

**IGB
NETWORK
CODE**

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1. IGB NETWORK CODE

1.1 Scope and Background

- 1.1.1 This document and its Annexes constitute the IGB Network Code (**INC**) of the Natural Gas transportation facilities of the IGB Pipeline and is the “IGB Network Code” referred to in section 4.4.1 of the Exemption Decision. The relevant definitions thereto are contained in Article 2.
- 1.1.2 These INC provisions include the set of rights and obligations of the ICGB, the Network Users and the Registered Parties in relation to the Transmission Services on the IGB Pipeline and the access to and use of the VTP. This INC forms an integral part of a Gas Transportation Agreement and a VTP Agreement.
- 1.1.3 Without limiting generality of Article 1.1.2, each Registered Party as well as each Network User is subject to the provisions of the INC applicable to it.
- 1.1.4 This INC has been assessed against the provisions of (i) the Exemption Decision and (ii) any existing co-operation agreements related to interconnection and interoperability executed between the ICGB and Adjacent TSOs. This INC has been approved by the National Regulatory Authorities.
- 1.1.5 In accordance with the Exemption Decision, this INC shall continue in force, as amended from time to time, for twenty-five (25) Years from the Commercial Operation Date.
- 1.1.6 This INC may be further revised from time to time when: (a) there is a change in the Applicable Law which affects the procedures in this INC or requires a modification of this INC for ICGB to comply with its obligations under this INC; (b) an update is requested by the National Regulatory Authorities of Bulgaria and Greece; (c) ICGB determines, acting as a Reasonable and Prudent Operator, it being necessary or desirable to update or modify this INC in order to facilitate and/or optimize the provision of the Transmission Services and/or the access to and use of the VTP.

1.2 Governing Law

1.2.1 Governing Law

This INC (including the arbitration agreement contained herein) and any non-contractual obligations arising out of or in connection with it shall be exclusively governed by and construed in accordance with the laws of England and Wales, excluding any rules or principles (such as rules on conflicts of laws), that would require application of the laws of another jurisdiction to this INC or any matter arising under it. For the avoidance of doubt, mandatory provisions of the relevant Applicable Law shall prevail.

1.2.2 Disputes

If a Dispute arises, the Parties agree that management from each Party (with due regard to conflicts of interest impacting individual members of such management) shall meet and negotiate in good faith to seek a resolution to such Dispute. If negotiations do not resolve the Dispute:

- (a) with respect to matters to be determined by the Expert, within two (2) Months of the date of submission of a notice of a Disputed Amount; or
- (b) with respect to any other Dispute, within thirty (30) Days of the date that a Party gave written notice to the other Party of such Dispute,

then either Party may submit such Dispute to arbitration pursuant to Article 1.2.3.

1.2.3 Arbitration

Any Dispute which is not resolved by good faith negotiations pursuant to Article 1.2.2 shall be referred to and finally settled under the Rules of Arbitration of the International Chamber of Commerce, by three (3) arbitrators appointed in accordance therewith.

1.2.4 Dispute Language

The language to be used in any arbitral proceedings shall be English.

1.2.5 Judicial seat for Disputes

The juridical seat of any arbitration shall be Vienna, Austria.

1.2.6 Provisions of the arbitration duration

The provisions of this INC relating to arbitration shall continue in force three (3) Years after its termination or, as it may be, the termination of the GTA this INC is an integral part of.

2. DEFINITIONS

Unless the context suggests otherwise, the defined terms set out below shall have the corresponding meaning in this INC:

ACAA Clearing Price means, in accordance with article 11.2 of NC CAM (*Ascending clock auction algorithm*), the price announced for the last bidding round in which an auction closes, except where the aggregate demand across all Users is greater than the Available Capacity offered in a bidding round with a price equal to that which led to the first-time undersell, in which case it shall be the price that led to the first-time undersell.

ACER Yearly Monitoring Report means the report described in Article 14.1.2.

Adjacent TSOs means, TAP, DESFA and Bulgartransgaz EAD.

Affiliate means, with respect to a Party, any Entity Controlled, directly or indirectly, by that Party, any Entity that Controls, directly or indirectly that Party or any Entity directly or indirectly under the common Control of a Party.

Agreed Interest Rate means interest (compounded monthly), at a rate equal to the arithmetic mean of the daily quotation of the three (3) Months EURIBOR rate plus two hundred (200) basis points.

Allocated Quantities means the quantity of Gas expressed in kWh/D, allocated, daily, to the Network Users pursuant to Article 17.

Ancillary Contracts means the VTP Agreement and any other agreement with the ICGB relating to the GTA, this INC and/or the VTP Agreement.

Applicable Law means any legislation, regulation, rule, decision or established practice of the Republic of Bulgaria, Republic of Greece, the European Union or of international nature applicable from time to time.

Approval(s) means, regarding a Party, any approval, authorisation, certificate, consent, decision, decree, judgment, licence, order, permit, or other endorsement of any kind (regardless of the formal nomenclature given to any of the foregoing) necessary or proper to be granted, delivered, issued, or promulgated by any Person in relation to this INC, the GTA (if any) or the Ancillary Contract(s) (if any), including in relation to (i) the performance of a Party's obligations, (ii) the exercise of a Party's rights, (iii) a Party's financial obligations, or (iv) the conduct of a Party's business.

ARCA means an "Advance Reservation Capacity Agreement" executed by an Exempted Network User at completion of the procedure of the IGB Market Test.

Available Capacity means the capacity of the IGB Pipeline made available by the ICGB for booking purposes under Article 10.

Average Use means the average use described in Article 14.4.5.

Balancing Minimum Credit Limit means the minimum amount of the Network User Credit Support applicable for the purpose of the Network User's balancing obligations, as described in Article 29.3.5 of this INC.

Bank Guarantee means (a) in relation to Exempted Network Users, the bank guarantee described in Article 29.2, and (b) in relation to Non-Exempted Network Users, the bank guarantee described in Article 29.3.2.

Battery Limits means the geographical boundaries, as defined pursuant to Article 5.2, within which the commercial transactions between the Interconnected Systems take place.

Booked Capacity means the portion of the Available Capacity contracted by a Network User in kWh/D and booked pursuant to Article 10:

- (a) for a period of up to one (1) Gas Day (**Daily Booked Capacity**);
- (b) for a period of one (1) Gas Month (**Monthly Booked Capacity**);
- (c) for a period of one (1) Gas Quarter (**Quarterly Booked Capacity**);
- (d) for a period of one (1) Gas Year (**Annual Booked Capacity**);

Booking Account Code means a code provided by the ICGB to a Registered Party pursuant to Article 9.3.2, for the purpose of booking and Nomination procedures.

Bulgartransgaz EAD means the entity of that name which is the TSO of the Bulgarian Natural Gas Transmission System incorporated under Bulgarian law with whom the ICGB has entered

into an Interconnection Agreement and whose network will be physically interconnected with the IGB Pipeline pursuant to Article 5.2.3.

Buying Party means the purchasing entity referred to under the secondary market procedures set out in Article 14.3.

Cash Deposit has the meaning given to it in Article 29.3.3.

Capacity Booking Minimum Credit Limit means the minimum amount of the Network User Credit Support that the Non-Exempted Network User needs to hold in relation to the Capacity Product(s) auctioned for, as further described in the GTA.

Capacity Overrun means the situation where the Network User's total Allocated Quantities at the relevant Exit Point to the Distribution and/or Other System(s) exceed its total Reserved Capacity or total Booked Capacity for a given Gas Day.

Capacity Overrun Charge means a charge payable by the Network User in case of occurrence of Capacity Overrun.

Capacity Product means the product put on the market pursuant to Article 7 and Article 10, collectively, **Capacity Products**.

Change in Law means the occurrence of any of the following after the COD:

- (a) the enactment of any new Applicable Laws;
- (b) the modification or repeal of any Applicable Laws;
- (c) the commencement of any Applicable Laws that were not effective on the Signing Date;
- (d) a change in the interpretation, application or enforcement of any Applicable Laws;
- (e) the imposition of a requirement for Approval of a Governmental Authority not required on the Signing Date;
- (f) any Approval of a Governmental Authority not being granted on a timely basis where application for that Approval has been duly made; and
- (g) after the grant of an Approval of a Governmental Authority, a revocation or termination of that Approval, a change in the terms or conditions of that Approval, an imposition of additional terms or conditions to that Approval or, if granted for a limited period, a failure to extend or renew that Approval on a timely basis after the timely submittal of an application for extension or renewal, or being renewed on terms or subject to conditions that are materially less favourable to the affected Party, other than those terms and conditions attached to the original Approval.

Change in Law Notice means a notice containing the details set out in Article 32.1.2.

Commercial Operation Date or **COD** means the date on which it is confirmed by ICGB and by the competent authorities in Bulgaria and Greece that IGB Pipeline is ready for commercial operation and is able to provide the Transmission Services to the Network User.

Compensation Fee means the sum of Daily Imbalance Charges for the relevant Month to be paid by Network User or deducted by the ICGB in accordance to the monthly Energy Imbalance.

Compressor Station mean a facility that forms part of the IGB Pipeline that has the purpose of compressing the Natural Gas in the IGB Pipeline to assist the flow of Natural Gas.

Confirmed Quantities means the quantity of Gas to be transported for each Network User based of the Matching Process according to Article 13.3.

Contract Quantity means the annual quantity of Gas to be transported based on a GTA longer than one (1) Year or the total quantity of Gas to be transported on the basis of a GTA shorter than one (1) Year. Such Contract Quantity is the reference quantity for applying Article 25.3 in case of early termination of a GTA.

Control means the ownership directly or indirectly of fifty per cent. (50%) or more of the voting rights in a legal entity. **Controls, controlled by** and other derivatives shall be construed accordingly.

Conversion Factor means the conversion factor of 10,24 kWh/Nm³, calculated on the GCV. The conversion factor shall be used only for converting the values of the ARCA's capacity from Ncm/h/y into kWh/D/y.

Credit Support Amount means the amount of Network User Credit Support of an Exempted Network User, being the one hundred per cent (100%) of the multiply of the Annual Reserved Capacity and the Transmission Tariffs for such Annual Reserved Capacity, as further set out in a GTA between such Exempted Network User and the ICGB.

Daily Imbalance Charge means an amount of money (calculated by the ICGB in accordance with Article 16.4.3) that a Network User needs to pay (or, as it may be, is entitled to receive), in respect of Daily Imbalance Quantity, which amount is always different than zero.

Daily Imbalance Quantity has the meaning given to it in Article 16.4.2.

Daily Quantity means for each Network User, the sum of all Confirmed Quantities for each Network User as a result of the Matching Process set under Article 13.3.

Day means a period of twenty-four (24) hours commencing at 00:00 hours on each calendar day and ending at 24:00 hours on the same calendar day.

DESFA means the TSO of the Greek Natural Gas transmission system incorporated under Greek law and with whom the ICGB has entered into an Interconnection Agreement and whose network will be physically interconnected with the IGB Pipeline pursuant to Article 5.2.1.

Dispute means any dispute, controversy, or claim of any kind or type, whether based on contract, tort, statute, regulation or otherwise, arising out of, relating to, or connected with this INC or the GTA, or the operations carried out under this INC or the GTA, including any dispute concerning the existence, validity, interpretation, performance, breach or termination of this INC or the GTA.

Disputed Amount means all or a portion of any amount that is invoiced under this INC or the GTA and disputed by a Party or subject to manifest error.

Distribution and/or Other System(s) means the gas distribution network(s) and/or other system(s) connected with the ICGB's Facilities, as such are operated, as applicable, by the DSO or the operator of the Industrial Customer.

DSO means a gas distribution system operator.

Electrical Consumption means any consumption of electricity for compression purposes, if any, as elaborated under Article 15.4.

Emergency Action Plan means the emergency (action) plan required under Regulation (EU) No 2017/1938 and approved by an order of the Minister of Economy of the Republic of Bulgaria.

Energy means the quantity of energy that may be produced by burning the Gas expressed in kWh, MWh, MJ or other units that express always the same concept.

Energy Imbalance means the Energy imbalance calculated in accordance to the formula set in Article 16.

Entity means an individual, government or state or division thereof, government or state agency, corporation, partnership or such other entity as the context may require.

Entry Point means the location where Natural Gas passes from the Gas delivery facilities to the ICGB's Facilities and where custody of Gas transfers from the Network User to the ICGB under Article 26. The Entry Points are specified in the Network User's GTA.

Entry Point Specification means the Natural Gas composition values for Gas delivered or to be delivered by the Network User at the Entry Point for transportation through the IGB Pipeline by the ICGB, as set out in Article 22.5.

Entry Pressure means the pressure at which the Network User makes available, and the ICGB takes custody of, Natural Gas at the Entry Point, as set out in Article 22.2.

EWRC means the Energy and Water Regulatory Commission of Bulgaria.

Exempted Capacity means capacity subject to the third-party access exemption in accordance with the Exemption Decision, corresponding to the values set out in Article 6.3.

Exempted Network User means a Network User which has executed an ARCA with ICGB after having been awarded capacity on the IGB Pipeline during the IGB Market Test. An Exempted Network User and the Network User have the same obligations under this INC unless explicitly stated otherwise herein.

Exemption Decision means the Joint Decision of May 2018 as amended by the Final Joint Decision PB-O-2 on 8th August 2018 jointly issued by RAE and EWRC, upon the Decision n. C(2018) 5058 on 25th July 2018 of the European Commission.

Exit Point means the location where Gas passes from the ICGB's Facilities to facilities of the Adjacent TSOs or to the facilities of the Distribution and/or Other System(s) and where custody of Gas transfers from the ICGB to the Network User.

Exit Point Specification means the Gas composition values for Gas delivered or to be delivered by the ICGB to the Network User at the Exit Point from time to time, as set out in Article 22.7.

Expert means the natural person selected pursuant to schedule 2 of the GTA to determine certain Disputes.

Expiry Date means the date set out in the GTA on which the Transmission Period ends.

Facilities means the Network User's Facilities or the ICGB's Facilities, as the context requires.

FF Capacity means the capacity used for the Available Capacity calculation for the booking process pursuant to Article 10, for transporting Gas from the Entry Point(s) of Komotini to the Exit Point of Stara Zagora or the Distribution and/or Other System(s). It corresponds, from the COD, to the difference between the IGB Minimum Capacity and the Exempted Capacity (by the COD, it is approximately 91.019.666 kWh/D). This capacity can take form of:

- (a) Firm Forward Flow (FFF) capacity (**FFF Capacity**)
- (b) Interruptible Forward Flow (IFF) capacity (**IFF Capacity**).

Final Allocation has the meaning given to it in Article 16.8.

Firm Forward Flow (FFF) means a flow from the Entry Points of Komotini to the Exit Point of Stara Zagora (south to north direction) or to the Distribution and/or Other System(s), which flow may not be interrupted by the ICGB during normal commercial operations of the IGB Pipeline.

Firm Reverse Flow (FRF) means a flow from the Exit Point of Stara Zagora to the Entry Point(s) of Komotini (north to south direction) or to the Distribution and/or Other System(s), which flow may not be interrupted by the ICGB during normal commercial operations of the IGB Pipeline.

Force Majeure Event means any event or circumstance occurring under Article 0.

Fuel Gas means any quantity of Gas, if any, under Article 15.3 that is required by ICGB and used as a fuel for a Compressor station, in the provision of the Transmission Services.

Gas Characteristics means the characteristics of Natural Gas required under this INC and set out in Article 22.

Gas Day means the period from 05:00 UTC on one (1) Day to 05:00 UTC on the following Day for winter time and from 04:00 UTC on one (1) Day to 04:00 UTC on the following Day when daylight saving is in force.

Gas Directive means Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC.

Gas Losses means the quantity of Gas that is lost due to technical leakages.

Gas Month means the period commencing at the start of the first Gas Day in each calendar month and ending at the end of the last Gas Day in the same calendar month.

Gas Quantities means the quantity of Gas delivered at each Entry Point to be assured by the relevant Nominations by the Network User.

Gas Quarter means the period commencing on:

- (a) the first (1st) Gas Day of January of a Gas Year and ending at the end of the last Gas Day in March of the Gas Year;
- (b) the first (1st) Gas Day of April of a Gas Year and ending at the end of the last Gas Day in June of the Gas Year;
- (c) the first (1st) Gas Day of July of a Gas Year and ending at the end of the last Gas Day in September of the Gas Year; and
- (d) the first (1st) Gas Day of October of a Gas Year and ending at the end of the last Gas Day of December of the Gas Year.

Gas Transportation Agreement or GTA means an agreement for the provision of Transmission Services from an Entry Point to an Exit Point entered into between the ICGB and the applicant wishing to become a Registered Party (in accordance with Article 9) in order to use some or all of the Transmission Services, as amended and/or restated from time to time (see ANNEX C).

Gas Year means a period beginning at the start of the first Gas Day in October of each calendar year and ending at the end of the last Gas Day in September of the following calendar year, except that the first Gas Year will start at the start of the first Gas Day on which the ICGB provides the Transmission Services to a Network User in accordance with a Gas Transportation Agreement.

Governmental Authority means any national or local government, any regulatory or administrative agency, commission, body or other authority, and any court or governmental tribunal lawfully exercising jurisdiction over this INC, the GTA (if any), the Ancillary Contract(s) (if any), the Network User's Facilities and/or the ICGB's Facilities.

GCV means the amount of heat that would be released by the complete combustion of one Nm³ of Natural Gas in air and all products of the combustion are returned to the same specified temperature (25°C) as that of the reactants, all of these products being in the gaseous state except for water formed by combustion, which is condensed to the liquid state at 25°C.

ICGB means ICGB AD, a company incorporated under Bulgarian law, registered in the Commercial Register at the Registry Agency under the number UIC 201383265.

ICGB Approvals means all Approvals required from any Governmental Authority of Greece or Bulgaria concerning the design, construction, installation, commissioning, maintenance, repair, and operation of ICGB's Facilities.

ICGB's Annual Plan means the programme prepared and issued by ICGB on an annual basis, in accordance with Article 4.1.1.

ICGB's Facilities means the Gas reception, transportation, and delivery facilities of the IGB Pipeline that are located between the Entry Point and the Exit Point and are necessary to transport Gas to the Exit Point under this INC and the relevant GTA.

IGB Digital Support means the system described in Articles 4.2 and 7.6.5.

IGB Intergovernmental Agreement means the intergovernmental agreement relating to the IGB Pipeline (to be) entered into between the Government of the Republic of Bulgaria and the Government of the Republic of Greece.

IGB Market Test means the market test conducted between October 2015 and March 2017 by the ICGB within the procedure for obtaining the Exemption Decision and which allowed Exempted Network Users to book Reserved Capacity in advance without participating in the procedure pursuant to Article 10.

IGB Minimum Capacity means the specific hourly volumes of Gas transportable by the IGB Pipeline on an annual basis. It is nominally set in forward mode at approximately 380,517 Nm³/h/y. ICGB shall use a load factor = 0.9 at COD.

IGB Pipeline means the gas interconnector and the related facilities connecting the Greek and Bulgarian Natural Gas transportation systems from Komotini (Greece) to Stara Zagora (Bulgaria), developed, designed, financed, built, owned and operated by ICGB AD (the ICGB). It shall be connected initially with the Bulgartransgaz EAD, DESFA and TAP systems, as well as the Distribution and/or Other System(s) and thereafter with such further other systems as may be determined in accordance with any applicable NRA frameworks.

IGB Technical Description means the technical description as it will be published on the ICGB website and whose content is described in Article 5.3 set here forth.

Industrial Client means a Person who uses Natural Gas in technological or production processes or for non-household purposes.

Insolvency Event means in respect of a Party:

- (a) dissolution (other than pursuant to a consolidation, amalgamation or merger);
- (b) becoming insolvent or unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) an arrangement or composition with or for the benefit of creditors (including any voluntary arrangement) being entered into by or in relation to the Party;
- (d) a receiver, administrator, administrative receiver or other encumbrance taking possession of or being appointed over, or any distress, execution or other process being levied or enforced (and not being discharged within ten (10) Working Days) upon, the whole or any material part of the assets of the Party;
- (e) the Party ceasing to carry on its business;
- (f) a petition being presented (and not being discharged within twenty (20) Working Days or resolution being passed, or an order being made for the administration or the winding up, bankruptcy, insolvency or liquidation (other than pursuant to consolidation, amalgamation or merger) of the Party; or

- (g) the Party suffering any event analogous to the events set out in paragraphs (a)-(f) of this definition in any jurisdiction in which it is incorporated or resident or takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts referred in paragraphs (a)-(f) above.

Interconnected Systems means, initially, TAP, DESFA and Bulgartransgaz EAD Gas transmission systems, as well as the Distribution and/or Other System(s).

Interconnection Agreement means the agreement concluded between ICGB and Adjacent TSOs which regulates all necessary operational, technical and commercial provisions following Regulation 703/2015.

Interconnection Point(s) means the interconnection point(s) in Komotini and/or in Stara Zagora, as defined in Article 5.2.

Interruptible Forward Flow (IFF) means a flow from the Entry Point(s) of Komotini to the Exit Point of Stara Zagora (south to north direction) or the Distribution and/or Other System(s), which flow may be interrupted by the ICGB during normal commercial operations. The IFF may be physical or virtual.

Interruptible Reverse Flow (IRF) means a flow from the Entry Point of Stara Zagora to the Exit Point(s) of Komotini (north to south direction), which flow may be interrupted by the ICGB during normal commercial operations. The IRF may be physical or virtual and, in case of no Compressor Station having been installed, it may be offered by the ICGB and Nominated by the Network User only when the corresponding quantity of Firm Forward Flow is booked and Nominated.

Lesser Rule means that, in case of different Processed Quantities at either side of an Interconnection Point, the Confirmed Quantity will be equal to the lower of the two Processed Quantities.

Limitation Regime means the special regime set by the Ordinance No. 10.

Line-pack Gas means the quantity of Gas present in the pipeline, at any time.

Maintenance Day means a Day on which Scheduled Maintenance is being or is to be performed under this INC.

Marginal Buy Price means, for a Gas Day, the higher of:

- (a) the highest Gas price of any purchases of title products in which the ICGB is involved in respect of such Gas Day; and
- (b) the weighted average price of gas in respect of that gas day, plus a small adjustment

both expressed in €/kWh.

Marginal Sell Price means for a Gas Day, the lower of:

- (a) the lowest Gas price of any sales of title products in which the ICGB is involved in respect of such Gas Day; or

- (b) the weighted average price of gas in respect of that gas day, minus a small adjustment

both expressed in €/kWh.

Matching Process has the meaning given to such term in Article 13.3.

Maximum Allowable Stock means a maximum stock of Line-pack Gas, as determined by the ICGB and timely notified to the Network Users.

Maximum Period has the meaning given to it in Article 8.1.2.

Measurement Equipment means that portion of the ICGB's Facilities used to measure the quantity and quality of Gas, including a meter, gas chromatograph, temperature probe and other equipment necessary and incidental to accurate measurement under the standards, methods, and procedures referred to in this INC.

Metering Stations means those stations for the metering of Gas as described in IGB Technical Description

Minimum Allowable Stock means a minimum stock Line-pack Gas, as determined by the ICGB timely notified to the Network Users.

Minimum Credit Rating means a rating equivalent of at least Ba1 (per Moody's Investor Services rating rank) or BB+ (per Standard & Poor's Corporation rating rank or Fitch Ratings rank) or if such credit rating agencies have ceased to exist and have not been replaced, then a reasonably equivalent credit rating agency in which event the credit ratings referred to above shall be revised to an appropriate equivalent standard.

MNC_n means the total Monthly Reserved Capacity and/or the total Monthly Booked Capacity of all type of Capacity Products in the "nth" Month (expressed in kWh/D/T) according to Final Allocation set pursuant to Article 16.8 of the INC.

Month means a period commencing on the first (1st) Day of a calendar month and ending on the first (1st) Day of the next calendar month.

Monthly Fee means, in respect of any Month, the aggregate of the Reserved Capacity and/or the Booked Capacity (including annual, quarterly, monthly, daily, within day) during that Month multiplied by the Transmission Tariff, together with all Taxes payable in accordance with Article 18.1 and article 6.1 of ANNEX C -.

Monthly Statement has the meaning given to it in Article 21.1.1.

National Regulatory Authority(s) or NRA(s) means the Regulatory Authority for Energy of Greece (RAE) and the Energy and Water Regulatory Committee of Bulgaria (EWRC).

Natural Gas or Gas means gaseous hydrocarbons or a mixture of gaseous hydrocarbons corresponding with the Gas Characteristics as set out in Article 22 and being transported by the IGB Pipeline. Gas Characteristics may vary in accordance with the allowable ranges set out in the Entry Point Specification.

Natural Gas Customer means a DSO or an Industrial Client that has entered into a Natural Gas Supply Contract.

Natural Gas Supply Contract means an agreement on supply of Natural Gas between the Natural Gas Customer and the Network User that envisages the Exit Point to the Distribution and/or Other System(s) as the delivery point.

NC BAL means Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks, as such may be amended, supplemented or replaced from time to time.

NC CAM means Commission Regulation No (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013, as such may be amended, supplemented or replaced from time to time.

NC TAR means Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas, as such may be amended, supplemented or replaced from time to time.

Net Measured Quantities means the quantity of Natural Gas in kWh measured over a specified period at an Interconnection Point, as determined by the Measurement Equipment, adjusted at that Interconnection Point.

Network User means a natural person or a legal entity who has become a Registered Party in accordance with Article 9, for the purpose of: (a) using some or all of the Transmission Services and/or (b) accessing the VTP and trading Natural Gas at the VTP.

Network User Approvals means all Approvals, if required or applicable, from any relevant governmental authority or institution concerning the Network User's obligations under its GTA (if any), this INC and Ancillary Contract(s) (if any) and the transactions contemplated thereunder and hereunder.

Network User Credit Support means the types of guarantees referred to in Article 29.

Network User Credit Support Period means:

- (a) in relation to the Exempted Network Users, the period commencing on the Signing Date, continuing for the duration of the GTA and being in effect until all claims under this INC and the GTA have been settled or discharged in full (e.g. including any termination payment); or
- (b) in relation to the Network Users (other than the Exempted Network Users), the period commencing on the date the applicant provided the Network User Credit Support as part of its application to become a Registered Party and continuing until the earlier of:
 - the date when the applicant's registration to become a Registered Party has been withdrawn by the applicant; or
 - the later of: (i) the duration of the GTA (if any) and each Ancillary Contract (if any), and (ii) all claims under this INC, the GTA (if any) and each Ancillary Contract (if any) have been settled or discharged in full (e.g. including any termination payment).

Network User Credit Support Requirement means the requirement to provide Network User Credit Support in respect of the Network User's obligation to make payments under this INC,

the GTA (if any) and each Ancillary Contract (if any) as and when such obligation arises under the terms of this INC, the GTA (if any) and each Ancillary Contract (if any).

Network User's Facilities means the Gas delivery and reception facilities upstream of the Entry Point which are necessary for the delivery of Gas at the Entry Point; and downstream of the Exit Point which are necessary to take delivery of Gas at the Exit Point under this INC and the relevant GTA.

Neutrality Account means a notional account through which the ICGB shall ensure that it remains financially neutral in respect of its balancing activities.

Neutrality Payment Amount has the meaning given to it in Article 16.5.2(a).

Nominated Quantity means, in respect of a Nomination Period, the quantity of Gas that has been Nominated or deemed Nominated by the Network User under Article 13.2

- (a) for delivery by that Network User to the ICGB at an Entry Point; and
- (b) for redelivery by the ICGB to that Network User at an Exit Point,

and **Nominated Quantities** shall be construed accordingly.

Nomination means the prior notification by a Network User to ICGB of its Nominated Quantities and **Nominate** or **Nominated** shall be construed accordingly.

Nomination Period means, in respect of each Day, a period during which Network Users can submit nominations.

Non-Exempted Capacity means the Available Capacity referred to in Article 3.2.2 and Article 3.2.3.

Non-Exempted Network User means a Network User who is not an Exempted Network User.

Normal Cubic Meter (Nm³) means the amount of Natural Gas that fills 1m³ of space at a temperature of 0°C with an absolute pressure of 1.01325 bar.

Off-Specification Entry Gas means Gas made available for delivery at the Entry Point which does not conform with the Entry Point Specification.

Off-Specification Exit Gas means Gas made available for delivery at the Exit Point which does not conform with the Exit Point Specification.

Operational Balancing Agreements means agreements executed between the Adjacent TSO and the ICGB that set out the terms and conditions for allocating of the quantities of Gas at each Interconnection Point.

Ordinance No. 10 means the ordinance no. 10 of 9 June 2004 on the procedure for introducing limitation regime, suspension or restriction of production or supply of electricity, heat and natural gas issued by the Ministry of Energy of the Republic of Bulgaria and published in the State Gazette of the Republic of Bulgaria.

Other Network User means any Person other than the Network User named in a particular gas transportation agreement (or ARCA, in respect of an Exempted Network User) who, at the

relevant time, is delivering Gas into the IGB Pipeline and/or, as the context requires, is off-taking Gas from the IGB Pipeline.

Pair of Network Users means a pair of Network Users (who, for the avoidance of doubt, may be the same Network User) who transfer Natural Gas at the Virtual Trading Point or an Interconnection Point.

Partial Change of Supplier has the meaning given to it in Article 10.5.3.

Partial Interruption has the meaning given to it in Article 8.1.2.

Party means any party bound by this INC, including the Network User, the Registered Party and the ICGB individually; collectively, **Parties**.

Person means any individual, partnership, corporation, association, trust, Governmental Authority, or other entity.

Platform means either PRISMA or RBP; jointly, **Platforms**.

Platform Agreement means an agreement on the membership to and/or the use of the relevant Platform (to be) entered into between the Network User (or, as it may be, the Buying Party) and the relevant Platform, as such may be amended and/or restated from time to time.

Price Bid means the unit price in €/kWh offered by the Network User at auctions conducted pursuant to Article 10.

PRISMA means a capacity booking and trading platform, established and operated by Prisma European Capacity Platform GmbH, including all universal legal successors thereof.

Processed Quantity means, in relation to a particular period of time, the quantity of Gas Nominated, or, if applicable, Re-nominated, by a Network User, as may be adjusted by the relevant Party in accordance with the provisions of this INC on Nominations and Re-nominations.

Provisional Network User Allocation means the allocation provided to each Network Users on a daily basis by the ICGB pursuant to Article 16.6.1.

RAE means the Regulatory Authority for Energy of Greece.

RBP or Regional Booking Platform means a capacity booking and trading platform, established and operated by the Hungarian Gas Transmission System Operator (FGSZ), including all universal legal successors thereof.

Reasonable and Prudent Party means a Person (including the Parties) seeking in good faith to perform its covenants or obligations under this INC, the relevant GTA (if any) and all Ancillary Contracts (if any) and in so doing and in the general conduct of its undertaking exercising that degree of skill, care and ability that would reasonably and ordinarily be expected from a skilled and experienced operator and/or network user of a pipeline system similar to the IGB Pipeline complying with all Applicable Laws and engaged in the same type of undertaking under the same or similar circumstances and conditions.

Reasonable Efforts means, for any action required to be made, tried, or taken by a Party under this INC, the relevant GTA (if any) and all Ancillary Contracts (if any), the efforts that a prudent Person would undertake to protect its own interests, including commercial interests, taking into

account the conditions affecting the action, including the amount of notice to act, recognition of the need to act, the duration and type of action, the competitive environment in which the action happens, and the projected benefit, cost and risk to the Party required to take the action.

Reference Gas Year means the Gas Year used for congestion management procedure calculation according to Article 14.

Registered Party means a natural person or a legal entity who has been registered in accordance with Article 9.

Registration Fee means the fee to be paid by the Registered Party pursuant to Article 9. The Registration Fee shall be revised from time to time and published at www.icgb.eu.

Re-nomination means a Nomination submitted by a Network User for a particular Gas Day after the deadline for the confirmation of the initial Nomination for that Gas Day, and **Re-nominate** shall be construed accordingly.

Representative means as regards each Party, and/or its Affiliates if applicable, the person(s) designated by the Party and/or its Affiliates to give and receive notices under this INC, the relevant GTA (if any) and all Ancillary Contracts (if any) and to exercise the rights of the Party under this INC, the relevant GTA (if any) and all Ancillary Contracts (if any).

Reserved Capacity means the capacity (expressed in kWh/D) reserved by an Exempted Network User in accordance with its ARCA and the Exemption Decision, which may be:

- (a) the upper limit that an Exempted Network User may Nominate in a Gas Day (**Daily Reserved Capacity**);
- (b) the upper limit that an Exempted Network User may Nominate in any Gas Month (**Monthly Reserved Capacity**);
- (c) the upper limit that an Exempted Network User may Nominate in any Gas Quarter (**Quarterly Reserved Capacity**);
- (d) the upper limit that an Exempted Network User may Nominate in any Gas Year (**Annual Reserved Capacity**),

which, in each case, may be modified in accordance with Article 14.

Reserve Price means the unit price used during the first (1st) round of auctions pursuant to this INC in respect of each Capacity Product, conducted in accordance with article 7 of ANNEX C -.

RF Capacity means the reverse flow capacity from the Interconnection Point of Stara Zagora to the Interconnection Point(s) of Komotini. This capacity can take a form of:

- (a) Firm Reverse Flow (FRF) capacity (**FRF Capacity**); or
- (b) Interruptible Reverse Flow (IRF) capacity (**IRF Capacity**).

Sanctioned Country means any country or state that is at the relevant time subject to Sanctions. A country or state shall not be deemed to be a Sanctioned Country by virtue of Sanctioned Person(s) being, in the case of individuals, citizens of or residents in such state or country and,

in the case of entities and organisations, domiciled or resident in such country or state unless expressly stipulated in the relevant Sanctions.

Sanctioned Person means any individual, entity, or organisation that is at the relevant time subject to Sanctions and does not benefit from an exemption to the extent that such exemption would remove the effect of the applicable Sanctions for the purposes of the transactions carried out under this INC, the relevant GTA (if any) and all Ancillary Contracts (if any).

Sanctions means the economic or trade sanctions, embargoes or restrictive measures of the United Nations, United States of America, European Union or European Union Member States (as amended, modified or replaced from time to time), as applicable in the Republic of Bulgaria and the Republic of Greece.

Scheduled Maintenance means, in relation to any of the ICGB's Facilities, the inspection, maintenance, repair, modification or replacement of it.

Signing Date means the date on which a GTA is signed by the ICGB and the applicant that, in the ICGB opinion, fulfils all requirements (set out in Article 9) to become a Registered Party (including provision of the Network User Credit Support) and becomes effective in accordance with the terms of the GTA.

Standard Cubic Meter (Sm³) means a Natural Gas quantity that fills 1m³ at a pressure of 1.01325 bar (standard atmospheric pressure) and at a temperature of 15°C.

TAP means an independent Natural Gas TSO of the Greek Natural Gas transmission system incorporated under Swiss law and with whom the ICGB has entered into an Interconnection Agreement and whose network will be physically interconnected with the IGB Pipeline pursuant to Article 5.2.2.

Transmission Tariff means the Exit Point transmission tariff and the Entry Point transmission tariff applicable as determined under articles 4 and 5 of ANNEX C - and payable by the Network User to the ICGB under Article 19 of this INC.

Tax or Taxes means any tax, charge, fee, levy or other assessment imposed by any Governmental Authority, whether federal, state, local or otherwise; including all income, withholding, windfall profits, gross receipts, business, environmental, value added, capital gain, duties, capital stock, registration, excise, ad valorem, real property, personal property, land, local development, licence, sales, production, occupation, use, service, service use, transfer, payroll, employment, social security (or similar), unemployment, travel, franchise, severance, bonus or other tax of any kind, as well as any charges and assessments (including any interest, penalties or additions to tax due to or imposed on or regarding any assessment, whether disputed or not, but excluding any royalties, over-riding royalties and like charges), and all stamp or documentary taxes and fees.

Third Party means any Person other than a Party.

Trade Notification means the prior notification by a Network User to the ICGB of its Traded Quantities at the Virtual Trading Point pursuant to Article 10.4.

Traded Quantities means the aggregate quantity of Natural Gas (in kWh per Gas Day) that has been Nominated by a Network User either:

- (a) for transfer from it to another Network User at the Virtual Trading Point; or

- (b) for transfer to it from another Network User at the Virtual Trading Point.

Transmission Period has the meaning given to it in the relevant GTA. The Transmission Period cannot be longer than the exemption period granted by the Exemption Decision (i.e. 25 Years from COD).

Transmission Services means the services to be provided by the ICGB under the GTA (including relevant clause(s) of the GTA and clauses of this INC and, in particular, its Article 7.6), which include the transportation of Gas from/to any Entry Point and to/from any Exit Point and any other service as specified in the GTA and this INC.

TSO means a transmission system operator.

Unaccounted Gas means the quantity of Gas (in Energy units) resulting from make-up necessary for the purpose of compensating measurement tolerance.

Unused Capacity means that portion of the Network User's capacity which is unused by the Network User, as determined in accordance with Article 14.5.

UPAA Clearing Price means, in accordance with article 18 (*Uniform-price auction algorithm*) of NC CAM, the price of the lowest successful bid (pursuant to the auction procedure set out in this INC) if the demand exceeds the offer at the Reserve Price. In all other cases, the UPAA Clearing Price shall be equal to the Reserve Price.

User means the Network User and/or Other Network Users.

UTC means Coordinated Universal Time.

Virtual Trading Point or **VTP** means a virtual point at which Network Users may register Gas trades.

Volume Bid means the hourly Gas quantity Nm/h requested by the Network User at auctions conducted pursuant to Article 10.

VTP Agreement means an agreement (to be) entered into between ICGB and an applicant as a condition to such applicant becoming a Registered Party, which agreement regulates the access of such Registered Party, as a Network User, to the VTP and may be amended and/or restated from time to time.

VTP Minimum Credit Limit means the minimum amount of the Network User Credit Support applicable for the purpose of the Network User's trading volumes of Gas (buy and sell) at the VTP, as described in Article 29.3.6 of this INC.

Week means a period of seven (7) consecutive Days commencing on a Monday.

Wilful Misconduct and/or Gross Negligence has the meaning given to it in Article 24.1.3.

Working Day means any Day other than a Saturday, a Sunday, or a public holiday in Bulgaria and Greece.

Year means a calendar year of 365 or 366 Days.

3. REGULATORY FRAMEWORK

3.1 The European regulatory framework

3.1.1 The IGB Pipeline was developed within the framework of the Gas Directive, as implemented respectively by the Greek and the Bulgarian regulatory frameworks. In the context of this INC, particular importance is placed on the Exemption Decision and the current capacity allocation mechanism set out in NC CAM.

3.1.2 The Exemption Decision defines the terms and conditions for the IGB Pipeline's exemption from third party access, transmission tariff and ownership unbundling obligations and NC CAM defines the framework for operating the IGB Pipeline in a complementary manner. To the extent that NC CAM does not contradict the provisions of the Exemption Decision, NC CAM shall apply as set out herein.

3.2 Cross-border and exempted context

The IGB Pipeline will operate in a cross-border context between Greece and Bulgaria under an exempted and regulated regime in accordance with the Exemption Decision. To this extent, the ICGB is bound by the respective regulatory frameworks of Greece and Bulgaria and by the Exemption Decision. The Exemption Decision prevails over these regulatory frameworks and includes, *inter alia*, the following provisions:

3.2.1 Exemption Period

The exemption period shall last twenty-five (25) years from the Commercial Operation Date (COD), in accordance with the Exemption Decision.

3.2.2 Third party access exemption

A third-party access exemption is granted in respect of a certain amount of the IGB Minimum Capacity which is allocated to the Exempted Network Users. The following table shows the Exempted Capacity compared to the Non-Exempted Capacity and the IGB Minimum Capacity at COD:

<i>Period from</i>	<i>Period to</i>	<i>Exempted Capacity (Nm³/h/y)</i>	<i>Non-exempted Capacity (Nm³/h/y)</i>	<i>IGB Minimum Capacity (Nm³/h/y)</i>
<i>COD</i>	<i>up to 5 years</i>	<i>179.673,55</i>	<i>200.843,45</i>	<i>380.517,00</i>
<i>1st Day of the 6th year</i>	<i>up to 10 years</i>	<i>173.966,55</i>	<i>206.550,45</i>	<i>380.517,00</i>
<i>1st Day of the 11th year</i>	<i>up to 20 years</i>	<i>162.551,05</i>	<i>217.965,95</i>	<i>380.517,00</i>
<i>1st Day of the 21st year</i>	<i>up to 25 years</i>	<i>131.044,05</i>	<i>249.472,95</i>	<i>380.517,00</i>

3.2.3 Non-Exempted Capacity

- (a) The ICGB shall make Non-Exempted Capacity available in accordance with the regulation of NC CAM.
- (b) Nothing in this INC precludes an Exempted Network User to book the Booked Capacity in accordance with the INC terms and conditions applicable to Non-Exempted Network Users and the Booked Capacity. In such case, subject to fulfilment of all applicable conditions, the Exempted Network User shall enter, as Non-Exempted User, into a separate GTA with the ICGB that regulates the terms and conditions applicable to the Booked Capacity.

3.2.4 Transmission Tariff regime

FF Capacity and RF Capacity are exempted from the provisions of Gas Directive (as implemented in Bulgaria and Greece), as set out in ANNEX C - of this INC and is applicable to all Network Users.

4. INFORMATION PUBLICATION AND DATA EXCHANGE

4.1 Publication by the ICGB

Every six (6) Months ICGB shall publish on its website (www.icgb.eu) the all the relevant information regarding the technical and operational features and the overall status of the IGB Pipeline as required by point 3.1 and 3.2 of Annex I to Regulation (EC) No 715/2009 and updates it continuously.

4.1.1 The ICGB's Annual Plan

Three (3) Months before COD and by each subsequent 1 July (or in case of a non-Working Day, by the first (1st) Working Day after 1 July for each successive Year after the COD), the ICGB shall publish, via its website and e-mail to the Network User, the ICGB's Annual Plan containing:

- (a) the estimated Available Capacity at the Entry Point(s) and Exit Point(s);
- (b) its intended interventions and the proposed resultant availability for the next Gas Year of the IGB Pipeline, which shall include the Scheduled Maintenance and also possible reduction of the Transmission Service as a result of planned activities of the Interconnected System(s) that affect the operation of the IGB Pipeline; and
- (c) maximum permitted yearly interruption.

4.2 IGB Digital Support

4.2.1 The IGB Digital Support shall be developed and made available to support the information and data exchange between the Platform, the ICGB and the Network Users.

4.2.2 The IGB Digital Support shall have the following features available:

- (a) IGB Digital Support User's guide;
- (b) Network Users' registration pursuant to Article 9;
- (c) Portal for Network Users contract management and accessing the forms and data exchange facilities related;
- (d) Portal for accessing forms and data exchange facilities related to submission/receipt of Nominations, Re-nominations, Trade Notifications, Confirmations etc.

4.2.3 Any Network User shall use the IGB Digital Support for exchanging data and information necessary for accessing the IGB Pipeline services and the implementation of the relevant GTA provisions (if any) and/or the implementation of the relevant VTP Agreement provisions (if any).

4.2.4 ICGB will publish on its website the terms and conditions of access to IGB Digital Support.

- 4.2.5 ICGB will provide all Registered Parties that request access to the IGB Digital Support with unique user identifications and passwords in order to facilitate the access of such Registered Parties to the IGB Digital Support.
- 4.2.6 In case of unavailability of any of IGB Digital Support, communications under and in connection with this INC must be made in the following:
- (a) by email using the templates and email addresses published on the ICGB website at the time of that unavailability and
 - (b) by fax using any templates and fax numbers published on ICGB website at the time of that unavailability arising, followed, in the case of each such fax, by a telephone call to the ICGB at the telephone number published on the ICGB's website at the time of that unavailability arising, notifying the ICGB that the fax has been sent to it.
- 4.2.7 In case of unavailability of any of IGB Digital Support, ICGB will inform all affected Network Users for the duration of that period of unavailability, the ICGB will only accept communications made using the means of communication specified above.

5. IGB PIPELINE DESCRIPTION

5.1 Interconnections with TSOs

- 5.1.1 The IGB Pipeline is a high-pressure Gas pipeline interconnecting the Natural Gas transportation systems of Greece and Bulgaria and for interconnection with TAP.
- 5.1.2 The IGB Pipeline is physically interconnected with the DESFA and TAP systems in Komotini (Greece) and with the Bulgartransgaz EAD system in Stara Zagora (Bulgaria).
- 5.1.3 The IGB Pipeline may be interconnected with other systems (including, without limitation, the Distribution and/or Other System(s)) (a) in accordance with the regulatory frameworks of Greece and Bulgaria, or (b) following any explicit requests to do so by any TSO (other than the ICGB).

5.2 Interconnection Points, Entry Points and Exit Points

In case of the Firm Forward Flow (FFF) and the Interruptible Forward Flow (IFF), the Entry Points and the Interconnection Points in Komotini are the following:

5.2.1 Entry Point and Interconnection Point with DESFA

The Interconnection Point (D-IP) with DESFA shall be at the location (to be) determined by the ICGB and DESFA and the Battery Limits are defined in IGB Technical Description.

5.2.2 Entry Point and Interconnection Point with TAP

The Interconnection Point (T-IP) with TAP shall be at the location (to be) determined by the ICGB and TAP and the Battery Limits are defined in IGB Technical Description and the Exit Points of the IGB Pipeline are the Exit Points set forth in Article 5.2.3 and Article 5.2.4.

5.2.3 Exit Point and Interconnection Point with Bulgartransgaz EAD

The Interconnection Point with Bulgartransgaz EAD (B-IP) shall be at the location (to be) determined by the ICGB and Bulgartransgaz EAD and the Battery Limits are defined in IGB Technical Description.

5.2.4 Exit Point to the Distribution and/or Other System(s)

The Exit Points with the Distribution and/or Other System(s) shall be at the location (to be) determined by the ICGB and the Battery Limits are defined in IGB Technical Description.

Subject to Article 7.2, in case of the Firm Reverse Flow (FRF) or the Interruptible Reverse Flow (IRF), the only Entry Point of the IGB Pipeline is:

- 5.2.5 The Entry Point in Stara Zagora and the Interconnection Point with Bulgartransgaz EAD

The Interconnection Point with Bulgartransgaz EAD shall be at the location (to be) determined by the ICGB and Bulgartransgaz EAD and the Battery Limits are defined in IGB Technical Description and the Exit Points of the IGB Pipeline are the Exit Points set out in Article 5.2.6 to Article 5.2.7.

5.2.6 Exit Point in Komotini and the Interconnection Point with DESFA

The Interconnection Point with DESFA shall be at the location (to be) determined by the ICGB and DESFA and the Battery Limits are defined in IGB Technical Description.

5.2.7 Exit Point in Komotini (Greece) at the Interconnection Point with TAP

The Interconnection Point with TAP shall be at the location (to be) determined by the ICGB and TAP and the Battery Limits are defined in IGB Technical Description.

5.3 Technical characteristics

5.3.1 IGB Technical Description is published on ICGB website and contains the following information:

- (a) Pipeline Geographical Extension;
- (b) Technical Characteristics;
- (c) Pressures and Transportation Capacity at Entry and Exit point(s);
- (d) Control Equipment;
- (e) Metering Stations and Measurement Procedure;
- (f) Dispatching Centre;
- (g) Interconnection Point Battery Limits or Exit Point to the Distribution and/or Other System(s) Battery Limit;
- (h) Technical and Operational Constraints and Boundary Conditions.

6. EXEMPTED CAPACITY, RESERVED CAPACITY, BOOKED CAPACITY

6.1 Exempted Capacity

The Exempted Capacity shall be contracted by the Exempted Network Users, for the relevant capacity and duration. A Gas Transportation Agreement shall be executed in relation to such Exempted Capacity, *provided that* the Network User fulfils the requirements set out in Article 9.

6.2 INC obligations in relation to the Exempted Capacity

The Exempted Network Users shall comply with this INC to the extent that this INC does not contradict the Exemption Decision.

6.3 Exempted Capacity from COD for a period of 25 years

<i>Period from</i>	<i>Period to</i>	<i>Exempted Capacity (Nm³/h/y)</i>	<i>Non-exempted Capacity (Nm³/h/y)</i>	<i>Reserved Capacity (kWh/D)/y</i>
<i>COD</i>	<i>up to 5 years</i>	<i>179.673,55</i>	<i>200.843,45</i>	<i>44.166.454</i>
<i>1st Day of the 6th year</i>	<i>up to 10 years</i>	<i>173.966.55</i>	<i>206.550,45</i>	<i>42.763.587</i>
<i>1st Day of the 11th year</i>	<i>up to 20 years</i>	<i>162.551,05</i>	<i>217.965,95</i>	<i>39.957.486</i>
<i>1st Day of the 21st year</i>	<i>up to 25 years</i>	<i>131.044,05</i>	<i>249.472,95</i>	<i>32.212.593</i>

The above table shows the amount of Exempted Capacity in accordance with the Exemption Decision in different time periods. The profiles of Exempted Capacity vary depending on the expiration of the GTA executed with the Exempted Network Users.

6.4 Reserved Capacity

6.4.1 The table set out in Article 6.3 shows the total amount of the Annual Reserved Capacity for the Exempted Network Users. Each Annual Reserved Capacity shall be allocated on a firm basis to the Exempted Network Users in accordance with their respective ARCA's terms and conditions and represents, when used for Nomination purposes (in accordance with Article 13), the Daily Reserved Capacity. The Daily Reserved Capacity shall be used, *inter alia*, for netting the Available Capacity pursuant to Article 10.

6.4.2 Conversion Factors for ARCA's are 10,24 kWh/Nm³ and 24 h/Day.

6.5 Booked Capacity

6.5.1 The Booked Capacity, expressed in kWh/D/y, is the part of Available Capacity allocated to a Network User pursuant to Article 10 and represents, when used

for Nomination purposes (in accordance with Article 13), the Daily Booked Capacity.

- 6.5.2 The Exempted Network Users are allowed to participate at the booking procedure to the extent permitted by the Exemption Decision and within the limits set in ANNEX D -. In case of allocation of capacity to an Exempted Network User, the Exempted Network User and the ICGB shall enter into a separate GTA concerning such capacity.

7. CAPACITY PRODUCTS OFFERED AND RELATED SERVICE

7.1 Firm Forward Flow

- 7.1.1 The ICGB shall confirm for the Exempted Network Users and offer to the Network Users, from COD, FFF Capacity at the Exit Point of Stara Zagora (i.e. at B-T) as per Article 5.2.3 above.
- 7.1.2 All Network Users may book, from COD, FFF Capacity at the Entry Point(s) of Komotini (i.e. at D-IP and/or T-IP, as the case may be), to be transported up to the Exit Point of Stara Zagora (i.e. at B-IP) or other Exit Point to the Distribution and/or Other System(s).
- 7.1.3 FFF Capacity, is subject to Entry Point Transmission Tariff and Exit Point Transmission Tariff (ENT_{FFF} and EXT_{FFF} , respectively) as defined in articles 4.1 and 5.1 of ANNEX C -.
- 7.1.4 Booking procedures for FFF Capacity shall comply with the provisions of Article 10.3 and NC CAM.

7.2 Firm Reverse Flow

- 7.2.1 The ICGB may offer, at any time from COD, Firm Reverse Flow (FRF) capacity (FRF Capacity at the Exit Point(s) of Komotini (i.e. at D-IP and/or T-IP, as the case may be).
- 7.2.2 If offered, FRF Capacity shall be initially treated at COD as “*incremental capacity*” and shall follow the relevant procedure set out in NC CAM for investing in the necessary Facilities and ensuring the relevant Transmission Service by the ICGB.
- 7.2.3 Following the successful completion of such procedure, the ICGB having made relevant commitments to invest in necessary Facilities and the registration conditions set out in Article 9 having been fulfilled, the execution of a GTA between the ICGB and a Network User for FRF Capacity shall take place.
- 7.2.4 Subject to the preceding sentences, from the commercial operations date of the relevant Facilities, the Network Users may book FRF Capacity at the Entry Point of Stara Zagora (i.e. at B-IP), to be transported up to the Exit Point(s) of Komotini (i.e. at D-IP and/or T-IP, as the case may be).
- 7.2.5 FRF Capacity, is subject to Entry Point Transmission Tariff and Exit Point Transmission Tariff (ENT_{FRF} and EXT_{FRF} , respectively) as defined pursuant to articles 4.4 and 5.4 of ANNEX C -.
- 7.2.6 The booking procedure for FRF Capacity shall comply with the provisions of Article 10.3 and NC CAM.

7.3 Interruptible Forward Flow

- 7.3.1 From COD, the Network Users may book Interruptible Forward Flow (IFF) capacity (IFF Capacity at the Entry Point(s) of Komotini (i.e. at D-IP and/or T-IP as the case may be), but only if no FFF Capacity is available. Notwithstanding the interruptible nature of IFF Capacity, the following provisions shall apply to the Network User who has been allocated IFF Capacity.
- 7.3.2 IFF Capacity is subject to Entry Point Transmission Tariff and Exit Point Transmission Tariff (ENT_{IFF} and EXT_{IFF} , respectively) as defined pursuant to article 4.2 and article 5.2 of ANNEX C -.
- 7.3.3 The booking procedure for IFF Capacity shall comply with the provisions of Article 10.3 and NC CAM.

7.4 Interruptible Reverse Flow

- 7.4.1 From COD, the Network Users may book Interruptible Reverse Flow (IRF) capacity (IRF Capacity at the Exit Points of Komotini (i.e. at D-IP and/or T-IP, as the case may be).
- 7.4.2 From COD, the Network Users may book IRF Capacity at the Entry Point of Stara Zagora (i.e. at B-IP).
- 7.4.3 Subject to the preceding sentences of this Article 7.4, all Network User who booked IRF Capacity may deliver Gas at the Entry Point of Stara Zagora and off-take gas at the Exit Point of Komotini.
- 7.4.4 IRF Capacity, is subject to Entry Point Transmission Tariff and Exit Point Transmission Tariff (ENT_{IRF} and EXT_{IRF} , respectively) as defined pursuant to article 4.3 and article 5.3 of ANNEX C -.
- 7.4.5 The booking procedure for IRF Capacity shall comply with the provisions of Article 10.3 and NC CAM.

7.5 Entry Point Specification

The compliance of the delivered gas with the Entry Point Gas Specification shall be continuously monitored by the ICGB at each Interconnection Point. For any deviation from the Entry Point Gas Specification, Network Users shall be notified by the ICGB and shall give to ICGB the right to reduce or to interrupt the Transmission Service in case such deviations may affect, in the reasonable opinion of the ICGB, integrity or safety of operation of the IGB Pipeline.

7.6 Services provided by the ICGB

Without prejudice to any other provision of this INC, the relevant GTA (if any) and/or the VTA Agreement, this Article 7.6 summarises the services provided by the ICGB:

- 7.6.1 Uninterruptible service

The Reserved Capacity or the Booked Capacity, in each case when relating to FFF Capacity or FRF Capacity, shall not be interrupted if the following requirements are satisfied:

- (a) the Gas at any Entry Point(s) is compliant with the Entry Point Specification in accordance with Article 22.5;
- (b) the Gas Quantities are confirmed through the relevant confirmation at each Interconnection Point and each Exit Point to the Distribution and/or Other System(s), pursuant to Article 13;
- (c) the Gas Days are outside the maximum permitted yearly interruption foreseen in the ICGB's Annual Plan (as such is set and updated in accordance with Article 4.1.1); and
- (d) reduction or interruption is not caused by a Force Majeure Event.

7.6.2 Capacity booking

- (a) The process of capacity booking shall be implemented through the Platform. The ICGB shall calculate and publish the Available Capacity at the Interconnection Points and Exit Points to the Distribution and/or Other System(s), define and administer the procedure with which the Network User requests capacity, allocate capacity (in accordance with the Exemption Decision and/or NC CAM provisions, as the case may be) and execute the relevant GTA(s).
- (b) The ICGB shall manage the allocation of Gas between the Network Users, where the Network Users share ownership of the Gas flowing through the same Metering Station.

7.6.3 VTP access

Subject to having entered into the VTP Agreement with the ICGB in accordance with Article 9.3 and provision of the Network User Credit Support in accordance with the Article 29, the ICGB shall offer to a Network User access to the VTP (via the IGB Digital Support). For the avoidance of doubt, it is not required for the Network User to enter into a GTA in order to obtain an access to the VTP.

7.6.4 Provisional Network User Allocation and Final Allocation

The ICGB shall determine and transmit to the Network User the Provisional Network User Allocation and provide the Final Allocation in accordance with Article 16.

Any Capacity Overruns shall be determined by the Final Allocation. In case of two or more Non-Exempted Network Users incurring Capacity Overrun in relation to the same Exit Point to the Distribution and/or Other System(s), the total Capacity Overrun of all Non-Exempted Network Users for such Exit Point will be *pro-rated* between those Non-Exempted Network Users.

7.6.5 Information data

The ICGB shall administer the data relating to the transportation activities on the IGB Pipeline, including those related to the Network User's Nominations, through the IGB Digital Support described in Article 4.2. Data that are to be exchanged via IGB Digital Support are described in Article 13.

7.6.6 Balancing

The ICGB shall calculate and apply Daily Imbalance Charges, as described in Articles 16 and 17 and further elaborated in the relevant GTA.

7.6.7 Gas metering

The ICGB shall be responsible for measurement data acquisition and validation and for forwarding of such data to the Network User in accordance with Article 23.3.

7.6.8 Gas quality

The ICGB shall measure the Gas Characteristics and verify compliance with the Entry Point Specification and Exit Point Specification (in accordance with Article 22), such as those necessary to calculate energy (Gross Calorific Value - GCV) and those related to the control of chemical and physical characteristics of Natural Gas.

7.6.9 IGB Pipeline interventions

The ICGB shall perform periodic inspections, control and maintenance, which may cause interruption or reduction of the transportation capacity of the IGB Pipeline. These activities can be either planned or may become necessary without planning if anomalous or unforeseen situations or emergencies occur. The planning of interventions is described in Article 4.1.1.

7.6.10 Management of service emergencies

The ICGB shall have its own code for emergency management, to be implemented in accordance with Article 31.

7.6.11 Gas shortages

In accordance with the emergency procedures to be implemented in accordance with Article 31, the ICGB shall monitor and/or act to address emergency situations resulting from an increase in demand, which cannot be covered by supply.

8. INTERRUPTIONS

Without limiting ICGB's rights to suspend its performance under other provisions of this INC (including, without limitation, under Article 21.2.6, Article 25.5, Article 29, Article 0 and Article 31), the provision of the Transmission Service shall be subject to interruption by the ICGB (without any liability whatsoever) in accordance with this Article 8.

8.1 Interruptions in provision of the Transmission Services

- 8.1.1
- (a) In order to ensure implementation of the contracted FFF Capacity or FRF Capacity, ICGB shall be entitled to interrupt (partially or fully) provision of the Transmission Services in connection with the IRF Capacity and the IFF Capacity.
 - (b) The ICGB shall be entitled to interrupt provision of the Transmission Services in connection with the IRF Capacity when the total of the nominations confirmed for the Network Users at the Entry Point – Exit Point in the Firm Forward Flow (FFF) and the Interruptible Forward Flow (IFF) is less than the total of nominations confirmed for the Network Users in the Firm Reverse Flow (FRF) and the Interruptible Reverse Flow (IRF).
 - (c) The ICGB shall be entitled to interrupt provision of the Transmission Services in connection with the FFF Capacity, the FRF Capacity, the IRF Capacity and/or the IFF Capacity in case of Scheduled Maintenance and unplanned maintenance or repair works (including those caused by full or partial outage) on the IGB Pipeline and/or the ICGB's Facilities which shall lead to a capacity reduction at the relevant Entry Point - Exit Point below the total of all confirmed nominations.
 - (d) The interruption of the IRF Capacity and the IFF Capacity shall be made based on time stamp with the IRF Capacity or IFF Capacity bought last shall be interrupted with priority. In case of the IFF Capacity or the IRF Capacity bought simultaneously, proportional reduction shall apply. For the purpose of implementation of this sub-clause, the IRF Capacity and the IFF Capacity shall be treated as one.
 - (e) When executing Scheduled Maintenance and unplanned maintenance or repair works (including those caused by full or partial outage) on the IGB Pipeline and/or the ICGB's Facilities, after the complete interruption of the IFF Capacity and the IRF Capacity and upon reporting the quantities nominated for transmission for the respective Gas Day, the ICGB shall reduce the FFF Capacity and FRF Capacity proportionally to the capacity booked by the Network Users for the respective affected Entry Point – Exit Point(s) with a limited capacity, up to the complete interruption of their respective Reserved Capacity or Booked Capacity, if necessary.
- 8.1.2 Save in case of unplanned maintenance or repair works (including those caused by full or partial outage), ICGB shall have the right to interrupt the provision of the Transmission Services for a period which will be published on ICGB website (the **Maximum Period**) which shall be in addition to the Days planned for interruption in accordance with the ICGB's Annual Plan. For interruptions in the performance of the Transmission Services that are related to a portion of the maximum Daily Quantity (**Partial Interruption**),

the ICGB shall have the right of Partial Interruption period, which will be published on ICGB website.

- 8.1.3 The values for the parameters of the Maximum Period valid for annual, quarterly and monthly capacity bookings are published, for each Entry Point, at www.icgb.eu.
- 8.1.4 The ICGB shall have the right to interrupt the provision of the affected Transmission Services (if any) in case of suspension of the relevant Platform activities, termination of the relevant Platform Agreement, or deactivation or deregistration of the Network User from the relevant Platform, in each case in accordance with the relevant Platform Agreement and/or other terms and conditions of the relevant Platform.

8.2 Interruption procedure

- 8.2.1 In case of interruption due to the Scheduled Maintenance or interruption of interruptible capacity, the ICGB shall inform the relevant Network User of its intention to interrupt the provision of the Transmission Services in accordance with this Article 8, by providing the Network User with the date and duration of the Scheduled Maintenance or interruption of interruptible capacity, taking into account the minimum notice period.
- 8.2.2 The ICGB shall publish the minimum notice period values for each Entry Point at www.icgb.eu.
- 8.2.3 The ICGB, having notified the Network User of the length of the Scheduled Maintenance or interruption of interruptible capacity, may proceed with interruption without any further confirmation. The number of interruption Days notified, to the extent applicable in accordance with Articles 6.2 and 6.3 above, shall be subtracted from the Maximum Period for the Gas Year.
- 8.2.4 The Maximum Period shall be in addition to the interruptions in accordance with the ICGB Annual Plan, as updated pursuant to Article 4.1.1.
- 8.2.5 In accordance with article 33(2) of NC CAM, the interruption time of forty-five (45) minutes after the start of the Re-nomination cycle is hereby granted.

9. REGISTERED PARTIES

9.1 Access to the services by the ICGB

The IGB Pipeline may be accessed on the basis of non-discriminatory and transparent conditions, if the minimum requirements set out in Article 9.2 are fulfilled for becoming a Registered Party.

9.2 Minimum requirements

9.2.1 Where a Person wishes to book capacity on the IGB Pipeline or trade Natural Gas at the VTP, such Person shall compile a relevant application by accessing the relevant portal to be set within the IGB Digital Support. A Person who wants to become a Registered Party shall provide, through its official representative or other Person explicitly authorised to do so by way of a power of attorney (a copy of such power of attorney to be provided to ICGB as part of the applicant's document submission), the following documents or other evidence:

- (a) in relation to an Exempted Network User, the Minimum Credit Rating relating to itself. In case it has no Minimum Credit Rating, the Exempted Network User shall provide evidence reasonably satisfactory to the ICGB about how it intends to prove its creditworthiness, thereby meeting the Minimum Credit Rating requirement (for example, through parent/sovereign/state guarantee, letter or credit or other instrument or measure);
- (b) a certified copy of a certificate of its corporate registration;
- (c) a declaration that it is not subject to any Insolvency Event and that there is no reasonable likelihood of any Insolvency Event occurring;
- (d) a declaration that no Person who is employed by it at the senior management level, or who represents it has been convicted for being a member of a criminal organization or has been convicted for fraud, corruption or money laundering;
- (e) an attested affidavit by its legal or authorised representative stating that the information and declarations provided are true;
- (f) audited financial statements from the past three (3) financial years (or its shareholders in the event that such audited financial statements cannot be produced for the last three (3) financial years);
- (g) a declaration, agreement or deed of acceptance (in a form and substance reasonably satisfactory to the ICGB) of the terms and conditions of this INC and the terms and conditions of use of the Platform before participating in any booking procedure;
- (h) the Network User Credit Support in accordance with Article 29; and

- (i) if wanting to supply Natural Gas to a Natural Gas Customer, a copy of the Natural Gas Supply Contract (including all attachments) with the Natural Gas Customer.
- 9.2.2 If, during the registration process, any of the documents or information provided to the ICGB has changed or new document or information has become available, the applicant shall, promptly upon becoming aware of it, submit to the ICGB new or amended documentation and/or information. The ICGB shall have the right to require any further information or documentation or seek and obtain clarification from the applicant in relation to such new or amended documentation or information.
- 9.2.3 The applicant shall fulfil the above requirements in digital form, with digital signatures, according to the forms downloadable from the ICGB's website and reported in the IGB Digital Support User's guide.
- 9.2.4 In case of change to the applicable regulatory framework, the ICGB reserves the right to change required formats, documentation and information and post details concerning the new requirements on the ICGB website.

9.3 Acceptance of a Registered Party

- 9.3.1 The ICGB shall assess and approve or reject submitted application for registration. If the application has been approved by the ICGB, the ICGB shall invite the applicant to sign the following agreements:
 - (a) a Gas Transportation Agreement; and/or
 - (b) a VTP Agreement.
- 9.3.2 Upon the agreement(s) set forth in Article 9.3.1 having been signed by the applicant and the ICGB, the applicant shall become the Registered Party. The ICGB shall provide the Registered Party with:
 - (a) amount of the Network User Credit Support in accordance with Network User Credit Support provisions of Article 29;
 - (b) where appropriate, the access to the VTP (via the IGB Digital Support) and the Booking Account Code of the Registered Party for any auction participation pursuant to Article 10.
- 9.3.3 The Registered Party shall pay the Registration Fee.
- 9.3.4 ICGB will keep a register of all Registered Parties.

9.4 Material Change in Registered Party's Circumstances

- 9.4.1 Following registration, each Registered Party shall, promptly upon becoming aware of any such material change, provide a notice to the ICGB identifying any material change to the information or documentation provided by it as part of the registration process set out in Articles 9.2 and 9.3 above.
- 9.4.2 Each Registered Party that so notifies the ICGB shall (a) within five (5) Business Days of the date of its notice, submit to the ICGB additional or

amended information and/or new or amended documentation that has been affected by such material change, and (b) promptly upon any ICGB written request in this regard, provide the ICGB with any further information or documentation relating to such material change.

- 9.4.3 Upon receipt of the information and/or documentation in accordance with Article 9.4.2, the ICGB shall assess if the relevant Registered Party still meets all registration requirements. If the ICGB determines that all registration requirements are met, it will notify the Registered Party that its registration continues uninterrupted. If the ICGB determines that one or more of the registration requirements are not met, the ICGB shall promptly notify the Registered Party that its registration has been cancelled as of the date to be set out by the ICGB in such notice.

9.5 Cancellation of Registration

- 9.5.1 In addition to the ICGB right of cancellation under Article 9.4.3 above, the cancellation of registration can occur in the following cases:
- (a) a Registered Party may request to cancel its registration by giving written notice to the ICGB. The ICGB shall approve proposed cancellation of the registration if, as of the date of the Registered Party's notice, such Registered Party has no Reserved Capacity and/or, as it may be the case, no Booked Capacity and all of its monetary and other obligations towards the ICGB under the GTA (if any), the INC and the Ancillary Contracts (if any) have been fulfilled; or
 - (b) unless there are one or more other GTAs with such Registered Party that remain in force, the ICGB may cancel registration in case of termination of the GTA in accordance with its terms or in accordance with Article 25 of this INC; or
 - (c) the ICGB may cancel registration in case of termination of the VTP Agreement or any other Ancillary Contract, in accordance with its terms.
- 9.5.2 The ICGB shall, within 20 Business Days of receipt of the Registered Party's notice under Article 9.5.1(a) above or termination under Article 9.5.1(b) or (c) above, remove that Registered Party from the registry of Registered Parties and confirm in writing to such Registered Party that it is no longer a Registered Party.
- 9.5.3 Upon cancellation of the registration, the ICGB shall, within 30 days of becoming satisfied that all amounts due and payable by such Person under the GTA (if any), this INC and all Ancillary Contracts (if any) have been irrevocably discharged in full and no further amounts will or are likely to become due, return to such Person the then available Network User Credit Support (if any).

10. IGB BOOKING PROCEDURE

For booking of the Available Capacity, the Registered Parties (including the Exempted Network Users, if willing to book additional capacity) may participate at the auctions pursuant this Article 10 and, as a condition to any booking activity, the terms and conditions of the Platform Agreement. Where the provisions of this Article 10 conflict with the Platform Agreement (or any other relevant terms and conditions of the Platform), the Platform Agreement (respectively the terms and conditions of the Platform) shall apply.

10.1 Dominant players' booking limitations according to the Exemption Decision

Any Registered Party shall comply with the provisions of ANNEX B of this INC and article 4.4 paragraphs 2 and 3 of the Exemption Decision.

10.2 Available Capacity to be booked

In respect of the Capacity Products set out in Articles 7.1 to 7.4 above, the ICGB shall offer to the Registered Parties the Available Capacity for each Capacity Product (expressed in kWh/D) for Gas transportation on the IGB Pipeline at each Interconnection Point and each Exit Point to the Distribution and/or Other System(s) according to the provisions of NC CAM and this INC. The Available Capacity shall be calculated net of (a) the Exempted Capacity and (b) already Booked Capacity, on the basis of the technical limits of the IGB Pipeline, the actual conditions of the Interconnection Points and the Exit Points to the Distribution and/or Other System(s), the actual conditions of the Interconnected Systems, respectively, and in accordance with Article 14. The following capacity products shall be offered via the Platforms, through auctions described in this Article 10:

10.2.1 Yearly Capacity Products

- Yearly Firm Forward Flow (FFF) Capacity,
- Yearly Interruptible Forward Flow (IFF) Capacity,
- Yearly Interruptible Reverse Flow (IRF) Capacity

shall be offered for periods corresponding to one or more Gas Years, not necessarily sequential, up to a maximum of fifteen (15) Gas Years, with effect from 1 October of each Gas Year.

10.2.2 Quarterly Capacity Products

- Quarterly Firm Forward Flow (FFF) Capacity,
- Quarterly Interruptible Forward Flow (IFF) Capacity,
- Quarterly Interruptible Reverse Flow (IRF) Capacity

shall be offered on a quarterly basis, for one or more quarters, not necessarily sequential, with effect from 1 October (for the period October-December), 1 January (for the period January-March), 1 April (for the period April-June), and 1 July (for the period July-September).

10.2.3 Monthly Capacity Products

- Monthly Firm Forward Flow (FFF) Capacity,
- Monthly Interruptible Forward Flow (IFF) Capacity,
- Monthly Interruptible Reverse Flow (IRF) Capacity

shall be offered on a monthly basis (coinciding with Months), with effect from the first (1st) Gas Day of each Gas Month, as part of the booking process set forth in Article 10.3.

10.2.4 Daily Capacity Products

- Daily Firm Forward Flow (FFF) Capacity,
- Daily Interruptible Forward Flow (IFF) Capacity,
- Daily Interruptible Reverse Flow (IRF) Capacity

shall be offered on a daily basis, with effect from the start of the following Gas Day, as part of the booking process set forth in Article 10.3.

10.2.5 Incremental capacity

FRF Capacity shall be offered as incremental capacity on a yearly basis.

10.2.6 Bundled Capacity Products

At each Interconnection Point, each capacity set forth in Articles 10.2.1 to 10.2.4 (inclusive), totally or partially, may be offered as “bundled capacity” (as defined in NC CAM), where firm or “incremental” capacity is available on both sides of the Interconnection Point. In such a case, relevant capacity is mutually determined with one or more of the Adjacent TSOs, as the case may be, as the lesser of the firm “bundled capacity” made available by the relevant Adjacent TSOs.

10.3 Booking Procedure

10.3.1 Auctions

All Capacity Products shall be offered through auctions performed by the Platforms in compliance with the procedures set in accordance with NC CAM following ENTSOG Auction Calendar. The Network User shall receive from ICGB a confirmation of access to the relevant Platform after it has become Registered Party and has entered into the Platform Agreement with the relevant Platform.

10.3.2 Platforms

The ICGB shall conduct auctions for Capacity Products on the following Platforms, as follows:

- (a) for the Interconnection Point between the ICGB and the DESFA at Komotini (Greece), auctions for Capacity Products will be conducted by PRISMA;

- (b) for the Interconnection Point between the ICGB and the TAP at Komotini (Greece), auctions for Capacity Products will be conducted by PRISMA;
- (c) for the Interconnection Point between the ICGB and Bulgatransgaz at Stara Zagora (Bulgaria), auctions for Capacity Products will be conducted by RBP; and
- (d) for the Exit Points to the Distribution and/or Other System(s), auctions for Capacity Products will be conducted by RBP.

10.3.3 ICGB validation or other approval of Network User for the Platform purposes

For the purpose of the Platform's requirements and processes, the ICGB shall assess and, if so determined by the ICGB, validate or otherwise approve the Network User.

10.3.4 Financial / credit limit

The Capacity Booking Minimum Credit Limit for a Non-Exempt Network User is set out in its GTA.

10.3.5 Ascending Clock Auction

- (a) Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be auctioned using an ascending clock auction algorithm, on contractual terms from a Gas Year to a Month, in accordance with the Platform's terms and conditions and the relevant procedure set out in accordance with NC CAM.
- (b) The Available Capacity for each Capacity Product shall comply with the provisions of the Exemption Decision, with the priority from annual to monthly Capacity Products, and adjusted in accordance with Article 14.

10.3.6 Rolling monthly capacity auctions

- (a) Each of the FFF Capacity, IFF Capacity, IRF Capacity and FRF Capacity shall be auctioned using an ascending clock auction algorithm, on contractual terms equal to a Month, in accordance with the Platform's terms and conditions and the relevant procedure set out in accordance with NC CAM.
- (b) The Available Capacity for each Capacity Product shall comply with the provisions of the Exemption Decision, with the priority from annual to monthly Capacity Products and adjusted in accordance with Article 14.

10.3.7 Rolling day-ahead capacity auctions

- (a) The rolling day-ahead capacity auction shall be held once a Day based on a uniform-price auction algorithm. Rolling day-ahead capacity shall be auctioned on contractual terms equal to a Gas

Day, as per the Platform, and the relevant procedures set out in accordance with NC CAM.

- (b) The Available Capacity shall comply with the provisions of the Exemption Decision, with the priority from annual to monthly Capacity Products, and adjusted in accordance with Article 14.

10.3.8 Within-day capacity auctions

Subject to the Available Capacity being made available, a within-day capacity auction shall be held every hour during a Gas Day based on a uniform-price auction algorithm. Within-day capacity shall be auctioned for contractual terms equal to an hour, as per the Platform rules, and the relevant procedures set out in accordance with NC CAM.

10.4 Virtual Trading Point

Any Network User may trade title of Gas at the Virtual Trading Point. The Virtual Trading Point shall be used for trading short term standardised products for delivery on a “within day” or “day ahead” basis.

10.4.1 Trade Notifications at Virtual Trading Point

- (a) A Network User may trade Gas by submitting a Trade Notification to the ICGB in accordance with the Nomination timetable set in Article 13.3. Trade Notification must be submitted to the ICGB by both parties involved in the transaction.
- (b) A Trade Notification shall provide the following information:
 - (i) that it is a notification for trading at the Virtual Trading Point, with a specification as to whether it is a disposing Trade Notification or an acquiring Trade Notification;
 - (ii) the Network User's Booking Account Code;
 - (iii) the Network User counterparty's booking account;
 - (iv) the Gas Day to which the trade applies; and
 - (v) the quantity of Natural Gas to be traded, being a positive quantity for a purchase or a negative quantity for a sale in units of kWh per Gas Day.
- (c) A Network User shall be responsible for correct submission of Trade Notifications for the Gas quantities it wishes to trade via the VTP.
- (d) The time period for a Network User to submit a Trade Notification to the ICGB is the same as for submitting Nominations and Re-nominations.

- (e) The ICGB will perform a matching process at the Virtual Trading Point. In case, during the Matching Process, the Gas quantities stated in the Trade Notifications of the Pair of Network Users are not equal, the ICGB shall apply the lower quantity specified in the relevant Trade Notification as Confirmed Quantity. In case, during the Matching Process, the quantities stated in the Trade Notifications of the Pair of Network Users are not the equal, then there is a "mismatch" and the Processed Quantities will be zero.
- (f) After the end of matching process, ICGB will send confirmations with the details on Confirmed Quantities to each relevant Network User.

10.4.2 VTP trade and balancing

- (a) Any Network User trading on the VTP shall be subject to the balancing rules set in this INC.
- (b) Quantities of Natural Gas that were the subject of a transaction at the VTP between Network Users and were confirmed by the ICGB in accordance with Article 10.4.1(f) shall be allocated to Network Users and shall be taken into account in the calculation of the daily gas imbalance position.

10.5 Change of Natural Gas supplier

A Natural Gas Customer may, at any time, change its supplier(s) of Natural Gas. Any Network User under an existing GTA may become a new supplier of Natural Gas to the Natural Gas Customer. In case of change of the supplier(s), the Natural Gas Customer shall follow the following procedure:

- 10.5.1 The Natural Gas Customer who wishes to change the Natural Gas supplier(s) shall, at least three (3) weeks prior to the date of change, send to the ICGB a written request that will contain:
 - (a) the name and other identification data of each of: (i) the Natural Gas Customer, (ii) the original Natural Gas supplier(s), and the (iii) new Natural Gas supplier(s); and
 - (b) a copy of the Natural Gas Supply Contract with the new Natural Gas supplier(s) evidencing (i) the date of the first supply, (ii) the term of validity of the Natural Gas Supply Contract, (iii) the relevant Exit Point(s), and (iv) the program of supply, containing (1) information on Natural Gas quantities to be supplied (including the quantities broken down in Quarters, Months and, in case of Natural Gas Supply Contracts with a term shorter than one (1) Month, Days, and (2) the maximum and minimum daily quantity to be supplied;
- 10.5.2 As a condition to the change of the supplier, the new supplier (a) has to become a Registered Party in accordance with the requirements set in Articles 9.2 and 9.3 and have a GTA signed with the ICGB, (b) cannot have any financial

- obligations towards the ICGB that remained (fully or partially) outstanding following the due date;
- 10.5.3 In case of the Natural Gas Customer switching to more than one new supplier or changing the original supplier(s) only in relation to a portion of the Natural Gas quantities (**Partial Change of Supplier**), the provisions of Article 10.5.1(a) and (b) and Article 10.5.2 shall apply to each such original and new supplier;
- 10.5.4 Capacity transfer at the Exit Point(s) to the Distribution and/or Other System(s) shall be made from the original supplier to the new supplier bilaterally, by way of using the relevant Platform. In case of Partial Change of Supplier, the same (process) requirements apply. RBP shall be used in connection with transfer of capacity at the Exit Point(s) in the Republic of Bulgaria. PRISMA will be used in connection with the transfer of capacity at the Exit Point(s) in the Republic of Greece. The procedure set out in Article 14.3 of this INC shall apply to each capacity transfer;
- 10.5.5 Upon Partial Change of Supplier, the ICGB shall transfer capacity from the original supplier(s) to the new supplier(s) in relation to the time period requested by the Natural Gas Customer in its notice to the ICGB. The Capacity Product that is closest to covering the entire requested period shall be transferred first. If, following such capacity transfer, there is residual capacity that has not been transferred, the Capacity Product that covers it most accurately will be transferred next. This process will continue until the capacity for the entire requested period has been fully transferred;
- 10.5.6 Capacity transfer associated with the change of the supplier (irrespective of whether Partial Change of Supplier or not) shall become effective on the first Gas Day of the Gas Month, following the Month when the Natural Gas Customer's request has been received by the ICGB.

11. NETWORK USER'S AWARD

11.1 Types of algorithms

Network Users bidding in the auction procedure pursuant to Article 10 may be awarded in accordance with procedure set by the Platform. Procedures may follow either ascending clock auction algorithm or uniform-price auction algorithm, as the case may be pursuant to Article 10. Where the provisions of this Article 0 conflict with the Platform Agreement (or any other relevant terms and conditions of the Platform), the Platform Agreement (respectively the terms and conditions of the Platform) shall apply.

11.2 Ascending clock auction algorithm (ACAA)

11.2.1 All Network Users who have placed a valid Volume Bid at the ACAA Clearing Price shall be allocated the capacity according to their respective Volume Bids at the ACAA Clearing Price. Where "*incremental capacity*" is offered, the allocation of such "*incremental capacity*" shall be subject to the outcome of the economic test according to article 22 (*Economic test*) of NC CAM.

11.2.2 Successful Network Users shall pay the ACAA Clearing Price of the specific auction, which may be a fixed price, or a price based on the floating payable price approach (as set out in article 24 of NC TAR), together with any other charges applicable at the time when the capacity allocated can be used.

11.3 Uniform-price auction algorithm (UPAA)

11.3.1 The ICGB shall rank all Price Bids relating to a given Capacity Product with the highest Price Bid ranking first. Allocation of the Available Capacity shall follow the ranking down to saturation of the capacity offered. Last ranked bidders shall be allocated the remaining capacity after the bidders offering the higher Price Bids have been satisfied. If several bidders are ranked equally at the UPAA Clearing Price and the amount of the relevant capacity remaining (which has been applied for under such bids exceeds the remaining unallocated capacity), then the remaining unallocated capacity shall be allocated among those equally ranking bidders on a *pro-rata* basis, according to the amounts applied for in each Price Bid.

11.3.2 The price payable by each successful Network User shall be the UPAA Clearing Price which may be a fixed price, or a price based on the floating payable price approach (as set out in article 24 of NC TAR), together with any other charges applicable at the time when the capacity allocated can be used. All remaining bidders who bid below the UPAA Clearing Price shall not be allocated capacity and their bids shall be considered as unsuccessful.

12. CONTRACTUAL ARRANGEMENTS

12.1 Types of contractual arrangements

12.1.1 In accordance with Article 9.3, a Person has to sign:

- (a) a GTA and a VTP Agreement - to become a Registered Party, to be able to use the Transmission Services (as a Network User) and to have access to and use the VTP (as a Network User); or
- (b) a VTP Agreement only - to become a Registered Party and to have access to and use the VTP (as a Network User).

13. NOMINATION AND MATCHING PROCESS

13.1 Network User's obligations

The Network User shall perform the following obligations in relation to the Transmission Services:

13.1.1 Nominations

The Network User shall provide a Daily Nomination and/or a Trade Notification according to this Article 13, indicating the Gas Quantities to input at its Entry Point(s) or to off-take from the IGB Pipeline at its Exit Point(s) or Virtual Trading Point and communicate those Nominations to the ICGB according to the terms and conditions of this INC.

13.1.2 Delivery

During each Gas Day, the Network User shall deliver or arrange to be delivered to the Entry Point(s), Gas Quantities within the Reserved Capacity or the Booked Capacity (pursuant to Articles 6.4 or 6.5, as the case may be), in accordance to the Entry Point Specifications and the Entry Pressure set in Article 22.

13.1.3 Off-take

During the same Gas Day (as that referenced at Article 13.1.2), the Network User shall off-take from the Exit Point(s), Gas Quantities within the Reserved Capacity or the Booked Capacity (pursuant to Articles 6.4 or 6.5, as the case may be).

13.2 Daily Nomination

13.2.1 Network User's Daily Nomination

- (a) The Network User shall specify the actual Gas Quantities by submitting a Nomination to the ICGB (via IGB Digital Support);
- (b) The Network User shall submit a Nomination for Gas Day D no later than 13:00 UTC (winter time) or 12:00 UTC (daylight saving) on Gas Day D-1;
- (c) The last Nomination received by the ICGB from a Network User before the Nomination deadline shall be taken into account by the ICGB;
- (d) In the absence of a valid Nomination sent by the Network User before the Nomination deadline, Nominated Quantity shall be deemed to be zero.

13.2.2 The aggregate of the Nominated Quantities which are specified by the Network User in a Daily Nomination shall not be greater than its Daily Reserved Capacity or Daily Booked Capacity for that Day.

13.2.3 Where a notice of Scheduled Maintenance has been given by the ICGB in respect of a Day, the aggregate of the Nominated Quantities specified by the Network User in a Daily Nomination in respect of that same Day shall not exceed the Maintenance capacity Reduction applicable to such notice.

13.3 Matching Process

- 13.3.1 After the Nomination deadline and at the end of each Re-nomination cycle, the ICGB and each Adjacent TSO will commence the Matching Process in respect of each relevant Interconnection Point, where the ICGB will initiate the Matching Process.
- (a) If a Network User's Nominations exceed its Daily Booked Capacity or Daily Reserved Capacity, the ICGB will reduce that Network User's Nominated Quantities at the relevant Interconnection Point before using them for the purpose of the Matching Process so that they are equal to the Daily Booked Capacity or the Daily Reserved Capacity.
 - (b) If a Network User's Re-nomination does not comply with the Re-nomination restrictions of Article 13.4, the ICGB will reject that Re-nomination and the last valid Nomination or Re-nomination will apply.
 - (c) If as a result of a capacity reduction, a Network User's Nominated Quantities are greater than the maximum amount of that Network User's Daily Booked Capacity or Daily Reserved Capacity that the ICGB is able to make available to that Network User, the ICGB will reduce that Network User's Nominated Quantities before using them for the purpose of the Matching Process so that they are equal to such maximum amount.

13.3.2 Matching rules

The following matching rules will apply at the Interconnection Points as defined at the relevant Interconnection Agreements with Adjacent TSOs:

- (a) If the same Pair of Network Users is notified to each of the Parties and the daily Processed Quantities in the Adjacent TSO System is equal to the daily Processed Quantity in the IGB Pipeline for the corresponding Network Users, then there is a "Match" and the Confirmed Quantities will be the daily Processed Quantities.
- (b) If the same Pair of Network Users is notified to each of the Parties but the daily Processed Quantities in the Adjacent TSO System is not equal to the daily Processed Quantity in the IGB Pipeline for the corresponding Network Users, then there is a "Mismatch" and the Confirmed Quantities will be determined according to the Lesser Rule.
- (c) If the Pair of Network Users is not the same, then there is a "Mismatch" and in this case the Confirmed Quantities will be zero for both Pair of Network Users in respect of this particular pair.

- 13.3.3 Through the IGB Digital Support, the ICGB shall provide each Network User with its Confirmed Quantities resulted from the Matching Process within two hours from the start of the Nomination or Re-nomination cycle.

The technical feasibility of transportation programs shall be assessed using hydraulic simulations/optimisations of the IGB Pipeline, on the basis of the planned transportation scenario and applicable technical standards.

13.4 Re-nomination

A Network User is entitled to change the initially Nominated Gas Quantities by submitting Re-nominations within the Re-nomination period which starts immediately after the confirmation deadline.

- 13.4.1 Re-nomination period starts at 15:00 UTC (winter time) or 14:00 UTC (daylight saving) on Gas Day D-1 and ends three hours before the end of that Gas Day (D);
- 13.4.2 Each Re-nomination cycle starts at the beginning of every hour within the Re-nomination period and ends at the end of that hour;
- 13.4.3 Re-nomination will be applicable two hours after the end of the Re-nomination cycle in which it is received;
- 13.4.4 The last Re-nomination received by the ICGB from a Network User before the Re-nomination cycle starts shall be taken into account by the ICGB in the Re-nomination cycle.

13.5 Content of the Network User's Daily Nomination and Re-nomination

In each Daily Nomination and each Re-nomination, the Network User shall indicate:

- 13.5.1 the Interconnection Point's identification;
- 13.5.2 the direction of the Gas flow;
- 13.5.3 the Network User's Booking Account Code;
- 13.5.4 the Network User's counterparty identification (the Network User account code issued by the Adjacent TSO, the DSO or the operator of the Industrial Customer);
- 13.5.5 the Gas Day to which the Daily Nomination applies;
- 13.5.6 the Gas Quantities to be transported (in kWh/D);
- 13.5.7 start and end time of the Gas flow for WD products; and
- 13.5.8 in case of TAP being the Adjacent TSO, the Booking Account Code.

13.6 Rejection of the Network User's Daily Nomination and Re-nominations

The ICGB shall reject the Network User's Daily Nomination and Re-nomination in the following circumstances:

- 13.6.1 it does not comply with the requirements as to its content;
- 13.6.2 it exceeds the Network User's Daily Reserved Capacity or Daily Booked Capacity for the Entry Point or the Exit Point;
- 13.6.3 the acceptance of the Daily Nomination or Re-nomination would result in a negative flow rate for the remaining hours of the Gas Day;

- 13.6.4 Re-nomination exceeds the Network User's allocated capacity for the remaining hours of the Gas Day; and
- 13.6.5 Re-nomination does not comply with imposed within-day obligations of Article 16.4.4.
- 13.6.6 Re-nomination does not ensure that the absolute value of the quantities for a particular Entry Point or Exit Point are not greater than the total Reserved Capacity or Booked Capacity by the Network User at that Entry Point or Exit Point divided by the total number of hours in the Gas Day and multiplied by the number of hours remaining in the Gas Day from and including the hour falling two (2) hours after the end of the relevant renomination cycle.

14. CONGESTION MANAGEMENT PROCEDURES

14.1 General

- 14.1.1 The provisions of this Article 14 shall apply at any Interconnection Point of the IGB Pipeline.
- 14.1.2 The data to be collected pursuant to this Article 14 shall be made available to the NRAs and, ACER may publish by 1 March of every Year a monitoring report (**ACER Yearly Monitoring Report**) on congestion at the Interconnection Points with respect to firm Capacity Products sold in the preceding Year, taking into consideration, to the extent possible, capacity trading on the secondary market and the use of interruptible capacity.
- 14.1.3 From COD, the provisions of Article 14.2 and, partially, the provisions of Article 14.3 shall apply to all Interconnection Points.
- 14.1.4 An overview of the current congestion management measures applied by the ICGB is published on the ICGB website.
- 14.1.5 The ICGB reserves the right to revise its congestion management procedures described in this Article 14 to include or remove certain measures, all in order to increase the effectiveness of the Transmission Services.

14.2 Capacity surrender

From the Signing Date, the Network User shall be entitled to surrender, as an alternative to its participation in the secondary market in accordance with Article 14.3, all or any part of its Reserved Capacity and/or Booked Capacity to any Third Party upon satisfaction of all of the following conditions:

14.2.1 Compliance with Applicable Laws

Surrender of all or part of the Reserved Capacity and/or Booked Capacity shall comply with Applicable Laws including, but not limited to, the Exemption Decision or other regulatory provisions.

14.2.2 Compliance with the terms of the GTA

The Network User shall remain a party to the GTA and shall remain liable to the ICGB for all obligations thereunder.

14.2.3 Surrender agreement

Where the Network User has requested to (partially or totally) surrender its Reserved Capacity and/or Booked Capacity, it shall enter into a surrender agreement, which shall be entered into between the Third Party, the Network User and the ICGB.

14.2.4 Platform rules

Where the provisions of this Article 14.2 conflict with the conflict with the Platform Agreement (or any other relevant terms and conditions of the Platform),

the Platform Agreement (respectively the terms and conditions of the Platform) shall apply.

14.3 Secondary market – capacity trading

All actions performed pursuant to this Article 14.3 shall be managed through the relevant Platform. To this extent, any request to trade and/or transfer capacity in application of the provisions of the secondary market by the Network User and the Buying Party shall be made on the relevant Platform. The Network User and the Buying Party (which shall also be registered as the Registered Party according to Article 9 set above= shall obtain appropriate credentials and authorizations in accordance with this INC and the relevant Platform rules. Where the provisions of this Article 14.3 conflict with the Platform Agreement (or any other relevant terms and conditions of the Platform), the Platform Agreement (respectively the terms and conditions of the Platform) shall apply.

14.3.1 Capacity trading on the secondary market

Where the Network User and Buying Party are interested in trading on the secondary market, they shall create a trade proposal on the relevant Platform at least two (2) Gas Days prior to the Gas Day on which the transaction is intended to take effect.

14.3.2 Requirements for capacity trading

Capacity trading requests under Article 14.3.1 shall be subject to the following requirements:

- (a) the Network User shall have a GTA signed with the ICGB for FFF Capacity, FRF Capacity, IFF Capacity or IRF Capacity;
- (b) each of the Network User and the Buying Party shall have the appropriate credentials and authorisations, as set out in the introductory provision of this Article 14.3;
- (c) each of the Network User and the Buying Party shall have entered into the Platform Agreement and shall be authorised to trade on the relevant Platform;
- (d) each of the Network User and the Buying Party shall possess, if so required, the GTAs with Adjacent TSOs or other import contracts at the relevant Exit Point(s) involved;
- (e) each of the Network User and the Buying Party shall have provided to the ICGB the Network User Credit Support as set out in Article 29; and
- (f) each of the Network User and the Buying Party shall have access to the Interconnected System(s) at the Exit Point(s).

14.3.3 Criteria for capacity trading

The Network User or the Buying Party shall:

- (a) choose the procedure to complete the transaction from those listed below (which are detailed further in the paragraphs which follow):
 - (i) bilateral capacity transactions registration or “OTC”;
 - (ii) open procedure for selection of a proposal to sell or “*Call For Order - buy*”;
 - (iii) open procedure for selection of a request to buy or “*Call For Order - sell*”;
- (b) specify the transportation capacity included in the trade proposal, where, in the case of “*Call for Order - buy*”, specify the GTA regulating the proposed capacity in order to determine the unit price to be paid to the ICGB, regardless of the price at which the transaction is concluded between the Buying Party and the Network User on the secondary market;
- (c) specify the start and end date of the transaction (within the period set at point (g) below);
- (d) specify the expiration date of the proposal to sell (not later than the second (2nd) Gas Day prior to the start date of the transaction);
- (e) specify the deadline for the submission of proposals to buy or sell capacity;
- (f) specify the minimum acceptable capacity to be purchased or sold;
- (g) specify the minimum acceptable period during which the purchase or sale transaction must be completed; and
- (h) specify the purchase or sale unit price as the case may be.

14.3.4 Minimum duration

Transportation capacity transactions at the Entry Point(s) or the Exit Point(s) on the secondary capacity market have a minimum duration of one (1) Gas Day.

14.3.5 Binding nature of the transactions

The transactions concluded on the secondary market through the Platform are considered binding on the Buying Party and the Network User, who are parties to such transaction.

14.3.6 Credit support and payment commitments

- (a) No transfer of the Capacity Product from the Network User to the Buying Party may occur unless the Buying Party has sufficient amount of the Network User Credit Support available for the relevant transaction, as specified in Article 29.

- (b) The Buying Party undertakes, for the purpose of the Transmission Services, to pay to the ICGB the Monthly Fee in accordance with the relevant GTA. Where the Buying Party has been awarded the transfer of the relevant capacity, then its liability for payment of the Monthly Fee, which relates to the period during which it has use of that capacity, shall be triggered (and become effective) on the date the Buyer's Party's proposal is made under this Article 14.3.

14.3.7 "Bundled capacity"

Without prejudice to Article 10.2.6, capacity which was originally allocated as "bundled capacity" may only be offered by the ICGB or requested by the Network User in a bundled form in accordance with the procedures contained in this Article 14.3. In such case, the transaction must also be accepted by the Adjacent TSO. Failure by the ICGB or the Adjacent TSO to accept the transaction shall mean that the transaction cannot be completed.

14.3.8 Disclaimer by the ICGB

The ICGB shall not be liable for the accuracy of information provided as part of a proposal or any other information supplied by the parties associated with a proposal, with the exception of the Monthly Fee payable under the relevant GTA and this INC. The Network User expressly releases the ICGB from any liability and/or claim for damages and other costs or losses, including by Third Parties, in relation to information and data that is not within its control, as described above.

14.3.9 Acceptance by the ICGB

A transaction between the Network User and the Buying Party pursuant to Article 14.3.1 is subject to the ICGB's approval (which shall not be unreasonably denied), *provided that* all the provisions of this Article 14.3 are duly observed.

14.3.10 Bilateral capacity transaction or "OTC"

- (a) This procedure concerns capacity transactions concluded between the Buying Party and the Network User by means of bilateral trading between the parties via the Platform.
- (b) "OTCs" may be created by the Buying Party or the Network User at the latest by the second (2nd) Gas Day prior to the Gas Day on which the transaction shall take effect.
- (c) The effectiveness of the "OTC" is subject to:
 - (i) confirmation from either the Buying Party (where the Network User proposes the transaction) or the Network User (where the Buying Party proposes the transaction) that it is willing to enter into the transaction on the terms agreed; and
 - (ii) acceptance by the ICGB, in accordance with the provisions referred to in Article 14.3.9 above.

- (d) The ICGB, in accordance with the provisions of this Article 14.3, shall notify the acceptance or the rejection of the proposal/transaction to the Network User and the Buying Party via the Platform.

14.3.11 Procedure for proposals to sell – “*Call For Order – buy*”

- (a) A Buying Party may publish on the Platform a proposal to buy capacity and, in the case of positive responses from multiple Network Users, may select one or more responses among those submitted. To this extent, the proposal procedure is initiated by the Buying Party with the creation of a proposal to buy capacity, in accordance with the Platform provisions, as per the introductory provision of this Article 14.3.
- (b) The Network Users interested in selling capacity in response to the published proposal to buy, which satisfies the requirements referred to in Articles 14.3.2 and 14.3.3 above, may submit one or more proposals to sell capacity by the deadline referred to in Article 14.3.3(e) above.
- (c) The effectiveness of the “*Call For Order – buy*” procedure is subject to the Buying Party’s acceptance of one or more proposals to sell capacity, which must be submitted by the second (2nd) Gas Day prior to the Gas Day on which the transaction takes effect.
- (d) If the Buying Party shall not accept a proposal, or if no proposals to sell capacity are submitted by the expiration date of the proposal to buy, the proposal to buy shall be rejected.
- (e) The ICGB, in accordance with the provisions of this Article 14.3.1, shall notify the Network User(s) and the Buying Party of the acceptance or the rejection of the “*Call For Order – buy*” procedure via the Platform.

14.3.12 Procedure for proposals to buy – “*Call For Order – sell*”

- (a) The Network User may publish on the Platform a proposal to sell capacity and, in the case of positive responses from Buying Parties, may select one or more responses among those submitted. To this extent, the procedure is initiated by the Network User with the creation of a proposal to sell capacity, in accordance with the Platform provisions in accordance with the introductory provisions of this Article 14.3.
- (b) Parties interested in buying capacity with reference to the published proposal to sell and which satisfy the requirements referred to in Articles 14.3.2 and 14.3.3 above, may submit one or more proposals to buy by the deadline referred to in Article 14.3.3(e) above.
- (c) The effectiveness of the transaction is subject to acceptance by the Network User of one or more proposals from those submitted

by the second (2nd) Gas Day prior to the Gas Day on which the transaction takes effect.

- (d) Where the Network User does not accept a proposal or where no proposals to buy capacity are submitted by the expiration date of the proposal to sell, the proposal to sell shall be rejected.
- (e) The ICGB, in accordance with the provisions of this Article 14.3.12, shall notify the Network User(s) and the Buying Party of the acceptance or the rejection of the "*Call For Order – buy*" procedure via the Platform.

14.3.13 Ownership of traded capacity

- (a) Upon receipt of written acceptance by the ICGB to the Network User and the Buying Party of the capacity trading requests referred to in this Article 14.3.13, the ownership of the traded capacity and the related obligations shall be transferred to the Buying Party.
- (b) If the capacity trading requests are not accepted by the ICGB, the ownership of the relevant capacity and the related obligations shall remain the responsibility of the Network User.
- (c) Capacity trading requests from the requesting parties that have been accepted by the ICGB shall result in automatic amendment of the relevant GTA(s).

14.4 Long Term Use-It-Or-Lose-It (LT-UIOLI) provisions

14.4.1 The provisions of this Article 14.4 apply to the Network User's Unused Capacity (as determined in accordance with Article 14.4.2) at specific Entry Point(s) and in respect of GTAs which have been executed before 1 October of the Reference Gas Year, *provided that* the GTA is still in effect and has a remaining term exceeding one (1) Year prior to its Expiry Date.

14.4.2 Conditions for making Unused Capacity available to the ICGB

If, during the last Gas Year, all of the following conditions have been satisfied at the relevant Entry Point, then the Network User shall make available to the ICGB, for booking by Third Parties, the Unused Capacity at the relevant Entry Point, in accordance with the procedures defined in Article 14.5.3(b). The conditions are as follows:

- (a) the Network User has recorded an Average Use of its Booked Capacity (as defined in Article 14.5.3(d) below) of less than eighty per cent (80%);
- (b) the Network User has not made available capacity under the surrender process set out in Article 14.2 above, or on the secondary market pursuant to Article 14.3 above, at a price which is lower than the Reserve Price for the same capacity; and

- (c) the capacity available for booking, for one or more periods from 1 February of the Gas Year following the Reference Gas Year, determined as the sum of (i) the available capacity at the relevant Entry Point; and (ii) the capacity to be released under Article 14.2 above, is completely booked.

14.4.3 Check of the conditions

The ICGB shall check and confirm whether the conditions pursuant to Article 14.4.2 have been satisfied at each Entry Point and Exit Point of the IGB Pipeline in accordance with the following steps:

- (a) each 1 October, the ICGB shall define the Reference Gas Year as the Gas Year preceding the current Gas Year;
- (b) The ICGB shall identify those Network Users who, from 1 October of the Reference Gas Year, have FFF Capacity and/or FRF Capacity pursuant to a GTA which is in force for the Reference Gas Year with a remaining term exceeding one (1) Year; and
- (c) where Article 14.4.2 applies to the Network User, then at each Entry Point where FFF Capacity or, if applicable, FRF Capacity is booked:
 - (i) the ICGB shall check if, both in the semester between 1 October and 31 March of the Reference Gas Year, and in the semester between 1 April and 30 September of the Reference Gas Year, the Average Use of have FFF Capacity and/or FRF Capacity was less than eighty per cent (80%); and for this purpose identifies and considers any amounts of capacity that the Network User has released pursuant to Articles 14.2 or 14.3, for the latter at a price not higher than the Reserve Price associated with the same capacity that has not been booked/sold, in the Reference Gas Year; and
 - (ii) the Network Users, pursuant to the procedure and forms published at www.icgb.eu, shall certify to the ICGB the amount of capacity that cannot be released pursuant to Articles 14.2 and 14.3 and the reasons why such an amount cannot be released although not used by the relevant Network User.

14.4.4 Capacity withdrawal

If, upon implementation of the procedure set out in Article 14.4.3, the conditions set in Article 14.4.2 occur by 30 November of the Gas Year following the Reference Gas Year, then the ICGB shall:

- (a) inform the Network User concerned, indicating the Unused Capacity to be released by the Network User and made available to the ICGB;
- (b) send the supporting note, if received pursuant to Article 14.4.3(c)(ii), to the NRAs, inclusive of information and

documents, together with the assessments and elements of competence if the Network User has indicated events related to the IGB Pipeline transportation system;

- (c) report the non-acceptance by the Network User of capacity trading on the secondary capacity market (as the case may be);
- (d) withdraw the Unused Capacity and shall put such Unused Capacity on the market, for booking purposes.

14.4.5 Determination of Average Use

The ICGB shall determine, for each semester of the Reference Gas Year, the Average Use of the booked capacity, defined as:

$$\mathbf{AU = QIJ / RCN \times 100 [\%]:}$$

Where:

AU is the Average Use expressed in percentage;

QIJ is the sum of the quantities of Gas injected by the Network User at the Entry Point on each Gas Day of the relevant semester, as resulting from the Final Allocation set out in Article 16.8, and

RCN is the sum of the Reserved Capacity on each Gas Day for the same Network User at the same Entry Point, netted:

- (a) by the sum of the capacity released by applying Article 14.2 and/or Article 14.3;
- (b) by any capacity not available at the Entry Point in case of reduction/interruption; and
- (c) by any capacity under Article 14.4.3(c)(ii).

14.4.6 Unused Capacity

- (a) Unused Capacity shall be calculated for the Network User after the procedure set out in Article 14.4.3 has been completed.
- (b) Unused Capacity shall be calculated for specific Entry Points upon the conditions set out in Article 14.4.2 having occurred.
- (c) Unused Capacity shall relate to the GTAs executed before 1st October of the Reference Gas Year and shall be made available, in case of withdrawal by the ICGB pursuant to Article 14.4.4 above, from 1 February of the Gas Year following the Reference Gas Year, for a period to be determined in the opinion of the NRAs under Article 14.5.3(c). Unused Capacity shall be calculated as follows:
 - (i) For the Network User's Nomination pursuant to Article 13.1.1, with duration "t", the amount of Unused

Capacity that the Network User shall make available to the ICGB in application of Article 14.5.3(a) above shall be determined on the basis of the following formula:

$$\text{UNC} = \max [0; \text{LRC} - \text{UCM}/0.8]$$

Where:

UNC is the Unused Capacity having duration “t” Gas Days;

LRC is the lower of (i) the Daily Reserved Capacity which is booked by the Network User during the period having duration “t” Gas Days (and which is agreed pursuant to a GTA) signed before 1st October of the Reference Gas Year); and (ii) the Daily Quantity pursuant to Article 13.2 above, which is on average booked by the Network User in the semester (each of which is described in Article 14.4.3(c)(i)), of the Reference Gas Year in which the highest Average Use was found;

UCM is the average daily Gas injected by the Network User at the specific Entry Point, as checked at the corresponding Exit Point(s) and as shown by the Final Allocation s set out in Article 16.7, in the semester of the Reference Gas Year in which the highest Average Use was found.

- (ii) For the purposes of the above calculation:
- (1) in case of Reserved Capacity values by the Network User that are different in the period “t”, the minimum Daily Quantity value booked in the same period shall be assumed;
 - (2) the average capacity booked by the Network User shall be calculated as the arithmetic mean of the Daily Quantity booked in each semester of the Reference Gas Year, each of the semesters being set out in Article 14.4.3(c)(i); and
 - (3) in each semester of the Reference Gas Year as set out in Article 14.4.3(c)(i), the average Daily Gas injected by the Network User at the specific Entry Point, as checked at the corresponding Exit Point(s), shall be calculated as the arithmetic mean of the Daily Gas injected by the same Network User at the same specific Entry Point, as also checked at the corresponding Exit Point(s).

14.4.7 Capacity restoration

The Unused Capacity as determined in accordance with Article 14.4.6 above shall be restored to the Network User, from whom it was previously withdrawn, if the Network User has not booked under the corresponding booking process for the period having duration “t” in which the Unused Capacity was made available.

14.5 Firm Day-Ahead Use-It-Or-Lose-It (FDA-UIOLI) mechanism

- 14.5.1 The provisions of this Article 14.5 in accordance with article 2.2.2.7 of Commission Decision 2012/490/EU of 24 August 2012 on amending Annex I to Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to the natural gas transmission networks) shall apply where, at a specific Entry Point, the allocations pursuant to Article 10 for firm Capacity Products cannot take place due to either (a) full allocation of capacity in the previous capacity allocation/auction process; or (b) capacity demand exceeding the offer in the current auction round.
- 14.5.2 Such events, if any, shall be recorded in the ACER Yearly Monitoring Report in accordance with the initial provisions of this Article 14.
- 14.5.3 In particular, if it is shown, at the Entry Point(s) or the Exit Point(s), that demand for the Available Capacity shall exceed its availability, according to the allocation procedures at the Reserve Price in the Year covered by the ACER Yearly Monitoring Report for Capacity Products for use in either that Year or in one of the subsequent two (2) Years, in the course of capacity allocation procedures pursuant to Article 10, the monitoring report for the Capacity Products for use in either that Year or in one of the subsequent two (2) Years,
- (a) for at least three (3) firm Capacity Products with a duration of one (1) Month; or
 - (b) for at least two (2) firm Capacity Products with a duration of one (1) Quarter; or
 - (c) for at least one (1) firm Capacity Product with a duration of one (1) Year or more; or
 - (d) where no firm Capacity Product with a duration of one (1) Month or more has been offered.

14.5.4 Termination of the FDA-UIOLI mechanism

If, on the basis of the ACER Yearly Monitoring Report, it is shown that one of the situations listed at Articles 14.5.3(a) to 14.5.3(d) (inclusive) is unlikely to re-occur in the following three (3) Years (for example, as a result of capacity becoming available from physical expansion of the network or termination of long-term contracts), the application of the FDA-UIOLI mechanism may be terminated.

14.5.5 Permitted Re-nominations

The Network User may Re-nominate a maximum of ninety per cent (90%) and a minimum of ten per cent (10%) of the contracted capacity referred to in Article 14.5 at the Interconnection Point. However, if the Nomination exceeds eighty (80%) of the Contracted Quantity, half of the non-Nominated volume may be Re-nominated upwards. If the Nomination does not exceed twenty per cent (20%) of the contracted capacity, half of the Nominated volume may be Re-nominated downwards. The application of this is without prejudice to the applicable emergency measures regulated in Article 31 of this INC.

14.5.6 Right of the original Network User

The original Network User of the contracted capacity may Re-nominate the lost capacity part of its contracted capacity (FFF Capacity or FRF Capacity) on an interruptible basis.

14.5.7 Non-application of Article 14.5.5

Article 14.5.5 shall not apply to Network Users holding less than ten per cent (10%) of the average technical capacity of the IGB Pipeline in the preceding Year at the Interconnection Point.

15. VARIABLE COSTS

15.1 General

The IGB Pipeline shall be operated by the ICGB as a Reasonable and Prudent Party. In addition, the IGB Pipeline is a single pipeline that is interconnected with the Greek and the Bulgarian Natural Gas systems, as well as with the Distribution and/or Other System(s), in accordance with Article 5 above, and its operating parameters shall be suited to the changeable nature of the Interconnected Systems. To this extent, and subject to explicit technical justification and investment decision approved by the shareholders of the ICGB, a Compressor Station may be installed.

15.2 Compressor Station characteristics and cost charge

The Compressor Station may be either Fuel Gas driven or electrically driven. In both cases compensation for Energy used for compressing the Gas shall be calculated in accordance to Article 16.

15.3 ICGB's notice for Fuel Gas

15.3.1 General

In case of installation of a Fuel Gas driven Compressor Station, during the Transmission Period, the Network User shall, in response to any request to do so by the ICGB, deliver Fuel Gas to the ICGB at the Entry Point. The amount of Fuel Gas delivered by the Network User shall be calculated on a *pro rata* basis once a Month.

15.3.2 Limitation of Fuel Gas use

The ICGB may use Fuel Gas only for operational purposes in connection with the ICGB's Facilities.

15.4 ICGB's notice for Electrical Consumption

15.4.1 In case of installation of an electrically driven Compressor Station, the ICGB shall inform the Network User that the Compressor Station is necessary. The amount of electrical energy consumed by the compressor station shall be allocated to each Network Users on a *pro rata* basis for each Month (according to the Network User's Allocated Quantities share)

15.4.2 Costs and payments

ICGB shall be supplied electrical energy according to a transparent and market-based procedure.

Payment for the electrical energy shall be made on a cost basis with no extra charge.

15.5 ICGB's compensation for Line-pack Gas, Unaccounted Gas and Gas Losses make-up

The Network Users shall compensate the costs of the Line-pack Gas, Unaccounted Gas and Gas Losses make-up according to this Article 15.5.

15.5.1 Line-pack Gas

The ICGB shall keep the Line-pack Gas constant and any make-up compensation, if any, shall be included in the evaluation of the Energy Imbalance in accordance with Article 15.5. The ICGB will not provide Line-pack flexibility services and any compensation is to be considered as exceptional.

The maximum allowed Line-pack Gas make-up shall be set during the commissioning.

15.5.2 Unaccounted Gas

The ICGB shall notify and invoice at costs the Network User of Gas, in kWh, used for Unaccounted Gas make-up (on a *pro-rata* on the sum of Network User's total allocated quantities at the entry and exit points and monthly basis) in the ICGB's Monthly Statement. The maximum allowed Unaccounted Gas amount (percentage) and relevant coefficients as defined here forth shall be set during the commissioning and approved by the NRAs. The Unaccounted Gas shall be calculated for each Network Users as it follows:

$$E_{OGU,i} = k_F * E_{I,i} + (k_{GL} + k_{UG}) * E_{TO,i}$$

Where

k_F means the coefficient for fuel consumption due to compression (if any);

k_{GL} means the coefficient for Gas Losses;

k_{UG} means the coefficient for Unaccounted Gas;

$E_{OGU,i}$, $E_{I,i}$ and $E_{TO,i}$ have the meaning as per Article 16.4.1 set here forth.

15.5.3 Gas Losses

The ICGB shall notify the Network User of Gas, in kWh, used for Gas Losses make-up (on a *pro-rata* on the sum of Network User's total allocated quantities at the entry and exit points and monthly basis) in the ICGB's Monthly Statement.

The ICGB shall have the right to be compensated for Gas Losses pursuant to this Article 15.5.

The maximum allowed Gas Losses amount (percentage) shall be set during the Commissioning phase, approved by the NRAs and published on ICGB website

16. BALANCING

The ICGB will control (in real time) all the transportation flow parameters, including the ones needed for balancing purposes, *i.e.* pressures and flow. For achieving the commercial and physical control of the IGB Pipeline, the ICGB and the Network User shall adhere, to the applicable extent, to the NC BAL.

16.1 Commercial balancing according to NC BAL

16.1.1 A Network User shall balance its Nominations at the relevant Interconnection Points through the short-term Capacity Products.

16.1.2 The ICGB shall do the same for residual commercial balance, as it might be necessary. In case the short-term Capacity Products will be inadequate for the purpose of balancing or in case of shortage of Gas market liquidity for maintaining the IGB Pipeline within its operational limits, the ICGB shall enter into appropriate contracts with suppliers of Gas, following an open procedure.

16.2 Operational balancing according to NC BAL

16.2.1 Operational balancing in accordance with article 6 of NC BAL, as a consequence of imbalance, shall be achieved through balancing actions.

16.2.2 The ICGB shall update the Line-pack Gas account for each Gas Day for calculation of the IGB Pipeline balance and the Network User balance.

16.3 IGB Pipeline balance

16.3.1 The IGB Pipeline balance shall be calculated in each Gas Day “D+1” for the Gas Day “D” according to the following formula:

$$E_I = E_C + E_{TO} + \Delta E_{LP} + E_L + E_{UMA}$$

Where:

E_I: Energy injected at the Entry Point(s),

E_C: Energy consumed for compression (Fuel Gas),

E_{TO}: Energy taken off at the Exit Point(s),

ΔE_{LP}: delta Energy for Line-pack Gas,

E_L: Energy losses,

E_{UMA}: Unaccounted energy for measurement tolerances and Gas Losses.

16.3.2 The values to be inserted into the above formula shall be determined on the basis of the Measured Quantity and in accordance to Article 16.4.2. In case of an electrically driven Compressor Station, the "E_C" will be treated separately.

16.4 Network User balance and imbalance equation

- 16.4.1 According to article 21 of NC BAL, each Network User (“ith”) shall be balanced in each Gas Day “D+1” for the Gas Day “D” according to the following formula:

$$E_{I,i} + E_{VTP,i} = E_{TO,i} + \Delta E_{IM,i}$$

Where, for any Network User (“ith”):

E_{I,i}: Allocated Quantities at the Entry Point(s);

E_{VTP,i}: Allocated Quantities as per trading at the virtual trading point

E_{TO,i}: Allocated Quantities at the Exit Point(s);

ΔE_{IM,i}: Energy Imbalance shall be payable or compensated in accordance with Article 19.2.4;

- 16.4.2 Daily Imbalance Quantity (ΔE_{IM,i})

According to articles 22 and 23 (*Daily imbalance charge*) of NC BAL , each Energy Imbalance shall be either:

- (a) when negative, charged to the Network User each Month at the Marginal Buy Price, or
- (b) when positive, compensated to the Network User at the Marginal Sell Price.

Network Users’ imbalance for each specific Gas Day will be calculated according to following formula:

$$\Delta E_{IM,i} = E_{I,i} + E_{VTP,i} - E_{TO,i}$$

Where factors have the same meaning as in formula set in Article 16.4.1 above. The Energy Imbalance shall be invoiced Monthly, on a cumulative monthly basis.

- 16.4.3 Daily Imbalance Charge

The Daily Imbalance Charge (**DIC**) will be determined as follows:

for (ΔE_{IM,i}) > 0 **DIC** = ΔE_{IM,i} * **MSP**, and

for (ΔE_{IM,i}) < 0 **DIC** = ΔE_{IM,i} * **MBP**

Where:

DIC means Daily Imbalance Charge,

MSP means Marginal Sell Price,

MBP means Marginal Buy Price.

MSP and MBP are published on the ICGB's website in accordance with the approved methodology. Detailed methodology for determining the Daily Imbalance Charge will be developed and approved by the ICGB if so required by the NRAs. In such case, the methodology will be published on the ICGB's website.

16.4.4 "Within-day obligations"

- (a) According to article 24 of NC BAL, the ICGB may set up "within-day obligations" for the Network Users, for the purpose of maintaining the IGB Pipeline within its operational limits. The ICGB shall consult with the Adjacent TSOs for a coordinated set of rules and propose them to NRAs for approval.
- (b) "Within-day obligations" are not applicable on the COD. From the COD onwards, the ICGB shall continuously assess whether "within-day obligations" should become applicable.

16.5 Neutrality Arrangements

16.5.1 Neutrality Account

For the purpose of complying with article 29 of NC BAL, the ICGB shall administratively keep a neutrality account (the **Neutrality Account**). All the Daily Imbalance Charges shall be invoiced and/or compensated to each Network User separately with respect to any other invoice and/or compensation and the Neutrality Account shall be exclusively used for all the relevant transactions (payments or receivals).

- (a) In the above, the following items will be debited from the Neutrality Account:
 - (i) any ICGB's Gas purchases for balancing negative Daily Imbalance Quantity (in meant as aggregate) in respect of any Gas Day;
 - (ii) amounts paid by the ICGB to Network Users in respect of the Daily Imbalance Charge; and
 - (iii) all amounts credited on Monthly Statements by the ICGB in respect of the Neutrality Payment Amount.
- (b) In furtherance of the above, the following items will be credited to the Neutrality Account:
 - (i) any revenues due to the ICGB for Gas sold in case of positive Daily Imbalance Quantity (meant as aggregate) in respect to any Gas Day and the amounts received by the ICGB from Network Users in respect of the Daily Imbalance Charge; and
 - (ii) any amounts received by the ICGB in respect of the Neutrality Payment Amount.

16.5.2 Neutrality Payment Amount

- (a) The ICGB will credit an amount of the positive balance or charge an amount of the negative balance on the Neutrality Account at the end of each Month (the **Neutrality Payment Amount**) on a monthly basis to Network Users that have Allocated Quantities in the relevant Gas Month.
- (b) The Neutrality Payment Amount will be allocated for each Month to each relevant Network User as follows:

$$NPA_i = \frac{AQ_i}{TAQ} \times NPA$$

Where:

NPA_i is the amount of the Neutrality Payment Amount to be allocated by the ICGB to the “ith” Network User who will have been allocated in the relevant Gas Month;

NPA is the Neutrality Payment Amount for that Gas Month;

AQ_i is the aggregate of the absolute values of Allocated Quantities of that Network User at all Interconnection Points in that Gas Month;

TAQ is the aggregate of the absolute values of Allocated Quantities of all Network Users at all Interconnection Points in that Gas Month.

- (c) If a Network User has more than one Gas Transportation Agreements in a particular Gas Month, then the Neutrality Payment Amount will be allocated to each Gas Transportation Agreement *pro rata* to the Reserved Capacity and/or Booked Capacity under each such Gas Transportation Agreement during that Month.
- (d) The amount of the Neutrality Payment Amount allocated to each relevant Network User will be included as a credit or a debt, as applicable, on the master statement (and each relevant Monthly Statement) issued to that Network User for the relevant Gas Month.

16.6 Provisional Network User allocation and Final Allocation

ICGB shall manage the provision to the Network Users of the Provisional Network User allocation and the Final Allocation in accordance to the provisions of Articles 16.7 to 16.8.

16.6.1 Provisional Network User Allocation

ICGB shall conduct each Gas Day (D+1) for the previous Gas Day (“D”) for producing a provisional Network allocation in accordance to article 37 of NC BAL:

- (a) The Energy quantities which are the subject of the balance are determined during each Gas Day.

- (b) No later than 11:00 UTC winter time, respectively 10:00 UTC summer time of gas day D+1, ICGB shall provide each network user with an initial allocation for its inputs and off-takes on day D and an initial daily imbalance quantity
- (c) calculate the Energy Imbalance with reference to the previous Gas Day (D) to each Network User;
- (d) according to articles 32 to 36 of the NC BAL ICGB shall provide information to each Network User about each Network User apportionment of *non-daily metered* and *daily metered* inputs and off-takes of *measured* flows during the Gas Day “D”.
- (e) Although daily measurements shall be available for all Exit Point(s) and Entry Point(s) of the IGB Pipeline, the balance for Gas Day (D) that the ICGB shall determine on Gas Day (D+1) and shall make available to the Network Users for the Gas flows relevant to them, is unavoidably indicative and provisional as the Provisional Network User Allocation shall be only be confirmed by the Adjacent TSOs according to the Interconnection Agreement procedures, on the basis of the daily measurements at the Adjacent TSOs’ side of the Entry Point(s) and Exit Point(s).

16.6.2 Final Allocation

- (a) ICGB shall conduct every Month (M+1), for Month (M), for definitively allocating the Daily Quantity with reference to Month (M) for each Network User which includes:
 - (i) the calculation of the physical amounts of Gas transported daily basis is used to define the position of the Network User in relation to the Balancing Services; and
 - (ii) the calculation of the final Energy Imbalance for each Network User.
- (b) The Gas Quantities disposed and the Gas Quantities acquired by the Network User via corresponding transaction at the VTP, in accordance with the Confirmed Quantities.
- (c) The Final Allocation contributes to the determination of the relevant charges for the Transmission Services and the Balancing Services.
- (d) For the purpose of the information obligations set in Article 4.1 above, the ICGB shall use the functions of the IGB Digital Support provided to the Network User.

16.7 Measurement unavailability

- 16.7.1 In the event of unavailability of the measurement data for the purposes of the Provisional Network User Allocation, the ICGB shall use the appropriate

estimated values of the quantities injected at the relevant Entry Point or withdrawn at the relevant Exit Point.

- 16.7.2 For this purpose, the ICGB shall use withdrawal data from the corresponding Days:
- (a) of the previous Gas Year, taking into account the climatic trend, for the Interconnection Points subject to thermal insulation;
 - (b) of the previous week or the Month before the previous Month, for the Entry Point(s) and the Exit Point(s) not subject to thermal insulation;
 - (c) in the case of Gas supply to power plants, special estimation measures shall be agreed with the operational personnel of the power plants based on the forecast of use;
 - (d) in any case, for the purposes of the estimation, the ICGB shall evaluate the use of the data and the most appropriate procedures based on historical withdrawal trends at the Entry Point(s) and the Exit Point(s) and the information in its possession.

16.8 Final Allocation

16.8.1 Revision of the Provisional Network User Allocation

The ICGB shall make the revision of the Provisional Network User Allocation available to the Network User no later than the fifth (5th) Day of the Month following that to which the Provisional Network User Allocation refers. The revisions of the Provisional Network User allocation shall be based on validated measurement data.

16.8.2 Accounting information

The ICGB shall make available to the Network User (via the IGB Digital Support) the accounting information regarding the Gas transported.

16.8.3 Revision by the Network User

The Network User may request corrections by submitting information/documentation that it considers to be relevant and support its observation via IGB Digital Support (by using a designated portal).

16.8.4 Rejection of the revision

Submission of incomplete information and/or documentation which does not show sufficient evidence by the Network User, as required to support its observations or requested corrections pursuant to Article 16.8.3, shall result in rejection of the Network User's request for revision.

16.8.5 ICGB reply

The ICGB shall respond to the Network User Network User's observations and/or requested revisions pursuant to Article 16.8.3 by providing the relevant Network User with:

- (a) the date of receipt of the Network User's request;
- (b) the name and address of the ICGB's contact persons;
- (c) the acceptance or rejection of the request and the grounds therefor;
- (d) if the request is accepted, the estimated date of making available the new balance.

16.8.6 Final Allocation

Once the Final Allocation has been issued pursuant to Articles 16.8.1, the measurement and/or allocation of values contained in it shall be considered definitive and, for the purposes of invoicing the Transmission Services, no further editing shall be allowed.

17. ALLOCATION

17.1 Commingling

- 17.1.1 Gas delivered at the Entry Point(s) for transportation through the IGB Pipeline by the ICGB under GTAs may be commingled in the IGB Pipeline with Gas from any Network User.
- 17.1.2 In the case of the commingling occurring, Gas delivered by the ICGB to the Network User at the Exit Point(s) under the relevant GTA may not necessarily be the Gas delivered by the Network User to the ICGB at the Entry Point(s).

17.2 Allocation Principles

Where an Operational Balancing Agreement is in effect at a particular Interconnection Point and has not been suspended, each Network User's Allocated Quantities at that Interconnection Point will be equal to its Confirmed Quantities. The difference between the aggregated Allocated Quantities and the Metered Quantities at that Interconnection Point will be allocated to a balancing account held between the ICGB and its Adjacent TSO.

If an Operational Balancing Agreement is not in effect at a particular Interconnection Point, or if it has been suspended, then the Allocated Quantities will be calculated using the proportional allocation rules as set at the Interconnection agreements with the adjacent TSOs.

17.3 Allocation at Virtual Trading Point

The Allocated Quantities at the Virtual Trading Point will be equal to the Confirmed Quantities.

17.4 Allocation at the Exit Point(s) to the Distribution and/or Other System(s)

The Allocated Quantities will be equal to the measured Gas Quantities. In case of more than one Natural Gas supplier at the particular Exit Point to the the Distribution and/or Other System(s), the total daily measured Gas Quantity at such Exit Point will be allocated by the ICGB *pro rata* of each Natural Gas supplier's daily Confirmed Quantity.

17.4.1 Capacity Overrun

- (a) Overrun quantities

Overrun quantities shall be calculated using the following formula:

$$AOQ_n = \sum NMQ_D - \sum CQ_n$$

AOQ_n means the sum of overrun quantities in the Month "nth" occurring in Year "ith".

NMQ_D means the net measured Gas Quantities in a Gas Day ("D") expressed in kWh/D/T in the "nth" Month.

CQ_n : means the aggregate daily Confirmed Quantities for all Network Users who have Nominated Quantities for the Exit Point to the the Distribution and/or Other System(s), in the "nth" Month (expressed in kWh/D/T) according to the INC.

(b) Individual Overrun Quantities

Individual overrun quantities shall be calculated using the following formula:

$$IOQ_n = AOQ_n * \frac{(\sum ICQ_d)}{ACQ_n}$$

IOQ_n means individual overrun of Gas Quantities for the Network User expressed in kWh/D/T in the “nth” Month.

AOQ_n means the sum of overrun quantities in the Month “nth” occurring in Year “ith”.

ICQ_d means individual daily Confirmed Quantities for the Network User expressed in kWh/D/T in the “nth” Month.

ACQ_n: means the aggregate daily Confirmed Quantities for all Network Users who have Nominated Gas Quantities for the Exit Point to the the Distribution and/or Other System(s), in the “nth” Month (expressed in kWh/D/T) according to the INC.

18. TAXES AND DUTIES

18.1 Network User's liability for Taxes

The Network User shall pay for, or procure the payment of, all Taxes (excluding income Tax payable by the ICGB under Article 18.2) arising upstream of the Entry Point(s), downstream of the Exit Point(s) and in respect of the IGB Pipeline generally (including at the Entry Point(s) end at the Exit Point(s)) and shall indemnify the ICGB against any liability that the ICGB may incur in respect of Taxes.

18.2 Custom duties

- 18.2.1 The ICGB cannot import Gas as it operates only as ICGB on behalf of Network Users. The ICGB shall not perform, therefore, any activities which are subject to custom duties and/or custom clearance but works with the relevant customs authorities to verify the quantities of Gas flowing into and out of the involved territories.
- 18.2.2 ICGB may provide the customs authorities with measurement reports to allow verification of the custom documents presented by Network Users.
- 18.2.3 In any event, all activities related to import (and export) of Network Users' Gas are the responsibility of the Network Users.

19. MONTHLY FEE

19.1 General

- 19.1.1 The Network User who has entered into the GTA is obliged to pay the Monthly Fee from the later of:
 - (a) COD, unless the COD is delayed due to a breach of this INC or the relevant GTA by the Network User or a Force Majeure Event affecting the Network User, whether or not the Network User is able to make available Gas at the Entry Point(s) and/or to take Gas at the Exit Point(s) on such date in line with the Annual Reserved Capacity or the Annual Booked Capacity, in which case the COD shall be the scheduled COD or otherwise the date on which COD would have occurred, but for such event; and
 - (b) the Signing Date.

19.2 Network User's obligations

- 19.2.1 Annual Reserved Capacity or Annual Booked Capacity

For the Network Users who have entered into GTAs with a term longer than one (1) Year, the relevant Annual Reserved Capacity or Annual Booked Capacity shall be contracted by the Network User in accordance with the terms of this INC and the GTA for each Year for the GTA's term.

- 19.2.2 Monthly Fee

The Network User, having signed a GTA, shall pay the Monthly Fee (MF_n) due according to article 6.1 of ANNEX C -and the relevant GTA. For invoicing purposes, the Monthly Fee shall be calculated as the sum of all Reserved Capacity and/or all Booked Capacity for all types of Capacity Products (including daily Capacity Products) multiplied by the relevant tariff(s) (determined in kWh/D/T), as further elaborated in ANNEX C -.

19.2.3 Capacity Overrun Charge

In case of Capacity Overrun, the Non-Exempted Network User shall pay the Capacity Overrun Charge calculated in accordance with the GTA.

19.2.4 Charges for Energy Imbalance

The Network User, having signed a GTA, shall pay, or be compensated for, Energy Imbalance, as calculated in accordance with Article 16 and invoiced in accordance with Article 21.

19.3 Failure by the ICGB

If the ICGB fails to accept delivery of Gas at the Entry Point(s), fails to deliver Gas at the Exit Point(s) or otherwise perform the Transmission Services, other than due to:

- 19.3.1 a Force Majeure Event affecting the ICGB;
- 19.3.2 Change in Law;
- 19.3.3 Scheduled Maintenance; or
- 19.3.4 the Network User's act or omission in connection with this INC or the relevant GTA, including, without limitation, failure to comply with the relevant Entry Pressure or Exit Pressure pursuant to Article 22.2,

the Network User shall be:

- (a) relieved of its obligation to pay the Monthly Fee applicable to such undelivered Gas on a *pro rata* basis, and
- (b) compensated by the ICGB for all actual costs incurred by the Network User as a direct result of such non-performance by the ICGB, upon the Network User's production of the appropriate documentation and subject to the limitation of liability provisions pursuant to Article 24 below.

The provisions on Energy Imbalance compensation payable by or to the Network User shall not apply in such a case.

20. TRANSMISSION TARIFFS

20.1 Transmission Tariff formulae

The Transmission Tariffs shall be determined in accordance with the formulae set out in ANNEX C - of this INC and are subject to exemptions set out in the Exemption Decision.

20.2 Exempted Transmission Tariff and Reserve Price

The Transmission Tariffs set out in ANNEX C - of this INC shall be used for the calculation of the Exempted Capacity Transmission Tariff and for the Reserve Price (which equals the Exempted Capacity Transmission Tariff), each for the relevant Capacity Products, as set out in ANNEX C - of this INC and in respect of any auction in accordance with Article 10.

20.3 Transmission Tariff revision conditions

During the term of the relevant GTAs, the ICGB and the NRAs are entitled to request a revision of the Transmission Tariffs in order to guarantee a fair return on investment, based, *inter alia*, on the following:

- 20.3.1 proven and documented additional investments;
- 20.3.2 proven and documented increases or decreases in the level of the operating costs;
- 20.3.3 proven and documented increases or decreases in the level of revenues from the Contract Quantities (i.e. FFF Capacity, IRF Capacity or FRF Capacity), due to unforeseeable events (including, but not limited to, bankruptcy, inability to upgrade the Available Capacity in a timely manner, or additional capacity being contracted as a result of a future market test);
- 20.3.4 in case of costs incurred in respect of, or investments made necessary by, the occurrence of Force Majeure Event affecting the ICGB or due to Change in Law.

21. INVOICING AND PAYMENT

21.1 Invoicing

21.1.1 The ICGB shall send to the Network User, not later than the fifth (5th) Day after the end of each Month, a statement (**Monthly Statement**) in the form of a valid tax invoice showing the following information regarding the preceding Month:

- (a) the Monthly Fee calculated in accordance with the relevant GTA and this INC;
- (b) for the GTAs with a term longer than the invoicing Month, the ICGB shall divide the total fee for the monthly invoice by the relevant GTA term (in Days) and multiply the result by the number of Days in the relevant invoicing Month;
- (c) if applicable, the Capacity Overrun charge;
- (d) the applied Transmission Tariff(s) for each Capacity Product;
- (e) the Energy Imbalance for each Gas Day for that Month and the relevant Marginal Sell Price or Marginal Buy Price (as applicable) applied for determining the Compensation Fee; and
- (f) the Unaccounted Gas on a *pro-rata* basis as per Article 15.5.2;
- (g) the Final Allocation

21.1.2 The Network User shall pay the Monthly Fee - that shall include the Transmission Services in accordance with article 6 of ANNEX C - of this INC and the Compensation Fee as compensations or deductions for the Energy Imbalance in respect of each Month (M) - by the later of the twentieth (20th) Day of Month (M+1) after receipt of the Monthly Statement.

21.2 Payment

21.2.1 Notwithstanding a failure by the ICGB to send the Final Allocation to the Network User by the fifth (5th) Day after the end of each Month, the Network User shall make payment to the ICGB of the amount determined to be due to the ICGB as per the Monthly Reserved Capacity or Monthly Booked Capacity.

21.2.2 All payments due under the GTA (if any) and each Ancillary Contract (if any) shall be made in Euro (€).

21.2.3 All payments due under the GTA (if any) and each Ancillary Contract (if any) shall be transferred to the appropriate bank account specified in the relevant Monthly Statement.

21.2.4 The liability of a Network User to make payment under the GTA (if any) and each Ancillary Contract (if any) shall be discharged upon the receipt of that payment by the ICGB into its specified bank account.

- 21.2.5 If the due date for any payment is a date other than a Working Day, then payment shall be made on the Working Day nearest to the due date for payment, and if the due date for payment falls equally between two (2) Working Days, then payment shall be made on the Working Day immediately following the due date for payment.
- 21.2.6 If a Network User shall fail to make payment of any amount when due under the GTA (if any) or any of the Ancillary Contracts (if any), then:
- (a) the ICGB shall have the right to suspend (i) the performance of the Transmission Services towards such Network User, and/or (ii) the grant of the VTP access to such Network User; and
 - (b) interest on the amount shall accrue at a rate equal to EURIBOR (at the rate in force on the Day when the payment was due) plus three per cent (3%) per annum (to accrue daily and to be compounded annually) from the Day when the payment was due until the Day when the payment is made.
- 21.2.7 Notwithstanding anything to the contrary in this INC, the GTA (if any) or any Ancillary Contract (if any), if the Network User fails to pay any amount due for more than seven (7) calendar days, the ICGB may enforce its rights under the Bank Guarantee or other Network User Credit Support, up to the amount due, *provided that* the ICGB submitted to the Network User (via E-mail) a notice of such planned enforcement at least two (2) Working Days ahead of the ICGB exercising this right.

21.3 Disputed Amounts

Any amount (other than a Disputed Amount) due but unpaid by a Party under this INC, the relevant GTA (if any) or the Ancillary Contract(s) (if any) shall accrue interest thereon at the Agreed Interest Rate from the due date until the date on which payment is made in full. If the due date is a non-Working Day in the country of the Network User or the ICGB, the due date for payment of a Monthly Statement shall be the first (1st) date on which such payment can be made.

21.4 Deductions

- 21.4.1 The Monthly Fee shall be subject to the *pro rata* deductions to account for the following:
- (a) amounts not made available to the Network User by the ICGB at the Exit Point(s) on any Day because of the ICGB's breach of this INC or the relevant GTA;
 - (b) a failure by the ICGB on any Day to accept Gas made available by the Network User at the Entry Point(s), *provided that* such Gas is meeting the Entry Point Specification, up to the amount of the Confirmed Quantity (to the extent such is within the Daily Quantity) and subject to any adjustment to Nomination pursuant to this INC (except where such Nomination adjustment is required as a result of a breach by the ICGB of the INC or the relevant GTA, in which event the Network User shall be entitled

to *pro rata* deduction for any part of the Daily Quantity not made available);

- (c) any failure by the ICGB to make available Gas on any Day at the Exit Point(s) in an amount equal to the Allocated Quantity (subject to any adjustment to such entry Nomination pursuant to this INC, unless such adjustment is required as a result of a breach by the ICGB of this INC or the relevant GTA) to the extent that:
 - (i) the Network User has made Gas available to the ICGB at the Entry Point(s), *provided that* such Gas is meeting the Entry Point Specification and Entry Pressure applicable to the Entry Point(s), within the Daily Quantity at such Exit Point(s); and
 - (ii) the Network User accepts such Gas to the extent that it is made available for redelivery;

provided that there shall be no double-counting of deductions between paragraphs (a) and (c) above in respect of the same element of capacity on any Day.

21.4.2 In the event of a Change in Law (other than a change in Tax for which the ICGB is entitled to relief under the IGB Intergovernmental Agreement related to Fuel Gas, Line-pack Gas or balancing Gas in relation to environmental protection arising from international obligations of Bulgaria and/or Greece):

- (a) which has the effect of increasing the operating costs of the ICGB to an amount in excess of the maximum amount allocated to operating costs; and
- (b) which causes substantial economic hardship to the ICGB, then the ICGB and the Network User shall meet and attempt to find a mutually acceptable solution addressing such hardship through an adjustment to the Transmission Tariff. If the ICGB and the Network User are unable to reach a mutually acceptable solution to the matters referred to in paragraph (b) above, each of the ICGB and the Network User may submit such matter for resolution by Expert determination in accordance with the relevant GTA.

21.4.3 In case of a Disputed Amount, the Party disputing it shall give notice to the other Party of the Disputed Amount and the reasons for the disputing the Disputed Amount:

- (a) in the case of a manifest error, within ten (10) Days of receipt of the relevant Monthly Statement;
- (b) in the case of any Disputed Amount arising pursuant to Article 21.4.7, within thirty (30) Days of completion of such verification or audit; and
- (c) in the event of any other Disputed Amount, within twenty (20) Days of receipt of the relevant Monthly Statement.

- 21.4.4 In the case of a manifest error, the paying Party shall make payment of any undisputed part to the Party to whom payment is due on or before the due date and may withhold the Disputed Amount. In the case of any other Disputed Amount, the paying Party shall make payment of the invoiced amount to the Party to whom payment is due on or before the due date, but the Disputed Amount shall be resolved in accordance with the procedure set out in Articles 21.4.5 to 21.4.7 below.
- 21.4.5 Following receipt by a Party of the notice of any Disputed Amount under Article 21.4.3, the Parties shall meet to discuss and try to agree in writing upon a settlement of the Dispute. If the Dispute is not resolved within thirty (30) Days from the date of the relevant notice, then the Dispute shall be referred to an Expert in accordance with the relevant GTA.
- 21.4.6 Any Disputed Amount which is found by the Expert to be due for payment by a Party, or which the Parties agree in writing is due for payment, shall accrue interest thereon at the Agreed Interest Rate from the due date of such Disputed Amount until the date on which payment is made in full, and shall be paid to the Party to whom payment is due. Any Disputed Amount which has already been paid and which is agreed by the Parties or found by the Expert not to have been due shall be repaid to the paying Party or deducted from the next Monthly Statement together with interest thereon at the Agreed Interest Rate from the date of original payment to the date of repayment.
- 21.4.7 The Network User shall be entitled to audit ICGB's records relating to metering and invoicing under this INC and the relevant GTA in order to verify any amounts chargeable or payable and any invoices provided in respect of any Year. Such right of audit shall be exercisable annually at the expense of the Network User and shall be carried out within the three (3) Month period following the end of the relevant Year in such a way as to minimise the impact on the operations of the ICGB.
- 21.4.8 All amounts due by the Network User are exclusive of any Tax. The ICGB may add to such amounts due by the Network User all Tax lawfully imposed on the ICGB by and competent authority with respect to (a) the Transmission Services performed by the ICGB under this INC and the relevant GTA, and/or (b) grant of access to and use of the VTP, to the extent that the ICGB is actually economically affected by such Tax and subject to the Network User's right to verify, at its expense, by means of a certified auditor's statement that such Tax has been duly paid or shall have to be paid. The Tax does not include the ICGB's corporate income tax and the like.
- 21.4.9 The Network User shall be responsible for making such declarations as are required by the Greek and/or Bulgarian Governmental Authorities in respect of Intrastat declarations or customs declarations covering the Gas entering Bulgaria as goods acquired or imported by the Network User and leaving Greece as goods disposed of or exported by the Network User.

22. QUALITY AND OFF-SPECIFICATION GAS

22.1 General

22.1.1 Integrity, safety, corrosion prevention, good functioning, commercial determinations and technical compatibility within the Interconnected Systems mandatorily require that the Gas flowing in the IGB Pipeline complies with stringent quality and specifications in accordance with this Article 22.

22.1.2 To this end:

- (a) all quantities of Gas delivered or to be delivered by the Network User at the Entry Point for transportation through the IGB Pipeline by the ICGB under this INC shall, at the Entry Point, conform to the Entry Point Specifications pursuant to Article 22.5; and
- (b) all quantities of Gas delivered or to be delivered by the ICGB to the Network User at the Exit Point under this INC shall, at the Exit Point, conform to the Exit Point Specification pursuant to Article 22.7.

22.2 Gas Pressure at the Entry Point(s) and the Exit Point(s)

ICGB shall manage pressure levels at each Entry Point based on the actual flow, and technical conditions of the Interconnected Systems and in accordance to balance obligations for keeping the IGB Pipeline within its operational limits (through appropriate service contracts). In connection therewith, Network Users shall have the following obligations:

22.2.1 Entry Pressure at the Entry Point interconnected with DESFA

For FFF Capacity bookings, the Entry Pressure at the Entry Point of Komotini (D-IP, as set out in Article 5.2.1) shall not be less than 36 Barg.

The Network Users shall have appropriate Gas delivery and redelivery contracts with the Adjacent TSOs for ensuring the Gas delivery in accordance to Article 22.5.

22.2.2 Entry Pressure at the Entry Point interconnected with TAP

For FFF Capacity bookings, the Entry Pressure at the Entry Point of Komotini (T-IP, as set out in Article 5.2.2) shall not be less than 45 Barg.

The Network Users shall have appropriate Gas delivery and redelivery contracts with the Adjacent TSOs for ensuring the Gas delivery in accordance to Article 22.5.

22.2.3 Exit Pressure at the Exit Point interconnected with DESFA

For RFF Capacity bookings, the Exit Pressure at the Exit Point of Komotini (D-IP, as set out in Article 5.2.1) shall be set in case of installation of a compression station for assuring the physical reverse flow.

22.2.4 Exit Pressure at the Exit Point interconnected with TAP

For RFF Capacity bookings, the Exit Pressure at the Exit Point of Komotini (T-IP, as set out in Article 5.2.2) shall be set in case of installation of a compression station for assuring the physical reverse flow.

22.2.6 Entry Pressure at the Entry Point interconnected with Bulgartransgaz

For RFF Capacity bookings, the Entry Pressure at the Entry Point of Stara Zagora (B-IP, as set out in Article 5.2.3) shall not be less than 38 Barg.

The Network Users have appropriate Gas delivery and redelivery contracts with the Adjacent TSOs for ensuring the Gas delivery in accordance to Article 24.5.

22.3 Reference Conditions for Gas quality parameters and specifications

Quality specifications show the permitted values for Natural Gas quality parameters. The Network User shall deliver at its Entry Point(s) Natural Gas within the permitted values for being transported and interchanged within the Interconnected Systems. The reference conditions adopted for volume units and the enthalpy conditions to determine the physico-chemical characteristics of the Natural Gas in the network under this Article 22.3 for Gross Calorific Value and for the Wobbe Index, are the following standard conditions (ISO 13443):

Pressure	101.325(1.01325)	kPa (bar)
Temperature	288,15 (15)	K (C)

22.4 Gas quality parameters

Features used for determining the quality of the Natural Gas refer to the chemical contents for energy calculations (Gross Calorific Value) and to acceptance parameters. In particular the following table lists the above features:

TABLE 24.4.1

PARAMETERS FOR ACCEPTANCE	
Parameter	Acceptable Range
Gross Calorific Value**	9.71 – 12.58 kWh/m ³
Relative Density	0.555 ~ 0.87
Wobbe Index**	47.31 ~ 52.33 MJ/ m ³
H ₂ S+CO ₂ *	<= 4.7 mg/ m ³
Sulphur from mercaptan – SRSH*	<= 5.7 mg/ m ³
Total Sulphur – STOT*	<= 28.4 mg/ m ³
Water Dew Point	<= -8 °C (@ 70 bar-a)

Hydrocarbon Dew Point	≤ -20 °C (pressure range 1 - 70 bar-a)
Max Temperature	< 50 °C
Min Temperature	> 3 °C
Nitrogen – N ₂	≤ 6
Hydrogen, daily average	0.001
Carbon Dioxide – CO ₂	≤ 2.5

* Volume reference at 15°C

** Combustion reference at 15°C and volume reference at 15°C

22.5 Entry Point Specification

At each Entry Point of the IGB Pipeline, the Network User shall deliver Gas within the range of pressures in accordance with Article 22.2 and in accordance with the Table 24.4.1.

22.6 Off-Specification Entry Gas

22.6.1 Network User(s)' pressure requirements non-compliance

- (a) If the Gas delivered by the Network User, or by a Third Party on behalf of the Network User, to the ICGB at the Entry Point does not comply, for any reason, with the Entry Pressure requirements pursuant to Article 22.2, then the ICGB shall promptly communicate the measured pressure value to the Network User and, in addition to being released from the obligation to transport the Network User's Nominated Quantities at the Entry Point(s) for the Day in question (to the extent that this transportation is not allowed by the actual Entry Pressure), the ICGB has the right to close the relevant Entry Point until the values are restored in order to comply with the Entry Pressure requirements pursuant to Article 22.2.
- (b) Any costs and charges, appropriately documented, incurred or suffered by the ICGB as a result of the Network User not complying with the Entry Pressure requirements (such as, for example, the costs and charges incurred as a result of the failed or late communication of the same by the Network User) shall be recharged by the ICGB to the Network User. The Network User shall be liable for such costs and /or charges and shall remain liable for the payment of the Monthly Fee payable under this INC and the relevant GTA.

22.6.2 Network User(s)' quality requirements non-compliance

- (a) If Gas delivered by the Network User, or by a Third Party on behalf of the Network User, to any Entry Point does not comply, for any reason, with the quality requirements as set pursuant to Article 22.3, the ICGB may shut off the relevant Entry Point, notwithstanding those cases where it is possible to make the Gas compatible with the quality specification through suitable mixing.
- (b) In the case of non-compliant Natural Gas, and in the absence of an immediate communication of the same from the Network User, the ICGB shall provide written communication to the Network User detailing the non-compliance referred to above.
- (c) Any costs and charges, appropriately documented, incurred or suffered by the ICGB as a result of the Network User not complying with the quality requirements (such as, for example, the costs and charges incurred as a result of the failed or delayed communication of the same by the Network User) shall be charged by the ICGB to the Network User. The Network User shall be liable for such costs and/or charges and shall remain liable for the payment of the Monthly Fee payable under this INC and the relevant GTA.

22.7 Off-Specification Exit Gas

22.7.1 The ICGB's quality requirements non-compliance

- (a) If the Gas made available by the ICGB to the Network User at the relevant Exit Point does not comply with the quality requirements set out in Article 22.4, the Network User shall immediately notify the ICGB of the extent of the non-compliance and has the right to curtail the input of such Gas into the IGB Pipeline.
- (b) Without prejudice to the obligation to pay the Monthly Fee (with the exception of the cases regulated in Article 19.3), the Network User shall have the right to require that the ICGB compensates the Network User for all direct and actual costs and charges properly and reasonably incurred by the Network User as a consequence of the ICGB's non-compliance with the quality requirements, subject to the provisions of Article 24 on limitation of liability.
- (c) The ICGB shall not be liable for any damage, loss or other negative effects of the redelivery of Gas containing elements or compounds not permitted by the quality requirements set in Article 22.3.

23. METERING AND MEASUREMENT

23.1 General

23.1.1 The metering system installed as part of the IGB Pipeline infrastructure shall provide measurements for commercial transactions, fiscal and technical activities connected with the activity of Gas transportation on the IGB Pipeline at any Entry and Exit Point, through the Metering Stations, and shall be used ultimately for:

- (a) energy delivery and redelivery balances;
- (b) invoicing the fees pursuant to Article 19;
- (c) invoicing, if any, variable costs pursuant to Article 15;
- (d) invoicing any balancing charges pursuant to Article 16; and/or
- (e) operational networks management of the IGB Pipeline and the Interconnected Systems.

23.1.2 With respect to the above, the parties involved in the metering process are the following:

- (a) ICGB;
- (b) Network Users;
- (c) Adjacent TSOs;
- (d) DSOs and/or operators of other systems connected to the ICGB's Facilities;
- (e) any Person acting on behalf of any of the above parties.

23.1.3 Any party listed in Article 23.1.2(a)-(e) above has the right to access the Metering Stations and to witness the process of measurement on demand, as well as, either to check or require to check, the accuracy and the calibration of the relevant instruments.

23.2 Metering Stations

23.2.1 The Metering Stations are described in IGB Technical Description. Construction criteria and features shall follow the guidelines UNI 9167. Standards followed for measurements and calculations are, as the case may be, ISO 12213-3 or the most current version of the American method AGA NX, ISO 6976. UNI EN ISO 5167 – 1 plus Amendment A1, UNI EN ISO 5167 – 1 and CNR UNI 10023.

23.2.2 Ownership

- (a) The Metering Stations of the IGB Pipeline are (to be) owned to the ICGB.

- (b) The following Metering Station are planned to be constructed:
 - (i) Metering Station in Komotini (Greece) at Interconnection Point IP-D (as detailed in IGB Technical Description and Article 5.3);
 - (ii) Metering Station in Komotini (Greece) at Interconnection Point IP-T System (as detailed in IGB Technical Description and Article 5.3);
 - (iii) Metering Station in Stara Zagora (Bulgaria) at Interconnection Point IP-B (as detailed in IGB Technical Description and Article 5.3); and
 - (iv) Metering Station in Komotini (Greece) at inlet/outlet points of the Compressor Station (as detailed in Chapter 6 of IGB Technical Description and Article 5.3).
- (c) Each Metering Station shall be digitally interconnected with the control centre of the IGB Pipeline and shall transmit all the data. Measurements can be carried out on site and/or remotely at the control centre. Interconnected Systems shall be digitally interconnected for the same purposes.

23.2.3 Geographical position and Battery Limits

- (a) The geographical positions and the Battery Limits between the Interconnected Systems and the relevant Exit Points or Entry Points of the IGB Pipeline will be described in the IGB Technical Description.
- (b) The Battery Limits constitute the boundaries within which the commercial transactions take place between the Interconnected Systems.

23.3 General Measurement Provisions

23.3.1 Procedures

IGB Technical Description describes the following features:

- (a) calibration;
- (b) maintenance;
- (c) inspection; and
- (d) Gas measurements. The ICGB shall approve and implement an internal methodology for the conversion of measured Natural Gas quantities from Nm³ into Kwh.

23.3.2 The Metering Stations shall be equipped with the following features:

- (a) volumetric flow measurement equipment;

- (b) pressure measurement equipment;
- (c) temperature measurement equipment;
- (d) Gas samples for chemical composition analysis and Energy content calculation;
- (e) back-up systems of the above-mentioned equipment; and
- (f) remote connection for digital signals transmission (fibre cabling).

23.3.3 Roles and rights of the Network User

- (a) The Network User may request in writing to:
 - (i) access data, equipment and facilities;
 - (ii) check the operation method; and/or
 - (iii) inspect the equipment and the facilities, to the extent that such request relates to the measurements and the commercial transaction between the Network User and the ICGB.
- (b) For the above purposes, a procedure for smooth, timeous and safe carrying out any of the above actions shall be agreed by the Network User and the ICGB.
- (c) If, as a result of the above actions the Network User discovers an error or defects or any other non-compliance for the purpose of the measurements, the ICGB and the Network User shall apply the procedure set out in Article 16.8.

23.4 Defining Parameters and Measurement Data

23.4.1 Determination of missing data

- (a) Day-to-day operation, inspection and checks shall be carried out by the ICGB, the Network User and other relevant parties to allow the ICGB and the other parties to identify anomalies (such as malfunctions or failures of measurement equipment). If, during validation, the data from a remotely metered systems are – totally or partially – missing, the missing data shall be determined using the criteria and methods described in the "*Gas Measurement*" procedure as set in IGB Technical Description
- (b) The data determined in accordance with the above procedure may be replaced at a later stage if the full availability of the back-up measurement is determined. The ICGB shall then prepare a new revision of the measurement report issued previously (to include the replacement data), *provided that* the causes and the timings of the anomaly can be ascertained.

23.4.2 Measurement report

- (a) The measurement report is the document that summarizes the measurement data valid in the Month, referred to at each Exit Point. The daily detail of measurement data is highlighted when available. The measurement report shall provide information concerning:
 - (i) Gas Days for which the daily measurement of the Gross Calorific Value of the Natural Gas was unavailable;
 - (ii) the method used to assess the measurement. The ICGB shall enter in its information system (on a daily basis for remotely metered systems) the primary measurement data and validate the results obtained every Month. The report must be sent monthly to Network Users and to the owner of the measurement system; and
 - (iii) the analysis of the Natural Gas delivered.
- (b) If it is necessary to issue a new measurement report due to finding errors or anomalies concerning periods for which the relevant reports have already been issued, the ICGB shall recalculate and send the new measurement report to the parties listed above

23.4.3 Procedure for requesting a check of the report

- (a) The Network User may request that the ICGB checks the reported measurement data. This request shall include the following:
 - (i) the identification code of the Exit Point to be checked;
 - (ii) disputed data and time period to be checked; and
 - (iii) technical information supporting the request.
- (b) The ICGB, based on the elements listed above or other elements that may be required, as agreed by the ICGB, shall perform the requested checks and assessments.
- (c) If the tests prove the grounds of the request, the ICGB shall re-determine the quantities, issue an amended measurement report, and make the resulting adjustments. Within twenty (20) Working Days from receipt of a request that includes the documentation described above, the ICGB shall send to the requesting party a report containing:
 - (i) the date of receipt of the request complete with all necessary documentation to carry out the check;
 - (ii) name and contact details of the ICGB's contact persons;
 - (iii) the description of the tests carried out;

- (iv) if the request has been accepted, the measurement report reissued for the disputed Month;
 - (v) if the request has been rejected, the reasons for the rejection, with any supporting documentation.
- (d) The costs incurred in connection with the check shall be charged to the requesting party, unless the error found is due solely to the measurement process failure, in which case such costs shall be payable by the ICGB.

24. LIMITATION OF LIABILITY

24.1 Limitation of Liability

- 24.1.1 Subject to the other provisions of this Article 24.1 and Article 24.2, the responsibility of each Party towards the other Party for any loss or damage deriving from, or however connected with, the execution or the failed, partial or late execution of its obligations arising from or connected with this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any), including Gas Losses, is expressly limited to cases of Wilful Misconduct and/or Gross Negligence.
- 24.1.2 The Network User shall be also liable for loss or damage deriving from, or however connected with, the execution or the failed, partial or late execution of its obligations arising from or connected with this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any), including Gas Losses, caused by its negligence or recklessness.
- 24.1.3 For the purpose of this Article 24, **Wilful Misconduct and/or Gross Negligence** means an intentional, conscious or reckless disregard by a Party or any of its Affiliates or representatives (acting for and on behalf of a Party) and/or its (or such Affiliate's or representatives') officers, directors or employees of managerial or supervisory status of any provisions of this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any) or, generally, of the obligations of a Reasonable and Prudent Party.

24.2 Limitation of liability exclusions

- 24.2.1 Without prejudice to Articles 24.3 and 24.4, neither Party, whether by way of indemnity, as a result of breach of contract, breach of statutory duty, warranty, tort (including negligence), strict liability or any other legal theory, shall be liable to the other Party for any direct or indirect, special or consequential damages (and each Party hereby releases the other Party and its contractors and agents from any such liability), except:
- (a) in the case of the Network User's liability, with respect to:
 - (i) direct, actual and documented loss or damage to the IGB Pipeline, up to the amount of EUR 10 000 (ten thousand) per Month and limited to the aggregated amount of EUR 500 000 (five hundred thousand);
 - (ii) all loss or damage caused by the Network User's Wilful Misconduct, Gross Negligence, negligence or recklessness; and
 - (iii) breach by the Network User of any representation, warranty or covenant under Article 27 of this INC; and/or
 - (iv) all insured losses or damages of the Network User; and
 - (b) in the case of the ICGB's liability, with respect to:

- (i) direct, actual and documented loss or damage to facilities at the Exit Point(s), up to the amount of EUR 10 000 (ten thousand) per Month and limited to the aggregated amount of EUR 500 000 (five hundred thousand);
- (ii) all loss or damage caused by the ICGB's Wilful Misconduct or Gross Negligence; and/or
- (iii) breach by the ICGB of any representation, warranty or covenant under Article 27 of this INC.

24.3 Network User's liabilities

Without limiting the generality of Articles 24.1 and 24.2, subject to the provisions of Article 25 on termination, the Network User shall be liable to the ICGB, among others, for the following:

- 24.3.1 the Monthly Fee payable in accordance with this INC and the relevant GTA;
- 24.3.2 the amount(s) payable in accordance with the VTP Agreement (if any) and any other Ancillary Contract;
- 24.3.3 the amount(s) payable by the Network User following the ICGB's termination of the relevant GTA pursuant to Article 25;
- 24.3.4 direct, actual and documented loss or damage to the IGB Pipeline, including the reasonable costs of cleaning, to the extent such loss or damage is caused by and is a consequence of the Off-Specification Gas delivered to the ICGB:
 - (a) during the period before the ICGB has given notice to the Network User that the ICGB either refuses or accepts the delivery of such Off-Specification Entry Gas at the Entry Point(s); or
 - (b) during the period of three (3) hours from the ICGB's receipt of the notice of the Network User has lapsed,

whichever notice occurs first;
- 24.3.5 any Tax payable by the Network User to the ICGB, or paid by the ICGB to a Third Party where the Network User is liable for such, under or in connection with this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any); and
- 24.3.6 any other losses, costs, expenses or damages sustained by the ICGB due to the Network User's failure to comply with its obligations under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any).

24.4 The ICGB's liabilities

The ICGB shall be liable to the Network User for direct loss or damage to the facilities at the Exit Point(s) (which the Network User is liable for towards Third Parties), including the reasonable cost of cleaning, to the extent such loss or damage is caused by and is a consequence of the Off-Specification Exit Gas at the Exit Point(s) delivered to the Network User:

- 24.4.1 during the period before the Network User has given notice to the ICGB that the Network User either refuses or accepts the delivery of such Off-Specification Exit Gas at the Exit Point(s); or
- 24.4.2 during the period of three (3) hours from the Network User's receipt of the notice of the ICGB has lapsed,

whichever notice occurs first.

24.5 Amount of damages

The Parties agree that to determine accurately the actual amount of damages suffered by a Party due to the other Party's failure to comply with this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any) would be difficult. The Parties therefore agree that all damages or compensations regulated by this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any) form a reasonable approximation and pre-estimate of the damages that would be suffered by the relevant Party.

24.6 Mitigation measures

Each Party shall use its reasonable endeavours (in accordance with English common law principles relating to mitigation of loss or damage) to mitigate or avoid any loss or damage caused by the failure of the other Party to meet its obligations under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any), whether or not the failure is the result of a Force Majeure Event.

24.7 Sole remedy

Where this INC sets forth a specific remedy for a breach of this INC by a Party, such remedy shall be the sole and exclusive remedy of the other Party in respect of such breach and shall be exhaustive of any other remedies for breach howsoever arising (whether at law, in equity or in consequence of any statutory duty, strict or tortious liability or otherwise), *provided that* the foregoing limitation shall not apply to the non-breaching Party's right to terminate and the related remedies.

25. TERMINATION

Subject to the other provisions of this Article 25, the GTA shall terminate automatically upon the expiry of the Transmission Period, without the requirement for any further action on the part of either Party.

25.1 The ICGB's Termination

In addition to any other termination reason that may be set out in the GTA, the ICGB may terminate the relevant GTA (which includes the termination of application of this INC, being an integral part of the GTA) in the event of:

- 25.1.1 an Insolvency Event affecting the Network User (in which case termination shall be immediate);
- 25.1.2 failure by the Network User to pay the Monthly Fee for a period equal to or exceeding thirty (30) Days from the date when such payment fell due under the terms of this INC and/or the relevant GTA (other than in case of a Disputed Amount);
- 25.1.3 failure by the Network User to comply with any of its obligations in relation to the Network User Credit Support under Article 29 ;
- 25.1.4 in relation to an Exempted Network User, any Exempted Network User shareholder (which has provided the Network User Credit Support in whole or in part) disaffirming, disclaiming, revoking, repudiating or rejecting (in whole or in part), or challenging the validity of, the Network User Credit Support or otherwise failing to comply with or perform its obligations under or in respect of the Network User Credit Support;
- 25.1.5 in relation to an Exempted Network User, the credit rating of any Network User shareholder which has provided the Network User Credit Support (in whole or in part) falling below Minimum Credit Rating;
- 25.1.6 failure of the Network User to fulfil any other material obligation under this INC which remains non-remedied for a period longer than twenty (20) Days;
- 25.1.7 a long-term Force Majeure Event (as set out in Article 30.5) affecting the ICGB; or
- 25.1.8 any breach by the Network User of the warranty or covenant given under Articles 27.1, 27.2, 27.5 or 27.6.

In case of conflict between this Article 25.1 and the GTA provisions on the ICGB's right to terminate, the GTA provisions shall prevail.

25.2 Network User's Termination

- 25.2.1 In addition to any other termination reason that may be set out in the GTA, the Network User may terminate the relevant GTA (which includes the termination of application of this INC, being an integral part of the GTA) in the event of:
 - (a) an Insolvency Event affecting the ICGB;

- (b) failure by the ICGB to provide the Transmission Services for a period equal to or exceeding forty-five (45) Days during any Year for reasons other than a Force Majeure Event, maintenance or upgrading;
- (c) a long-term Force Majeure Event (as set out in Article 30.5) affecting the Network User; or
- (d) any breach by the ICGB of the warranty or covenant given under Articles 27.3, 27.4, 27.5 or 27.6.

25.2.2 If the Network User shall exercise its rights under this Article 25.2, then, subject to any and all rights and obligations accrued under this INC and the relevant GTA prior to the date of termination and upon the Network User's payment of the amounts due under this INC and the relevant GTA, the Network User shall have no further rights, liabilities or obligations under the relevant GTA and this INC.

In case of conflict between this Article 25.2 and the GTA provisions on the Network User's right to terminate, the GTA provisions shall prevail.

25.3 Failure to Transfer the Contract Quantity to the ICGB

If the ICGB exercises its right to terminate the GTA (which includes the termination of application of this INC) pursuant to Article 25.1 or the termination provisions of the GTA, when the Contract Quantity of the Network User under the relevant GTA is not transferred or released to the ICGB, then:

- 25.3.1 save as provided in Article 25.3.2, subject to any and all rights and obligations accrued under this INC and/or the relevant GTA prior to the date of termination and upon the ICGB's payment of the amounts due under this INC and the relevant GTA, the ICGB shall have no further rights, liabilities or obligations under the relevant GTA and this INC;
- 25.3.2 if the termination occurs before the Commercial Operations Date of the IGB Pipeline, the Network User shall pay to the ICGB the amount equal to the Exempted Network User's *pro rata* portion (determined by the ICGB, acting as the Reasonable and Prudent Party, and notified to the Exempted Network User) of the costs already incurred by the ICGB for the purpose of the construction, commissioning and operation of the IGB Pipeline.

25.4 Proposed termination date notice

- 25.4.1 If any Party is entitled to terminate the GTA (which includes the termination of application of the INC) in accordance with Articles 25.1 or 25.2 and wishes to effect such a termination, it shall (other than in case of an Insolvency Event and, after giving notice to the other Party to remedy or cure the default(s) remaining after expiry of a thirty (30) Day period from the issuance of the said notice) give written notice to the other Party specifying a date, which shall be no earlier than twenty (20) Days after the date of such notice, upon which such termination shall take effect.
- 25.4.2 During the period between the service of a notice in accordance with Article 25.4.1 and the date on which termination shall take effect, the Parties

shall use reasonable endeavours to negotiate a solution which averts the need to terminate the relevant GTA (including the termination of application of this INC).

25.5 Right of suspension

In case of an Insolvency Event of the other Party giving rise to the termination right under this Article 25, the non-defaulting Party shall be entitled to immediately suspend performance of its obligations under the GTA (including the termination of application of this INC) and/or terminate the GTA (including the termination of application of this INC) forthwith by giving a written notice thereof to the other Party.

25.6 Amounts Due

25.6.1 All amounts which are properly due and payable by one Party to the other Party under:

- (a) the GTA (including this INC) and, in case the terminated GTA is the only GTA between the ICGB and the Network User, all Ancillary Contract(s) (if any); or
- (b) where no GTA has been entered into, all Ancillary Contracts,

shall become immediately due and payable from the date of receipt of the termination notice.

25.6.2 The ICGB shall have the right to use the Network User Credit Support for the purpose of payment of any and all of amounts due and payable to the ICGB under:

- (a) the GTA (including this INC) and, in case the terminated GTA is the only GTA between the ICGB and the Network User, all Ancillary Contracts; or
- (b) where no GTA has been entered into, all Ancillary Contracts.

25.7 Effect of Termination

25.7.1 Upon termination of the GTA (for whatever reason), the obligations of the Parties under the GTA (including this INC) shall come to an end and all future obligations of the Parties under the GTA (including this INC), from the termination date, shall be deemed discharged, save that:

- (a) any rights and obligations accrued prior to the termination date shall remain in full force and effect;
- (b) *provided that* all amounts due have been paid to the ICGB by operation of Article 25.6 or otherwise in accordance with this INC, the ICGB shall, within five (5) Business Days after the termination date, return to the Network User a copy of the Bank Guarantee (if any) held by the ICGB and/or release to the Network User cash (if any) still available and held on the ICGB's account;

- (c) in case the terminated GTA is the only GTA entered into between the Network User and the ICGB, with the termination of such GTA, subject to all obligations under the Ancillary Contracts that accrued prior to the date of the GTA termination having been fully settled, the Ancillary Contracts related to the terminated GTA shall also be terminated, notwithstanding anything to the contrary set out in any of such Ancillary Contracts; and
- (d) the following:
 - (i) clauses of the GTA shall survive termination: clause on early termination, clause on notices, clause on confidentiality, clause on governing law and dispute resolution and clause on miscellaneous matters; and
 - (ii) Articles of the INC shall survive termination: Article 24 (*Limitation of Liability*) and Article 25 (*Termination*),

25.7.2 Where no GTA has been signed, upon termination of the Ancillary Contract (for whatever reason) in accordance with its terms, the provisions of clause 25.7.1 shall apply *mutatis mutandis*.

26. TITLE, RISK AND INSURANCE

26.1 Title, Risk and Insurance

- 26.1.1 Title to all quantities of Gas to be transported in accordance with this INC (including any Line-pack Gas, but excluding, commissioning Gas and Fuel Gas shall remain with the Network User while such Gas is within the IGB Pipeline.
- 26.1.2 Custody of, and the risk of loss of, all quantities of Gas to be transported in accordance with this INC and the relevant GTA shall pass from the Network User to the ICGB at the Entry Point(s) and shall pass from the ICGB to the Network User at the Exit Point(s) in accordance with the Battery Limits set in Article 23.2.3 above.

26.2 Network User's warranties in relation to Gas

The Network User hereby warrants that:

- 26.2.1 it has full ownership of Gas delivered at the Entry Point(s); and
- 26.2.2 Gas delivered at the Entry Point(s) shall, subject to any express rights of the Network User hereunder, be free from all liens, charges, encumbrances or adverse claims of any and every kind.
- 26.2.3 The Network User hereby agrees to indemnify the ICGB for any loss, claim or liability arising out of or in connection with the breach of the warranties set out in this Article 26.2.

26.3 Network User's insurance and ICGB's insurance

- 26.3.1 The Network User shall arrange for, at its cost, any required insurance in respect of Gas transported in the IGB Pipeline, such insurance(s) to include a waiver of subrogation rights against the ICGB.
- 26.3.2 The ICGB shall arrange for, at its cost, any required insurance in respect of the IGB Pipeline and the Transmission Services (including, without limitation third party risk), such insurance(s) to include a waiver of subrogation rights against the Network User.

27. WARRANTIES AND COVENANTS

27.1 The ICGB's warranties

27.1.1 The ICGB represents and warrants to the Network User, from the later of the Signing Date and the effective date of the VTP Agreement (where the GTA and the VTP Agreement have been signed) or from the effective date of the VTP Agreement (where only the VTP Agreement has been signed), that:

- (a) where the GTA has been signed, Gas redelivered at the Exit Point(s) shall, subject to any express rights of the ICGB hereunder, be free from all liens, charges, encumbrances or adverse claims of any and every kind. Subject to the provisions of Article 24 on limitation of liability, the ICGB hereby agrees to indemnify the Network User for any direct, actual and documented loss, claim or liability arising out of the breach of the warranty set out in this paragraph (a).
- (b) it is a legal entity incorporated in Bulgaria and validly exists under the laws of the Republic of Bulgaria;
- (c) it is duly qualified and in good standing in all jurisdictions required for performance under this INC and the relevant GTA;
- (d) it has full power, authority and legal right to perform its obligation under this INC, the relevant GTA (if any) and the VTP Agreement (if any) and, in particular, subject to it having obtained the relevant a TSO licence and certification (such to occur prior to the Commercial Operation Date), it is entitled by virtue of Applicable Law to operate the IGB Pipeline;
- (e) this INC, following the effective date thereof, the relevant GTA (if any) and the VTP Agreement (if any) constitute valid and binding obligations of the ICGB, enforceable against the ICGB in accordance with their respective terms; and
- (f) it has furnished the Network User with certified resolutions, authenticated powers-of-attorney, or other corporate instruments as are necessary to authorise its signing, delivery and performance of the INC, the relevant GTA (if any) and the VTP Agreement (if any).

27.1.2 The ICGB further represents and warrants that it shall not allow Gas to be introduced into the IGB Pipeline which has originated from:

- (a) a Sanctioned Country; or
- (b) a Sanctioned Person,

if such introduction would cause the ICGB or the Network User to breach Sanctions' restrictions or subject either the ICGB or the Network User to Sanctions' liabilities, *provided that*, in case of the Network User, this shall apply only if the ICGB has known or reasonably should have known thereof.

27.1.3 The ICGB further represents and warrants that it has put in place policies, processes and procedures aimed to ensure that it does not accept Gas from a Sanctioned Country or a Sanctioned Person for transport or use in the IGB Pipeline, if such acceptance would cause the ICGB or the Network User to breach Sanctions' restrictions or subject either the ICGB or the Network User to Sanctions' liabilities, *provided that*, in case of the Network User, this shall apply only if the ICGB has known or reasonably should have known thereof. The ICGB shall not be deemed to have violated its representation and warranty in respect of Gas introduced into the IGB Pipeline which is commingled in a connecting entry-exit system prior to its delivery to the IGB Pipeline with Gas originating from a Sanctioned Country or a Sanctioned Person, unless such commingling would cause the Network User or any of its shareholders to breach Sanctions restrictions or subject the Network User or any of its shareholders to Sanctions liability

27.2 ICGB's covenants

- 27.2.1 The ICGB covenants that, at no cost to the Network User, the ICGB shall:
- (a) in a timely manner, obtain, maintain and comply with all licences, permits, authorisations and approvals required under Applicable Law to enable the ICGB to implement the IGB Pipeline project and to operate and maintain the IGB Pipeline so as to have the capacity to provide the Transmission Services, to grant access to the VTP and to perform the ICGB's obligations under this INC, the GTA (if any) and the Ancillary Contract(s) (if any). The ICGB shall be obliged to obtain a TSO licence and certification pursuant to the applicable legislation and in the terms as set in the Exemption Decision
 - (b) to the extent that the same is within its reasonable capacity and control, undertake to assist the Network User with any consents or approvals that might be required by the Network User in the Republic of Greece and/or the Republic of Bulgaria, such consents and approvals to be obtained by the Network User at its own cost;
 - (c) maintain all relevant consents or approvals in good order and standing such that the ICGB can accept and redeliver the Gas in accordance with this INC and the GTA and shall notify the Network User as soon as reasonably practicable if any of the ICGB Approvals are not granted, lapse and are not renewed, or are cancelled or terminated or if any proceeding is initiated concerning any of the ICGB Approvals; and
 - (d) to the extent that it is within its reasonable capacity and control, take such measures necessary to remove any restrictions that impede or restrict the availability of the Transmission Services or the access to the VTP.
- 27.2.2 The ICGB further covenants that, throughout the Transmission Period, any technical information and data that the ICGB has supplied to the Network User concerning this INC and/or the GTA is accurate and complete in all material respects.

27.3 Network User's warranties

27.3.1 The Network User represents and warrants to the ICGB that the Network User:

- (a) is a legal entity duly incorporated and validly existing under the laws of its country of incorporation;
- (b) is duly qualified and in good standing in all jurisdictions required for performance under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any);
- (c) has full power, authority and legal right to perform its obligations under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any);
- (d) has duly signed and delivered the relevant GTA (if any, including this INC as its part) and the Ancillary Contract(s) (if any), which constitute valid and binding obligations of the Network User, enforceable against the Network User in accordance with their respective terms; and
- (e) has furnished to the ICGB such certified resolutions, authenticated powers-of-attorney, or other corporate instruments as are necessary to authorise its signing, delivery and performance of the relevant GTA (if any, including this INC as its part) and the Ancillary Contract(s) (if any).

27.3.2 The Network User further represents and warrants that the Gas made available under this INC has not originated from:

- (a) a Sanctioned Country; or
- (b) a Sanctioned Person,

provided that the Network User shall not be deemed to have violated this warranty if:

- (i) the Network User's Gas is commingled in a connecting entry-exit system upstream of the with Gas from a Sanctioned Country or a Sanctioned Person unless such commingling would cause the ICGB to breach any Sanctions' restrictions or subject the ICGB to any Sanctions' liabilities; or
- (ii) the Network User's Gas is commingled in the IGB Pipeline with Gas from a Sanctioned Country or a Sanctioned Person.

27.4 Network User's covenants

27.4.1 The Network User covenants with the ICGB that, at no cost to the ICGB, the Network User shall:

- (a) obtain all approvals required to enable the Network User to make Gas available at the Entry Point(s) under this INC and the

relevant GTA and to perform the Network User's obligations under this INC and the relevant GTA;

- (b) obtain all the necessary approvals required by the Network User to enable the Network User to procure the off-take of Gas redelivered by the ICGB at the Exit Point(s) in accordance with this INC and the relevant GTA;
- (c) comply with the provisions on operational information sharing and notification of important events, where so required by this INC and/or the relevant GTA that may affect its performance thereunder; and
- (d) maintain consents or approvals in good order and standing and shall notify the ICGB as soon as reasonably possible if any of the approvals are not granted, lapse and are not renewed, or are cancelled or terminated or if any proceeding is initiated concerning any of the Network User Approvals.

27.4.2 The Network User further covenants that, throughout the Transmission Period, any technical information and data that the Network User has supplied to the ICGB concerning this INC and/or the relevant GTA is accurate and complete in all material respects.

27.5 Mutual warranties

Each Party represents and warrants to the other Party, as of the later of the Signing Date and the effective date of the VTP Agreement (where the GTA and the VTP Agreement have been signed) or from the effective date of the VTP Agreement (where only the VTP Agreement has been signed), that:

- 27.5.1 the entry into and performance by it of the relevant GTA (if any), the INC and the VTP Agreement (if any) does not violate its constitutional or legal statutes or breach any agreement to which it is party; and
- 27.5.2 there is no litigation existing or pending that might interfere with the performance of this INC, the relevant GTA (if any) or the VTP Agreement (if any).

27.6 Mutual covenants

Each Party covenants to the other Party that:

- 27.6.1 it shall comply with all Applicable Laws (and, if applicable, other laws and regulations) governing or relating to its performance under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any);
- 27.6.2 it shall maintain its existence and good standing and its qualifications to do business in all applicable jurisdictions where that Party's performance under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any) is required;
- 27.6.3 neither it nor its Affiliates or representatives shall make, offer, or authorise regarding the matters that are the subject of this INC, the relevant GTA (if

any) and the Ancillary Contract(s) (if any), any payment, gift, promise, or other advantage, whether directly or through any other Person, to or for the use or benefit of any public official (e.g., any Person holding a legislative, administrative, or judicial office, including any Person employed by or acting for a public agency, public enterprise or public international organisation) or any political party or political party official or candidate for office, where the payment, gift, promise, or advantage would violate:

- (a) the Applicable Laws or, in respect of a Party, the laws of any other jurisdiction applicable to that Party's performance of its obligations under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any);
- (b) the laws of the country of formation of the Party or the Party's ultimate parent company or of the principal place of business of the ultimate parent company;
- (c) the principles described in the "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", signed in Paris on 17 December 1997, which entered into force on 15 February 1999, and the Convention's Commentaries; and shall, upon request of the other Party, provide evidence of its compliance with the covenants within a reasonable period of time where this is required by a Party in order to fulfil its legal obligations in any applicable jurisdiction pursuant to this Article 27.6; and

27.6.4 it shall maintain adequate internal controls, properly record and report all transactions, and comply with the laws applicable to the Party. Each Party shall rely on the other Party's system of internal controls, and on the adequacy of full disclosure of the facts, and of financial and other data about the deliveries of Gas under this INC and the relevant GTA. No Party is in any way authorised to take any action for another Party that would result in an inadequate or inaccurate recording and reporting of assets, liabilities, or any transaction or that would put the Party in violation of its obligations under the laws applicable to the operations under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any).

28. SANCTIONS

28.1 Sanctions

If at any time either the ICGB or the Network User or any of their respective shareholders would be the subject to Sanctions' restrictions and/or liability by virtue of Gas from a Sanctioned Country or a Sanctioned Person being commingled in the IGB Pipeline or any transmission system upstream of the IGB Pipeline as a result of a change in the commingling exception currently contained in article 14a 2(a) of EU Council Regulation 1263/2012 dated 21 December 2012 or as a result of any other change in Sanctions, then:

- 28.1.1 the Party so affected shall be entitled to claim a Force Majeure Event under this INC, the relevant GTA (if any) and/or the Ancillary Contract(s) (if any); and
- 28.1.2 the Parties shall use all reasonable endeavours to put in place such arrangements as would enable the affected Party to comply with the Sanctions' requirements and, if able to do so, and on the implementation of such arrangements, any claim for a Force Majeure Event related thereto shall cease.

28.2 Obligations

In the conduct of all activities provided for under this INC, the relevant GTA (if any) and the Ancillary Contract(s) (if any) the Parties shall:

- 28.2.1 exercise due care with respect to awards of contracts, the receipts, payments, and accounting of funds and internal controls, in accordance with all relevant anti-corruption legislation, including but not limited to, the UK Bribery Act 2010, the US Foreign Corrupt Practices Act (FCPA), any successor or amending legislation and legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption, and/or the anti-corruption or anti-money laundering laws of any country in which activities are to be undertaken, and good and prudent practices generally followed by the international petroleum industry under similar circumstances;
- 28.2.2 include in its contracts with independent contractors, provisions which constitute a statement/warranty from such contractor confirming that it shall comply with all relevant anti-corruption legislation, including those listed in Article 28.2.1 above;
- 28.2.3 report to the other Party any act or omission such Party becomes aware of which constitutes a violation of relevant anti-corruption legislation, including but not limited to those listed in Article 28.2.1 above.

29. NETWORK USER CREDIT SUPPORT

29.1 Network User Credit Support – Exempted Network Users

- 29.1.1 The Exempted Network User shall submit to the ICGB the Network User Credit Support in a form reasonably acceptable to the ICGB in accordance with the Minimum Credit Rating, not later than:
- (a) twenty (20) Days prior to the start of the relevant Network User Credit Support Period, if the GTA’s term is longer than one (1) year;
 - (b) five (5) Days prior to the start of the relevant Network User Credit Support Period, if the GTA’s term is shorter than one (1) year.
- 29.1.2 During the Network User Credit Support Period, the Network User Credit Support shall be maintained by the Exempted Network User and shall at all times meet the Network User Credit Support Requirement.
- 29.1.3 The Network User Credit Support Requirement of the Exempted Network User shall be equal to the Credit Support Amount.
- 29.1.4 The ICGB may make a claim in relation to the Network User Credit Support only in respect of amounts invoiced to the Network User by the ICGB in accordance with this INC or the relevant GTA that have not been paid within fifteen (15) Working Days of the due date for payment or otherwise disputed by the Network User in accordance with Article 21.3 of this INC.
- 29.1.5 If the Network User’s Credit Support is provided by the Network User’s parent company, the Network User shall submit to the ICGB a letter (in a form satisfactory to the ICGB) of the parent company’s commitment to guarantee the Network User’s payment obligations to the ICGB in the name of and on behalf of the Network User and on the same terms and conditions set out in this Article 29.

29.2 Bank Guarantee – Exempted Network Users

- 29.2.1 If the Network User does not provide the required Network User Credit Support or there is a downgrading of the Network User’s Minimum Credit Rating, the Network User shall promptly provide to the ICGB and maintain until the end of the Transmission Period, the Bank Guarantee which is:
- (a) in a form satisfactory to the ICGB;
 - (b) on demand;
 - (c) issued by a bank or insurance company, or any other financial institutions entitled to issue it in accordance with this Article 29 and that shall have a credit rating equal to the Minimum Credit Rating; and
 - (d) equal in value to the Credit Support Amount.

- 29.2.2 In case of the full or partial enforcement of the Bank Guarantee, the Exempted Network User shall ensure that the Bank Guarantee is renewed or replenished in order to fully meet the Credit Support Amount for the whole Transmission Period. Any cost incurred by the ICGB as a result of enforcing, adjusting and/or renewing or maintaining the Bank Guarantee shall be charged to the Exempted Network User in accordance to Article 24.3.6.
- 29.2.3 In the event that the applicant refuses to execute the GTA, the ICGB shall be entitled to enforce any security issued under the ARCA.

29.3 Network User Credit Support – Non-Exempted Network Users

29.3.1 General

- (a) The Network User Credit Support may take the form of the Bank Guarantee and/or the Cash Deposit. Each Network User may decide whether to provide one or both of these types of guarantees to the ICGB, *provided that*, when assessed together, the amount guaranteed under one or both of them meets at least the amount of the Network User Credit Support applicable to the Network User from time to time.

The Network User shall submit to the ICGB the Network User Credit Support as part of the registration process set out in Article 9.

- (b) During the Network User Credit Support Period, the Network User Credit Support shall be maintained by the Network User and shall at all times meet the Network User Credit Support Requirement.
- (c) The amount of the Network User Credit Support shall be:
- (i) determined by the ICGB, by taking into account the requirements under (i) the GTA (if any), this INC and each Ancillary Contract (if any), and (ii) the requirements of the relevant Platform (if and to the extent applicable), but in any case shall not be lower than the sum of: (1) the Capacity Booking Minimum Credit Limit, if applicable, (2) the Balancing Minimum Credit Limit, and (3) the VTP Minimum Credit Limit, if applicable;
 - (ii) notified by the ICGB to the Network User;
 - (iii) continuously monitored and, if required, amended by the ICGB, by way of giving written notice to the Network User.
- (d) The Network Users may book Capacity Products having the total value not exceeding the amount of the Bank Guarantee and/or the Cash Deposit available for the purpose of capacity booking at the time of the Nomination. Such amount may be equal or higher than the Capacity Booking Minimum Credit Limit.

- (e) In relation to each Reserved Capacity and Booked Capacity, as well any Capacity Product to be transferred on the secondary market, the ICGB shall reserve and eventually drawdown the relevant portion of the Bank Guarantee and/or the Cash Deposit available for the purpose of capacity booking. In relation to the Booked Capacity and the transfer of Capacity Products on the secondary market, the reservation of the relevant portion of the Bank Guarantee and/or the Cash Deposit available for the purpose of capacity booking shall be done automatically, via the Platform.
- (f) The ICGB may make a draw on the Bank Guarantee and/or the Cash Deposit only in respect of amounts invoiced to the Network User by the ICGB in accordance with this INC, the relevant GTA (if any) and each Ancillary Contract (if any) that have not been paid within fifteen (15) Working Days of the due date for payment or otherwise disputed by the Network User in accordance with Article 21.3 of this INC or relevant provisions of the GTA or the Ancillary Contract(s) (if any).
- (g) Each Network User that would like to use the Transmission Services shall notify the ICGB of how it wishes the relevant type(s) of the Network User Credit Support to be allocated between the Capacity Booking Minimum Credit Limit and the Balancing Minimum Credit Limit. For this purpose, the Network User shall use the format set out in the GTA. This allocation will allow the ICGB to determine, at any and all times, whether the Network User Credit Support fully matches the sum of the Capacity Booking Minimum Credit Limit (if applicable), the Balancing Minimum Credit Limit and the VTP Minimum Credit Limit (if applicable).
- (h) Notwithstanding the above, in case of the Network User's failure to pay under any of the GTA and the Ancillary Contracts, the ICGB shall have the right to draw (on the Bank Guarantee and/or the Cash Deposit) the entire amount due to it under the relevant agreement, irrespective of the allocation of the Network User Credit Support made by the Network User.

29.3.2 Bank Guarantee – Non-Exempted Bank Users

- (a) The Network User shall maintain until the end of the Network User Credit Support Period, the Bank Guarantee which is:
 - (i) in an amount that is not lower than the amount calculated by taking into account (i) the amount of the Network User Credit Support required under this INC, the GTA (if any) and the Ancillary Contract(s) (if any), and (ii) any Cash Deposit, so that, when the amount of the Cash Deposit (if any) is added to the amount guaranteed under the bank guarantee, the total amount is equal to or exceeding the amount of the Network User Credit Support required;

- (ii) on demand, unconditional and irrevocable and can be drawn in relation to either its partial or full amount;
 - (iii) issued in EUR by a bank having a registered main office in the European Union that has the credit rating of at least B as per Standard & Poor's Corporation rating rank or equivalent according to the classification of other credit rating agencies; and
 - (iv) renewed or reissued at least 45 days prior to the expiry of its term of validity. In case of failure to do so, the ICGB may suspend the performance of all Transmission Services and/or, as it may be, the grant of the VTP access until the renewed or reissued bank guarantee (fulfilling above-mentioned conditions) has been provided to the ICGB.
- (b) In case of the full or partial enforcement of the Bank Guarantee, the Network User shall ensure that the Bank Guarantee is either renewed or replenished or the cash amount corresponding to the amount drawn under the Bank Guarantee is promptly paid to the ICGB under Article 29.3.3, all in order the Network User continuously to meet the relevant amount of the Network User Credit Support imposed, from time to time, by the ICGB in relation to such Network User. Any cost incurred by the ICGB as a result of enforcing, adjusting and/or renewing or maintaining the Bank Guarantee shall be charged to the Network User in accordance to Article 24.3.6. No amount shall be payable by the ICGB to the Network User in connection with the Bank Guarantee.

29.3.3 Cash Deposit

- (a) The Network User shall pay (with a reference: "*cash deposit under the Gas Transportation Agreement*") a sum of money in EUR (**Cash Deposit**) into a bank account of the ICGB set out in the GTA (if any) or, as it may be, the VTP Agreement (if any).
- (b) The Network User shall maintain until the end of the Network User Credit Support Period the Cash Deposit in an amount that is not lower than the amount calculated by taking into account (i) the amount of the Network User Credit Support required in accordance with this INC, the GTA (if any) and the Ancillary Contract(s) (if any), and (ii) any Bank Guarantee, so that, when the amount of the Bank Guarantee (if any) is added to the amount guaranteed under the Cash Deposit, the total amount is equal to or exceeding the amount of the Network User Credit Support required.
- (c) By making such payment, the Network User shall transfer to the ICGB, and the ICGB shall acquire, the full title over the Cash Deposit (and any of its parts), free of any encumbrances held by either the Network User or any third party.

- (d) No interest or any other amount shall be payable by the ICGB to the Network User in connection with the Cash Deposit.
- (e) The ICGB shall have the right to utilise the Cash Deposit only for the purpose of ensuring that the Network User meets its Network User Credit Support Requirement.

29.3.4 Further application of this Article 29.3

The provisions of Article 29.3 shall also appropriately apply to the Buying Party, in accordance with Article 14.3.2. All references to “Network User” in this Article 29.3 shall, as appropriate, be interpreted as references to “Buying Party”.

29.3.5 Balancing Minimum Credit Limit

- (a) Without limiting generality of Article 29.3.1, the Network User shall ensure that the Balancing Minimum Credit Limit (calculated in accordance with this Article 29.3.5) is, at all relevant times, fully matched by the portion of the Network User Credit Support allocated in accordance with Article 29.3.1(g).
- (b) The Balancing Minimum Credit Limit for the Network User shall be calculated by ICGB as the product of:
 - (i) fifteen per cent (15%) of the highest monthly Allocated Quantities of Gas in the last three (3) Months preceding the date of calculation of the Balancing Minimum Credit Limit; and
 - (ii) the Marginal Buy Price for the Gas Day preceding the day of calculation of the Balancing Minimum Credit Limit.
- (c) The Balancing Minimum Credit Limit shall be re-calculated by ICGB on the first (1st) day of each Month.
- (d) In the event of no available information regarding the sum of Allocated Quantities of Gas for the period of:
 - (i) three (3) Months preceding the date of calculation of the Balancing Minimum Credit Limit, the information regarding the highest monthly Allocated Quantities of Gas for the period of two (2) Months preceding the date of calculation of the Balancing Minimum Credit Limit shall be used; and
 - (ii) two (2) Months preceding the date of calculation of the Balancing Minimum Credit Limit, the information regarding the monthly Allocated Quantities of Gas for the period of one (1) Month preceding the date of calculation of the Balancing Minimum Credit Limit shall be used.
- (e) The initial, and otherwise minimum, value of the Balancing Minimum Credit Limit shall be EUR 10,000 (ten thousand).

- (f) ICGB may increase the Balancing Minimum Credit Limit if the net Daily Imbalance Charges accumulated during the ongoing Month exceed by ten per cent (10%) or more the Balancing Minimum Credit Limit calculated in accordance with Article 29.3.5(d) and Article 29.3.5(e). ICGB shall promptly notify the Network User of such increase, whereupon the Network User shall, if so required, promptly increase its Network User Credit Support in order to cover the increased Balancing Minimum Credit Limit in its entirety.

29.3.6 VTP Minimum Credit Limit

- (a) Without limiting generality of Article 29.3.1, the Network User shall ensure that the VTP Minimum Credit Limit calculated in accordance with this Article 29.3.6 is, at all relevant times, fully matched by:
 - (i) the Network User Credit Support (in case only the VTP Agreement has been signed); or
 - (ii) part of the Network User Credit Support remaining after the Capacity Booking Minimum Credit Limit and the Balancing Minimum Credit Limit have been fully satisfied by taking into consideration their respective allocation in accordance with Article 29.3.1(g) (in case both the GTA and the VTP Agreement have been signed).
- (b) The VTP Minimum Credit Limit for the Network User shall be calculated by ICGB as the product of:
 - (i) daily planned trading volumes of Gas on the VTP (buy and sell), as notified to ICGB, and
 - (ii) daily reference price for the preceding Gas Day, as published by Gas Hub Balkan.
- (c) ICGB may refuse to confirm Network User's Trade Notification(s) at the VTP if, at the time of such Trade Notification(s), the (relevant part of) Network User Credit Support failed to match fully the VTP Minimum Credit Limit.

29.3.7 Reduction of the Network User Credit Support for the Balancing Minimum Credit Limit and the VTP Minimum Credit Limit

- (a) The Network User may request ICGB to reduce (the allocated portion of) the Network User Credit Support already provided by the Network User for the purpose of fulfilling its obligations under Article 29.3.5 and Article 29.3.6 if, on the date of such request by the Network User,;
 - (i) in relation to both the Balancing Minimum Credit Limit and the VTP Minimum Credit Limit - the Network User paid to ICGB all outstanding amounts under the GTA (if any), all Ancillary Contract(s) (if any) and this INC; and

- (ii) (A) in relation to the Balancing Minimum Credit Limit, the allocated portion of the Network User Credit Support fully matches the Balancing Minimum Credit Limit, and (B) in relation to the VTP Minimum Credit Limit, the (relevant part of) the Network User Credit Support fully matches the VTP Minimum Credit Limit, in each case with respect to the Month during which such request has been raised; and
 - (iii) in relation to the Balancing Minimum Credit Limit - the amount of the allocated portion of the Network User Credit Support available following reduction proposed by the Network User would be sufficient to fully cover the Network User's monetary obligations towards ICGB in connection to the accumulated Daily Imbalance Charges for the period from the beginning of the Month during which a request has been raised until and including the date of such request.
- (b) Any such Network User's request to reduce the Network User Credit Support may be raised in an electronic form only, using the IGB Digital Platform.
- (c) ICGB may, in its sole discretion, decide whether to reduce the Network User Credit Support or not. In either case, ICGB shall inform the Network User of its decision via the IGB Digital Platform.

30. FORCE MAJEURE EVENT

30.1 Force Majeure Event definition

- 30.1.1 **Force Majeure Event** shall mean an event or circumstance (or a combination of events and/or circumstances) beyond the reasonable control of a Party, acting and having acted as a Reasonable and Prudent Party, which results in such Party being unable to perform one or more of its obligations (either wholly or partly) under this INC, the GTA (if any) or the Ancillary Contract(s) (if any) which inability could not have been foreseen, prevented or overcome by such Party acting as a Reasonable and Prudent Party and incurring reasonable expenses.
- 30.1.2 Subject to fulfilment of the requirements set out in the preceding paragraph, Force Majeure Event shall include, without limitation: strikes; lockouts; labour and other industrial disturbances (including sabotages); acts of God; unavoidable accidents; new Applicable Law, order, rule, regulation, act or restraint of any governmental body or authority (municipal, national, supranational, including European Union, or other) or a court; acts of war or conditions arising out of or attributable to war (declared or undeclared); shortage of materials, or limitations upon the use thereof; collapse of structures; and failure or breakdown of plant or machinery and pipes.

30.2 Limitation of Force Majeure Event

Notwithstanding the provisions of Article 30.1, any or all of the following events and circumstances shall not constitute a Force Majeure Event:

- 30.2.1 changes in market conditions, including changes that directly or indirectly affect the demand for or price of Gas or any commodity produced from or with Gas, such as loss of customers or loss of market share;
- 30.2.2 financial hardship of a Party or the inability of a Party to make a profit or receive a satisfactory rate of return from its operations;
- 30.2.3 any event or circumstance whatsoever affecting infrastructure and/or facilities (directly or indirectly) used for the transport in systems (other than the IGB Pipeline);
- 30.2.4 the imposition of Sanctions by any Governmental Authority due solely to the failure of the ICGB to comply with any Applicable Laws; or
- 30.2.5 the breakdown or failure of machinery caused by normal wear and tear that should have been avoided by a Reasonable and Prudent Party, the failure to comply with the manufacturer's recommended maintenance and operating procedures, or the unavailability at appropriate locations of standby equipment or spare parts in circumstances where a Reasonable and Prudent Party would have had the equipment or spare parts available.

30.3 Limitation on obligation relief

- 30.3.1 Where a Party is affected by a Force Majeure Event, that Party shall (subject to the provisions of Article 30.2) be relieved from its affected obligations only and its unaffected obligations shall continue to apply.

- 30.3.2 Any failure to timely pay amounts which are owed under this INC, the relevant GTA, if any (including, without limitation, the Monthly Fee) or the Ancillary Contract(s) (if any) shall not be excused by a Force Majeure Event, unless the payment procedure itself is affected by a Force Majeure Event.

30.4 Notification and Force Majeure Event estimation

- 30.4.1 The Party affected by a Force Majeure Event shall, as soon as practicable after learning of the Force Majeure Event, notify the other Party of the occurrence of the Force Majeure Event and, to the extent then available, provide to it a *bona fide* non-binding estimate of the extent and duration of its inability to perform.
- 30.4.2 The Party affected by the Force Majeure Event shall use commercially reasonable endeavours to mitigate and overcome the effects of the Force Majeure Event and shall, during the continuation of the Force Majeure Event, provide the other Party with reasonable *bona fide* updates, when and if available, of the extent and expected duration of its inability to perform this INC, the GTA (if any) and the Ancillary Contract(s) (if any).
- 30.4.3 There shall be no obligation of the Party affected by a Force Majeure Event to:
- (a) settle any labour dispute (except in such a manner as it shall deem fit, in its own judgment); and
 - (b) negotiate, arrange or agree alternative transportation for Gas.

30.5 GTA Termination due to a Force Majeure Event

If any Party claims a valid Force Majeure Event, each Party shall be entitled to terminate the GTA (including this INC) on the grounds of such Force Majeure Event only in the following circumstances:

- 30.5.1 where the Transmission Period is a period of three hundred sixty five (365) Days or less:
- (a) the Force Majeure Event lasts for a period of more than twenty-five per cent (25%) of the Transmission Period; and
 - (b) the Force Majeure Event still exists at the time of the termination, or
- 30.5.2 where the Transmission Period is a period of more than three hundred sixty-five (365) Days:
- (a) the Force Majeure Event (a) lasts for a period of more than one hundred sixty-five (165) consecutive Days, or (b) the Force Majeure Event has occurred on three hundred sixty-five (365) Days in a period of one thousand four hundred sixty (1460) Days; and
 - (b) in the case of application of Article 30.5.1(a) only, the Force Majeure Event still exists at the time of the termination. Where

the provisions of Article 30.5.1(b) are satisfied, the Force Majeure Event does not need to be continuing in order for the Party to terminate.

30.6 Ancillary Contract Termination due to a Force Majeure Event

If any Party claims a valid Force Majeure Event, each Party shall be entitled to terminate the Ancillary Contract (if any) on the grounds of such Force Majeure Event only if the Force Majeure Event lasts for a period of more than thirty (30) consecutive days or sixty (60) days in any three (3) Month period.

30.7 Amounts Due

Amounts that are due and payable by the Network User under this INC, the GTA (if any) or the Ancillary Contract(s) (if any) may not be withheld on the grounds of a Force Majeure Event affecting the ICGB to the extent that those amounts are chargeable for the Transmission Services or the grant of the VTP access that were performed by the ICGB prior to the occurrence of the event qualifying as a Force Majeure Event or for the Transmission Services or the VTP access that are unaffected by such a Force Majeure Event.

31. EMERGENCY

31.1 Emergency Procedure

The emergency procedure shall be developed by the ICGB at a later stage, once the ICGB shall have entered into the Interconnection Agreements. This INC shall be amended by the ICGB thereafter to reflect such developed emergency procedure. The emergency procedure shall be aligned with Applicable Laws regulating this subject matter.

31.2 Suspension of the Transmission Services in case of Emergency

ICGB has the right to suspend the performance of the Transmission Services in the following cases:

- 31.2.1 the Limitation Regime having been introduced. In such case:
 - (a) the terms, conditions and obligations set out in the Emergency Action Plan and the Ordinance No. 10 shall apply;
 - (b) Natural Gas transmission to the Exit Point(s) shall be limited and the conditions and schemes for introducing the Limitation Regime prepared by ICGB pursuant Ordinance No. 10 shall apply; and
 - (c) the Network User shall be obliged to take all possible measures to limit consumption by the Natural Gas Customers to the daily limit for each of them, as announced by the ICGB.
- 31.2.2 the ICGB having to comply with the obligations of a TSO under the Emergency Action Plan;
- 31.2.3 immediate threat to life, health or property of people and in order to avoid such circumstance;
- 31.2.4 threat to the IGB Pipeline and/or the ICGB's Facilities integrity; or
- 31.2.5 technological reasons that are beyond the control of the ICGB.

31.3 Suspension of the VTP access and use in case of Emergency

ICGB has the right to suspend the grant to and use of the VTP in the following cases:

- 31.3.1 threat to the IGB Pipeline and/or the ICGB's Facilities integrity; or
- 31.3.2 technological reasons that are beyond the control of the ICGB.

32. CHANGE IN LAW

32.1 Change in Law Notice

- 32.1.1 On the occurrence of the Change in Law, the ICGB shall be entitled to provide a Change in Law Notice to the Network User to specify which changes the ICGB proposed to make to this INC, the GTA (if any) or the Ancillary Contract(s) (if any) to reflect the Change in Law. Change of Law Notice might be initiated also upon request of the Network user.
- 32.1.2 Each Change in Law Notice shall contain the following information and documents:
- (a) a description, in reasonable detail of the Change in Law and the manner in which it is proposed to be implemented and the effect it is expected to have on the ability of the ICGB to perform its obligations under this INC, the relevant GTA (if any) and/or the Ancillary Contract(s) (if any);
 - (b) a copy of the relevant laws and regulations implementing the Change in law or a written summary thereof, in reasonable detail;
 - (c) a description, in reasonable detail, of how the Change in Law will affect the construction, operation and maintenance of the IGB Pipeline and the steps which the ICGB proposes to take, in the case of increase, to minimize the effect of and, in the case of decrease, to take advantage of the resultant change in costs;
 - (d) a description, in reasonable detail, of the estimated effect on the costs of the IGB Pipeline from the Change in Law;
 - (e) a description, in reasonable detail, if and the extent to which the Change in Law is permitted or is in conflict with the effect of the legal and tax stabilization provided under the Exemption Decision and the IGB Intergovernmental Agreement.

32.2 Adjustments to this INC, the GTA or the Ancillary Contract

- 32.2.1 The ICGB shall negotiate with the Network User and Other Network Users the changes required to this INC, the GTA (if any) and/or the Ancillary Contract(s) (if any) to reflect the Change in Law.
- 32.2.2 If the Network User and Other Network Users decide, by simple majority decision, that they do not agree with the proposed amendments within thirty (30) Working Days after the final amendment proposal has been provided by the ICGB, they may refer the matter to the Expert for determination. The ICGB may require all affected Network Users to join such proceedings.

ANNEX C - TRANSMISSION TARIFF CODE

ANNEX D - BOOKING LIMITATION ACCORDING TO EXEMPTION DECISION

1. Dominant players' booking limitations according to the Exemption Decision

To prevent the establishment of a dominant position or the strengthening of an existing dominant position in the Bulgarian gas market, the following conditions shall apply to any Network User who wants to participate in the booking procedures set out in Article 10 of this INC.

1.1 Capacity cap for dominant players in Bulgaria

1.1.1 Any Network User with a share of forty per cent (40%) or more in any relevant product market for the supply of Gas in Bulgaria, or on the upstream market for supplying Gas into Bulgaria, shall not be allowed to reserve or book more than 40% of the IGB Minimum Capacity at an Exit Point in Bulgaria.

1.1.2 In the event that two or more Network Users together hold a combined market share of at least eighty per cent (80%) and each of these Network Users has a market share of more than twenty per cent (20%) of any relevant product market for the supply of Gas in Bulgaria, or on the upstream market for supplying Gas to Bulgaria, EWRC has the right to impose a capacity cap on these Network Users at an IGB Exit Point in Bulgaria.

1.1.3 For the purpose of calculating the market share and the capacity cap percentage, Network Users belonging to one group shall be considered as one Network User and the market share shall be calculated by EWRC as the average market share for that group over the last two (2) consecutive years.

1.1.4 Any (direct or indirect) long-term gas supply contracts for Bulgaria entered into with a Network User which has a share of forty per cent (40%) or a group of Network Users (which group has a combined market share of at least eighty per cent (80%)) shall fall under the capacity cap as established in Articles 1.1.2 and 1.1.3.

1.1.5 Where, due to a lack of interest by other Network Users, the capacity cap in Articles 1.1.1 and 1.1.2 above results in the IGB Capacity being underutilized, EWRC, at the request of an interested Network User, may allow capacity to be booked beyond the capacity cap defined in this Article 1.1.1 and Article 1.1.2 on an interruptible short-term basis. EWRC's decision to that effect is publishable on its website. The IGB Capacity is considered to be underutilized if, on average, 20% of the IGB Minimum Capacity is not booked for a period of at least six (6) Months.

1.2 Capacity cap for dominant players in Greece

1.2.1 Any Network User with a share of forty per cent (40%) or more in any relevant product market for the supply of Gas in Greece, or on the upstream market of supplying Gas into Greece, shall not be allowed to reserve or book more than forty per cent (40%) of the IGB Minimum Capacity at an Exit Point in Greece.

1.2.2 In the event that two or more Network Users together hold a combined market share of at least eighty per cent (80%) and each of these Network Users has a market share of more than twenty per cent (20%) of any relevant product market for the supply of Gas in Greece, or on the upstream market for supplying Gas to

Greece, RAE has the right to impose a capacity cap on these Network Users at an IGB Exit Point in Greece.

- 1.2.3 For the purpose of calculating the market share and the capacity cap percentage, Network Users belonging to one group shall be considered as one Network User and the market share shall be calculated by RAE as the average market share of the group over the last two (2) consecutive years.
- 1.2.4 Any (direct or indirect) long-term gas supply contracts for Greece entered into with a Network User which has a share of forty per cent (40%) of a group of Network Users (which group has a combined market share of at least eighty per cent (80%)) shall fall under the capacity cap as established in Articles 1.2.1 and 1.2.2.
- 1.2.5 Where, due to lack of interest by other Network Users, the capacity cap in Articles 1.2.1 and 1.2.2 above results in the IGB Capacity being underutilized, RAE, at the request of an interested Network User, may allow capacity to be booked beyond the capacity cap as defined in Article 1.2.1 and Article 1.2.2 on an interruptible short-term basis. RAE's decision to that effect is publishable on its website. The IGB Capacity is considered to be underutilized if, on average, twenty per cent (20%) of the IGB Minimum Capacity is not booked for a period of at least six (6) Months.

ANNEX C – GAS TRANSPORTATION AGREEMENT