



APPENDIX B OPERATING PROCEDURES CENTRAL EUROPEAN GAS HUB AG

Version 1.8
CEGH AB B-VHP

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1. GENERAL PROVISIONS

1.1. Conduct of Operations

The Hub Operator and the Customer shall conduct their respective operations including the respective systems and operational facilities as Reasonable and Prudent Operators. This particularly applies to the obligation to inform each other in a cooperative manner, as soon as reasonably possible, of any foreseeable circumstance that could affect the transfer of trading nominations at the VTP.

1.2. Availability

1.2.1. General

In order to be able to implement the above, both the Hub Operator and the Customer shall be reachable daily, twenty-four (24) hours a day at the contact details stated under Article 4 of this APPENDIX B.

1.2.2. Service Provider

The Customer shall be entitled to discharge its obligation pursuant to Article 1.2 hereunder (i.e. the mutual 24 hours availability) to a third party acting on its behalf, subject to the stipulations provided in this respect in Article 10f of the General Terms and Conditions for Hub Services and Membership ("CEGH Terms").

1.3. Communication

The Hub Operator and the Customer shall use mutually agreed means and form of communication, as defined in the Other Market Rules, to exchange information under these CEGH Terms in relation to Trade Nominations. Upon prior testing and approval of the Hub Operator, the Customer may transmit Trade Nominations electronically in - edig@s or CEGH Web Access. As emergency backup solution the nominations may be sent via Email or messaging service upon prior approval of CEGH. Hub Nominations shall be in compliance with the specifications of the respective format, like the Edig@s specifications resp. any additional specifications published on the Hub Operator's website.

The language of all such communication shall be primarily the English language – alternatively the German language.

The Customer shall apply for CEGH Web Access by using the standard forms attached to this Appendix.

1.4. User Guide for CEGH Web Access

The Hub Operator shall provide the Customer with the User Guide documenting the use of CEGH Web Access in detail, including detailed instructions concerning the Reports. Updates to the User Guide are published on the Hub Operator's website from time to time.

1.5. Amendments and Change of Operating Procedures

The Hub Operator will communicate any change or alteration of the Operating Procedures of this ANNEX B to the Customer in due time.

1.6. Log in data for CEGH Web Access

After registration, a Customer shall receive a login ID and password to access the CEGH Web. The Customer shall be responsible to distribute and administrate the login IDs and passwords. Therefore it

shall be the Customers' sole responsibility to implement appropriate procedures to limit the use of the CEGH Web Access to the relevant qualified users only.

1.7. Obligations for Balance Group Responsible Parties and Virtual Traders

Balance Group Responsible Parties and Virtual Traders are obliged to comply with all the necessary specifications for balancing in accordance with the applicable regulatory provisions, such as in particular the Austrian Gas Market Model Ordinance 2020 (*Gas-Marktmmodell-Verordnung 2020*), and the requirements / orders of the MADAM.

The requirements are inter alia:

- Membership at the Operator of the Virtual Trading Point (Central European Gas Hub AG)
- Nomination of a standard balance group which, in case of an Exchange membership, is used as counterparty for the delivery instruction of the clearinghouse
- Provision of bank guarantee(s)

2. OPERATING PROCEDURES

2.1. Obligations of Customer and Hub Operator

The Customer shall nominate the Energy values to be title transferred at the VTP. The Customer shall submit Trade Nominations according to the provisions set forth in the following.

The Trade Nomination shall indicate:

- Quantities of Energy expressed in the respective energy equivalent (i.e. kWh
- per each full Gas Days on an hourly basis;
- validity date of the nomination (i.e. date of respective Gas Day);
- EIC Code of the Delivering Party;
- EIC Code of the of the Receiving Party;
- EIC Code of the nominating Customer;
- Type of nomination (sell or buy); and
- Version number of the submitted nomination (if necessary).

In case of necessity the Hub Operator and the Customer shall agree on an additional code for a respective nomination (e.g. unique trade identifier).

Customer shall act as Reasonable and Prudent Operator when submitting Trade Nomination(s) to CEGH.

If Trade Nomination(s) do not fulfil the necessary requirements stipulated above the Hub Operator shall be entitled to reject such nomination.

If the Customer provides incorrect information with regard to the Trade Nomination(s) Customer shall use best endeavours to complete the information in order to enable the execution of Hub Services.

Trade nominations shall be submitted by the Customer to CEGH without any priority settings, as set out in several nomination format definitions.

Trade Nominations submitted by the Customer shall be in line with the formats and definitions as set out in the Other Market Rules and in other standardized definitions (e.g. Edig@s).

2.2. Calculation of netted position

Hub Operator is calculating a netted position for each of Customers Balancing Groups based on the sum of all buy and all sell nominations (including Clearinghouse delivery instructions) of the Customer per Gas Day on an hourly basis. This net position can be a long or short position (short position in case the sum of buy nominations is smaller than the sum of the sell nominations; long position in case the sum of the sell nominations is smaller than the sum of the buy nominations per each Gas Day on an hourly basis). This net position is transmitted to the MADAMs foreseen by the Other Market Rules or on request of the MADAM.

Each Balance Group Responsible acknowledges that the transmitted net position is used to calculate the daily balance on an hourly basis of the respective Balance Group within the market area as foreseen by the Other Market Rules.

Each Balance Group Responsible acknowledges that according to § 31 of the Austrian Gas Market Model Ordinance 2020, the MADAM can curtail / instruct the curtailment of any imbalances that can not be controlled in a market-based manner. The Hub Operator excludes any liability for curtailments due to resp. caused by the measures / instructions given by the MADAM. Any curtailment will result in a change of the net position of the Balance Group. In case of curtailments the Hub Operator will curtail all physical net flows from and to the Clearinghouse of EEX after curtailments of other balance groups. Since the Spot Market of EEX with delivery at the Virtual Trading Point is the primary balancing facility for the MADAM for the market area. Consequently, the Hub Operator will adjust calculated netted positions at first and deliveries out of a Gas Exchange Transaction on PEGAS Spot Market of EEX with delivery at the Virtual Trading Point as the very last measure.

In case of any curtailment, the Hub Operator shall apply the most appropriate matching solution to maximize the overall trading volumes at the VTP and to keep as many trades firm as possible.

A liability of Hub Operator for transmission errors and erroneous calculation of the net position is excluded and any claims can only be raised vis a vis the data provider for the net position (e.g. Clearinghouse).

2.3. Confirmation of Nomination Receipt

As soon as the Hub Operator has received a Trade Nomination, the Hub Operator will submit a ""-“APERAK/ACKNOWLEDGEMENT” message back to the Customer, which is either

- a positive “APERAK/ACKNOWLEDGEMENT” in case of a correct transmission, or
- a negative “APERAK/ACKNOWLEDGEMENT”, including a description of the malfunction or error, in case of an incorrect transmission.

Nominations are deemed to be received by the Hub Operator, as soon as an “APERAK/ACKNOWLEDGEMENT” is submitted to the Customer.

2.4. Daily Nomination

For each Gas Day the Customer shall transmit to the Hub Operator an initial Trade Nomination for the following Gas Day according to the Other Market Rules.

An earlier transmission of Trade Nominations, e.g. a few days prior to carrying out the requested Hub Services, is permissible, provided that each Nomination for each Gas Day is dated and transmitted to the Hub Operator separately. Customers using Edig@s format may send a nomination for more than one Gas Day in one file but limited to the restrictions of the Edig@s format.

Based on mutual agreement with the Hub Operator, the Customer shall submit Trade Nominations for weekend periods or holiday periods for the respective entire period plus the first following working day, but not later than at the last Business Day prior to such period.

Provided that the Customer has submitted a Trade Nomination in accordance with the terms of this Article in time, the Hub Operator shall:

- immediately after receipt of a nomination, submit a confirmation of receipt (e.g. APERAK/ACKNOWLEDGEMENT) to the Customer electronically;
- after the matching is finished, submit on the same Gas Day for the following Gas Day a Confirmation to the Customer containing confirmed or revised values based on the results of the matching process as described in Article 2.16 of this APPENDIX B.

The Hub Operator will submit Confirmation on a day-ahead basis for a full Gas Day only, even if the Customer's Nomination exceeds the period of a Gas Day.

If the Customer has not submitted a Trade Nomination in accordance with this Article the Hub Operator will not provide Hub Service(s) for this respective Trade Nominations.

2.5. Changes to Trade Nominations

At the latest one (1) hour in advance to gas flow, the Customer shall be entitled to request changes to an already submitted Trade Nomination, provided that such changes may only relate to full hours. The Customer has to notify such request to the Hub Operator by submitting a revised Trade Nomination, which shall possibly include a higher version number.

Provided that the Customer has submitted in time a revised daily Trade Nomination that is in accordance with the terms of this Article to the Hub Operator, the Hub Operator shall:

- submit a confirmation of receipt (e.g. APERAK/ACKNOWLEDGEMENT) immediately after having received the Customer's revised nomination in an electronic way; and
- submit a Confirmation based on the result of the matching process described in Article 2.6 of this APPENDIX B to the Customer.

2.6. Mismatch

- At any time, in the event of a mismatch the following shall apply: The Hub Operator shall apply the "lesser rule" as the default rule, i.e. the lower value of the non-matching Trade Nomination shall be confirmed;
- The Customer shall indemnify the Hub Operator from and against any claims and damages from Customers against the Hub Operator resulting from a mismatch of transmitted Trade Nomination provided that such mismatch is not attributable to the Hub Operator.

If, in case of circular nomination situations (ring relations), an occurring mismatch might not be determined and allocated by the standardized matching process, the Hub Operator applies an automatic optimization algorithm in order to allocate the mismatch in a way that the overall processed Energy will be maximized. The same optimisation principle for circular trading activities will be applied for Reporting. As a general rule, pro rata curtailments will be applied unless - in case of very complex circular trading relations - the automated optimization software is not able to determine solutions mathematically within ring relations maintaining this pro rata curtailment.

3. REPORTING PROCESS

3.1. General

In general, Customers receive Confirmation of confirmed or revised values based on the results of the matching process as described in Article 2. If no physical curtailments (e.g. under-deliveries, off-spec gas, mechanical failures or break down, service outages) occur, Confirmations will represent the finally handled Energy. In case of physical curtailments which cannot be resolved otherwise, the MADAM notifies the Hub Operator about the physical available quantities of Energy. These quantities will be allocated backwards along the affected chain of Trade Nominations and will be subject to reporting. The Hub Operator shall keep a record of the received data, which is used for invoicing and reporting.

3.2. Reporting

The reporting will be performed in kWh. Customers can access and download the Reports via the CEGH Web Access.

3.3. Final Monthly Reporting

In case of physical curtailments by the MADAM in the course of the reporting month the Hub Operator will provide the Customer with a final monthly Report which details the allocated Energy.

After the third Business Day of the Month following the provision of the Hub Service the Customer will be provided with a final monthly protocol made available via CEGH Web Access.

4. NOTICES

All notices to be provided by the Parties under this APPENDIX B shall be addressed as follows.

4.1. To the Hub Operator

Name: Central European Gas Hub AG
Street : Peak Vienna
Floridsdorfer Hauptstraße 1
City: Vienna
Postal code: 1210
Country: Austria

Telephone: +43 (1) 270 2700 28501 (Assistant)
24/7 Telephone: +43 (1) 270 2700 28520 (VTP Services)

In general business dispatching is twentyfour (24) hours and seven (7) days a week available under this number.

Back-up Dispatching telephone: +43 - 664 - 612 10 10

E-mail: info@cegh.at (Assistant)
dispatching@gashub.at (VTP Services)

Website: <http://www.cegh.at>

4.2. To the Customer

Name: _____
Street : _____
City: _____
Postal code: _____
Country: _____
Telephone: _____

24/7 Telephone: _____

The Customer provides a twentyfour (24) hours and seven (7) days a week availability under this number.

E-Mail: _____

Website: _____

5. ATTACHMENT 1 / APPENDIX B – OPERATING PROCEDURES

Mandatory application form for access to allocated data via Web Interface and for access to online nomination management system (www.cegh.at)

To: **Central European Gas Hub AG**
dispatching@gashub.at

Date:

☐ "Full access" (i.e. read+write) **OR** ☐ "Restricted access" (i.e. read only)

Name of person applying for access:

E-Mail address:

Phone:

CONVENIENCE TRANSLATION