

**Methodology for estimating the probability of non-utilization of the
Conditional (bFZK) Entry Capacity at the Interconnection Points "Nea Mesimvria" and Kipi,
as a function of its offered level**

According to the provisions of RAE Decision No. 471/2021:

1. At the Interconnection Point "Nea Mesimvria" Conditional (bFZK) Entry Transmission Capacity of **30.000.000 kWh/Day** is made available, for the Gas Year 2021-2022 (01.10.2021 07:00 - 1.10.2022 07:00).
2. The Capacity Usage Condition for the utilization of the above Conditional (bFZK) Entry Transmission Capacity is defined as follows: The total amount of natural gas which physically enters the NNGTS from its northern entries - i.e., from the Interconnection Points Kulata - Sidirokastro, Kipi and Nea Mesimvria - is less than or equal to the total technical capacity of the northern entries of the NNGTS (**171.172.292 kWh/day**)

The calculation of the probability of non-utilization of the abovementioned amount of offered Conditional (bFZK) Entry Transmission Capacity, was carried out after processing historical natural gas flow data, as published on the website of the Operator:

(<https://www.desfa.gr/userfiles/pdflist/DDRA/Flows.xlsx>)

More specifically, the methodology applied is the following:

- Historical data of the last 12 months were examined, (i.e. 01.04.2020-31.03.2021).
- For each Gas Day of the reference period, the offered Conditional (bFZK) Entry Transmission Capacity of **30.000.000 kWh/Day** was considered. Therefore, the total offered Conditional Entry Transmission Capacity during the reference period is equal to **10.950.000.000kWh**.
- For each Gas Day of the reference period, the sum of the physical flows for the Interconnection Points Kulata - Sidirokastro and Kipi was considered, increased by the daily offered Conditional (bFZK) Entry Transmission Capacity (**30.000.000 kWh/Day**). For each Day on which this sum is greater than the total technical capacity of the northern entries of the NNGTS (**171.172.292 kWh/Day**), the excess quantity is the part of the Conditional (bFZK) Entry Transmission Capacity that cannot be utilized. Therefore, the total offered Conditional (bFZK) Entry Transmission Capacity that cannot be utilized during the reference period is equal to **640.394.854 kWh**.
- Calculating, for the reference period, the ratio of the Conditional (bFZK) Entry Transmission Capacity that cannot be utilized, to the total offered, the probability of nonprovision is calculated equal to **5,8 %**

Considering that the estimated, according to the above methodology, probability of nonutilization

of the Conditional (bFZK) Entry Transmission Capacity at the Interconnection Point "Nea Mesimvria" is less than the minimum discount of Conditional (bFZK) Entry Transmission Capacity (**10%**), the amount of Conditional Capacity considered (**30.000.000 kWh/Day**) is offered with a **10%** discount, in accordance with the provisions of par. 2 of article 15A of the Tariff Regulation, ^{i.e. ex ante} = **10%**.

We note that in accordance with the provisions of RAE Decision No. 471/2021, the Operator must review the above methodology and re-submit it to RAE in case the flow conditions in the NNGTS materially change (indicatively, completion of a system upgrade, start of commercial operation of a new Entry Point) and no later than April 30, 2022. In case of the Conditional Capacity product is offered again for the next Gas Year (2022/2023), both the Capacity Usage Condition and the probability of it not being fully utilized will be redefined based on the most recent available data.

According to the provisions of RAE Decision No. 1300/2021 with which RAE Decision No. 471/2021 was amended as to the offering of the -remaining- Conditional (bFZK) Delivery Capacity that to date is offered exclusively at the Interconnection Point Nea Mesimvria, through competitive auctions at the Interconnection Points "Nea Mesimvria" and "Kipi", starting from 01.01.2022, 07:00. More specifically, the levels of offered Conditional Capacity that are proposed to be offered for the period 01.01.2022, 07:00 - 01.10.2022, 07:00 are the following:

Standard Product	Start	End	Offered Conditional Capacity «NEA MRSIMVRIA» [kWh/day]	Offered Conditional Capacity «KIPi» [kWh/day]	Sum of Conditional Capacity that can be allocated cumulatively to both auctions [kWh/day]
Monthly (January 2022)	01.01.2022, 07:00	01.02.2022, 07:00	20.000.000	20.000.000	20.000.000
Monthly (February 2022)	01.02.2022, 07:00	01.03.2022, 07:00	20.000.000	20.000.000	20.000.000
Monthly (March 2022)	01.03.2022, 07:00	01.04.2022, 07:00	20.000.000	20.000.000	20.000.000
Quarterly (Q3-GY 2021-22)	01.04.2022, 07:00	01.07.2022, 07:00	20.000.000	20.000.000	20.000.000
Quarterly (Q4-GY 2021-22)	01.07.2022, 07:00	01.10.2022, 07:00	30.000.000	26.578.337*	30.000.000

* Considering that the maximum natural flow that can be achieved through the Entry "Kipi" is equal to 48,592,292 kWh / Day, and the already booked firm Capacity for the entire duration of the Gas Year 2021-22 is equal to 22,013,955 kWh / Day, it results that the maximum level of Conditional Capacity that can be allocated to this Point is equal to 26,578,337 kWh / Day.