



STORAGE CODE

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## 1 GENERAL PROVISIONS

- 1.1 The Code of the Gas Storage Operator of RWE Gas Storage CZ, s.r.o. (hereinafter referred to only as the “Storage Code”) constitutes the business terms and conditions under which RWE Gas Storage CZ, s.r.o. provides storage capacity and storage services based on the principle of the right of third-party access.
- 1.2 The Storage Code is based on Act No. 458/2000 Coll., on conditions of business and state administration in energy sectors and on amendment to certain acts, (the Energy Act) as amended by later regulations (hereinafter referred to as the “Energy Act”), Energy Regulatory Office’s Regulation No. 349/2015 Coll., the gas market rules, as amended by later regulations (hereinafter referred to only as the “Gas Market Rules”), the associated implementing legal regulations and the Guidelines for Good Practice for Storage System Operators concerning the proven procedures when ensuring third party access (GGPSSO - the current version of the Guidelines is available at the Storage Operator’s website) issued by the Council of European Energy Regulators (CEER).

## 2 DEFINITIONS

Unless the Storage Code, the gas storage contract or the framework contract state otherwise, the used term has the same meaning as assigned to it by generally binding legal regulations in the gas industry.

For the purpose of the Storage Code the following terms are defined as follows:

- 2.1 Auction system – electronic application of the Storage Operator for the sale of storage capacity and services available at the website of the Storage Operator,
- 2.2 Temporary storage volume – storage capacity made temporarily available to the Storage User with the possibility of its interruption by the Storage Operator unless otherwise stated,
- 2.3 Identification data – basic identification data of the legal entity or individual, in particular the registration number / birth registration number, address of the registered office / permanent residence and other data required by the applicable legislation for the possibility to use gas storage,
- 2.4 Kilowatt-hour (kWh) – a unit used to express the energy of gas,
- 2.5 Storage Operator’s nomination portal – electronic application of the Storage Operator for the receipt of nominations and requests for storage capacity and services available at the website of the Storage Operator,
- 2.6 OBA – rules for the allocation of gas volumes at entry or exit points of the transmission system under which the quantities nominated are considered delivered,
- 2.7 Civil Code – Act No. 89/2012 Coll., the Civil Code, as amended,

- 2.8 Eligible storage capacity user – the entity that gets, based on Capacity lease, the opportunity to use the Storage Operator’s storage capacity and the right to make nominations with the Storage Operator in the extent of the leased capacity. A separate balance account is kept for the eligible storage capacity user in the Storage Operator’s system,
- 2.9 Declaration – a Declaration on Word of Honour by the Applicant or Storage User confirming that it is not subject to any Sanction, signed by a person authorised to act on behalf of the Applicant or Storage user, in particular a statutory body, proxy or employee within the meaning of Section 166 or a person authorised within the meaning of Section 430(1) of Act No. 89/2012 Coll, Civil Code, as amended (at the request of the Storage Operator, the Applicant or the Storage User shall provide credible evidence of compliance with Section 166 or Section 430(1) of the Civil Code) or a person acting for the Applicant pursuant to Section 3.7 of these Regulations,
- 2.10 Working volume – the maximum volume of gas expressed in energy units which can be stored in gas storage,
- 2.11 Preliminary nomination – indicative daily nomination for a specified period of time,
- 2.12 Capacity lease – enabling another entity to temporarily use the Storage User’s storage capacity and services along with the right to nominate but without any storage contract concluded between the entity and the Storage Operator,
- 2.13 Transporter – transmission system operator,
- 2.14 Capacity transfer – transfer of the storage capacity booked for the Storage User and of all associated rights and obligations including the right to nominate to another entity while preserving the contractual terms valid between the Storage User and the Storage Operator at the time of the transfer,
- 2.15 Framework contract – contract providing for the process of booking storage capacity and services within the meaning of the relevant provisions of the Gas Market Rules and conclusion of partial storage contracts,
- 2.16 Sanctions - any legal barrier or restrictive measure imposed by the authorities of the Czech Republic or the European Union which prohibits the conclusion of contracts or the performance of obligations under contracts or otherwise entering into commercial relations between the Applicant, or the Storage User and the Storage Operator, as the case may be, in particular measures pursuant to (i) Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilizing the situation in Ukraine, as amended, in particular as amended by Council Regulation (EU) No. 2023/427 of 25 February 2023, (ii) Council Regulation (EU) No. 269/2014 of 17 March 2014 concerning restrictive measures in relation to activities undermining or threatening the territorial integrity, sovereignty and independence of Ukraine, including its Annex I, as amended,

- 2.17 Seasonal nominations - indicative monthly nominations for the following injection / withdrawal period,
- 2.18 Storage Operator - gas storage operator RWE Gas Storage CZ, s.r.o.,
- 2.19 Actual transfer (delivery) point - a point of gas transfer between the gas storage facility and the transmission and distribution systems which provides for the metering of quantity and pressure of the transferred and accepted gas, gas flow control, measuring of physical and chemical parameters in order to calculate the delivered quantity in energy units (e.g. kWh), and data transmission to control centres. It is an actual point of gas entry into / exit from the transmission system or point of exit into the distribution system,
- 2.20 Merging - merging of storage capacities and services to one balance account in order to allow submission of single nomination for multiple contracts,
- 2.21 Controller - RWE Gas Storage CZ, s.r.o that determines, alone or jointly with others, the purposes and means of the processing of personal data of individuals,
- 2.22 Stabilisation outage - interruption or limitation of the process of injection into or withdrawal from an individual gas storage facility in order to avoid the imminent threat to the gas storage pursuant to Section 60 of the Energy Act when the defined reservoir pressure is reached in line with the operating documentation which the Storage Operator shall elaborate pursuant to Section 22 of Czech Mining Office Decree No. 239/1998 Coll. A switching period also ensures the protection of the reservoir and the safety of operation pursuant to Section 64 of the above-mentioned decree,
- 2.23 Withdrawal capacity - the quantity of gas that can be withdrawn from the gas storage facility in a defined time; applicable capacity depends on current volume of gas stored for a given Storage User in the gas storage facility of the Storage Operator and on other conditions as specified in the given contracts,
- 2.24 Gas pressure - relative gas pressure in Pascals or its multiples; it is defined as the difference between the absolute pressure and the atmospheric pressure,
- 2.25 Storage User - an entity which has a contract concluded with the Storage Operator or is an Eligible Storage Capacity User,
- 2.26 Injection and withdrawal curve - a curve capturing the usable injection and/or withdrawal capacity that is available to the Storage User in accordance with contract made with the Storage Operator,
- 2.27 Injection capacity - the quantity of gas that can be injected into the gas storage facility in a defined time; applicable capacity depends on current volume of gas stored for a given Storage User in the gas storage facility of the Storage Operator and on other conditions as specified in the given contracts,
- 2.28 Applicant - legal entity or natural person which has filed a request for storage capacity booking or a request for the conclusion of a Framework contract or other contract.

### 3 PROVIDED SERVICES

- 3.1 The basic period for injection (injection period) of gas into gas storage shall be the time period commencing on the first gas day of April and ending upon the elapsing of the last gas day of September. The basic period for the withdrawal (withdrawal period) of gas from gas storage shall be the time period commencing on the first gas day of October and ending upon the elapsing of the last gas day of March. The Storage Operator shall enable Storage Users to inject or withdraw gas outside of the specified basic periods provided that it is possible given the technical restrictions and contractual obligations and the Storage User shall undertake to reimburse the Storage Operator for the presented and justified additional costs associated with such change. The Storage Operator may, based on the consent of all Storage Users, extend or reduce the basic injection or withdrawal period provided there are no technical, contractual or any other restrictions. In such case he informs all Storage Users via e-mail no less than 2 business days in advance about the conditions of the extension or reduction of the injection or withdrawal period.
- 3.2 Unless otherwise stipulated by the legislation or a contract, the title to the gas stored based on a gas storage contract concluded between the Storage Operator and a Storage User shall at no instant of the term of the contract pass onto the Storage Operator.
- 3.3 The storage capacity shall be offered and the contracts for the storage capacity shall be concluded pursuant to the Energy Act, Gas Market Rules, the Storage Code and auction conditions. The storage capacity shall be offered as a combination of the working volume and the injection and withdrawal capacities to which an injection and withdrawal curve is assigned, unless agreed otherwise. When determining the available storage capacity for a given period of time, the Storage Operator also reflects current utilization of the underground storage by Storage Users, the combustion heat of the withdrawn or injected gas and contractually guaranteed parameters regarding the storage capacity. The point of gas transfer between the Storage User and Storage Operator shall be the virtual gas storage point.
- 3.4 A gas storage contract and framework contract shall be concluded in writing, via electronic means within the meaning of Section 562 of the Civil Code or in another form expressly agreed between the parties. A Storage User shall conclude at most one framework contract of given type.
- 3.5 In connection to the storage contracts, the Storage Operator may also offer the following services:
- 3.5.1 *Temporary storage volume*: depending on the utilization of the gas storage by other Storage Users, the new interested parties as well as the current Storage Users are allowed to temporarily utilize the working volume in the gas storage of the Storage Operator for the period defined by the Storage Operator.
- 3.5.2 *Auction of secondary storage capacity or gas*: a Storage User is allowed to use the Auction system to auction the storage capacity reserved by the Storage User in the

Storage Operator's gas storage or gas stored by the Storage User with the Storage Operator.

- 3.5.3 *Electronic bulletin board*: Storage Users and parties potentially interested in storage and other services are allowed to post their offers and demand for storage capacity, gas and services.
- 3.5.4 *Guaranteed reverse capacities*: A storage User is guaranteed the possibility to use the injection capacity and withdrawal capacity in the direction opposite to the basic injection and withdrawal period according to paragraph 3.1.
- 3.5.5 *Observing preliminary nominations*: They make it possible for the Storage User to obtain, if he gives his consent thereto, a financial or any other value for observing his preliminary nominations sent to the Storage Operator. Should completed nominations differ from preliminary nominations by more than the tolerance band declared by the Storage Operator and defined for all Storage Users by identical algorithm, the Storage User shall be obliged to pay the Storage Operator a financial compensation. The conditions of particular Storage Operator's offers defined by time, benefit, financial compensation amount and tolerance band shall be published by the Storage Operator at his website, and to all Storage Users will also be sent an informational e-mail. For each offer, the Storage User may select to which contract /contracts the observing of preliminary nomination will be applied. To make use of this service, the Storage User must have a Framework contract on observing preliminary nominations concluded.
- 3.6 The procedure for the conclusion of contracts for provision of services mentioned in paragraph 3.5 of the Storage Code together with the prerequisites for execution of such contracts is described in appendices to the Storage Code. The procedure for the conclusion of contracts for gas storage and other contracts is described in article 4 of the Storage Code.
- 3.7 If an auction participant or the Storage User on one part and the Storage Operator on the other part communicate through the Storage Operator's Auction and Nomination portal, the auction participant or the Storage User log each time in the system by identifying himself with his username and password. The parties consider this way of communication as an adequate way capturing the content of the communication and the identification of the communicating individual as sufficient. Legal acts of the auction participant or the Storage User and the Storage Operator taken this way are considered as acts taken by a person authorised to act on behalf of the company and are legally binding for both parties (including any declarations to the other party and acts required for merging, capacity lease, capacity transfer, gas transfer and temporary storage volume and other services within the meaning of this Storage Code.). The auction participant, the Storage User and the Storage Operator are obliged to protect the identification data from misuse and not to provide them to any individual who are not authorised to act on their behalf.
- 3.8 Additional information about the offered services and the business and price terms including the sample contracts is available at the Storage Operator's website.



## 4 STORAGE OPERATOR ENTERING INTO CONTRACTS

- 4.1 The Storage Operator concludes storage contracts, Framework contracts and other contracts with the Applicants in writing or electronically. Specimens of these documents are available at the Storage Operator 's website.
- 4.2 No later than 1 business day before the required effective date of the Contract, the Applicant delivers to the Storage Operator, usually by electronic mail, an application for the conclusion of the Contract, containing the following elements:
- Company name and identifying information,
  - Names of the persons authorised to sign the contracts, and
  - Type of contract requested and the effective date of the contract.
- 4.3 The Storage Operator sends the Applicant a signed draft contract without undue delay (except as provided under paragraph 4.4). The Applicant is not entitled to make any reservations, limitations, additions or other changes to the draft contract sent by the Storage Operator. The Applicant delivers the contract signed on his part to the Storage Operator, together with the original proof of financial credibility according to Annex 1, if attached to the proposal, to the Storage Operator within the time limit as per the terms of the auction, or at the latest on the business day of the required commencement of the contract. In the event that the Applicant fails to deliver to the Storage Operator the draft contract signed by the Applicant, including the document proving compliance with the financial credibility requirements pursuant to Annex 1 of this Code, if attached to the proposal, within the time limit specified in the auction conditions or otherwise, or if the signed copy contains any reservations, additions, limitations or other changes, the draft contract sent by the Storage Operator shall lapse, the contract shall not be concluded, and the effects of the notice of reserved storage capacity, where applicable, shall also lapse.
- 4.4 The Storage Operator shall be entitled not to conclude the Contract if (i) the Applicant is subject to Sanctions, or (ii) the facts alleged by the Applicant in the Declaration are false or incomplete, or (iii) there are reasonable doubts as to the truth or completeness of the Applicant's allegations in the Declaration and the Applicant has failed to remove such doubts within 5 Business Days of the Storage Operator's request.
- 4.5 The Applicant is obliged to comply with the conditions set out in paragraph 5.5 before entering into the Contract.



## 5 PROCEDURE FOR THE ANNUAL, NEW ANNUAL AND MONTHLY STORAGE CAPACITY BOOKING

- 5.1 The Storage Operator shall book the annual and monthly storage based on the principle of electronic auction in line with the conditions specified in the Gas Market Rules, this Storage Code and the conditions of the auction.
- 5.2 Only Applicants that were granted access to the Auction system who are not subject to the Sanctions and are able and ready to fulfil the duties of a Storage User arising from the Energy Act, this Code and the contract to be concluded on the basis of the auction, may participate in the auction. The Applicants file their application to access the Auction system usually electronically at the Storage Operator's website. By sending the application, the entity declares that he/she has gotten acquainted and hereby agrees with this Storage Code. After checking the correctness and completeness of the data in the application, the Storage Operator shall without any undue delay provide the entity access to the Auction system. Should the Applicant provide as the financial security for his participation in auction an irrevocable and unconditional bank guarantee upon first request to the benefit of the Storage Operator, which has been delivered to the Storage Operator's address within the deadline, in the amount and other conditions specified in the auction conditions, this guarantee shall, in a form acceptable for the Storage Operator, be effective at least 10 business days following the date of the contract signature.
- 5.3 Participation in the auction is conditioned by the delivery of the Declaration to the Storage Operator at least one hour before the auction starts.
- 5.4 Should the Auction system fail on the Storage Operator's part, the Storage Operator shall forthwith send the information about the Auction system failure via electronic mail and organize a substitute auction immediately after the functionality of the Auction system is restored. Substitute auction also means continuing with interrupted auction. The Storage Operator shall immediately inform the auction participants about the substitute time. The substitute time shall be set reasonably considering the circumstances of the situation, however, it shall not be earlier than 30 minutes after it is announced.
- 5.5 By participating in the auction, the Applicant confirms that:
- The data saved in the Auction system based on paragraph 5.2 is up to date, correct and complete, and
  - The Applicant unconditionally agrees with the terms of the auction published by the Storage Operator including the wording of the sample contract on gas storage and including other relevant documents which make part of the auction conditions.
- 5.6 The Applicant shall be entitled to book the storage capacity based on the results of an auction of the storage capacity provided that the entity satisfies the following conditions:
- The entity is financially credible pursuant to the conditions specified in Annex No. 1 to this Code,

- The entity has the right of third-party access to gas storage pursuant to the Energy Act,
  - The entity is not subject to the Sanctions,
  - The entity has duly delivered the Declaration to the Storage Operator,
  - The entity is ready to communicate with the Storage Operator in Czech or English through the designated electronic interface or through e-mail in order to exchange operational data associated with gas storage.
- 5.7 The Storage Operator shall be obliged to conclude a gas storage contract only in the scope of and under the conditions stipulated in paragraph 3.3 and based on the results of the auction.
- 5.8 The Storage Operator shall be entitled to round each booked capacity so that the sum of all booked capacities would not exceed the total storage capacity offered in the auction or such capacity increased by the activated offer of additional storage capacity under the Gas Market Rules.
- 5.9 The applicant shall, at the latest before the signing of a storage contract on his/her part, submit the document evidencing the fulfilment of the conditions for financial credibility according to Annex 1 of this Code to the Storage Operator. In the case the contract is signed earlier than two months before the beginning of the first storage, the applicant may present the certificates evidencing these conditions even after the signing of the storage contract to the Storage Operator, however at the latest two months before the beginning of the first storage period.
- 5.10 In case the contract for booked storage capacity is not concluded due to reasons on the part of the Applicant (including the facts under paragraph 4.4), the Storage Operator shall have the right to claim a penalty for the cancellation of the storage capacity booking in the amount and under the conditions specified in the auction conditions.

## **6 PROCEDURE FOR THE DAILY STORAGE CAPACITY BOOKING**

- 6.1 The applicant may file a request for the booking of the daily storage capacity provided that he has concluded relevant framework contract with the Storage Operator and satisfies the conditions of this Storage Code, in particular paragraph 5.5. The request for daily storage capacity booking is submitted by the Storage User in electronic form by the deadlines stated at the Storage Operator's website through the nomination portal of the Storage Operator or by other means specified by the Storage Operator. The request shall include the price offered for a storage capacity unit, unless this price has been determined by the Storage Operator. Other conditions for booking daily storage capacity are stated at the website of the Storage Operator. The current prices are stated in the Storage Operator's nomination portal and their orientation amounts are also stated at the website of the Storage Operator.

## 7 CAPACITY TRANSFER AND LEASE, GAS TRANSFER AND MERGING OF CONTRACTS

The legal acts associated with Capacity Transfer and Lease, Gas Transfer and Merging take place through the Storage Operator's nomination portal unless otherwise provided in this Storage Code or agreed between the contracting parties.

The Capacity Transfer, Capacity Lease, Gas Transfer and Merging are possible and effective after a prior consent granted by the Storage Operator, who may reject it only if the conditions specified below are not satisfied:

- 7.1 Merging, Capacity Transfer and Capacity Lease are possible for all types of storage capacities. Capacity Transfer and Capacity Lease are only possible at most up to the storage capacity and for the period which is stipulated in the Storage User's storage contract(s) with the Storage Operator. The Storage User may not ask for transfer or lease of the capacity he has already once transferred or leased. The parameters of the storage capacity in the original gas storage contract shall be adjusted accordingly for the transferred, leased or merged part of the storage capacity.
- 7.2 Capacity Transfer, Capacity Lease and Gas Transfer may take place between individual storage contracts of one Storage User, between Storage Users and between a Storage User and another entitled storage capacity user unless Storage Operator's contractual obligations and Sanctions prevent it or there are reasonable doubts that the new entitled storage capacity user will not be able to fulfil his duties. It is not possible to re-lease the storage capacity acquired by the Capacity Lease. Gas Transfer is possible only if the transferor neither is in delay with fulfilment of any pecuniary obligation towards the Storage Operator nor was in such delay during the term of any effective storage contract of framework storage contract during the last 12 months before the Gas Transfer date for the period exceeding 10 calendar days.
- 7.3 Merging is only possible with storage contracts for one Storage User under the condition that these contracts include identical injection and withdrawal curves or if the Storage User and the Storage Operator agree on injection and withdrawal curves. For these purposes the contract without withdrawal and injection capacity shall be considered as a separate type of the curve. Other conditions for Merging are stated at the Storage Operator website.
- 7.4 Capacity Transfer can be performed only to an Applicant which is not in delay with any payment pursuant to the gas storage contract, based on a joint application filed by the transferor of the storage capacity in the gas storage and the transferee. The Capacity Transfer can also be performed based on properly completed contracts for the transfer of the storage capacity signed by the transferor and the transferee of the capacity in the gas storage provably delivered to the Storage Operator for signature. When granting his consent to the Capacity Transfer, the Storage Operator considers the fulfilment of the conditions stated in paragraph. 5.5.
- 7.5 Prior to the execution of the application for the Capacity Transfer, the transferee shall be obliged to conclude a storage contract with the Storage Operator, or an

amendment to an existing contract and to evidence the fulfilling of the financial credibility according to Annex 1 of this Code in the scope of the transferred capacity to the capacity transferee and in the form corresponding to the contract between the Storage Operator and the capacity transferor valid as of the date of the Capacity Transfer as well as the application for the transfer of the storage capacity.

- 7.6 The transferee acquiring storage capacity through Capacity Transfer is, from the moment of force of the Capacity Transfer, a Storage User within the meaning of this Storage Code. In connection to the Capacity Transfer and during the subsequent use of the storage capacity, this Storage User shall be obliged to abide by this Storage Code and the respective generally binding regulations.
- 7.7 The Storage User shall be entitled to provide the storage capacity in the gas storage not used by the Storage User to a third person in the form of Capacity Lease. The size of the Storage User's contracted capacity in the gas storage shall not change. The Storage User continues to be a contracting party in a storage contract responsible in full to the Storage Operator for the fulfilment of the obligations stipulated in this contract and the Storage Code including the payment of the price of storage in the scope corresponding to the entire storage capacity contracted in his storage contract and the obligation to withdraw the gas of the gas storage by the time stipulated in the storage contract. The amount of the contingent compensation for the provision of the capacity in the form of Capacity Lease or in cases of nomination rejection or reduction by the Storage Operator pursuant to this Code is a matter of agreement between the Storage User and the acquirer.
- 7.8 In order to enable as effective use of the transferred capacity as possible, the acquirer of the capacity through Capacity Lease shall be entitled to nominate the quantity of gas corresponding to the transferred capacity at the entry and exit from the gas storage, whereas the quantities of gas injected or withdrawn in connection to the use of the transferred capacity are registered on a separate account. The rules stipulated by the Storage Code and regarding the reduction or rejection of nominations by the Storage Operator shall apply also to the nominations of the acquirer of the capacity in form of Capacity Lease. The Storage Operator shall allow operations with gas on a special account during the time of the Lease only to the acquirer, unless the contractual parties of the Capacity Lease inform the Storage Operator in writing about another procedure.
- 7.9 The acquirer of the storage capacity through Capacity Lease shall be obliged to abide by this Storage Code and the respective generally binding regulations in connection to the Capacity Lease and the subsequent use of the storage capacity, and shall be obliged to ensure that, at the time of the expiration of the right of use of the storage capacity acquired in the form of Capacity Lease due to any reason, there will not be any gas stored in the storage without a legal cause based on the nominations made by the capacity acquirer. The Storage User undertakes that the acquirer of the storage capacity through Capacity Lease shall withdraw from the gas storage, at the latest by the moment of expiration of the right of use, all gas of the acquirer. In case of violation of the obligations stated in this paragraph by the

acquirer of the storage capacity or by the Storage User in the scope exceeding 1 MWh of gas the Storage Operator shall be entitled to proceed similarly to 8.1.2.

- 7.10 The Storage Operator shall receive the application for Gas Transfer, Capacity Transfer or Capacity Lease including its confirmation by the transferee at the latest 3 business days prior to the required date of execution, unless he/she agrees with the Storage Operator otherwise. The Storage Operator shall approve the application at the latest 1 business day before the required day of execution. The Storage Operator can reject the Capacity Transfer, Capacity Lease and Gas Transfer in cases where the execution is prevented by technological conditions, that would not allow the Storage Operator to keep its contractual obligations. If the execution of Capacity Transfer, Capacity Lease or Gas Transfer causes the Storage Operator additional costs, the Storage Operator shall be entitled to request their reimbursement or reject the Capacity Transfer, Capacity Lease or Gas Transfer. On the day of the execution of Gas Transfer, the transferor shall have the gas volume to be transferred in the gas storage, and the transferee shall have sufficient available storage capacity with a sufficient working volume.
- 7.11 Should the storage contract based on which the storage capacity has been leased expire for any reason, the Capacity Lease expires automatically.
- 7.12 Capacity Transfer, Capacity Lease, Merging and Gas Transfer shall be subject to charges. The amounts and other conditions, if any, of such charges are specified at the website of the Storage Operator.

## **8 OBLIGATIONS OF THE STORAGE OPERATOR AND STORAGE USER**

8.1 The Storage Operator shall be obliged to:

- 8.1.1 Store for the Storage User such quantity of gas that complies with the terms and conditions agreed in the gas storage contract and this Storage Code,
- 8.1.2 Should the Storage User fail to withdraw all gas stored in gas storage exceeding the equivalent of 1 MWh by the end of the force of the contract and should it not be possible to transfer such gas to the storage capacity booked based on another storage contract, the Storage Operator shall proceed as stipulated in the Gas Market Rules and subtract all eligible claims of the Storage Operator with the Storage User and the costs associated with the withdrawal and sale of the gas from the revenues of the sale. The Storage Operator shall apply this procedure to each and every entity whose gas will be stored in the gas storage without a valid and effective storage contract.

8.2 The Storage User shall be obliged to:

- 8.2.1 Deliver and take such quantity of gas designated for storage that complies with the terms and conditions agreed in the gas storage contract and this Storage Code,
- 8.2.2 Observe the contracted parameters of the storage capacity,

- 8.2.3 Inform the Storage Operator without undue delay of any facts which render any statement in the Declaration untrue, inaccurate or incomplete,
  - 8.2.4 Pay the agreed price for storage based on the concluded gas storage contract regardless of whether this capacity is used and even in the case of Capacity Lease within the meaning of paragraph 6 or in the cases specified in Section 60 Subsection Paragraph 1f) of the Energy Act, and, further, during switching periods; should the Storage Operator reduce the Storage User's nomination in line with section 60, subsection 1f), items 1 through to 4 of the Energy Act, during switching periods and in situations specified in the contract or in this Code, and the Storage User is in fulfilling of any of his pecuniary obligations not in delay with an amount higher than CZK 10,000, the Storage Operator shall provide the Storage User at his request a compensation of such reduction by way of substitute capacity within the scope of the reduced nomination under the conditions stipulated by this Code, doing so within the technically nearest possible substitute time or the time as agreed by the Storage Operator and the Storage User, but not later than by the expiration of the validity of the relevant storage contract,
  - 8.2.5 Communicate with the Storage Operator in Czech or English,
  - 8.2.6 Fulfil his obligations to be sufficiently financially credible so as to fulfil all his pecuniary obligations towards the Storage Operator as defined in Annex No. 1 to this Storage Code, and uphold such obligation in full extent during the whole time specified in Annex No. 1 to this Storage Code,
  - 8.2.7 Furnish the Storage Operator with the date for the opening of the user accounts in the Storage Operator's nomination portal not later than before starting using the system.
- 8.3 Should the Storage User fail to fulfil the obligations defined in paragraphs 8.2.3, 8.2.6. and the obligation to pay the agreed price according to paragraph 8.2.4 and should the Storage User fail to remedy such situation within 10 days of the Storage Operator's request for its remedy sent in electronic form, the Storage User shall be obliged to pay to the Storage Operator a contractual penalty amounting to one monthly payment which shall be determined as the sum of all payments which the Storage User is obliged to pay the Storage Operator for the month in which the breach of the obligation occurred, for each initiated month of delay in performance of his obligation.

## 9 NOMINATIONS AND ALLOCATION

- 9.1 The OBA procedure shall apply at the virtual gas storage point with the exception of the reduction or interruption of transmission or activities associated with gas storage.
- 9.2 The Storage User shall submit nominations to the Storage Operator for the point of the virtual gas storage for the relevant gas day according to procedure specified in



paragraph 9.7 within the deadlines specified in the Gas Market Rules. Nominations shall be specified in numerical format in whole kWh.

- 9.3 The Storage User shall submit preliminary seasonal and monthly nominations and binding daily nominations.
- 9.4 The Storage User shall submit seasonal nominations at the latest by 10th March / 10th September for the following injection / withdrawal period.
- 9.5 The Storage User shall submit monthly nominations to the Storage Operator in the form of an aggregated sum at the latest by the 25th day of the current month for the following gas month.
- 9.6 Storage Nominations made pursuant to the Gas Market Rules shall comply with the injection and withdrawal curve for the relevant booking and the Storage User's account balance. A nomination that does not comply with this condition shall not be confirmed. The Storage User shall be also obliged to nominate or ensure the nomination of gas quantity in such manner that the nominations correspond to the nominations provided to the Transporter based on the relevant transmission contract. Should it be discovered during the verification and confirmation of nominations that the Storage User's nominations for the Storage Operator and for the Transporter differ, the lower value shall be deemed valid.
- 9.7 The communication between the Storage User and the Storage Operator shall take place through the Storage Operator's nomination portal, or through the market operator. In the event of any outage of any of the systems stated in this paragraph, both the Storage User and the Storage Operator shall be obliged to use an alternative communication means, in particular electronic mail or telephone.
- 9.8 The Storage Operator shall be entitled to reduce or reject the nominations in the necessary scope in the cases defined by the generally binding legal regulations or measures of a general nature, in particular Sanctions, during switching periods and in other cases stipulated in the gas storage contract or this Storage Code. In the cases of storage capacity reduction announced by the Storage Operator due to the reasons listed in the previous sentence, the Storage User will be authorized to make nomination up to the maximum amount acceptable according to relevant storage contract and the Storage Operator shall accommodate such nomination whenever possible from technical perspective and unless prevented by other contractual obligations of the Storage Operator or unless such action would be to the detriment of other Storage Users. Should the Storage Operator reduce or reject nominations or re-nominations due to the reasons specified in this paragraph, he shall do so starting with the nominations or re-nominations for the booking of the storage capacity with interruptible capacity and only afterwards apply such reduction or rejection to the bookings of the storage capacity with firm capacity.



## 10 STORAGE USER'S ACCOUNT

- 10.1 The Storage Operator shall keep a balance account for the Storage User for each of his storage capacity booking. This account shall be kept in the Storage Operator's nomination portal and the Storage User shall have access to the values of the balance account through the Storage Operator's nomination portal.
- 10.2 The quantity of gas taken by the Storage Operator from the Storage User, respectively delivered by the Storage Operator to the Storage User shall be added on each gas day to or deducted from the Storage User's account according to the relevant nomination.
- 10.3 By the 15th business day of each month the Storage Operator shall deliver the quantities of gas injected or withdrawn in the preceding gas month to the Storage User in writing or electronically and an aggregate summary of the injected and withdrawn gas quantities in line with the account balance at the end of the particular gas month. The Storage Operator shall not be obliged to present the account balance statement to the Storage User only if there is no transaction on the account in the given gas month.
- 10.4 The balance of the Storage User's account shall in the case of injection and withdrawal always correspond to the Storage User's nomination confirmed by the Storage Operator regardless of the quantity of gas that has been actually delivered or actually accepted by the Storage User at the actual transfer points.
- 10.5 Should the Storage User's account show at the end of the force of the gas storage contract a value ranging between -1 MWh and 1 MWh inclusive, it is assumed that the Storage User's account shows zero balance.

## 11 GAS QUALITY

- 11.1 Gas shall comply with the chemical and physical parameters defined in Decree No. 108/2011 Coll., (Decree on gas metering).
- 11.2 Should the gas delivered by the Storage User for the purpose of its storage by the Storage Operator fail to meet any of the gas chemical or physical parameters stipulated in Decree No. 108/2011 Coll., the Storage Operator shall be entitled to reject the acceptance of such gas. A failure to reject such gas shall not affect the Storage Operator's right to indemnification for damage incurred in connection with the storage of such gas. The Storage Operator shall be obliged to adopt measures required in order to prevent or mitigate any damage and the Storage User shall be obliged to provide the necessary cooperation in this context to the Storage Operator.
- 11.3 Should the gas withdrawn by the Storage Operator fail to meet any of the gas chemical or physical parameters stipulated in Decree No. 108/2011 Coll., the Storage User shall be entitled to reject the acceptance of such gas. A failure to

reject such gas shall not affect the Storage User's right to indemnification for damage incurred in connection with the acceptance of gas. The Storage User shall be obliged to adopt measures required in order to prevent or mitigate any damage and the Storage Operator shall be obliged to provide the necessary cooperation in this context to the Storage User.

## 12 PRICE AND INVOICING AND PAYMENT TERMS

- 12.1 The title to compensation for nomination limitation pursuant to this Code for gas storage contracts will not arise with the Storage User if the Storage Operator will reduce Storage User's nomination each storage day by 100% for time shorter than 14 storage days in one storage year ("Basic Time"). If the Storage Operator reduces the Storage User's nomination within a scope smaller than 100%, the time, within which the Storage User is not entitled to any compensation described in the previous sentence, is prolonged proportionally to the average amount of percentage reduction of daily nomination by the Storage Operator in the nomination reduction period. For gas storage contracts shorter than 1 storage year, the Basic Time is proportionally reduced depending on the term (number of days) of the storage contract. In order to avoid any doubts, only the days, when the Storage Operator really limits the nomination sent by the Storage User, will be considered for the Basic Time determination.
- 12.2 In the case of contracts for annual storage capacity, the Storage User shall be obliged to pay to the Storage Operator every month one twelfth of the annual storage price based on a tax certificate. In the case of monthly gas storage contracts, the Storage User shall be obliged to pay to the Storage Operator every month based on a tax certificate the proportional part of the storage price. In the case of storage capacity booking pursuant to the framework daily gas storage contract with firm capacity and framework gas storage contract with interruptible capacity the Storage User shall be obliged to pay to the Storage Operator every month based on a tax certificate the storage price relating to the month for which the tax certificate has been issued.
- 12.3 In the case of annual and monthly gas storage contracts, the Storage Operator shall be obliged to issue and send the tax certificate for the relevant gas months to the Storage User at the latest by the 21st calendar day of the month preceding the relevant gas month. This certificate shall be due no later than on the 5th calendar day of the relevant gas month. In the case of a storage capacity booking pursuant to framework gas storage contracts with firm capacity and framework gas storage contracts with interruptible capacity the Storage Operator shall be obliged to issue and send the tax certificate for the relevant gas months to the Storage User at the latest by the 5th calendar day of the month following the relevant gas month. This certificate shall be due no later than on the 19th day of the calendar month following the relevant gas month.

- 12.4 The tax certificate issued by the Storage Operator shall contain the required items set forth by generally binding legal regulations including the designation of the financial institution and the account number to which the payment is to be made. Based on mutual agreement, the Storage Operator will enable the Storage User to settle the tax certificate in a currency other than that shown in the contract.
- 12.5 The contracting parties shall be obliged to pay pecuniary obligations (in particular the price for the performance, interest on arrears and contractual penalties) through a bank transfer of the amount payable to the account of the other contracting party, in which case a payment shall mean the crediting of the relevant amount to the bank account of the other contracting party. In case of expected delay with repayment of pecuniary obligations under the contracts executed between the Storage Operator and Storage User, the payer shall notify the other party of such fact no later than 2 business days before the specified maturity date of such obligation.
- 12.6 In the event of delay of payment of pecuniary obligations under a contract concluded between the Storage Operator and the Storage User, the receiving contracting party shall notify the other contracting party of such fact by the 3rd business day after the due date of the relevant obligations.
- 12.7 In the event of delay of the payment of pecuniary obligations under a contract concluded between the Storage Operator and the Storage User, the relevant contracting party shall be obliged to pay to the other contracting party the interest on arrears amounting to PRIBOR 1 month + 12% per annum from the outstanding amount. The first day of delay shall be understood as the business day immediately following the due date of the tax certificate. In order to calculate the interest on arrears, the rate specified in this article as a percentage valid on the first day of delay shall be multiplied by the proportion of the actual number of days in arrears in the calendar year and the basic length of the year equal to 360 days (act/360) and the outstanding amount.
- 12.8 Interest on arrears and contractual penalties shall be due within 10 calendar days from the day of delivery of their billing to the other contracting party.
- 12.9 Should a due date of an obligation be Saturday, Sunday, or public holiday, the due date shall be the earliest following business day.
- 12.10 The maturity period stipulated in paragraph 12.3. shall be extended by one day for each day for which the Storage Operator is in delay with the issue of the tax certificate.
- 12.11 Should the Storage User be in delay with the payment of any of his pecuniary obligations under a contract with the Storage Operator for more than 10 calendar days, despite being notified pursuant to paragraph 12.6., the price for storage according to the storage contract concluded between the Storage User and the Storage Operator affected by the delay shall become for the whole term of the contract payable at once on the 10th calendar day of the duration of the delay unless the Storage Operator and the Storage User agree otherwise. The Storage

Operator shall be entitled to suspend injection or withdrawal or the provision of other services without any compensation until all due obligations are settled or to withdraw from the contract with effect as at the date of delivery of the notice of withdrawal. The withdrawal shall take effect ex nunc (from now on).

- 12.12 The Storage User shall be entitled to send in writing or electronically a complaint concerning the billing of the pecuniary obligations arising from the contract between the Storage Operator and the Storage User at the latest by the due date of the invoice. This complaint shall contain the proposed invoice correction and its justification and it shall not relieve the Storage User of the obligation to properly settle the invoice on time. Based on the complaint, the Storage Operator shall notify the Storage User, e.g. by electronic mail, within 10 business days of the receipt of the complaint whether the Storage Operator has assessed the complaint as justified or unjustified. For complaints that are classified as justified the Storage Operator's notification shall also contain a correction of the billing of the pecuniary obligations. This corrective billing shall be due within 7 business days of its delivery to the other contracting party.
- 12.13 The Storage User shall have the right to anytime ask for the issuance of an extraordinary invoice to ensure that by settling the invoice the Storage User would reduce his obligations and could use other services provided by the Storage Operator without the need to increase his financial credibility by way of the security in terms of Paragraph 7 of Annex No. 1 to this Storage Code. The application for the issuance of an extraordinary invoice shall usually be filed by phone by the Storage User specifying the scope of performance, amount and due date. The provisions of paragraph 12.3 shall not apply to the extraordinary invoices issued pursuant to this paragraph.

## 13 OTHER PROVISIONS

- 13.1 The Storage Operator shall be obliged to maintain confidentiality concerning information about contracts concluded between the Storage Operator and the Storage User as well as other facts associated with the conclusion and performance of these contracts or information associated with the services provided by the Storage Operator (hereinafter referred to only as "Confidential Information") until the moment when such confidential information becomes publicly known. The Storage Operator in particular undertakes neither to disclose Confidential Information to the public nor to provide such information to third parties unless the Storage Operator receives a prior written consent of the Storage User to provide or disclose the Confidential Information.
- 13.2 The confidentiality obligation pursuant to the provisions of the previous paragraph shall not apply to the provision of information to accounting, tax and legal consultants or their units provided that they have a confidentiality agreement concluded with the Storage Operator or that a lawful confidentiality obligation

applies to them, and to the fulfilment of the obligations imposed by generally binding legal regulations.

- 13.3 Should a conflict between the Storage Code and legal regulations arise due to a change in the legislation, the Storage Operator shall be obliged to present a new draft Storage Code or amendment to the Storage Code to the Energy Regulatory Office for approval within three months of the effective date of such legislative change. The Storage Operator shall be also entitled to suggest Storage Code amendments especially if such amendments reflect the practical experience in the operation and maintenance of the gas storage, the common business practice, or in the case of a change in the type and scope of the services provided. The rights of the parties in connection to a change of the Storage Code are regulated by the Energy Act.
- 13.4 The Storage Operator shall be entitled to withdraw from any contract with the Storage User if (i) the Storage User is subject to Sanctions, or (ii) the facts asserted by the Storage User in the Declaration are false or incomplete, or (iii) there are reasonable doubts as to the truth or completeness of the Storage User's assertions in the Declaration and the Storage User has not remedied such doubts within 5 Business Days of the Storage Operator 's request. In the event of termination of the Contract pursuant to this paragraph, the Storage Operator shall proceed to sell the unwithdrawn gas.
- 13.5 Withdrawal from the contract between the Storage Operator and the Storage User has future (ex nunc) effects.
- 13.6 If the Storage Operator changes his contact e-mail, web or phone details shown in contracts or this Storage Code, he may do so unilaterally by informing about such change at his website or by sending an informative e-mail to all concerned entities.
- 13.7 The Storage Operator is a controller of personal data of individuals. The information about their processing requested by applicable legal regulations including their scope and purpose of the processing, an overview of rights and obligations of individuals and the Storage Operator are published at Storage Operator's website (section About us, Personal Data Processing). The Storage Operator shall provide such information to individuals anytime upon request through the contact details shown at the Storage Operator's website.

## 14 FINAL PROVISIONS

- 14.1 This Storage Code has been elaborated pursuant to the Energy Act and approved by the Energy Regulatory Office.
- 14.2 The Storage Operator shall publish the Storage Code so as to allow for remote access to the Storage Code, i.e., at the Storage Operator's website.

- 14.3 This Storage Code, as well as any and all legal relations established in connection with gas storage by the Storage Operator pursuant to the provisions of this Storage Code and contracts shall be governed by the laws of the Czech Republic.
- 14.4 Should there be any conflict between the provisions of the Storage Code and the provisions of a storage contract, the provisions of the Storage Code shall supersede the individual provisions of the contract.
- 14.5 Should the Storage Operator publish more than one language version of the Storage Code, the Czech version shall be the governing version and should a conflict between the Czech and foreign language version arise, the Czech version shall supersede the foreign language versions which are only informative.
- 14.6 The following annexes constitute an integral part of this Storage Code:
- Annex No. 1: Terms of Financial Credibility of a Storage User
  - Annex No. 2: Virtual Gas Storage Entry and Exit Points
  - Annex No. 3: Required Information and Prerequisites for the Conclusion of a Contract for Gas Storage in Temporary Storage Volume
  - Annex No. 4: Required Information and Prerequisites for the Conclusion of a Contract for Auction of Secondary Storage Capacity or Gas
  - Annex No. 5: Required Information and Prerequisites for the Conclusion of a Contract for the Provision of Reverse Capacities
  - Annex No. 6: Required Information and Prerequisites for the Conclusion of a Contract to Observe Preliminary Nominations

## ANNEX 1 - TERMS OF FINANCIAL CREDIBILITY OF A STORAGE USER

1. The Storage User shall be obliged to be sufficiently financially credible for the fulfilment of all of his pecuniary obligations stipulated by the contract / contracts concluded with the Storage Operator within the scope specified in paragraphs 5 and 4 of this Annex (the “Obligation to be sufficiently credible”) and to prove the fulfilling of this obligation to the Storage Operator within the periods specified in paragraph 5.7 of the Storage Code, unless otherwise stated. The Storage User shall uphold his obligation of financial credibility within the requested scope at least by the end of the calendar month in which the relevant tax document for the provided storage capacity or service is payable or such document for another payment is issued on the basis or in connection with the contract / contracts.
2. In case of Framework and/or other contracts, the Storage User shall be obliged to fulfil his obligation to be financially credible no later than on the 1st business day before filing a request for storage capacity booking, or, more precisely, before the day any decisive fact which has impact on an increase of the Storage User’s credit exposure (CE), occurs (such as, for example, the conclusion of a new contract/partial contract or filing a request for using a paid service under this Code).
3. In case of failure to fulfil the duties specified in paragraphs 1 and 2 of this Annex, the Storage Operator shall have the right to request, usually in the form of an e-mail, from the Storage User to provide additional security for the fulfilment of his financial obligations arising from the concluded contracts. Should not the requested additional security be provided by the Storage User within 7 calendar days of the receipt of the request by the Storage User, the Storage Operator shall be entitled to withdraw from anyone of from all contracts with the Storage User with ex nunc effect as at the moment of delivery of the notice of the withdrawal.
4. The Storage Operator shall be entitled to refuse to perform any performance under the contract the Storage User (e.g. execution of a nomination, renomination, transfer, etc.) if this would cause the Storage Operator to exceed its Credit Exposure or if the Storage User fails to comply with the obligation to be financially credible.
5. The Storage User shall be deemed sufficiently financially credible to fulfil his pecuniary obligations if the Storage Operator’s credit exposure towards the storage User is less than the Credit Limit.
6. The Storage Operator’s credit exposure towards the Storage User is defined as the highest monthly payment of the Storage User in the period created by the current calendar months and the nearest three successive calendar months following after the current month reduced by CZK 100,000 and, if necessary, reduced further by an eligible form of the security in terms of paragraph 8 of this Annex. The monthly payment is calculated as the sum of all payable pecuniary obligations of the Storage User (including VAT) which the Storage User will be obliged to pay in the relevant month based on the contracts concluded with the Storage Operator.
7. The Storage User’s credit limit shall be determined with the use of the following method. The Storage User shall acquire his credit limit higher than zero based on the



rating and equity in the amount according to the following table provided that the Storage User:

- a) evidences that he possesses a long-term rating of at least BBB- from Standard & Poor's or Fitch or at least Baa3 from Moody's or evidences the economic report from the Crefoport or Creditreform agencies containing a current index of credit standing (rating) not older than six months with a value lower than 180, or
- b) evidences that he possesses a rating from Standard & Poor's, Moody's or Fitch or presents an economic report from the Creditreform or Creditreform agencies containing the up-to-date credit standing index (rating) not older than six months and at the same time satisfies the following four conditions:
  1. Debt  $\leq$  0.8 x Equity
  2. EBIT/Interest expense  $\geq$  2.7
  3. 3 x EBITDA  $\geq$  Debt
  4. The Storage User is a legal entity whose financial statements are verified by an auditor,

where

**Debt** is defined as the Storage User's interest-bearing loan capital;

**Equity** is defined as the Storage User's equity;

**EBIT** is defined as the Storage User's earnings before tax increased by the interest costs within the past fiscal year;

**Interest Expense** is the interest costs of the Storage User within the past fiscal year;

**EBITDA** is defined as the Storage User's earnings before tax increased by interest costs, taxes, depreciation and adjustments of the values of fixed assets within the past fiscal year;

Rating				Credit Limit
S&P Rating	Moody's	Fitch	Crefoport or Creditreform	
AAA to BBB-	Aaa to Baa3	AAA to BBB-	100-180	100 % equity
BB+ to BB-	Ba1to Ba3	BB+ to BB-	181-240	80 % equity
B+	B1	B+	241-280	20 % equity

In order to evidence the fulfilment of the above-listed conditions the Storage User shall be obliged to submit his financial statements (not consolidated ones) verified by an auditor not older than 19 months of the end of the accounting period to the Storage Operator anytime throughout the term of the contract.

Should any facts influencing the determination of the Credit Limit of the Storage User change, the Storage User shall be obliged to immediately notify the Storage Operator of such change.

8. The Credit Exposure (CE) may be reduced by the value of security provided. The eligible form of the security is provided by the Storage User in the currency of the contract with the Storage Operator. The Storage User may also provide the security in another currency. Then the value of the eligible form of the security, after conversion at the official exchange rate published by the Czech National Bank on the date of submission, must be higher by 15%. The eligible forms of security include the following:

- **Bank Guarantee** or
- **Surety** or
- **Security Deposit**

Should the Storage user decide to reduce the Credit Exposure using an eligible form of security, he shall present the following to the Storage Operator before the conclusion of and upon the Storage Operator's request anytime throughout the duration of any contract:

- a) Original counterpart of a valid Bank Guarantee in the case of security in the form of a Bank Guarantee, or
- b) Original counterpart of a valid Guarantee Undertaking filled out according to the sample published at the Storage Operator's website in the case of security in the form of Surety, or
- c) Original valid contract of deposit signed according to the model published on the website of the Storage Operator in case of the form of security through the Security Deposit.

### **Bank Guarantee**

is an irrevocable and unconditional bank guarantee not allowing, upon first request, any objections by the issuer to the creditor pursuant to Section 2019 et seq. of the Civil Code, as amended, issued to the benefit of the Storage Operator by a bank with a long-term Standard & Poor's (Fitch) rating of no less than A- or long-term Moody's rating of no less than A3, in case of surety up to the amount of EUR 25 million a long-term Standard & Poor's (Fitch) rating of at least BBB+ or long-term Moody's rating of at least Baa1 will be sufficient. Bank guarantee is considered an eligible form of security as of the date of assessing the Storage User's financial credibility only if it is effective from this date for a period of at least one subsequent calendar month, with the exception of the last month of validity of the gas storage contract. In this case, it suffices if the Bank Guarantee is effective from the date of assessment of the User's financial credibility at least until the end of the calendar month in which the particular gas storage contract expires.

### **Surety**

is the irrevocable and unconditional surety pursuant to Section 2018 et seq. of the Civil Code, as amended, issued by an eligible guarantor according to the specimen “Guarantee Undertaking” available at the Storage Operator’s website to the benefit of the Storage Operator. For this purpose, an eligible guarantor refers only to a company with a long-term Standard & Poor’s (Fitch) rating of no less than A- or long-term Moody’s rating of no less than A3, in case of surety up to the amount of EUR 25 million the long-term Standard & Poor’s (Fitch) rating of at least BBB+ or long-term Moody’s rating of at least Baa1 will be sufficient. The Surety is considered an eligible form of security as of the date of assessing the User’s financial credibility only if it is effective from this date for a period of at least one subsequent calendar month, with the exception of the last month of validity of the gas storage contract. In this case, it suffices if the Surety is effective from the date of assessment of the User’s financial qualifications at least until the end of the calendar month in which the particular gas storage contract expires;

### **Security Deposit**

is a security deposit pursuant to Section 2012 et seq. of the Civil Code, as amended, in the form of a deposit of a financial sum (security deposit) to the Storage Operator’s account, whereas the Storage User and Storage Operator conclude an agreement on payment of the security deposit pursuant to the specimen “Agreement on Security Deposit”, published at the Storage Operator’s website. The security deposit bears interest at the rate stated on the Storage Operator’s website.

## ANNEX 2 - VIRTUAL GAS STORAGE ENTRY AND EXIT POINTS

### **A) ENTRY POINTS**

The virtual entry point into the virtual gas storage operated by RWE Gas Storage CZ, s.r.o. comprises the following transfer points into the gas storage facilities:

- 1. Dolní Dunajovice**
- 2. Tvrdonice**
- 3. Štramberk**
- 4. Třanovice**
- 5. Lobodice**
- 6. Háje**

### **B) EXIT POINTS**

There is one virtual exit point from the system of gas storage facilities operated by RWE Gas Storage CZ, s.r.o. consisting of the following transfer points from the gas storage facilities:

- 1. Dolní Dunajovice**
- 2. Tvrdonice**
- 3. Štramberk**
- 4. Třanovice**
- 5. Lobodice**
- 6. Háje**

For the purpose of evaluation of pressure and quality of the gas withdrawn from gas storage facilities, the values measured at the relevant actual transfer points between the Storage Operator and the transporter shall be considered decisive.

### **ANNEX 3 - REQUIRED INFORMATION AND PREREQUISITES FOR THE CONCLUSION OF A FRAMEWORK CONTRACT FOR GAS STORAGE IN TEMPORARY STORAGE VOLUME**

1. A request for the conclusion of a framework contract for gas storage in temporary storage volume shall contain at least the following information:
  - a) Name and identification data of the Applicant requesting the temporary storage volume
  - b) Names of persons authorized to sign the contract
  - c) Requested effective date of the contract
  - d) Proposed start of the validity of the framework contract for the provision of temporary storage volume
2. The request for the conclusion of a framework contract for gas storage in temporary storage volume shall be in hard copy or electronic form.
3. To conclude a framework contract for gas storage in temporary storage volume, the provisions of paragraphs on execution of framework contracts, i.e. paragraphs 3.4 and 6.1. of the Storage Code shall apply.
4. The Storage Operator shall book the storage capacity based on a concluded framework contract for gas storage in temporary storage volume based on the results of the auction organized by the Storage Operator or based on a request. The method of the sale which may take place in the form of an auction or based on a request is defined by the Storage Operator. The request shall be delivered to the Storage Operator at the latest 3 business days before the beginning of the gas day proceeding the first gas day from which the temporary storage volume is requested, unless a different agreement with the Storage Operator has been reached. The Storage Operator shall confirm the results of the booking at the latest on the next business day after the end of the auction or after the receipt of the request and a partial contract shall be concluded (hereinafter referred to only as the “partial contract”) and the temporary storage volume shall be allocated as of the sending of the booking results. Sales through auctions are defined by the Storage Operator in the conditions of the auction publicly announced at least 2 business days before the auction. By participating in the auction, the Applicant confirms that it agrees with the conditions of the auction published by the Storage Operator, including the attached draft contracts, without any bookings.
5. The price for the use of the temporary storage volume is determined based on the auction result or unilaterally by the Storage Operator.
6. The Applicant shall be obliged to demonstrate sufficient financial credibility for the fulfilment of all of his financial obligations ensuing from the partial contracts for gas storage in temporary storage volume to the Storage User. To determine the amount and demonstrate financial credibility, the provisions of Annex 1 of the Code shall apply.

7. The provisions of article 12 applicable to the framework contracts for gas storage with firm capacity shall apply to the invoicing and payment terms.

#### **ANNEX 4 – REQUIRED INFORMATION AND PREREQUISITES FOR THE CONCLUSION OF A CONTRACT TO ACCOMPLISH AN AUCTION FOR SECONDARY STORAGE CAPACITY OR GAS**

1. The request for the conclusion of a contract to accomplish an auction of secondary storage capacity or gas shall be in hard copy or electronic form and shall contain at least the following information:
  - a) Name and identification data of the Storage User requesting the secondary capacity auction
  - b) Names of persons authorized to sign the contract
  - c) Requested effective date of the contract
  - d) Specification of the storage capacity (working volume, withdrawal and injection capacity, withdrawal and injection curve) of gas, beginning and end of the period
  - e) Method for the transfer of the storage capacity or gas
  - f) Requested date of the secondary capacity auction
2. The terms for the accomplishment of the auction of secondary storage capacity or gas shall be determined based on an agreement between the Storage Operator and the Storage User. By participating in the auction, the Applicant confirms that it agrees with the auction conditions published by the Storage Operator including the attached draft contracts without reservations.
3. The Storage User shall be obliged to demonstrate sufficient financial credibility for the fulfilment of all of his financial obligations ensuing from the contract to accomplish an auction for secondary storage capacity or gas to the Storage User. To determine the amount and demonstrate the financial credibility, the provisions of Annex 1 of the Code shall apply
4. The invoicing and payment terms shall be determined based on an agreement between the Storage Operator and the Storage User.

## **ANNEX 5 – REQUIRED INFORMATION AND PREREQUISITES FOR THE CONCLUSION OF A CONTRACT FOR THE PROVISION OF REVERSE CAPACITIES**

1. The request for the conclusion of a contract for the provision of reverse capacities shall be in hard copy or electronic form and shall contain at least the following information:
  - a) Name and identification data of the Storage User or the Eligible Storage Capacity User requesting the reverse capacities
  - b) Names of persons authorized to sign the contract
  - c) Requested effective date of the contract
  - d) Specification of the reverse capacities – size of the reverse withdrawal capacity, size of the reverse injection capacity, beginning and end of the provision of the reverse capacities
2. To conclude a contract for the provision of reverse capacities, the provisions on execution of contracts, i.e. paragraph 6.1 of the Storage Code shall apply.
3. The method for the determination of the price for the provision of reverse capacities is specified at the Storage Operator’s website.
4. The Storage User or the Eligible Storage Capacity User shall be obliged to demonstrate sufficient financial credibility for the fulfilment of all of his financial obligations stipulated in the contract for the provision of reverse capacities concluded with the Storage Operator to the Storage User. To determine the size and demonstrate the financial credibility, the provisions of Annex 1 of the Code shall apply.
5. The provisions of article 12 shall apply to the invoicing and payment terms whereas the provisions applicable to the monthly contract for gas storage shall apply and in the case of the actual use of the reverse capacity also the provisions applicable to the framework contract for gas storage with firm capacity shall apply.



## **ANNEX 6 – REQUIRED INFORMATION AND PREREQUISITES FOR THE CONCLUSION OF A CONTRACT TO OBSERVE NOMINATIONS**

1. The request for the conclusion of a framework contract to observe nomination shall be in hard copy or electronic form and shall contain at least the following information:
  - a) Name and identification of the Storage User or the Eligible Storage Capacity User
  - b) Names of persons authorised to sign the contract
  - c) Requested date of effect of the contract
  - d) Proposed beginning of validity of the framework contract to observe preliminary nominations
2. To conclude the contract to observe preliminary nominations, the provisions on the execution of contracts, i.e. paragraph 4.2 of the Storage Code, shall apply.
3. The Storage User or the Eligible Storage Capacity User shall express his obligation to observe preliminary nominations via electronic mail within the period stated in the Storage Operator's offer which contains the definition of such period that the offer relates to, the definition of benefit and the way of calculation of its amount, the way of calculation of a financial compensation in the event the Storage User or the Eligible Storage Capacity User fails to observe preliminary nomination and the tolerance band in which also nominations with different values are considered as nominations identical to preliminary nominations.
4. The Storage Operator shall be obliged to accept all obligations of the Storage Users or the Eligible Storage Capacity Users delivered to him on the basis of his offer.
5. The provisions of paragraph 12 applicable to the Gas Storage framework contracts with firm capacity shall apply with necessary modifications.