

Third Party Access Guide

to the Greek Natural Gas Transmission System



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Disclaimer

This document (the "NNGTS Third Party Access Guide") provides certain information regarding the natural gas transmission model and the related services offered by DESFA S.A. Present document is prepared by DESFA SA for general information and illustrative purposes only and it is intended to offer a brief overview of the Network Code and the relevant procedures. The information contained herein is indicative, non-binding and non-contractual in nature and in no case should it be considered as exhaustive. Please note that the NNGTS Third Party Access Guide may be amended from time to time pursuant to regulatory provisions defined by the relevant regulatory authority or imposed by the Greek or European authorities.

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1. Introduction

The Hellenic Gas Transmission System Operator (DESFA) S.A. was established in 2007, following the provisions of law 3428/2005 on liberalization of the natural gas market, aimed in the harmonization of Greek legislation with Directive 2003/55/EC.

DESFA S.A. is the owner and Operator of the Greek National Natural Gas System (as in Law 4001/2011) which includes the National Natural Gas Transmission System (pipelines with design pressure above 19 barg) and the LNG terminal station at Revithousa Island.

The company is responsible for the operation, management, exploitation and development of the National Natural Gas System (NNGS) and its interconnections, in order for it to be economically efficient, technically sound and integral and to serve the needs of the Natural Gas Users in a safe, adequate, reliable and economically efficient way, as defined in law 4001/2011.

Management of NNGS, which is subject to Third Party Access, is governed by the provisions of European Union's and National legislation.



2. Natural Gas Transmission in Greece

2.1 The Greek National Natural Gas System

The Greek National Natural Gas Transmission System (NNGTS) consists of 4 Entry Points (at the Greek – Bulgarian border, the Greek - Turkish border, the Entry Point Nea Mesimvria (IP with TAP) and opposite to the Revithousa LNG Terminal) and 46Exit Points. In the IP Kulata (BG)/Sidirokastro (GR) physical reverse flow (from GR to BG) is also supported.

The main transmission pipeline that extends from the Greek-Bulgarian border at Promachonas to Attica has a total length of 512km and a design pressure of 70 barg.

Transmission branches with total length 953,2 km extend from the main transmission pipeline and supply natural gas to the regions of Eastern Macedonia, Thrace, Thessaloniki, Platy, Volos, Trikala, Oinofyta, Antikyra, Aliveri, Korinthos, Megalopoli, Thisvi and Attica.





2.2 Main Natural Gas Market Players in Greece

The competent authority for overseeing and regulating the Greek natural gas market (NRA) is the **Regulatory Authority for Energy** (<u>RAE</u>).

Companies that participate in the Greek natural gas market fulfil one or more of the following roles:

DESFA S.A. is the Transmission System Operator (TSO) that owns and operates the Greek high-pressure natural gas transmission system (NNGTS) and the LNG facility located on the island of Revithousa.

Transmission User, is a natural person/ legal entity for which DESFA S.A. transports gas through the NNGTS, using contracted transmission capacity under terms and conditions set forth in the Standard Transmission Framework Agreement (TFA), signed between the User and DESFA S.A.

Distribution System Operator (DSO), is a company that distributes natural gas at a lower pressure to final customers connected to its distribution network, including households and small and medium-sized enterprises. There are 4 natural gas distribution system operators in Greece (EDA Attikis, EDA THES, DEDA, HENGAS) connected to the NNGTS through a total of 22 Distribution Network Exit Points.

A **final customer** is an **end-consumer** of natural gas. Final customers are either directly connected to the NNGTS or to a distribution network. There are currently 20 final customers directly connected to NNGTS Exit Points, (big industrial consumers and power plants). As of 01.01.2018 all final customers are considered eligible, meaning that they are able to freely select their gas supplier.

A **Supplier** is a company that imports, exports or trades natural gas. In order to supply natural gas to a final customer, a relevant license from RAE is required.

2.3. Transmission Model

DESFA offers transmission services to its Transmission Users by implementing an **Entry/Exit model**. According to this model, natural gas entering the NNGTS at one or more Entry Points, can either be delivered to one or more domestic Exit Points, be traded at the **Virtual Trading Point (VTP)** or be exported via reverse flow (physical or backhaul) to Bulgaria, Turkey or to TAP.

Transactions (capacity booking, nominations / confirmations / allocations etc.) between DESFA and the Transmission Users are effected through DESFA's Electronic Information System (<u>EIS</u>).



3. Natural Gas Transmission Services

3.1 Pre-conditions for accessing the NNGTS

A company that wishes to access the NNGTS should first be registered as an NNGS (National Natural Gas System – Transmission and LNG) User, in the relevant registry kept by RAE. The NNGS Users are classified as either Natural Gas Suppliers, Eligible Customers or Third Parties. For further information, please contact <u>RAE</u>.

3.2 Transmission Framework Agreement

For the provision of transmission services in the NNGTS, a Transmission Framework Agreement (TFA) with DESFA S.A. must be concluded. The legalization documents required to sign a <u>TFA</u> and become a Transmission User, are available <u>here</u> (Annex 1A)

The Transmission Framework Agreement is valid for an indefinite period and there are no costs associated with the conclusion of the Agreement as long as there is no capacity booking or trading activity at the VTP.

3.3 Capacity booking

3.3.1 First Come, First Served basis (FCFS)

For all domestic Exit Points and for the LNG Entry Point, transmission capacity booking takes place on a **First Come, First Served basis (FCFS)** via DESFA's <u>Electronic</u> <u>Information System (EIS)</u> by submitting a digitally signed application. Access to the EIS is granted after conclusion of the Transmission Framework Agreement (TFA).

Transmission capacity through the FCFS procedure can be booked for any period with a minimum duration of 1 Gas Day and a minimum capacity of 1 kWh/Day.

The application for capacity booking must be submitted no later than 10:00 am (EET) of the Day preceding the starting Day of the provided services, with the notable exception of Day-Ahead (DA) capacity. In this case, the deadline for submitting the application is 21:00 (EET) of the Day preceding the Gas Day concerned.

For the LNG Entry Point named "Agia Triada", the Operator announces in the EIS, by 10:00 (EET) of the Day D the Transmission Capacity for Delivery offered on intraday basis and the Application may be submitted, by 19:00 (EET) of the Day D.

3.3.2 Capacity Auctions

For the Greek – Bulgarian cross-border Interconnection Point Kulata (BG) / Sidirokastron (EL) where transmission capacity is auctioned as per the CAM NC provisions, standard capacity products are offered via the <u>Regional Booking Platform</u> according to the applicable auction calendar published by ENTSOG.

DESFA also cooperates with the electronic auction platform <u>Prisma</u> for Transmission Capacity booking



- at the new Interconnection Point with TAP (Nea Mesimvria), and
- at the Greek Turkish cross-border Interconnection Point Ipsala (TR) / Kipi (EL),

according to the provisions of Regulation 459/2017.

In detail, DESFA offers, through auctions, the below firm capacity products:

- Yearly capacity (gas years)
- Quarterly capacity
- Monthly capacity
- > Daily Day Ahead (DA) capacity
- Within-day (WD) capacity

More information is available here.

DESFA, also, offers interruptible capacity (through auctions) if all firm capacity at the above Interconnection Points is sold out/ or the responding firm auction has closed with a premium. Interruptible capacity is offered as the above products- except of within day.

3.3.3 Virtual Trading Point (VTP)

No capacity booking is needed to participate in trading at the VTP; however, an access request must be submitted to and approved by DESFA, via the EIS. Only Transmission Users have the right to submit an application for accessing the VTP.

(The VTP is defined as being a virtual point of the NNGTS, other than Entry and Exit Points, where Natural Gas Quantities are traded between Transmission Users, as well as between Transmission Users and the Operator, for gas balancing and offsetting of Operational Gas purposes).

3.4 CMP measures

Congestion Management Procedures (CMPs) in the Interconnection Point Kulata (BG) / Sidirokastron (EL) are fully implemented since 2014.

The Following CMP measures are implemented by DESFA:

- (a) Surrender of Capacity (SoC),
- (b) Long Term Use It Or Lose It (LT UIOLI) and
- (c) Oversubscription & Buy Back (OBB).

3.5 Secondary capacity market

Transmission Users can perform Transmission capacity transfers. The contracting parties are obliged to inform DESFA and submit all the details regarding the transfer by 13:00 (EET) of the Day before the Day the transfer takes place.



Capacity leasing between a Transmission User and a User is also possible without the approval of the TSO, allowing them to manage the capacity they have booked in an efficient and cost-effective manner. The Users are obliged to inform DESFA within two (2) working days of the completion of the capacity leasing contract.

3.6 Guarantees

A Transmission User who wishes to apply for capacity booking or participate in gas trading at the VTP, has first to provide to DESFA appropriate guarantees.

[A] The minimum required total guarantee level for capacity booking is determined by taking the sum of the following factors:

 G_{cap}: The guarantees that must be submitted in order to book capacity, equal to the <u>capacity charge</u> multiplied by a factor A which depends on the duration of the services to be provided, as per the table below:

Duration of Services (Gas Days)	Factor A (%)
1 ≤ D ≤ 5	100
5 < D ≤ 90	50
90 < D < 365	$50 - (\frac{D-90}{275} \times 30)$
D ≥ 365	20

2) G_{bal} : The guarantees for balancing are calculated daily as the sum of the product of Transmission User's balancing position (deliveries – offtakes) multiplied by the Settlement Price, applicable for the Gas Day concerned and the G_{bal} of the immediately preceding Gas Day. For a new Transmission User, the minimum guarantee that must be provided equals to $G_{bal,ini}$. $G_{bal,ini}$ factor is calculated after the approval of Transmission User's first application, according to the following formula:

G_{bal,ini} = BTC x MAXEXP x BGMBP

Where:

BTC (kWh/Day) is the booked transmission capacity,

MAXEXP (Days) is the duration of the booking (if duration of booking exceeds 5 Days, then MAXEXP equals to 5),

BGMBP (ϵ/kWh) is the average of the Balancing Gas Marginal Buy Price for the last twelve months.

 $G_{bal,ini}$ is recalculated for each Transmission User within the month October of each year by taking into account the maximum Daily Charge of that User for the immediately preceding twelve months. $G_{bal,ini}$ has a minimum of $100.000 \in$ and a maximum of $2.000.000 \in$ (pls. refer to par. 8 & 9, article 8 in the Transmission Framework Agreement).



The factor Gbal is determined every Day by considering the indicative entry and exit allocations of the Transmission User and is revised according to the final allocations (please refer to par. **4.4**). In case of positive balancing position, the amount of guarantees required for balancing is reduced, though it cannot be lower than G_{balini}.

3) G_{auct} : If a Transmission User wishes to participate in the auctions for capacity booking at the IP Kulata (BG) / Sidirokastron (EL), Interconnection Point with TAP (Nea Mesimvria) and/or at the IP Ipsala (TR) / Kipi (EL), then it is mandatory to declare through the Electronic Information System the amount to be reserved for the auction (G_{auct}). In particular, a Transmission User shall specify until 13:30 (EET), the daily amount (G_{auct}) so as to be able to participate in auctions starting or are in progress from 16:00 (EET) of the same Day (D) until 16:00 (EET) of Day D+1. In case capacity through auctions is allocated to a Transmission User, the part of G_{auct} corresponding to the booked capacity converts to G_{cap} . The amount of G_{auct} is at the Transmission User's discretion therefore it should be set at an appropriate level to cover the reserve price of the desirable product plus any premium resulting from the auction.

Acceptable forms of guarantees are either a Letter of Bank Guarantee for an indefinite or fixed period of time, and/or cash deposit to DESFA's account. The guarantees should cover, at a minimum, a period of time starting from the signing of the approved capacity booking application (-s) and ending until the third working day from the day the charges related to the respective services are fully paid – off.

The total monthly guarantee amount is released three working days after the charges related to the respective services are fully paid – off, and becomes available act as a guarantee for new services. The amount of available (not reserved) guarantees of a Transmission User represents the User's Net Position. It can be at any time increased by providing additional guarantees or decrease by requesting to return part or all of previously submitted guarantees.

Important notice: guarantees cannot be used for invoicing payments and can be released only when the relevant invoices have been fully paid - off.

[B] The $G_{bal,ini}$ factor for trading in the VTP without capacity booking equals to 100.000.



4. **Operating Rules**

4.1 Nomination Procedure

Daily Nominations and Re-Nominations are submitted to the TSO by the Transmission Users, via the Electronic Information System (EIS) either by using a web-based interface, or by uploading an Edig@s – coded xml file.

Transmission Users may submit their Nominations (Nomination) for a specific Gas Day until 15:00 (Local Time) of the previous Day (Nomination Deadline). In addition, Transmission Users may submit Daily Re-Nominations (Re-Nomination) for a specific Gas Day on for all other Entry or Exit Points except from "Agia Triada" (Entry Point of the LNG Terminal, within the Re-Nomination Period starting at 17:00 of the previous Day and ending at 04:00 (3 hours before the end of the Day concerned). Nominations and Re-Nominations need not be balanced regarding Entry and Exit quantities.

The Re-Nomination Period for Re-Nominations is divided into thirty-five (35) Renomination Cycles.

For the Entry Point Agia Triada there are:

- (a) Eleven (11) Day ahead Re-nomination Cycles. Users can submit their Re-Nominations for the Day D every hour with beginning 18:00 of Day D.
- (b) Three within Day Re-nomination Cycles. Users can submit their Re-Nominations for the Day D from 04:00 of Day D up to 13:00 of Day D, from 13:00 of Day D up to 17:00 of Day D, and from 17:00 of Day D up to 21:00 of Day D.

By submitting a nomination/re-nomination to DESFA through EIS, each Transmission User indicates how much gas wishes to transport during a certain Gas Day (kWh/d) at a network Exit or/and Entry Point.

A nomination/re-nomination will be rejected by DESFA in the following cases:

- Nominated Entry / Exit points do not correspond to the Transmission User's capacity booking applications
- The nominated quantity exceeds the capacity booked for a given Point
- For intra-day re-nominations, the **Hourly Re-Nomination Rate** formula is violated (for negative flow to be avoided)
- The nomination is incomplete (i.e. one or more Points are omitted)

In case an initial nomination is rejected, the User's confirmed quantities are set to zero. This will also happen if the User doesn't nominate at all; a zero nomination will then be assumed. In case a re-nomination is rejected, the User's nominated quantities are set equal to their last previously confirmed quantities. Finally, if there is no re-nomination submission for a given cycle, the User's last valid nomination/re-nomination is used instead.



4.2 Nominations at the Interconnection Point Kulata-Sidirokastro and Nea Mesimvria

At the Interconnection Point Kulata (BG) / Sidirokastron (EL) nominations are exchanged between the two TSO's (DESFA and Bulgatransgaz).

At the Interconnection Point Nea Mesimvria (DESFA – TAP) nominations are exchanged between the two TSO's (DESFA and TAP)

DESFA is the matching TSO in both Interconnection Points. Nominations are evaluated on the basis of the standard matching rule, the Lesser of Rule (LoR): The lowest value of the nomination will be confirmed. Both TSO inform their own Users for their confirmed Quantities.

If it is necessary to interrupt capacity booked as interruptible, the interruptions will be applied by timestamp priority order.

4.3 Trade Notifications at the VTP

Daily Trade Notifications are submitted to the TSO by the Transmission Users, via the Electronic Information System (EIS) either by using a web-based interface, or by uploading an Edig@s – coded xml file.

Transmission User A may submit a Trade Notification with Transmission User B and can modify/withdraw it up to the moment that the Transmission User B submits the matching Trade Notification. It is possible for Transmission User A and Transmission User B to modify the NG quantity traded between each other during a Day D by submitting new Trade Notification (s) in the same direction, if they want to increase the traded quantity or in the opposite direction, if they want to decrease it. Nominations at the VTP are evaluated based on the standard matching rule, the Lesser of Rule (LoR).

4.4 Allocations

4.4.1 Allocation Process

No later than 14:00 local time of Gas Day D+1, DESFA provides each network user with an **indicative** allocation for its inputs and off-takes on Gas Day D and an indicative daily imbalance quantity. The latter is also used to calculate the Gbal factor (par. 3.6). Measurements used to carry out the indicative allocation are not validated. The prorata allocation rule is applied for all NNGTS Points at this stage, except for the IP Kulata (BG) – Sidirokastron (EL).

No later than the 5th working day of Month M+1, DESFA provides each network user with an **initial** allocation for its inputs and off-takes on each Gas Day of the previous Month M. Measurements used to carry out the initial allocation are validated by



DESFA. The pro-rata allocation rule is applied for all NNGTS Points at this stage, except for the IP Kulata (BG) – Sidirokastron (EL) and the IP Nea Mesimvria.

No later than the 10th working day of Month M+1, DESFA provides each network user with the **final** allocation for its inputs and off-takes on each Gas Day of the previous Month M. The final allocation is carried out with respect to the Allocation rules described in the next paragraph.

4.4.2 Allocation Rules

The following Allocation Rules are currently in place:

- 1. **Pro-Rata:** Natural gas quantities are allocated proportionally to the Network Users' confirmed quantities. Reallocation agreements between Network Users are possible (except for the LNG Entry Point).
- OBA: As per the Business Rules of the Interconnection Between DESFA and the Bulgarian TSO for the IP Kulata (BG) – Sidirokastron (EL) and the IP Nea Mesimvria.
- 3. **DSO:** Natural gas quantities that are measured at the NNGTS Exit Point Distribution Network Entry Point are allocated by the downstream Distribution System Operators. Applied only in the Final Allocation Stage.
- 4. **VTP:** Confirmed natural gas quantities at the VTP are allocated to the Network Users involved in the transaction.

A list of the applicable Allocation rule at each NNGTS Entry/Exit Point can be found <u>here</u>.

5. Balancing

5.1 Balancing regime

The gas transmission network (NNGTS) must be in balance so that gas is transported safely, economically and effectively. 'In balance' means that the transmission network operates within its pressure limits and that the overall volume of gas removed from the network matches the volume entering it.

Each Transmission User is responsible for balancing the quantity of gas received from and delivered to the NNGTS (including the VTP), which means that the Network Users share responsibility for maintaining the balance of the transmission network. Each Transmission User shall take all the available measures in order to balance its portfolio. In case the imbalances of a Transmission User exceed the respective tolerance limits, extra charges are imposed by the Operator (DESFA).

While the position of the transmission network remains within its operational limits, the NNGTS is considered to be in balance and DESFA doesn't need to take any action.



If the NNGTS gets out of balance, DESFA proceeds with the required balancing actions and takes any measure deemed necessary so as to ensure the safe and effective operation of the network.

5.1.1. Balancing Gas

DESFA ensures the physical balancing of the NNGTS, taking into account Network Users' deliveries and off-takes as well as the system's losses and linepack. Towards this aim DESFA utilizes the following tools:

Conducts auctions for Short-Term Standardized Products to buy or sell balancing gas, via Enex

 Purchases and uses Balancing Services. To this end, DESFA buys and stores, in the tanks of the Revithousa LNG terminal, LNG quantities, which are procured via an international tender, held annually. Each time it is deemed necessary DESFA injects re-gasified LNG (Balancing Gas) into the NNGTS, to assure that it operates above its minimum operating pressure.

5.1.2. Operational gas

DESFA is responsible to compensate the Operational Gas of the NNGTS, i.e. the gas consumed for the operation of the NNGTS (compressors, boilers etc) and the physical losses of the system. The Natural Gas injections to which the Operator proceeds to compensate the Operational Gas are not deemed Balancing Actions.

At the end of each Month, DESFA allocates the Daily Delivery of Operational Gas for each Day of this Month to the Transmission Users, proportionally to the Transmitted Quantities of each Transmission User at the corresponding Day.

5.1.3. Unaccounted-For Gas (UFG)

The Unaccounted-For Gas (UFG) during a period is defined as the difference between the NG deliveries and off-takes in the NNGTS over this period, considering also the change of the system's linepack during the same period. UFG is due to the uncertainty in the determination of measured and calculated quantities and to unaccounted losses. The UFG can be positive, negative or zero.

The UFG Quantity is allocated on each Day of the previous Month proportionally to the Transmitted Natural Gas Quantities per Day for all the Transmission Users.

5.2 Balancing Charges

There are additional charges to compensate for DESFA's expenses for the balancing of the NNGTS, which consist of:



5.2.1. Daily imbalance Position Charge

The settlement of imbalances is performed daily (indicative values) using a Reference Price. The remaining imbalance, according to the provisions of BAL NC Commission Regulation (EU) No 312/2014, is charged/reimbursed at the Marginal Buy/Sell Prices that are derived from auctions results at the Balancing Platform. Final calculations are performed upon the publication of the Final Allocations for the Gas Month in question, and an invoice is issued.

5.2.2. Imbalance Settlement Prices

The marginal sell price for a Gas Day is the lower of: (i) the lowest price of any sales of title products in which the transmission system operator is involved in respect of the Gas Day; or (ii) the Weighted Average price of gas in respect of that gas day, minus a small adjustment equal to 10%The marginal buy price for a Gas Day is the higher of: (i) the highest price of any purchases of title products in which the transmission system operator is involved in respect of the gas day; or (ii) the Weighted Average Price of gas in respect of that gas day, plus a small adjustment equal to 10%



5.2.3. Operational Gas Charges

Each Transmission User is allocated and charged with the cost of a quantity of Operational Gas (i.e. Gas that DESFA buys to compensate for NNGTS natural losses and own consumption) for each Gas Day, proportional to his daily Transported Quantity (= Delivery + Offtake, not taking into account quantities traded at the VTP).

5.2.4. Neutrality Charges

DESFA registers all revenues and expenses that concern the balancing of the NNGTS to a distinct Balancing Account. Likewise, all revenues and expenses that concern the NNGTS Operational Gas offsetting are registered in a distinct Operational Gas Account. Both accounts are settled to neutral position (zero balance) at the end of each Month, via a neutrality charge/reimbursement to all Transmission Users. The balance to be settled for each account each Month is published in the following links:

- Balancing Account
- Operational Gas Account



6. Invoicing

6.1. Basic Transmission Charges

Transmission charges for each NNGTS point consist of two components: a) a capacity charge based on booked transmission capacity and b) a commodity charge based on the actual allocated natural gas quantity. A different tariff is applied for each NNGTS point, depending on the zone in which it belongs. Individual charges are calculated as follows:

Reserve Price [Capacity Charge]: $P_D = (D/365) X P_R X M_D$

Where:

P_D (€/kWh) is the reserve price for the respective capacity product with a duration of D gas days.

 M_D is the level of the short-term multiplier corresponding to the duration D of the respective capacity product. It is equal to one for annual (or longer) products.

P_R (€/kWh/Day/year) is the reference price (reserve price for annual product) for the specific NNGTS zone, according to the current tariff regulation.

D is the duration of the respective capacity product expressed in gas days. (minimum duration is one Gas Day, meaning that within-Day products are treated as having a duration of one Gas Day)

For leap years, the formula shall be adjusted so that the figure 365 is substituted with the figure 366.

In case of interruptible capacity, an ex-ante discount equal to the probability of interruption is applied to the reserve price of the respective product for firm capacity.

For standard capacity products at Interconnection Points, the reserve price may be increased by a possible auction premium.

Commodity Charge: A commodity-based proportional tariff, CT, expressed in (\notin /kWh) is applied to the total allocated quantity (for the invoicing period) at each NNGTS Domestic Exit point. (does <u>not</u> apply for NNGTS Entries)

6.2. Excess Capacity Charge

For each Gas Day and each NNGTS point, any allocated quantity that exceeds the total booked capacity for that Gas Day is charged as a daily capacity product (D=1) with a markup of 20%.

6.3. Daily Scheduling Charge

The Daily Scheduling tolerance limits for a Transmission User at each Entry/Exit Point, equal to \pm 5% of the Users' confirmed quantities at that Point.

Any allocated quantities that lie outside the tolerance limits are charged with a unit price of 0,0003 €/kWh.



6.4. Minimum Entry Pressure Violation and Off-Spec charges

A Minimum Entry Pressure Violation Charge is imposed when the pressure of delivering natural gas at an Entry Point is lower than the Minimum Entry Pressure. The unit price is equal to 0,000175 €/kWh.

When the Natural Gas that is to be delivered at an Entry Point is out of Specification, a charge is imposed to the Transmission User delivering the gas. Respectively, when the Natural Gas that is to be received at an Exit Point is out of specification a reimbursement is paid to the Network User receiving the gas. The unit price for both cases is 0,0003 €/kWh.

7. Information System (IS) unavailability

In case that TSO announces no availability of IS, Network Users should follow the guidelines which are described <u>here</u>



8. Frequently Asked Questions

- I. How long does it take to sign the Transmission Framework Agreement? According to the Network Code it takes up to 5 working days in order to examine the submitted documents and up to 10 working days to sign the Transmission Framework Agreement.
- II. Can I book capacity before signing a Transmission Framework Agreement? No, you cannot. We suggest concluding in time the procedure for signing the Transmission Framework Agreement in order to be ready for booking capacity at any time.
- III. How much does it cost to sign the Transmission Framework Agreement? There are no costs associated with the signing of the Transmission Framework Agreement as long as there is no capacity booking.
- IV. Could you please indicate the delivery address & the contact person to whom the Application for accessing the NNGTS and the Letter of guarantee should be sent?

The Application for accessing the NNGTS and the Letter of guarantee must be submitted to Central Registry Office at DESFAs headquarters: 357 -359 Mesogeion Av.152 31 Chalandri, Athens, Greece.

 V. Are there any restrictions for issuing banks that are acceptable when issuing the letter of bank guarantee?
The Letter of Guarantee must be issued by a Bank or Credit Institution legally

operating in a Member State of the European Union or of the European Free Trade Association.

VI. What about the foreign relevant legalization documents in order to sign a Transmission Framework agreement?

The documents should be duly certified (apostille stamp, if required) and translated in the Greek language.

VII. What are the costs in case of imbalance? Are there some tolerances? How are the imbalances settled?

The cost of imbalances is calculated on daily basis and it is related to the difference of deliveries and off-takes from the transmission system, and the daily balancing gas price. Furthermore, the tolerance limits equal to \pm 3% and will be eliminated by 2019. Financial settlement of imbalances is foreseen,



calculated on a daily basis, while the relevant charges / credits are imposed / paid-off monthly. For further details have a look on chapter 8 of our network code and our website, where the Daily Gas Balancing Price is published.

VIII. Contact e-mail

Should you have any questions or remarks regarding our products and services, any suggestions for improvement, please contact us at <u>Commercial.Dispatching@DESFA.GR.</u>