be treated between POZAGAS and the respective Interconnected Network Operator using operational balancing account (OBA).

POZAGAS informs on its website on a currently applicable allocation mechanism for the relevant Entry – Exit (Handing-over and Acceptance) Point.

Article 7

Reasons for Interruption or Limitation of Gas Storage due from the Technical Point of View

- (7.1) Technical reasons for interruption or limitation of Gas storage are based on the Rules of Operation, hereinafter there are additional technical reasons, for which unscheduled interruption or limitation of storage shall be possible.
- (7.2) POZAGAS shall have the right of interrupting or limiting storage for an affected Customer, if these Technical Terms and Conditions, the Rules of Operation, Gas Storage Contract are not fulfilled by the Customer or Contract on Network Interconnection is not fulfilled by the Interconnected Network Operator.
- (7.3) If storage must be interrupted or limited, POZAGAS shall preferentially limit or interrupt provision of individual interruptible services allocated based on Nominations and/or Renominations and thereafter interruptible Flow Rates allocated based on Gas Storage Contract. If even a complete interruption of provision of interruptible flow rates is not sufficient with respect to overall potential of the POZAGAS Storage Facility, POZAGAS shall limit or interrupt provision of fixed flow rates to a necessary extent.
- (7.4) If a reduction and/or interruption of operation had taken place due to technical reasons on the part of operators of connected Gas Equipment or of the Interconnected Network Operators at the Entry-Exit (Handing-over and Acceptance) Points, POZAGAS shall have the right of interrupting the storage or to limit the latter up to the degree necessary.

- (7.5) If the terms and conditions of interoperability of gas equipment at the Entry-Exit (Handing-over and Acceptance) Points are not adhered to, POZAGAS shall have the right of interrupting or limiting injection or withdrawal at given point within the scope necessary, proportionally to Nominations/Renominations from affected Customers whose Gas is being transported by the equipment in question.
- (7.6) If any failure is identified on the POZAGAS Storage Facility Equipment, for remedy of which it would be necessary to shut-down a part or the whole POZAGAS Storage Facility (such a failure shall be understood, including but not limited to, Gas leakages identified at main pipelines, failures of measuring equipment, long-term interruption of electric power supply to the POZAGAS Storage Facility, serious failure of the POZAGAS Storage Facility control system or any part thereof), POZAGAS shall interrupt or limit the storage, within the scope necessary.
- (7.7) If an accident has happened at the POZAGAS Storage Facility, POZAGAS shall have the right of interrupting or limiting the storage, within the scope necessary over the period of liquidation of the accident and the consequences thereof.
- (7.8) Respecting the Section 7.3 of these Technical terms and Conditions in case of interruption and/or limitation of injection and/or withdrawal, POZAGAS shall apply following rules:
- a) while providing the interruptible services allocated based on the Nomination/Renomination, the interruption and/or limitation of concerned Customers applied shall use the ratio of currently available injection and/or withdrawal flow rates to sum of initially confirmed injection and/or withdrawal flow rates,
 - b) while providing the interruptible services allocated based on the Gas Storage Contract, the interruption and/or limitation of concerned Customers applied shall use the decrease of the maximum contractual rights in ratio of decreased total availability of interruptible and/or firm flow rates during the interruption and/or limitation period to initially available sum of interruptible and/or firm injection and/or withdrawal flow rates.

PART 3

ENSURING THE OPERABILITY OF STORAGE FACILITY

Article 8

Existing connections and points of interconnection

- (8.1) The following are connected, as of the date of publication of these Technical Terms and Conditions:
- a) Storage facility of operator of connected storage,
 - b) a distribution network of Slovak Republic,
 - c) MAB System.

Article 9

Procedural principles of planning and implementation of gas equipment reconstruction and repair

- (9.1) During planned repairs and reconstructions of the POZAGAS Storage Facility equipment POZAGAS shall proceed in a fashion, where the works, which would have, as a consequence, limitation or interruption of storage, if possible, at the time of scheduled Shutdowns.
- (9.2) If POZAGAS plans to perform reconstruction or repair at a Point of Connection, it shall send to the Interconnected Network Operator concerned an appropriate part of documents describing project design or technological procedure, based on which the reconstruction or repair is to be carried out not later than thirty (30) calendar days prior to planned commencement of works.
- (9.3) POZAGAS shall include in project collection documents or in technological procedure of reconstruction or repairs the measures aimed at elimination or reduction of risk, if requested to do so by the Interconnected Network Operator concerned.
- (9.4) POZAGAS shall allow the Interconnected Network Operator concerned to perform technical supervision at this Interconnected Network Operator's own cost, at the Point of Connection during preparation and implementation of reconstruction or repairs, if the Interconnected Network Operator concerned assesses the works as posing risk for its equipment and if asks to have the possibility of performing technical supervision.
- (9.5) If the reconstruction or repair at the Point of connection cannot be implemented according to the documents describing project design or technological procedure, and if it is not possible to interrupt the reconstruction or repair until these documents are modified, POZAGAS shall propose to the Interconnected Network Operator concerned an alternative procedure, which shall not be refused by technical supervision staff of the Interconnected Network Operator concerned or by its authorized representative, without any reasons.
- (9.6) POZAGAS shall notify the Interconnected Network Operators concerned of the commencement and completion of reconstruction works or repairs at the Point of Connection.
- (9.7) If reconstruction works, repairs or maintenance works (e.g. gas pipeline cleaning, internal pipeline inspection), which may affect the continuity of Gas injection and/or withdrawal into the Storage Facility, must be performed on the Storage Facility equipment in the period off the Shutdowns, POZAGAS must notify the Customers concerned of such works and exert maximum efforts to minimize such influence.

Article 10

Procedural Principles during Accidents, Breakdowns, and Elimination of Consequences Thereof

- (10.1) While identifying and eliminating any breakdowns, POZAGAS shall proceed in accordance with internal bylaws and the applicable legislation in effect in the Slovak Republic. Elimination of breakdowns shall be implemented, as a matter of priority, in a way not limiting and/or interrupting the storage.
- (10.2) In case the elimination of a breakdown would require limitation or interruption of storage, POZAGAS shall proceed pursuant to these Technical Terms and Conditions and the Rules of Operation.
- (10.3) During accidents and elimination of consequences thereof POZAGAS shall proceed in line with its emergency plans and other applicable legal regulations in effect in the Slovak Republic. If the situation requires limitation or interruption of storage, POZAGAS shall proceed pursuant to these Technical Terms and Conditions and the Rules of Operation.
- (10.4) If the emergency situation might endanger any of the Points of Connection, POZAGAS shall separate forthwith the POZAGAS Storage Facility equipment from the equipment of the Interconnected Network Operators concerned.
- (10.5) If any handling is necessary with equipment at the Points of Connection, the Storage Facility Dispatching Centre shall invite the Dispatching Centre of Interconnected Network to provide the necessary assistance.
- (10.6) If such assistance cannot be provided and if the situation requires, POZAGAS shall be entitled to close its shutdown valves and to report this fact to the Interconnected Network Operator concerned.
- (10.7) In case any breakdown or emergency occurs on equipment of the Interconnected Network Operator, POZAGAS shall provide the necessary assistance, in the range of its possibilities, to the operator concerned. After such an event is reported, the Storage Facility Dispatching Centre shall provide for implementation of the steps necessary, as a matter of rule for separation of a part of equipment of the Interconnected Network Operator concerned from the POZAGAS Storage Facility equipment, re-routing of Gas flows, adjustment of the flow rate or pressure, provided the POZAGAS Storage Facility equipment allows to do so.
- (10.8) If the operator concerned has closed its shut down valves at the Point of Connection or Interconnection without assistance of POZAGAS, such operator shall notify the Storage Facility Dispatching Centre of this fact.

Article 11 Duties of Dispatching Control

- (11.1) The Storage Facility Dispatching Centre shall fulfil, in particular, the following duties:
- a) provision for continuous supervision of the POZAGAS Storage Facility operation,

- b) management of Gas flows, including proposing an alternative program of fulfilment of Customers' requirements, in case of need,
 - c) reception of Nominations and Renominations,
 - d) check of compliance of Nominations and Renominations with provisions of Gas Storage Contracts, the Rules of Operation, Technical Terms and Conditions and Contract on Network Interconnection,
 - e) communication with the Dispatching Centre of Interconnected Network and with Customers, for the purpose of safe operation of interconnected and connected network and fulfilment of requirements from Customers,
 - f) operational management of any situations, including non-standard situations within the POZAGAS Storage Facility, either directly or through a contractual partner, each time in co-operation with Dispatching Centres of Interconnected Networks (e.g. gas pipeline cleaning, internal gas pipeline inspection),
 - g) reports on breakdowns of the Storage Facility equipment,
 - h) alerting operational personnel at the workplaces of POZAGAS on the announced regulation levels of Gas or electric power consumption,
 - i) duties following from internal safety regulations and guidelines of POZAGAS,
 - j) calling up for help and employees concerned, as stated in emergency plan of POZAGAS.
- (11.2) The purpose of the POZAGAS Storage Facility management is to provide for distribution of Gas flows taking into consideration geological and reservoir characteristics of the POZAGAS Storage Facility in such a way that Gas is stored in required gas volume at given time up to the sum of all required Working Gas Volumes, allocated by POZAGAS to individual Customers according to the Rules of Operation and the Gas Storage Contracts.
- (11.3) Dispatching control of the POZAGAS Storage Facility shall be implemented by communication between the Storage Facility Dispatching Centre and dispatching centre of provider of servicing activities at the POZAGAS Storage Facility as well as by dispatching centres of individual gas centres of the Storage Facility. Dispatching centre of a gas centre shall manage operation of the POZAGAS Storage Facility using a control system in automated or manual mode.
- (11.4) The Storage Facility Dispatching Centre shall manage Gas flows in accordance with internal guidelines in a manner, facilitating recovery after accidents and minimizing the limitation of storage services.
- (11.5) If necessary, the Storage Facility Dispatching Centre shall call for co-operation from the Interconnected Network Operator.
- (11.6) Only those units of equipment shall be left in operational state which could be shut down in any manner in case of threat of emergency situation on the unit of equipment concerned.
- (11.7) If the state of emergency in the gas sector is declared by relevant state authority, POZAGAS shall proceed in line with the instructions given by the Slovak gas dispatching and in line with valid and effective regulation in Slovak republic during the state of emergency was declared and lasts.

- (11.8) During recovery efforts during an emergency situation on equipment of connected network, which is directly related to operation of the POZAGAS Storage Facility, the Storage Facility Dispatching Centre shall follow the instructions issued by the Dispatching Centre of Interconnected Network and manage the POZAGAS Storage Facility in a manner preventing any risk to operation safety of both the POZAGAS Storage Facility equipment and the equipment of interconnected network.

Article 12

Principles of Co-operation between POZAGAS and Interconnected Network Operators

- (12.1) POZAGAS and the Interconnected Network Operators shall co-operate, in particular within the following range:
- a) sharing information on Nominations and Renominations and the scope of approval thereof,
 - b) sharing information for operation purposes in interconnected networks,
 - c) physical management of flows and utilization of OBA account,
 - d) co-ordination of reconstruction works, repairs and maintenance at the Points of Connection,
 - e) management of interconnected networks during emergency situations and accidents, aimed at minimization of the threat to safety of operation and to persons,
 - f) communication in cases of limitation or interruption of contractually agreed services.
- (12.2) Cooperation principles and mutual rights and obligations of POZAGAS and relevant Interconnected Network Operator are included in the Contract on Network Interconnection. The subject of the Contract on Network Interconnection shall be mainly:
- a) Description of Point of Interconnection between POZAGAS Storage Facility and relevant Interconnected Network;
 - b) Data on operational parameters at the Points of Interconnection mainly:
 - ba) minimal required pressure at entry points to the POZAGAS Storage Facility,
 - bb) maximal provided pressure at exit points from the POZAGAS Storage Facility,
 - bc) maximal operational pressure,
 - bd) minimal and maximal accepted temperature,
 - be) minimal and/or maximal Gas flow for each Point of Interconnection,
 - bf) method of protection of POZAGAS and Interconnected Network Operator equipment at the Point of Interconnection, if the scope of operational parameters does not comply;
 - c) Principles of equipment operability at Points of Interconnection mainly:
 - ca) monitoring of equipment including technical measures dedicated to the monitoring and information exchange on equipment status between two parties,
 - cb) rules for manipulation with the equipment,
 - cc) rules, time and process of technical status of equipment checks,
 - cd) rules for planning and realization of reconstruction of equipment,

- ce) rules for provision of service of gas quality and pressure adjustment, if technically feasible;
- d) Rules for Gas quality and volume measurement mainly:
 - da) description of equipment used for Gas volume and quality parameters measurement,
 - db) requirements on measurement equipment for measurement of Gas volume and quality parameters,
 - dc) identification of measured values and intervals of their measurement,
 - dd) setting of accepted Gas quality parameters,
 - de) method of evaluation of measured data,
 - df) scope and method of information exchange of measured data and their evaluation between parties,
 - dg) rules for operation and measurement equipment checks,
 - dh) procedure in case of breakdown or damage of measurement equipment,
 - di) method of Gas volumes settlement, which measured volume and qualitative parameters are out of agreed limits;
- e) Principles of cooperation between POZAGAS and Interconnected Network Operator, mainly:
 - ea) communication rules,
 - eb) mutual exchange of information about Nominations/Renominations of Customers, their confirmation, rejection or adjustment of volumes,
 - ec) rules for flow management and Gas allocation,
 - ed) rules for settlement of differences between allocated and measured Gas volumes,
 - ee) rules for equipment balancing,
 - ef) rules for limitation of services provided at the Point of Interconnection.

Article 13

Technical Conditions of Interoperability of Storage Facility and Networks at Points of Interconnection and Connection

- (13.1) Pre-condition for interoperability of interconnected networks and their equipment is cooperation while following the set rules for handling the equipment at Points of Interconnection of interconnected networks.
- (13.2) Any handling operations and interventions at interconnected equipment shall be performed in each and every case by the respective Interconnected Network Operator.
- (13.3) Co-ordination of any steps related to servicing and/or handling of equipment, affecting operation of interconnected networks, shall be provided for by and between the Storage Facility Dispatching Centre and Dispatching Centre of Interconnected Networks following the procedures laid down in the Contract on Network Interconnection.
- (13.4) To provide for communication with POZAGAS, the Interconnected Network Operator shall maintain an uninterrupted dispatching service and shall have available appropriate technical communication means.

- (13.5) Any reconstruction works carried out by the respective Interconnected Network Operator on Gas Equipment at any Point of Interconnection of networks to the POZAGAS Storage Facility, shall be carried out in adherence with any applicable regulations currently in effect in the Slovak Republic (in particular the Energy Sector Law) and their technical conditions, while following these Technical Terms and Conditions. The scope of relevant documents required for reconstruction, the dates of submission for approval to the other party and the procedures to be followed in carrying out the reconstruction works shall be stipulated in Contract on Network Interconnection.

PART 4

TECHNICAL CONDITIONS OF CONNECTION AND DISCONNECTION TO/FROM STORAGE FACILITY

Article 14

Application for Connection to POZAGAS Storage Facility

- (14.1) Connection to the POZAGAS Storage Facility is possible only provided the applicant for connection submits an application for connection, fulfils the Technical Terms and Conditions, and enters with POZAGAS into a contract on connection.
- (14.2) An application for connection of the gas equipment to the POZAGAS Storage Facility shall include, in particular, the following:
- a) applicant's identification details (name and surname/business name, address/registered office, organization identification code, tax identification code, contact persons, phone, fax, e-mail),
 - b) definition of the gas equipment, which is to be connected to the POZAGAS Storage Facility based on given application, out of the following types:
 - ba) transportation network,
 - bb) distribution network,
 - bc) storage facility,
 - bd) withdrawal network,
 - be) direct gas pipeline,
 - c) the purpose, for which connected gas equipment shall be used,
 - d) technical data of the connected gas equipment, in particular the following:
 - da) required values of Gas flow rate, expressed in $v \text{ Sm}^3$ per time unit, which shall be transported through the connected gas equipment to and from the POZAGAS Storage Facility,
 - db) date of implementation of connection of the gas equipment,
 - dc) commencement date of use of connected equipment,
 - dd) termination date of use of connected equipment,
 - de) maximum operating pressure PN of connected equipment,
 - df) proposal on measurement method of parameters of Gas, which will be flowing from the connected gas equipment into the POZAGAS Storage Facility, and/or in the opposite direction, namely the following:
 - df1) parameters to be measured using POZAGAS' Measurement Points, or

- df2) parameters to be measured on the connected gas equipment, stating the Measurement Points and description of technical specifications of measuring equipment.
- (14.3) The applicant for connection shall enclose to the application for connection the following documents:
- a) a certified copy of a trade certificate or an excerpt from commercial registry not older than thirty calendar days. Any legal person with registered office outside the territory of the Slovak Republic shall enclose a document equivalent to a trade certificate or to an excerpt from commercial registry, stating the persons authorized to act on behalf of the applicant for connection, as well as an excerpt from criminal registry of these officers, and/or a relevant document from the country of permanent residence of given person,
 - b) an excerpt from criminal registry not older than two (2) months, if the applicant for connection is a natural person,
 - c) a certified copy of a license for business operations in energy sector,
 - d) original powers of attorney for each person, authorized by the applicant for connection to maintain communication with POZAGAS, stating his/her name, surname, position, e-mail address, facsimile number and phone line numbers to be used for communication with the given person,
 - e) a declaration confirming binding nature of the data stated in an application for connection, which cannot be changed or revoked prior to concluding the contract on connection,
 - f) a proof showing that:
 - fa) the applicant for connection is not being wound up,
 - fb) the applicant for connection is not declared bankrupt,
 - fc) no bankruptcy and/or composition proceedings were initiated against the property of the applicant for connection,
 - fd) a proposal for bankruptcy proceedings against the property of the applicant for connection was not dismissed due to lack of property,
 - fe) the applicant for connection has no tax arrears registered,
 - ff) the applicant for connection has no unpaid obligations against POZAGAS,
 - g) a declaration on following the Rules of Operation and of these Technical Terms and Conditions,
 - h) a layout in cadastral map, showing in colour the location of the required Point of Connection, including marked borders of the relevant land plot of public area.
- (14.4) The applicant for connection shall specify required data for each Point of Connection separately.
- (14.5) The application for connection shall be delivered in written form, however not in electronic format.
- (14.6) POZAGAS shall be entitled to require from the applicant for connection supplementary or additional information or documents, for the purpose of due and reliable assessment of the application for connection.

- (14.7) The application for connection and all the documents enclosed to it shall be in Slovak language or English language.
- (14.8) The application for connection represents a binding offer of the applicant for connection to enter into the contract on connection.
- (14.9) The application for connection, which shall be submitted by the applicant for connection to POZAGAS and all the documents submitted shall be duly and legibly completed and signed by authorized representatives of the applicant for connection.
- (14.10) The applicant for connection shall deliver its application for connection, including any required annexes and documents at least one hundred and twenty (120) business days prior to required date of commencement of works on implementation of connection of the gas equipment to the POZAGAS Storage Facility, by mail or physical delivery to filing office of POZAGAS.
- (14.11) In case the application for connection does not include all the required requisites and if information provided in the application for connection is incomplete in view of due appraisal of the application, POZAGAS shall invite the applicant to complement those. The application for connection will not be taken into consideration by POZAGAS until the necessary data and/or missing documents are provided. If the applicant fails to complement the application within an appropriate period specified by POZAGAS, POZAGAS shall reject this application.
- (14.12) POZAGAS shall be entitled to reject the application for connection if the latter fails to meet all the requisites pursuant to these Technical Terms and Conditions. Rejected applications for connection shall not be assessed further by POZAGAS.

Article 15

Technical Requirements for connected gas equipment

- (15.1) The gas equipment to be connected shall be connected to the POZAGAS Storage Facility equipment as specified in the contract on connection, and in design documents elaborated by an authorized organization, and agreed upon by and between the applicant for connection and POZAGAS. Design documents shall be provided for by the applicant for connection at its own cost.
- (15.2) The period, over which the applicant for connection shall implement the works at its own cost, shall be defined by POZAGAS in a manner, not limiting fulfilment and/or causing interruption of existing obligations of POZAGAS. The details concerning determination of the dates and the way of implementation shall be included in the contract on connection. POZAGAS shall have the right for reimbursement of the external costs imposed on POZAGAS side related to the connection of applicant's gas equipment, the reimbursement of such costs by applicant shall be subject of relevant contract on connection.

- (15.3) The connected gas equipment shall meet specifications stipulated in applicable standards and regulations for their manufacturing, installation and operation.
- (15.4) The applicant for connection shall secure all relevant approvals and permits for construction and operation at the Point of Connection in cooperation with POZAGAS.
- (15.5) After connection of the gas equipment POZAGAS and Interconnected Network Operator shall conclude Contract on Network Interconnection.
- (15.6) The applicant for connection to the POZAGAS Storage Facility may request for connection of only such gas equipment whose pressure level is at least the same as the pressure level in equipment of the POZAGAS Storage Facility, to which it is going to be connected.
- (15.7) Equipment in the Storage Facility, to which other Gas Equipment may be connected, has the pressure levels PN 40, PN 75, and PN 100 according to the given Point of Connection, whereas PN shall designate the labelling of maximum operating pressure and number after the mark needs to be divided by 10, to get the pressure value expressed in MPa.
- (15.8) The Point of Connection of the gas equipment shall be specified by POZAGAS based on technical data included in an application for connection, in particular the maximum operating pressure, maximum injection flow rate, and maximum withdrawal flow rate, the purpose of the connected gas equipment, in a manner, which would allow POZAGAS to provide for safe operation and safe processes of Gas injection and withdrawal for all the Customers.
- (15.9) The Measurement Point shall be specified in the contract on connection in a manner, guaranteeing that the quantity of Gas and required measurement parameters of Gas are representative and unambiguous for purposes of compliance with commercial terms and conditions, and customary, to rule out any possibility of carrying out double measurements of the same quantity, or of its part only.

Article 16

Reasons for Disconnection from POZAGAS Storage Facility

- (16.1) POZAGAS shall be entitled to disconnect the connected gas equipment from the POZAGAS Storage Facility based on preceding announcement in particular for the following reasons:
- a) service life of the connected gas equipment or the POZAGAS Storage Facility equipment, specified in project design documents or an appraisal elaborated by an authorized organization, which has established the service life, has expired,
 - b) the Interconnection Network Operator has not been or is not observing these Technical Terms and Conditions and/or safety of operation of the gas equipment operated by them,

- c) technical condition or operation of the gas equipment connected to the POZAGAS Storage Facility reduces safety level of the POZAGAS Storage Facility operation or its technical, operating or economic development,
- d) the Contract on Network Interconnection was not entered into within two (2) years from completion of the connection to the POZAGAS Storage Facility, pursuant to these Technical Terms and Conditions,
- e) the Interconnection Network Operator has not fulfilled conditions of the contract on connection or Contract on Network Interconnection.

(16.2) The Interconnected Network Operator shall be entitled to disconnect its equipment from the POZAGAS Storage Facility only subject to prior consent from POZAGAS, under the following conditions:

- a) availability and safety of the POZAGAS Storage Facility is not endangered,
- b) disconnection will not have any negative impact on the rights and obligations of POZAGAS and/or its contractual partners.

Article 17

Technical Procedure for Disconnection of Equipment Connected to POZAGAS Storage Facility

(17.1) The Interconnected Network Operator shall be obliged, following a receipt of a call for disconnection from the POZAGAS Storage Facility delivered by POZAGAS, to provide for, at its own cost:

- a) consents from affected parties to disconnection of equipment from the POZAGAS Storage Facility,
- b) project design documents or technological procedures for the purpose of efficient and safe disconnection of the connected gas equipment from the POZAGAS Storage Facility, and to deliver them to POZAGAS for approval.

(17.2) POZAGAS shall determine the date when the works for the purpose of disconnection of the connected gas equipment may be implemented, whereas such works may not limit or discontinue provision of contractually agreed services to other contractual partners.

(17.3) The Interconnected Network Operator shall provide for disconnection of the connected gas equipment from the POZAGAS Storage Facility at its own cost (own costs of the Interconnected Network Operator include evoked costs on POZAGAS side) on the date specified by POZAGAS. If the Interconnected Network Operator fails to disconnect such equipment due to reasons on the part of the Interconnected Network Operator by the specified date, POZAGAS shall be then entitled to provide for disconnection of the gas equipment at the cost of the Interconnected Network Operator, whereas POZAGAS' claims for damages shall remain unaffected.

PART 5 FINAL PROVISIONS

Article 18

Final Provisions

- (18.1) Provisions of these Technical Terms and Conditions stipulate basic technical terms and conditions of access to the POZAGAS Storage Facility and the provision of Gas storage services as well as Gas storage-related services, connection to the POZAGAS Storage Facility and interconnection of networks with the POZAGAS Storage Facility and of mutual interoperability and shall be binding upon all the Gas market participants.
- (18.2) Any changes or amendments to these Technical Terms and Conditions may be implemented solely by POZAGAS which shall publish them without undue delay. The amended Technical Terms and Conditions shall POZAGAS publish on its website to make the Technical Terms and Conditions available to all gas market participants at least one (1) month prior becoming effective. The amended Technical Terms and Conditions shall become effective one (1) month of their publication on POZAGAS' website.
- (18.3) If these Technical Terms and Conditions are published by POZAGAS in both the Slovak and English languages, Slovak version shall prevail.
- (18.4) The Rules of Operation shall be reasonably applicable to the contract on connection and the Contract on Network Interconnection.
- (18.5) If any of the provisions of these Technical Terms and Conditions contravenes with the Rules of Operation, the provision from the Rules of Operation shall prevail.
- (18.6) These Technical Terms and Conditions shall become effective on 1 May 2019.

GAS QUALITY PARAMETERS

1. Chemical composition of Gas

Chemical composition of Gas processed via Entry-Exit (Handing-over - Acceptance) Point Transmission Network Slovak Republic and Entry-Exit (Handing-over - Acceptance) Point Virtual Trading Point Austria:

Methane	CH ₄	minimum	85 mol%
Ethane	C ₂ H ₆	maximum	6 mol%
Propane	C ₃ H ₈	maximum	3 mol%
Butane	C ₄ H ₁₀	maximum	2 mol%
Heavier hydrocarbons	C ₅ +	maximum	1 mol%
Nitrogen	N ₂	maximum	5 mol%
Carbon dioxide	CO ₂	maximum	2 mol%
Oxygen	O ₂	maximum	0.02mol%

Chemical composition of Gas processed via Entry-Exit (Handing-over - Acceptance) Points Transmission Network Slovak Republic:

Methane	CH ₄	minimum	85 mol%
Ethane	C ₂ H ₆	maximum	5 mol%
Propane	C ₃ H ₈	maximum	7 mol%
Butane	C ₄ H ₁₀		
Heavier hydrocarbons	C ₅ +		
Nitrogen	N ₂	maximum	7 mol%
Carbon dioxide	CO ₂		
Oxygen	O ₂	-	-

The parties hereto shall not change intentionally chemical composition of injected and withdrawn Gas.

2. Content of sulphuric components

Content of sulphuric components of Gas processed via Entry-Exit (Handing-over - Acceptance) Point Transmission Network Slovak Republic and Entry-Exit (Handing-over - Acceptance) Point Virtual Trading Point Austria:

Hydrogen sulphide	H ₂ S	maximum	5.1 mg/Sm ³
Mercaptanes	RSH	maximum	15.3 mg/Sm ³
Total sulphur	S _{total}	maximum	101.7 mg/Sm ³

Content of sulphuric components of Gas processed via Exit (Handing-over - Acceptance) Points Distribution Network Slovak Republic:

Hydrogen sulphide	H ₂ S	maximum	5 mg/Sm ³
Mercaptanes	RSH	maximum	6 mg/Sm ³
Total sulphur	S _{total}	maximum	20 mg/Sm ³

3. Gross Calorific Value and Wobbe index

Measured values refer to volume of Gas in Sm³ and combustion temperature of 25°C

Gross Calorific Value and Wobbe index of Gas processed via Entry-Exit (Handing-over - Acceptance) Point Transmission Network Slovak Republic and Entry-Exit (Handing-over - Acceptance) Point Virtual Trading Point Austria:

a) Gross Calorific Value:

minimum	10.4 kWh/Sm ³
maximum	11.73 kWh/Sm ³

b) Wobbe index:

minimum:	13.23 kWh/Sm ³
maximum	14.67 kWh/Sm ³

Gross Calorific Value and Wobbe index of Gas processed via Exit (Handing-over - Acceptance) Points Distribution Network Slovak Republic:

a) Combustion heat:

minimum 9.7 kWh/Sm³

b) Wobbe index:

minimum:	12.7 kWh/Sm ³
maximum	14.9 kWh/Sm ³

4. Dew point of water in Gas intended for injection or withdrawal shall not be higher than minus eight °C (-8°C), following conversion to the pressure of 4.0 MPa.

5. Dew point of hydrocarbons in Gas - no hydrocarbons may condense at the temperature of 0°C and higher and at the pressure ranging from 0.1 to 7.0 MPa.

6. The temperature of the Gas to be handed-over and accepted shall be maximum plus fifty °C (+ 50°C).

7. Gas, both injected and withdrawn, shall be ridded of solid and liquid contaminations and shall not be odorized.

8. Gas pressure

8.1 The value of Gas pressure at the entry at the Entry-Exit (Handing-over - Acceptance) Points Transmission Network Slovak Republic and Virtual Trading Point Austria shall be such that following its drop after transportation from the entry point to the Measurement Point its value at the Measurement Point would be equal or higher in each individual point than the following:

a) at the Entry - Exit (Handing-over and Acceptance) Point Transmission Network Slovak Republic4.5 MPa

b) at the Entry - Exit (Handing-over and Acceptance) Point Virtual Trading Point Austria..... 5.0 MPa abs.

8.2 Values of pressure, which are provided by POZAGAS at the Gas pressure Measurement Points, are as follows:

a) in case of withdrawal through the Entry-Exit (Handing-over and Acceptance) Point Transmission Network Slovak Republicmax. 5.5 MPa

b) in case of withdrawal through the Exit (Handing-over - Acceptance) Point Distribution Network Slovak Republic

ba) into the system Bratislava West (central area of underground storage facility Lábmax. 3.9 MPa

bb) into the Distribution Network Slovak Republic through ZS 6 Malackymax. 3.8 MPa

c) in case of withdrawal through the Entry-Exit (Handing-over - Acceptance) Point Virtual Trading Point Austria..... 5.0 MPa abs.

8.3 Gas pressure at the exit points reaches a value reduced by pressure losses during transportation of Gas from a pressure Measurement Point to the appropriate exit point, provided the pressure Measurement Point is situated before the exit point. If the pressure Measurement Point is situated after the exit point, the pressure of Gas at the exit point achieves a value increased by pressure losses during transportation of Gas from an exit point to the appropriate pressure Measurement Point.

NOMINATION/RENOMINATION TEMPLATE

DATE: DD.MM.YYYY TIME: HH:MM REV.NO.: 0

FROM: **Customer - DISPATCHING** E-mail: xxx@xxx.xx

Telephone: XXX

TO: **POZAGAS DISPATCHING** E-mail: xxx@xxx.xx

Telephone: XXX

SUBJECT: DAILY NOMINATION/RENOMINATION REPORT FOR POZAGAS STORAGE FACILITY

PERIOD: DD/MM/YYYY - DD/MM/YYYY 06-06 HR

+ FOR INJECTION / - FOR WITHDRAWAL

UNIT: **MWh/hour
rounded to three
decimal places**

internal POZAGAS shipper code

Shipper code

external shipper code

Shipper code
NOMINATED

HOUR	TOTAL FLOW	FLOW
06-07	0,000	0,000
07-08	0,000	0,000
08-09	0,000	0,000
09-10	0,000	0,000
10-11	0,000	0,000
11-12	0,000	0,000
12-13	0,000	0,000
13-14	0,000	0,000
14-15	0,000	0,000
15-16	0,000	0,000
16-17	0,000	0,000
17-18	0,000	0,000
18-19	0,000	0,000
19-20	0,000	0,000
20-21	0,000	0,000
21-22	0,000	0,000
22-23	0,000	0,000
23-00	0,000	0,000
00-01	0,000	0,000
01-02	0,000	0,000
02-03	0,000	0,000
03-04	0,000	0,000
04-05	0,000	0,000
05-06	0,000	0,000
TOTAL	0,000	0,000

NOTE:

Best regards

Signed: