



Gas Transmission Operator

GAZ – SYSTEM S.A.

## **TARIFF FOR GAS TRANSMISSION SERVICES no. 3**

Warsaw May 2009

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## 1. General provisions

1.1.1. Tariff for gas transmission services no. 3 was prepared by Gas Transmission Operator GAZ-SYSTEM S.A. energy company with its registered office in Warsaw, hereinafter referred to as "TSO", based on the following provisions:

- a) the Act of 10 April 1997 on the Energy Law (Journal of Laws of 2006, no. 89 item 625 as amended),
- b) regulation of the Minister of Economy of 6 February 2008 on detailed rules of tariff creation and calculation and billings related to gas trading (Journal of Laws no. 28 item 165),
- c) regulation of the Minister of Economy, Labour and Social Policy of 6 April 2004 on detailed conditions of connecting entities to gas networks, network traffic and operation (Journal of Laws no. 105 item 1113),
- d) the Act of 16 February 2007 on reserves of oil, petroleum products and natural gas and procedure to be followed in case of a hazard to fuel security of the state and interruptions in the oil market (Journal of Laws no. 52 item 343),
- e) regulation of the Council of Ministers of 19 September 2007 on the method and procedure of implementing restrictions in natural gas take (Journal of Laws no. 178 item 1252),
- f) Regulation no. 1775/2005 of the European Parliament and of the Council of 28 September 2005 on conditions for access to the natural gas transmission networks (EU OJ L 05.289.1).

1.1.2. The tariff comprises:

- a) tariff groups and detailed criteria of eligibility into groups,
- b) transmission service fees,
- c) subscription fees,
- d) method of calculation of fees for connection to the transmission network,
- e) method of calculating discounts for failure to meet Shipper service quality standards and discounts for failure to meet gas quality standards,
- f) method of fixing fees for excess in contracted capacity and illegal gas take,
- g) method of fixing fees or rates for additional services,
- h) fees for interrupted transmission services.

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- 1.1.3. Rates, fees and GRP fixed in the tariff are VAT exclusive. The VAT is added in accordance with governing provisions of the tax law.
- 1.1.4. Meter readings and contracted capacities for all tariff groups are rounded off to 1 cubic metre.

## 2. Definitions

- 2.1.1. Gas Reference Price (GRP): the average price of gas purchase published by the Transmission System Operator at its website in the month preceding the month in which the price is applicable. The Transmission System Operator defines and publishes the GRP by the twentieth (20) day of each month. If no gas was purchased in a given month, the previous GRP is applicable.
- 2.1.2. Gross Calorific Value (GCV): the amount of energy released as heat as a result of complete combustion of one cubic metre of gas in air under normal conditions if the reaction is under permanent absolute pressure of 101.325 kPa, all combustion products but water are in gas state, the steam resulting from the combustion process is condensed and the temperature of all combustion products (both in gas state and liquefied water) is 25°C.
- 2.1.3. Gas day: a period from 10.00 p.m. of the previous day to 10.00 p.m. of the current day.
- 2.1.4. One cubic metre of gas under normal conditions (m<sup>3</sup>): a charges unit which denotes the amount of dry gas in one cubic metre under pressure of 101.325 kPa and temperature of 0°C.
- 2.1.5. Delivery location: the location where gas is delivered to the transmission network (entry point) for transmission to the gas take location.
- 2.1.6. Gas take location: the location of gas take from the transmission network (entry point) excluding underground gas storage. The gas take location also includes gas take location which is a part of the underground gas storage, where gas is taken for own needs of the storage facility.
- 2.1.7. Gas month: a period from 10.00 p.m. of the last calendar day of the month directly preceding a given month to 10.00 p.m. of the last calendar day of the given month.
- 2.1.8. Connection capacity: scheduled maximum hourly capacity to deliver or receive gas, used to design the connection and specified in the agreement of network connection.
- 2.1.9. Interrupted contracted capacity: contractual maximum hourly capacity to receive gas, which may be reduced by the TSO under conditions of the contract and the Tariff.
- 2.1.10. Unit odourisation station: an odourisation station (injection or touch operated) which is situated at the location of gas take from the transmission network and which odourises gas at that location.
- 2.1.11. Central odourisation station: an odourisation station (regardless of the technology) which is a part of the transmission system and which odourises the gas for more than one location of gas take from the transmission network.

- 2.1.12. Connection: a section of the transmission network from the supply gas pipe to the cut-off fittings downstream the gas station, used to connect:
- a) gas installation in the area or facility of the entity which is being connected to the transmission network or
  - b) a network of power companies which deal in gas transmission or distribution.
- 2.1.13. Gas year: a period from 10.00 p.m. on 31 December of the year directly preceding the given year to 10.00 p.m. on 31 December of the given year.
- 2.1.14. Transmission network: high pressure gas network, except upstream pipeline network and direct gas pipelines, managed by the TSO.
- 2.1.15. Measurement system: gas meters and other metering or metering and billing systems and connection systems used to measure quantities taken or delivered to gas networks and to carry out settlements.
- 2.1.16. Contract: the contract of transmission services between the TSO and the Shipper.
- 2.1.17. Transmission services: services provided by the TSO consisting in the transport of gas over the transmission network between the delivery location and gas take location.
- 2.1.18. Shipper: a natural or legal person or unincorporated entity with legal capacity which uses the transmission service under the contract with the TSO.

### 3. General terms and conditions of providing transmission services

#### 3.1. Qualification to tariff groups

3.1.1 TSO qualification to a tariff group is based on the type of transmitted gas and contracted capacity specified in the contract, separately for each gas take location.

3.1.2 Based on TSO qualification methods specified in point 3.1.1, the following tariff groups are defined:

a) for shippers of **high-methane natural gas (GZ 50)**, E symbol group:

Tariff group	Contracted capacity at the gas take location a [m <sup>3</sup> /h]
<b>E1</b>	<b><math>0 \leq a \leq 1,500</math></b>
<b>E2</b>	<b><math>1,500 &lt; a &lt; 3,300</math></b>
<b>E3</b>	<b><math>3,300 &lt; a \leq 20,000</math></b>
<b>E4</b>	<b><math>a &gt; 20,000</math></b>

b) for shippers of **low-methane natural gas (GZ 35 or GZ 41.5)**, L symbol group:

Tariff group	Contracted capacity at the gas take location a [m <sup>3</sup> /h]
<b>L1</b>	<b><math>0 \leq a \leq 1,800</math></b>
<b>L2</b>	<b><math>1,800 &lt; a &lt; 4,000</math></b>
<b>L3</b>	<b><math>4,000 &lt; a \leq 12,000</math></b>
<b>L4</b>	<b><math>a &gt; 12,000</math></b>

#### 3.2. Method of providing services and billing

3.2.1 The TSO provides transmission services under a contract with the Shipper.

3.2.2 Quality standards for transmission services and Shipper service are set forth in the contract and the regulation referred to in point 1.1.1.b).

3.2.3 The TSO bills for transmission services in monthly billing periods.

3.2.4 In the billing period referred to in point 3.2.3, fees for transmission services may be charged on the basis of forecast transmitted gas amounts and the contracted capacity calculated in accordance with provisions of point 4.1.5.

3.2.5 The forecast amount of transmitted gas is based on the Shipper's nomination or figures of the comparable period of the gas year directly preceding the year of forecast.

- 3.2.6 If following remittance of fees based on forecast figures referred to in point 3.2.4 an overpayment or underpayment for the transmission service occurs, the TSO shall immediately notify the Shipper of that fact, and additionally:
- a) the overpayment shall be applied towards payments under the next invoice unless the Shipper demands refund of the overpayment within seven calendar days of the notice of overpayment,
  - b) the underpayment shall be added to the first invoice issued for the next billing period.
- 3.2.7 If any discrepancies in the operation of the measurement system are found or erroneous readings of the measurement system are accepted for billing, which results in overrating or underrating payments for the transmission service, the TSO shall correct the invoices which have already been issued.
- 3.2.8 Correction of invoices referred to in point 3.2.7 shall cover the whole billing period or the period of detected errors or inconsistencies.
- 3.2.9 Unless the contract provides otherwise if for reasons beyond the TSO control the measurement system fails and does not register the amount of transmitted gas in the billing period, the following shall constitute grounds for fixing the fee for gas transmission service:
- a) amount of gas sent in the same billing period of the year directly preceding the given year taking into account documented circumstances which affect the amount of transmitted gas,
  - b) if the amount of transmitted gas cannot be ascertained in accordance with point a): the amount of transmitted gas measured by the measurement system in the next billing period, taking into account seasonal nature and other documented circumstances which affect the amount of transmitted gas,
  - c) if the amount of transmitted gas cannot be ascertained in accordance with point a) or b): the amount being the product of the number of hours in the billing period and the contracted capacity.

## 4. Settlements with the Shipper

### 4.1. Settlements for the transmission service

4.1.1. Group rates are applied to all the Shippers, separately for each gas take location.

4.1.2. The transmission service fee consist of:

- a) a fixed fee based on the contracted capacity,
- b) a variable fee based on the amount of transmitted gas,
- c) a subscription fee.

4.1.3. The transmission service fee shall be calculated using the following formula:

$$O_g = S_{zg} * Q + S_{sg} * M_p * T + S_a * k$$

where:

- O<sub>g</sub>** - transmission service fee [PLN],
- S<sub>zg</sub>** - variable fee rate for transmitted gas [PLN/m<sup>3</sup>],
- Q** - amount of transmitted gas [m<sup>3</sup>],
- S<sub>sg</sub>** - fixed fee rate for each hour of the billing period [PLN/(m<sup>3</sup>/h)/h],
- M<sub>p</sub>** - contracted capacity at the gas take location [m<sup>3</sup>/h],
- T** - number of hours in a billing period [h],
- S<sub>a</sub>** - subscription fee rate [PLN/month],
- k** - number of months in a billing period.

4.1.4. The fixed fee for the transmission service is charged for the whole billing period, regardless the amount of transmitted gas and the capacity actually used.

4.1.5. Contracted capacity which constitutes the grounds for calculating the fixed fee for the transmission service is the maximum amount of gas which may be received in one hour as specified for a given year in the contract.

4.1.6. The capacity referred to in point 4.1.5 is determined in the contract and is valid for the whole gas year at the same amount for all months of the year. By 30 September of the given gas year, the Shipper may apply to the TSO for changing the agreed contracted capacity. If the Shipper does not apply for changing the agreed contracted capacity for the next gas year by the date stated above, the Shipper shall be billed on the basis of the contracted capacity specified in the existing contract. Subject to point 7.1.5, the

contracted capacity should fall within the measurement scope of the measurement system and the capacity of technological devices installed at the gas delivery or gas take location.

- 4.1.7. If gas transmission is reduced, suspended or interrupted for reasons within the Shipper's responsibility, the Shipper shall pay the variable fee, subscription fee and fixed fee at the same rate the Shipper would have paid if there had been no reduction, suspension or interruption in transmission for the whole duration of the reduction, suspension or interruption in gas transmission.
- 4.1.8. If the Shipper exceeds, without the TSO's consent, the contracted capacity including the capacity valid during restrictions introduced with the Act referred to in point 1.1.1.d) and Regulation referred to in 1.1.1.e), an additional fee shall be charged as a product of the maximum capacity registered by the measurement system in excess of the contracted capacity, the number of hours in the billing period and a triple fixed fee rate for transmission services billed for the Shipper's tariff group.
- 4.1.9. If the Shipper fails to observe restrictions introduced by the TSO with regard to connection or repair and maintenance works, an additional fee shall be charged as a product of the maximum capacity registered by the measurement system in excess of the permitted gas take during the restriction, duration of the restriction and a triple fixed fee rate for transmission services billed for the Shipper's tariff group.
- 4.1.10. If the Shipper receives the transmission service from several connections, fixed fees for the transmission service are billed on the basis of the contracted capacity specified separately for each connection.
- 4.1.11. Shippers whose transmission service at a given gas take location starts during the billing period shall have the fixed fees for the transmission service billed pro rata to the duration of the transmission service in the billing period.
- 4.1.12. If the fixed fee rate is changed during the billing period, the fee shall be charged pro rata to the number of days on which the previous and new rates are effective.
- 4.1.13. The variable fee for transmission services shall be specified for the given billing period based on the amount of gas transmitted to the gas take location and variable fee rate for the tariff group. The gas amount collected by the Shipper at the gas take location shall be calculated on the basis of measurement system readings, or if the measurement involves multiple Shippers, in accordance with rules of the contract.
- 4.1.14. If the variable fee rate changes during the billing period, the fee shall be charged pro rata to the amount of gas transmitted while the previous and new rates are effective.
- 4.1.15. If the measurement system consists of at least two measuring devices installed in parallel on the same connection and the contract does not provide otherwise, the following rules shall apply to settlements with the Shipper:
- a) fees based on the amount of gas transmitted shall be calculated on the basis of the sum of gas quantities measured by the measurement devices,

b) fees based on the capacity shall be calculated on the basis of the capacities registered by the measurement devices.

4.1.16. If there are no measurement devices which support determination of the amount of gas transmitted in various hourly periods, monthly measurement results shall be used. In such a case, the capacity actually used by the Shipper shall be determined as the quotient of the gas transmitted in the billing period and the number of hours in that period.

## 4.2. Subscription fees

- 4.2.1. The subscription fee is related to the TSO's provision of commercial service to the Shipper, which consists in taking measurement system readings, issuing of invoices, calculating and charging fees for the gas transmission service, and activities related to checking measurement systems, fulfilment of contractual provisions and correctness of settlements.
- 4.2.2. Subscription fee rates in the tariff apply to each measurement system at the gas take location.
- 4.2.3. If the measurement system consists of at least two measurement devices installed in parallel on the same connection and the contract does not provide otherwise, the subscription fee is charged for one measurement system.
- 4.2.4. Subscription fees shall be charged in full for each gas month in which the transmission service was provided.
- 4.2.5. If the subscription fee rate is changed during the billing period, the subscription fees are charged pro rata to the number of days on which the previous and new rates are effective.

### 4.3. Transmission and subscription fee rates

4.3.1. Fee rates for transmission services and subscription fee rates are shown below:

Tariff group	Fee rates		
	fixed fee rate [PLN/<math>m^3/h</math> per h]	variable fee rate [PLN/<math>m^3</math>]	subscription fee rate [PLN/month]
<b>Shippers of high-methane gas (GZ 50)</b>			
<b>E1</b>	0.0428	0.0411	1 100
<b>E2</b>	0.0398	0.0349	1 100
<b>E3</b>	0.0382	0.0293	1 100
<b>E4</b>	0.0351	0.0210	1 100
<b>Shippers of low-methane gas (GZ 35 or GZ 41.5)</b>			
<b>L1</b>	0.0367	0.0343	1 100
<b>L2</b>	0.0301	0.0321	1 100
<b>L3</b>	0.0258	0.0217	1 100
<b>L4</b>	0.0257	0.0128	1 100

Value added tax (VAT) at the rate prescribed by the tax law shall be added to fee rates.

## 5. Discounts

### 5.1. Discounts for failure to meet Shipper service quality standards

5.1.1. The Shipper shall be eligible for discounts for the TSO's failure to meet service quality standards, in accordance with provisions of § 42 of the Regulation referred to in 1.1.1.b) and announcement of the President of the Central Statistical Office of 16 January 2008 on average monthly salary in the enterprise sector in 2007 (Official Journal of the CSO, no. 1 item 5), which amounted to PLN 2,888.20, as follows:

<b>Discount</b>	<b>PLN</b>
a) refusal to provide the Shipper with information on the expected date of resuming gas transmission interrupted because of the transmission network failure	10.60
b) failure to notify the Shipper, at least 14 days in advance, of dates and time of scheduled interruptions in gas delivery to gas take location, in the form of press, radio or TV announcements or otherwise as customary in the given area	21.19
c) failure to notify the Shipper in writing, by telephone or another means of telecommunication, at least 14 days in advance, of dates and time of scheduled interruptions in gas delivery to gas take location	211.93
d) failure to notify the Shipper receiving gas from the transmission network of the intended change of the pressure below the minimum contracted pressure and other gas parameters affecting interoperation with the network	105.97
e) refusal to undertake necessary paid works in the transmission network to facilitate safe performance of works by the Shipper or another entity within the network affected area	105.97
f) failure to provide the Shipper with requested information on rules of settlement and current tariffs	10.60

5.1.2. The Shipper shall be eligible for a discount for the TSO's failure to meet service quality standards provided that the Shipper submits a written letter. The TSO shall review the letter no later than within 14 days of the day the letter is submitted.

## 5.2. Discounts for reduction in the contracted capacity

5.2.1. If there are interruptions in gas delivery as a result of:

- a) scheduled repair and maintenance works, scheduled connection works or works related to change of the type of delivered gas,
- b) reasons beyond Shipper's control: failure, explosion, fire, threat of such events or the requirement to eliminate effects of such events,

the fixed fee for the transmission service shall be reduced pro rata to the size of actual reduction in contracted capacity and duration of interruptions.

5.2.2. If the TSO reduces contracted capacity at the gas take location for reasons beyond Shipper's control, other than listed in point 5.2.1, in particular a temporary drop in network pressure (upstream the reduction point) below the contracted pressure for more than sixty minutes, the TSO shall grant the Shipper with a discount in the fixed fee for the transmission service pro rata to the amount and duration of such a reduction.

5.2.3. The Shipper shall not be eligible for discount referred to in point 5.2.2 if:

- a) the pressure drop was caused by the Shipper following an excess in the contracted capacity by the Shipper,
- b) the Shipper failed to meet gas quality parameters at the gas delivery locations which affect the gas take locations,
- c) the Shipper failed to meet contracted minimum delivery pressure at the gas delivery locations.

5.2.4. The TSO shall grant or refuse to grant the discount referred to in point 5.2.2 within 30 days of submittal a written request by the Shipper.

### **5.3. Discounts for failure to meet gas quality parameters**

- 5.3.1. The Shipper shall be eligible for discounts for failure to meet gas quality parameters specified in accordance with provisions of the TSO Transmission Network Code.

## 6. Fees for illegal gas take

6.1.1. Illegal gas take is defined as gas take:

- a) without a contract signed with the TSO,
- b) with partial or complete circumvention of the measurement and billing system,
- c) through tampering with the measurement and billing system which results in distorted readings.

6.1.2. If illegal gas take referred to in point 6.1.1.a) is detected, the TSO shall charge the gas taker with fees which are the product of:

- a) five times the GRP valid on the day the illegal gas take is detected,
- b) lump-sum amount of gas being the equivalent of the product of total capacity of installed receivers and double number of hours in the period of illegal gas take.

6.1.3. If illegal gas take referred to in point 6.1.1.b) or 6.1.1.c) is detected, the TSO shall charge the Shipper with fees which are the product of:

- a) five times the GRP valid on the day the illegal gas take is detected,
- b) lump-sum amount of gas determined as the amount of gas taken in the same periods before or after the illegal gas take ceases.

6.1.4. In case referred to in point 6.1.1.b) or 6.1.1.c) when the amount of illegal gas take cannot be ascertained, the Shipper shall be charged with fees which are the product of:

- a) five times the GRP valid on the day the illegal gas take is detected,
- b) lump-sum amount of gas being the equivalent of the product of contracted capacity calculated in accordance with point 4.1.5 and double number of hours in the billing period during which the illegal gas take was detected.

6.1.5. Lump-sum amounts of gas referred to in 6.1.2.b), 6.1.3.b) and 6.1.4.b) are calculated as maximum values. In determining the amount, the TSO may apply lower values, taking into account actual potential of gas take by the entity.

6.1.6. The TSO shall charge a fee at 100% of incurred costs for making new seals in place of broken or damaged seals for reasons within the Shipper's responsibility on any part of the measurement device in the gas installation or on the measurement device.

6.1.7. The TSO shall charge a fee at 100% of actually incurred costs for replacement and installation of a new measurement device in place of a damaged or lost device for reasons within the Shipper's responsibility, as well as a fee at the value of the new measurement device valid on the day of installation.

## 7. Rules of settlements for connections to the transmission network

- 7.1.1. The fee for connection to the transmission network shall be determined in the connection contract based on the connection costs.
- 7.1.2. The fee for connection to the transmission network shall constitute 25% of the actual expenses incurred for setting up the connection, subject to provisions of point 7.1.3.
- 7.1.3. The fee for connection to the transmission network:
- a) of sources interworking with the network,
  - b) of networks of power companies dealing in gas transmission or distribution,
- shall constitute 100% of the actual expenses incurred for setting up the connection.
- 7.1.4. The connection fee is a one-time fee. Upon the request of the connected entity, the TSO may break the payment into instalments. Conditions of charging the fee in instalments and related costs shall be specified in the connection contract.
- 7.1.5. The Shipper declaring a change in the gas take resulting in the need to replace elements of the transmission network or the need to expand the network shall be treated as an entity applying for a connection. A change referred to above shall in particular cover a change in the contracted capacity or the amount of transmitted gas in excess of the permitted scope of operation of equipment installed on the gas station.
- 7.1.6. If the connection is replaced or reconstructed without increasing the existing connection capacity, at the request of the entity being connected, a fee shall be collected at the amount of expenses actually incurred.
- 7.1.7. If the connection is replaced or network is expanded with increased connection capacity at the request of the entity being connected, a fee shall be collected at the amount of the connection fee.
- 7.1.8. If a gas take below minimum hourly quantity (reported in the application for definition of conditions of connection or declared in the application for the transmission service) is proven, which is the parameter for choosing a measurement device, the measurement system shall be adjusted at the Shipper's cost.
- 7.1.9. Investments which constitute the basis for calculation of the connection fee include the costs of network elements and all activities related to setting up of the connection as specified in the conditions of connection, in particular expenses incurred for design and geodesic works, documentation approval, obtaining the location decision or building permit, costs of construction supervision, purchase and construction of elements of installations and equipment necessary to set up the connection, project supervision by the investor, construction and assembly works with necessary tests,

fees for land purchase or occupation including public and legal fees and damages paid to real property owners.

- 7.1.10. The rules of fixing the connection fees specified in this tariff shall apply only to entities which apply for the connection if technical and economic conditions of gas transmission are fulfilled. Rules of settlement for connection to the transmission network specified in this tariff shall apply to entities for which conditions of network connection were defined (including the contracted capacity and annual gas quantities).
- 7.1.11. The connection fee shall be calculated and charged at the amount specified in the tariff valid on the day the connection contract is signed.

## 8. Fees for additional services

### 8.1. Fees for requested gas odourisation

- 8.1.1. Gas transmitted to the gas take location is not odourised. When requested, the TSO may provide an additional service of gas odourisation.
- 8.1.2. Odourisation is a paid service. The TSO charges fixed and variable fees.
- 8.1.3. The service scope, gas odourisation parameters including dose of the requested odourisation substance on individual gas days during the billing period and the method of service measurement and settlement shall be specified in a separate gas odourisation agreement between the TSO and the odourisation buyer.
- 8.1.4. The TSO bills for gas odourisation services in billing periods specified in the gas odourisation agreement. Unless the gas odourisation agreement provides otherwise, a gas month shall be one billing period.
- 8.1.5. The odourisation fee shall be billed for each gas month during which the odourisation service is provided, regardless of the billing period duration, for each gas take location which is the take location for the odourised gas from the transmission network.
- 8.1.6. The service standard assumes a minimum gas odourisation rate with the odourisation substance at 15 mg/m<sup>3</sup> at the gas take location, for which the TSO shall charge a basic variable fee. When requested by the Shipper, the gas may be odourised at a higher, technically possible level, for which the TSO shall charge an additional variable fee.
- 8.1.7. The variable fee for the odourisation service is specified for individual gas days of the billing period based on the amount of gas received from the gas take location, the odourisation substance dose and the basic and (optionally) additional variable fee rate. The amount of odourised gas received at the gas take location is based on measurement system readings.
- 8.1.8. The total monthly fee for odourisation per one odourised gas take location shall be calculated as follows:

$$O_n = S_s + \sum_{i=1}^n (Q_i * S_{zp} + Q_i * k_i * S_{zd})$$

where:

- $O_n$  - odourisation fee [PLN],
- $S_s$  - fixed fee rate for the odourisation service [PLN/month],
- $Q_i$  - amount of odourised gas during two days in the billing period with the same dose of the odourisation substance [1,000 m<sup>3</sup>].

- S<sub>zp</sub>** - basic variable fee rate with the assumed odourisation substance dose of 15 mg/m<sup>3</sup> [PLN/1,000 m<sup>3</sup>/ 15 mg/m<sup>3</sup>];
- k<sub>i</sub>** - additional odourisation substance dose in mg/m<sup>3</sup> requested by the Shipper in excess of 15 mg/m<sup>3</sup> [mg/m<sup>3</sup>];
- S<sub>zd</sub>** - additional variable fee rate for each mg of ordered odourisation substance in excess of 15 mg/m<sup>3</sup> [PLN/1,000 m<sup>3</sup>/ 1 mg/m<sup>3</sup>].

8.1.9. The TSO may odourise gas with unit or central odourisation plant technology. Settlement for the service for both technologies is identical and is described in points 8.1.1 to 8.1.8 and 8.1.12 to 8.1.13. Fixed fee rates for odourisation service in both technologies are different and are presented in points 8.1.10 to 8.1.11.

8.1.10. Fee rates for gas odourisation for unit odourisation plant technologies are stated below:

<b>Fee rates for gas odourisation for unit odourisation plant technologies</b>		
<b>fixed rate</b> [PLN/month]	<b>basic variable rate</b> [PLN/1,000 m <sup>3</sup> / 15 mg/m <sup>3</sup> ]	<b>additional variable rate</b> [PLN/1,000 m <sup>3</sup> / 1 mg/m <sup>3</sup> ].
1,178	0.4950	0.0330

Value added tax (VAT) at the rate prescribed by the tax law shall be added to fee rates.

8.1.11. Fee rates for gas odourisation for central odourisation plant technologies are stated below:

<b>Fee rates for gas odourisation for central odourisation plant technologies</b>		
<b>fixed rate</b> [PLN/month]	<b>basic variable rate</b> [PLN/1,000 m <sup>3</sup> / 15 mg/m <sup>3</sup> ]	<b>additional variable rate</b> [PLN/1,000 m <sup>3</sup> / 1 mg/m <sup>3</sup> ].
1,147	0.4950	0.0330

Value added tax (VAT) at the rate prescribed by the tax law shall be added to fee rates.

8.1.12. Fee rates for gas odourisation shall apply at the same amount to E, Ls and Lw gas groups.

8.1.13. Provisions of points 3.2.7 to 3.2.9, point 4.1.12 and 4.1.14 shall apply to settlements for provisions of odourisation services.

## 8.2. Other fees

- 8.2.1. A fee of PLN 880 shall be charged for suspension in gas transmission.
- 8.2.2. A fee of PLN 880 shall be charged for resumption of gas transmission after suspension.
- 8.2.3. A fee at 100% of actual costs shall be charged for checking whether measurement system readings are correct.
- 8.2.4. A fee at 100% of actual costs shall be charged for checking the quality of delivered gas.
- 8.2.5. Fees for other services or activities ordered by the Shipper are specified in a separate agreement.

## **9. Short-term contracts and provision of interrupted gas transmission services**

### **9.1. Terms and conditions of entering into short-term contracts**

- 9.1.1. A period of one gas year shall be the basic contracting period for the transmission service.
- 9.1.2. If there are technical and economic conditions of providing transmission services under short-term contracts, the TSO and the Shipper may enter into a short-term contract for a period of:
- a) one calendar month,
  - b) one calendar quarter,
  - c) half a year.
- 9.1.3. Applications for short-term contracts must be submitted no later than two months and no sooner than three months before the gas transmission service under a short-term contract commences.
- 9.1.4. Short-term contracts shall not be concluded to transmit gas to the gas take location to which the TSO transmits gas to the Shipper under a separate transmission contract concluded for a definite period of time of at least one year or for indefinite duration.

## 9.2. Fee rates applicable to short-term contracts

- 9.2.1. Shippers who entered short-term contracts are assigned to tariff groups in accordance with rules set down in point 3.1.
- 9.2.2. The fee for transmission service under short-term contracts shall be calculated in accordance with provisions of point 4.1.3 where in order to determine the fixed fee rate, the fixed fee rate referred to in point 4.1.3 hereof should be multiplied by the relevant ratio stated below:

<b>Ratios which correct the fixed fee rate for short-term contracts</b>			
	<b>MONTHLY CONTRACT</b>	<b>QUARTERLY CONTRACT</b>	<b>SEMI-ANNUAL CONTRACT</b>
<b>October</b>	2.9	2.7	2.0
<b>November</b>	3.6		
<b>December</b>	4.0		
<b>January</b>	4.2	3.5	
<b>February</b>	4.3		
<b>March</b>	3.8		
<b>April</b>	3.0	1.6	1.0
<b>May</b>	2.4		
<b>June</b>	2.1		
<b>July</b>	2.1	1.3	
<b>August</b>	2.1		
<b>September</b>	2.3		

- 9.2.3. No short-term contracts shall be concluded for periods other than specified in point 9.2.2.
- 9.2.4. The variable fee rate referred to in point 4.3.1. shall not change for short-term contracts.
- 9.2.5. Other provisions of the tariff shall apply to settlements with the Shipper under short-term contracts within the scope not regulated by points 9.1 and 9.2.

### 9.3. Rules of providing interrupted gas transmission services essential for fee calculation

- 9.3.1. If gas transmission services cannot be provided in a continuous manner, the TSO may offer interrupted gas transmission services to be settled in accordance with the rules of points 9.3 and 9.4.
- 9.3.2. Interrupted gas transmission services shall be offered only if there are reductions at the given gas take location which make it impossible for the TSO to provide services in a continuous manner.
- 9.3.3. Subject to provisions of point 9.3.11, at a given gas take location, the TSO may enter into both continuous and interrupted gas transmission contract. For continuous gas transmission services, the contracted capacity is not subject to reductions referred to in point 9.3.15.
- 9.3.4. For a given gas take location, the contract with the Shipper may provide for interrupted transmission services solely with regard to one level of certainty of gas delivery referred to in point 9.3.6.
- 9.3.5. As soon as reasons which justify TSO's provision of interrupted transmission service cease, the TSO shall provide the continuous gas transmission service to the Shipper who until then used the interrupted transmission service, in accordance with rules specified in the contract between the parties.
- 9.3.6. Conditions of TSO's provision of interrupted gas transmission service depend on the level of certainty of gas delivery.
- 9.3.7. Conditions of provision of interrupted gas transmission service for annual contracts or contracts for indefinite duration shall be as follows:

Level of certainty of gas delivery	Maximum length of a single reduction in interrupted contracted capacity (in gas days)	Limit of gas days during the gas year on which the contracted capacity may be reduced ( $d_n$ )
Level 1	15	30
Level 2	15	45
Level 3	30	60
Level 4	Number of contracted gas days	

9.3.8. Conditions of provision of interrupted gas transmission service for short-term semi-annual contracts shall be as follows:

Level of certainty of gas delivery	Maximum length of a single reduction in interrupted contracted capacity (in gas days)	Limit of gas days during the gas year on which the contracted capacity may be reduced ( $d_n$ )
Level 1	15	30
Level 2	15	45
Level 3	30	60
Level 4	Number of contracted gas days	

9.3.9. Interrupted gas transmission services for short-term semi-annual contracts may be concluded for half year periods from October to March and from April to September.

9.3.10. Provisions of point 9.1.2.c) and 9.1.3 shall apply accordingly to interrupted gas transmission services for short-term semi-annual contracts.

9.3.11. Interrupted gas transmission services shall not be provided under short-term semi-annual contracts for gas take locations to which the TSO transmits gas to the Shipper under another contract for definite duration of at least one year or contract for indefinite duration.

9.3.12. The TSO shall define interrupted contracted capacities which may be offered with equal treatment of the Shippers for each gas take location and each level of certainty of gas delivery.

9.3.13. At a given gas take location, the TSO offers interrupted gas transmission services at the highest available level of certainty of gas deliveries, where Level 1 interrupted contracted capacities are understood as capacities with the highest level of certainty of gas deliveries, and Level 4 interrupted contracted capacities are understood as capacities with the lowest level of certainty of gas deliveries, subject to provisions of point 9.3.4.

9.3.14. Interrupted gas transmission services shall not be provided at gas take locations to which the gas is delivered for sole needs of buyers referred to in Art. 4.2.2 of the regulation referred to in point 1.1.1.e).

9.3.15. As part of interrupted gas transmission services, under conditions specified for various levels of certainty of gas deliveries in the contract, the TSO may reduce the interrupted contracted capacity at the specified gas take location, with the minimum period of notification of the reduction in interrupted contracted capacity scheduled by the TSO and lasting two hours.

9.3.16. The Shipper shall observe reductions in interrupted contracted capacity implemented by the TSO in accordance with point 9.3.15 at the gas take location.

- 9.3.17. Reductions referred to in point 9.3.15 shall be implemented by the TSO at the gas take location starting from interrupted contracted capacity of the lowest certainty of gas deliveries, subject to provisions of point 9.3.18.
- 9.3.18. If interrupted gas transmission services are provided at the same level of certainty of gas deliveries for two or more Shippers at a given gas take location, interrupted contracted capacities shall be reduced starting with contracts for interrupted gas transmission services concluded at a later date.
- 9.3.19. Reduction in the interrupted contracted capacity shall apply to the whole interrupted contracted capacity specified for the Shipper at the gas take location.
- 9.3.20. In order to determine duration of the implemented reduction in the interrupted contracted capacity, each reduction in the interrupted contracted capacity on a given gas day shall be treated as a reduction implemented for the whole gas day.
- 9.3.21. If the Shipper does not observe reductions implemented by the TSO as referred to in point 9.3.15 on a given gas day, the reduction implemented for a given gas day shall not be treated as the use of the limit of gas days specified in the contract on which the contracted capacity may be subject to reductions ( $d_n$ ) with regard to interrupted gas transmission services.
- 9.3.22. If the Shipper does not observe reductions implemented by the TSO as referred to in point 9.3.15 despite receiving a written notice from the TSO by facsimile sent to the number stated in the contract, informing of the TSO's intention to terminate the contract and providing an additional 24 hour period to observe the reductions, the TSO may immediately terminate the contract in its part covering the interrupted gas transmission services.
- 9.3.23. Provision of the interrupted gas transmission services shall not exclude the possibility of implementing reductions referred to in point 5.2.
- 9.3.24. Implementation of reductions in the maximum number of hours of gas take in accordance with the Act referred to in point 1.1.1.d) and the regulation referred to in point 1.1.1.e) shall not be treated as a reduction in the interrupted contracted capacity referred to in point 9.3.15. The duration of reduction in the maximum number of hours of gas take implemented in accordance with the Act referred to in point 1.1.1.d) and the regulation referred to in point 1.1.1.e) shall not be treated as the use of the statutory limit of gas days on which the contracted capacity may be subject to reductions ( $d_n$ ) with regard to interrupted gas transmission services.

#### 9.4. Fee rates for provision of interrupted transmission services

- 9.4.1. Shippers using interrupted gas transmission services shall be qualified to the tariff group separately for each gas take location depending on the type of transmitted gas and the amount of contracted capacity for the given Shipper, which at a given gas take location cannot be reduced as stipulated in point 9.3.15.
- 9.4.2. The Shipper shall be qualified to the tariff group on the basis of capacity value referred to in point 9.4.1 subject to criteria of point 3.1.2.
- 9.4.3. The fee for interrupted transmission services shall be fixed in accordance with provisions of point 4.1.3, where fixed fee rates specified in point 4.3.1 shall be corrected with the correcting ratio determined for each level of certainty of gas deliveries.
- 9.4.4. The correcting ratio for the fixed fee rate for the interrupted transmission service specified in point 9.4.6 shall apply only to interrupted contracted capacity.
- 9.4.5. For short-term semi-annual contracts of interrupted gas transmission services, the fixed fee rate subject to correction with the ratio specified for each level of certainty of gas deliveries shall be calculated in accordance with provisions of point 9.2.2.
- 9.4.6. For each level of certainty of gas deliveries, ratios which correct fixed fee rates for interrupted transmission services shall be determined as follows:

Level of certainty of gas delivery	Ratio which corrects fixed fee rate for interrupted transmission services in annual contracts or contracts concluded for indefinite duration	Ratio which corrects fixed fee rate for interrupted transmission services in semi-annual contracts
Level 1	0.94	0.90
Level 2	0.88	0.84
Level 3	0.80	0.75
Level 4	0.65	0.65

- 9.4.7. The variable fee for contracts of interrupted transmission services shall be calculated in accordance with provisions of points 4.1.3 and 4.3.1.
- 9.4.8. If the Shipper fails to adjust to the TSO reductions under point 9.3.15, an additional fee shall be charged as the product of maximum capacity registered by the measurement system in excess of the capacity not subject to reductions, the number of hours during the billing period and triple fixed fee rate specified in point 4.3.1 for the transmission service applicable to the Shipper's tariff group.
- 9.4.9. The fee referred to in point 9.4.8 shall be calculated separately for each gas day on which the Shipper failed to observe reductions implemented by the TSO.

- 9.4.10. If the TSO implements reductions referred to in point 9.3.15 no discounts referred to in point 5.2 shall apply.
- 9.4.11. If the TSO implements reductions in the interrupted contracted capacity for reasons referred to in point 5.2.1 and 5.2.2, the Shipper shall be eligible for discounts referred to in point 5.2.1 and 5.2.2.
- 9.4.12. If the reductions referred to in point 9.4.11 are implemented, then for the purposes of calculating the discount referred to in point 5.2.1 and 5.2.2 it is deemed that at the given gas take location, the interrupted contracted capacity shall be reduced first.
- 9.4.13. If the reductions referred to in point 9.4.11 are implemented by means of the Act referred to in point 1.1.1.d) and the Resolution referred to in point 1.1.1.e), the Shipper shall not be eligible for discounts referred to in point 9.4.11.
- 9.4.14. Within the scope not regulated by point 9.3 and 9.4, the remaining tariff provisions shall apply to settlements with the Shipper under implementation of interrupted transmission service contracts.