



Appendix 3

TRANSFER OF QUANTITIES OF GAS IN INVENTORY BY THE
STORAGE OPERATOR

under the storage capacity allocation process

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Article 1 – Purpose and implementation conditions of this annex

The purpose of this annex is to specify the conditions for transferring Quantities of Gas in Inventory under the Storage Capacity Allocation mechanism on July 1 and November 1 between the Storage Operator and the Customer.

The implementation of this annex provides customers who acquire capacity available on July 1 or November 1 with the possibility of acquiring gas in order to fulfil the limitation relating to the Minimum Inventory, without the need to use the secondary market.

This annex can only be implemented if all the following conditions are met:

- The Customer has subscribed a Volume Capacity at least equal to its net rights as notified by the Storage Operator during step 3 of the preceding allocation round, i.e. within the framework of storage capacity allocations on April 1 of year N for a transfer due to take place on July 1 of year N, and within the framework of storage capacity allocations on July 1 of year N for a transfer due to take place on November 1 of year N,

This annex does not cover the Transfers of Quantities of Gas in Inventory that are freely granted between Customers in accordance with Article 8 of the General Terms and Conditions, and does not cover Transfers of Quantities of Gas from reallocated capacity to be released by the Transferors.

Article 2 – Date of Transfer and associated deadlines

The dates of Transfer of Quantities of Gas in Inventory are July 1 and November 1.

Before each allocation run, the Storage Operator shall provide the schedules for stages A and B dedicated to the Transfers of Gas in Inventory. The Customer must abide by the set deadlines.

Article 3 – Terms and conditions governing the Transfer of Quantities of Gas in Inventory

3.1 Communication of acquired and transferred capacity mapping

In stage A, the Storage Operator shall provide the mapping of the capacity it acquires or transfers for each Storage Group; this mapping is established in application of stage 7 of the Storage Capacity Allocation Rules.

3.2 Conditions of acquisition of Quantities of Gas in Inventory

The capacity acquired by the Customer arises from:

1. the available capacity. In that case, the Quantity of Gas in Inventory that the Customer may potentially acquire for a given Storage Group is equal to the Minimum Inventory corresponding to the Volume Capacity acquired on the date of Transfer for that Storage Group (Volume Capacity acquired on July 1 for a transfer due to take place on July 1 and Volume Capacity acquired on November 1 for a transfer due to take place on November 1).
2. the reallocated capacity to be released by the Transferors, for which this annex does not apply.

In stage A, the Storage Operator shall communicate to the Customer the Quantity of Gas in Inventory potentially to be acquired from the Storage Operator on July 1 (respectively November 1).

In stage B, the Customer submits a request to the Storage Operator for a Quantity of Gas in Inventory transferred under this annex, which, for each Storage Group, can only be either strictly equivalent to the Quantity of Gas in Inventory potentially to be acquired, as notified by the Storage Operator, or zero.

The Quantity of Gas in Inventory transferred for all Storage Groups is capped at 100,000 (one hundred thousand) MWh (HCV). If applicable, capping applies to the same extent for each Storage Group.

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Article 4 – Transfer Price of the Quantity of Gas in Inventory transferred

The Transfer Price of the Quantity of Gas in Inventory transferred reflects the cost of establishing the inventory, based on the assumption that the gas was purchased each day at a market reference price to be injected at the Basic Storage Service price at a theoretical rate of injection.

For any month m between April and October, the monthly price is expressed in Euros, and calculated as follows:

$$PCQGS(m) = \frac{PURCNS}{12} \times CNSC + (PMAR_{average}(m) + PTRANSP + PUQI) \times \frac{NB_{days}(m)}{NB_{th\ inj\ days}} \times QGSC$$

where:

- $PURC$ is the unit price for reservation of Storage Capacity expressed in EUR/MWh (HCV)/year,
- CEV is the Volume Capacity acquired on the date of Transfer, expressed in EUR/MWh (HCV), reduced, if applicable, in the same proportions as the Quantity of Capacity in Inventory transferred under Article 3.2 of this annex,
- $NB_{days}(m)$ is the number of Days in the Month m ,
- $PMAR(D)$ is the market reference price. It is equal to the listed gas price on Day D , expressed in EUR/MWh (HCV), where D is the day of delivery.

For the North zone (respectively South zone), it corresponds to the Powernext® Gas Spot DAP (Day Average Price) at PEG North (respectively PEG South), expressed in EUR/MWh at 25°C, divided by 1.0026 (one point zero zero twenty-six), using the following rounding rule: if the fifth figure after the point is less than 5, it shall be rounded down to the fourth figure after the point; if it is equal to or higher than 5, it shall be rounded up to nearest higher value of the fourth figure after the point.

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- $PMAR_{average}(m)$ is the arithmetic mean of the $PMAR(D)$ for each day D in month M ,
- $PUQI$ is the injection quantity unit price, as specified in the Special Terms and Conditions, expressed in EUR/MWh (HCV),
- $PTRANSP$ is the unit price for transmission, expressed in EUR/MWh (HCV).

For the H-gas North zone and the South zone, it is zero.

For the L-gas North zone, it corresponds to the price term for gas quality conversion, as specified in the Special Terms and Conditions.

- $QGSC$ is the Quantity of Gas in Inventory transferred, expressed in MWh (HCV),
- $NB_{th\ inj\ days}$ is the theoretical number of Days of injection. It is equal to the number of Days between April 1 of the year concerned and the Date of Transfer, i.e. 91 days in the case of a Transfer on July 1, and 214 days in the case of a Transfer on November 1.

The Transfer Price for the Quantity of Gas in Inventory (PCQGS) in Euros is then calculated as follows:

$$PCQGS = TCS + \sum_{m=4}^{M-1} \left[PCQGS(m) \times (1 + EURIBOR_{3\ or\ 6\ months})^{\frac{M-m}{12}} \right]$$

where:

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- TCS is the Inventory Transfer Charge Rate is equal to the higher of the following two amounts:
 - Result of multiplying by the Invention transfer unit price (PUCS) as set in the Special Terms and Conditions by QCGS,
 - Minimum Charge Rate for Transfer of Gas in Inventory (TMC GS) as set in the Special Terms and Conditions ,
- *EURIBOR_{3 or 6 months}* is the monthly average of the three-month interbank rate in the Euro zone in the case of a Transfer on July 1 (respectively the six-month interbank rate in the Euro zone in the case of a Transfer on November 1), published by the *EBF* (*European Banking Federation*):
- M is the Month in which the Transfer takes place, i.e. M is equal to 7 in the case of a Transfer on July 1 and to 11 in the case of a Transfer on November 1.

Article 5 - Billing

5.1 Price paid by the Customer

The Storage Operator shall send the Customer an invoice for the amount of:

- the Transfer Price for the Quantity of Gas in Inventory (PCQGS),
- the Inventory Transfer Charge Rate (TCS) as defined in Article 4 – Transfer Price of the Quantity of Gas in Inventory,
- the compensation price for the Transfers of Gas in Inventory, set at 0.16% of the PCQGS,
- the taxes and similar deductions that are applicable at any time, as referred to in Article 18 [Taxes and duties] of the General Terms and Conditions.

5.2 Payment conditions

The invoice shall be sent by email and confirmed by post. The invoice issue date shall be the date on which the Storage Operator sends the email to the Customer. The invoice must be settled no later than the 20th day of the Month following the Date of Transfer or the tenth calendar day following its date of issue, which ever comes second.

In case of a delay in the payment of all or part of the invoice, the sums shall bear interest pursuant to Article 11.2 of the General Terms and Conditions.