



**Annex 1  
to the Capacity Contract**

***General Terms and Conditions for Transmission  
Network Access  
of Trans Austria Gasleitung GmbH***

German Version approved by Energie-Control Austria on 02.10.2015 according to section 32 of the Austrian Natural Gas Act 2011, BGBl. I Nr 107/2011, as amended by BGBl. II Nr. 226/2015

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## **I. Subject matter**

The subject of these General Terms and Conditions is to set out the mutual rights and obligations by and between transmission system operators and system users. For the actual rendering of the services described herein, contractual agreements between the system user and other market participants (distribution area manager, market area manager, balance group responsible, etc.) are additionally required under the terms of the Natural Gas Act 2011 (*Gaswirtschaftsgesetz 2011*) and the Gas Market Model Ordinance 2012 (*Gas-Marktmodell-Verordnung 2012*, GMMO-VO). These contractual arrangements shall be the sole responsibility of the system user.

- (1) For the purpose of transmission network access by system users as defined in sections 31 and 32 Natural Gas Act 2011, these General Terms and Conditions shall govern the following:
  - the injection of natural gas into a transmission system;
  - the withdrawal of natural gas from a transmission system;
  - the mutual rights and obligations of the contracting parties.
  
- (2) The transmission system operator shall be obliged under the entry and/or exit capacity contract (hereinafter called the "capacity contract") to permit the system user to use its transmission system subject to the following instruments:
  - section 31 Natural Gas Act 2011;
  - the Gas Market Model Ordinance 2012 (*Gas-Marktmodell-Verordnung 2012*, GMMO-VO) as amended, including annexes;
  - these General Terms and Conditions, including annexes;
  - on the basis of the system utilisation charge set forth in section 70 Natural Gas Act 2011, along with any statutory surcharges;
  - on the basis of the approved entry and exit points (relevant points according to Regulation (EC) No 715/2009) under section 39 para. 2 Natural Gas Act 2011 (*Gaswirtschaftsgesetz 2011*) in conjunction with section 7 para. 1 E-Control Act (*Energie-Control-Gesetz*) as well as the entry and exit points to and from facilities of storage system operators, producers and producers of biogenic gases.
  
- (3) The system user shall be obliged to use the transmission network under the terms of the capacity contract subject to the following instruments:
  - section 31 Natural Gas Act 2011;
  - the Gas Market Model Ordinance 2012 as amended, including annexes;
  - these General Terms and Conditions, including annexes;
  - on the basis of the system utilisation charges set forth in section 70 para. 1 Natural Gas Act 2011, along with any statutory surcharges;

- on the basis of the approved entry and exit points (relevant points according to Regulation (EC) No 715/2009) under section 39 para. 2 Natural Gas Act 2011 (*Gaswirtschaftsgesetz 2011*) in conjunction with section 7 para. 1 E-Control Act (*Energie-Control Gesetz*) as well as the entry and exit points to and from facilities of storage system operators, producers and producers of biogenic gases.

## **II. Definitions**

The definitions shall be those given in Chapter 1 of the Other Market Rules (*Sonstige Marktregeln, SoMa*).

## **III. Applicable law and language**

- (1) The legal relationship between the transmission system operator and the system user under the capacity contract shall be governed by Austrian law, precluding the conflict-of-law provisions of international private law contained in Austrian law and the UN Convention on Contracts for the International Sale of Goods.
- (2) Without prejudice to the jurisdictional competence of the arbitration court, both the transmission system operator and the system user may submit to the regulatory authority disputes or complaints, such as disputes arising from the settlement of charges, pursuant to section 26 E-Control Act. With regard to refusal of system access or the priority in allocating capacity, the pertinent provisions of the Natural Gas Act 2011 as well as the ordinances and official decisions based on that Act shall apply as amended.
- (3) The General Terms and Conditions exist in both German and English versions; any conflicts between them are unintentional. The official language of business shall be German. The binding language version shall be the German one. The English translation shall not be binding and is provided purely for information purposes. The transmission system operator accepts no liability for any variations in content or errors of translation.
- (4) Unless otherwise agreed between the parties, the capacity contract shall be concluded in English.

#### **IV. Request for system access (request for capacity), conclusion of the capacity contract, provision of deposit and securities**

- (1) Access to the transmission system and conclusion of the capacity contract shall be subject to the provisions of section 36 Natural Gas Act 2011 and sections 3 to 12 in conjunction with section 47 Gas Market Model Ordinance 2012.
- (2) Under sections 6f in conjunction with section 47 Gas Market Model Ordinance 2012 transmission system operators shall be obliged to auction capacity with effect from 06:00 a.m. on 1 April 2013.

The transmission system operator shall conduct capacity auctions on an auction internet platform. The registration on the auction platform and the execution of auctions shall be subject to the "*General Terms and Conditions for the Use of the PRISMA Capacity Platform*" as amended.

In order to participate in the auctions, the system user also has to register on the auction platform of the transmission system operator and to accept its "Requirements for the participation in auctions on PRISMA Platform" hereto attached as Appendix 1 in its latest version. After successful registration for TAG auctions on PRISMA, the system user will be electronically informed about the further steps for registration on the TSO's auction platform.

- (3) Day-Ahead and Within-Day auctions

Prior to the first participation in a Day-Ahead or Within-Day Auction, the transmission system operator shall be entitled to demand from the system user a security deposit in form of a bank guarantee or a cash deposit. The bank guarantee has to correspond to the sample provided by the transmission system operator concerning the bank guarantee as security deposit.

The amount of the security deposit depends on the intention of the system user to purchase Day-Ahead and/or Within-Day capacity in auctions on the PRISMA Platform and will be defined by the system user, whereby the minimum security deposit shall be 3,000 € (three thousand). The security deposit sets the credit limit on PRISMA and it is the sole responsibility of the system user to ensure that there is always enough credit limit available in order to participate in auctions in the amount of the desired capacity.

The security deposit shall serve as security for the system user's monthly payment obligation under the Frame Day-Ahead and Within-Day Capacity Contract with a service period of one day or less; the security deposit always has to be provided in full amount.

If the system user is not fulfilling its obligation to provide a security deposit for the participation in Day-Ahead auctions in time or to its full extent, the transmission system operator is entitled to deny the activation of the system user for the participation in Day-Ahead and Within-Day auctions as well as to suspend the

system user from further participation in Day-Ahead and Within-Day auctions respectively effective from the end of the current gas day. The system user can only participate or (re)participate in Day-Ahead and Within-Day auctions if it has fulfilled to its full extent its obligations pursuant to this section. In this case, the activation of the system user or the removal of its suspension is effective from the beginning of the following gas day.

(4) Monthly / Quarterly / Yearly auctions

The transmission system operator is entitled to request a one-off temporary deposit from the system user prior to the participation in a monthly/quarterly/yearly auction in form of a bank guarantee or a cash deposit in the amount of up to 100,000 € (in words: one hundred thousand €). In any case the bank guarantee has to correspond to the sample provided by the transmission system operator concerning the bank guarantee as temporary deposit. This temporary deposit serves to ensure the signing of the standard capacity contract ("capacity contract") by the successful system user and the provision of a bank guarantee to the transmission system operator according to para. 5.

(5) The transmission system operator is entitled to request a security deposit from the system user which shall serve as security for the system user's payment obligation under the capacity contract. At the system user's discretion, the security deposit can be provided either in form of a bank guarantee or a cash deposit. At the system user's discretion the bank guarantee or the cash deposit can be replaced at any time by the other form of security deposit at a later stage. The amount of the cash deposit or bank guarantee to be provided by the system user (excluding the bank fees incurred by the transmission system operator) shall depend on the term of the capacity contract and shall be calculated as follows:

- (a) In case of a capacity contract with a term of one month, the amount of the cash deposit or the bank guarantee shall be the amount of the fee due for the service.
- (b) In case of a capacity contract with a term of one quarter, the amount of the cash deposit or the bank guarantee shall be the amount of the fee due for the first two months of the service.
- (c) In case of a capacity contract with a term of one year, the amount of the cash deposit or the bank guarantee shall be three times the amount of the fee due for the first month of the service.

(6) If a system user does not fulfil its obligation to provide a security deposit in time or to its full extent, the transmission system operator is entitled to claim the temporary deposit in up to its full amount and the capacity contract is terminated automatically and with immediate effect. In this case, the transmission system operator shall be released from its obligations under the capacity contract. The transmission system operator will notify ECA concerning any breach of the

contract by the system user and shall undertake legal proceedings against the system user for the incurred damages.

- (7) The transmission system operator shall receive the bank guarantee of the system user not later than five (5) working days after the conclusion of the contract otherwise para. 8 shall apply. The bank guarantee shall in any case correspond to the sample bank guarantee for security deposits provided by the transmission system operator. The bank guarantee shall be returned by the transmission system operator immediately after the complete fulfilment of the obligations by the system user under the capacity contract.
- (8) The transmission system operator shall receive the cash deposit of the system user not later than five (5) working days after the conclusion of the contract – excluding the bank fees incurred – on an account to be disclosed by the transmission system operator otherwise para. 7 shall apply. The cash deposit paid by the system user to the transmission system operator shall not bear interest and shall be repaid upon demand of the system user to an account to be disclosed by the system user immediately after the complete fulfilment of the obligations by the system user under the capacity contract.
- (9) The conclusion of the capacity contract and the compliance with its provisions shall entitle the system user to allocate entry and/or exit capacity to balance groups or sub-balance accounts towards transmission system operators.
- (10) Should the transmission system operator be unable to auction capacity pursuant to sections 6f in conjunction with section 47 GMMO-VO 2012 for technical reasons, capacity requests will be allocated according to the “first come first served” principle in the chronological order of request receipt.

The request to conclude a capacity contract shall in any case contain the following details:

- (a) Start and end of service;
- (b) Maximum capacity in Nm<sup>3</sup>/h, m<sup>3</sup>/h (0°C) or kWh/h, with a minimum capacity of 10 MWh/h or equivalent;
- (c) Entry or exit point;
- (d) Quality of service (firm/interruptible);
- (e) Name of contact person with address and phone number.

## **V. Transportation service**

- (1) The transmission system operator shall be obliged to accept and match the nominations of the balance group responsible in accordance with Chapters 2 and

- 3 of the Other Market Rules (*Sonstige Marktregeln, SoMa*) and - where necessary – in accordance with any other provisions provided the nominations comply with the specifications. The system user shall take care that the balance group responsible, to whose balance group the capacity was allocated by the system user under section 23 para. 1 Gas Market Model Ordinance, complies with the provisions of Chapters 2 and 3 of the Other Market Rules (*Sonstige Marktregeln, SoMa*).
- (2) The system user shall be obliged not to exceed the contractually agreed maximum capacity for the entry and exit points when utilising the services under these Terms and Conditions.
  - (3) The transmission system operator shall accept or deliver natural gas to the agreed maximum capacity at the entry or exit point of its transmission system in accordance with the nomination rules in para. 1. The transmission system operator shall not be obliged to accept or deliver at the entry or exit point amounts of natural gas exceeding the maximum agreed hourly capacity. As a prerequisite for injection and withdrawal, nominations as specified in Chapters 2 and 3 of the Other Market Rules (*Sonstige Marktregeln, SoMa*) shall be submitted to the transmission system operator by the balance group responsible.
  - (4) The transmission system operator does not acquire ownership of the natural gas transported on behalf of the system user.
  - (5) Pursuant to the statutory provisions of the Natural Gas Act 2011 and in cooperation with the market area manager, the transmission system operator shall ensure pressure maintenance and the balance of injection and withdrawal under consideration of an economical method of operation.
  - (6) If firm capacity is no longer available to the extent demanded by the system user, the transmission system operator shall offer interruptible capacity as defined in section 36 para. 1 Natural Gas Act 2011. Under section 6 para. 2 Gas Market Model Ordinance 2012 the transmission system operator shall be entitled to offer interruptible capacity differentiated by classes reflecting the probability of interruptions. If the system user has booked interruptible capacity, transportation may be interrupted at any time to the extent necessary to carry out firm transportation services. In this case system users at all entry and exit points shall be treated equally in accordance with section I para. 2.
  - (7) If, to provide firm transportation services or interruptible transportation services of a higher quality class as defined by section 6 para. 2 Gas Market Model Ordinance 2012, interruption of transportation services on an interruptible basis is required, these transportation services on an interruptible basis shall be interrupted in proportion to the contracted capacity (pro rata) per quality class. In case of a different binding definition of the allocation rules for interruptions by the Annex to Regulation (EC) No 715/2009, Network Code on Capacity Allocation Mechanisms, the relevant services will be interrupted in accordance with the



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Annex to Regulation (EC) No 715/2009, Network Code on Capacity Allocation Mechanisms.

- (8) In the event of any temporary disruptions within the transmission system, the transmission system operator shall be obliged to make every effort to avoid any ensuing reduction of the agreed capacity. If a reduction of the capacity cannot be avoided, it shall be allocated to the system users in proportion to the contracted capacity (pro rata).
- (9) In the event of restrictions of the transportation service due to unplanned maintenance work, the rules on a reduction of the fees stipulated in the applicable ordinance under section 70 Natural Gas Act 2011 shall apply.

## **VI. Optional service**

In addition to the services described hereunder, the transmission system operator can offer services directly associated with the system operation. These optional services shall be offered by the transmission system operator uniformly and without discrimination. The conditions and fees for optional services are based on the ordinance pursuant to section 70 Natural Gas Act 2011 and shall be published by the transmission system operator on the Internet.

## **VII. Injection and withdrawal – gas quality**

- (1) The system user shall be obliged to deliver at the entry point only natural gas complying with the specifications in annex 2 Gas Market Model Ordinance 2012. The transmission system operator and the system user shall be obliged to inform the other party immediately if it is found that the quality specifications in annex 2 Gas Market Model Ordinance 2012 are not met (referred to hereafter as “off-spec gas”).
- (2) The transmission system operator shall be entitled to refuse acceptance of off-spec gas at the entry point. The natural gas delivered by the system user shall not be considered delivered in such a case. It shall remain within the sole discretion of the transmission system operator whether to transport any off-spec gas. The system user shall be liable to the transmission system operator under section XXII for costs incurred by the transmission system operator in connection with the cleaning and overhauling of the transmission system and the recovery of full operational performance, and shall indemnify and hold harmless the transmission system operator – including towards third parties – on whatever legal grounds.
- (3) The system user shall be entitled to refuse acceptance of off-spec gas at the exit point, provided that the system user did not deliver the off-spec gas at the entry point and the transmission system operator did not refuse transportation. If the

system user refuses to accept any off-spec gas, the natural gas delivered by the transmission system operator shall not be considered delivered.

- (4) The system user acknowledges that the natural gas delivered by it at the entry point may be mixed with gas delivered by other system users and that the gas received at the exit point may in some cases not be identical with that delivered at the entry point. Provided that the natural gas delivered by the system user at the entry point complies with the specifications in annex 2 Gas Market Model Ordinance 2012, the transmission system operator shall be obliged to deliver at the exit point only natural gas complying with the specifications defined in annex 2 Gas Market Model Ordinance 2012.

### **VIII. Determination and allocation of quantities**

According to section 26 para. 3 Gas Market Model Ordinance 2012 the energy quantities delivered or received by the system user at an entry/exit point shall be received together with other energy quantities as part of an overall energy flow and the energy quantities from the respective confirmed nominations by the balance group responsible shall be considered the received energy volumes.

### **IX. Utilisation of unused booked capacity**

- (1) The system user shall be obliged to make unused booked capacity available to third parties. The system user shall offer unused booked capacity exclusively only via the online platform specified in section 39 Natural Gas Act 2011 (secondary capacity platform) in conjunction with section 10 Gas Market Model Ordinance 2012.
- (2) The transmission system operator shall be entitled to withdraw all or part of the booked capacity from the system user under sections 11 et sqq. in conjunction with section 7 Gas Market Model Ordinance 2012.
- (3) The transmission system operator shall accept any surrender of bindingly booked firm capacity which has been contracted by the system user at an Entry or Exit point, except for capacity products with a term of one day or less. The transmission system operators define until which point in time capacity can be surrendered and publish these lead times on their respective web page. In case of surrender of capacity by several system users with the same product quality and the same Entry or Exit point, the date and time in seconds of request's receipt by the transmission system operator for capacity surrender ("Time Stamp") will be decisive for any potential re-allocation in case of successful re-marketing of the capacity by the transmission system operator. The notification of the system user to surrender capacity is binding, irrevocable and immutable.

- (4) The system user shall in any case retain its rights and obligations under an existing capacity contract to the extent of the not successfully re-marketed capacity. In the relevant period of surrender, that means from the announcement of the binding surrender until the conclusion of the corresponding capacity auction for which the capacity was ceded to the transmission system operator for re-marketing, the system user shall refrain from any action which could obstacle the re-marketing. Surrendered capacity will be marketed corresponding to the auction schedule according to the CAM Network Code as standard capacity product. After the closing of the auction, in which the system user's surrendered capacity is offered for remarketing, the system user will be informed about the result of the auction with regards to the surrendered capacity. In case of a successful re-marketing of the surrendered capacity by the transmission system operator, the system user shall be released from its existing capacity rights for the corresponding transportation period and extent; these capacity rights shall be transferred to the system user(s) who made a successful bid in the auction. The system user shall be obliged to reduce its existing capacity allocation to a balance group to the extent of the successful re-marketing of surrendered capacity and shall indemnify and hold harmless the transmission system operator.
- (5) In case of a successful re-marketing of capacity by the transmission system operator, the regulated fee to be paid by the system user as contracting party under the existing capacity contract in accordance with the Gas System Charges Ordinance (GSNE-VO) as amended shall be reduced only to the extent of the successfully remarketed capacity by the transmission system operator. Any auction premium ("Surcharges") due by the system user remains valid to the full extent and shall be further paid for the term of the capacity contract by the system user to the transmission system operator. If the clearing price ("Clearing Price") of the auction for the successfully marketed capacities is less than the fee due by the system user as contracting party (regulated fee plus any surcharges), the system user shall then be obliged to further pay to the transmission system operator the difference in amount. The system user shall not be entitled to compensation of any difference between the fee under the existing capacity contract and a potentially higher fee obtained by the transmission system operator in the frame of a remarketing, including any potential auction premiums ("Surcharges").
- (6) In case of transfer of all rights and obligations resulting from the capacity contract from one system user to another system user (Assignment) section IV para. 5 to 8 shall apply.

## **X. Fee**

- (1) The system user shall be obliged to pay to the transmission system operator the fee according to sections 72 et sqq. Natural Gas Act 2011 plus any statutory surcharges. If within the framework of an auction the system user purchases capacity at a price higher than the tariffs specified according to 72 et sqq. Natural

Gas Act 2011, the system user shall be obliged to pay that auction price for the term of the contract.

- (2) The fee payable according to the capacity contract shall be rounded to integers (in Euro) by the transmission system operator.
- (3) If no tariff pursuant to section 72 et sqq. Natural Gas Act 2011 is defined by ordinance under section 70 Natural Gas Act 2011, or if the ordinance under section 70 Natural Gas Act 2011 is revoked by the Federal Constitutional Court (*Verfassungsgerichtshof*), or if the Federal Constitutional Court has ruled that the ordinance under section 70 Natural Gas Act was unlawful, then the system user shall be obliged, until an ordinance is issued under section 70 Natural Gas Act 2011, to pay the tariff applying before the new ordinance comes into force or before the unlawful ordinance was revoked or recognised as unlawful, plus any statutory surcharges.

## **XI. Invoicing**

- (1) The transmission system operator shall issue an invoice by electronic means by no later than the fifth (5<sup>th</sup>) working day of the month following the month in which the contracted transportation service was rendered. The transmission system operator may request information from the system user for preparing invoices.
- (2) Value added tax at the current rate and any other (future) tax, fee or charge that becomes payable due to or in connection with the capacity contract shall be invoiced by the transmission system operator in addition to the fee for the service and in accordance with the provisions of this section and paid by the system user. If the system user should demand an invoice that excludes value added tax, this should be documented to the transmission system operator in writing before the contract is concluded by providing either a VAT number or a certificate of entrepreneurial status.

## **XII. Payment, default of payment and reminders**

- (1) The system user shall be obliged to pay the invoices presented by the transmission system operator in EURO as specified in section XI, plus any banking charges incurred, by no later than the fifteenth (15<sup>th</sup>) day of the month following the month in which the service was rendered or – in case of capacity contracts with a term of one day or less – by no later than the fifteenth (15<sup>th</sup>) day after invoicing (due date) by remitting payment to an account to be disclosed by the transmission system operator. If the transmission system operator fails to present an invoice on time, the due date shall be postponed by the corresponding number of days.
- (2) If the due date is not a banking day in Austria, the system user shall remit payment by no later than the first banking day following the due date.

- (3) Any objections raised by the system user against the invoice shall not entitle the system user to postpone or refuse payment of the invoice amount. If upon examination the invoice is determined to be incorrect, the system user shall be entitled to charge interest for the partial sum of the invoice determined to be incorrect. Interest shall be calculated on the basis of an annual interest rate equal to the three-month EURIBOR plus four (4) percentage points or on the basis of the statutory interest rate, depending on which interest rate is higher on the day following the due date.
- (4) The invoice shall be deemed acknowledged by the contracting parties if no complaint is filed within three (3) months of the due date.
- (5) In the event of a default of payment by the system user, interest on default shall be charged from and including the day following the due date and until but not including the date when the amount is credited to the transmission system operator's account. Interest shall be based on an annual interest rate equal to the three-month EURIBOR plus four (4) percentage points or on the statutory interest rate, depending on which interest rate is higher on the day following the due date. The system user shall reimburse the transmission system operator for any expense actually incurred through reminders, resubmissions and any other actions suited and necessary for out-of-court measures to enforce or collect the debt, provided that the expense is caused by the system user and is reasonably proportionate to the enforced debt. Such expense may also be charged as a lump sum. The amount of the lump sum shall be made public.
- (6) Without prejudice to the provisions of para. 5, in the event of a default of payment by the system user, the transmission system operator shall be obliged to notify the system user of this fact and grant the system user a further ten-day (10) period following written notification to remit payment. If payment is not made by the end of the additional ten (10) days, the transmission system operator shall be entitled to terminate the capacity contract with immediate effect and to use the security deposit for contract fulfilment to cover any open debt claim held against the system user. The foregoing shall not limit in any way the transmission system operator's right to claim compensation for any amount outstanding not covered by the security deposit for contract fulfilment.

### **XIII. Obligations to provide information**

- (1) The transmission system operator and the system user shall provide each other with such information as is required in order to fulfil their contractual obligations and the obligations to provide information as specified in Chapter 3 Annex 1 Regulation (EC) No 715/2009 as well as to ensure system interoperability. Section 25 Gas Market Model Ordinance 2012 shall additionally apply.
- (2) The system user shall be obliged to inform the transmission system operator in writing, before concluding the contract and if any amendment is made, about the customs regime applying to the natural gas that the system user is supplying to the transmission system operator.

#### **XIV. Transmission of data – data protection – confidentiality**

- (1) The transmission system operator shall be entitled to use the system user data required for fulfilling its tasks exclusively in accordance with the relevant statutory requirements and may transmit these data only to the extent necessary and legally permissible to those market participants requiring these data for carrying out their tasks, especially to the market area manager and the distribution area manager.
- (2) The transmission system operator shall make available to the relevant market participants the information and data which the latter require to complete their tasks as well as to ensure safe and efficient system operation, coordinated expansion and system interoperability. Corresponding obligations to provide information shall apply to the system user towards the transmission system operator in whose system the system user injects natural gas.
- (3) The transmissions of data stated in these General Terms and Conditions shall be carried out in accordance with the specific manner set forth for each case in the Gas Market Model Ordinance 2012 and the Other Market Rules (*Sonstige Marktregeln, SoMa*), each as amended.
- (4) The transmission system operator and the system user shall treat confidentially any business and trade secrets of which they obtain knowledge while carrying out business activities and shall not disclose any such information to third parties. This shall not include the disclosure of information and data to the regulatory authorities as required by law and to the transmission system operator's service providers to the extent required. The transmission system operator shall bind its service providers to the obligation of confidentiality likewise.

#### **XV. Other provisions**

- (1) The system user shall be entitled to offset liabilities solely against claims that have been accepted by the transmission system operator or imposed by the court.
- (2) The transmission system operator shall be entitled to outsource to third parties individual elements of its obligations to perform the service, e.g. accounting, dispatching etc.
- (3) The system user shall be aware that telephone calls with the dispatching centre will be recorded.
- (4) The capacity contract and any amendments or additions thereto shall be agreed upon in writing. Any departure from this requirement of written form shall also be made in writing. For postal communications the address to be used shall be that

stated on the cover page of the capacity contract. Changes of address shall be notified to the other party in writing within fourteen (14) days.

## **XVI. Amendment to the General Terms and Conditions for Transmission Network Access**

- (1) These General Terms and Conditions form an integral part of the capacity contract. Both the sample capacity contract and the General Terms and Conditions are published on the Internet on the transmission system operator's website. The system user hereby acknowledges that, if it also uses its own general terms of business, these General Terms and Conditions shall always prevail. The fulfilment of obligations under the capacity contract by the transmission system operator shall not be deemed to constitute acceptance of the system user's general terms of business. Any matter not covered in the capacity contract and/or these General Terms and Conditions shall be settled between the contracting parties according to generally accepted practice in the industry.
  
- (2) If a version of the General Terms and Conditions for Transmission Network Access is approved that has been amended compared with the version valid when the capacity contract was concluded, the transmission system operator shall notify the system user of the amendments without delay by registered mail or electronically and send the system user on request the amended General Terms and Conditions for Transmission Network Access. If the system user does not object to the application of the amended General Terms and Conditions of Transmission Network Access in writing within four (4) weeks of being apprised of them, the respective capacity contract shall be subject to the amended General Terms and Conditions for Transmission Network Access. The amended General Terms and Conditions for Transmission Network Access shall become effective as of the first day of the month following expiry of the period for raising an objection. If the system user objects to the application of the amended General Terms and Conditions for Transmission Network Access in writing within four (4) weeks of being apprised thereof, the transmission system operator shall be entitled to terminate the capacity contract giving three (3) months notice of termination in writing. The transmission system operator shall explicitly inform the system user in writing of the consequences of any objection.

## **XVII. Severability clause**

Should any provisions of the capacity contract, including these General Terms and Conditions for Transmission Network Access, be or become void, the validity of the remaining provisions of the capacity contract shall remain unaffected thereby. The contracting parties shall undertake to replace the invalid, legally ineffective or void provision with a new and valid provision that approximates as nearly as possible the economic, technical and/or legal intent of the invalid, legally ineffective or void provision.

## **XVIII. Force majeure**

- (1) If any contractual obligations cannot be met at all or cannot be met in timely or proper manner due to force majeure or due to fulfilling future statutory requirements as part of emergency measures, the relevant contractual obligations shall be suspended until the impediments and their consequences have been removed. Force majeure shall be deemed to include any event or any circumstance or any chain of events and/or circumstances impacting on the transportation services agreed with the transmission system operator under the capacity contract, the occurrence of which was unforeseeable and beyond the scope of influence of the contracting parties, which could not have been foreseen or avoided even by exercising due, customary and reasonable care and diligence, and which is the reason why one party cannot fulfil its obligations to the other party or cannot fulfil them within the agreed time. The foregoing shall apply specifically to war, riots, strikes or lock-outs, natural disasters or fire, epidemics, government measures or similar circumstances.
- (2) The inability of the system user to pay the fee referred to in section X shall not be regarded as a circumstance of force majeure.
- (3) The contracting party affected by force majeure shall be obliged to inform the other contracting party thereof without delay, indicating the foreseeable duration of the interruption of performance and the reasons for it.
- (4) If an event of force majeure persists more than six (6) months, the contracting parties shall make best endeavours to adjust the capacity contract accordingly.

## **XIX. Termination for good cause**

- (1) The right of either contracting party to terminate the capacity contract with immediate effect for good cause shall remain unaffected.
- (2) Examples of good cause for the transmission system operator are:
  - (a) severe breach of contract by the system user;
  - (b) institution of bankruptcy proceedings against the assets of the system user or non-institution of insolvency proceedings for lack of assets to cover costs.

In these cases the transmission system operator shall be entitled to hold itself harmless by claiming the security deposit.

## **XX. Legal succession**

If a capacity contract concluded on the basis of these General Terms and Conditions is assigned to a third party, the transmission system operator shall be entitled to require a security deposit from the new system user pursuant to section IV para. 5 to 8.



## **XXI. Warranties**

The system user assures to have an unconditional and undisputed right to transport the natural gas delivered at the entry point. The natural gas delivered by the system user shall be free of any liens, encumbrances and third-party claims opposing transportation. The system user shall be obliged to indemnify the transmission system operator for any costs, lawsuits and claims raised by third parties.

## **XXII. Liability, indemnification**

- (1) Each contracting party shall be solely liable to fulfil the obligations arising from the capacity contract.
- (2) Each contracting party shall be liable towards the other party as set forth in the general requirements of law governing compensation. In cases where such law refers to liability due to fault, except for personal injury and claims as stipulated in section 33 para. 6 Natural Gas Act 2011, the contracting party shall only be liable in cases of intent and gross negligence.
- (3) In the event of the transmission system operator's liability due to gross negligence, such liability shall be limited to direct damage at twelve times the monthly fee; with capacity contracts with terms up to one year the transmission system operator's liability shall be limited to the amount of the contractual fee. Liability for indirect damage, loss of profits and consequential losses shall be excluded to the full extent permitted by law.
- (4) The transmission system operator shall not be liable for any damage caused by malfunctioning of the online platform used for performing auctions and its improper use, in particular if caused by users not authorized by the system user and/or incorrect data input during the auctions. The system user shall indemnify and hold harmless the transmission system operator against any potential damages incurred by the transmission system operator and/or by third parties resulting from these circumstances.
- (5) The system user shall be liable without limitation for damage suffered by the transmission system operator or third parties (e.g. other system users) through natural gas or biogenic gas which does not comply with specifications and shall fully indemnify and hold harmless the transmission system operator in such cases.
- (6) The transmission system operator shall not be liable to the system user for damage suffered by the system user from legal agreements with third parties, even if such legal agreements are required in order to use the transmission system operator's service.

These General Terms and Conditions shall come into force on 01.11.2015 at 06:00 a.m.

## APPENDIX 1

to the

**General Terms and Conditions for Transmission Network Access  
of Trans Austria Gasleitung GmbH  
approved by E-Control Austria on 02.10.2015**

**Published on 05.10.2015**

### **Requirements for the participation in auctions on PRISMA Platform (hereinafter referred to as “Procedure”)**

#### **PREAMBLE**

The scope of this Procedure is to provide all the market participants with a general, transparent and non discriminatory overview on the requirements to participate in Trans Austria Gasleitung GmbH's („TAG GmbH's“) auctions on the European Capacity Platform – PRISMA primary (“PRISMA”). In case of any discrepancy between this Procedure and the “General Terms and Conditions for Transmission Network Access of Trans Austria Gasleitung GmbH” approved by Energy Control Austria on 02.10.2015 (hereinafter referred to as “GTC”), the GTC shall prevail.

#### **1 Registration**

1.1 In order to participate in TAG auctions executed on PRISMA, System User needs to register on TAG GmbH's website by performing the two-step online registration (the “Online Self-Registration”) as described in the technical rules (“User Manual”) published by TAG GmbH on its website. For Day-Ahead and Within-Day auctions System User shall also stipulate a Day-Ahead and Within-Day Capacity Contract with TAG GmbH prior to the participation in Day-Ahead and/or Within-Day auctions, whereas for Monthly/Quarterly/Yearly auctions (hereinafter referred to as “Long-Term auctions”) the System User shall enter into a Standard Capacity Contract with TAG GmbH after successful participation in the relevant Long-Term auction. For the scope of this procedure both the [“Day-Ahead and Within-Day Capacity Contract”](#) and the [“Standard Capacity Contract”](#) are hereinafter referred to as “Capacity Contract”.

In order to participate in TAG auctions, System User shall submit its request to TAG GmbH pursuant to the following conditions using the Online Registration Form:

For Day-Ahead and Within-day:           Online Self-Registration for Day-Ahead and Within-Day capacity in the TAG Pipeline System.

For Long-Term: Online Self-Registration for “Allocation of **[(Monthly/Quarterly/Yearly) period to be inserted]** Capacity available in the TAG Pipeline System starting from **[Date according to the schedule published on TAG GmbH’s website]**, 06:00 a.m. until **[Date according to the schedule published on TAG GmbH’s website]**, 06:00 a.m.”.

Above links will be accessible according to the time schedule required by such auctions.

Each Online Self-Registration has to be considered independent and shall be considered completed only after both steps have been successfully concluded {*For long-term auctions:* by **[Date according to the schedule published on TAG GmbH’s website]** at the latest}. All necessary verifications shall be performed by TAG GmbH thereafter according to Point 2.

If a System User fails to comply with any of the conditions specified in the registration its request shall be considered as null and void. This shall also apply in case the System User has given incorrect information. TAG GmbH does not accept any responsibility for any type of incomplete or wrongly submitted information.

After the Online Self-Registration has been completed and verified by TAG GmbH, System User will receive an e-mail containing the registration form as pdf-file (“e-Registration Form”).

TAG GmbH will send for each fully completed e-Registration Form an acceptance notice (“Acceptance Notice”) by e-mail to each System User provided that the security deposit (credit limit in the case of Day-Ahead and Within-Day auctions / Temporary deposit in the case of Long- Term auctions) has been received and accepted by TAG GmbH in accordance with Section IV of the GTC. By transfer of such security deposit each System User agrees and acknowledges unconditionally to accept this Procedure as well as the provisions set forth in the GTC and that it is fully aware of the meaning and content of all the provisions herein.

Requests by System User concerning changes to information (contact person and e-mail) submitted during the Online Self-Registration process are possible on working days and 72 hours prior to the auction event only.

- 1.2 For the participation in TAG auctions a separate [registration on PRISMA](#) is required. For more details please refer to the training material published on PRISMA.
- 1.3 Upon successful registration with TAG GmbH and PRISMA, TAG GmbH will approve the System User who shall receive the status “Bidder”, enabling its participation in the auctions for which the Bidder has registered. After the acceptance by TAG GmbH, Bidder’s users will receive access data from PRISMA, unless Bidder’s users already have such credentials.

TAG GmbH accepts no responsibility in case Bidder’s users do not receive in due time the Access Key (Token), Pin and Username from PRISMA which are a precondition for Bidder’s users participation in TAG auctions. Bidder is entitled to register further users

for TAG auctions which TAG GmbH shall approve after receipt of proof of authenticity signed by Bidder's authorized representatives.

## 2 Security Deposit, Credit Limit, Temporary Deposit and Capacity Contract

The security deposit for each relevant capacity auction shall be provided according to Section IV of the GTC in force.

In case the System User intends to provide a Cash Deposit the following bank account of Trans Austria Gasleitung GmbH shall be used:

ERSTE GROUP BANK AG

IBAN: AT 91 20111 20050853200 BIC: GIBAATWW

Payment reference: **[To be inserted]**

System User has to specify the payment reference as follows:

For Day-Ahead and Within-Day auctions: "Credit Limit"

For Long-Term auctions: "Temporary Deposit for Auction event held on **[Date according to the schedule published on TAG GmbH's website]**"

### 2.1 Day-Ahead and Within-Day Auctions

#### 2.1.1 Security Deposit ("Credit Limit")

In case the System User intends to provide a Bank Guarantee, the form will be sent by TAG GmbH by means of e-mail after completion of the Online Self-Registration. Any change to the wording of such form will not be accepted by TAG GmbH due to transparency and non-discriminatory reasons. Once TAG GmbH has approved the Credit Limit, TAG GmbH will publish on its website the Capacity Contract in an area reserved for TAG System Users.

Should the System User fail to fulfil all the mandatory provisions within 15 (fifteen) working days from the submission of the registration at TAG GmbH, the registration will be considered as null and void. In such case System User has to repeat the registration process with TAG GmbH, at the System User's discretion.

In case that System User has a credit rating equal or higher than A3 Moody's or equivalent Standard & Poor's or Fitch it does not have to provide a Bank Guarantee or Cash Deposit but has to notify to TAG GmbH the value of the Credit Limit.

#### 2.1.2 Capacity Contract

Day-Ahead and Within-Day Transportation Service is offered by TAG GmbH on basis of a Capacity Contract to be stipulated between TAG GmbH and the System User according to the provisions outlined herein.

- i) Starting from the effective date the Capacity Contract shall have a contract duration of two years.

The Capacity Contract can be terminated by System User at any time upon written notice of termination sent at least 1 (one) week before termination. With the expiration

of the Capacity Contract the possibility to bid at TAG auctions on PRISMA will be automatically discontinued. The last Day-Ahead auction at which System User is entitled to bid shall be carried out 2 (two) days prior to the termination date. The last Within-Day auction at which System User is entitled to bid shall be carried out 5 (five) hours prior to the termination date.

- ii) Due to the fact that in case of a cross-border bundled product the same capacity is allocated on both sides, the credit limits as well as the daily fee (reserve price) of both TSOs and the surcharge will be taken into account when performing the Credit Limit check. In case of a Credit Limit over-run PRISMA automatically blocks the submission of bids for TAG auctions (both bundled and unbundled) on PRISMA until the outstanding amounts have been settled or the amount of the Credit Limit has been increased. For avoidance of any doubt this shall also apply if the invoices were not yet issued at the point of time when the Credit Limit is exhausted. TAG will define a new Credit Limit on PRISMA as soon as the outstanding amounts are paid or an additional amount is provided.

In case of a cross-border bundled product the block of the bid(s) due to Credit Limit over-run will prevent System User from committing capacity on both sides, regardless of at which side a failure in the Credit Limit check occurs.

According to Article 2 of the Capacity Contract, in case the System User intends to increase the Credit Limit for the Day-Ahead and Within-Day auctions, a respective additional security deposit shall be provided. Such increase shall become effective upon receipt and acceptance by TAG GmbH of the request for increase of the Credit Limit.

Thereafter TAG GmbH will define a new Credit Limit on PRISMA valid earliest 1 (one) working day after acceptance of the Credit Limit increase and will inform the System User accordingly.

- iii) After the acceptance of the Credit Limit by TAG GmbH, the electronically certified Capacity Contract will be published in an area reserved for TAG System Users. System User has to read and accept all the conditions stated in the Capacity Contract and confirm the acceptance of these conditions electronically. After acceptance the certified Capacity Contract becomes effective ("Effective Date"), whereby the Effective Date inserted in the Capacity Contract will be the same date as the date of the conclusion of the Online Self-Registration. It is understood that the transportation service shall be started earliest 5 (five) working days after the electronic acceptance of the Capacity Contract. For avoidance of any doubt the date of acceptance by System User will not modify the Start-up Date of the Capacity Contract. Notwithstanding of the above, System User has to download the Capacity Contract, have it signed by two authorized representatives and send it to TAG GmbH within 15 (fifteen) working days.

If TAG GmbH does not receive said Capacity Contract in due time, the validity of the contractual conditions shall not be affected. For avoidance of any doubt, it is not possible to conclude Day-Ahead and Within-Day contracts with overlapping validity periods. In case of expiry of a Day-Ahead and Within-Day contract, it is in the responsibility of the System User to request a new Day-Ahead and Within-Day contract in due time taking into account the deadlines defined in this Procedure.

According to the provisions stated in the GTC and in the Capacity Contract, TAG GmbH has to receive any other information necessary for the transportation service not later than 5 (five) working days before the start of the transportation service.

### 2.1.3 Bids as Binding Offers

Each winning bid submitted on PRISMA in the course of a Day-Ahead or Within-Day auction and in compliance with the provisions herein set forth shall constitute a binding offer to commit for a capacity equal to the winning bid “Booked Flow Rate”, expressed in kWh/h for a period of a minimum duration of 1 hour and a maximum duration of 24 hours (“Runtime” expressed in full hours) on a “ship or pay” basis with TAG GmbH according to the terms and conditions laid down in the Capacity Contract and in this Procedure. For avoidance of any doubt in Day-Ahead auctions a capacity product of 24 hours is offered.

## 2.2 Long-Term Auctions

### 2.2.1 Temporary Deposit

The temporary deposit's value date/transaction date shall be latest **[Date according to the schedule published on TAG GmbH's website]**. The temporary deposit has to be accounted and confirmed by TAG GmbH's bank in any case not later than **[Date according to the schedule published on TAG GmbH's website]**. Transactions with value date or transaction date after **[Date according to the schedule published on TAG GmbH's website]** are considered not valid in respect of the provisions stated herein and relevant System User will not be entitled to participate in the auction event.

If a Winning Bidder refuses or, for whatever other reasons, fails to enter into the Capacity Contract with TAG GmbH, Section IV para.6 GTC shall apply.

Upon Bidder's request TAG GmbH may keep the Temporary Deposit for upcoming Long-Term auctions, otherwise TAG GmbH will return it to the bank account designated by the Bidder in the Registration Form after the auction event has been concluded.

### 2.2.2 Capacity Contract

Each Winning Bidder shall enter into a Capacity Contract with TAG GmbH by **[Date according to the schedule published on TAG GmbH's website]** (the “Effective Date” of the Capacity Contract). TAG GmbH will provide to the Winning Bidder the Capacity Contract by appropriate means (e-mail, TAG GmbH's web-based Commercial Services Area) together with the form of Bank Guarantee with the relevant amount. Any change of the wording of such form will not be accepted by TAG GmbH for transparency and non-discriminatory reasons. TAG GmbH shall receive the security deposit and the Capacity Contract duly signed by Winning Bidder not later than **[Date according to the schedule published on TAG GmbH's website]**.

Notwithstanding of the above and according to Article IV.5 of the GTC the System User has the right to select other forms of security deposit.

According to the provisions stated in the GTC and in the Capacity Contract, TAG GmbH has to receive any other information necessary for the transportation service not later than 5 (five) working days before the start of the transportation service.

### 2.2.3. Bids as Binding Offers

Each winning bid submitted on PRISMA in the course of a TAG auction and in compliance with the provisions herein set forth shall constitute a binding offer to enter into a Capacity Contract on “ship or pay” basis with TAG GmbH according to the terms and conditions laid down in the Capacity Contract and in this Procedure.

## Allocation of Capacity

### 3 Available Capacity on Offer

#### 3.1 Day-Ahead and Within-Day Capacity

Day-Ahead and Within-Day Auctions will be executed according to the time schedule published on PRISMA.

In case of a bundled product the bundled capacity shall be determined by the smaller capacity of the two capacities offered by the bundling TSOs. The delta between the two offered capacities might be offered by the TSO with the higher available capacity as unbundled capacity.

#### 3.2 Long-Term Auctions

TAG GmbH will perform on PRISMA independent auctions for each Entry and/or Exit point separately starting on [**Date according to the schedule published on TAG GmbH's website**] (CET) according to the Multi-Round-Ascending Clock principle as defined in the CAM Network Code.

TAG's available [monthly/quarterly/yearly] capacity (excluding surrendered capacity, if any) for each relevant Entry/Exit Point will be published on TAG website in the capacity table.

The available **[(bundled/unbundled) (monthly/quarterly/yearly) period to be inserted]** capacity (including surrendered capacity, if any) for each relevant Entry/Exit Point will be published and auctioned on PRISMA according to the PRISMA Calendar.

## 4 Auction

After the conclusion of the auction each participant will be automatically notified about its result by PRISMA by e-mail. The result is binding and the transportation service will be treated as “ship or pay” transportation service.

According to Section IV para.9 GTC it is in the responsibility of the System User to allocate the awarded capacity to a valid Balance Group in due time.

## **5 Fee**

The Fee to be paid to TAG GmbH on monthly basis by each successful System User is determined by multiplying the TAG GmbH Unit Clearing Price (=TAG GmbH reserve price + TAG GmbH surcharge) with the allocated Capacity pursuant to the Capacity Contract and in accordance with the Gas System Charges Ordinance (GSNE-VO 2013) as published on 19.09.2012 by E-Control and as subsequently amended.

If within the framework of an auction the System User purchases capacity at an auction price higher than the tariffs specified according to 72 et sqq. Natural Gas Act 2011, the System User shall be obliged to pay that auction price for the term of the contract.

For more details please refer to the Capacity Contract and to TAG GmbH's [Tariff Calculator](#).

## **6 Electronic bidding rules and regulations for the auction**

### **6.1 Scope**

- i) The System User(s) take(s) part in the auctions connecting via Internet to the PRISMA website. They will insert their bid according to the [General Terms and Conditions for Use of the PRISMA Capacity Platform](#).
- ii) The System User authorizes TAG GmbH to record the contacts by telephone or computerized systems.

### **6.2 Rules for the Use of the Access Data**

The direct, indirect, total, partial, voluntary or involuntary divulgence of the access data to third parties is wholly under the responsibility of the System User who will be liable for any damage suffered by TAG GmbH as a consequence of the divulgence of the access data.

## **Miscellaneous**

### **7 Reference to Time**

Any reference to time shall be construed as to whatever official time in force in Austria (CET).

Working Day in the context of this Procedure refers to every day of the year other than Saturday, Sunday, statutory holidays in Austria as well as 24 and 31 December.

### **8 Inconsistency**

In case of any inconsistency between this Procedure and the TAG GmbH's User Manual, the provisions laid down in this Procedure shall prevail.



In case of any inconsistency between this Procedure and the documentation published on PRISMA concerning TAG's auctions, the provisions laid down in this Procedure shall prevail.

In the event of any conflict between this Procedure and the Capacity Contract, the Capacity Contract shall prevail.

## **9 Exclusion of Liability**

In addition to Section XXII para.4 GTC, TAG GmbH, including its employees, servants, representatives and agents, shall not be liable for any direct or indirect loss (including loss of profit) damage or cost arising out of or in connection with the use of the Online Auction web application, including reliance upon the information and material contained within said system. TAG GmbH gives no warranty for the Online Auction web application tools (e.g. server) being free of viruses or other dangerous elements and being available without interruptions or at all, except in case such loss, damage or cost arises out of or results from gross negligence or wilful misconduct.

TAG GmbH reserves the right to update at its sole discretion at any time and without prior notice or liability any information directly or indirectly related to this Procedure. While TAG GmbH makes every effort to provide accurate and complete information, various data may change prior to updating. All information is given without warranty, expressed or implied, as to the accuracy, reliability or completeness of furnished data.

TAG GmbH assumes no liability for misprints, for the correctness and completeness of information and entries or for the mode of presentation and informs that System User(s) are solely responsible for any decisions made on the basis of the information provided in the context of this Procedure.

System User(s) connect to the Online Auction web application at its costs and risk, bearing in particular the costs of terminals, telephone and provider charges.

TAG GmbH accepts no liability whatsoever that any information related to the auction event (Procedure, User Manual, Online Auction web application) is complete, accurate or current. This also applies to any links provided directly or indirectly by this Procedure for information purposes.

Any communication or notice required or permitted to be given under this Procedure shall be made in writing (English language shall be used).

TAG GmbH cannot be held responsible for any information which is not in writing.

TAG GmbH accepts no liability whatsoever for the content of third-party websites that can be accessed via links from the TAG GmbH's website. Any access to third-party websites is at the sole responsibility of the user.

By submitting the Registration System User agrees and acknowledges that the auction event is subject to this Procedure and that it is fully aware of the meaning and content of all the provisions herein.

## **10 Dispute Resolution**

All disputes arising out or in connection with the provisions laid down in this Procedure shall be finally settled under the most recent version of the Rules of Arbitration of the International Chamber of Commerce (the “Rules”) by three arbitrators appointed in accordance with said Rules. The arbitral tribunal shall sit in Vienna; language of the proceedings shall be English.

Austrian law (excluding rules and regulations governing conflict of laws) shall be applicable to the dispute in any respect, i.e. also as code of procedure where the Rules are silent.

Except where explicitly otherwise indicated above, all capitalised and uppercases terms shall have the meaning ascribed to them in the GTC and in the Capacity Contract.