

REGENT – Rules Haidach

on the implementation of No. 2 and 2 of the operative part of the Federal Network Agency's decision concerning the periodic decision-making regarding the reference price methodology and the other points listed in Article 26 (1) Regulation (EC) No 2017/460 regarding all transmission system operators (determinations BK9-19/610 of 11.09.2020, hereinafter referred to as "**REGENT 2021**").

According to section 2 of the operative part of **REGENT 2021**, network operators are obliged to offer a discounted network tariff at entry and exit points at storage facilities, if and to the extent that a storage facility which is connected to more than one transmission or distribution system directly or, to avoid the threat of direct line construction, indirectly, is not used as an alternative to a grid connection point.

The network operator must have the storage operator prove the non-usability of the storage facility with discounted capacities as an alternative to a grid connection point in accordance with section 2 of the operative part of **REGENT 2021**.

Moreover, at the **Storage**, as the case may be, a reduced tariff may be applied according to section 3 lit. b) (2) and (4) of the operative part of **REGENT 2021** with respect to working gas quantities that are injected into or withdrawn from the **Storage** (hereinafter referred to as "**reduced tariff**"). Pursuant to section 3 lit. b) (5) of **REGENT 2021**, quantities that have been priced with the **reduced tariff** may not be used to circumvent regular tariffs for the crossing of market areas. Working gas quantities injected at a discount may not be transported to Austria using the **reduced tariff** and working gas quantities injected from Austria at a **reduced tariff** may not be withdrawn at a discount.

With effect from 01.10.2021 **REGENT 2021** replaces the decision of the Federal Network Agency dated 29.03.2019, ref. no. BK9-18/610-NCG and BK9-18/611-GP (hereinafter referred to as **REGENT**) due to the merger of the previous market areas Net Connect Germany and GASPOOL into the joint market area "Trading Hub Europe" (hereinafter referred to as "**THE**") with effect from 01.10.2021.

Therefore, **SEFE Storage** and **Storage Customer** agree to the following:

Section1 Installation of discount and non-discounted accounts in the Storage by SEFE Storage

1. **SEFE Storage** undertakes to keep a separate account for each **Storage Customer** to which the working gas quantities are booked, which are
 - a. injected and withdrawn from the **Storage** using exit or injection capacity of the network operator at the storage connection point, which is priced with a discounted tariff in accordance with the provisions of section 2 sentence 1 of the operative part of **REGENT 2021** (hereinafter referred to as "**discounted capacity**") (hereinafter referred to as "**discount account THE**"),
 - b. injected into and withdrawn from the **Storage** using exit or entry capacity of the network operator at the storage connection point which is not priced with a discounted tariff according to the provisions of Number 2 Sentence 1 of the operative part of **REGENT 2021** (hereinafter referred to as "**non-discounted capacity**") (hereinafter referred to as "**non-discounted account THE**"), and

- c. are injected and withdrawn from **Storage** using dynamically allocable exit or entry capacity (DZK) of the network operator at the storage connection point which can be priced with a **reduced tariff** (hereinafter referred to as "**reduced capacity**") (hereinafter referred to as "**non-discount account THE reduced**").

The provisions of section 2 number 2 lit. d) and e) remain unaffected.

2. **SEFE Storage** shall initially ensure that a reclassification of gas volumes

- a. between the **discount account THE** and a **non-discount account THE** as well as
 - b. between the **discount account THE** and a **non-discount account THE**,
- is not possible in either direction.

Working gas quantities which were stored in discount or non-discount accounts from the THE market area prior to 01.10.2021 shall be allocated to the corresponding **discount account THE** or **non-discount account THE** with effect from 01.10.2021, 06:00 am. These working gas quantities shall be deemed to have been originally injected from the **THE** market area as of 01.10.2021, 06:00 am.

Section 2 Entry of exit and entry capacities into balancing groups/sub-balancing accounts and allocation of working gas quantities to discounted and non-discounted accounts in the storage facility

1. In accordance with **REGENT 2021**, the network operator shall ensure that a transport customer
 - a. can only place **discounted capacity** into a balancing group/sub-balancing account without a special designation for non-discounted capacity (hereinafter referred to as "**Bdiscounted**"),
 - b. can only place **undiscounted capacity** into a specially marked balancing group/sub-balancing account for non-discounted capacity (hereinafter referred to as "**Bnon-discounted**"), and
 - c. can only place **reduced capacity** into a specially marked balancing group/sub-balancing account for **reduced capacity** without access to the virtual trading point of the **THE** market area (hereinafter referred to as "**Breduced**").
2. **SEFE Storage** shall initially ensure that working gas quantities under the **Storage Service Agreements** concluded between the **Contractual Counter Party** which
 - a. are injected from a **Bdiscounted** are exclusively allocated to a **discount account THE**,
 - b. are injected from a **Bnon-discounted**, are exclusively allocated to a **non-discounted account THE**,
 - c. are injected from a **Breduced**, are exclusively assigned to a **non-discounted account THE reduced**,
 - d. are withdrawn from a non-discounted account,
 - i. are either transferred to a **Bnon-discounted**

- ii. or be transferred to a **Bnon-discounted THE**,
 - iii. or, if the injected working gas quantities can be proven to have been transferred back to the **THE** market area from which the working gas quantity in question was originally injected, to a **Bdiscounted**, and
- e. are withdrawn from a **discount account THE**, are either transferred to a **Bdiscounted** or, if the injected working gas quantities can be proven to be withdrawn again into the market area **THE** from which the working gas quantity in question was originally injected, are transferred to a **Bnon-discounted**.

The working gas quantities are allocated to the respective accounts of the **Storage Customer** by means of different balancing group codes. The **Storage Customer** shall inform **SEFE Storage** of the balancing group codes to be used by the **Storage Customer** no later than five (5) calendar days before the start of the **Storage Service Agreement**.

3. If the **Storage Customer** and the network operator have agreed on invoicing in accordance with recital 558 of **REGENT 2021**, the **Storage Customer** shall be responsible to submit the written information of the respective network operator to **SEFE Storage** in a timely manner. In this case, a transfer from the **discount account THE** to the **non-discounted account THE** or from the **non-discounted account THE reduced** to the **discount account THE** may be performed in deviation from section 1 number 2, sentence 1.
4. If an allocation or transfer of the working gas quantities cannot take place in accordance with number 2, **SEFE Storage** will reduce the nominations concerned to zero in the context of matching and communicate this to the network operators.
5. According to **REGENT 2021** the network operator is obliged to review the balance of the respective balancing groups on a monthly basis or at the end of the term of the capacities used within the meaning of Tenor 3 b) (1) of **REGENT 2021** in order to determine the utilisation of the virtual trading point by means of the capacities used.
 - a. If, in the case of section 2 number 1 lit. a. or lit. b., the balance for the respective balancing group is balanced in every hour of the booking period of the respective capacities upon proof of the shipper vis-à-vis the network operator, these capacities can be subsequently settled as **reduced capacity** in accordance with Tenor 3 b) (1) of **REGENT 2021**, provided that the working gas quantities fed into the balancing group from the beginning of the term of the respective capacities were present in the **non-discounted account THE reduced** at all times until the subsequent settlement. The working gas quantities withdrawn from the **non-discounted account THE reduced** in this context must be subsequently credited to the **discount account THE** in the case of section 2 number 1 lit. a. or to the **non-discounted account THE** in the case of section 2 number 1 lit. b.. According to **REGENT 2021** the network operator shall inform **SEFE Storage** of this after prior consultation with the transport customer.

In the event of injection, the **REGENT 2021** obliges the network operator to inform **SEFE Storage**, after prior agreement with the transport customer, which working gas quantities are to be subsequently credited to the **non-discounted account THE reduced** and from which storage account these working gas quantities are to be withdrawn.

- b. If in the case of section 2 number 1 lit. c. the balance is demonstrably not balanced in every hour, the capacities used for the unbalanced part of the balance must be subsequently settled as **discounted capacity**, provided that the working gas quantities fed into the balancing group from the beginning of the term of the respective capacity were available in the **discount account THE** or the **non-discounted account THE** (exclusively quantities which were stored from the market area **THE**) at any time until the subsequent settlement. The working gas quantities withdrawn from the corresponding accounts in this context must be credited to the **non-discounted account THE reduced** afterwards. Otherwise, the respective capacity is subsequently billed as **non-discounted capacity** for the entire booking period.

According to **REGENT 2021** the network operator is obliged inform **SEFE Storage** of this after prior consultation with the transport customer.

After injection, **REGENT 2021** obliges the network operator to inform **SEFE Storage**, after prior agreement with the transport customer, which working gas quantities are to be subsequently withdrawn from the **non-discounted account THE reduced** and to which storage account these working gas quantities are to be credited.