TRANS ADRIATIC PIPELINE

NETWORK CODE

25 SEPTEMBER 2025

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1. INTRODUCTION

1.1 Introduction

This Network Code relates to the TAP Transportation System, contains the rules and procedures for the operation of the TAP Transportation System and details the rights and obligations of the Transporter, Registered Parties and Shippers in respect of the booking and use of Capacity Products. This Network Code applies to all Registered Parties and Shippers and is an integral part of each Gas Transportation Agreement.

1.2 Background to the TAP Transportation System

The Transporter has obtained an exemption from provisions on third party access, regulated tariff and ownership unbundling, subject to the terms of the Final Joint Opinion of the Energy Regulators on TAP AG's Exemption Application dated 6 June 2013, granted by the NRAs pursuant to Directive 2009/73/EC. The NRAs have subsequently approved the Transporter's tariff methodology, incorporated in the Gas Transportation Agreement as schedule 5 of the General Terms and Conditions, and, as required by section 4.1.3 of the Final Joint Opinion, a legal process approved by the NRAs for the allocation and reallocation of initial capacity (the **Initial Capacity Allocation Mechanism**). Reserved Capacity has already been made available in accordance with the Initial Capacity Allocation Mechanism and in the first Market Test, conducted prior to the start of construction of the pipeline. The Transporter will, for the whole 25 year duration of the exemption, make an amount of the technical capacity at each Entry Point and Exit Point available for products with duration of up to one year in accordance with the terms of the Final Joint Opinion.

The capacity in the TAP Transportation System can be expanded up to a total capacity of 20 bcma through pre-defined incremental steps. The Transporter will offer this Expansion Capacity to the market by means of Market Tests, to be conducted on a bi-annual basis. The rules and procedures by which Shippers or Registered Parties can request Expansion Capacity are set out in Section 6.10.

1.3 Operations Code and Final Joint Opinion

This Network Code:

(a) constitutes the "Operations Code" as referred to in the Gas Transportation Agreements entered into by the Transporter prior to the date this Network Code is published; and

(b) is the "TAP Network Code" referred to in section 4.7.1 of the Final Joint Opinion.

2. DEFINITIONS

2.1 Definitions

Accepting Party means a Registered Party that has accepted a Transfer of Reserved Capacity.

Active Shipper means, in respect of Single-Sided Nominations, the Shipper who sends a nomination as determined in accordance with Section 8.1.

Active TSO means, in respect of Single-Sided Nominations, the TSO who receives a nomination from the Active Shipper in accordance with Section 8.1.

Actual Electric Power Cost has the meaning given to it in Section 15.4.

Actual Monthly Charge means, in respect of a particular Shipper, the "Actual Monthly Charge" calculated for specific Reserved Capacity in accordance with the relevant Gas Transportation Agreement.

Adjacent TSO means a TSO operating an Interconnected System.

Affiliate has the meaning given to it in the General Terms and Conditions.

Allocated Quantities means the quantity of Natural Gas allocated to a Shipper in respect of the delivery by or redelivery to (as applicable) that Shipper at an Interconnection Point or the Virtual Trading Point for a Gas Day, expressed in kWh. Allocated Quantities at Entry Points or for trades where gas is received at the Virtual Trading Point will be expressed as a positive number and Allocated Quantities at Exit Points or for trades where gas is delivered at the Virtual Trading Point will be expressed as negative numbers.

Alternative Credit Support Capacity means any of:

(a) a Capacity Product booked before the Initial Effective Date; or

(b) a Capacity Product booked as part of a Market Test,

and in each case includes such Reserved Capacity where it has been subject to an Assignment.

Annual Statement means the statement to be sent to Registered Parties in March in each Gas Year in accordance with Section 19.2.

Application Documents has the meaning given to it in Section 3.1(b).

Approved Credit Rating Agency means S&P, Moody's, Fitch or another credit rating agency (if any) that is included in a list, which may be published on the Transporter's website and updated from time to time, of credit rating agencies that are, in the sole discretion of the Transporter, acceptable to the Transporter for the purposes of assigning a Credit Limit to Registered Parties.

Assigned Capacity means any Reserved Capacity (or part thereof) that is subject to an Assignment.

Assignment means a transfer by a Shipper of all or a part of its Reserved Capacity to another Registered Party, which is effected by way of an assignment of all of its rights to that Reserved Capacity (or part thereof), and an assumption of all of the related obligations by, that Registered Party under the relevant Gas Transportation Agreement. An Assignment of part of the Reserved Capacity under a Gas Transportation Agreement may consist of (a) an assignment of some but not all of the Reserved Capacity for each Gas Day, (b) an assignment of all of the Reserved Capacity during a specified period of time only, or (c) a combination of the above.

Assignment Form means a form to be submitted by an Offering Shipper and a Registered Party who wish to trade the rights and obligations to Reserved Capacity by way of an Assignment, which form will be made available by the Transporter on its website.

Auction Premium means any premium above the Reserve Price that results from an auction of any Capacity Product.

Available Capacity means, in relation to a particular Interconnection Point in a particular direction over a particular time period, the capacity to transport Natural Gas that can be made available by the Transporter to Registered Parties to purchase as Capacity Products over that period because it has not been booked as Reserved Capacity or because it has been released for booking as Surrendered Capacity or Withdrawn Capacity. To ensure alignment with Adjacent TSOs, the Transporter will exclude the

minimum requirement for short term products under section 4.1.10 of the Final Joint Opinion when determining the Available Capacity for Forward Firm Yearly Capacity and for Commercial Reverse Yearly Capacity with capacity at an Interconnection Point with a Forward IP Direction.

Available Credit means in respect of a Registered Party, an amount in Euro that represents the further Indebtedness that it can assume, calculated in accordance with Section 4.4.

Average Utilisation has the meaning given to it in Section 13.6.

Balanced means, in respect of a particular Shipper and its Nominated Quantities and Traded Quantities (or, following the end of a Matching Process, its Provisional Quantities) for a particular Gas Day that:

(a) in respect of Forward Capacity:

(i) the aggregate of all Nominated Quantities (or, if applicable Provisional Quantities) for Forward Capacity for delivery by that Shipper at Entry Points and the aggregate Traded Quantities (or, if applicable Provisional Quantities) to be received by that Shipper from another Shipper at the Virtual Trading Point, in each case on that Gas Day;

is equal to:

(ii) the absolute value of the aggregate of all Nominated Quantities (or, if applicable Provisional Quantities) for Forward Capacity for re-delivery to that Shipper at Exit Points and the aggregate Traded Quantities (or, if applicable Provisional Quantities) to be transferred from that Shipper to another Shipper at the Virtual Trading Point, in each case on that Gas Day; and

(b) in respect of Commercial Reverse Capacity:

(i) the aggregate of all Nominated Quantities (or, if applicable Provisional Quantities) for Commercial Reverse Capacity for delivery by that Shipper at Entry Points on that Gas Day;

is equal to:

(ii) the absolute value of the aggregate of all Nominated Quantities (or, if applicable Provisional Quantities) for Commercial Reverse Capacity for re-delivery to that Shipper at Exit Points on that Gas Day.

Bundled Capacity means a Capacity Product for Forward Firm Capacity that, when offered to Registered Parties, is offered as a combination of both entry and exit capacity at a particular Interconnection Point in each of the TAP Transportation System and the relevant Interconnected System.

Business Day means any Day (other than a Saturday, Sunday or public holiday) on which banks in the Canton of Zug are generally open for business.

Calibration has the meaning given to it in the International Vocabulary of Metrology – Basic and General Concepts and Associated Terms (VIM 3rd edition) - JCGM 200:2012 and the terms **Calibrate** and **Calibrated** will have equivalent meanings.

CAM Network Code means EU Regulation (EC) 2017/459.

Capacity Booking Platform means the internet platform for the booking and trading of Capacity Products that has been selected by the Transporter to be used at each Interconnection Point, which at the date of this Network Code, is provided by PRISMA European Capacity Platform GmbH.

Capacity Products means each of the products for the transportation of Natural Gas in the TAP Transportation System that are offered for purchase by Registered Parties from the Transporter, consisting of each of the different products that constitute Forward Firm Capacity, Forward Interruptible Capacity and Commercial Reverse Capacity.

Capacity Restriction means the occurrence of any event, except for Planned Maintenance, which reduces the ability of the Transporter to provide Reserved Capacity at an Interconnection Point.

Capacity Restriction Notice means a notice of the occurrence of a Capacity Restriction that requires Reserved Capacity to be reduced by the Transporter at an Interconnection Point and which specifies:

(a) the date and time at which the Capacity Restriction begins;

(b) the date and time (rounded to the nearest hour) at which the Transporter expects the Capacity Restriction to end;

(c) the affected Interconnection Point;

(d) the cause of the Capacity Restriction; and

(e) the remaining Forward Firm Capacity that the Transporter can make available at that Interconnection Point.

Capacity Restriction Termination Notice means a notice that is sent to all Registered Parties, to inform Registered Parties that a Capacity Restriction that required Forward Firm Capacity to be reduced by the Transporter at an Interconnection Point has terminated and which specifies:

(a) the time and date at which each Shipper's full Reserved Capacity at that Interconnection Point will be made available to it; and

(b) any other information that the Transporter believes is necessary regarding the removal of that Capacity Restriction.

Cash Collateral means an amount deposited by a Registered Party or a Person applying to be a Registered Party into the Cash Collateral Account which the Transporter can apply against amounts due and payable from that Registered Party which remain unpaid.

Cash Collateral Account means a Euro-denominated account of the Transporter into which Registered Parties or Persons applying to be a Registered Party can deposit funds to act as collateral against their payment obligations to the Transporter and to contribute towards their Credit Limit. Any interest or fees applying to the Cash Collateral Account will be credited to or debited to or from that account.

Cash Collateral Balance means, in respect of a Registered Party or a Person applying to be a Registered Party, the aggregate amount of Cash Collateral deposited by that Registered Party or Person:

(a) plus the amount of any interest credited to the Cash Collateral Account and which can be attributed to that Cash Collateral Balance as determined by the Transporter;

(b) less the amount of any fees or negative interest debited from the Cash Collateral Account and which can be attributed to that Cash Collateral Balance as determined by the Transporter; and

(c) less any amounts debited from the Cash Collateral Account to (i) pay an amount due and payable from that Registered Party that remains unpaid or (ii) be returned to that Registered Party or Person.

CET means Central European Time which is one hour ahead of UTC.

CEST means Central European Summer Time which is one hour ahead of CET and two hours ahead of UTC.

Commercial Operations Date means the Gas Day that the Transporter notifies to each Registered Party (as at the date of that notification) as being the date on which it is ready to commence commercial operation of the TAP Transportation System and which thereafter will be published on the Transporter's website.

Commercial Reverse Capacity means transportation capacity in the TAP Transportation System for the Eastward (Commercial) Flow transportation of Natural Gas that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point and that Transporter is permitted to interrupt in accordance with Section 12.4. Commercial Reverse Capacity at a particular Interconnection Point can be in the Forward IP Direction or in the Reverse IP Direction but must result in an overall Eastward (Commercial) Flow. Commercial Reverse Capacity consists of:

(a) Commercial Reverse Yearly Capacity;

(b) Commercial Reverse Quarterly Capacity;

(c) Commercial Reverse Monthly Capacity; and

(d) Commercial Reverse Daily Capacity.

Commercial Reverse Daily Capacity means Commercial Reverse Capacity made available on a Day-Ahead basis.

Commercial Reverse Monthly Capacity means Commercial Reverse Capacity made available on every Gas Day in a particular Gas Month.

Commercial Reverse Quarterly Capacity means Commercial Reverse Capacity made available on every Gas Day in a particular Gas Quarter.

Commercial Reverse Route means each combination of an Entry Point and an Exit Point for Commercial Reverse Capacity that is permitted in accordance with Table B in Appendix 2.

Commercial Reverse Yearly Capacity means Commercial Reverse Capacity made available on every Gas Day in a particular Gas Year.

Compressor Station means a facility that forms part of the TAP Transportation System that has the purpose of compressing the Natural Gas in the TAP Transportation System to assist the flow of that Natural Gas.

Confidentiality Agreement means a confidentiality agreement to be entered into by a Person who is applying to be a Registered Party and which will govern the treatment of confidential information in respect of the application process and, if successful, that Person's relationship with the Transporter as a Registered Party. The most recent form of confidentiality agreement will be published by the

Transporter on its Registration Platform. A Confidentiality Agreement will not apply to information exchanged pursuant to a Gas Transportation Agreement, to which the terms of the relevant Gas Transportation Agreement will apply.

Confirmed Quantities means the quantity of Natural Gas to be delivered by or redelivered to a particular Shipper at a particular Interconnection Point or the Virtual Trading Point after the end of all the Matching Processes expressed in kWh per Gas Day. Confirmed Quantities at Entry Points will be expressed as a positive number and Confirmed Quantities at Exit Points will be expressed as negative numbers.

Confirmed Quantity Notice means a notice sent by the Transporter to each Shipper following calculation of the Confirmed Quantities setting out that Shipper's Confirmed Quantities at each Interconnection Point.

Congestion Notice has the meaning given to it in Section 13.7(a).

Contractual Timestamp means the exact time at which a Shipper has contracted a Capacity Product with the Transporter.

Credit Limit means in relation to each Registered Party, the amount in Euro that represents the maximum Indebtedness that it can assume, as determined under Section 4.3.

Credit Limit Criteria has the meaning given to it in Section 4.1(b).

Credit Limit Criterion means an individual element of the Credit Limit Criteria.

Credit Limit Percentage means:

(a) in relation to a Registered Party or a Person applying to be a Registered Party:

(i) where that Registered Party or a Person applying to be a Registered Party has a Credit Rating equal to the Minimum Credit Rating, 5%; or

(ii) where that Registered Party or a Person applying to be a Registered Party has a Credit Rating higher than the Minimum Credit Rating, 10%; and

(b) in relation to a Rated Entity Guarantor that is not a recognised reputable financial institution:

(i) where that Rated Entity Guarantor has a Credit Rating equal to the Minimum Credit Rating, 1.25%; and

(ii) where that Rated Entity Guarantor has a Credit Rating higher than the Minimum Credit Rating, 2.50%,

and for these purposes if any such Person has more than one Credit Rating, the highest such Credit Rating will be taken into account for determining the Credit Limit Percentage.

Credit Rating means, in respect of any Person, a rating for its long-term unsecured and non-credit-enhanced (foreign, where applicable) debt obligations from an Approved Credit Rating Agency.

Current GTA means a Gas Transportation Agreement which is on the same terms as set out in the most recent General Terms and Conditions and Transportation Confirmation published on the Transporter's website (except that for these purposes, newly published General Terms and Conditions and Transportation Confirmations will only form part of a Current GTA following the date specified

by the Transporter as the date on which such revised documents will take effect being not less than 30 days after the date of publication).

Daily Imbalance Charge means, in respect of a particular Shipper on a particular Gas Day, an amount calculated in accordance with Section 10.3.

Day means a calendar day.

Day-Ahead means, in respect of a Capacity Product, that the capacity is made available for the transportation of Natural Gas for one Gas Day, being the Gas Day immediately following the booking of that Capacity Product.

Double-Sided Nomination means, in respect of the nomination of Natural Gas quantities at a particular Interconnection Point, that shippers on each side of that Interconnection Point submit their own nominations to the relevant TSO independently of each other.

Eastward (Commercial) Flow means the virtual (but not physical) direction of flow of Natural Gas in the TAP Transportation System from the Interconnection Point at Melendugno to the Interconnection Point at Kipoi.

Edig@s means the electronic messaging standards developed by EASEE-gas, the latest version of which can be downloaded from http://www.edigas.org.

Effective Date means in respect of a Gas Transportation Agreement, the date that such agreement is entered into by each of the Transporter and the relevant Shipper unless a different date is specified in that Gas Transportation Agreement.

Electric Power means the electricity used at Compressor Stations and the other facilities and equipment comprising the TAP Transportation System, including those facilities and equipment set out in Appendix 1.

Electric Power Cost Estimate has the meaning given to it in Section 15.2.

Entry Point means:

(a) in relation to Forward Capacity (other than Forward Interruptible Capacity that is provided in the Reverse IP Direction), an Interconnection Point that is specified as an "Entry Point" in Table A in Appendix 2;

(b) in relation to Forward Interruptible Capacity that is provided in the Reverse IP Direction:

  (i) the Interconnection Point at Komotini; and

  (ii) before the NM Bidirectionality Date, the Interconnection Point at Nea Mesimvria; and

(c) in relation to Commercial Reverse Capacity and a particular Commercial Reverse Route, an Interconnection Point that is specified as an "Entry Point" in Table B in Appendix 2 for that Commercial Reverse Route.

ENTSOG Auction Calendar means the auction calendar published by the European Network of Transmission System Operators for Gas.

Environmental Tax means all forms of taxation, duties, imposts and levies which relate to protection of the environment or which are levied under any environmental law, including tradable emission

allowances and all forms of taxation, duties, imposts and levies in respect of carbon emissions, emissions of any greenhouse gases or other emissions or energy consumption or usage.

Euro or **€** means the single currency of those member states of the European Union that have adopted or adopt such currency as their lawful currency in accordance with the legislation of the European Community relating to Economic and Monetary Union.

Exemption means any exemptions granted in relation to any tariff and/or the exemptions from third party access, and/or unbundling obligations and/or any other relevant regulatory requirements, in each case related to the TAP Transportation System and includes the exemptions granted in the Final Joint Opinion.

Exit Point means:

(a) in relation to Forward Capacity (other than Forward Interruptible Capacity that is provided in the Reverse IP Direction), an Interconnection Point that is specified as an "Exit Point" in Table **A** in Appendix 2; and

(b) in relation to Commercial Reverse Capacity and a particular Commercial Reverse Route, an Interconnection Point that is specified as an "Exit Point" in Table B in Appendix 2 for that Commercial Reverse Route.

Expansion Capacity means the aggregate capacity in the TAP Transportation System that may be made available in addition to initial capacity following a Market Test in accordance with the terms of the Exemption.

FDA UIOLI means the process by which the Transporter can limit a Shipper's ability to re-nominate a part of its Reserved Capacity and to offer that capacity as Available Capacity at auctions of Forward Firm Daily Capacity and Forward Firm Within-Day Capacity when certain criteria set out in Section13.4 are met.

FDA UIOLI Contractual Congestion Event has the meaning given to it in Section 13.3(b).

Final Joint Opinion means the "Joint Opinion of the Energy Regulators on TAP AG's Exemption Application" dated 6 June 2013, granted by the NRAs pursuant to Directive 2009/73/EC.

Firm Capacity means Natural Gas transportation capacity in the TAP Transportation System that the Transporter undertakes to provide to a Shipper, that the Transporter is not permitted to interrupt during normal commercial operations.

Fitch means Fitch Ratings, Inc., Fitch Ratings Limited or any subsidiary of either of them, or any successor to their ratings business.

Force Majeure means the occurrence of a "Force Majeure Event" under and as defined in any Gas Transportation Agreement.

Forward Capacity means Forward Firm Capacity and Forward Interruptible Capacity.

Forward Day-Ahead Interruptible Capacity means Forward Interruptible Capacity made available on a Day-Ahead basis.

Forward Firm Capacity means each of Forward Firm Long Term Capacity and Forward Firm Short Term Capacity.

Forward Firm Daily Capacity means Firm Capacity in the TAP Transportation System for the transportation of Natural Gas in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point on a Day-Ahead basis.

Forward Firm Long Term Capacity means Firm Capacity in the TAP Transportation System for the transportation of Natural Gas in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point on every Gas Day for a period of more than one Gas Year.

Forward Firm Monthly Capacity means Firm Capacity in the TAP Transportation System for the transportation of Natural Gas in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point on every Gas Day in a particular Gas Month.

Forward Firm Quarterly Capacity means Firm Capacity in the TAP Transportation System for the transportation of Natural Gas in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point on every Gas Day in a particular Gas Quarter.

Forward Firm Short Term Capacity means each of:

(a) Forward Firm Yearly Capacity;

(b) Forward Firm Quarterly Capacity;

(c) Forward Firm Monthly Capacity;

(d) Forward Firm Daily Capacity; and

(e) Forward Firm Within-Day Capacity.

Forward Firm Within-Day Capacity means Firm Capacity in the TAP Transportation System for the transportation of Natural Gas in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point on a Within-Day basis.

Forward Firm Yearly Capacity means Firm Capacity in the TAP Transportation System for the transportation of Natural Gas in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point on every Gas Day in a particular Gas Year.

Forward Interruptible Capacity means the transportation capacity in the TAP Transportation System for the transportation of Natural Gas:

(a) in the Forward IP Direction that is made available to Shippers under a Gas Transportation Agreement at a particular Interconnection Point and that the Transporter is permitted to interrupt at any time for Planned Maintenance, Force Majeure or any of the reasons specified in Section 12.5; or

(b) in the Reverse IP Direction that is made available to Shippers under a Gas Transportation Agreement at:

(i) the Interconnection Point of Komotini; and

(ii) before the NM Bidirectionality Date, the Interconnection Point at Nea Mesimvria,

that the Transporter is permitted to interrupt at any time for Planned Maintenance, Force Majeure or any of the reasons specified in Section 12.5.

Forward IP Direction means, in respect of an Interconnection Point:

(a) that is specified as an Entry Point in the column "Forward IP Direction" in Table A in Appendix 2, the direction of flow of Natural Gas at that Interconnection Point from the relevant Interconnected System to the TAP Transportation System; and

(b) that is specified as an Exit Point in the column "Forward IP Direction" in Table A in Appendix 2, the direction of flow of Natural Gas at that Interconnection Point from the TAP Transportation System to the relevant Interconnected System.

On and from the NM Bidirectionality Date, the Interconnection Point at Nea Mesimvria will be bidirectional, meaning that on and from the NM Bidirectionality Date, both directions will be in the Forward IP Direction.

Fuel Gas means the quantity of Natural Gas in kWh that is required for the Transporter to provide the Transportation Services, as calculated in accordance with Section 14.

Fuel Gas Facility means each Compressor Station and the Pipeline Receiving Terminal.

Fuel Gas Price means, in respect of a Gas Month, the sum of:

(a) all costs and expenses (including Taxes) (in Euro) incurred by the Transporter in relation to the purchase of the Fuel Gas used in that Gas Month and procured in accordance with Section 14.1(a); and

(b) on and from the Fuel Gas Update Effective Date, all Taxes (including the costs of acquiring tradable emission allowances of any kind as may be retrospectively calculated in accordance with Section 14.1(f)) (in Euro) incurred in relation to the use of the Fuel Gas used in that Gas Month,

divided by the total quantity of Fuel Gas used in that Gas Month to give a price in €/kWh.

Fuel Gas Update Effective Date means the date on which the Gas Month immediately following the NM Bidirectionality Date commences.

Gas Day means, on and from the Commercial Operations Date, the period from:

(a) 05:00 UTC on a particular Day until 05:00 UTC (06:00 until 06:00 CET) the following Day, during periods when daylight saving time is not applied; and

(b) 04:00 UTC on a particular Day until 04:00 UTC (06:00 until 06:00 CEST) the following Day, during periods when daylight saving time is applied in the European Union,

and a Gas Day during which the European Union changes to or from daylight saving time will have 23 or 25 hours (as applicable). For the purpose of this Network Code, a reference to (i) the last Gas Day in a particular month means that last Gas Day that begins in that month and ends at 06:00 CET or CEST (as applicable) at the start of the first Day of the following month and (ii) the first Gas Day in a particular month means the first Gas Day beginning within that month at 06:00 CET or CEST (as applicable) on the first Day of that month.

Gas Month means the period commencing at the start of the first Gas Day in each calendar month and ending at the end of the last Gas Day in the same calendar month, except that the first Gas Month will start at the start of the Commercial Operations Date.

Gas Transportation Agreement means an agreement for the transportation of Natural Gas in the TAP Transportation System between the Transporter and a Registered Party for the provision of Transportation Services in respect of one or more Capacity Products, consisting of:

(a) a Transportation Confirmation;

(b) the General Terms and Conditions (together with the schedules of the General Terms and Conditions that are applicable to the relevant Capacity Products); and

(c) this Network Code.

Gas Quarter means a period beginning at the start of:

(a) the first Gas Day in a Gas Year and ending at the end of the last Gas Day in December of that Gas Year;

(b) the first Gas Day in January of a Gas Year and ending at the end of the last Gas Day in March of that Gas Year;

(c) the first Gas Day in April of a Gas Year and ending at the end of the last Gas Day in June of that Gas Year; or

(d) the first Gas Day in July of a Gas Year and ending at the end of the last Gas Day in September of that Gas Year,

except that the first Gas Quarter will start at the start of the Commercial Operations Date.

Gas Year means a period beginning at the start of the first Gas Day in October of each calendar year and ending at the end of the last Gas Day in September of the following calendar year, except that the first Gas Year will start at the start of the Commercial Operations Date.

GCV means the amount of heat that would be released by the complete combustion of one Nm^3 of Natural Gas in air, in such a way that the pressure (1.01325 bar absolute) at which the reaction takes place remains constant, and all products of the combustion are returned to the same specified temperature (25°C) as that of the reactants, all of these products being in the gaseous state except for water formed by combustion, which is condensed to the liquid state at 25°C.

General Terms and Conditions means the "General Terms and Conditions for the Transportation of Gas" which form part of the Gas Transportation Agreements entered into by the Transporter with Registered Parties. The General Terms and Conditions contain different schedules with specific terms applying to Forward Firm Long Term Capacity, Forward Firm Short Term Capacity, Forward Interruptible Capacity and Commercial Reverse Capacity. The most recent version of the General Terms and Conditions which form part of a Current GTA can be found on the Transporter's website.

Governmental Authority means any national or local government, regulatory or administrative agency, commission, body or other authority and any court or governmental tribunal, in each case, lawfully exercising jurisdiction over this Network Code, any Gas Transportation Agreement or the TAP Transportation System or (as applicable in the context) the Transporter or a Registered Party.

Indebtedness has the meaning given to it in Section 4.5.

Initial Effective Date means the date on which this Network Code, in its final form as approved by the NRAs, is first published on the Transporter's website following such approval.

Interconnected System means a Natural Gas pipeline transportation system that is directly connected to the TAP Transportation System.

Interconnection Agreement means an agreement between the Transporter and an Adjacent TSO relating to the management and coordination of the transportation of Natural Gas between the relevant Interconnected System and the TAP Transportation System.

Interconnection Point means a physical interconnection point between the TAP Transportation System and an Interconnected System as specified in Appendix 2, except that the interconnection points at Kuçovë and Fier will only be treated as Interconnection Points for the purpose of this Network Code from the date on which the Transporter notifies Registered Parties that those interconnection points are operational (which will not be before the date on which the intended Interconnected Systems at those interconnection points have been constructed and have become operational).

Interruption means an interruption of a Shipper's use of Commercial Reverse Capacity in accordance with Section 12.4(a) or Forward Interruptible Capacity in accordance with Section 12.5(a).

Interruption Notice means a notice that is sent to all affected Shippers, to inform those Shippers of an interruption to Forward Interruptible Capacity under Section 12.5 or an interruption to Commercial Reverse Capacity under Section 12.4, which, in each case, specifies:

(a) the date and time at which the interruption begins;

(b) the date and time (rounded to the nearest hour) at which the Transporter expects the interruption to end;

(c) the cause of the interruption;

(d) whether the interruption affects Forward Interruptible Capacity or Commercial Reverse Capacity; and

(e) the remaining Forward Interruptible Capacity or Commercial Reverse Daily Capacity (split into its constituent Capacity Products), as the case may be, at that Interconnection Point.

Interruption Termination Notice means a notice that is sent to all affected Shippers, to inform those Shippers that an interruption to Forward Interruptible Capacity or Commercial Reverse Capacity at an Interconnection Point has terminated and which specifies the time and date at which each Shipper's full Reserved Capacity at that Interconnection Point will be made available to it.

Joint Nomination Declaration Notice means, in respect of Single-Sided Nominations, an electronic notification sent from the Passive Shipper to the Passive TSO declaring the agreement of a Pair of Shippers to perform Single-Sided Nominations at a Single-Sided Interconnection Point, for a certain period (which may be an indefinite period) from a start date that is specified in that notice.

kWh means a kilowatt-hour.

Law means any national, local or European constitution, charter, act, statute, law, ordinance, code, rule, regulation or order, or other applicable legislative or administrative action of a Governmental Authority or a final decree, judgment, or order of a court.

Local Losses means unintentional losses of Natural Gas from the TAP Transportation System (except for those losses of Natural Gas that result from the occurrence of Force Majeure or the performance of Planned Maintenance or Unplanned Maintenance in relation to the TAP Transportation System).

Location means, where used in any Gas Transportation Agreement entered into before the Initial Effective Date, an Interconnection Point.

Lost Gas means, where used in any Gas Transportation Agreement entered into before the Initial Effective Date, UFG.

Lost Gas Price means, where used in any Gas Transportation Agreement entered into before the Initial Effective Date, the UFG Price per kWh and the UFG Cost per kWh.

LT UIOLI means the process by which the Transporter fully or partially withdraws systematically underutilised capacity in the TAP Transportation System from a LT UIOLI Affected Shipper in accordance with the procedure set out in Section 13.6.

LT UIOLI Affected Capacity Product means each of Forward Firm Yearly Capacity and Forward Firm Long Term Capacity.

LT UIOLI Affected Shipper means, where a LT UIOLI Contractual Congestion Event has been observed during a Monitoring Period, a Shipper in respect of which systematic under-utilisation has been observed.

LT UIOLI Contractual Congestion Event has the meaning given to it in Section 13.6(d).

LT UIOLI Decision Process means a procedure jointly agreed by the NRAs in respect of making decisions on the withdrawal of capacity following a LT UIOLI referral.

Maintenance Notification means a notification sent by the Transporter to all Registered Parties, detailing the schedule of Planned Maintenance that the Transporter intends to complete in a particular Gas Year, and which includes the information set out in Section 11.1(c).

Market Test means a procedure conducted by the Transporter, in accordance with Section 6.10, to assess whether there is interest among market participants for Capacity Products that would require the Transporter to provide Expansion Capacity.

Master Statement means the statement to be sent to Registered Parties in respect of each Gas Month in accordance with Section 19.1.

Matching Process means:

(a) in respect of an Interconnection Point, the matching and confirmation processes to be carried out between the Transporter and an Adjacent TSO in which each Shipper's Provisional Quantities at that Interconnection Point are calculated from the Nominated Quantities and the quantities nominated to the Adjacent TSO; and

(b) in respect of the Virtual Trading Point, the matching and confirmation processes to be carried out by the Transporter in which each Shipper's Provisional Quantities at the Virtual Trading Point are calculated from the Traded Quantities notified by each Shipper in the relevant Pair of Shippers.

Metering Data means the Metered Quantities and the other data collected by the Metering Equipment, including analysis and chromatography results.

Metering Equipment means the equipment that is required to be installed in respect of each Interconnection Point and the other facilities comprising the TAP Transportation System in order to identify the Measured Quantities and quality of Natural Gas at each relevant location for the purposes of this Network Code and the Gas Transportation Agreements.

Metering Equipment Technical Specifications means, in relation to an item of Metering Equipment, the technical specifications for the installation and operation of that item of Metering Equipment that have been developed by the Transporter acting as a Reasonable and Prudent Operator consistent with applicable Law and the technical recommendations of the manufacturer of that item.

Metered Quantities means the quantity of Natural Gas measured over a specified period of time at an Interconnection Point or a Compressor Station, as determined by the Metering Equipment at that Interconnection Point or that Compressor Station, expressed in kWh.

Minimum Credit Limit means the minimum credit limit in Euro published from time to time on the Transporter's website.

Minimum Credit Rating means:

(a) in respect of S&P or Fitch, BBB-;

(b) in respect of Moody's, Baa3; and

(c) in respect of any other Approved Credit Rating Agency, the minimum credit rating published from time to time on the Transporter's website from that Approved Credit Rating Agency, that is, in the sole discretion of the Transporter, acceptable to the Transporter for the purposes of assigning a Credit Limit to Registered Parties.

Minimum Flow Rate means the minimum quantity of Natural Gas that is required at a particular Entry Point or Exit Point in the Forward IP Direction in order for the Transporter to provide Transportation Services at that Entry Point or Exit Point in accordance with the technical limitations of the TAP Transportation System and the applicable Interconnected System expressed in Nm^3 per Gas Day. The Minimum Flow Rate for each Entry Point and Exit Point in the Forward IP Direction is the quantity set out on the Transporter's website from time to time which will not be higher than those set out in Table A in Appendix 2.

Minimum Input Volume means, where used in any Gas Transportation Agreement entered into before the Initial Effective Date, the Minimum Flow Rate.

Monitoring Period means each period in respect of which the Transporter will monitor whether LT UIOLI should be applied to any Shipper, being each full Gas Year.

Monthly Charge means, in respect of a particular Shipper, Gas Transportation Agreement and Reserved Capacity, the "Monthly Charge" for that Reserved Capacity under and as defined in that Gas Transportation Agreement.

Monthly Statement means, in respect of a particular Shipper and Gas Transportation Agreement, the "Monthly Statement" to be delivered by the Transporter to that Shipper under and as defined in that Gas Transportation Agreement.

Moody's means Moody's Investors Service Limited or any successor to its rating business.

Natural Gas means any hydrocarbons or mixture of hydrocarbons and non-combustible gases, consisting primarily of methane, which are predominantly in a gaseous state.

Net Worth means, in respect of a Registered Party or Rated Entity Guarantor that is not a recognised reputable financial institution, the net worth of such Person calculated from its most recent audited financial statements, as reduced by the minimum net worth that is demonstrated by that Person in order to satisfy the credit support requirements of any Gas Transportation Agreement that relates to Alternative Credit Support Capacity. If a Registered Party has, at any time in the preceding 12 month period, failed to pay any amount due and payable to the Transporter on its due date then the Transporter may, at its sole discretion and by notice to that Registered Party, set that Registered Party's (or, if applicable, its Rated Entity Guarantor's) Net Worth to zero for the purposes of this Network Code.

Network Code means this document (including its appendices), as it may be revised from time to time in accordance with Section 22.

Neutrality Account has the meaning given to it in Section 10.7.

Neutrality Payment Amount has the meaning given to it in Section 10.8.

Nm^3 means a normal cubic metre, being one cubic metre of gas at reference conditions of 0°C and 1.01325 bar absolute.

NM Bidirectionality Date means the earlier of:

(a) 1 October 2026; and

(b) the date on which the Interconnection Point at Nea Mesimvria has become operationally bidirectional, as published by the Transporter on its website.

Nominated Quantities means the aggregate quantity of Natural Gas in kWh per Gas Day that has been nominated or is deemed to have been nominated by a Shipper either:

(a) for delivery by that Shipper to the Transporter at an Entry Point; or

(b) for redelivery by the Transporter at an Exit Point,

in each case in respect of a specified Pair of Shippers and in accordance with the procedures set out in this Network Code and the relevant Gas Transportation Agreement. Nominated Quantities at Entry Points will be expressed as a positive number and Nominated Quantities at Exit Points will be expressed as negative numbers.

Nomination means the prior notification by a Shipper to the Transporter (which, in the case of a Single-Sided Nomination, may be made by the Active Shipper to the Active TSO on behalf of the relevant Pair of Shippers) of its Nominated Quantities.

NRA means each of the Albanian energy regulatory authority, the Greek energy regulatory authority and the Italian energy regulatory authority, in each case designated as a national regulatory authority under Directive EC 2009/73 or any successor or equivalent Law.

NRA Decision has the meaning given to it in Section 13.7(d).

Offering Shipper means a Shipper that has offered Reserved Capacity for sale to another Registered Party.

Operational Balancing Agreement means an agreement between the Transporter and an Adjacent TSO (which may be documented in an Interconnection Agreement) regarding the treatment of the difference between the Metered Quantities and Confirmed Quantities at a particular Interconnection

Point so that Allocated Quantities at that Interconnection Point are, as far as possible and subject to the terms of that Operational Balancing Agreement, equal to Confirmed Quantities.

Pair of Shippers means a pair of shippers who transfer title to Natural Gas at the Virtual Trading Point or an Interconnection Point (who, for the avoidance of doubt, may be the same shipper at an Interconnection Point).

Passive Shipper means, in respect of Single-Sided Nominations, the Shipper that is not the Active Shipper.

Passive TSO means, in respect of Single-Sided Nominations, the TSO that is not the Active TSO.

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

Physical Reverse Flow means the physical flow of Natural Gas in the TAP Transportation System from the Interconnection Point at Melendugno to the Interconnection Point at Kipoi.

Pipeline Receiving Terminal has the meaning given to it in Appendix 1.

Planned Maintenance means any maintenance of the TAP Transportation System, notified and carried out by the Transporter in accordance with Section 11, which requires a reduction in a Shipper's ability to use its Reserved Capacity while that maintenance is carried out.

Potential Assignee has the meaning given to it Section 7.3.

Provisional Quantities means the quantity of Natural Gas at a particular Interconnection Point or the Virtual Trading Point that results from each Matching Process expressed in kWh per Gas Day and calculated in accordance with Section 9.3.

Rated Entity Guarantee means a guarantee (which may have a fixed monetary limit in Euros), issued to the Transporter on behalf of a Registered Party by a Rated Entity Guarantor in substantially the form set out on the Transporter's Registration Platform or such other form as may be accepted by the Transporter.

Rated Entity Guarantor means a recognised reputable financial institution or an Affiliate or other related entity of the Registered Party on behalf of whom the Rated Entity Guarantee is being provided, in each case that has a credit rating from an Approved Credit Rating Agency that is equal to or greater than the Minimum Credit Rating.

Reasonable and Prudent Operator means a Person exercising the degree of skill, diligence, prudence, and foresight that would reasonably and ordinarily be expected of a skilled and experienced Person complying with all applicable Law and engaged in the same type of undertaking as that Person under the same or similar circumstances.

Reasonable Efforts means, for any action required to be taken by a Person, the efforts that a Reasonable and Prudent Operator would make to take that action, taking into account the conditions affecting that action, provided that a Person will not be required to expend funds in order to take that action that are more than amounts that it determines in its sole discretion to be appropriate.

Redistribution Period means each period of twelve Gas Months commencing with the first Gas Day in January and ending at the end of last Gas Day in December in each calendar year, except that the first Redistribution Period will start at the start of the Commercial Operations Date.

Reference Price means the Transporter's reference price for gas, determined in a market based, transparent manner using the methodology published on the Transporter's website and expressed in €/kWh.

Registry means the database of all Registered Parties that is held and managed by the Transporter.

Registered Party means any Person that has satisfied the conditions to becoming a Registered Party specified in Section 3.1 and has received confirmation from the Transporter of its status as a Registered Party.

Registration Confirmation has the meaning given to it in Section 3.1(f).

Registration Fee means the registration fee of €5,000 payable in the manner specified on the Transporter's website from time to time.

Registration Form means the application form that a Person must submit, together with the other documents referred to in Section 3.1(b), in order to apply to become a Registered Party, the form of which is set out in Appendix 3 (Registration Form) and can, from time to time, be updated by the Transporter on its Registration Platform.

Registration Platform means the platform that the Transporter makes available on its website, at the following address: https://registrationportal.tap-ag.com, for any Person wishing to apply to become a Registered Party.

Renomination means a Nomination submitted by a Shipper for a particular Gas Day after the deadline for the confirmation of the initial Nomination for that Gas Day.

Renomination Limitation means the restrictions that a Shipper's Renominations or Updated Trade Notifications may not be greater than an amount calculated in accordance with Section 8.8(c) or less than an amount calculated in accordance with Section 8.8(d).

Reserved Capacity means, in respect of a Shipper under a Gas Transportation Agreement, the maximum capacity (expressed in kWh per Gas Day) at a specified Interconnection Point that the Transporter is required to make available to that Shipper for the transportation of Natural Gas, in accordance with the provisions of the relevant Gas Transportation Agreement. A Shipper's Reserved Capacity when applied to a specific Gas Day of 23 or 25 hours shall be equal to its Reserved Capacity divided by 24 and multiplied by 23 or 25 (as applicable).

Reserve Price means the starting price for the auction of any Capacity Product, which will be the TAP Reserve Price unless the auction is for Bundled Capacity in which case it will be the aggregate of the TAP Reserve Price and the reserve price for the relevant capacity product offered by the Adjacent TSO in accordance with the tariff rules of that Adjacent TSO.

Restricted Party has the meaning given to it in the General Terms and Conditions.

Revenue Receipt Period means each twelve-month period starting one month later than the start of a Redistribution Period, and ending one month later than the end of that Redistribution Period.

Reverse IP Direction means, in respect of any Interconnection Point (other than, on and from the NM Bidirectionality Date, Nea Mesimvria), the direction of flow of Natural Gas that is the opposite to the Forward IP Direction and is the direction in which the Transporter intends to provide virtual (but not physical) reverse flow Transportation Services at certain Interconnection Points. On and from the NM Bidirectionality Date, the Interconnection Point at Nea Mesimvria will be bidirectional, meaning that on and from the NM Bidirectionality Date, it will be both an Entry Point and an Exit Point in the Forward IP Direction and therefore it will have no Reverse IP Direction.

Revision means the procedure by which this Network Code is amended in accordance with Section 22.

Revision Request means a proposal for the amendment of this Network Code that is submitted to the Transporter to evaluate, in accordance with Section 22.

Revision Proposal means a written proposal prepared by the Transporter for public consultation, recommending an amendment to this Network Code, in accordance with Section 22.

S&P means S&P Global Ratings, a division of S&P Global Inc. or any successor to its rating business.

Sanctions Warranty means any representation or warranty as to the compliance of the Transporter or a Shipper with sanctions that is contained in a Gas Transportation Agreement.

Secondary Market has the meaning given to it in Section 7.1(a).

Semi-Annual Period means, in respect of a Monitoring Period, each of (a) the period from 1 October to 31 March and (b) the period from 1 April to 30 September, in that Monitoring Period.

Schedule GTC 5 means Schedule GTC 5 to the General Terms and Conditions which sets out, amongst other things, the calculation of the Tariffs applicable to Capacity Products, as approved by the NRAs.

Shipper means any Registered Party that has purchased one or more Capacity Products by entering into a Gas Transportation Agreement with the Transporter for so long as such Gas Transportation Agreement continues to be in effect.

Shipper Account Code means the representation by a code defined by one TSO to identify a specific Shipper's account with that TSO.

Single-Sided Interconnection Point has the meaning given to it in Section 8.1(b).

Single-Sided Nomination means a nomination of Natural Gas quantities at a Single-Sided Interconnection Point, following the delivery of a Joint Nomination Declaration by an Active Shipper to an Active TSO, that will be deemed to constitute the nominations of each shipper in a Pair of Shippers to its applicable TSO at that Single-Sided Interconnection Point.

Stakeholder Forum means the forum established by the Transporter in accordance with Section 22.7.

Statement means an Annual Statement, a Master Statement or a Monthly Statement.

Submitting Person has the meaning given to it in Section 22.3(a).

Surrender means the release by a Shipper of all or part of its Forward Firm Capacity (other than Forward Firm Daily Capacity and Forward Firm Within-Day Capacity) or Commercial Reverse Capacity (other than Commercial Reverse Daily Capacity) at an Interconnection Point so that the Transporter can offer such Reserved Capacity as Available Capacity at auctions and **Surrendered** will have an equivalent meaning.

Surrendered Capacity means any Reserved Capacity that is the subject of a Surrender Request.

Surrender Request means a request by a Shipper to the Transporter for the Surrender of all or part of that Shipper's Forward Firm Capacity (other than Forward Firm Daily Capacity and Forward Firm Within-Day Capacity) or Commercial Reverse Capacity (other than Commercial Reverse Daily Capacity).

TAP Electronic Data Platform means the internet application made available by the Transporter to all Registered Parties.

TAP Reserve Price means the starting price for the auctions of any Capacity Product in the TAP Transportation System which is determined in accordance with Schedule GTC 5.

TAP Transportation System means the Natural Gas pipeline system, including pipes above and below ground and all other related equipment owned, or used and operated, by the Transporter in order to provide the Transportation Services in accordance with this Network Code and any Gas Transportation Agreement.

Tariff means the tariff applicable to Capacity Products calculated in accordance with Schedule GTC 5 (and includes any Auction Premium).

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

Trade means a transfer of Natural Gas between Shippers at the Virtual Trading Point.

Trade Notification means the prior notification by a Shipper to the Transporter of its Traded Quantities.

Traded Quantities means the aggregate quantity of Natural Gas in kWh per Gas Day that has been nominated by a Shipper either:

(a) for transfer from it to another Shipper at the Virtual Trading Point; or

(b) for transfer to it from another Shipper at the Virtual Trading Point,

in each case in respect of a specified Pair of Shippers and in accordance with the procedures set out in this Network Code.

Transfer means an arrangement between a Shipper and a Registered Party under which the Shipper permits the Registered Party to use some or all of the Shipper's Reserved Capacity and pursuant to which: (a) the Registered Party is able to submit Nominations in place of the Shipper in respect of the Reserved Capacity which is subject to the Transfer in accordance with this Network Code; and (b) all other rights and obligations of the Shipper and the Transporter towards each other in respect of that Reserved Capacity are unaffected. A Transfer is also referred to as a "sublet" in the General Terms and Conditions of Gas Transportation Agreements entered into before the Initial Effective Date.

Transferred Capacity means any Reserved Capacity (or part thereof) that is subject to a Transfer.

Transporter means Trans Adriatic Pipeline AG.

Transporter's Final Decision has the meaning given to it in Section 22.5(a).

Transmission Imbalance means, in respect of a particular Shipper on a particular Gas Day:

(a) in respect of Forward Capacity, an amount calculated in accordance with Section 10.1; and

(b) in respect of Commercial Reverse Capacity, an amount calculated in accordance with Section 10.2.

Transportation Confirmation means the "Transportation Confirmation" which forms part of the Gas Transportation Agreements entered into by the Transporter with Registered Parties. The most recent version of the Transportation Confirmation that applies to new Gas Transportation Agreements can be found on the Transporter's website.

Transportation Services means the Natural Gas transportation services to be provided by the Transporter to a Shipper under a Gas Transportation Agreement.

TSO means any operator of a gas transmission system, including the Transporter.

UFG means unaccounted for gas, being the positive or negative quantity of Natural Gas in kWh which results from Local Losses and inaccuracies in the Metering Equipment, as calculated in accordance with Section 16.3.

UFG Cost per kWh means, in respect of a Gas Month all costs and expenses (including Taxes but excluding the UFG Price per kWh) (in Euro) incurred by the Transporter in relation to the purchase or sale of the UFG calculated in relation to that Gas Month in accordance with Section 16.1(a) divided by the total quantity of UFG calculated in relation to that Gas Month to give a cost in €/kWh.

UFG Price per kWh means, in respect of a Gas month the total aggregate that is paid or received by the Transporter in respect of the purchase or sale of the UFG calculated in relation to that Gas Month in accordance with Section 16.1(a) divided by the total quantity of UFG calculated in relation to that Gas Month to give a cost in €/kWh.

Unplanned Maintenance means any maintenance of the TAP Transportation System carried out by the Transporter, other than Planned Maintenance, which requires restrictions to be placed on the use of Reserved Capacity while that maintenance is carried out.

Updated Trade Notification means a Trade Notification submitted by a Shipper for a particular Gas Day after the deadline for the submission of the initial Trade Notification for that Gas Day.

UTC means Coordinated Universal Time, as defined from time to time by the International Telecommunications Union agency of the United Nations.

Validation has the meaning given to it in the International Vocabulary of Metrology – Basic and General Concepts and Associated Terms (VIM 3rd edition) - JCGM 200:2012 and the terms **Validate** and **Validated** will have equivalent meanings.

Verification has the meaning given to it in the International Vocabulary of Metrology – Basic and General Concepts and Associated Terms (VIM 3rd edition) - JCGM 200:2012 and the terms **Verify** and **Verified** will have equivalent meanings.

Virtual Trading Point means a notional location at which Shippers can register Trades of Natural Gas.

Westward (Physical) Flow means the direction of flow of Natural Gas in the TAP Transportation System from the Interconnection Point at Kipoi to the Interconnection Point at Melendugno.

Withdrawn Capacity means Reserved Capacity that has been withdrawn by Transporter in accordance with the LT UIOLI procedures specified in Section 13.6 and 13.7.

Within-Day means, in respect of a Capacity Product, that the capacity is made available for the transportation of Natural Gas for the remaining period of hours in a Gas Day, up to the full Gas Day, and that Capacity Product is booked before or during the relevant Gas Day but following the close of the Day-Ahead auctions for that Gas Day.

Within-Day Adjusted Capacity means, in respect of Forward Firm Within-Day Capacity, an amount of capacity equal to the Reserved Capacity for that booking multiplied by the Within-Day Gas Day Proportion.

Within-Day Gas Day Proportion means, in respect of Forward Firm Within-Day Capacity, the proportion of the Gas Day for which that Forward Firm Within-Day Capacity is made available being the Within-Day Remaining Hours divided by the total number of hours in that Gas Day.

Within-Day Remaining Hours means, in respect of Forward Firm Within-Day Capacity, the number of hours in the Gas Day for which the relevant Shipper is able to submit Renominations to use that Forward Firm Within-Day Capacity, being the number of hours from the beginning of relevant Within-Day Start Hour to the end of that Gas Day.

Within-Day Start Hour means, in respect of Forward Firm Within-Day Capacity, the first hour in the relevant Gas Day for which the relevant Shipper can use that Forward Firm Within-Day Capacity after submitting a Renomination, being:

(a) the first hour of the Gas Day for any booking made in the auction that finishes 3.5 hours before the start of that Gas Day; and

(b) otherwise, the hour of the Gas Day starting 3.5 hours after the close of the auction in which that Forward Firm Within-Day Capacity was booked.

2.2 Naming conventions

(a) The variables and parameters used in this document are named according to the following naming conventions, unless indicated otherwise:

(i) indices to *sum* function (e.g. $\sum_{indice} variable_i$), *max* and *min* functions:

(A) d = sum of values of each hour in Gas Day d

(B) m = sum of values of each Gas Day in Gas Month m

(ii) indices: h = hourly; d = daily; m = monthly; y = yearly; s = Shipper

(iii) prefix: E = Entry Point; X = Exit Point

(iv) suffix prime (') = monthly (allocation); no quote means provisional (allocation)

(b) In this Network Code:

(i) words denoting the singular include the plural and vice versa, unless the context requires otherwise;

(ii) words denoting individuals or persons include all types of Persons, unless the context requires otherwise;

(iii) words denoting any gender include all genders, unless the context requires otherwise;

(iv) headings are for ease of reference only and do not affect interpretation and are of no legal effect;

(v) references to paragraphs, Sections and Appendices mean paragraphs of, Sections of and the Appendices to this Network Code;

(vi) references to this Network Code include any revision to this Network Code in accordance with Section 22;

(vii) references to any other agreements or to any law, statute, rule, or regulation mean the same as amended, modified, or replaced from time to time;

(viii) references to a Party or any Person include its successors and permitted assigns;

(ix) the words "include" and "including" are deemed to be qualified by a reference to "without limitation";

(x) a reduction of a Nominated Quantity, Confirmed Quantity or Allocated Quantity will mean a reduction of the absolute value of such quantity and in comparing any such quantities, the lesser of such quantities will mean the lesser of the absolute values of such quantities;

(xi) a reference to the Transporter's website means the Transporter's corporate website located at http://www.tap-ag.com/; and

(xii) words, phrases, or expressions that are not defined in this Network Code but that have a generally accepted meaning in the practice of measurement and metering in the international businesses of production, transportation, distribution, and sale of Natural Gas have that meaning.

3. REGISTERED PARTIES

3.1 Application to become a Registered Party

(a) Any Person that wishes to become a Registered Party must apply to become a Registered Party by submitting the Application Documents to the Transporter and paying the Registration Fee to the Transporter. A Person will only become a Registered Party following receipt of a Registration Confirmation from the Transporter.

(b) Any Person applying to become a Registered Party must first complete the online "Onboarding Form" found on the Transporter's Registration Platform, including the name, address and contact details of that Person, and subsequently complete an online integrity due diligence (IDD) questionnaire, a link to which will be provided by the Transporter to the applicant through the Transporter's IDD tool upon the completion of the Onboarding Form by the applicant. Following the submission of the Onboarding Form and the response to the online IDD questionnaire to the Transporter, the Person applying to become a Registered Party must then submit the following documents to the Transporter's Registration Platform (where a signature is required, signed electronically using the Transporter’s preferred electronic signature software platform or such other electronic signature as approved in advance by the Transporter):

(i) a completed and signed Registration Form;

(ii) all supporting documents specified in the Registration Form, including a duly executed Confidentiality Agreement, confirmation of completion of the online

integrity due diligence questionnaire and evidence that such Person satisfies one or more of the Credit Limit Criteria specified in Section 4.1(b); and

(iii) written confirmation in the form provided by the Transporter, signed by an authorised signatory, that such Person acknowledges the terms of, and agrees that upon booking any Reserved Capacity will be bound by, the General Terms and Conditions and the Transportation Confirmation that form part of a Current GTA,

together (and including the response to the IDD questionnaire), the **Application Documents**.

(c) The Transporter will notify any Person that has submitted the Application Documents of the completeness or incompleteness of those documents by no later than five Business Days after the Transporter's receipt of those documents.

(d) If the notification referred to in paragraph (c) above:

(i) contains confirmation from the Transporter that the Application Documents are incomplete, then the application will be rejected but the relevant Person may, at any time, complete and resubmit those documents without the need to pay the Registration Fee; or

(ii) contains confirmation from the Transporter that the Application Documents are complete, the Transporter will (acting in its sole discretion) assess whether the relevant Person has met all of the requirements to become a Registered Party.

(e) Following receipt of a notification of completeness referred to in paragraph (c) above, the relevant Person must ensure that the Person nominated by it in the Registration Form to manage that Person's communications (which may be a third party professional services firm) passes a communication test to be arranged by the Transporter as part of the application process.

(f) If the Transporter determines that the relevant Person has met all of the requirements to become a Registered Party, the Transporter will, provide written confirmation to the relevant Person (the **Registration Confirmation**), within 30 Business Days (or such shorter period as the Transporter may determine at its discretion) of a notification of completeness referred to in paragraph (c) above, stating:

(i) that such Person has been accepted as a Registered Party and entered into the Registry and its name has been published in the list of Registered Parties on the Transporter's website;

(ii) the Credit Limit that is applicable to that Person;

(iii) a Shipper Account Code to be used by that Person with respect to any purchase of Forward Firm Capacity or Forward Interruptible Capacity; and

(iv) separate Shipper Account Codes for each Commercial Reverse Route to be used by that Person with respect to any purchase of Commercial Reverse Capacity.

(g) The 30 Business Day period referred to above may be extended by a reasonable period determined at the Transporter's discretion if (i) the Transporter is required as part of its review of the Application Documents to request further information from the relevant Person or (ii) the relevant Person delays the conduct of, or fails, the communication test.

(h) Persons that hold Reserved Capacity under a Gas Transportation Agreement entered into before the Initial Effective Date will automatically be entered into the Registry as a Registered Party without the need to submit a Registration Form. However, until such time as those Persons provide the supporting documents that are specified in the Registration Form as being required to evidence that Person's achievement of one or more Credit Limit Criteria the Credit Limit applicable to those Persons as Registered Parties will be zero.

3.2 Updates to information

(a) Each Registered Party must, upon the request of the Transporter (which is anticipated to occur approximately 15 Business Days before the start of each Gas Year), provide a notice in writing to the Transporter:

(i) confirming that no information provided by that Registered Party in the Application Documents has changed since the last confirmation given by that Registered Party; or

(ii) identifying the information provided by that Registered Party in the Application Documents that has changed.

(b) Each Registered Party must, in addition to the obligations set out in paragraph (a) above, provide a notice in writing to the Transporter identifying any material change to the information provided by that Registered Party in the Application Documents, promptly upon becoming aware of any such material change

(c) Each Registered Party that notifies the Transporter of a change to any of the information provided by that Registered Party in the Application Documents must submit via the Registration Platform revised versions of the Application Documents that are affected by that change within five Business Days' of that notification and must co-operate with any request that the Transporter may make for further information or documentation relating to that change.

(d) Upon receipt of revised Application Documents (or if no notice is submitted under paragraph (a) above), the Transporter will assess if the relevant Registered Party still meets its requirements to be a Registered Party and if it does not may take the action specified in Section 3.4.

(e) The Transporter may require that the Registered Party resubmits responses to the IDD questionnaire if the Transporter at its discretion determines that such updates are required (including if the IDD attributed to the Registered Party expires or if there are factual developments that the Transporter becomes aware of that may impact the IDD assessment).

3.3 Rights and obligations of Registered Parties

(a) Only Registered Parties have the right to:

(i) participate in auctions and purchase Capacity Products in accordance with the procedures set out in Section 6;

(ii) trade Capacity Products with other Registered Parties in accordance with Section 7; and

(iii) access the TAP Electronic Data Platform and, subject to Section 6.1(a), the Capacity Booking Platform.

(b) Each Registered Party must at all times maintain a Credit Limit of not less than the Minimum Credit Limit by continuously meeting one or more of the Credit Limit Criteria unless that Registered Party holds Alternative Credit Support Capacity.

(c) A Registered Party that becomes a Shipper will, as well as being a Shipper, remain a Registered Party for the purpose of this Network Code.

3.4 Removal from the Registry

(a) A Registered Party that wishes to cease being a Registered Party may notify the Transporter in writing of its intention to cease being a Registered Party if it no longer has any Reserved Capacity. The Transporter will, no later than ten Business Days after receipt of such notice, remove that Registered Party from the Registry and confirm in writing to that Registered Party that it is no longer a Registered Party.

(b) The Transporter may remove a Registered Party from the Registry and confirm in writing to that Registered Party that it is no longer a Registered Party if:

(i) that Registered Party ceases to maintain a Credit Limit of at least the Minimum Credit Limit unless such Person holds any Alternative Credit Support Capacity;

(ii) a Gas Transportation Agreement that such Registered Party is a party to is terminated by the Transporter before the end of its term and that Registered Party is not party to any other Gas Transportation Agreements;

(iii) such Registered Party fails to submit a response to the Transporter within 15 Business Days of the Transporters' notice pursuant to Section 3.2(a) or Section 3.2(e) or, following submission by a Registered Party of any revised Application Documents or IDD questionnaire, the Transporter (acting in its sole discretion) determines that the revised versions of those documents demonstrate that such Registered Party no longer meets its requirements to be a Registered Party as set out above; or

(iv) if that Registered Party is not a party to a Gas Transportation Agreement, then in relation to that Registered Party:

(A) that Registered Party voluntarily commences any proceeding or files any petition seeking its liquidation, reorganisation, dissolution, winding-up, composition, or other relief (including any petition seeking the postponement of such proceedings or the grant of a moratorium) under any bankruptcy, insolvency, receivership, or similar Laws applicable to that Registered Party or consents to the commencement of any proceeding or the filing of any petition against it under any similar Law;

(B) any corporate action, legal proceeding or other procedure or step is taken in relation to assignment for the benefit of that Registered Party's creditors in the context of insolvency or it admits in writing its inability to pay its debts generally as they become due, it ceases to make payments on account of its debts generally as they become due or it becomes over-indebted within the meaning of any applicable Laws;

(C) that Registered Party consents to the appointment of a receiver, trustee, or liquidator over its or any part of its assets or undertakings;

(D) a person files a petition seeking the liquidation, reorganisation, dissolution, winding-up, composition, or other relief for that Registered Party or the

granting of a moratorium with respect to that Registered Party under the provisions of any bankruptcy, insolvency, receivership, or similar Laws applicable to it, and the petition is not dismissed within 60 Days after the filing;

(E) a court of competent jurisdiction enters an order or decree appointing a receiver, liquidator, or trustee for that Registered Party or any of its assets and the receiver, liquidator, or trustee is not discharged within 60 Days after the date of the order or decree;

(F) a court of competent jurisdiction enters an order or decree adjudicating that Registered Party to be bankrupt or insolvent or granting a moratorium with respect to that Registered Party, and the order or decree is not stayed or discharged within 60 Days after the date of the order or decree;

(G) that Registered Party causes or is subject to any event with respect to it which, under the applicable Laws of any jurisdiction, has the analogous effect to any of the events specified in paragraphs (A) to (F) above; or

(H) any of the circumstances set out in Section 20.2(a) applies to that Registered Party.

(c) The removal of a Person from the Registry is without prejudice to any rights and obligations of that Person as a Shipper or a Registered Party that accrued prior to such removal including its rights to return of any Rated Entity Guarantee or its Cash Collateral Balance in accordance with Section 4.6.

4. CREDIT LIMITS

4.1 Assigning an initial Credit Limit

(a) The Transporter will, in respect of each Person that applies to become a Registered Party pursuant to Section 3.4(a) and that meets one or more of the Credit Limit Criteria, set a Credit Limit for that Person in accordance with Section 4.3 and notify that Person of its Credit Limit in the Registration Confirmation.

(b) Persons applying to become a Registered Party must satisfy one or more of the following criteria (together, the **Credit Limit Criteria**) before being assigned a Credit Limit by the Transporter in accordance with Section 4.3:

(i) that Person has a credit rating that is equal to or higher than the Minimum Credit Rating;

(ii) that Person has procured a Rated Entity Guarantee; or

(iii) that Person has paid at least the Minimum Credit Limit as Cash Collateral.

(c) A Person that has satisfied net worth based credit criteria for the provision by it of a guarantee for Alternative Credit Support Capacity will be deemed to have a Minimum Credit Rating for the purpose of this Network Code if required for such Person to satisfy the criteria to be a Rated Entity Guarantor.

4.2 Updating Credit Limits

(a) The Credit Limit of a Registered Party may be retested and revised, either upwards or downwards:

(i) at any time, at the request of that Registered Party, if that Registered Party:

(A) has put or intends to put new credit support in place that meets one or more of the Credit Limit Criteria; or

(B) wishes to reduce the credit support it has in place, provided that such reduction does not reduce the Credit Limit below the Minimum Credit Limit or result in an Available Credit of less than zero;

(ii) at any time, by the Transporter, if it reasonably believes that a retesting of the Credit Limit currently assigned to a Registered Party would result in a decrease to that Credit Limit; and

(iii) as part of an annual retesting of the Credit Limits assigned to all Registered Parties that the Transporter will conduct on or before 30 June in each Gas Year.

(b) If the Credit Limit of a Registered Party is to be retested and revised, as described in paragraph (a)(i) above:

(i) the Registered Party that is seeking to have its Credit Limit revised must:

(A) notify the Transporter in writing that it is seeking to have its Credit Limit revised;

(B) detail in that notification the Registered Party's new credit support that meets one or more of the Credit Limit Criteria that is already in place (or that the Registered Party intends to put in place); and

(C) if applicable, upload relevant documents evidencing the new credit support in the Registration Platform;

(ii) the Transporter shall, by no later than ten Business Days after receipt of the notification referred to in paragraph (i) above, notify the Registered Party of:

(A) in the case of new credit support that is already in place that meets one or more of the Credit Limit Criteria, the revised Credit Limit that is applied to that Registered Party by the Transporter; or

(B) in the case of new credit support that the Registered Party intends to put in place that would meet the Credit Limit Criteria once it is put in place, the revised Credit Limit that will be applied to that Registered Party by the Transporter if the proposed new credit support is put in place;

(iii) after receipt of the notification referred to in paragraph (ii)(B) above, the Registered Party must take all steps that are required to effect the new credit support and once all such steps have been taken, must upload relevant documents in the Registration Platform evidencing that all such steps have been taken, after which the Transporter must, within ten Business Days, notify the Registered Party of the revised Credit Limit that is applied to that Registered Party by the Transporter.

(c) If the Credit Limit of a Registered Party is to be retested, as described in paragraph (a)(ii) above:

(i) the Registered Party must co-operate with the Transporter and provide such information within its control as the Transporter may reasonably request for the purpose of retesting that Credit Limit; and

(ii) if such testing results in a revision to the Credit Limit, the Transporter must notify the relevant Registered Party of:

(A) the reasons why the Transporter has decided to retest the Registered Party's Credit Limit; and

(B) the revised Credit Limit that has resulted from that retesting.

(d) If the Credit Limit of a Registered Party is to be retested and revised, as described in paragraph (a)(iii) above, the Transporter must notify each Registered Party that has had its Credit Limit revised following that retesting of the revised Credit Limit that has resulted from that retesting.

(e) Without prejudice to any other rights or remedies available to the Transporter under the relevant Gas Transportation Agreements, if a Registered Party has its Credit Limit revised and, as a result of that revised Credit Limit, its Available Credit is less than zero then such Registered Party must promptly take such steps as are necessary to increase its Credit Limit such that its Available Credit is at least zero.

4.3 Determining the Credit Limit

(a) If a Registered Party or a Person that is applying to become a Registered Party satisfies the Credit Limit Criterion by demonstrating a Minimum Credit Rating, the Credit Limit that will be applied to that Registered Party or Person (or, if applicable, the portion of the Credit Limit that will be attributable to that Credit Limit Criterion) will be the lesser of:

(i) the Credit Limit Percentage of the Net Worth of that Registered Party;

(ii) €50,000,000 (or such higher amount as the Transporter may expressly agree in writing with that Registered Party or Person); and

(iii) the amount (if any) notified by that Registered Party or Person to the Transporter as the maximum Credit Limit that it wishes to have.

(b) If a Registered Party or a Person that is applying to become a Registered Party satisfies the Credit Limit Criterion by providing one or more Rated Entity Guarantees, the Credit Limit that will be applied to that Registered Party or Person (or, if applicable, the portion of the Credit Limit that will be attributable to that Credit Limit Criterion) in respect of each such Rated Entity Guarantee will be:

(i) if that Rated Entity Guarantor is a recognised reputable financial institution, any limit on the amount in Euros that can be demanded under that Rated Entity Guarantee; or

(ii) if that Rated Entity Guarantor is not a recognised reputable financial institution, the lesser of:

(A) any limit on the amount in Euros that can be demanded under that Rated Entity Guarantee;

(B) the Credit Limit Percentage of the Net Worth of that Rated Entity Guarantor;

(C) €50,000,000 (or such higher amount as the Transporter may expressly agree in writing with that Registered Party or Person); and

(D) the amount (if any) notified by that Registered Party or Person to the Transporter as the maximum Credit Limit that it wishes to have.

(c) If a Registered Party or a Person that is applying to become a Registered Party satisfies the Credit Limit Criterion using Cash Collateral, the Credit Limit that will be applied to that Registered Party or Person (or, if applicable, the portion of the Credit Limit that will be attributable to that Credit Limit Criterion) will be the Cash Collateral Balance of that Registered Party or Person. Unless expressly agreed otherwise by the Transporter in writing, a Registered Party or a Person that is applying to become a Registered Party may not deposit Cash Collateral that would result in the Cash Collateral Balance of that Registered Party or Person exceeding €500,000.

(d) If a Registered Party or a Person that is applying to become a Registered Party satisfies more than one Credit Limit Criteria, the Credit Limit that will be applied to that Registered Party or Person will be the aggregate of the portions of the Credit Limit that are applied to that Registered Party under paragraphs (a), (b) and (c) above (as applicable).

4.4 Available Credit

(a) A Registered Party that does not have any Reserved Capacity or only has Alternative Credit Support Capacity will have Available Credit equal to its Credit Limit.

(b) A Registered Party's Available Credit will be reduced by each quantity of Reserved Capacity (except for Alternative Credit Support Capacity) that such Registered Party books through auction or acquires by way of Assignment in accordance with the calculation set out in Section 4.5.

(c) No Registered Party may book through auction or acquire by Assignment any Reserved Capacity that would reduce its Available Credit to less than zero following the calculation set out in Section 4.5 being made.

(d) If a Registered Party is booking Reserved Capacity for a full Gas Quarter or the immediately following full Gas Year, the calculation of that Registered Party's Indebtedness for the purpose of determining whether the condition in paragraph (c) above is met for that auction will be calculated on the following basis:

(i) the Indebtedness will be calculated in accordance with Section 4.5 without taking into account the Reserved Capacity being booked; and

(ii) the Indebtedness will be increased by an amount equal to the Indebtedness calculated in accordance with Section 4.5 but where:

(A) M is the Gas Month immediately preceding the start of that booking; and

(B) the only Monthly Charges taken into account are the Monthly Charges for the Reserved Capacity being booked.

For the avoidance of doubt, the above adjustments will only apply in respect of the auction in which the Reserved Capacity is being booked and for the purposes of the calculation in

paragraph (c) above. Following that auction, any Reserved Capacity will be taken into account in the calculation of Indebtedness in accordance with Section 4.5 without adjustment.

4.5 Calculation of Available Credit

(a) The Available Credit of a Registered Party will be updated each Gas Day and immediately following (i) that Registered Party booking through auction or acquiring by Assignment a Capacity Product (except for Alternative Credit Support Capacity) or (ii) the update of that Registered Party's Credit limit in accordance with Section 4.2 in accordance with the following formulae:

Available Credit = Credit Limit – Indebtedness

where:

Indebtedness means the aggregate (without double-counting) of:

(A) all unpaid amounts set out in a Monthly Statement that the Transporter has issued to the Shipper; and

(B) all Monthly Charges for all Reserved Capacity that the Shipper holds for any prior Gas Month (for which a Monthly Statement has not been issued), the current Gas Month and each of the following 12 Gas Months, with a Credit Multiplier applying to each Monthly Charge in respect of Gas Months up to the third Gas Month following the current Gas Month,

in each case excluding any Monthly Charges for Alternative Credit Support Capacity.

(b) For the purpose of calculating a Shipper's Indebtedness, following formula will apply:

$$\text{Indebtedness} = [\sum_{m=X}^{M-1} UI_m] + \left[\sum_{m=\text{M}-1}^{M+3} MC_m \times \text{Credit Multiplier}\right] + [\sum_{m=M+4}^{M+12} MC_m]$$

where:

(i) ***M*** is the current Gas Month;

(ii) ***X*** is the earliest Gas Month for which there are unpaid Monthly Charges;

(iii) $\boldsymbol{UI_m}$ is the aggregate unpaid amount in respect of any Monthly Statement issued for Reserved Capacity booked in month m (other than Alternative Credit Support Capacity);

(iv) $\boldsymbol{MC_m}$ is the aggregate of all Monthly Charges for the Shipper in respect of month m for all Reserved Capacity (other than Alternative Credit Support Capacity) which has not yet been included in a Monthly Statement issued to the Shipper; and

(v) **Credit Multiplier** means the credit multiplier that must be applied to the Monthly Charges for each Capacity Product up to Gas Month M+3 determined as specified below.

(c) The Credit Multiplier reflects costs in addition to the Monthly Charges that Shippers will incur when using Capacity Products, including the cost of Fuel Gas, UFG, Electric Power and balancing.

(d) The Credit Multiplier will be the latest figure published on the Transporter's website from time to time.

(e) The value of the Credit Multiplier will be updated periodically and at least annually to reflect actual costs and will be published on the Transporter's website.

4.6 Release of credit support

If a Person ceases to be a Registered Party, the Transporter will return to such Person any Rated Entity Guarantee procured by such Person and any Cash Collateral Balance relating to that Person within 30 days of being satisfied that all amounts due and payable by such Person have been irrevocably discharged in full and no further amounts are likely to become due.

4.7 Rated Entity Guarantees with an expiry date

(a) In this Clause 4.7:

Replacement Amount means, in respect of a Rated Entity Guarantee, the lesser of:

(i) the remaining undrawn amount of the Rated Entity Guarantee; and

(ii) the amount required to ensure that following the expiry date of that Rated Entity Guarantee the relevant Registered Party's Credit Limit is maintained as in effect on that expiry date (where relevant as decreased in compliance with Section 4.2(a)(i)(B)) taking into consideration any other credit support in place at such time.

(b) Except with the prior written agreement of the Transporter, a Rated Entity Guarantee may only contain an expiry date if:

(i) the relevant Rated Entity Guarantor is a recognised reputable financial institution;

(ii) the expiry date is no earlier than 364 days after the date of issue of the Rated Entity Guarantee; and

(iii) such Rated Entity Guarantee permits the making of a demand in accordance with paragraph (d) below and complies with the other requirements of this Network Code.

(c) If a Registered Party provides and the Transporter accepts a Rated Entity Guarantee with an expiry date then no later than 20 days before the expiry date of such Rated Entity Guarantee, the relevant Registered Party must provide to the Transporter a replacement Rated Entity Guarantee:

(i) which is consistent with the requirements of the Network Code;

(ii) which has a face value at least equal to the Replacement Amount; and

(iii) which becomes effective no later than the expiry of the expiring Rated Entity Guarantee.

(d) If a Registered Party fails to replace any Rated Entity Guarantee when required in accordance with paragraph (c) above, the Transporter may make a demand on the expiring Rated Entity Guarantee for the Replacement Amount. The proceeds of such demand shall be paid to the Cash Collateral Account and thereafter will be treated as Cash Collateral deposited by the relevant Registered Party.

5. CAPACITY PRODUCTS

5.1 Available Capacity as Capacity Products

(a) The Transporter will, on and from the Commercial Operations Date:

(i) offer Available Capacity to Registered Parties to purchase in the form of Capacity Products in accordance with the provisions of this Network Code;

(ii) ensure that Available Capacity in relation to each Interconnection Point is, for each auction published on the Capacity Booking Platform; and

(iii) ensure that the Tariff that is applicable to each Capacity Product that is offered by the Transporter is published on its website.

(b) Registered Parties must enter into a Gas Transportation Agreement with the Transporter in order to purchase Capacity Products. The procedure for booking Capacity Products and entering into Gas Transportation Agreements is set out in Section 6.

5.2 Forward Firm Capacity

(a) The Transporter will make Forward Firm Long Term Capacity available at each Interconnection Point if required in accordance with Market Tests.

(b) The Transporter will, subject to there being sufficient Available Capacity, offer the following Capacity Products for Forward Firm Short Term Capacity for purchase by Registered Parties:

(i) Forward Firm Yearly Capacity;

(ii) Forward Firm Quarterly Capacity;

(iii) Forward Firm Monthly Capacity;

(iv) Forward Firm Daily Capacity; and

(v) Forward Firm Within-Day Capacity.

(c) Forward Firm Capacity is offered independently at each Interconnection Point and therefore Registered Parties must separately book Forward Firm Capacity at the required Entry Point(s) and/or Exit Point(s).

5.3 Forward Interruptible Capacity

(a) The only Forward Interruptible Capacity product offered by the Transporter is Forward Day-Ahead Interruptible Capacity. Forward Day-Ahead Interruptible Capacity in the Forward IP Direction will be offered by the Transporter for purchase by Registered Parties at an Interconnection Point only when there is no Available Capacity for Forward Firm Capacity at that Interconnection Point.

(b) Forward Interruptible Capacity is offered independently at each Interconnection Point and therefore Registered Parties must separately book Forward Interruptible Capacity at the required Entry Point(s) and/or Exit Point(s).

(c) Forward Interruptible Capacity is an interruptible product in accordance with Section 12.5.

5.4 Commercial Reverse Capacity

(a) The Transporter will offer Commercial Reverse Capacity which results in an Eastward (Commercial) Flow in accordance with each Commercial Reverse Route.

(b) The Transporter will, subject to there being sufficient Available Capacity, offer the following Capacity Products for Commercial Reverse Capacity for purchase by Registered Parties:

(i) Commercial Reverse Yearly Capacity;

(ii) Commercial Reverse Quarterly Capacity;

(iii) Commercial Reverse Monthly Capacity; and

(iv) Commercial Reverse Daily Capacity.

(c) A Registered Party that wishes to book Commercial Reverse Capacity must book Commercial Reverse Capacity as a combination of equal amounts of Reserved Capacity at one Entry Point and one Exit Point. Permitted combinations of Entry Points and Exit Points are set out in Table B in Appendix 2. Each such combination is referred to as a Commercial Reverse Route.

(d) Commercial Reverse Capacity is an interruptible product in accordance with Section 12.4.

5.5 Physical Reverse Flow

The Transporter will provide Physical Reverse Flow for emergency operations only. Physical Reverse Flow is not offered as a commercial product.

6. CAPACITY BOOKING

6.1 Access to Capacity Booking Platform

(a) Except (i) as set out in Section 1.2 in respect of the Initial Capacity Allocation Mechanism and (ii) for Capacity Products booked pursuant to a Market Test, if a Registered Party wants to book Reserved Capacity it must do so through the Capacity Booking Platform. It is the responsibility of each Registered Party to accept and comply with the access requirements of the Capacity Booking Platform, as set out in the terms and conditions of the Capacity Booking Platform.

(b) If the Transporter publishes a new form of General Terms and Conditions or Transportation Confirmation on its website then a Registered Party may not book new Capacity Products in any auction taking place after the date on which the Transporter notifies Registered Parties that such Current GTA is to apply unless it confirms its agreement to the terms of such Current GTA for new Capacity Products. Any Registered Party that does not give its confirmation in the form prescribed by the Transporter will not be able to book new Capacity Products after such date until it gives such confirmation.

(c) By subscribing for Capacity Products on the Capacity Booking Platform, existing Shippers with a Current GTA in effect for the same type of Capacity Product (being Forward Firm Long Term Capacity, Forward Firm Short Term Capacity, Forward Interruptible Capacity or Commercial Reverse Capacity) will have the Reserved Capacity added to their existing Gas Transportation Agreement which is a Current GTA.

(d) Registered Parties that do not already have a Current GTA in effect for the same type of Capacity Product will, when subscribing for Capacity Products on the Capacity Booking

Platform, be entering into a Gas Transportation Agreement with the Transporter in the form of the Current GTA.

(e) The Transporter will publish back-up capacity allocation procedures on its website to apply in the event of the unavailability of the Capacity Booking Platform.

6.2 Auction Calendar

Capacity Products will be offered for subscription through the Capacity Booking Platform in accordance with this Section 6 and according to the ENTSOG Auction Calendar which is updated annually and will be published on the Transporter's website.

6.3 Booking of Forward Capacity

(a) Registered Parties are able to purchase Capacity Products for Forward Capacity through auctions conducted on the Capacity Booking Platform.

(b) The Transporter will offer the following Capacity Products for Forward Firm Capacity in the following order of priority at each Interconnection Point for so long as there is sufficient remaining Available Capacity to accommodate those Capacity Products and subject to the competition constraints set out in paragraph (d) below:

(i) Forward Firm Yearly Capacity for each of the following 15 Gas Years at annual auctions;

(ii) Forward Firm Quarterly Capacity for each Gas Quarter in the same Gas Year at rolling quarterly auctions;

(iii) Forward Firm Monthly Capacity for the following Gas Month at monthly auctions;

(iv) Forward Firm Daily Capacity on a Day-Ahead basis at daily auctions; and

(v) Forward Firm Within-Day Capacity on a Within-Day basis at an auction that starts two hours after the end of the Forward Firm Daily Capacity auction for the same Gas Day and ends three and a half hours before the start of the Gas Day, and at hourly auctions thereafter.

(c) The Transporter will offer Forward Day-Ahead Interruptible Capacity in the Forward IP Direction for a particular Interconnection Point and Gas Day through a daily auction only if all Available Capacity for Forward Firm Capacity for that Interconnection Point and Gas Day has been fully booked. The Transporter will offer Forward Day-Ahead Interruptible Capacity in the Reverse IP Direction for the Interconnection Points at Komotini and (before the NM Bidirectionality Date) Nea Mesimvria on a particular Gas Day through a daily auction for so long as there is sufficient remaining Available Capacity to accommodate such offer and, before the NM Bidirectionality Date only, subject to the competition constraints set out in Section 6.4(d).

(d) As the availability of Forward Firm Capacity products at a particular Interconnection Point may be constrained by the overall availability of a Westward (Physical) Flow and the booking of Forward Firm Capacity products at other Interconnection Points along the route of the TAP Transportation System, the Transporter may not be able to provide all of the Forward Firm Capacity offered for a particular Capacity Product and Interconnection Point in an auction. As a result of these constraints on the Westward (Physical) Flow, the booking of Forward Firm Capacity for any Capacity Product and Exit Point will be subject to competing auctions with the same Capacity Product for other Exit Points. The capacity constraints will be agreed with

Adjacent TSOs and notified by the Transporter to the Capacity Booking Platform, which will take into account these constraints as part of the competing auctions for Forward Firm Capacity at Exit Points. The competing auctions will be run in accordance with the rules of the Capacity Booking Platform and criteria to be developed by the Transporter, approved by the NRAs and published on the Transporter's website.

(e) If a Registered Party books Forward Firm Within-Day Capacity, such booking will commence on and from the relevant Within-Day Start Hour and there will be no increase in that Registered Party's Reserved Capacity at the relevant Interconnection Point as a result of such Forward Firm Within-Day Capacity booking before that Within-Day Start Hour.

6.4 Booking of Commercial Reverse Capacity

(a) Registered Parties are able to purchase Capacity Products for Commercial Reverse Capacity through auctions conducted on the Capacity Booking Platform. Commercial Reverse Capacity must be booked as a specific combination of Reserved Capacity at each of an Entry Point and an Exit Point that forms a Commercial Reverse Route. Auctions will therefore be conducted for each possible Commercial Reverse Route.

(b) The Transporter will offer the following Capacity Products for Commercial Reverse Capacity in the following order of priority for each Commercial Reverse Route for so long as there is remaining Available Capacity at both Interconnection Points that form a Commercial Reverse Route to accommodate those Capacity Products and subject to the competition constraints set out in paragraph (c) below:

(i) Commercial Reverse Yearly Capacity for each of the following 15 Gas Years at annual auctions;

(ii) Commercial Reverse Quarterly Capacity for each Gas Quarter in the same Gas Year at annual auctions;

(iii) Commercial Reverse Monthly Capacity for the following Gas Month at monthly auctions; and

(iv) Commercial Reverse Daily Capacity on a Day-Ahead basis at daily auctions.

(c) As auctions for different Commercial Reverse Routes may be competing for the same Available Capacity at a particular Interconnection Point, the Transporter may not be able to provide all of the Commercial Reverse Capacity offered for a particular Commercial Reverse Route in an auction. As a result of these constraints on the Forward IP Direction at relevant Interconnection Points, the booking of Commercial Reverse Capacity for any Capacity Product and Commercial Reverse Route will be subject to competing auctions with the same Capacity Product for other Commercial Reverse Routes that include a common Interconnection Point with a Forward IP Direction. The capacity constraints will be agreed with Adjacent TSOs and notified by the Transporter to the Capacity Booking Platform, which will take into account these constraints as part of the competing auctions for Commercial Reverse Capacity. The competing auctions will be run in accordance with the rules of the Capacity Booking Platform and criteria to be developed by the Transporter, approved by the NRAs and published on the Transporter's website.

(d) This paragraph (d) will cease to be effective on the NM Bidirectionality Date. As auctions for Forward Day-Ahead Interruptible Capacity in the Reverse IP Direction at Nea Mesimvria prior to the NM Bidirectionality Date may be competing for the same Available Capacity as the Commercial Reverse Route that has Nea Mesimvria as an Entry Point, the Transporter may not be able to provide all of the Forward Day-Ahead Interruptible Capacity and

Commercial Reverse Daily Capacity offered for Nea Mesimvria as an Entry Point. As a result of these constraints, the booking of Commercial Reverse Daily Capacity for the Commercial Reverse Route that includes Nea Mesimvria as an Entry Point prior to the NM Bidirectionality Date will be subject to competing auctions with Forward Day-Ahead Interruptible Capacity in the Reverse IP Direction at Nea Mesimvria. The capacity constraints will be agreed with Adjacent TSOs and notified by the Transporter to the Capacity Booking Platform, which will take into account these constraints as part of the competing auctions. Prior to the NM Bidirectionality Date, the competing auctions will be run in accordance with the rules of the Capacity Booking Platform and criteria to be developed by the Transporter, approved by the NRAs and published on the Transporter's website.

6.5 Bundling

(a) Subject to paragraph (e) below, Forward Firm Capacity will be offered as Bundled Capacity at each Interconnection Point other than Kipoi, to the extent that capacity is actually available on both sides of that Interconnection Point. If the amount of a particular Capacity Product for Forward Firm Capacity on offer at an Entry Point or an Exit Point by the Transporter is different from to the amount of capacity on offer by the Adjacent TSO for the equivalent standard capacity product, the lower of the two amounts will be offered as Bundled Capacity and the remaining capacity will be offered as unbundled capacity on the relevant side of the Interconnection Point.

(b) Bundled Capacity at each relevant Interconnection Point will be offered through auctions held on the Capacity Booking Platform. Registered Parties are able to book forward capacity on each side of a relevant Interconnection Point as Bundled Capacity through a single booking procedure for each Interconnection Point.

(c) The Reserve Price of any Forward Firm Capacity offered as Bundled Capacity shall be the aggregate of the TAP Reserve Price and the reserve price for the relevant capacity product offered by the Adjacent TSO in accordance with the tariff rules of the relevant Adjacent TSO.

(d) Subject to paragraph (e) below, the Transporter will coordinate with the relevant Adjacent TSO to maximise Forward Firm Capacity available as Bundled Capacity on offer at each Interconnection Point other than Kipoi.

(e) Notwithstanding the above, Forward Firm Capacity for a particular Capacity Product and Interconnection Point will not be offered as Bundled Capacity to the extent that (and for so long as) the relevant Adjacent TSO has notified the Transporter that either (i) it is not making available that particular Capacity Product for booking or (ii) it has an exemption from its relevant NRA from the requirement to offer that Capacity Product as Bundled Capacity. The Transporter will have no obligation to coordinate with such Adjacent TSO or to offer the relevant Capacity Product as Bundled Capacity at that Interconnection Point until it receives notice from the relevant Adjacent TSO that such circumstances no longer apply.

(f) The Transporter intends that Surrendered Capacity and Withdrawn Capacity that is Bundled Capacity remains bundled when offered as Available Capacity. However, as a result of the auction process in which such Surrendered Capacity or Withdrawn Capacity is offered, such Bundled Capacity might become unbundled in circumstances where:

(i) the amount of Available Capacity that is not Surrendered Capacity or Withdrawn Capacity offered by the Transporter is different from the equivalent available capacity offered by the Adjacent TSO in that auction;

(ii) the order of allocation of the available capacity of the Adjacent TSO is different from the order set out in Section 13.2(e); or

(iii) the procedures applying to the reallocation of Withdrawn Capacity result in the Transporter's Withdrawn Capacity being offered in different auctions to the equivalent withdrawn capacity offered by the Adjacent TSO.

(g) Commercial Reverse Capacity and Forward Interruptible Capacity will not be offered as Bundled Capacity.

6.6 Conduct of Auctions

(a) Auctions for Forward Firm Capacity and Commercial Reverse Capacity other than Forward Firm Daily Capacity, Forward Firm Within-Day Capacity and Commercial Reverse Daily Capacity will apply an ascending clock auction algorithm, enabling Registered Parties to place quantity bids against escalating prices announced in consecutive bidding rounds, starting at the Reserve Price. Ascending clock auctions will be conducted in accordance with the procedures and algorithm set out in the CAM Network Code.

(b) Auctions for Forward Firm Daily Capacity, Forward Firm Within-Day Capacity, Commercial Reverse Daily Capacity and Forward Day-Ahead Interruptible Capacity will apply a uniform price auction algorithm, under which there is a single bidding round in which Registered Parties bid price as well as an amount of capacity. Uniform price auctions will be conducted in accordance with the procedures and algorithm set out in the CAM Network Code.

(c) The Transporter will only accept bids that are, in accordance with Section 4.4, within the Available Credit of a Registered Party.

6.7 Publication of auction results

Auction results will be published on the Capacity Booking Platform after each bidding round has closed in accordance with the timetable of the Capacity Booking Platform. Registered Parties will be notified on an individual basis of the Reserved Capacity that they have booked at the relevant auction. The Transporter will make available aggregated information on auction results by posting this information on its website.

6.8 Auction Premium

(a) For Bundled Capacity, if an auction results in an Auction Premium then the Auction Premium will be shared between the Transporter and the Adjacent TSO according to a percentage allocation that is notified by the Capacity Booking Platform. This percentage allocation will be agreed between the Transporter and the relevant Adjacent TSO and is subject to approval by the relevant NRA. For Capacity Products that are not offered as Bundled Capacity, the full amount of the Auction Premium will be for the Transporter.

(b) The Transporter's share of any Auction Premium will, together with the TAP Reserve Price, be part of the Tariff to be paid by the relevant Shipper under the Gas Transportation Agreement.

6.9 Within-Day Operation Fee

For each booking of Forward Firm Within-Day Capacity successfully made by a Registered Party, that Registered Party must pay an operation fee in Euro to the Transporter in accordance with clause 4.2 of Schedule GTC 5. The operation fee will be allocated to the Gas Transportation Agreement under which the relevant booking of Forward Firm Within-Day Capacity is made and will be included in, and payable in accordance with, the relevant Statements issued to that Registered Party in respect of the Gas Month for which the booking is made.

6.10 Market Test for Expansion Capacity

(a) The Transporter will perform Market Tests at least every two years from no later than the start of commercial operations, in line with the guidelines approved by the NRAs and published on the Transporter's website from time to time.

(b) The Market Test procedures will be specific to the TAP Transportation System and will be developed taking into account applicable regulations and the requirements of the Exemption.

7. SECONDARY MARKET

7.1 Access to the Secondary Market

(a) The **Secondary Market** is the trading of Reserved Capacity between an Offering Shipper and another Registered Party which will take place either as an Assignment or a Transfer.

(b) The Transporter will facilitate the trading of Reserved Capacity on the secondary market to Registered Parties:

(i) in respect of Transfers, using the Capacity Booking Platform; and

(ii) in respect of Assignments, following the procedure set out in Section 7.3,

enabling a Shipper to trade all or part of its Reserved Capacity. Any such transaction is also subject to any specific terms relating to such trades set out in the relevant Gas Transportation Agreement.

(c) If a Registered Party wants to gain access to Reserved Capacity by way of a Transfer it must do so through the Capacity Booking Platform. It is the responsibility of each Registered Party intending to acquire Reserved Capacity by way of Transfer to accept and comply with the access requirements of the Capacity Booking Platform, as set out in the terms and conditions of the Capacity Booking Platform.

(d) If a Registered Party wants to accept an Assignment of all or part of some Reserved Capacity, it must do so by completing an Assignment Form in accordance with Section 7.3.

(e) The rules in paragraphs (b) and (c) above do not apply to Transfers of Bundled Capacity at the Interconnection Point of Melendugno where, in order to ensure alignment between the processes of the Transporter and the Adjacent TSO, Transfer requests must be submitted by the Offering Shipper by e-mail using the form made available for this purpose by the Transporter on its website.

7.2 Procedure for Transfers

(a) The Transporter will procure that the Capacity Booking Platform will support the following procedures for Transfers of Reserved Capacities:

(i) Over-the-Counter (OTC) trading, where an Offering Shipper and a Registered Party trade bilaterally;

(ii) Call for Orders (CFO), where an Offering Shipper submits a Transfer proposal open to responses of Registered Parties and chooses the response it accepts; and

(iii) First Come First Served (FCFS), where an Offering Shipper submits a Transfer proposal open to responses of Registered Parties and automatically accepts responses based on the order in which those responses are received.

(b) For the Call For Orders procedure, a Shipper can create a list of possible counterparties on the Capacity Booking Platform.

(c) A Shipper may withdraw its Transfer proposal prior to receiving a response from a Registered Party, but not after.

(d) If an Offering Shipper and a Registered Party confirm a matching trade made as a Transfer, the Offering Shipper must notify the Transporter through the Capacity Booking Platform. The notification from the Offering Shipper must contain the following information in relation to a Transfer:

(i) the Interconnection Point and whether that Interconnection Point is an Entry Point or an Exit Point for the relevant Reserved Capacity;

(ii) the Capacity Product;

(iii) the quantity of Reserved Capacity subject to the Transfer and the duration of the Transfer; and

(iv) the Registered Party assuming the rights to the Reserved Capacity subject to the Transfer.

(e) Following receipt of notification of the Transfer, the Transporter will then validate the Transfer within one clear Business Day of receiving such notification (or, in the case of unbundled Reserved Capacity at the Interconnection Point of Melendugno, within such later timeline as may be required by the Adjacent TSO), if the Transfer complies with the conditions for Transfers of Reserved Capacities set out in this Section 7. Resulting Transfers will be registered and shown on the relevant Capacity Booking Platform.

(f) Paragraphs (a) to (e) above do not apply to Transfers of Bundled Capacity at the Interconnection Point of Melendugno. Following receipt of a form in accordance with Section 7.1 for the Transfer of such Bundled Capacity, the Transporter will align on the Transfer with the Adjacent TSO as soon as reasonably practicable and, if the Transporter and the Adjacent TSO validate the Transfer, will update the Capacity Booking Platform.

7.3 Procedure for Assignments

(a) An Offering Shipper wishing to transfer rights and obligations relating to Reserved Capacity through an Assignment and the Registered Party wishing to assume those rights and obligations (the **Potential Assignee**) shall submit a duly completed Assignment Form to the Transporter not later than 33 Business Days before the proposed date of such Assignment.

(b) The Assignment Form must include the following confirmations:

(i) by the Offering Shipper and the Potential Assignee, that the proposed Assignment satisfies the conditions in sections 4.7.3, 4.7.6 and 4.7.9 of the Final Joint Opinion;

(ii) by the Potential Assignee, if the proposed Assignment relates to Reserved Capacity under an Initial GTA, that it is able to comply with section 4.1.1 of the Final Joint Opinion in respect of the Natural Gas to be transported by it using the Reserved Capacity subject to the Assignment; and

(iii) by the Offering Shipper and the Potential Assignee, in respect of a proposed Assignment of Forward Firm Long Term Capacity at the Interconnection Point in Melendugno and where required under section 4.7.2 of the Final Joint Opinion and in

accordance with applicable Law in Italy, that the Offering Shipper and / or the Potential Assignee have submitted an application to the Italian Ministry of Economic Development (or such successor body) for prior authorisation of the proposed Assignment, it being a condition of the Transporter accepting the proposed Assignment that such authorisation has been received by the Offering Shipper and / or the Potential Assignee and forwarded to the Transporter.

(c) The Transporter must, within two Business Days of receipt of an Assignment Form, confirm to the Offering Shipper and the Potential Assignee whether or not the Assignment Form has been duly completed.

(d) Following receipt of a duly completed Assignment Form, the Transporter must determine whether the proposed Assignment to the Potential Assignee satisfies the conditions set out in Section 7.4 (including the terms and conditions for Assignment set out in the relevant Gas Transportation Agreement). If, under the relevant Gas Transportation Agreement, the Transporter's consent is required for an Assignment, the Transporter must exercise that consent in accordance with the terms of that Gas Transportation Agreement.

(e) The Transporter reserves the right, as part of its assessment of a potential Assignment but only where required by the Transporter to ensure that the potential Assignment will not result in non-compliance with the terms of the Exemption or other relevant Law, to promptly consult with the NRAs about the potential Assignment. In the event of such consultation, both the Offering Shipper and the Potential Assignee must provide such information within their control as the Transporter may reasonably require to facilitate the consultation with the NRAs.

(f) If the proposed Assignment is in respect of Alternative Credit Support Capacity:

(i) the Transporter may require the Potential Assignee to provide such further information as the Transporter reasonably requires to assess that Potential Assignee's compliance with the credit support requirements of the Gas Transportation Agreement governing the terms of the relevant Reserved Capacity as part of its validation of the proposed Assignment; and

(ii) the proposed Assignment will not become effective until the Potential Assignee has satisfied such credit support requirements as though it were the Shipper under such Gas Transportation Agreement.

(g) The Transporter must, within five Business Days of notifying the Offering Shipper that its Assignment Form has been duly completed, notify the Offering Shipper whether it requires any further information or consultation in accordance with paragraphs (e) or (f) above.

(h) The Transporter will notify the Offering Shipper and the Potential Assignee whether or not the Assignment has been accepted by the Transporter by no later than the later of (i) 23 Business Days after the conclusion of any consultation and the receipt of such further information as the Transporter may require, as notified in accordance with paragraph (g) above and (ii) 30 Business Days after receipt of the duly completed Assignment Form. If the Transporter has not accepted that Assignment, the Transporter will provide reasons for that non-acceptance. If the Transporter has determined that the Assignment is successful the Transporter must, with that notification, specify the first Gas Day on which the proposed Assignment will be effective (being the later of three Business Days after the date of notification and the date specified in the Assignment Form but subject to paragraph (f)(ii) above if applicable).

7.4 Conditions to Secondary Market Trades

(a) Any specific terms and conditions relating to an Assignment or Transfer under the relevant Gas Transportation Agreement will apply to an Assignment or Transfer of any Reserved Capacity under that Gas Transportation Agreement. In addition, the following conditions apply to trading of capacities on the Secondary Market:

(i) only Registered Parties can trade Reserved Capacity;

(ii) Reserved Capacity that was originally allocated as Bundled Capacity can only be resold as Bundled Capacity. Unbundled capacity can only be resold as unbundled capacity (but can be converted into Bundled Capacity by agreement of the relevant TSOs);

(iii) the minimum period for an Assignment or Transfer is one Gas Day;

(iv) the maximum period for an Assignment or Transfer is the full duration of the Reserved Capacity being traded;

(v) the Transporter will only validate an Assignment of Reserved Capacity (other than Alternative Credit Support Capacity) to a Registered Party which is within the Available Credit for that Registered Party; and

(vi) the proposed Assignment or Transfer must not result in non-compliance with the terms of the Exemption.

(b) The terms and conditions of the Reserved Capacity are not impacted by trading on the Secondary Market.

(c) If the Shipper offers an amount of Reserved Capacity for Surrender and on the secondary market, which in aggregate exceeds its Reserved Capacity, the Transporter will reject the trade notification corresponding to the trade on the secondary market.

7.5 Effect of Secondary Market Trades

(a) For any Transferred Capacity, for the duration of the Transfer the Transporter will only accept Nominations, Renominations and Trade Notifications in respect of that Transferred Capacity from the Accepting Party. The Offering Shipper will have no right to make Nominations, Renominations or Trade Notifications in respect of the Transferred Capacity and the Transporter will reject any such nomination or notification received from the Offering Shipper for the duration of that Transfer. Subject to Section 7.6, all other rights and obligations (including payment obligations) in respect of the Transferred Capacity remain with the Offering Shipper and the Offering Shipper will continue to be treated as the "Shipper" in respect of that Transferred Capacity.

(b) For any Assigned Capacity, for the duration of the Assignment all rights and obligations in respect of that Assigned Capacity will vest in the Registered Party accepting the Assignment of that Assigned Capacity. Without prejudice to any accrued rights or obligations, the Offering Shipper will cease to have any rights and will be released from all obligations in respect of the Assigned Capacity for the duration of the Assignment. For the avoidance of doubt, the rights and obligations that apply to the Assigned Capacity will continue to be the rights and obligations under the relevant Gas Transportation Agreement and not any other Gas Transportation Agreement that may be in effect between the Transporter and the relevant Registered Party.

7.6 Notices for Transfers of Reserved Capacity

For any Transferred Capacity, the following adjustments to the communications provisions in this Network Code will apply for the duration of that Transfer:

(a) the Transporter will send to the Accepting Party:

(i) copies of any:

(A) Capacity Restriction Notice, Capacity Restriction Termination Notice, Interruption Notice and Interruption Termination Notice; and

(B) Planned Maintenance Notice and any notices pursuant to Section 11.3 or 11.4;

at the same time as they are sent to the Offering Shipper to the extent that they relate to the Transferred Capacity;

(ii) any Confirmed Quantity Notices and any communication in respect of Nominations, Renominations, Trade Notifications, Updated Trade Notifications, Nominated Quantities, Traded Quantities, Provisional Quantities and Confirmed Quantities, in respect of the Transferred Capacity;

(iii) copies of any communication in relation to Allocated Quantities or the matters set out in Sections 10.4 or 10.6 in respect of the Transferred Capacity at the same time as they are sent to the Offering Shipper (but without any redaction pursuant to paragraph (c) below); and

(iv) at the same time as it sends any Statement to the Offering Shipper, details of the Allocated Quantities in respect of the Transferred Capacity for each Gas Day in the relevant Gas Month;

(b) the Transporter will not send to the Offering Shipper any of the notices or other communications specified in paragraph (a)(ii) above; and

(c) the Transporter will exclude from any Statement and any communication in relation to Allocated Quantities in relation to any Transferred Capacity for each Pair of Shippers details of the shipper in the Adjacent TSO that is receiving Natural Gas from the Accepting Party.

8. NOMINATIONS

8.1 Types of Nomination for Forward Capacity

(a) Nominations in respect of Forward Capacity may be made as either Double-Sided Nominations in the case of all Interconnection Points or Single-Sided Nominations in the case of each Single-Sided Interconnection Point.

(b) The Transporter must publish on its website a list of the Interconnection Points in respect of which a Single-Sided Nomination will be accepted (each, a **Single-Sided Interconnection Point**), together with the identity of the Active TSO and the Passive TSO at each Single-Sided Interconnection Point.

(c) In respect of each Single-Sided Interconnection Point:

(i) the Transporter and the Adjacent TSO will determine which of them will be the Active TSO, with the other being the Passive TSO; and

(ii) the shipper in a Pair of Shippers that has the reserved capacity for that Pair of Shippers with the Active TSO will become the Active Shipper, with the other being the Passive Shipper.

(d) A Pair of Shippers may agree to perform Single-Sided Nominations at a Single-Sided Interconnection Point and must notify the Passive TSO of that agreement by the Passive Shipper sending a Joint Nomination Declaration Notice to the Passive TSO, notifying it of the fact that the Passive Shipper authorises the Active Shipper to nominate on behalf of the Passive Shipper and specifying the start date for that authorisation and either the end date for that authorisation or that the authorisation is indefinite.

(e) In the period from receipt by the Passive TSO of the Joint Nomination Declaration Notice until the date of the expiry (if any) of the authorisation referred to in paragraph (d) above, the Active TSO will be responsible for receiving nominations for a Pair of Shippers from the Active Shipper for both sides of the relevant Single-Sided Interconnection Point, and the Active TSO will send nominations to the Passive TSO. If the Transporter is the Passive TSO then the nomination received from the Active TSO will be deemed to be the Nominated Quantities received from the relevant Shipper.

8.2 Nominations for Commercial Reverse Capacity

Shippers will be assigned separate Shipper Account Codes by the Transporter for Forward Capacity and for each Commercial Reverse Route for Commercial Reverse Capacity. Nominations for Commercial Reverse Capacity must be made as equal Nominated Quantities at the Entry Point and Exit Point combination that forms the relevant Commercial Reverse Route that was booked.

8.3 Priority

(a) A Shipper, when submitting Nominations or Trade Notifications, may also specify a priority level for each counterparty in each Pair of Shippers to which it is a Shipper. A Shipper may specify a priority level from 1 (highest) to 20 (lowest). If no priority level is communicated for a particular Nomination, Renomination or Pair of Shippers, it will be given a default priority level of 10.

(b) If the Transporter is required pursuant to the terms of this Network Code to reduce a Shipper's Nominated Quantities, Traded Quantities or Confirmed Quantities, it will seek to maximise the aggregate Confirmed Quantities across all Interconnection Points. To the extent possible, the Transporter will endeavour to take into account the priority levels referred to in paragraph (a) above when determining which counterparties in a Pair of Shippers at which Interconnection Points or the Virtual Trading Point will be reduced first, such that the quantities to be delivered by or redelivered to counterparties with a lower priority level will be reduced before counterparties with a higher priority level and such that counterparties with the same priority level will be reduced proportionately.

(c) For the avoidance of doubt, a Shipper is not required to specify any priority level when submitting Nominations or Trade Notifications and the Transporter will only take into account priority levels when determining how the Nominated Quantities, Traded Quantities or Confirmed Quantities of a particular Shipper are to be reduced as between themselves.

8.4 General Procedure

(a) It is the responsibility of the Shipper to submit accurate Nominations within the timelines and in accordance with the procedure set out in this Section 8.

(b) In order to notify the Transporter of the quantities of Natural Gas to be transported using a Shipper's Reserved Capacity, the Shipper sends its Nominations and, if applicable, Renominations to the Transporter, which will be processed according to the following procedure:

(i) the Shipper sends a notice to the Transporter with its Nomination for an Entry Point or Exit Point;

(ii) the Transporter computes the Shipper's Confirmed Quantity of Natural Gas scheduled to be delivered by or redelivered to the Shipper at that Entry Point or Exit Point; and

(iii) the Transporter sends a Confirmed Quantity Notice to each Shipper setting out its Confirmed Quantities at that Entry Point or Exit Point.

8.5 Submission of Nominations

(a) Each Shipper is required to submit separate Nominations for Forward Capacity and Commercial Reverse Capacity for each Entry Point and each Exit Point for which it has Reserved Capacity for each Gas Day in accordance with the timetable in Section 8.7. For each Nomination, the Shipper must specify the following:

(i) the Interconnection Point's identification (i.e. the specific Entry Point or Exit Point in the TAP Transportation System) and whether that Interconnection Point is an Entry Point or an Exit Point for the relevant Reserved Capacity;

(ii) the Shipper's Shipper Account Code (which will be different for Forward Capacity and each Commercial Reverse Route for Commercial Reverse Capacity);

(iii) the counterparty's identification (the shipper account code issued by the Adjacent TSO for the counterpart shipper in the relevant Pair of Shippers on the other side of the Interconnection Point);

(iv) the Gas Day to which the Nomination applies;

(v) the quantity of Natural Gas to be transported in units of kWh per Gas Day;

(vi) the Nomination type being either a Single-Sided Nomination or a Double-Sided Nomination.

(b) For so long as a Joint Nomination Declaration Notice is in effect, a Shipper who is the Passive Shipper may not submit a Nomination or Renomination in respect of the Reserved Capacity subject to that Joint Nomination Declaration Notice.

(c) If a Shipper submits a Nomination as part of a Double-Sided Nomination, it is the responsibility of the Shipper and its counterpart to ensure that the nominations for that Pair of Shippers on either side of the Interconnection Point are equal.

8.6 Virtual Trading Point and Trade Notifications

(a) The Transporter will facilitate the trading of Natural Gas between Shippers by allowing Trades to take place at the Virtual Trading Point. Shippers may effect a trade of title to Natural Gas by submitting Trade Notifications to the Transporter in accordance with the timetable in Section 8.7.

(b) Natural Gas traded at the Virtual Trading Point can be delivered by a Shipper that has Forward Capacity at an Entry Point and can be re-delivered to a Shipper that has Forward Capacity at an Exit Point. Shippers cannot trade Natural Gas at the Virtual Trading Point that will be delivered or re-delivered using Commercial Reverse Capacity and Registered Parties that are not Shippers cannot trade Natural Gas at the Virtual Trading Point.

(c) Trades between two Shippers at the Virtual Trading Point shall be made through Trade Notifications submitted to the Transporter by both of the Shippers.

(d) A Trade Notification shall provide the following information:

(i) that it is a notification for a Trade at the Virtual Trading Point;

(ii) the Shipper's Shipper Account Code (for Forward Capacity);

(iii) the counterparty's Shipper Account Code (for Forward Capacity);

(iv) the Gas Day to which the Trade applies; and

(v) the quantity of Natural Gas to be traded being a positive quantity for a purchase or a negative quantity for a sale in units of kWh per Gas Day.

(e) Shippers are responsible for correctly submitting Trade Notifications for the Natural Gas quantities they wish to trade. The Transporter shall not be responsible if the Confirmed Quantities or Allocated Quantities of Shippers at the Virtual Trading Point do not reflect the quantities of Natural Gas that a Shipper has agreed to purchase or sell at the Virtual Trading Point under any gas sales agreement between it and another Shipper.

8.7 Timetable

(a) The following timetable applies to a Shipper submitting Nominations or Trade Notifications to the Transporter:

(i) the Shipper can submit a Nomination or Trade Notification to the Transporter for a particular Gas Day at any time after the date falling one calendar year before that Gas Day;

(ii) the Shipper must submit a Nomination or Trade Notification to the Transporter for a particular Gas Day no later than 13.00 UTC (wintertime) or 12.00 UTC (daylight saving) on the immediately preceding Day;

(iii) if the Shipper has submitted a Nomination or Trade Notification in respect of a particular Gas Day then at any time before the Nomination deadline for that Gas Day, the Shipper may submit a new Nomination or Trade Notification to the Transporter, which will override any previous Nominations or Trade Notification for that Gas Day;

(iv) following the Nomination deadline for a particular Gas Day, the Transporter performs the Matching Processes as specified in Section 9 using the last Nomination and Trade Notifications received from a Shipper before the Nomination deadline, after which the Transporter notifies the Shipper of its Confirmed Quantities no later than 15.00 UTC (winter time) or 14.00 UTC (daylight saving) on the immediately preceding Day.

(b) If the Transporter does not receive a valid message with Nominations for an Interconnection Point or Trade Notification for the Virtual Trading Point for a particular Gas Day by the

nomination deadline, the Shipper's Nominated Quantities at that Interconnection Point and/or Traded Quantities at the Virtual Trading Point (as applicable) will be deemed to be zero.

8.8 Renominations

(a) In this Section 8.8:

Deemed Aggregate Quantity means, in respect of a particular hour in a Gas Day and a particular Entry Point, Exit Point or the Virtual Trading Point:

(i) for the first hour in that Gas Day, zero; and

(ii) for any other hour in that Gas Day, the aggregate of the Deemed Hourly Quantities for each hour in the Gas Day falling before that hour at that Entry Point, Exit Point or the Virtual Trading Point (as applicable).

Deemed Hourly Quantity means, for a particular hour (H) in a Gas Day and a particular Entry Point, Exit Point or the Virtual Trading Point:

(i) (A) the absolute value of the Shipper's Confirmed Quantities following the Matching Processes that occurs at the end of the renomination cycle falling two hours before hour H at that Entry Point, Exit Point or the Virtual Trading Point (as applicable),

less

(B) the Deemed Aggregate Quantity for hour H at that Entry Point, Exit Point or the Virtual Trading Point (as applicable),

divided by

(ii) the number of hours remaining in that Gas Day from and including hour H.

(b) After the deadline for notification of its Confirmed Quantities pursuant to Section 8.7(a)(iv), a Shipper may submit Renominations or Updated Trade Notifications in respect of a Gas Day up to three hours before the end of that Gas Day. The Transporter will run an hourly renomination cycle, in which Renominations and Updated Trade Notifications received during a particular hour are processed through the Matching Processes at the end of that hour. Any revised Confirmed Quantities resulting from a Renomination or Updated Trade Notification will take effect two hours after the end of the renomination cycle in which the Renomination or Updated Trade Notification is submitted.

(c) A Shipper's Renomination must ensure that the absolute value of the Nominated Quantities for a particular Entry Point or Exit Point are not greater than the aggregate of:

(i) the Deemed Aggregate Quantity at that Entry Point or Exit Point for the hour falling one hour after the end of the relevant renomination cycle; and

(ii) the Reserved Capacity of the Shipper at that Entry Point or Exit Point divided by the total number of hours in the Gas Day and multiplied by the number of hours remaining in the Gas Day from and including the hour falling two hours after the end of the relevant renomination cycle.

(d) A Shipper's Renomination or Updated Trade Notification must ensure that the absolute value of the Nominated Quantities or Traded Quantities are not less than the Deemed Aggregate

Quantity at the relevant Virtual Trading Point, Entry Point or Exit Point for the hour falling one hour after the end of the relevant renomination cycle.

(e) A Shipper with Forward Firm Within-Day Capacity can utilise that capacity by submitting Renominations that have effect on and from the relevant Within-Day Starting Hour. In this case:

(i) if that Forward Firm Within-Day Capacity is at an Interconnection Point where the Shipper did not previously have any Reserved Capacity on that Gas Day then the Deemed Hourly Quantity and Deemed Aggregate Quantity for each hour in that Gas Day before the Within-Day Start Hour at that Interconnection Point will be deemed to be zero; and

(ii) if that Forward Firm Within-Day Capacity is at an Interconnection Point where the Shipper already has Reserved Capacity on that Gas Day, the Deemed Hourly Quantity and Deemed Aggregate Quantity for each hour in that Gas Day before the Within-Day Start Hour will remain unchanged and will not be affected by that Forward Firm Within-Day Capacity.

9. MATCHING AND CONFIRMATIONS

9.1 Initiation of the Matching Process

After the Nomination deadline and at the end of each Renomination cycle in accordance with Section 8.8(b), the Transporter and each Adjacent TSO will initiate the Matching Process in respect of each relevant Interconnection Point and the Transporter will initiate the Matching Process at the Virtual Trading Point.

9.2 Verification of Nominated Quantities and Traded Quantities

(a) The Shipper is responsible for submitting Nominations that do not exceed its Reserved Capacity and Renominations that comply with the Renomination Limitations. As part of the Matching Processes, the Transporter will first ensure that the Nominated Quantities are consistent with these amounts. For this purpose, the Reserved Capacities for all Capacity Products constituting Forward Capacity will be treated on an aggregate basis at each Entry Point and at each Exit Point (but, for Forward Firm Within-Day Capacity, the Reserved Capacity will only be included on and from the relevant Within-Day Start Hour).

(b) If a Shipper's Nominations exceed its Reserved Capacity, the Transporter will reduce that Shipper's Nominated Quantities at the relevant Interconnection Point before using them for the purpose of the Matching Process so that they are equal to the Reserved Capacity. If a Shipper’s Renomination does not comply with the Renomination Limitation, the Transporter will adjust that Shipper's Nominated Quantities at the relevant Interconnection Point before using them for the purpose of the Matching Process by the minimum amount required so that, following such adjustment, the Nominated Quantities comply with the Renomination Limitation.

(c) If as a result of a Capacity Restriction, subject to the provisions of Section 12.2(d), a Shipper's Nominated Quantities are greater than the maximum amount of that Shipper's Reserved Capacity that the Transporter is able to make available to that Shipper, the Transporter will reduce that Shipper's Nominated Quantities before using them for the purpose of the Matching Process so that they are equal to such maximum amount.

(d) The Shipper is responsible for submitting Updated Trade Notifications that comply with the Renomination Limitations. If a Shipper's Updated Trade Notifications do not comply with the

Renomination Limitations, the Transporter will adjust that Shipper's Updated Trade Notifications before using them for the purpose of the Matching Process by the minimum amount required so that, following such adjustment, the Updated Trade Notifications comply with the Renomination Limitation.

(e) The Transporter will further check that each Shipper has submitted Nominations or Renominations that are Balanced. If a Shipper's Nominations or Renominations are not Balanced, the Transporter will reduce that Shipper's Nominated Quantities (before using them for the purpose of the Matching Process) and/or its Confirmed Quantities at one or more Interconnection Points and/or reduce its Traded Quantities so that they are Balanced, where applicable in accordance with the priority levels in Section 8.3.

(f) The Transporter will also ensure that a Shipper's Nominations for Commercial Reverse Capacity are consistent with the requirement that Commercial Reverse Capacity is nominated and used as equal Nominated Quantities at each Entry Point and Exit Point that forms the Commercial Reverse Route that was booked. If a Shipper's Nominated Quantities for Commercial Reverse Capacity is not consistent with this requirement, the Transporter will reduce that Shipper's Nominated Quantities at one or more relevant Interconnection Points before using them for the purpose of the Matching Process so that they are consistent with that requirement.

9.3 Matching

(a) During the Matching Process at an Interconnection Point the Transporter and the Adjacent TSO will verify that:

(i) the identity of the Shipper and its counterparty in each Pair of Shippers as contained in a Nomination is the same as the identity of the shippers notified to the Adjacent TSO; and

(ii) for each Pair of Shippers, the Nominated Quantities (as may have been adjusted under Section 9.2) for a Shipper at the relevant Interconnection Point that identifies delivery to or from the counterparty shipper in that Pair of Shippers is equal to the quantity nominated by that counterparty shipper to the Adjacent TSO for delivery to or from the Shipper.

(b) The Matching Process will result in Provisional Quantities for each Shipper at each Interconnection Point as follows:

(i) if the Pair of Shippers is the same and the nominated quantities are equal, then there is a "match" and the Shipper's Provisional Quantities will be equal to its Nominated Quantities (as may have been adjusted under Section 9.2);

(ii) if the Pair of Shippers is the same, but the nominated quantities are not equal, then there is a "mismatch" and the Shipper's Provisional Quantities will be the lesser of the Nominated Quantities (as may have been adjusted under Section 9.2) and the quantity nominated to the Adjacent TSO; and

(iii) if the Pair of Shippers is not the same, then there is a "mismatch" and the Shipper's Provisional Quantities will be zero.

(c) The Transporter will also conduct a Matching Process at the Virtual Trading Point to verify that:

(i) the identity of the Shippers in each Pair of Shippers as contained in two corresponding Trade Notifications is the same; and

(ii) for each Pair of Shippers, the Traded Quantities notified by each Shipper for that Pair of Shippers is equal.

(d) The Matching Process at the Virtual Trading Point will result in Provisional Quantities for each Shipper as follows:

(i) if the Pair of Shippers is the same and the Traded Quantities are equal, then there is a "match" and each Shipper's Provisional Quantities will be equal to the Traded Quantity;

(ii) if the Pair of Shippers is the same, but the Traded Quantities are not equal, then there is a "mismatch" and each Shipper's Provisional Quantities will be the lesser of the two Traded Quantities notified; and

(iii) if the Pair of Shippers is not the same, then there is a "mismatch" and the Shipper's Provisional Quantities will be zero.

(e) If, a Shipper's Provisional Quantities following the end of the initial Matching Processes at each Interconnection Point and the Virtual Trading Point are not Balanced, then the Transporter may, if it requires, re-run one or more of the Matching Processes using Nominated Quantities for that Shipper that are equal to such Provisional Quantities but with such Nominated Quantities adjusted in accordance with Section 9.2 to result in new Provisional Quantities.

9.4 Confirmed Quantities

(a) A Shipper's Confirmed Quantities will be equal to its Provisional Quantities following the end of all of the Matching Processes.

(b) The Transporter will send a Confirmed Quantity Notice to each Shipper with a Confirmed Quantity at an Interconnection Point following the end of the Matching Processes at that Interconnection Point.

9.5 Minimum Flow Rate

(a) If the aggregate of all Shippers' Confirmed Quantities at a particular Interconnection Point would result in a physical daily flow greater than zero but below the relevant Minimum Flow Rate, then the Transporter will use its Reasonable Efforts to coordinate with the Adjacent TSO, subject to the technical limitations of the TAP Transportation System and the relevant Interconnected System, to provide the Transportation Services at that Interconnection Point.

(b) If it is not possible for either or both of the TAP Transportation System and the relevant Interconnected System to offtake or deliver based on a modified flow or to otherwise provide the Transportation Services at the relevant Interconnection Point, the Transporter will take the following steps in the following order to the extent required to maintain the Minimum Flow Rate:

(i) if the relevant Interconnection Point is Komotini or (before the NM Bidirectionality Date only) Nea Mesimvria, the Transporter will interrupt any Forward Day-Ahead Interruptible Capacity in the Reverse IP Direction in accordance with Section 12.5(a);

(ii) on and from the NM Bidirectionality Date, if the relevant Interconnection Point is Nea Mesimvria, the Transporter will interrupt any Forward Day-Ahead Interruptible Capacity in whichever direction (as an Entry Point or an Exit Point) would result in the interruption of the least quantity of Forward Day-Ahead Interruptible Capacity after netting off the flows, in accordance with Section 12.5(a); and

(iii) the Transporter will interrupt any Commercial Reverse Capacity at the relevant Interconnection Point (unless that Commercial Reverse Capacity is being transported in a Forward IP Direction at the relevant Interconnection Point) in accordance with Section 12.4(a).

If these actions are still insufficient to maintain the Minimum Flow Rate, the Transporter will notify affected Shippers that it cannot provide Transportation Services due to not receiving the Minimum Flow Rate and may reduce the flow at the relevant Interconnection Point to zero.

(c) If the Transporter is required to bring the flow rate down to zero, the Transporter will revise the Confirmed Quantities and notify each affected Shipper of its revised Confirmed Quantities at the affected Interconnection Point and such other Interconnection Points as the Transporter is required to reduce to ensure that the Shipper's Confirmed Quantities are Balanced.

10. BALANCING AND ALLOCATION

10.1 Balancing for Forward Capacity

The Transmission Imbalance for Forward Capacity for a Gas Day *d* for a Shipper *s* will be calculated by the Transporter according to the following formula:

$$FTI'_{d,s} = \sum FEA'_{d,s} + \sum FXA'_{d,s} + \sum VTPA'_{d,s}$$

Where:

(a) $\boldsymbol{FTI'_{d,s}}$ is the Transmission Imbalance for Forward Capacity for Gas Day *d* for Shipper *s*

(b) $\boldsymbol{FEA'_{d,s}}$ are the Allocated Quantities at each Entry Point in respect of Forward Capacity for Gas Day *d* for Shipper *s*

(c) $\boldsymbol{FXA'_{d,s}}$ are the Allocated Quantities at each Exit Point in respect of Forward Capacity for Gas Day *d* for Shipper *s*

(d) $\boldsymbol{VTPA'_{d,s}}$ are the Allocated Quantities at the Virtual Trading Point

10.2 Balancing for Commercial Reverse Capacity

The Transmission Imbalance for Commercial Reverse Capacity for a Gas Day d for a Shipper *s* will be calculated by the Transporter according to the following formula:

$$RTI'_{d,s} = \sum REA'_{d,s} + \sum RXA'_{d,s}$$

Where:

(a) $\boldsymbol{RTI'_{d,s}}$ is the Transmission Imbalance for Commercial Reverse Capacity for Gas Day d for Shipper *s*

(b) $\boldsymbol{REA'_{d,s}}$ are the Allocated Quantities at each Entry Point in respect of Commercial Reverse Capacity for Gas Day *d* for Shipper *s*

(c) $\boldsymbol{RXA'_{d,s}}$ are the Allocated Quantities at each Exit Point in respect of Commercial Reverse Capacity for Gas Day *d* for Shipper *s*

10.3 Daily Imbalance Charge

(a) The Transporter will calculate the Daily Imbalance Charge for each Shipper in respect of their Forward Capacity and Commercial Reverse Capacity for each Gas Day on which that Shipper has Allocated Quantities. The aggregate of the Daily Imbalance Charges for each Gas Day in a Gas Month will be payable to the Shipper (if positive) or by the Shipper (if negative) and will be included in the relevant Statements issued to that Shipper in respect of that Gas Month.

(b) The Daily Imbalance Charge is calculated, for each Gas Day *d*, as the Transmission Imbalance for Shipper *s* for that Gas Day *d* multiplied by the Excess Imbalance Gas Price ($EIGP_d$) for that Gas Day in case of a positive Transmission Imbalance and by the Shortfall Imbalance Gas Price ($SIGP_d$) for that Gas Day in case of a negative Transmission Imbalance (each as defined below). If a Shipper has Transmission Imbalances for each of Forward Capacity and Commercial Reverse Capacity, the Transporter will calculate a Daily Imbalance Charge separately for each.

(c) The Excess Imbalance Gas Price ($EIGP_d$) for Gas Day d will be:

(i) the weighted average price of any sales of Natural Gas by the Transporter on Gas Day d expressed in €/kWh (or, if the Transporter reduces the quantity of Fuel Gas or UFG that it would otherwise purchase as a result of the Transmission Imbalance, the price that the Transporter would otherwise have paid for such quantity of Natural Gas); or

(ii) if no such price is available, the Reference Price for that Gas Day.

(d) The Shortfall Imbalance Gas Price ($SIGP_d$) for Gas Day d will be:

(i) the weighted average price of any purchases of Natural Gas by the Transporter on Gas Day d expressed in €/kWh; or

(ii) if no such price is available, the Reference Price for that Gas Day.

(e) The Transporter will publish on its website the applicable $EIGP_d$ and $SIGP_d$ for the previous Gas Day together with the list of previous reference prices. The applicable methodology for the Reference Price can change over time subject to the Transporter giving notice on its website.

(f) If a Shipper has Reserved Capacity under different Gas Transportation Agreements on a particular Gas Day, then for the purpose of determining the Daily Imbalance Charge allocated under each Gas Transportation Agreement:

(i) the Daily Imbalance Charge for Forward Capacity will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity for Forward Capacity under each such Gas Transportation Agreement on that Gas Day (but, for this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity); and

(ii) the Daily Imbalance Charge for Commercial Reverse Capacity will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity for Commercial Reverse Capacity under each such Gas Transportation Agreement on that Gas Day.

10.4 Allocation

(a) Where an Operational Balancing Agreement is in effect at a particular Interconnection Point and has not been suspended, each Shipper's Allocated Quantities at that Interconnection Point will be equal to its Confirmed Quantities. The steering difference between the aggregated Allocated Quantities and the Metered Quantities at that Interconnection Point will be allocated to a balancing account held between the Transporter and its Adjacent TSO.

(b) If an Operational Balancing Agreement is not in effect at a particular Interconnection Point, or if it has been suspended, or if Section 17.3(d)(i)(B) applies, then the Allocated Quantities will be calculated using the following proportional allocation rule:

(i) the Allocated Quantities for each Pair of Shippers for Nominations in the opposite direction to the physical gas flow at an Interconnection Point will be equal to the Confirmed Quantities for that Pair of Shippers; and

(ii) the Allocated Quantity for each Pair of Shippers for Nominations in the same direction as the physical gas flow direction at an Interconnection Point will be calculated as (a) the sum of the aggregate Metered Quantity for the relevant Gas Day and the Allocated Quantities for gas flows in the opposite direction to the physical gas flow, multiplied by (b) the ratio of the Confirmed Quantities in the same direction as the physical gas flow for that Pair of Shippers to the sum of the Confirmed Quantities in the same direction as the physical gas flow for all Pairs of Shippers.

(c) The Transporter will notify each Shipper of any change between allocation rules at a particular Interconnection Point as soon as reasonably practicable.

(d) If a Shipper has Reserved Capacity under different Gas Transportation Agreements at a particular Entry Point or Exit Point on a particular Gas Day, then for the purpose of determining the Allocated Quantities under each Gas Transportation Agreement, the Allocated Quantities will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement on that Gas Day. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

10.5 Allocation at the Virtual Trading Point

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

10.6 Provisional allocation

(a) The Transporter will communicate to each Shipper its provisional Allocated Quantities for each Interconnection Point and Virtual Trading Point where the Shipper has Confirmed Quantities, in a form that specifies for the relevant Gas Day the provisional Allocated Quantities taking into account quantities provisionally allocated for hours in the Gas Day that have passed and the Confirmed Quantities for the remaining hour(s) of the Gas Day.

(b) The Transporter will endeavour to send such notification no later than 45 minutes after the end of each hour in a Gas Day. The Transporter may revise its notification if it is aware of any material error in the provisional Allocated Quantities.

(c) Notifications of a Shipper's provisional Allocated Quantities will be for information only and will not be binding on the Transporter. Final Allocated Quantities will be included in the relevant Monthly Statement.

10.7 Neutrality Arrangement

(a) The Transporter will maintain a notional account (the **Neutrality Account**) through which it will ensure that it remains financially neutral in respect of balancing activities. The following items will be debited from the Neutrality Account during each Gas Month:

(i) all costs incurred by the Transporter in purchasing Natural Gas to replace a Transmission Imbalance in respect of any Gas Day in that Gas Month on which the aggregate Transmission Imbalance of all Shippers is negative; and

(ii) amounts credited by the Transporter to Shippers in respect of the Daily Imbalance Charge for that Gas Month.

(b) The following items will be credited to the Neutrality Account during each Gas Month:

(i) any revenues (net of related costs) received or receivable by the Transporter in selling Natural Gas caused by a Transmission Imbalance in respect of any Gas Day on which the aggregate Transmission Imbalance of all Shippers is positive (or, if the Transporter reduces the quantity of Fuel Gas or UFG that it would otherwise purchase as a result of the Transmission Imbalance, the total amount that the Transporter would otherwise have paid for such quantity of Natural Gas) where such sale was concluded during the relevant Gas Month; and

(ii) amounts invoiced by the Transporter to Shippers in respect of the Daily Imbalance Charge for that Gas Month.

(c) The balance on the Neutrality Account:

(i) will be credited to or charged to Registered Parties who were Shippers in the relevant Gas Month at the end of each Gas Month in accordance with Section 10.8;

(ii) will be reset to zero at the start of each Gas Month.

10.8 Neutrality Payment Amount

(a) The Transporter will credit an amount of the positive balance or charge an amount of the negative balance on the Neutrality Account as at the end of each Gas Month (the **Neutrality Payment Amount**) on a monthly basis to Registered Parties that have Allocated Quantities in the relevant Gas Month.

(b) The Neutrality Payment Amount will be allocated for each Gas Month to each relevant Registered Party as follows:

$$NPA_S = \frac{A_S}{A_T} \times NPA$$

where:

$\boldsymbol{NPA_S}$ is the amount of the Neutrality Payment Amount to be allocated by the Transporter to a Registered Party that was a Shipper during the relevant Gas Month.

$\boldsymbol{NPA}$ is the Neutrality Payment Amount for that Gas Month.

$\boldsymbol{A_S}$ is the aggregate of the absolute values of Allocated Quantities of that Registered Party at all Interconnection Points in that Gas Month.

A_T is the aggregate of the absolute values of Allocated Quantities of all Registered Parties at all Interconnection Points in that Gas Month.

(c) If a Registered Party has Reserved Capacity under different Gas Transportation Agreements in a particular Gas Month, then for the purpose of determining the Neutrality Payment Amount allocated under each Gas Transportation Agreement, the Neutrality Payment Amount will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement during that Gas Month. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

(d) The amount of the Neutrality Payment Amount allocated to each relevant Registered Party will be included as a credit or a debt, as applicable, on the Master Statement (and each relevant Monthly Statement) issued to that Registered Party for the relevant Gas Month.

11. PLANNED MAINTENANCE

11.1 Maintenance Notifications

(a) The Transporter must carry out Planned Maintenance:

(i) acting as a Reasonable and Prudent Operator; and

(ii) only at the times specified in the Maintenance Notifications delivered to all Registered Parties by the Transporter under this Section 11, as such Maintenance Notifications may be amended in accordance with Section 11.2.

(b) The Transporter must send a Maintenance Notification to all Registered Parties:

(i) in respect of the first Gas Year, on or before the first Gas Day of that first Gas Year;

(ii) in respect of each subsequent Gas Year, on or before 30 September in the preceding Gas Year; and

(iii) in any event, not less than 42 days before the first Gas Day on which Planned Maintenance is contemplated to take place in that Maintenance Notification.

(c) All Maintenance Notifications must contain the following information in respect of the Gas Year to which they relate:

(i) the length of all periods of Planned Maintenance, specifying which Gas Days in that Gas Year are affected by each period of Planned Maintenance;

(ii) a list of the Interconnection Points affected by Planned Maintenance on each affected Gas Day specified in paragraph (i) above;

(iii) the expected reduction in the Reserved Capacity that the Transporter is able to make available to Shippers during each affected Gas Day specified in paragraph (i) above; and

(iv) any other information that the Transporter considers necessary to provide.

(d) The Transporter must publish all Maintenance Notifications (including all amendments made to Maintenance Notifications under Section 11.2) in accordance with Section 21.

(e) In setting the periods of Planned Maintenance to be included in Maintenance Notifications and carried out during the following Gas Year in accordance with this Section 11.1, the Transporter must, acting in good faith, consider requests to carry out Planned Maintenance at specific times during that following Gas Year made by Registered Parties that have Reserved Capacity in that following Gas Year, if those requests are received by the Transporter before 15 June and the request relates to the Gas Year that immediately follows the date of the request. The Transporter is under no obligation to agree to requests made by a Registered Party under this paragraph (e).

11.2 Amendments to Maintenance Notifications

(a) The Transporter must notify all Registered Parties in writing on or before 1 March in each Gas Year:

(i) of any amendments to a Maintenance Notification previously sent to all Registered Parties under Section 11.1(b)(i) or Section 11.1(b)(ii) (as applicable) that affect the period from 1 April to and including 30 September in that Gas Year; or

(ii) that the Maintenance Notification that was previously sent to all Registered Parties under Section 11.1(b)(i) or Section 11.1(b)(ii) (as applicable) remains unchanged in respect of the period from 1 April to and including 30 September in that Gas Year.

(b) The Transporter may amend the period of Planned Maintenance set out in a Maintenance Notice at any time before the date falling 30 days before the first Gas Day on which Planned Maintenance is contemplated to take place in that Maintenance Notification, provided that the Transporter gives not less than 30 days' notice of the start of any revised Planned Maintenance.

(c) All amendments to Maintenance Notifications that are sent to Registered Parties must be accompanied by reasons for the amendments made.

11.3 Obligations of the Transporter in respect of Planned Maintenance

(a) Promptly after giving or amending a Maintenance Notification, the Transporter must separately inform each Shipper of the amount of its Reserved Capacity that the Transporter is not able to make available to it at each Interconnection Point for each Gas Day during any period of Planned Maintenance.

(b) The Transporter must use Reasonable Efforts to carry out Planned Maintenance:

(i) at the times and on the dates specified in Maintenance Notifications;

(ii) during May, June, July or August in each Gas Year; and

(iii) at the same times and on the same dates that Adjacent TSOs are carrying out planned maintenance in respect of an Interconnected System.

(c) Any reduction in a Shipper's ability to use Reserved Capacity resulting from Planned Maintenance will take place in accordance with Section 12.

11.4 Reducing Planned Maintenance

(a) The Transporter may:

(i) reduce the period of any Planned Maintenance; and/or

(ii) increase the amount of Reserved Capacity to be made available to Shippers during a period of Planned Maintenance,

by giving not less than four full Gas Day's notice of such amendment to affected Shippers.

(b) The Transporter may notify affected Shippers that it is able to:

(i) reduce the period of any Planned Maintenance; and/or

(ii) increase the amount of Reserved Capacity to be made available to Shippers during a period of Planned Maintenance,

on less than four full Gas Days' notice. If the Transporter gives such notice, each affected Shipper will be entitled to notify the Transporter (by e-mail) by no later than 24 hours after such notice that it does not wish to use all or part of the additional Reserved Capacity that the Transporter is able to make available to it. In the absence of such notice from an affected Shipper, the Transporter will make that additional Reserved Capacity available to the Shipper.

(c) Unless a Shipper notifies the Transporter that it does not wish to use an additional amount of its Reserved Capacity (whether in amount, duration or both) in accordance with paragraph (b) above, then the Transporter shall make such additional amount available to that Shipper.

(d) Any additional Reserved Capacity that the Transporter notifies is available in accordance with paragraph (b) above but which a Shipper notifies the Transporter it does not wish to use may be considered by the Transporter to be Available Capacity and offered for booking by Registered Parties in accordance with Section 6.

(e) The Transporter may send each of the notices specified in paragraphs (a) and (b) above in a single notification.

(f) For the purpose of calculating the amount of Planned Maintenance conducted by the Transporter, during any period of Planned Maintenance notified by the Transporter in a Maintenance Notification the Transporter will be deemed not to be making Reserved Capacity available in accordance with the reduction specified in that Maintenance Notification (regardless of whether such Reserved Capacity is actually made available) unless:

(i) that Maintenance Notification is amended in accordance with Section 11.2, in which case this paragraph (f) will only apply to any reduction specified in that amended Maintenance Notification;

(ii) the Transporter gives a notice to the relevant Shipper in accordance with paragraph (a) above, in which case the Transporter will be making Reserved Capacity available in the amount of the additional Reserved Capacity specified in that notice if the Transporter actually makes such Reserved Capacity available to that Shipper (regardless of whether the Shipper uses that Reserved Capacity); and

(iii) the Transporter gives a notice to the relevant Shipper in accordance with paragraph (b) above, and that Shipper notifies the Transporter that it wishes to use all or part of the additional Reserved Capacity, then the Transporter will be making Reserved Capacity available in the amount of the additional Reserved Capacity specified in the notice from the Shipper if the Transporter actually makes such Reserved Capacity available to that Shipper (regardless of whether the Shipper uses that Reserved Capacity).

12. CAPACITY REDUCTIONS

12.1 General

If the Transporter restricts the use of all or any part of any Reserved Capacity at an Interconnection Point due to a Capacity Restriction or Interruption, it must use its Reasonable Efforts to give at least 45 minutes prior notice to the affected Shippers and in any event give notice as soon as reasonably practicable in the circumstances.

12.2 Capacity Restrictions and Planned Maintenance

(a) Any maintenance of the TAP Transportation System that is not Planned Maintenance and that reduces the Transporter's ability to make available Reserved Capacity to Shippers will be considered a Capacity Restriction.

(b) If a reduction of Shippers' use of Reserved Capacity is required as a result of a Capacity Restriction or Planned Maintenance at an Interconnection Point, the Transporter must:

(i) prioritise the provision at that Interconnection Point of:

(A) Forward Firm Capacity above Commercial Reverse Capacity and Forward Interruptible Capacity;

(B) Commercial Reverse Capacity above Forward Interruptible Capacity;

(ii) restrict the use of Forward Interruptible Capacity in the relevant direction in accordance with Section 12.5 to the extent necessary to allow the Transporter to continue to provide Forward Firm Capacity and Commercial Reverse Capacity at that Interconnection Point;

(iii) if all Forward Interruptible Capacity in the relevant direction has been restricted, restrict the use of Commercial Reverse Capacity (unless that Commercial Reverse Capacity has a Reverse IP Direction at the relevant Interconnection Point) in accordance with Section 12.4 to the extent necessary to allow the Transporter to continue to provide Forward Firm Capacity at that Interconnection Point; and

(iv) only if all Forward Interruptible Capacity in the relevant direction and (if relevant) Commercial Reverse Capacity has been restricted, restrict the use of Forward Firm Capacity at that Interconnection Point in accordance with Section 12.3,

for as long as that Capacity Restriction or Planned Maintenance is continuing.

(c) If the Transporter restricts the use of Reserved Capacity as a result of a Capacity Restriction it must promptly:

(i) send a Capacity Restriction Notice to all Registered Parties;

(ii) inform each affected Shipper of the amount of its Reserved Capacity at the relevant Interconnection Point that the Transporter is able to make available to it; and

(iii) where the Transporter has previously sent a Confirmed Quantity Notice in respect of any Gas Day to which the Capacity Restriction Notice relates, send a new Confirmed Quantity Notice to notify the Shippers of the revised Confirmed Quantities at that Interconnection Point.

(d) Notwithstanding that the Transporter has issued a Capacity Restriction Notice, Shippers may continue to submit Nominations and Renominations for Nominated Quantities of up to the full amount of their Reserved Capacity as if the Capacity Restriction was not in effect. If one or more Shippers submit Nominations or Renominations with Nominated Quantities that are lower than the Reserved Capacity that the Transporter is able to make available to those Shippers in accordance with the Capacity Restriction Notice, the Transporter will make available to other Shippers an additional quantity of Reserved Capacity equal to the difference between (i) the aggregate of such Nominated Quantities and (ii) the aggregate Reserved Capacity of those under-nominating Shippers as reduced pursuant to the Capacity Restriction Notice. Such additional quantity will be made available by the Transporter to other Shippers that submit Nominations or Renominations which are greater than the amount of Reserved Capacity notified to them in accordance with paragraph (c) above as follows:

(i) the Transporter will allocate such additional quantity of Reserved Capacity to each Shipper requesting all or part of it pro rata to the Reserved Capacities of such Shippers; and

(ii) if the Transporter is able to make available to such requesting Shipper more of such Shipper's Reserved Capacity than the amount of available Reserved Capacity notified to such Shipper in accordance with paragraph (c) above, the Transporter will be deemed to have made such amount available for the purpose of calculating the Actual Monthly Charge.

(e) If a Capacity Restriction is continuing as a result of the occurrence of Force Majeure, the Transporter may include in any Capacity Restriction Notice such details in relation to that Force Majeure as it is required to provide under a Gas Transportation Agreement in satisfaction of its requirement to give notice of that Force Majeure under that Gas Transportation Agreement.

12.3 Restriction of Forward Firm Capacity

If the Transporter is required to reduce Forward Firm Capacity at an Interconnection Point, it will restrict each Shipper's ability to use Reserved Capacity for Forward Firm Capacity at that Interconnection Point on a pro rata basis to each Shipper's Reserved Capacity for Forward Firm Capacity at that Interconnection Point.

12.4 Interruption and Restriction of Commercial Reverse Capacity

(a) In addition to the circumstances set out in Section 12.2, the Transporter will interrupt Commercial Reverse Capacity at each of the combined Entry Point and Exit Point that form the relevant Commercial Reverse Route if:

(i) at an Interconnection Point where the Commercial Reverse Capacity has a Reverse IP Direction, the flow of Natural Gas in the Forward IP Direction is insufficient to provide the Commercial Reverse Capacity at that Interconnection Point after interrupting any Forward Day-Ahead Interruptible Capacity in accordance with Section 12.5; or

(ii) there is insufficient Westward (Physical) Flow between the Entry Point and the Exit Point to allow an Eastward (Commercial) Flow.

(b) If the Transporter interrupts Commercial Reverse Capacity due to an Interruption, it must:

(i) promptly following the relevant Matching Process send an Interruption Notice to all affected Shippers;

(ii) inform each affected Shipper of the amount of its Reserved Capacity at the relevant Interconnection Point that the Transporter is able to make available to it; and

(iii) promptly send a new Confirmed Quantity Notice to notify the Shippers of the revised Confirmed Quantities at that Interconnection Point.

(c) If the Transporter restricts the use of all or any part of any Commercial Reverse Capacity at an affected Interconnection Point (whether due to Planned Maintenance, a Capacity Restriction or an Interruption), the Transporter must restrict the use of Commercial Reverse Capacity in the following order of priority:

(i) first, Commercial Reverse Daily Capacity;

(ii) secondly, Commercial Reverse Monthly Capacity;

(iii) thirdly, Commercial Reverse Quarterly Capacity; and

(iv) fourthly, Commercial Reverse Yearly Capacity,

and if not all Commercial Reverse Capacity under any of paragraphs (i) to (iv) above is required to be restricted, all Commercial Reverse Capacity under that paragraph will be restricted on a pro rata basis;

12.5 Interruption and Restriction of Forward Interruptible Capacity

(a) In addition to the circumstances set out in Section 12.2, the Transporter may interrupt all or any part of any Forward Interruptible Capacity:

(i) provided in the Forward IP Direction at an Interconnection Point if the Nominated Quantities received by the Transporter are greater than the capacity that the Transporter is able to make available at that Interconnection Point;

(ii) provided in the Reverse IP Direction at an Interconnection Point if the flow of Natural Gas in the Forward IP Direction is insufficient to provide the Forward Interruptible Capacity in the Reverse IP Direction at that Interconnection Point; and

(iii) on and from the NM Bidirectionality Date, provided in the Forward IP Direction at the Interconnection Point of Nea Mesimvria if required to meet the Minimum Flow Rate.

(b) If the Transporter interrupts Forward Interruptible Capacity due to an Interruption, it must:

(i) promptly following the relevant Matching Process send an Interruption Notice to all affected Shippers;

(ii) inform each affected Shipper of the amount of its Reserved Capacity at the relevant Interconnection Point that the Transporter is able to make available to it; and

(iii) promptly send a new Confirmed Quantity Notice to notify the Shippers of the revised Confirmed Quantities at that Interconnection Point.

(c) If the Transporter restricts the use of all or any part of the Forward Interruptible Capacity at an Interconnection Point (whether due to Planned Maintenance, a Capacity Restriction or an Interruption), the Transporter must restrict the use of Forward Interruptible Capacity at that Interconnection Point:

(i) first, in reverse time order, so that Reserved Capacity (being Forward Interruptible Capacity) at that Interconnection Point that has the latest Contractual Timestamp will be restricted first and Reserved Capacity (being Forward Interruptible Capacity) at that Interconnection Point that has the earliest Contractual Timestamp will be restricted last; and

(ii) secondly, pro rata, if two or more Reserved Capacity contracts (being Forward Interruptible Capacity) at that Interconnection Point have the same Contractual Timestamp.

12.6 Continuing Capacity Restrictions

(a) If, while a Capacity Restriction is continuing, any of the information provided by the Transporter in a Capacity Restriction Notice that was previously sent by the Transporter in relation to that Capacity Restriction becomes inaccurate, the Transporter must send an updated Capacity Restriction Notice as soon as reasonably practicable after becoming aware of the inaccuracy reflecting information that is then accurate. If the Transporter issues an updated Capacity Restriction Notice which changes the amount of Reserved Capacity that is subject to the Capacity Restriction, the Transporter will also inform each affected Shipper of the amount of its Reserved Capacity at the relevant Interconnection Point that the Transporter is now able to make available to it.

(b) The Transporter must, promptly following the termination of a Capacity Restriction, send a Capacity Restriction Termination Notice to all affected Shippers.

(c) The Transporter must no later than three Gas Months after the termination of a Capacity Restriction, provide a report, detailing the reasons for that Capacity Restriction and the relevant actions taken by the Transporter while that Capacity Restriction was continuing, to all affected Shippers and, to the extent required by applicable Law, Governmental Authorities.

(d) Any affected Shipper may, up to and including the date that falls six Gas Months after the termination of a Capacity Restriction, request, at its own expense, an audit by an independent auditor of the reasons for that Capacity Restriction and the actions taken by the Transporter while that Capacity Restriction was continuing.

12.7 Continuing Interruptions

(a) If, while an Interruption is continuing, any of the information provided by the Transporter in an Interruption Notice that was previously sent by the Transporter in relation to that Interruption becomes inaccurate, the Transporter must send an updated Interruption Notice to all affected Shippers as soon as reasonably practicable after becoming aware of the relevant inaccuracy reflecting information that is then accurate.

(b) The Transporter must, promptly following the termination of an Interruption, send an Interruption Termination Notice to all affected Shippers.

13. CONGESTION MANAGEMENT

13.1 Surrender

(a) Surrender is the process by which a Shipper may release all or part of its Forward Firm Capacity (other than Forward Firm Daily Capacity and Forward Firm Within-Day Capacity) or Commercial Reverse Capacity (other than Commercial Reverse Daily Capacity), at an Interconnection Point, so that the Transporter can offer the released capacity as Available Capacity.

(b) Any Forward Firm Capacity released must be of a duration that corresponds to a single Capacity Product constituting Forward Firm Short Term Capacity (other than Forward Firm Within-Day Capacity) and any Commercial Reverse Capacity released must be of a duration that corresponds to a single Capacity Product constituting Commercial Reverse Capacity, such that the released capacity can be offered as a single product in a single auction. Registered Parties wishing to Surrender additional capacity must do so under separate Surrender Requests.

(c) A Shipper can only release Forward Firm Capacity corresponding to Forward Firm Yearly Capacity or Commercial Reverse Capacity corresponding to Commercial Reverse Yearly Capacity for the next Gas Year to be offered at auction.

13.2 Procedure for Surrender

(a) A Shipper who wishes to Surrender Reserved Capacity is required to send a Surrender Request to the Transporter through the Capacity Booking Platform. The Surrender Request must be received by the Transporter no later than 10am on the date falling two Business Days before the date of publication of Available Capacity for the relevant auction in which the Surrendered Capacity will be offered and must specify:

(i) the Interconnection Point at which Reserved Capacity is being Surrendered and whether that Interconnection Point is an Entry Point or an Exit Point for the relevant Reserved Capacity;

(ii) the amount and Capacity Product of the Reserved Capacity that is being Surrendered;

(iii) the duration of the Surrender (corresponding to one of the standard Capacity Products set out above); and

(iv) whether the Surrendered Capacity is Bundled Capacity or not.

(b) If a Surrender Request meets the requirements set out in paragraph (a) above, the Transporter must notify the Shipper that submitted the Surrender Request that the Surrender Request has been accepted within one clear Business Day of receiving the Surrender Request.

(c) A Surrender Request, once sent by a Shipper, cannot be withdrawn, cancelled or amended by that Shipper.

(d) Following notification that the Surrender Request has been accepted by the Transporter:

(i) the Surrendered Capacity will be included in the amount of Available Capacity offered by the Transporter in the relevant auctions of Available Capacity, in accordance with procedures specified in Section 5.5; and

(ii) the relevant Shipper must pay a fee to the Transporter in the amount of €2,000 per Surrender Request at the time the Surrender Request is accepted.

(e) In any auction for which Surrendered Capacity or Withdrawn Capacity is offered, the Transporter will:

(i) first, allocate Available Capacity that is not Surrendered Capacity or Withdrawn Capacity;

(ii) second, allocate Available Capacity that is Surrendered Capacity; and

(iii) third, allocate Available Capacity that is Withdrawn Capacity.

(f) If more than one Shipper has offered Surrendered Capacity, Surrendered Capacity will be offered in the relevant auctions in time-stamp order so that it will be reallocated in the order in which the Surrender Requests relating to that Surrendered Capacity were received by the Transporter.

(g) Promptly after the conclusion of an auction at which Surrendered Capacity has been offered:

(i) the Transporter will notify each Shipper with Surrendered Capacity in that auction by email of the quantity of their Surrendered Capacity that has been reallocated in that auction and the quantity of their Surrendered Capacity that has not been reallocated in that auction, in each case promptly after the auction has closed; and

(ii) if the Surrendered Capacity was subject to an Auction Premium, the surrendering Shipper must pay to the Transporter the amount (if any) calculated in accordance with Section 13.10.

(h) Following each auction at which Surrendered Capacity is offered, the Surrender Request that relates to that Surrendered Capacity will cease to have effect. If any Surrendered Capacity was not reallocated at an auction and the Shipper wishes that Reserved Capacity to be offered again at the next auction, it is the Shipper's responsibility to Surrender that Reserved Capacity before the next available auction by sending a new Surrender Request to the Transporter.

(i) The Shipper retains its rights and obligations under the Gas Transportation Agreement for the Surrendered Capacity until that Surrendered Capacity is allocated by the Transporter to one or more new Shipper(s) (except for any ability of the Shipper to trade that Reserved Capacity in accordance with Section 7), following which that first Shipper will cease to have any rights or obligations in relation to such reallocated Surrendered Capacity for the duration of the Surrender and the amount of Reserved Capacity under the relevant Gas Transportation Agreement will be deemed to be reduced by an amount and for a duration equal to such reallocated Surrendered Capacity.

13.3 Firm Day-Ahead Use-It-Or-Lose-It (FDA UIOLI)

(a) The Transporter will monitor auctions for Forward Firm Capacity during each Gas Year to determine if at least one of the conditions in paragraph (b) below for application of FDA UIOLI have been satisfied.

(b) FDA UIOLI is determined separately for each Entry Point and each Exit Point. The Transporter will apply FDA UIOLI in the following Gas Year at any Entry Point or Exit Point in the Forward IP Direction where it observes the occurrence of any of the following contractual congestion events during a Gas Year in respect of Capacity Products for use in that, or in the case of paragraph (i) below any of the subsequent two, Gas Years (each a **FDA UIOLI Contractual Congestion Event**):

(i) an Auction Premium for Forward Firm Yearly Capacity;

(ii) an Auction Premium for at least two Capacity Products for Forward Firm Quarterly Capacity;

(iii) an Auction Premium for at least three Capacity Products for Forward Firm Monthly Capacity; or

(iv) no Forward Firm Yearly Capacity, Forward Firm Quarterly Capacity or Forward Firm Monthly Capacity was available to be offered at auction at any time during that Gas Year.

(c) The Transporter will apply FDA UIOLI for the Gas Year immediately following the Gas Year in which the FDA UIOLI Contractual Congestion Event has been observed at an Entry Point or Exit Point. FDA UIOLI will then continue to apply at that Entry Point or Exit Point until it is withdrawn, as described in paragraph 13.5.

(d) The Transporter will make available an annual monitoring report to all Shippers and NRAs in relation to FDA UIOLI after each Gas Year has ended, containing details of whether a FDA UIOLI Contractual Congestion Event was observed at each Entry Point or Exit Point and whether FDA UIOLI is to apply at one or more Entry Points or Exit Points and the start date of any FDA UIOLI application.

13.4 Application of FDA UIOLI

(a) FDA UIOLI will only apply at an Entry Point or Exit Point to Shippers who on average held 10% or more of maximum Forward Firm Capacity that the Transporter can offer to Registered Parties (taking account of system integrity and operation requirements) at that Entry Point or Exit Point during the Gas Year in which a FDA UIOLI Contractual Congestion Event was observed.

(b) If FDA UIOLI is applied, affected Shippers are restricted in the extent to which they can submit Renominations of their Reserved Capacity on a firm basis upwards or downwards during the period for Renominations within a Gas Day.

(c) The restrictions on increasing Renominations are:

(i) if the Shipper's Nominated Quantity was between 0-80% of their Reserved Capacity, the upwards Renomination on a firm basis is limited to less than or equal to 90% of their Reserved Capacity, and 10% of their Reserved Capacity can only be renominated (and if renominated will be treated) as if it were Forward Day-Ahead Interruptible Capacity;

(ii) if the Shipper's Nominated Quantity was greater than 80% of their Reserved Capacity, the Shipper can renominate half of the un-nominated Reserved Capacity upwards on a firm basis (for example, if the nomination was 90%, the re-nomination cannot be greater than 95%) and the other half (5% in the example) of their Reserved Capacity can only be renominated (and if renominated will be treated) as if it were Forward Day-Ahead Interruptible Capacity.

(d) The restrictions on decreasing Renominations are:

(i) if the Shipper's Nominated Quantity was between 20-100% of their Reserved Capacity, the downwards Renomination is limited to more than or equal to 10% of their Reserved Capacity;

(ii) if the Shipper's Nominated Quantity was less than 20%, the Shipper can renominate half of the nominated Reserved Capacity downwards (for example, if the nomination was 10%, the re-nomination cannot be less than 5%).

(e) The Transporter will offer capacity that the Shipper can only renominate as if it were Forward Day-Ahead Interruptible Capacity as Forward Firm Daily Capacity and Forward Firm Within-

Day Capacity at auctions. This capacity becomes Available Capacity for all Registered Parties to purchase at auction.

(f) If a Shipper affected by FDA UIOLI books Forward Firm Within-Day Capacity at an Interconnection Point where it is subject to a Renomination restriction, that Shipper may submit a Renomination to be effective from the Within-Day Start Hour that is increased by the relevant Within-Day Adjusted Capacity without such increase being subject to the limitations in paragraph (c) above. For the purpose of applying the restrictions in paragraphs (c) and (d) above to Renominations that are effective after the Within-Day Start Hour, the Nominated Quantity originally taken into account will be increased by any increase in the Renomination for the Within-Day Start Hour that was permitted to be made without restriction under this paragraph (f).

13.5 Withdrawal of FDA UIOLI

(a) The Transporter may withdraw the application of FDA UIOLI if it deems that the situation defined in Section 13.3(b) is unlikely to reoccur in the following three Gas Years, based on findings in the Transporter's annual monitoring report. If this is the case, the Transporter must receive formal approval from the relevant NRA(s) with authority over the Interconnection Points where FDA UIOLI applies in order to withdraw it.

(b) The Transporter will continue to monitor for the occurrence of a FDA UIOLI Contractual Congestion Event following such a decision, and re-apply FDA UIOLI if the situation in Section 13.3(b) occurs again.

13.6 Long Term Use It Or Lose It (LT UIOLI)

(a) The Transporter will monitor the usage of Shippers' LT UIOLI Affected Capacity Products in each Monitoring Period to determine the Average Utilisation of such Reserved Capacity.

(b) The average utilisation (the **Average Utilisation**) at an Entry Point or Exit Point in each Semi-Annual Period in a Monitoring Period is calculated as the average (arithmetic mean) of all Allocated Quantities of that Shipper in respect of LT UIOLI Affected Capacity Products at that Entry Point or Exit Point in that Semi-Annual Period divided by the average (arithmetic mean) of that Shipper's Reserved Capacity constituted by LT UIOLI Affected Capacity Products at that Entry Point or Exit Point during that Semi-Annual Period. For this purpose if the Shipper has Reserved Capacity for different Capacity Products, LT UIOLI Affected Capacity Products are assumed to be used prior to any other Capacity Products with a shorter duration.

(c) The Transporter will, no later than two weeks after the end of each Monitoring Period, send an annual utilisation report to all Registered Parties and all NRAs. The utilisation report sent to the NRAs will contain the Average Utilisation for each Shipper at each Entry Point and Exit Point for each Semi-Annual Period in that Monitoring Period. The utilisation report sent to Registered Parties will contain only the average of the Average Utilisations of all Shippers at each Entry Point and Exit Point and (if relevant) the Average Utilisation of that Shipper at each Entry Point or Exit Point.

(d) After the end of a Monitoring Period, the Transporter will only commence the procedure to determine whether LT UIOLI should be applied if it observes the occurrence of any of the following contractual congestion events during the Monitoring Period at an Entry Point or Exit Point (each a **LT UIOLI Contractual Congestion Event**):

(i) all Forward Firm Yearly Capacity for the following Gas Year was sold out at the relevant auction and an Auction Premium was observed for Forward Firm Yearly Capacity for the following Gas Year; or

(ii) all Forward Firm Quarterly Capacity for the following Gas Year was sold out at the relevant auction and an Auction Premium was observed for at least two Capacity Products for Forward Firm Quarterly Capacity for the following Gas Year.

13.7 Systematic underutilisation and exclusions

(a) If a LT UIOLI Contractual Congestion Event is observed, the Transporter will submit a notice (a **Congestion Notice**) to the NRAs at the same time as it submits the annual utilisation report under Section 13.6(c).

(b) The Transporter will include the following information in the Congestion Notice:

(i) a description of the LT UIOLI Contractual Congestion Event including:

(A) information as to whether the Forward Firm Yearly Capacity for the following Gas Year was sold out at the relevant auction and an Auction Premium was observed for Forward Firm Yearly Capacity

(B) information as to whether the Forward Firm Quarterly Capacity for the following Gas Year was sold out at the relevant auction and an Auction Premium was observed for at least two Capacity Products for Forward Firm Quarterly Capacity for the following Gas Year.

(ii) for each Shipper in respect of LT UIOLI Affected Capacity Products:

(A) a list of all Surrender Requests submitted by that Shipper during the Monitoring Period, including:

I. the Entry Point or Exit Point at which Reserved Capacity was Surrendered;

II. the amount of the Reserved Capacity Surrendered and the Capacity Product;

III. the duration of the Surrender;

IV. whether the Surrendered Capacity is Bundled Capacity; and

V. the amount of Surrendered Capacity that was rebooked and the results of the auctions at which the Surrendered Capacity was offered.

(B) a list of offers for Transfer of Reserved Capacity to other Registered Parties on the Capacity Booking Platform or offers for Assignment, in each case at a price no greater than the Reserve Price of the relevant Capacity Product or Reserved Capacity during the Monitoring Period, including

I. the Entry Point or Exit Point related to the Transfer or Assignment;

II. the amount of Reserved Capacity offered and the Capacity Product;

III. the duration of the proposed Transfer or Assignment;

IV. whether the offered Capacity is Bundled Capacity;

V. the price at which the offer was made and the respective Reserve Price; and

VI. the amount of Reserved Capacity transferred or assigned as a result of the offer.

(C) any other information related to the basis on which the Shipper has attempted to offer the Reserved Capacity to other Registered Parties and/or through Surrender Requests; and

(iii) the proposed date of the auction(s) at which the Transporter intends to offer any resulting Withdrawn Capacity to Registered Parties, the earliest date for which (subject to any delays to that date that may result from the process described in paragraphs below) should be no later than four Gas Months after the last day of the Monitoring Period.

(c) Pursuant to Regulation (EC) 715/2009, as modified by a European Commission Decision of 24 August 2012, the LT UIOLI procedure should be applied if one or more Shippers have systematically underutilised their Reserved Capacity constituted by LT UIOLI Affected Capacity Products. Reserved Capacity will be systematically underutilised if the Shipper's Average Utilisation at an Entry Point or Exit Point has been less than 80% in both of the Semi-Annual Periods in the relevant Monitoring Period.

(d) The Transporter and all Registered Parties acknowledge that the relevant NRAs have the power to make the final decision (the **NRA Decision**) regarding the withdrawal of capacity from the LT UIOLI Affected Shipper according to the LT UIOLI Decision Process.

(e) The Transporter will promptly notify the LT UIOLI Affected Shipper of the NRA Decision and will, subject to any delays in the LT UIOLI Decision Process, implement the withdrawal and auctioning of Reserved Capacity by no later than four Gas Months after the last day of the Monitoring Period.

(f) The Transporter and all Registered Parties agree that the NRA Decision will be binding.

13.8 Application of LT UIOLI

(a) When applying LT UIOLI, the amount of Reserved Capacity in respect of LT UIOLI Affected Capacity Products to be withdrawn from the Shipper will be the amount specified in the NRA Decision, and such Reserved Capacity will be withdrawn for:

(i) the remaining period of the first Gas Year following the Monitoring Period, once the LT UIOLI Decision Process has concluded; and

(ii) the full duration of the following Gas Year.

(b) If LT UIOLI is applied, the relevant Shipper must pay a fee to the Transporter in the amount of €10,000.

(c) The Transporter will offer the Withdrawn Capacity in the next available auctions for Forward Firm Quarterly Capacity. The Transporter will also offer the Withdrawn Capacity in any available auctions for Forward Firm Monthly Capacity for any Gas Month that falls before the first Gas Quarter included in the Forward Firm Quarterly Capacity auctions in which the Withdrawn Capacity is offered. The Transporter will also offer the Withdrawn Capacity in the auction for Forward Firm Annual Capacity for the following Gas Year. Withdrawn Capacity is offered in auctions in accordance with the priority in Section 13.2(e) and if not booked in

full will be allocated between Shippers with Withdrawn Capacity in the relevant auction pro rata to their Withdrawn Capacity.

(d) Promptly after the conclusion of an auction at which Withdrawn Capacity has been offered:

(i) the Transporter will notify each Shipper with Withdrawn Capacity in that auction of the quantity of their Withdrawn Capacity that has been reallocated in that auction promptly after the auction has closed; and

(ii) if the Withdrawn Capacity was subject to an Auction Premium, the relevant Shipper must pay to the Transporter the amount (if any) calculated in accordance with Section 13.10.

(e) The LT UIOLI Affected Shipper retains its rights and obligations (including the right to submit Nominations for that Withdrawn Capacity) under the Gas Transportation Agreement for the Withdrawn Capacity until that Withdrawn Capacity has been re-booked by one or more Shipper(s), following which that first Shipper will cease to have any rights or obligations in relation to such reallocated Withdrawn Capacity and the amount of Reserved Capacity under the relevant Gas Transportation Agreement will be deemed to be reduced by an amount and for a duration equal to such reallocated Withdrawn Capacity.

(f) Following each auction at which the Withdrawn Capacity is auctioned in accordance with paragraph (c) above, then for the period of time covered by that auction the Shipper will retain its rights and obligations for any Withdrawn Capacity that has not been allocated, and such Reserved Capacity will no longer be considered to be Withdrawn Capacity.

13.9 LT UIOLI not Confidential Information

If LT UIOLI is applied, the Transporter needs to reallocate such capacity in accordance with Section 13.8. The following information will therefore not be considered to be confidential and, in particular, does not constitute "Confidential Information" for the purpose of any Gas Transportation Agreement or Confidentiality Agreement:

(a) the contents of any Congestion Notice or utilisation report;

(b) the amount of Reserved Capacity that is under consideration for withdrawal from that LT UIOLI Affected Shipper;

(c) the contents of any NRA Decision; and

(d) the amount of Withdrawn Capacity and the identity of the LT UIOLI Affected Shipper.

13.10 Auction Premium

If:

(a) an amount of Surrendered Capacity or Withdrawn Capacity that was subject to an Auction Premium as part of the Tariff is reallocated to another Registered Party in accordance with this Section 13 and the procedures set out in Section 5; and

(b) the Reserved Capacity booking under which such Surrendered Capacity or Withdrawn Capacity is reallocated is subject to a new Auction Premium that is less than the old Auction Premium that applied to the original booking of that Surrendered Capacity or Withdrawn Capacity,

then the Shipper with the Surrendered Capacity or Withdrawn Capacity must pay to the Transporter for each such reallocated Reserved Capacity an amount equal to the total unrecoverable Auction Premium, calculated as:

$$AP = [P_{old} - P_{new}] \times \frac{RC \times D}{365}$$

where:

AP is the total amount payable by the Shipper to the Transporter in respect of unrecoverable Auction Premium for particular Reserved Capacity.

$\boldsymbol{P_{old}}$ is the Auction Premium applicable to the Surrendered Capacity or Withdrawn Capacity.

$\boldsymbol{P_{new}}$ is the Auction Premium applicable to the reallocated Reserved Capacity.

RC is the aggregate amount of Surrendered Capacity or Withdrawn Capacity that is reallocated as part of that Reserved Capacity.

D is the total duration of the reallocated Reserved Capacity in Gas Days.

14. FUEL GAS

14.1 Fuel Gas

(a) The Transporter will act as a Reasonable and Prudent Operator in its use of Fuel Gas.

(b) The Transporter must purchase Fuel Gas according to a transparent and market-based procedure published on the Transporter's website. The procedure will be based on the Transporter running a competitive tender for the supply of Fuel Gas at an Interconnection Point or the Virtual Trading Point on a periodic basis. A competitive tender must be run at least once every three years and, if a tender would not otherwise be run in such period, within one year of the first date on which Transportation Services for Forward Firm Capacity are made available at more than one Entry Point.

(c) The Transporter may from time to time, at its discretion, update the procedure referred to in paragraph (b) above if the updated version of that procedure remains transparent and market-based after that update has taken place.

(d) The Transporter may satisfy its obligation to purchase Fuel Gas under paragraph (b) above by purchasing or selling a quantity of Natural Gas that corresponds to the aggregate of UFG (which may be either a positive or negative quantity), Fuel Gas (which will be a positive quantity) and the aggregate of all Transmission Imbalances (which may be either a positive or negative quantity).

(e) If the Transporter does not have available to it all of the information required to calculate the Fuel Gas Price for a particular Gas Month by the time it is required to issue the relevant Monthly Statements, the Transporter will include in each Monthly Statement the Fuel Gas Price based on the most accurate information then available to it. The Transporter will then, in the next Annual Statement sent to each applicable Registered Party following availability of the relevant information, include a reconciliation of the amount paid in the relevant Monthly Statement and the amount that should have been paid based on the finally determined Fuel Gas Price calculated on the basis that such information had been made available in time for the relevant Monthly Statement.

(f) When issuing any Monthly Statement, the Transporter shall calculate the Fuel Gas Price on the basis that the costs and expenses incurred in acquiring tradable emission allowances is zero regardless of whether the Transporter has purchased any allowances in the relevant Gas Month. The Transporter shall subsequently include the full costs and expenses incurred in acquiring all such tradable emissions allowances as part of the reconciliation to be included in the next Annual Statement. The Transporter shall calculate the reconciled Fuel Gas Price on the basis that the total cost of acquiring such tradable emissions allowances over the relevant calendar year is divided by the quantity of Fuel Gas used during the same calendar year to calculate an average cost and shall use this average cost to allocate the costs to each Gas Month in the relevant calendar year based on the amount of Fuel Gas used in that Gas Month.

14.2 Amounts payable in respect of Fuel Gas

(a) Each Shipper with Forward Capacity must pay an amount to the Transporter in respect of Fuel Gas used by the Transporter in each Gas Month in which that Shipper has Allocated Quantities for Forward Capacity. That amount constitutes a payment for Fuel Gas and will be invoiced to the Shipper in each Monthly Statement, and will be calculated by multiplying:

(i) the aggregate Fuel Gas that is used by the Transporter and allocated to the relevant Shipper, calculated as "$FGA_{S,t}$" in accordance with the provisions of Section 14.4; by

(ii) the Fuel Gas Price.

(b) Shippers having Commercial Reverse Capacity shall not have Fuel Gas allocated to them in respect of their Commercial Reverse Capacity.

14.3 Maximum Fuel Gas to be allocated to Shippers

(a) The maximum quantity of Fuel Gas that the Transporter may allocate to a Shipper *S* in respect of all Entry Points for Forward Capacity in Gas Month *t* will be calculated in accordance with the following formula:

$$FMax_{S,En,t} = C_{En} \times AQ_{S,En,t}$$

where:

$\boldsymbol{FMax_{S,En,t}}$ is the maximum amount of Fuel Gas that the Transporter may allocate to Shipper *S* in Gas Month *t* in respect of all Entry Points for Forward Capacity.

$\boldsymbol{C_{En}}$ is [2%].

$\boldsymbol{AQ_{S,En,t}}$ is the aggregate Allocated Quantities of Shipper *S* in respect of its Forward Capacity in respect of all Entry Points for Gas Month *t*.

(b) If the Fuel Gas to be allocated to a Shipper in respect of all Entry Points for Forward Capacity in a Gas Month exceeds the maximum quantity permitted under paragraph (a) above, the Fuel Gas above that maximum amount will be for the account of the Transporter.

(c) The maximum quantity of Fuel Gas that the Transporter may allocate to a Shipper *S* in respect of all Exit Points for Forward Capacity in a Gas Month *t* will be calculated in accordance with the following formula:

$$FMax_{S,Ex,t} = C_{Ex} \times AQ_{S,Ex,t}$$

where:

$\boldsymbol{FMax_{S,Ex,t}}$ is the maximum amount of Fuel Gas that the Transporter may allocate to Shipper *S* in Gas Month *t* in respect of all Exit Points for Forward Capacity.

$\boldsymbol{C_{Ex}}$ is 2%.

$\boldsymbol{AQ_{S,Ex,t}}$ is the aggregate of the absolute values of the Allocated Quantities of Shipper *S* in respect of its Forward Capacity in respect of all Exit Points for Gas Month *t*.

(d) If the Fuel Gas to be allocated to a Shipper in respect of all Exit Points for Forward Capacity in a Gas Month exceeds the maximum quantity permitted under paragraph (c) above, the Fuel Gas above that maximum amount will be for the account of the Transporter.

14.4 Fuel Gas to be allocated to Shippers

(a) The Transporter must ensure that Fuel Gas used at the Fuel Gas Facilities is metered by the Metering Equipment at that Fuel Gas Facility.

(b) The Transporter must keep a record of Fuel Gas use at the Fuel Gas Facilities for each Gas Day and publish the Metered Quantities of Fuel Gas used at each Fuel Gas Facility on the TAP Electronic Data Platform at the end of each Gas Month.

(c) The Transporter must, subject to the provisions of Section 14.3, allocate Fuel Gas used at each Entry Point for Forward Capacity and each Exit Point for Forward Capacity in a Gas Month, as metered under paragraph (a) above, to each Shipper that has Forward Capacity:

(i) in accordance with paragraph (e) below in respect of Entry Points; and

(ii) in accordance with paragraph (f) below in respect of Exit Points.

(d) The total amount of Fuel Gas to be allocated to each Shipper that has Forward Capacity will be calculated in accordance with the following formula:

$$FGA_{S,t} = min\left(\sum_{x=1}^{m} F_{S,En,t,x}, FMax_{S,En,t}\right) + min\left(\sum_{y=1}^{n} F_{S,Ex,t,y}, FMax_{S,Ex,t}\right)$$

where:

$FGA_{S,t}$	The quantity of Fuel Gas to be allocated to a particular Shipper S in respect of the relevant Gas Month t.
$F_{S,En,t,x}$	The quantity of Fuel Gas to be allocated to Shipper S in respect of Entry Point x in Gas Month t, calculated as set out in paragraph (e) below.
$F_{S,Ex,t,y}$	The quantity of Fuel Gas to be allocated to Shipper S in respect of Exit Point y in Gas Month t, calculated as set out in paragraph (f) below.
x	Denotes the unique serial number indicating the Entry Points for Forward Capacity within the TAP Transportation System. Entry Points are assigned unique serial numbers, 1 being assigned to the easternmost Entry Point and m to the westernmost one.
y	Denotes the unique serial number indicating the Exit Points for Forward Capacity within the TAP Transportation System. Exit Points are assigned unique serial numbers, 1 being assigned to the easternmost Exit Point and n to the westernmost one.

m Total number of Entry Points for Forward Capacity in the TAP Transportation System.

n Total number of Exit Points for Forward Capacity in the TAP Transportation System.

(e) The amount of Fuel Gas to be allocated to a Shipper S in respect of a particular Entry Point x for Forward Capacity in Gas Month *t* is calculated as:

$$F_{S,En,t,x} = (50\% \cdot F_t) \cdot \left(\frac{AQ_{En,t,x} \cdot L_{rev,x}}{\sum_{j=1}^{m}(AQ_{En,t,j} \cdot L_{rev,j})}\right) \cdot \left(\frac{AQS_{S,En,t,x}}{AQ_{En,t,x}}\right)$$

where:

$F_{S,En,t,x}$ Fuel Gas quantities allocated to Shipper S for Gas Month t at Entry Point x, in kWh.

Ft The aggregate Fuel Gas quantity for the specific Gas Month t, in kWh.

$AQ_{En,t,x}$ The aggregate Allocated Quantities for all Shippers for entry at Entry Point x during Gas Month t, in kWh.

$AQS_{S,En,t,x}$ The aggregate Allocated Quantities for Shipper S for entry at Entry Point x during Gas Month t, in kWh.

Lrev,x Pipeline length from westernmost Exit Point to Entry Point x.

j Denotes the unique serial number indicating the Entry Points for Forward Capacity within the TAP Transportation System. Entry Points are assigned unique serial numbers, 1 being assigned to the easternmost Entry Point and m to the westernmost one.

m Total number of Entry Points for Forward Capacity in the TAP Transportation System.

(f) The amount of Fuel Gas to be allocated to a Shipper *S* in respect of a particular Exit Point *y* for Forward Capacity in Gas Month *t* is calculated as:

$$F_{S,Ex,t,y} = (50\% \cdot F_t) \cdot \left(\frac{AQ_{Ex,t,y} \cdot L_{fwd,y}}{\sum_{k=1}^{n}(AQ_{Ex,t,k} \cdot L_{fwd,k})}\right) \cdot \left(\frac{AQS_{S,Ex,t,y}}{AQ_{Ex,t,y}}\right)$$

where:

$F_{S,Ex,t,y}$ Fuel Gas quantities allocated to Shipper S for Gas Month t at Exit Point y, in kWh.

Ft The aggregate Fuel Gas quantity for the specific Gas Month t, in kWh.

$AQ_{Ex,t,y}$ The aggregate of the absolute values of all Allocated Quantities for all Shippers for exit at Exit Point y during Gas Month t, in kWh.

$AQS_{S,Ex,t,y}$ The aggregate of the absolute values of all Allocated Quantities for Shipper S for exit at Exit Point y during Gas Month t, in kWh.

Lfwd,y Pipeline length from easternmost Entry Point to Exit Point y.

k Denotes the unique serial number indicating the Exit Points for Forward Capacity within the TAP Transportation System. Exit Points are assigned unique serial numbers, 1 being assigned to the easternmost Exit Point and n to the westernmost one.

n Total number of Exit Points for Forward Capacity in the TAP Transportation System.

(g) If a Shipper has Reserved Capacity under different Gas Transportation Agreements at a particular Entry Point or Exit Point in a particular Gas Month, then for the purpose of determining the Fuel Gas allocated under each Gas Transportation Agreement, the Fuel Gas will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement during that Gas Month. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

14.5 Additional Interconnection Points and methodology changes

(a) If an additional operational Entry Point or Exit Point is to be added to the TAP Transportation System, or if the Transporter intends to modify the TAP Transportation System by installing compressor units which use electricity as their primary power source, the Transporter will review this Section 14 and, if the Transporter deems it necessary to do so, may propose a modification pursuant to Section 22 with a view to reflecting any changes in fuel gas usage in the TAP Transportation System as a result of such new Entry Point or Exit Point or such installation of compressor units which use electricity as their primary power source (as the case may be).

(b) The Transporter will review the current methodology for Fuel Gas charges from time to time based on its operational experience and the most recent data it has obtained. If the Transporter believes that it would be able to implement a revised methodology that would give greater cost predictability or other advantages, the Transporter may propose a modification pursuant to Section 22 to the methodology in this Section 14.

14.6 Effectiveness of this Section 14

(a) Prior to (and excluding) the Fuel Gas Update Effective Date:

(i) the provisions of this Section 14 of the Network Code (other than this Section 14.6) will have no effect;

(ii) the provisions of Appendix 5 of the Network Code will have effect; and

(iii) any references in the remainder of this Network Code to provisions of this Section 14 of the Network Code will be read as though they were references to the equivalent provision of Appendix 5 of the Network Code.

(b) On and from the Fuel Gas Update Effective Date:

(i) the provisions of Appendix 5 of the Network Code will have no effect; and

(ii) the provisions of this Section 14 of the Network Code will have effect.

15. ELECTRIC POWER

15.1 Electric Power

(a) The Transporter will act as a Reasonable and Prudent Operator in its use of Electric Power.

(b) The Transporter must purchase Electric Power according to a transparent and market-based procedure published on the Transporter's website.

(c) The Transporter may from time to time, at its discretion, update the procedure referred to in paragraph (b) above if the updated version of that procedure remains transparent and market-based after that update has taken place.

15.2 Electric Power Cost Estimate

The Transporter will:

(a) before the first Gas Day of the first Gas Year; and

(b) on or before 30 September in each Gas Year (including the first Gas Year),

publish on its website a good faith best estimate of the total costs and expenses (including Taxes) that it expects to incur in each Gas Month of the following Gas Year in relation to the purchase and generation of Electric Power (the **Electric Power Cost Estimate**).

15.3 Allocation of Electric Power Cost Estimate

(a) For each Gas Month the Transporter will allocate the Electric Power Cost Estimate to each Shipper that has Allocated Quantities in that Gas Month in accordance with the following formula:

$$\mathrm{MEPE_S} = \frac{\mathrm{MA_S}}{\mathrm{MA_T}} * \mathrm{MEPE_{TOT}}$$

where:

$\mathbf{MEPE_S}$ is the Electric Power Cost Estimate allocated to Shipper S.

$\mathbf{MA_S}$ is the aggregate of the absolute values of Allocated Quantities of Shipper S in respect of all Capacity Products at all Interconnection Points in that Gas Month

$\mathbf{MA_T}$ is the aggregate of the absolute values of Allocated Quantities of all Shippers in respect of all Capacity Products at all Interconnection Points in that Gas Month.

$\mathbf{MEPE_{TOT}}$ is the Electric Power Cost Estimate.

(b) If a Shipper has Reserved Capacity under different Gas Transportation Agreements in a particular Gas Month, then for the purpose of determining the Electric Power Cost Estimate allocated under each Gas Transportation Agreement, the Electric Power Cost Estimate will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement during that Gas Month. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

15.4 Actual Electric Power Cost

The Actual Electric Power Cost, in respect of each Gas Month, will be calculated as follows:

$$MEP_{TOT} = MEP_{GR} + MEP_{AL} + MEP_{IT}$$

where:

$\boldsymbol{MEP_{TOT}}$ is the Actual Electric Power Cost for that Gas Month.

$\boldsymbol{MEP_{GR}}$ is the aggregate costs and expenses (including Taxes) incurred by the Transporter in relation to the purchase of Electric Power in Greece in that Gas Month.

$\boldsymbol{MEP_{AL}}$ is the aggregate costs and expenses (including Taxes) incurred by the Transporter in relation to the purchase of Electric Power in Albania in that Gas Month.

$\boldsymbol{MEP_{IT}}$ is the aggregate costs and expenses (including Taxes) incurred by the Transporter in relation to the purchase of Electric Power in Italy in that Gas Month.

For the purpose of this Section 15.4, references to the purchase of Electric Power will include the purchase of diesel or similar fuel purchased for use in any back-up generators used by the Transporter when Electric Power procured in accordance with Section 15.1 is not available. The Transporter shall, acting as a Reasonable and Prudent Operator, seek to minimise the costs of procuring any such fuel.

15.5 Allocation of the Actual Electric Power Cost

(a) For each Gas Month the Transporter will allocate the Actual Electric Power Cost to each Shipper that has Allocated Quantities in that Gas Month in accordance with the following formula:

$$MEP_S = \frac{MA_S}{MA_T} \times MEP_{TOT}$$

where:

$\boldsymbol{MEP_S}$ is the Actual Electric Power Cost allocated to that Shipper for that Gas Month.

$\boldsymbol{MA_S}$ is the aggregate of the absolute values of Allocated Quantities of that Shipper in respect of all Capacity Products at all Interconnection Points in that Gas Month

$\boldsymbol{MA_T}$ is the aggregate of the absolute values of Allocated Quantities of all Shippers in respect of all Capacity Products at all Interconnection Points in that Gas Month.

$\boldsymbol{MEP_{TOT}}$ is the Actual Electric Power Cost for that Gas Month.

(b) If a Shipper has Reserved Capacity under different Gas Transportation Agreements in a particular Gas Month, then for the purpose of determining the Actual Electric Power Cost allocated under each Gas Transportation Agreement, the Actual Electric Power Cost will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement during that Gas Month. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

15.6 Payment for Electric Power

Shippers will be required to pay the Electric Power Cost Estimate as part of the monthly payments under each Gas Transportation Agreement. The Transporter will, in accordance with Section 19, reconcile the Electric Power Cost Estimates with the Actual Electric Power Costs for each Shipper on an annual basis and include a balancing payment in the amount payable by the relevant Shipper in each Annual Statement.

15.7 Methodology changes

The Transporter will review the current methodology for Electric Power charges from time to time based on its operational experience and the most recent data it has obtained. If the Transporter believes that it would be able to implement a revised methodology that would give greater cost predictability or other advantages (including if the Transporter intends to modify the TAP Transportation System by installing compressor units which use electricity as their primary power source), the Transporter may propose a modification pursuant to Section 22 to the methodology in this Section 15.

16. UFG

16.1 Purchase and sale of UFG

(a) The Transporter must purchase a quantity of Natural Gas that corresponds to UFG it must procure according to the same transparent and market-based procedure used to purchase Fuel Gas in accordance with Section 14.1.

(b) The Transporter may satisfy its obligation to purchase Natural Gas under paragraph (a) above by purchasing a quantity of Natural Gas that corresponds to the aggregate of UFG (which may be either a positive or negative quantity), Fuel Gas (which will be a positive quantity) and the aggregate of all Transmission Imbalances (which may be either a positive or negative quantity).

(c) If the Transporter does not have available to it all of the information required to calculate the UFG Price or the UFG Cost for a particular Gas Month by the time it is required to issue the relevant Monthly Statements, the Transporter will include in each Monthly Statement the UFG Price and the UFG Cost based on the most accurate information then available to it. The Transporter will then, in the next Annual Statement sent to each applicable Registered Party following availability of the relevant information, include a reconciliation of the amount paid in the relevant Monthly Statement and the amount that should have been paid based on the finally determined UFG Price and/or UFG Cost calculated on the basis that such information had been made available in time for the relevant Monthly Statement.

16.2 Amounts payable in respect of UFG

(a) If UFG in relation to a Gas Month is negative, an amount will become due and payable from the Transporter to each Shipper in respect of UFG sold by the Transporter during that Gas Month. That amount will be calculated by multiplying:

(i) the absolute value of UFG that is sold by the Transporter and allocated to the relevant Shipper according to the provisions of Section 16.4; by

(ii) the UFG Price per kWh minus the UFG Cost per kWh in relation to the UFG sold by the Transporter.

(b) If UFG in relation to a Gas Month is positive, an amount will become due and payable from each Shipper to the Transporter in respect of UFG purchased by the Transporter during that Gas Month. That amount will be calculated by multiplying:

(i) UFG that is purchased by the Transporter and allocated to the relevant Shipper, calculated according to the provisions of Section 16.4 (subject to the maximum amount of UFG that will be allocated to that Shipper under Section 16.5); by

(ii) the UFG Price per kWh plus the UFG Cost per kWh in relation to the UFG purchased by the Transporter.

16.3 Calculation of UFG

The total UFG for a Gas Month will be calculated by the Transporter in accordance with the following formula.

$$UFG = I_T - W_T - F_T - LM - LFM - \Delta_Q$$

where:

$\mathbf{I_T}$ is the sum of the Metered Quantities of Natural Gas in kWh delivered into the TAP Transportation System at all Interconnection Points during that Gas Month.

$\boldsymbol{W_T}$ is the sum of the Metered Quantities of Natural Gas in kWh re-delivered from the TAP Transportation System at all Interconnection Points during that Gas Month.

$\boldsymbol{F_T}$ is the total quantity of Fuel Gas used by the Transporter during that Gas Month.

$\boldsymbol{LM}$ is the quantity of Natural Gas in kWh that is lost from the TAP Transportation System during that Gas Month as a result of all Planned Maintenance and Unplanned Maintenance performed by the Transporter, as calculated by the Transporter.

$\boldsymbol{LFM}$ is the quantity of Natural Gas in kWh that is lost from the TAP Transportation System during that Gas Month as a result of the occurrence of Force Majeure, as calculated by the Transporter.

$\Delta\boldsymbol{Q}$ is the difference between the total quantity of Natural Gas in kWh in the TAP Transportation System at the start of the first Gas Day of that Gas Month and at the end of the last Gas Day of that Gas Month, calculated as follows:

$$\Delta_Q = Q_2 - Q_1$$

where:

$\boldsymbol{Q_1}$ is the total quantity of Natural Gas in kWh in the TAP Transportation System calculated by the Transporter at the start of the first Gas Day of that Gas Month.

$\boldsymbol{Q_2}$ is the total quantity of Natural Gas in kWh in the TAP Transportation System calculated by the Transporter at the end of the last Gas Day of that Gas Month.

16.4 Allocation of UFG to Shippers

(a) Positive or negative UFG for a Gas Month may be allocated by the Transporter to each Shipper in accordance with the following formula:

$$UFG_S = \frac{A_S}{A_T} \times UFG$$

where:

$\boldsymbol{UFG_S}$ is the quantity of UFG to be allocated by the Transporter to a Shipper in respect of all Interconnection Points subject to the maximum cap on UFG that will be allocated by the Transporter to that Shipper under Section 16.5.

$\boldsymbol{UFG}$ is the total quantity of UFG for that Gas Month, as calculated under Section 16.3.

$\boldsymbol{A_S}$ is the aggregate of the absolute values of Allocated Quantities of that Shipper at all Interconnection Points in that Gas Month.

A_T is the aggregate of the absolute values of Allocated Quantities of all Shippers at all Interconnection Points in that Gas Month.

(b) If a Shipper has Reserved Capacity under different Gas Transportation Agreements in a particular Gas Month, then for the purpose of determining the UFG allocated under each Gas Transportation Agreement, the UFG will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement during that Gas Month. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

16.5 Maximum allocation of UFG to Shippers

(a) The maximum quantity of UFG that the Transporter will allocate to a Shipper for a Gas Month will be calculated in accordance with the following formula:

$$UFG_{S_{Max}} = \begin{cases} -MaxXcs \times \frac{A_S}{2}, & UFG_S < 0 \\ +MaxXcs \times \frac{A_S}{2}, & UFG_s > 0 \end{cases}$$

where:

$UFG_{S_{Max}}$ is the maximum quantity of UFG that the Transporter may allocate to that Shipper in relation to that Gas Month.

$MaxXcs$ is the coefficient to be applied to UFG, equal to 1.5%

(b) If the total quantity of UFG to be allocated to a Shipper in any Gas Month exceeds the maximum quantity permitted under paragraph (a) above, the quantity by which the UFG for that Gas Month exceeds the maximum quantity permitted under paragraph (a) above will be for the account of the Transporter.

16.6 Methodology changes

The Transporter will review the current methodology for UFG charges from time to time based on its operational experience and the most recent data it has obtained. If the Transporter believes that it would be able to implement a revised methodology that would give greater cost predictability or other advantages, the Transporter may propose a modification pursuant to Section 22 to the methodology in this Section 16.

17. METERING AND GAS SPECIFICATIONS

17.1 Gas specifications

For the purpose of each Gas Transportation Agreement, the "Entry Point Specification" and the "Exit Point Specification" refer to the Natural Gas specifications set out in Appendix 4.

17.2 Metering Equipment

(a) The quantity and quality of Natural Gas delivered to, consumed by and redelivered by the Transporter will be measured for operational and fiscal reasons. The Metering Equipment relevant to the measurement of Natural Gas for the TAP Transportation System (including those owned and operated by the Transporter and those owned and operated by an Adjacent TSO) are set out in Part 2 of Appendix 1.

(b) The Metering Equipment is designed and operated in accordance with ISO 10012 (Measurement Management Systems – requirements for Measurement Processes and Measuring Equipment). The Transporter's metering management system ensures that the risks relating to the metering systems (such as production of incorrect results) are mitigated and managed in a manner consistent with the remainder of this Article 17.

(c) The Transporter must, acting as a Reasonable and Prudent Operator, ensure that:

(i) all Metering Equipment that is necessary for the Transporter to comply with applicable Law and its obligations under this Network Code and the Gas Transportation Agreements is installed in the TAP Transportation System or an Interconnected System;

(ii) all Metering Equipment that is required to be operational is continuously operated, and its performance is monitored;

(iii) all Metering Equipment is Validated and Calibrated with a frequency at least that specified in the requirements of paragraphs (A) to (C) below;

(iv) all Metering Data is Verified, recorded and kept for at least five years after it is generated; and

(v) logs of all Calibrations, Verifications and Validations that have taken place are produced and kept for at least five years after their production,

in each case, in accordance with the requirements of:

(A) firstly, the Law that applies to the TAP Transportation System;

(B) secondly, the technical specifications of the TAP Transportation System and/or any relevant Interconnected System; and

(C) thirdly, the applicable Metering Equipment Technical Specifications,

and, in the case of conflict between any of the requirements set out in paragraphs (A) to (C) above, the Transporter must ensure compliance with the requirement that ranks highest in that list.

(d) Without prejudice to the obligations on the Transporter under paragraph (c) above, it is acknowledged the Transporter may procure compliance with such obligations by entering into contractual arrangements with an Adjacent TSO or other relevant service provider to fulfil those obligations on its behalf.

17.3 Correction of inaccurate Metering Data

(a) If, at any time, the Transporter becomes aware that the Metering Data that was intended to be metered by the Metering Equipment has not been metered or has been inaccurately metered for a period of time, the Transporter must promptly:

(i) ensure that the Metering Equipment is Validated and, to the extent necessary, adjusted or repaired so as to resume accurate metering; and

(ii) take such action as is necessary to replace any missing or incorrect Metering Data with corrected data or default values.

(b) The Transporter will act as a Reasonable and Prudent Operator in determining the procedures to replace missing or incorrect Metering Data and may rely on the advice of third party experts. The procedures that the Transporter uses to determine corrected or default data will be set out in the relevant Interconnection Agreement. Indicatively, these are expected to include in order of preference:

(i) if available, use of data from additional standby / check meters installed by the Transporter or an Adjacent TSO (as applicable, being the party who does not have responsibility for the Metering Equipment at the relevant Interconnection Point);

(ii) calculation of flow by interpolation;

(iii) extrapolation of the last valid flow data;

(iv) simulation of missing data by balancing of the upstream and downstream networks; and

(v) using historical data at the same pressure, temperature, and compressor/regulator modes.

(c) The period for which any replacement values will apply will be either:

(i) the period during which the Metering Data were not metered or inaccurately metered, if known; or

(ii) the period between the date on which the last Verification of Metering Data occurred and the date on which the adjustment or repair of the Metering Equipment as required by paragraph (a)(i) above, was completed,

subject to any limit on such period provided in a relevant Interconnection Agreement.

(d) If any Metering Data is corrected in accordance with this Section 17.3:

(i) if that Metering Data affects Natural Gas delivered at an Interconnection Point:

(A) the Transporter will liaise with the relevant Adjacent TSO to determine if the correction can be absorbed between the Transporter and the Adjacent TSO in accordance with any Interconnection Agreement or Operational Balancing Agreement then in effect at that Interconnection Point (or as otherwise agreed between the Transporter and the Adjacent TSO) without any need to revise the Allocated Quantities; and

(B) if it is not possible to absorb the correction in accordance with paragraph (A) above, the Allocated Quantities will be revised for each Gas Day on which replacement values apply in accordance with the proportional allocation rule in Section 10.4(b); and

(ii) the Transporter must, to the extent necessary, update any affected Statements in accordance with Section 19.3.

17.4 Requests for Verification

(a) If a Registered Party that is or was, at the relevant time, a Shipper reasonably believes that any Metering Equipment is not, or was not, at any time since the date falling three months before the most recent Verification, accurately metering the Metering Data, that Registered Party

may request copies of all Calibration, Validation and Verification logs relevant to the period and Metering Equipment under consideration. The Transporter must provide all such logs in relation to the relevant Metering Equipment and period within two weeks of such request.

(b) Following receipt and review of the information provided under paragraph (a) above, the relevant Registered Party may, if it certifies to the Transporter that it reasonably believes there is a material error in the relevant Metering Data, provide notice to the Transporter that it requires the Transporter to Verify that Metering Data.

(c) Following receipt of a notice referred to in paragraph (b) above, the Transporter must:

(i) carry out the required Verification as soon as reasonably practicable and provide that Registered Party with at least five Business Days' notice of the time and location of each step of the Verification;

(ii) carry out the required Verification in compliance with the requirements set out in Section 17.2(c)(A) to (C); and

(iii) no later than four weeks after the end of the required Verification, produce a report stating if the relevant Metering Equipment subject to the Verification is and was operating accurately and in compliance with the Metering Equipment Technical Specifications and, if relevant, specifying any resulting actions to be taken by the Transporter.

(d) If the Verification concludes that:

(i) the Metering Equipment is and was functioning accurately, compliant with the Metering Equipment Technical Specifications, the Registered Party requesting that Verification must promptly reimburse the Transporter for all costs and expenses that the Transporter or any of its employees or contractors incurred in connection with that Verification and the production of the report; or

(ii) the Metering Equipment is not or was not functioning accurately, the Transporter will be responsible for any costs or expenses that the Transporter or any of its employees or contractors incurred in connection with that Verification and the production of the report.

(e) A Registered Party that requires a Verification has the right to have its personnel present during the Verification, provided that such Registered Party has included, in its notice given under paragraph (b) above, confirmation that it intends to have its personnel present and the names and contact details of those personnel. The Registered Party is responsible for ensuring that its personnel comply at all times that they are present with all applicable site security and safety, insurance, confidentiality and legal requirements of the Transporter and/or a relevant Adjacent TSO.

(f) If an inspection, audit or investigation of the TAP Transportation System by any public, national or metrological authorities takes place during any period of Verification scheduled in accordance with this Section 17.4, that inspection, audit or investigation will take priority over that Verification and the Transporter may delay that Verification as is necessary to accommodate that inspection, audit or investigation.

(g) If the Transporter does delay a Verification in accordance with paragraph (f) above, it must reschedule that Verification as soon as reasonably practicable following the conclusion of the relevant inspection, audit or investigation and give the relevant Registered Party at least five Business Days' notice of the time and location of each step of the rescheduled Verification.

18. REDISTRIBUTION

18.1 General

This Section 18 sets out the implementation of the principles for the calculation and allocation of amounts required to be redistributed in accordance with clause 5 of Schedule GTC 5.

18.2 NRA special fund

(a) In accordance with clause 5.2(a) of Schedule GTC 5, the amount to be transferred to the special fund of the NRAs for each Revenue Receipt Period is calculated as follows:

$$RAa_t = AMCmtp_t + AMCrfp_t$$

where:

$\boldsymbol{RAa_t}$ Amount to be transferred to the special fund at the disposal of the Authorities for Revenue Receipt Period t

$\boldsymbol{AMCmtp_t}$ The aggregate amount received by the Transporter within the Revenue Receipt Period t from the portion of Actual Monthly Charges attributable to an auction premium payable pursuant to the Market Test procedures

$\boldsymbol{AMCrfp_t}$ The aggregate amount received by the Transporter within the Revenue Receipt Period t from the portion of Actual Monthly Charges attributable to an auction premium for Commercial Reverse Capacity.

t Denotes the Revenue Receipt Period

(b) The Transporter will transfer all such amount to the special fund of the NRAs in accordance with the instructions of the NRAs.

18.3 Forward Day-Ahead Interruptible Capacity

(a) In accordance with clause 5.2(b) of Schedule GTC 5, the amount to be redistributed in respect of Forward Day-Ahead Interruptible Capacity for each Revenue Receipt Period for each Shipper that held Forward Firm Long Term Capacity in the relevant period is calculated as follows:

$$RAi_tS_n = \frac{AMCfwd_tS_n}{AMCfwd_t} \times AMCi_t$$

where:

$\boldsymbol{RAi_tS_n}$ Redistribution amount from Forward Day-Ahead Interruptible Capacity for Revenue Receipt Period t allocated to Shipper n.

$\boldsymbol{AMCi_t}$ The aggregate amount received by the Transporter within the Revenue Receipt Period t from Actual Monthly Charges for Forward Day-Ahead Interruptible Capacity.

$\boldsymbol{AMCfwd_tS_n}$ Aggregate of the Actual Monthly Charges in respect of Forward-Firm Long-Term Capacity received by the Transporter within the Revenue Receipt Period t from Shipper n.

$\boldsymbol{AMCfwd_t}$ Aggregate of the Actual Monthly Charges in respect of Forward-Firm Long-Term Capacity received by the Transporter within the Revenue Receipt Period t.

t Denotes the Revenue Receipt Period

(b) The amount to be redistributed to each Shipper in accordance with paragraph (a) above will be included as a credit in the relevant Annual Statement.

18.4 Other revenues: redistribution amount

In accordance with clause 5.2(c) of Schedule GTC 5, the amount to be redistributed in respect of revenues received by the Transporter above its Target Revenue is calculated as follows:

$$RAo_t = \max\left(0; \left(AMCo_{tj} - TRRD_j\right)\right) + \sum_{j=-1}^{-n}\left(\max\left(0; AMCo_{tj} - RS_j\right)\right)$$

where,

$\boldsymbol{RAo_t}$ Redistribution amount from other revenues for Revenue Receipt Period t

$\boldsymbol{AMCo_{tj}}$ The aggregate amount received by the Transporter within the Revenue Receipt Period t from Actual Monthly Charges payable for Reserved Capacity in Redistribution Period j, excluding any revenues from AMC_{mtp}, AMC_{rfp} and AMC_i as defined above

$\boldsymbol{TRRD_j}$ Target Revenue (as defined in Schedule GTC 5) in the Redistribution Period j

$\boldsymbol{RS_j}$ Revenue shortfall (i.e. $AMCo_j < TRRD_j$) in a Redistribution Period j, where $AMCo_j$ shall be increased to the extent that any late payments relating to such Redistribution Period j are received by the Transporter during Revenue Receipt Period t

t Denotes the Revenue Receipt Period

j Denotes the Redistribution Period, where 0 is the current period for evaluation

n Total number of Redistribution Periods elapsed

18.5 Other revenues: reallocation

(a) The amount to be redistributed in respect of other revenues in accordance with clause 5.2(c) of Schedule GTC 5, calculated in accordance with Section 18.4 above, will be allocated for each Revenue Receipt Period for each Shipper as follows:

$$RAo_tS_n = RAo_t \times \max(0; \frac{\max(0; AMCo_{tj}S_n - HAMCo_{tj}S_n)}{AMCo_{tj} - HAMCo_{tj}})$$

where

$\boldsymbol{RAo_tS_n}$ Redistribution amount allocated to Shipper n for Revenue Receipt Period t

$\boldsymbol{RAo_t}$ Redistribution amount from other revenues for Revenue Receipt Period t calculated in accordance with Section 18.4 above

$\boldsymbol{AMCo_{tj}S_n}$ The aggregate amount received by the Transporter within the Revenue Receipt Period t from Actual Monthly Charges payable for Reserved Capacity in Redistribution Period j from Shipper n, excluding any revenues from AMC_{mtp}, AMC_{rfp} and AMC_i as defined above.

$HAMCo_{tj}$ Hypothetically calculated revenues from the Actual Monthly Charge for all Capacity Products received by the Transporter within the Revenue Receipt Period t concerning Transportation Services within Redistribution Period j, applying only entry and exit tariffs as calculated through the formulas in clauses 4.1 to 4.4 of Schedule GTC 5 with C redefined as the average Reserved Capacity for Forward Firm Capacity Products in the Redistribution Period paid for within the Revenue Receipt Period.

$HAMCo_{tj}S_n$ Hypothetically calculated revenues from Shipper n from the Actual Monthly Charge for all Capacity Products received by the Transporter within the Revenue Receipt Period t concerning Transportation Services within Redistribution Period j, applying only entry and exit tariffs as calculated through the formulas in clauses 4.1 to 4.4 of Schedule GTC 5 with C redefined as the average Reserved Capacity for Forward Firm Capacity Products in the Redistribution Period paid for within the Revenue Receipt Period.

If $AMCo_{tj}$ is equal to $HAMCo_{tj}$ (e.g. due to Commercial Reverse Capacity being the only additional Reserved Capacity), then RAo_t will be allocated to Shippers with Forward Firm Long Term Capacity in the same proportions as the redistribution of AMCi as described above.

(b) The amount to be redistributed to each Shipper in accordance with paragraph 18.3(a) above will be included as a credit in the relevant Annual Statement.

19. INVOICING

19.1 Master Statement

(a) The Transporter will send to each Registered Party that has any amount that is due to or from such Registered Party in a particular Gas Month (whether under this Network Code or a Gas Transportation Agreement) a Master Statement by no later than the tenth Day after the end of such Gas Month. A Master Statement will be deemed to have been received by a Registered Party once it is sent to that Registered Party on the TAP Electronic Data Platform.

(b) The Master Statement will include each of the Monthly Statements that the Transporter is required to send to that Registered Party under each Gas Transportation Agreement entered into by that Registered Party.

(c) In addition, the Master Statement will set out details of the following amounts for the relevant Gas Month (to the extent applicable):

(i) any reduction on that Registered Party's ability to use its Reserved Capacity as a result of a Capacity Restriction;

(ii) the Allocated Quantities for that Registered Party in respect of each of its Shipper Account Codes at each Interconnection Point and the Virtual Trading Point for each Gas Day in the relevant Gas Month;

(iii) the Neutrality Payment Amount credited to or payable by that Registered Party;

(iv) the Daily Imbalance Charge for each Gas Day in that Gas Month for that Registered Party;

(v) any fee payable in relation to Surrendered Capacity in accordance with Section 13.2(d);

(vi) any fee payable in relation to Withdrawn Capacity in accordance with Section 13.8(b);

(vii) any operation fee payable in relation to the booking of Forward Firm Within-Day Capacity in accordance with clause 4.2 of Schedule GTC 5;

(viii) any amount to compensate the Transporter for unrecoverable Auction Premium in accordance with Section 13.10;

(ix) the aggregate Fuel Gas allocated to that Registered Party and the applicable Fuel Gas Price;

(x) the aggregate UFG allocated to that Registered Party and the applicable UFG Price per kWh and UFG Cost per kWh;

(xi) the Electric Power Cost Estimate; and

(xii) the portion of the Electric Power Cost Estimate that is allocated to that Registered Party.

(d) In addition to the Master Statement, the amounts set out in paragraph (c) above (with the exception of Allocated Quantities at the Virtual Trading Point) (or the relevant proportion of them) will be set out in the Monthly Statement under the Gas Transportation Agreement to which they relate or to which this Network Code has allocated them and such amounts will be payable in accordance with the terms of that Gas Transportation Agreement.

19.2 Annual Statement

(a) The Transporter will send to each Registered Party an Annual Statement by no later than the tenth Day of March in each Gas Year. An Annual Statement will be deemed to have been received by a Registered Party once it is sent to that Registered Party on the TAP Electronic Data Platform

(b) In each Annual Statement, the Transporter will include details of the following information in respect of the cost of Electric Power split by reference to each of the Registered Party's relevant Gas Transportation Agreements:

(i) the Actual Electric Power Cost (together with details of the calculation made to determine that Actual Electric Power Cost under Section 15.4) for each Gas Month in respect of which that Registered Party has been invoiced for any Electric Power Cost Estimate from (but excluding) the last Gas Month for which such information was included in the last Annual Statement (except for the first Annual Statement which will start from the first Gas Month) to (and including) the most recent Gas Month for which such information is available;

(ii) for each Gas Month referred to in paragraph (i) above, the portion of the Actual Electric Power Cost that is allocated to that Registered Party, calculated according to the provisions of Section 15.5;

(iii) the amount (which may be positive or negative) that results from deducting the Actual Electric Power Cost allocated to that Registered Party from the aggregate Electric Power Cost Estimates invoiced to that Registered Party, in each case in respect of all Gas Months referred to in paragraph (i) above.

(c) The amounts specified in paragraph (b)(iii) above will be a balancing payment payable by the Transporter to the Shipper or from the Shipper to the Transporter (as applicable) as a reconciliation of estimated costs of Electric Power to actual costs.

(d) Each Annual Statement will also (if relevant) set out the details and amount of any payment required in accordance with Section 14.1(e), 14.1(f) or 16.1(c). The Transporter may, from time to time, publish preliminary or partial details of any matter which will be included in the next Annual Statement.

(e) In addition, each Annual Statement will also contain details of the following amounts (if any) to be redistributed to the relevant Registered Party:

(i) the amount of any redistribution of revenues from Forward Day-Ahead Interruptible Capacity applicable to that Registered Party in accordance with Section 18; and

(ii) the amount of any redistribution of other revenues applicable to that Registered Party in accordance with Section 18.

(f) If the amount in paragraph (b)(iii) above is negative and/or a payment is required from the Shipper to the Transporter under paragraph (d) above, the Registered Party will pay such amount in accordance with the terms of the Gas Transportation Agreement(s) to which it is allocated (or, if the relevant Gas Transportation Agreement is no longer in effect, in accordance with the terms of such Gas Transportation Agreement as though it were still in effect) as though the Annual Statement were a Monthly Statement.

(g) The Transporter will credit any positive amount under paragraph (b)(iii) above and any amount specified in paragraph (e) above against amounts payable under each Gas Transportation Agreement to which the Registered Party is a party and which are in effect pro rata to the Reserved Capacities under those Gas Transportation Agreements and if no Gas Transportation Agreements are in effect with that Registered Party the Transporter will issue a credit note to that Registered Party.

19.3 Correction of Monthly Statements

(a) If any Metering Data in respect of a Gas Month for which an Annual Statement or a Master Statement has been sent is subsequently corrected in accordance with Section 17 then the Transporter must:

(i) revise each Statement affected by the relevant Metering Data so that it reflects the corrected Metering Data; and

(ii) send to each affected Registered Party as soon as reasonably practical (or, at the Transporter's option, together with the next Master Statement) the updated Statements together with a reconciliation against the previously issued Statements, showing in particular:

(A) any changes to the Allocated Quantities, Neutrality Payment Amount allocation, Daily Imbalance Charge, Fuel Gas allocation, UFG allocation, Electric Power Cost Estimate allocation, Actual Electric Power Cost allocation and amount of any redistribution;

(B) the aggregate amount by the Transporter to the Registered Party, or the aggregate additional amount payable by the Registered Party to the Transporter, as applicable, as a result of the correction of the Metering Data, the update of the relevant Statement and the reconciliation of amounts due and payable under the updated Statement with the amounts that were due and payable under the original Statement.

(b) If the revised Statements provided under paragraph (a)(ii) above result in an aggregate additional payment from the Registered Party to the Transporter, the Registered Party will pay such amount in accordance with the terms of the Gas Transportation Agreement(s) to which it is allocated (or, if the relevant Gas Transportation Agreement is no longer in effect, in accordance with the terms of such Gas Transportation Agreement as though it were still in effect).

(c) If the revised Statements provided under paragraph (a)(ii) above result in a payment being required from the Transporter to the Registered Party, the Transporter will credit such amount against amounts payable under each Gas Transportation Agreement to which the Registered Party is a party and which are in effect pro rata to the Reserved Capacities under those Gas Transportation Agreements and if no Gas Transportation Agreements are in effect with that Registered Party the Transporter will issue a credit note to that Registered Party.

20. SUSPENSION

20.1 Suspension of rights and Transportation Services

(a) If, at any time, any of the circumstances set out in Section 20.2(a) apply in relation to a Registered Party, the Transporter may by notice to that Registered Party suspend the rights of that Registered Party under this Network Code and the Transportation Services under any Gas Transportation Agreement from the date and time specified in that notice until the start of the first Gas Day that immediately follows the date on which such circumstances cease to exist.

(b) The notice of suspension referred to in paragraph (a) above must:

(i) contain details of the applicable circumstances set out in Section 20.2(a); and

(ii) state the date and time from which the Transporter intends to suspend the rights of that Registered Party and (if applicable) the Transportation Services.

(c) This Section 20 is in addition to the Transporter's termination and suspension rights under the General Terms and Conditions.

20.2 Circumstances triggering a suspension

(a) The circumstances that will entitle the Transporter to take the actions referred to in Section 20.1(a) in relation to a Registered Party are:

(i) that Registered Party or its Affiliate is designated as a Restricted Party;

(ii) the Transporter would be subject to criminal or civil liability under, or non-compliance with, Sanctions applicable to the Transporter or be designated as a Restricted Party, in each case, as a result of that the Transporter's relationship with that Registered Party or its Affiliate;

(iii) the provision of Natural Gas by that Registered Party to the Transporter:

(A) would be in breach of Article 14a of Council Regulation (EU) 267/2012 (as amended by Council Regulation (EU) 1263/2012);

(B) subjects the Transporter or another Shipper accepting redelivery of Natural Gas from the Transporter to criminal or civil liability under, or results in non-compliance with, Sanctions applicable to that Person or results in that Person being designated as a Restricted Party; or

(C) would result in the Transporter being in non-compliance with its Exemptions.

(b) For the purpose of this Section 20.2, **Sanctions** has the meaning given to it in the most recent General Terms and Conditions entered into or agreed to by the relevant Registered Party.

21. COMMUNICATIONS

21.1 Order of priority of communications

(a) This Section 21 is subject to any contrary provision of this Network Code or a Gas Transportation Agreement that describes how a particular communication should be made.

(b) All communications under and in connection with this Network Code must be made in the English language.

(c) Communications under and in connection with this Network Code must be made as follows if there is no generalised unavailability of those means of communication:

(i) in relation to operational communications between the Transporter and Shippers, using Edig@s messages (although Nominations can also be made through the TAP Electronic Data Platform) or, if the Shipper is unable to communicate using Edig@s messages, using the TAP Electronic Data Platform until such time as the Shipper is able to communicate using Edig@s messages;

(ii) in relation to communications between the Transporter and Registered Parties and communications between Registered Parties in each case in connection with the booking and trading of Capacity Products, using the Capacity Booking Platform;

(iii) in relation to communications between the Transporter and Registered Parties and communications between Registered Parties in each case in connection with matters not referred to in paragraphs (i) or (ii) above, using the TAP Electronic Data Platform;

(d) If there is generalised unavailability of the software used by the Transporter that supports communication through Edig@s, operational communications under and in connection with this Network Code between the Transporter and Shippers must be made using the TAP Electronic Data Platform.

(e) Subject to paragraph (d) above, if there is generalised unavailability of any of the means of communication referred to in paragraph (c) above, communications under and in connection with this Network Code must be made in the following order of priority:

(i) by email using the templates and email addresses published on the Transporter's website at the time of that unavailability arising (or, for a Shipper, the e-mail address specified in its Registration Form or such updated address as may have been notified to the Transporter); and

(ii) by fax using any templates and fax numbers published on the Transporter's website at the time of that unavailability arising, followed, in the case of each such fax, by a telephone call to the Transporter at the telephone number published on the Transporter's website at the time of that unavailability arising, notifying the Transporter that the fax has been sent to it.

(f) Any communications made using a means of communication referred to in paragraph (c), (d) or (e) above will be deemed to have been made in writing for the purposes of this Network Code.

(g) If there is generalised unavailability of any of the means of communication referred to in paragraph (c) above, the Transporter will inform all affected Shippers and Registered Parties (as applicable) of the fact that such unavailability is on-going and for the duration of that period of unavailability, the Transporter will only accept communications made using the next available means of communication specified in paragraph (d) or (e) above.

(h) Once a period of generalised unavailability of any of the means of communication referred to in paragraph (c) above has ended, the Transporter will notify all Shippers and Registered Parties (as applicable) that the period of unavailability has ended and, from the date of that notification, communications may resume using the first available means of communication specified in paragraph (c) above.

(i) Each Registered Party must ensure that the Person that it nominated in the Registration Form to manage that Registered Party's communications (or any successor Person notified by that Registered Party to the Transporter) is available to contact on a continuous basis. A Registered Party may nominate a third party professional services firm to perform this function.

21.2 Edig@s

The Transporter will notify all Registered Parties in writing if an updated version of Edig@s has been released or if an updated version of the software supporting Edig@s has been released. Each Registered Party must ensure that it has downloaded and will be able to use that updated version of Edig@s or the software supporting Edig@s as the case may be by a date that falls no later than 6 months after the date of that notification of the Transporter.

21.3 TAP Electronic Data Platform

(a) The Transporter will use Reasonable Efforts to make the TAP Electronic Data Platform available to all Registered Parties that request access to the TAP Electronic Data Platform.

(b) Any Registered Party that accesses the TAP Electronic Data Platform must ensure that its personnel (or Persons managing communications on its behalf) possess the technical competence and experience necessary to accurately communicate using the TAP Electronic Data Platform. Only Persons that have passed a communication test will be permitted to communicate using the TAP Electronic Data Platform on behalf of a Registered Party.

(c) The Transporter will make Reasonable Efforts to provide technical and testing support to new Registered Parties seeking to access the TAP Electronic Data Platform.

(d) The Transporter will provide all Registered Parties that request access to the TAP Electronic Data Platform with unique user identifications and passwords in order to facilitate the access of such Registered Parties to the TAP Electronic Data Platform.

(e) The Transporter will make a user manual for the TAP Electronic Data Platform available on its website and will use Reasonable Efforts to keep that user manual updated from time to time.

22. REVISION

22.1 Revision of this Network Code

This Network Code may be revised from time to time in accordance with the procedures set out in this Section 22. The circumstances in which this Network Code may be revised include, but are not limited to:

(a) when the Transporter is required to or elects to make available Expansion Capacity;

(b) when the Transporter intends to construct or make operational additional Interconnection Points;

(c) when there is a change in the Interconnected Systems that requires a change to be made to the procedures in this Network Code for the Transporter to comply with its obligations under the Interconnection Agreements, the Operational Balancing Agreements, the Gas Transportation Agreements and this Network Code.

(d) when there is a change in Law, which affects the procedures in this Network Code or requires a modification of this Network Code for the Transporter to comply with its obligations under this Network Code;

(e) when an update is requested by the NRAs; or

(f) any other situation which the Transporter determines, acting as a Reasonable and Prudent Operator, has resulted in it being necessary or desirable to update or modify this Network Code in order to facilitate the provision of Transportation Services (including in the circumstances set out in Section 22.8).

22.2 Submission of Revision Requests

(a) A Registered Party may, at any time, submit a proposal for the revision of this Network Code by sending a Revision Request to the Transporter.

(b) Each Revision Request must:

(i) specify the name of the entity making the Revision Request, its registered address and the name, email address and telephone number of a contact person that is responsible for the Revision Request in the entity making the Revision Request;

(ii) contain a detailed description of the amendments to this Network Code that are being proposed, together with a description of the technical, operational or commercial reasons why those amendments are being proposed;

(iii) contain, where applicable, a written assessment of the consistency of the proposed amendments with the Law applicable to the TAP Transportation System and the objectives of this Network Code;

(iv) attach any document needed to substantiate any of the information provided in paragraphs (i) to (iii) above; and

(v) specify a proposed date on which the proposed amendments should take effect, taking into account the time required to amend this Network Code and, in the case of proposed amendments that may affect the operation of the TAP Transportation System, taking into account the time required to implement any required changes to the operation of the TAP Transportation System.

(c) The Transporter may also submit a proposal for the revision of this Network Code, in which case it will prepare a Revision Proposal in accordance with Section 22.4.

22.3 Evaluation of Revision Requests

(a) The Transporter must acknowledge receipt of a Revision Request submitted to the Transporter by any of the Persons referred to in Section 22.2(a) (the **Submitting Person**) by no later than seven days after receipt.

(b) The Transporter must, no later than 90 days after the later of:

(i) acknowledging receipt of a Revision Request; and

(ii) where applicable, the receipt of the latest supplementary information requested under paragraph (d) below, notify the Submitting Person if it either:

(A) will progress the Revision Request, in which case, the Transporter must provide the Submitting Person with an estimated timeframe for implementation of the amendments proposed in the Revision Request; or

(B) rejects the Revision Request, in which case, the Transporter must provide reasons for its rejection to the Submitting Person and the NRAs.

(c) In making its decision on whether to progress or reject a Revision Request under paragraph (b) above, the Transporter must consider:

(i) the consistency of the amendments proposed in the Revision Request with the Law applicable to the TAP Transportation System, the Exemption, the objective of this Network Code and the provisions of the existing Gas Transportation Agreements;

(ii) the ways in which the amendments proposed in the Revision Request contribute to improving the operation of the TAP Transportation System; and

(iii) the implications of the amendments proposed in the Revision Request on the ability of the Transporter to provide the Transportation Services, including consideration of the effect that the proposed amendments would have on the complexity and cost of providing the Transportation Services.

(d) Subject to paragraph (e) below, at any time before the deadline referred to in paragraph (b)(i) above, the Transporter may request supplementary information or explanations from the Submitting Person in respect of the Revision Request and the Submitting Person must promptly provide such information or explanations that are within its control or confirm to the Transporter that such information or explanations are not within its control.

(e) Following the first request for information or explanation made under paragraph (d) above in relation to a Revision Request, the Transporter may make subsequent requests for information or explanation in relation to that Revision Request notwithstanding the deadline referred to in paragraph (b)(i) above.

22.4 Public consultation of Revisions

(a) If, under Section 22.3(b), the Transporter progresses a Revision Request made by a Submitting Person, or if the Transporter itself has a proposal for the revision of this Network Code, the Transporter must prepare a Revision Proposal for public consultation, summarising the proposed amendments to this Network Code, the supporting rationale for those amendments and an estimated timeframe for implementation of those amendments.

(b) The Transporter must publish the Revision Proposal on its website for a consultation period lasting for a minimum of 30 consecutive days and a maximum of 45 consecutive days, as deemed appropriate by the Transporter depending on the nature and complexity of the proposed amendments to this Network Code contained in the Revision Proposal. The Transporter must make an online response form available together with the publication of the Revision Proposal and must collect any feedback submitted by the following Persons in response to the Revision Proposal:

(i) any Registered Party;

(ii) any Adjacent TSO; and

(iii) any other person with a direct interest in the terms of this Network Code,

as well as facilitating discussion on the Revision Proposal in the Stakeholder Forum and collecting the feedback resulting from that discussion.

22.5 Approval process

(a) After the end of the consultation period referred to in Section 22.4(b), the Transporter must consider any feedback received by it under Section 22.4(b) in response to the Revision Proposal and prepare its final decision on whether and how to amend this Network Code within 90 days after the end of that consultation period (the **Transporter's Final Decision**).

(b) The Transporter will, on or before the deadline referred to in paragraph (a) above, submit the following documents to the NRAs in order for them to assess the Transporter's Final Decision:

(i) the Revision Request;

(ii) the Revision Proposal;

(iii) any feedback received by the Transporter on the Revision Proposal during the consultation period referred to in Section 22.4(b); and

(iv) the Transporter's Final Decision.

(c) The Transporter agrees to request, at the same time as it submits the documents referred to in paragraph (b) above, that the NRAs either:

(i) provide the Transporter with ratification of the Transporter's Final Decision; or

(ii) request the Transporter to reconsider and modify the Transporter's Final Decision.

Should the NRAs request that the Transporter's Final Decision be reconsidered and modified, the Transporter will modify it and submit the modified Transporter's Final Decision to the NRAs and request that the NRAs take either of the actions specified in paragraphs (i) or (ii) above in relation to that modified Transporter's Final Decision.

22.6 Amendment of this Network Code

(a) Following its receipt of a ratification decision from the NRAs under Section 22.5(c), the Transporter must amend this Network Code in accordance with that ratification decision.

(b) The Transporter must publish the revised Network Code on its website as soon as reasonably practicable, but in any event no later than 60 days (or such later date as may be agreed with

the NRAs) after receiving the ratification decision, together with a notice summarising the contents and purpose of the amendments made to this Network Code.

(c) Any amendment to this Network Code made in accordance with this Section 22 will be binding on the Transporter and all Registered Parties once published under paragraph (b) above.

22.7 Stakeholder Forum

(a) The Transporter must establish a Stakeholder Forum to provide regular, advisory input to the Transporter. The Stakeholder's Forum's role will include (but will not be limited to) the following activities:

(i) providing the Transporter with the views of the members of the Stakeholder Forum on strategic opportunities and challenges that may impact the TAP Transportation System and the Transportation Services provided by the Transporter;

(ii) providing feedback on the Transportation Services provided by the Transporter;

(iii) expressing the views of the members of the Stakeholder Forum on any Revision Proposals that are currently under consideration; and

(iv) expressing the views of the members of the Stakeholder Forum on any revisions to any procedures, methodologies or documents referred to in this Network Code that are published on the Transporter's website.

(b) The Transporter must publish on its website a proposed date for formation of the Stakeholder Forum, together with online application forms to allow a Person to apply to become a member of the Stakeholder Forum within 60 days from the Initial Effective Date. The Transporter must notify the NRAs of the proposed formation of the Stakeholder Forum no later than 15 days after such publication.

(c) Subject to paragraphs (d) and (h) below, the following Persons shall be entitled to become members of the Stakeholders Forum:

(i) Registered Parties;

(ii) Adjacent TSOs; and

(iii) any other person with a direct interest in the terms of this Network Code.

(d) Each Person who becomes eligible to be a member of the Stakeholder Forum under paragraph (c) above after the formation of the Stakeholder Forum may apply to the Transporter to join the Stakeholder Forum by completing an online application form to be made available by the Transporter on its website.

(e) Procedural rules for the Stakeholder Forum will be developed by the members of the Stakeholder Forum. Those procedural rules may not discriminate against any members of the Stakeholder Forum.

(f) Following its establishment, the Stakeholder Forum will meet on a periodic basis, at the times and places set out in the procedural rules to be developed under paragraph (e) above.

(g) A representative from the Transporter will chair each meeting of the Stakeholder Forum.

(h) Only one representative from each member of the Stakeholder Forum will be allowed to participate in each meeting of the Stakeholder Forum.

(i) The Stakeholder Forum will not have any decision-making powers in relation to Revisions.

(j) If the membership of the Stakeholder Forum becomes, in the sole opinion of the Transporter, too numerous to facilitate detailed dialogue on a particular issue, the Transporter may invite a sub-group of members of the Stakeholder Forum to participate in detailed discussions in relation to that issue, the outcome of which will be shared with the full Stakeholder Forum. Any such sub-group must always contain at least one Shipper that has Forward Firm Long Term Capacity unless all such Shippers decline to participate.

22.8 Future developments

The Transporter will assess specific future developments of this Network Code that can only be implemented following operational experience in accordance with Appendix 6. If the Transporter, acting in accordance with Appendix 6, determines that an amendment to the Network Code is necessary or desirable, it will submit a proposal for the revision of this Network Code by preparing a Revision Proposal in accordance with Section 22.4.

23. GOVERNING LAW AND DISPUTE RESOLUTION

23.1 Governing Law

This Network Code and any non-contractual obligations arising out of or in connection with it shall be governed by, and shall be interpreted and construed in accordance with English law, excluding the 1980 Convention on Contracts for the International Sale of Goods (the Vienna Convention).

23.2 Liability

Without prejudice to the liability of the Transporter in respect of a Gas Transportation Agreement (to which the limitations on liability that has been expressly agreed between the Transporter and a Shipper in that Gas Transportation Agreement will apply), the Transporter, to the maximum extent permitted by Law, will have no liability, whether for breach of contract, tort or otherwise for any loss, damage or other liability that any Person has incurred under or in connection with this Network Code unless caused by the Transporter's wilful default.

23.3 Disputes relating to Gas Transportation Agreements

Notwithstanding any provision of Section 23.5, any dispute between the Transporter and any Shipper relating to or having any connection with a Gas Transportation Agreement must be resolved in accordance with the dispute resolution provisions set out in the General Terms and Conditions.

23.4 Disputes to be resolved by the NRAs

A dispute in relation to LT UIOLI for which the LT UIOLI Decision Process has commenced will be resolved in accordance with an NRA Decision. Any other dispute that falls within the scope of the joint decision issued pursuant to section 4.8.2 of the Final Joint Opinion will be resolved in accordance with that joint decision.

23.5 Disputes relating to this Network Code

(a) In the event of any dispute between the Transporter and a Registered Party (the **Parties**) in relation to this Network Code that does not fall within Section 23.3 or 22.4, the Parties must, within 10 days of service of a written notice from one Party to the other Party (a **Dispute**

Notice), hold a meeting in an effort to resolve the dispute. Each Party must send a representative to attend that meeting who has authority to resolve the dispute. If the dispute is not resolved within 30 days after service of a Dispute Notice, whether or not a meeting has been held, then paragraphs (b) to (f) below will apply.

(b) Any dispute not otherwise resolved pursuant to paragraph (a) above will be exclusively and finally settled under the Rules of Arbitration of the International Chamber of Commerce as in force on the date on which the request for arbitration is filed in accordance with those Rules (the **Rules**).

(c) The number of arbitrators will be three, appointed in accordance with the Rules.

(d) The seat or legal place of arbitration will be Vienna.

(e) The language of the arbitral proceedings will be English. All documents submitted in connection with the proceedings will be in the English language, or, if in another language, accompanied by an English translation.

(f) Service of any request for arbitration made pursuant to this Section 23.5 will be by registered post at, in the case of the Transporter, the Transporter's corporate address as published on the Transporter's website at that time and, in the case of a Registered Party, at the most recent address of that Registered Party that has been notified to the Transporter by that Registered Party under this Network Code.

APPENDIX 1

THE TAP TRANSPORTATION SYSTEM

PART 1

SYSTEM DESCRIPTION

The TAP Transportation System is being developed to transport Natural Gas from the Turkish / Greek border to Italy's southern Puglia region, via Albania, as set out in the map below.

The main components of the TAP Transportation System, when constructed to facilitate the initial capacity are:

(a) a tie-in to the Trans Anatolian Natural Gas transportation system at the Turkish / Greek border;

(b) two Compressor Stations:

(i) one in Kipoi in Greece, numbered CS00; and

(ii) one at the start of the offshore section of the TAP Transportation System, close to Fier in Albania, numbered CS03;

(c) a metering and pigging station at the border between Greece and Albania on the Albanian side of that border, numbered CS02;

(d) a pipeline receiving terminal and a combined pressure reduction, metering and pigging station, located north of Melendugno in Italy (the **Pipeline Receiving Terminal**);

(e) a 48" onshore pipeline between Compressor Stations CS00 and CS03;

(f) a 36" offshore / onshore pipeline between Compressor Station CS03 and the Pipeline Receiving Terminal;

(g) 31 x 48" onshore block valve stations and 2 x 36" onshore landfall valve stations on either side of the Adriatic Sea;

(h) fiber-optic cables running parallel to the entire pipeline from Compressor Station CS00 to the Pipeline Receiving Terminal; and

(i) a tie-in to the Snam Rete Natural Gas transportation system at the boundary between the Pipeline Receiving Terminal and the Snam Rete Gas transportation system.

- Pipeline from Turkish/Greek border to ACS03: 48“ DP 95barg length 760 km
- Pipeline section from ACS03 to IPR01: 36” DP 145barg length 119 km

PART 2

METERING EQUIPMENT

Location	Name	Fiscal	Metering Equipment	Owned and operated by:
Kipoi (TU)	TANAP CMS	Check fiscal metering station	• 2 Metering Streams (n+1 design) each consisting of 2 USM in series and 2 Flow Computers • 2 Gas Chromatographs to C7+ • 2 Sulphur Chromatographs • 2 Water Dew Point Analysers • 2 Hydrocarbon Dew Point Analysers • 2 Oxygen Analysers • Fuel Gas metering system (turbine meter, in 1+1 design)	TANAP
Kipoi (GR)	TAP FMS Kipoi (GCS00)	Fiscal	• 3 Metering Streams (n+1 design) each consisting of 2 USM in series and 2 Flow Computers • 2 Gas Chromatographs to C7+ • 2 Sulphur Chromatographs • 2 Dew Point Analysers – combined water and hydrocarbon dew point • 2 Oxygen Analysers • Fuel Gas metering system – feed to turbine and boilers (turbine meter, rotary meter in 1+1 design)	TAP
Komotini (GR)	IGB Integrated Metering and Regulating Station	Fiscal	• 2 Metering Streams (n+1 design) each consisting of 2USM in series and 2 Flow Computers • 2 Gas Chromatographs to C6+ • 2 Sulphur Chromatographs • 2 Dew Point Analysers • 2 Oxygen Analysers • Fuel Gas metering system	IGB
Nea Mesimvria (GR)	DESFA Metering and Regulating Station	Fiscal	• 3 Metering Streams (n+1 design) each consisting of 2 USM in series, 2 Multi-stream Flow Computers for "pay" meters and 2 Multi-stream	DESFA

			Flow Computers for "check" meters. • 2 Gas Chromatographs to C6+ • 2 Sulphur Chromatographs • 1 Water Dew Point Analyser • Hydrocarbon Dew Point Analyser • 1 Oxygen Analyser • Fuel Gas metering system (turbine meter, 1+1 design)	
Bilisht (AL)	Bilisht Metering Station (ACS02)	Fiscal	• 3 Metering Streams (n+1 design) each consisting of 2 USM in series and 2 Flow Computers • 2 Gas Chromatographs to C6+ • 2 Dew Point Analysers – combined water and hydrocarbon dew point	TAP
Fier (AL)	Fier Compressor Station (ACS03)	Operational	• 3 Metering Streams (n+1 design) each consisting of 2 USM in series and 2 Flow Computers • 2 Gas Chromatographs to C6+ • 2 Dew Point Analysers – combined water and hydrocarbon Dew Point • Fuel Gas metering system – feed to turbine and boilers (turbine meter, rotary meter in 1+1 design)	TAP
Melendugno (IT)	Pipeline Reception Terminal (IPR01)	Check Metering Station	• 3 Metering Streams (n+1 design) each consisting of 2 USM in series and 2 Flow Computers • 2 Gas Chromatographs to C7+ • 2 Sulphur Chromatographs • 2 Dew Point Analysers – combined water and hydrocarbon Dew Point • 2 Oxygen Analysers • Fuel Gas metering system – feed to boilers (rotary meter in 1+1 design)	TAP
Melendugno (IT)	SRG Metering and Regulating Station	Fiscal	• 4 Metering Streams (3+1 design) each consisting of 2 USM in series (two independent USM in the same body) and 2 Flow Computers • 2 Gas Chromatographs • 1 Sulphur Analyser • 1 Water Dew Point Analyser	SRG

			• 1 Hydrocarbon Dewpoint Analyser • 1 Oxygen Analyser • 1 Densimeter Fuel Gas metering system – feed to auxiliary boiler	

APPENDIX 2

INTERCONNECTION POINTS

Table A: Interconnection Points and Entry Points and Exit Points in relation to Forward Capacity in the Forward IP Direction

Each Interconnection Point in the TAP Transportation System is listed in the table below together with its designation as an Entry Point or an Exit Point in relation to Forward Capacity in the Forward IP Direction, its EIC code, the distance from the easternmost Entry Point and westernmost Exit Point and the Minimum Flow Rate.

This table has been published on the Transporter's website and may be updated from time to time.

Any new table published on the website will apply from its date of publication and will replace this table for the purpose of this Network Code.

Interconnection Point	**Forward IP Direction**	**EIC Code**	**Distance (km)**		**Minimum Flow Rate (Nm^3/Gas Day)**
			$L_{forward}$	**$L_{reverse}$**	
Kipoi (Trans Anatolian Natural Gas Pipeline tie-in)	Entry Point	21Z0000000004758	0	877	7,050,144
Komotini	Exit Point	21Z000000000472E	88	789	914,400
(On and from the NM Bidirectionality Date) Nea Mesimvria*	Entry Point	21Z000000000473C	364	515	[240,000][TBC]
Nea Mesimvria*	Exit Point	21Z000000000473C	364	515	240,000
Kuçovë**	Exit Point	*To be confirmed*	716	161	*To be confirmed*
Fier**	Exit Point	*To be confirmed*	758	120	*To be confirmed*
Melendugno (Snam Rete Gas tie-in)	Exit Point	21Z000000000474A	877	0	5,685,600

* On and from the NM Bidirectionality Date, the Interconnection Point at Nea Mesimvria will be bidirectional and therefore will be both an Entry Point and an Exit Point for Forward Capacity in the Forward IP Direction. Before the NM Bidirectionality Date, the Interconnection Point at Nea Mesimvria is only an Exit Point.

** Capacity at the interconnection points at Kuçovë and Fier will be made available in Market Tests and in regular auctions to the extent capacity is available with the Adjacent TSO.

Table B: Entry Points and Exit Points in relation to Commercial Reverse Capacity

The Interconnection Points listed in the table below are designated as Entry Points and Exit Points in relation to Commercial Reverse Capacity.

Commercial Reverse Capacity may be booked in the following combinations of Interconnection Points as an Entry Point and an Exit Point. Some Interconnection Points may be either an Entry Point or an Exit Point depending on the particular Commercial Reverse Route, as set out in the table below.

Route	Entry Point	Exit Point
1	Melendugno	Nea Mesimvria
2	Melendugno	Komotini
3*	Nea Mesimvria	Komotini
4	Melendugno	Fier
5	Melendugno	Kuçovë
6**	Fier	Kuçovë
7**	Fier	Nea Mesimvria
8**	Fier	Komotini
9**	Kuçovë	Nea Mesimvria
10**	Kuçovë	Komotini

* Commercial Reverse Route 3 consists of the route from Nea Mesimvria to Komotini. On and from the NM Bidirectionality Date, Nea Mesimvria will be bidirectional, allowing for the booking of firm forward entry capacity which can be combined with firm forward exit capacity at Komotini. Accordingly, on and from the NM Bidirectionality Date, Commercial Reverse Route 3 will not be available.

**Capacity for any Commercial Reverse Route that includes an Interconnection Point at Kuçovë or Fier will be made available only to the extent capacity is available with the Adjacent TSO. The Transporter makes no representation as to the availability of transportation services in the Reverse IP Direction by any Adjacent TSO.

APPENDIX 3

REGISTRATION FORM

Becoming a Registered Party on the TAP Transportation System

Applicants wishing to become registered on the TAP Transportation System are requested to firstly complete the online "Onboarding Form" found on the Transporter's Registration Platform and then complete this Registration Form via the Registration Platform and submit a signed copy with any required supporting documentation. The documents requiring signature will be signed electronically using the Transporter's preferred electronic signature software platform or such other electronic signature as approved in advance by the Transporter. The Transporter will notify the applicant if they have been successfully registered as a Registered Party. Capitalised terms used by not defined in this Registration Form have the meaning given to them in the Network Code applicable to the Trans Adriatic Pipeline.

1. Applicant details and contact information

Please provide details of the Person applying to become a Registered Party in the TAP Transportation System.

1.1 Company information:

Full Legal Company Name	
Address line 1	
Address line 2	
City	
Postal Code	
Country	
Telephone number	
Fax number	
Email address	
Company website	
Company registration number	
ACER Code (if available, through REMIT-reporting)	
VAT number (if applicable)	

The Transporter reserves the right to ask for additional information if a verifiable VAT number is not provided.

1.2 Company bank details:

If applicable, the Transporter will transfer funds to the following account

Bank name	
Bank BIC/SWIFT Code	
EUR account IBAN	
EUR account holder name	

1.3 Authorised representative contact information:

Person authorised to enter into contracts with the Transporter

Name of individual	
Role / position	
Address line 1	
Address line 2	
City	
Postal Code	
Country	
Telephone number	
Fax number	
Email address	

1.4 Business contact information:

Person responsible for day-to-day business and operational tasks

Name of individual	
Role / position	
Address line 1	
Address line 2	
City	
Postal Code	
Country	

Telephone number	
Fax number	
Email address	

1.5 Invoices delivery contact information:

Person responsible for invoicing and payments

Name of individual	
Role / position	
Address line 1	
Address line 2	
City	
Postal Code	
Country	
Telephone number	
Fax number	
Email address	

1.6 24/7 dispatching contact information:

Contact responsible for electronic communications with the Transporter and available 24 hours a day. Please note that this contact will be emailed or called by the Transporter to arrange a communication test.

Contact responsible for communications with the Transporter (please select one that applies)	
Individual within applicant company	
Third party service provider	
Name of contact person	
Telephone number	
Fax number	
Email address	

1.7 Communication method:

Please confirm the communication methods to be used for operational communications and confirm that you have completed the relevant form listed below which can be found on the Transporter's Registration Platform. Please note that Edig@s should be used unless you are unable to communicate using Edig@s.

Please confirm that you have completed the User Account Registration Form in respect of communications using the TAP Electronic Data Platform	☐
Please confirm that you are able to communicate using Edig@s and have completed the TAP AS4 Specifications Form. *Note: If you are unable to provide this confirmation as you are unable to communicate using Edig@s the Transporter strongly encourages you to take steps for the implementation of Edig@s communications and to provide the TAP AS4 Specifications Form once such implementation has been completed..*	☐

1.8 Company legal representative contact information:

Legal representative of the company.

Legal representative of the Transporter (please select one that applies)	
Individual within applicant company	
Third party service provider	
Name of contact person	
Telephone number	
Fax number	
Email address	

2. Relevant confirmations and supporting documentation

2.1 Copy of entry in companies register

Please confirm that you have appended proof of registration of the company in the relevant companies register (please tick)	☐

2.2 Proof of authority to sign this registry form

Please confirm that you have appended proof of authority for the individual signing this Registration Form (certified copy from the relevant company register or a power of attorney signed by legal representative) (please tick)	☐

2.3 Information for creditworthiness assessment

The Transporter will perform an initial creditworthiness assessment and assign a Credit Limit to each Registered Party. In order to do so, the Transporter requires the following documents to be delivered with this Registration Form (to the extent applicable):

(a) If your organisation intends to have a Credit Limit based on its Credit Rating, (i) the three most recent certified company annual financial statements for your organisation (the operating entity) and (ii) the most recent credit report for your organisation from an internationally recognised credit rating agency.

(b) If your organisation intends to use a Rated Entity Guarantee from an affiliated company, (i) the three most recent certified company annual financial statements for your organisation's affiliated company, (ii) the most recent credit report for your organisation's affiliated company from an internationally recognised credit rating agency and (iii) a draft guarantee in the form of the template provided on the Transporter's Registration Platform, completed with the relevant information for the affiliated company.

(c) If your organisation intends to use a Rated Entity Guarantee from a bank/lending institution, (i) the most recent credit report for that bank/lending institution from an internationally recognised credit rating agency and (ii) a draft guarantee in the form of the template provided on the Transporter's Registration Platform, completed with the relevant information for the bank/lending institution1.

Note that where more than one internationally recognised credit rating agency provides a rating, the most recent credit report from each agency should be provided to the Transporter.

Please specify which criteria you intend to use to meet the Minimum Credit Limit requirement.	
Please confirm that you have appended the relevant documents for each criteria required, as listed above (please tick)	☐
If you have not provided this information, please provide a justification (max 100 words)	
If you are using a Rated Entity Guarantee, please specify any limit that will apply to that guarantee.	€

1 Please note that, in accordance with the template, if the Rated Entity Guarantee contains an expiry date, the Transporter will require the Registered Party to enter into a further agreement in respect of the expiry of such Rated Entity Guarantee.

If you intend to deposit Cash Collateral, please specify the amount you intend to deposit.	€

2.4 Sanctions Warranty

A Shipper is required to give certain warranties relating to Sanctions.

Please confirm that you have understood the provisions of the General Terms and Conditions which relate to "Sanctions" (as defined in the General Terms and Conditions) and have signed and appended the appropriate template provided on the Transporter's website (please tick)	☐

2.5 Dominance declaration

Please note that under Article 4.7 of the Final Joint Opinion certain limitations may apply to undertakings if they are deemed to hold a dominant position following an assessment with the relevant authorities in the Italian, Greek and/or Albanian gas markets. The contact details of the NRAs for this purpose are:

ARERA: mercati-ingrosso@arera.it

RAE: capacity_caps@rae.gr

ERE: capacitycaps@ere.gov.al

Please confirm that you have informed the NRAs of your intention to register with the Transporter and that you will inform the Transporter of any capacity caps that may be imposed on you following a dominance assessment conducted by the relevant NRA in accordance with the Final Joint Opinion (please tick)	☐

3. Acceptance declaration and signature

When you sign this Registration Form, you confirm that:

(a) You have paid the Registration Fee as set out on the Transporter's website in the manner specified.

(b) All information provided in this Registration Form is complete, accurate and true.

(c) You have the appropriate authority to sign and submit this Registration Form and associated appendices, confirmed by the supporting information provided under section 2.2.

(d) You have read the Network Code relating to the TAP Transportation System, the General Terms and Conditions for the transportation of gas in the TAP Transportation System and the Transportation Confirmation, each in the most recent form posted on the Transporter's

website, and acknowledge that the terms of such documents will govern any contract entered into with the Transporter for the use of capacity in the Transportation System by providing a signed approval letter as an annex to this form.

(e) You have provided all relevant confirmations and attached the necessary supporting information, as required in section 2 of this form, or provided suitable justifications as to why they are not required.

(f) You have read Trans Adriatic Pipeline AG's "Privacy notice section Commercial activities" found at https://www.tap-ag.com/privacy-notice.

(g) You accept that the Transporter requires you to update it in accordance with section 3.2 of the Network Code or following any material change, from the date of your acceptance into the Registry, as to whether there have been any changes to the information contained in this Registration Form and its supporting documents. In the event of any changes, you must provide the Transporter with an amended Registration Form and any supporting documentation relevant to the changes.

(h) You agree to inform the Transporter, without delay, of changes to the information required by section 2.3, including new certified annual financial statements and new credit report(s).

(i) You agree to undertake full disclosure of any material deterioration in the financial resources, creditworthiness or financial standing of your organisation and/or guarantor (as applicable), as compared to the latest information provided to the Transporter.

(j) You have duly executed and attached a Confidentiality Agreement in the form published on the Transporter's Registration Platform.

(k) You have completed the online "Onboarding Form" found on the Transporter's Registration Platform and the integrity due diligence (IDD) questionnaire, a link to which was provided by the Transporter through the Transporter's IDD tool following completion of the Onboarding Form.

(l) You have read the communication requirements for the TAP Transportation System and grant your full content to its contents, and you acknowledge that the Transporter will contact the individual responsible for communications with the Transporter, as specified in section 1 under 24/7 dispatching contact information, to arrange a communication test.

(m) You confirm that on and from your entry into the Registry you will be bound by the Network Code as a Registered Party and will comply with all of the obligations of a Registered Party under the Network Code.

(n) You acknowledge that the Network Code may be updated from time to time in accordance with the procedure set out in the Network Code and that (i) you will continue to comply with your obligations as a Registered Party under any such updated Network Code and (ii) such updated Network Code will govern your relationship with the Transporter as a Registered Party, in each case with effect from the publication of such update by the Transporter.

(o) As a TAP Registered Party, you acknowledge and agree that your full legal name will be published on the Transporter's website, in the list of Registered Parties which the Transporter is compelled to publish according to Article 78(2)e of Greek Law 4001/2011 on the Operation of the Electricity and Natural Gas Markets, Hydrocarbon Research, Production and Transmission System.

Name: _____

Signature: _____

Place and date _____

APPENDIX 4

NATURAL GAS SPECIFICATIONS

Gas Composition2

Component	Unit	min	max
Methane	mol%	75	-
Nitrogen3	mol%	-	6
Carbon Dioxide	mol%	-	2.5
Oxygen	mol%	-	0.02
Hydrogen Sulphide + Carbonyl Sulphide (as Sulphur)	mg/Nm^3	-	5
Mercaptan Sulphur (as Sulphur)	mg/Nm^3	-	6
Total Sulphur	mg/Nm^3	-	21

Gas Properties

Property	Unit	min	max
Water Dew Point	°C	-	- 8 @70 bar-a
Hydrocarbon Dew Point	°C	-	- 2 @(1~70) bar-a
Temperature	°C	-	50
Specific Gravity	-	0.555	0.700
Gross Calorific Value	MJ/Nm^3	36.84	47.73
Wobbe Index	MJ/Nm^3	49.87	55.16

In addition to the limits specified above, the natural gas supplied to TAP shall not contain other constituents and/or impurities (including solid particles and liquids) to the extent that it cannot be transported without quality adjustment or treatment.

2 Reference conditions for normal cubic meters are 0°C for volume and 25°C for combustion. For conversion between normal and standard cubic meters, please refer to ISO 13443.

3 No gas should be refused on nitrogen content provided all other requirements are met.

APPENDIX 5

FUEL GAS PROVISIONS IN EFFECT PRIOR TO FUEL GAS UPDATE EFFECTIVE DATE

14. FUEL GAS

14.1 Fuel Gas

(a) The Transporter will act as a Reasonable and Prudent Operator in its use of Fuel Gas.

(b) The Transporter must purchase Fuel Gas according to a transparent and market-based procedure published on the Transporter's website. The procedure will be based on the Transporter running a competitive tender for the supply of Fuel Gas at an Interconnection Point or the Virtual Trading Point on a periodic basis. A competitive tender must be run at least once every three years and, if a tender would not otherwise be run in such period, within one year of the first date on which Transportation Services for Forward Firm Capacity are made available at more than one Entry Point.

(c) The Transporter may from time to time, at its discretion, update the procedure referred to in paragraph (b) above if the updated version of that procedure remains transparent and market-based after that update has taken place.

(d) The Transporter may satisfy its obligation to purchase Fuel Gas under paragraph (b) above by purchasing or selling a quantity of Natural Gas that corresponds to the aggregate of UFG (which may be either a positive or negative quantity), Fuel Gas (which will be a positive quantity) and the aggregate of all Transmission Imbalances (which may be either a positive or negative quantity).

(e) If the Transporter does not have available to it all of the information required to calculate the Fuel Gas Price for a particular Gas Month by the time it is required to issue the relevant Monthly Statements, the Transporter will include in each Monthly Statement the Fuel Gas Price based on the most accurate information then available to it. The Transporter will then, in the next Annual Statement sent to each applicable Registered Party following availability of the relevant information, include a reconciliation of the amount paid in the relevant Monthly Statement and the amount that should have been paid based on the finally determined Fuel Gas Price calculated on the basis that such information had been made available in time for the relevant Monthly Statement.

14.2 Allocation to Fuel Gas Facilities

(a) Fuel Gas will be allocated to Shippers in respect of each Fuel Gas Facility in accordance with this Section 14. A Shipper will have Fuel Gas allocated to it in respect of a particular Fuel Gas Facility if a particular Entry Point or Exit Point at which it has Forward Capacity is allocated to that Fuel Gas Facility in accordance with the tables below:

Entry Point	***Fuel Gas Facilities***
Kipoi	Compressor Station CS00
Komotini[4]	-
Nea Mesimvria[5]	-

Exit Point	***Fuel Gas Facilities***
Komotini	–

Exit Point	*Fuel Gas Facilities*
Nea Mesimvria	–
Kuçovë	–
Fier	–
Melendugno	Compressor Station CS03 and the Pipeline Receiving Terminal

14.3 Amounts payable in respect of Fuel Gas

(a) Each Shipper with Forward Capacity must pay an amount to the Transporter in respect of Fuel Gas used by the Transporter in each Gas Month in which that Shipper has Allocated Quantities for Forward Capacity. That amount will be calculated by multiplying:

(i) the aggregate Fuel Gas that is used by the Transporter and allocated to the relevant Shipper in respect of applicable Fuel Gas Facilities, calculated in accordance with the provisions of Section 14.5 (subject to the maximum quantity of Fuel Gas that can be allocated to that Shipper under Section 14.4); by

(ii) the Fuel Gas Price.

(b) Shippers having Commercial Reverse Capacity shall not have Fuel Gas allocated to them in respect of their Commercial Reverse Capacity.

14.4 Maximum Fuel Gas to be allocated to Shippers

(a) The maximum quantity of Fuel Gas that the Transporter may allocate to a Shipper in respect of particular Fuel Gas Facilities in a Gas Month will be calculated in accordance with the following formula:

$$F_{Max(i)} = Max\ Xcs \times A_{SEn(i)}$$

where:

$\boldsymbol{F_{Max(i)}}$ is the maximum amount of Fuel Gas that the Transporter may allocate to a Shipper in a Gas Month in respect of that Fuel Gas Facility.

$\boldsymbol{Max\ Xcs}$ is the maximum coefficient to be applied in respect of that Fuel Gas Facility. That coefficient will be, for the relevant Fuel Gas Facility, as set out in the table below:

Fuel Gas Facilities	$\boldsymbol{Max\ Xcs}$
CS00	2% (or 4% if the circumstances described in paragraph (b) below apply).
CS03 and Pipeline Receiving Terminal (combined)	2%

$\boldsymbol{A_{SEn(i)}}$ is the aggregate Allocated Quantities of that Shipper in respect of its Forward Capacity in respect of that Fuel Gas Facility for that Gas Month.

(b) The Transporter may, acting as a Reasonable and Prudent Operator, decide in circumstances of limited Westward (Physical) Flow to operate the TAP Transportation System using the

compressors in Compressor Station CS00 only and not Compressor Station CS03. In this case, $\boldsymbol{Max\ Xcs}$ will be adjusted as set out in the table in paragraph (a) above.

(c) If the Fuel Gas to be allocated to a Shipper that has Forward Capacity in respect of a particular Fuel Gas Facility in a Gas Month exceeds the maximum quantity permitted under paragraph (a) above, the Fuel Gas Price that is applicable to any Fuel Gas above that maximum amount will be for the account of the Transporter.

14.5 Fuel Gas to be allocated to Shippers

(a) The Transporter must ensure that Fuel Gas used at the Fuel Gas Facilities is metered by the Metering Equipment at that Fuel Gas Facility.

(b) The Transporter must keep a record of Fuel Gas use at the Fuel Gas Facilities for each Gas Day and publish the Metered Quantities of Fuel Gas used at each Fuel Gas Facility on the TAP Electronic Data Platform at the end of each Gas Month.

(c) The Transporter must, subject to the provisions of Section 14.3, allocate Fuel Gas used at each Fuel Gas Facility in a Gas Month, as metered under paragraph (a) above, to each Shipper that has Forward Capacity:

(i) in accordance with paragraph (d) below in the case of Compressor Station CS00; and

(ii) in accordance with paragraph (e) below in the case of Compressor Station CS03 and the Pipeline Receiving Terminal.

(d) The Fuel Gas used at Compressor Station CS00 in a Gas Month that will be allocated to each Shipper that has Forward Capacity will be calculated as follows:

$$F_{S00} = CS00 \times \left(\frac{A_{SLK}}{A_{TLK}}\right)$$

where:

$\boldsymbol{F_{S00}}$ is the quantity of Fuel Gas to be allocated by the Transporter to a Shipper that has Forward Capacity in respect of Compressor Station CS00 in a Gas Month, subject to the maximum cap for such allocation under Section 14.4.

$\boldsymbol{CS00}$ is the total quantity of Fuel Gas used by the Transporter at Compressor Station CS00 in that Gas Month.

$\boldsymbol{A_{SLK}}$ is the aggregate Allocated Quantities of that Shipper in respect of its Forward Capacity at the Entry Point at Kipoi in that Gas Month.

$\boldsymbol{A_{TLK}}$ is the aggregate Allocated Quantities of all Shippers in respect of their Forward Capacity at the Entry Point at Kipoi in that Gas Month.

(e) The Fuel Gas used at Compressor Station CS03 and the Pipeline Receiving Terminal in a Gas Month that will be allocated to each Shipper that has Forward Capacity will be calculated as follows:

$$F_{S03} = (CS03 + PRT) \times \frac{A_{SLS}}{A_{TLS}}$$

where:

$\boldsymbol{F_{S03}}$ is the quantity of Fuel Gas to be allocated by the Transporter to a Shipper that has Forward Capacity in respect of Compressor Station CS03 and the Pipeline Receiving Terminal in a Gas Month, subject to the maximum cap for such allocation under Section 14.4.

$\boldsymbol{CS03}$ is the total quantity of Fuel Gas used by the Transporter at Compressor Station CS03 in that Gas Month.

$\boldsymbol{PRT}$ is the total quantity of Fuel Gas used by the Transporter at the Pipeline Receiving Terminal in that Gas Month to heat Natural Gas in order to deliver that Natural Gas to an Interconnected System in compliance with the specifications for acceptance of Natural Gas by that Interconnected System.

$\boldsymbol{A_{SLS}}$ is the absolute value of the aggregate Allocated Quantities of that Shipper in respect of its Forward Capacity at the Exit Point at Melendugno in that Gas Month.

$\boldsymbol{A_{TLS}}$ is the absolute value of the aggregate Allocated Quantities of all Shippers in respect of their Forward Capacity at the Exit Point at Melendugno in that Gas Month.

(f) If a Shipper has Reserved Capacity under different Gas Transportation Agreements at a particular Entry Point or Exit Point in a particular Gas Month, then for the purpose of determining the Fuel Gas allocated under each Gas Transportation Agreement, the Fuel Gas will be allocated to each Gas Transportation Agreement pro rata to the Reserved Capacity under each such Gas Transportation Agreement during that Gas Month. For this purpose, only the Within-Day Adjusted Capacity will be taken into account in respect of any booking of Forward Firm Within-Day Capacity.

14.6 Additional Interconnection Points and methodology changes

(a) If an additional operational Entry Point or Exit Point is to be added to the TAP Transportation System, the Transporter will review this Section 14 and propose a modification pursuant to Section 22 with a view to reflecting any changes in fuel gas usage in the TAP Transportation System as a result of such new Entry Point or Exit Point.

(b) The Transporter will review the current methodology for Fuel Gas charges from time to time based on its operational experience and the most recent data it has obtained. If the Transporter believes that it would be able to implement a revised methodology that would give greater cost predictability or other advantages, the Transporter may propose a modification pursuant to Section 22 to the methodology in this Section 14.

APPENDIX 6

FUTURE DEVELOPMENTS

1. Short term congestion management procedures

The Transporter will, within one year of the end of the ramp-up period prepare a Revision Proposal in accordance with Section 22.4 to include in the Network Code either an oversubscription and buy-back mechanism or, alternatively, a day-ahead use-it-or-lose-it mechanism in compliance with paragraphs 2.2.2 or 2.2.3 of Annex I to Regulation (EC) No 715/2009. The decision to proceed with either oversubscription and buyback or day-ahead use-it-or-lose-it, and the resulting Revision Proposal, will be made based on the Transporter's operational experience gained since the Commercial Operations Date.

The Transporter implemented the FDA UIOLI regime in this Network Code in the April 2023 update and has consequently satisfied this update requirement.

2. Commercial Reverse Flow

Following any decision to make available Expansion Capacity through implementing an Expansion Project in accordance with a Market Test, the Transporter will assess whether the revised constraints within the TAP Transportation System mean that it is technically possible to remove the requirement that Commercial Reverse Capacity is booked as a Commercial Reverse Route and instead can be booked as an independent entry-exit system (including giving access to the Virtual Trading Point). If the Transporter believes that it is technically possible, it will further consult with:

(a) the NRAs in respect of amendments that may be required to the Final Joint Opinion or TAP Tariff Code to accommodate such a change;

(b) the Stakeholder Forum on how such changes could be implemented; and

(c) Shippers with existing long term capacity bookings as to the effect on those Shippers of implementing such changes,

before determining, in its sole discretion, whether such an amendment would be possible. If it is possible, the Transporter will prepare a Revision Proposal in accordance with Section 22.4.

3. Shipper costs

The Transporter will assess whether it is possible to adjust the mechanism for passing on the costs of Fuel Gas, Electric Power and UFG to Shippers such that Shippers are given greater certainty of the costs that will be incurred. The revised mechanism may include Shippers paying a fixed estimated cost for a period of time, with adjustments to reflect under- or over-payment compared to actual costs made in future periods. The Transporter will commence such assessment after determining that it has accumulated sufficient steady state operating data to be able to properly assess the merits of such a proposal, including:

(a) the effect on certainty of costs to Shippers; and

(b) any discrimination that may occur to Shippers with bookings only in certain periods.

If the Transporter, following such assessment, believes that an amendment to the Fuel Gas, Electric Power and/or UFG cost allocation mechanisms should be implemented, it will prepare a Revision Proposal in accordance with Section 22.4.

4. Within-day products

The Transporter will, at least annually commencing two years after the Commercial Operations Date, review whether there is sufficient demand for the provision of within-day products and, if so, will assess (a) the other operational impacts of providing within-day products and (b) the products that can be offered by Adjacent TSOs in the Interconnected Systems. If it subsequently decides it is appropriate, the Transporter will prepare a Revision Proposal in accordance with Section 22.4 to incorporate within-day products within the Capacity Products offered.

The Transporter implemented the offering of Forward Firm Within-Day Capacity in this Network Code in the 02 January 2025 update and has consequently satisfied this update requirement.