

THE BALTIC PIPE PROJECT
OPEN SEASON 2017 RULES
VERSION 1.02

6 June 2017
(amended 10 July 2017 and 5 September 2017)

Table of contents

1.	Background	4
1.1	Background for Open Season 2017	4
1.2	About Energinet	5
1.3	About GAZ-SYSTEM S.A.	5
2.	Definitions	5
3.	Description of the Baltic Pipe Project	8
3.1	Overview of the Baltic Pipe Project.....	8
3.2	General time frame for the implementation of the Baltic Pipe Project	9
4.	Overall Description of OS 2017 Capacity.....	9
4.1	Overview of Points and OS 2017 Capacity.....	9
4.2	Overall timeframe.....	10
5.	Legal basis	11
6.	Introduction to the OS 2017	12
7.	Registration for Open Season 2017	12
8.	Phase 1	13
8.1	Submission of Phase 1 Bid	13
8.2	Evaluation of the received Phase 1 Bids	14
9.	Phase 2	14
9.1	Submission of the Phase 2 Bid.....	14
9.2	Evaluation of the received Phase 2 Bids, if no over-demand	15
9.3	Evaluation of the received Phase 2 Bids, if over-demand	15
9.4	Reduction of the allocated OS 2017 Capacity	18
9.5	Economic Test and conclusion of the OS 2017 Capacity Agreement(s).....	18
10.	Communication	19
10.1	Open Season 2017 information	19
10.2	Announcements in connection with OS 2017	19
10.3	Dialogue meetings with Energinet and/or GAZ-SYSTEM S.A.	19
10.4	Q&A.....	20
11.	Expenses.....	20
12.	Amendments	20
13.	Confidentiality	21
14.	Priority of the OS 2017 Rules	21

Reader's guide

These Open Season 2017 Rules or OS 2017 Rules are divided into three parts:

Part I: Introduction

Part II: Open Season 2017

Part III: General Provisions

Part I of the OS 2017 Rules contains a general introduction to the Open Season 2017 conducted by Energinet.dk (hereinafter referred to as "Energinet") and GAZ-SYSTEM S.A. This includes a description of the routes and points in OS 2017. Except for the definitions, this part is for information purposes only.

Part II contains a detailed description of OS 2017. This includes a description of Phase 1 and Phase 2 of the Open Season 2017. Further, the allocation mechanism is explained.

Part III contains the general provisions of OS 2017. This includes provisions regarding communication between the shippers and Energinet and GAZ-SYSTEM S.A.

In addition, the following appendices are attached to and form an integral part of these OS 2017 Rules:

Appendices

General Appendices:

Appendix 1:	Phase 1 bid form (Order to Proceed)
Appendix 2:	Phase 2 bid form

Appendices applicable to participation in the Danish part of OS 2017:

Appendix 3:	Rules applicable to participation in the Danish part of OS 2017
Appendix 3.A:	Registration form
Appendix 3.B:	Guarantee
Appendix 3.C:	Draft of the Danish OS 2017 Capacity Agreement
Appendix 3.D:	Standard framework agreement (appendix 2 of the Rules for Gas Transport)

Appendices applicable to participation in the Polish part of OS 2017:

Appendix 4:	Additional GAZ-SYSTEM's Rules for the Open Season 2017
Appendix 4.A:	Transmission Network Code of GAZ-SYSTEM S.A.
Appendix 4.B:	Tariff of GAZ-SYSTEM S.A.
Appendix 4.C:	Registration form
Appendix 4.D:	Framework transmission contract template
Appendix 4.E:	Draft of the Polish OS 2017 Capacity Agreement

Appendices 3 and 4 regulate participation in OS 2017 on the Danish side and on the Polish side, respectively.

Appendix 3 contains the provisions regarding the Points in the Danish part of OS 2017, in particular how the shippers can participate in OS 2017 with regard to these Points. Appendix 3 includes the formal requirements for the shippers to participate in the Danish part of OS 2017. Further, Appendix 3 regulates how the shippers may place a bid with Energinet in Phase 1 and Phase 2 of the Open Season 2017.

If the Participant after Phase 2 is allocated OS 2017 Capacity in a Point made available by Energinet, the Participant must enter into the Danish OS 2017 Capacity Agreement with Energinet for Entry Point North Sea and/or Exit Point Baltic Pipe (DK->PL) and/or Entry Point Baltic Pipe (PL->DK). A draft version of the Danish OS 2017 Capacity Agreement is enclosed as Appendix 3.C. Appendix 3.D contains a standard framework agreement to act as shipper (appendix 2 to the Rules for Gas Transport).

Appendix 4 contains the provisions regarding the Points in the Polish part of OS 2017, in particular how the shippers can participate in OS 2017 with regard to these Points. Appendix 4 includes the formal requirements for the shippers to participate in the Polish part of OS 2017. Further, Appendix 4 regulates how the shippers may place a bid with GAZ-SYSTEM S.A. in Phase 1 and Phase 2 of the Open Season 2017.

If the Participant after Phase 2 is allocated OS 2017 Capacity in a Point made available by GAZ-SYSTEM S.A., the Participant must enter into the Polish OS 2017 Capacity Agreement with GAZ-SYSTEM S.A. for Exit Point Baltic Pipe (PL->DK) and/or Entry Point Baltic Pipe (DK->PL). A draft version of the Polish OS 2017 Capacity Agreement is enclosed as Appendix 4.E.

Part I – Introduction

1. Background

The Baltic Pipe Project is a major gas infrastructure project that aims at supplying gas from Norway to Poland through Denmark, connecting the production of gas in Norway to the demand for gas in Poland and Denmark, through the Danish upstream and transmission system and the Off-shore Interconnector between Denmark and Poland. In addition, if the Baltic Pipe Project is materialized, it will also be possible to bring gas from Poland to the Danish and Swedish markets.

In 2016, the Polish gas TSO, Gas Transmission Operator GAZ-SYSTEM S.A., and the Danish gas TSO, Energinet, have investigated the possibility of establishing an interconnection between their two national systems through a bidirectional subsea pipeline and expansion of the national transmission systems to ensure full functionality of the new pipeline. In addition, an upstream infrastructural connection between Denmark and Norway has also been investigated.

1.1 Background for Open Season 2017

A market test was conducted in May 2016 as part of a feasibility study, to assess the general third-party interest in the Baltic Pipe Project. The result of the market test was positive, in terms of indicating a non-binding market demand for the Baltic Pipe Project. Consequently, the next step is to invite all potential shippers to take part in Open Season 2017 to collect binding long-term investment signals for the Baltic Pipe Project. Open Season 2017 will be carried out in a transparent and non-discriminatory way in accordance with current European Union regulation.

The open season procedure is a useful instrument, in which the market can be efficiently consulted. The aim of an open season procedure is to assess where the investments are most effectively made, and to identify the capacity needed and under which terms the capacity is required. In addition, an open season procedure also allows shippers and other interested parties to participate in a dialogue about the establishment of the potential new capacity.

Open season procedures have been used in a number of Member States of the European Union. Energinet conducted an open season procedure in 2009, which resulted in an expansion of the Danish transmission system between Germany (Ellund) and Denmark (Egtved). GAZ-SYSTEM S.A. has conducted several open seasons within the last years, such as an open season for the new interconnector between Poland and the Czech Republic (2011) and an open season for the new interconnector between Poland and Slovakia (2016).

It is on this background that Energinet and GAZ-SYSTEM S.A. have decided to conduct Open Season 2017 in collaboration in order to determine the Long-Term capacity requirements of shippers and other players within the Baltic Pipe Project.

1.2 About Energinet

Energinet owns the Danish electricity and gas transmission systems and is the Danish TSO for the electricity and gas transmission systems. Energinet's overall objectives are to secure an efficient operation and expansion of the overall infrastructure for electricity and gas and to ensure open and equal access for all users of the transmission systems. In addition, Energinet's objectives are to maintain security of supply and develop the transmission system, to ensure efficient and competitive electricity and gas markets and to integrate renewable energy into the power and gas transmission system.

Energinet was established pursuant to the Danish Act on Energinet Denmark with effect from 1 January 2005 and is organised as an independent public enterprise owned solely by the Danish state as represented by the Danish Minister of Energy, Utilities and Climate. Energinet is registered with registration number 28980671 with the Danish Business Register.

On 31 October 2011, the Danish Energy Regulatory Authority has certified Energinet as an ownership unbundled TSO.

1.3 About GAZ-SYSTEM S.A.

The business core of GAZ-SYSTEM S.A. is transportation of gas through a transmission system on the territory of Poland, owned by GAZ-SYSTEM S.A., providing gas to a distribution system and to end customers connected to the transmission system. On 13 October 2010 the President of the Energy Regulatory Office (hereinafter: "President of ERO") issued a decision, whereby GAZ-SYSTEM S.A. obtained the status of Transmission System Operator on the territory of Poland until 31 December 2030.

On 22 September 2014 GAZ-SYSTEM S.A. obtained a decision issued by the President of ERO granting a certificate of independence in the ownership unbundling model in relation to the gas system owned by GAZ-SYSTEM S.A. GAZ-SYSTEM S.A. is registered with registration number 0000264771 in the National Court Register in Poland.

2. Definitions

Unless otherwise indicated by the context, defined terms in these OS 2017 Rules shall have the meaning set out below:

"Appendix" shall mean an appendix to these OS 2017 Rules.

"Baltic Pipe" shall mean the upstream and transmission infrastructure which will be constructed within the Baltic Pipe Project, consisting of five main components: the Norwegian Tie-In, Expansion of the Danish Transmission System, the CS Zealand, the Offshore Interconnector and the Polish Expansions.

"Baltic Pipe Project" shall mean the project, having as its subject the construction of the Baltic Pipe, with the aim of providing upstream and transmission infrastructure in order to connect the gas production in Norway to the demand for gas in Poland and Denmark, through the Danish upstream and transmission system and through the Offshore Interconnector between Denmark and Poland.

"Business Day" shall mean any day from Monday to Friday, except for bank holidays in Poland or Denmark.

"CAM NC" shall mean Commission Regulation (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013.

"CS Zealand" shall mean the compressor station to be located on the Danish shore in Zealand.

"Danish OS 2017 Capacity Agreement" shall mean an agreement for OS 2017 Capacity entered into between a Participant and Energinet, cf. Appendix 3.C (draft version)

"Economic Test" shall mean the test applied to assess the economic viability of incremental capacity projects as stipulated in the CAM NC.

"Energinet" is Energinet.dk described in section 1.2.

"Entry Point Baltic Pipe (DK->PL)" shall mean the delivery point at which the transport through the Polish transmission system commences and where the shipper contractually delivers the gas to GAZ-SYSTEM S.A.

"Entry Point Baltic Pipe (PL->DK)" shall mean the delivery point at which the transport through the Danish transmission system commences and where the shipper contractually delivers the gas to Energinet.

"Entry Point North Sea" shall mean the delivery point at which the transport through the Danish upstream and transmission system commences and where the shipper contractually delivers the gas to Energinet.

"Exit Point Baltic Pipe (DK->PL)" shall mean the delivery point at which the transport through the Danish transmission system ends and where Energinet contractually redelivers the gas to the shipper.

"Exit Point Baltic Pipe (PL->DK)" shall mean the delivery point at which the transport through the Polish transmission system ends and where GAZ-SYSTEM S.A. contractually redelivers the gas to the shipper.

"Expansion of the Danish Transmission System" shall mean the expansion of the west-east capacity of the Danish transmission system.

"Fast Track Project" shall mean the commitments of Energinet and GAZ-SYSTEM S.A.: (i) to work for providing gas transportation services in the Baltic Pipe as of 1 October 2022; and (ii) to ensure that the start date for gas transportation services under the OS 2017 Capacity Agreements shall be 1 October 2022 (subject to change as stipulated in the terms and conditions of the OS 2017 Capacity Agreement(s)).

"Gas Year" shall mean the period from 6 a.m. (CEST) on 1 October of a particular calendar year until 6 a.m. on 1 October of the following calendar year. As an example, Gas Year 2022 will run from 6 a.m. (CEST) on 1 October 2022 until 6 a.m. on 1 October 2023.

"GAZ-SYSTEM S.A." shall have the meaning described in section 1.3.

"Interconnection Point Denmark and Poland" shall mean the physical point connecting the Danish gas transmission system with the Polish transmission system.

"Long-Term" shall mean a period from 12 months (a Gas Year) and up to 15 Gas Years.

"Norwegian Tie-in" shall mean the upstream pipeline from the Norwegian upstream system to the Danish transmission system.

"Offshore Interconnector" shall mean the gas transmission offshore pipeline between Denmark and Poland, from the CS Zealand through the Baltic Sea, including the receiving terminal and onshore pipeline in Poland, to connection to the existing transmission system in Northwest Poland.

"Order to Proceed" shall mean the Phase 1 Bid submitted by the Participant, which constitutes: (i) a legally binding obligation of the Participant to submit a Phase 2 Bid for at least the same level of OS 2017 Capacity for the same Point(s) and the same Gas Year(s) as in the Phase 1 Bid, if both TSOs assess that the total requested OS 2017 Capacity in the Phase 1 Bids is sufficient for the Fast Track Project and thus pursue the Fast Track Project; (ii) the basis for liability of the Participant towards the TSOs as specified in Appendices 3 and 4, if the Participant does not bid in Phase 2 or reduces the level of OS 2017 Capacity requested in its Phase 2 Bid compared to its Phase 1 Bid; (iii) acceptance by the Participant of the OS 2017 Capacity Agreement(s), including the conditions precedents; and (iv) acceptance by the Participant that the Appendices applicable to participation in the Danish part of OS 2017 are subject to changes in accordance with section 12 and Appendix 3.

"Open Season 2017" or **"OS 2017"** shall mean the open season procedure used by Energinet and Gaz-System to identify if there is a market demand for the establishment or enhancement of upstream and transmission infrastructure that allows for transportation of gas from Norway to Poland, through Denmark, or from Poland to Denmark, as described in Part II of these OS 2017 Rules. Open Season 2017 starts at the start date of Phase 1 and ends at the earliest of i) the signing of the OS 2017 Capacity Agreement(s) by Energinet and/or GAZ-SYSTEM S.A - depending on who signs last or ii) at the announcement from the TSOs that OS 2017 is terminated.

"OS 2017 Capacity" shall mean the capacity, entirely or partially, established or added to a relevant Point as a result of the implementation of the Baltic Pipe Project, which will be made available within OS 2017 to the Participants.

"OS 2017 Capacity Agreement" shall mean the Danish OS 2017 Capacity Agreement and/or the Polish OS 2017 Capacity Agreement.

"OS 2017 Rules" are these rules, as applicable from time to time, for Energinet's and GAZ-SYSTEM S.A.'s Open Season 2017, including all Appendices hereto, which shall form an integral part hereof.

"Participant" shall mean anyone who has been registered with Energinet and/or GAZ-SYSTEM S.A. as a participant in OS 2017.

"Phase 1" shall have the meaning set forth in section 8.

"Phase 1 Bid" shall mean the bid submitted by a Participant in Phase 1.

"Phase 1 Deadline" shall mean the deadline for the Participants to submit a Phase 1 Bid as stated in section 8.

"Phase 2" shall have the meaning set forth in section 9.

"Phase 2 Bid" shall mean the bid submitted by a Participant in Phase 2.

"Phase 2 Deadline" shall mean the deadline for the Participants to submit a Phase 2 Bid as stated in section 9.

"Point" shall mean an entry or exit point, under these OS 2017 Rules, where the gas is either delivered by the shipper into the transmission system or upstream pipeline, or the gas is contractually redelivered to the shipper.

"Polish Expansions" shall mean the expansion in the existing Polish North Western and Central transmission system within the Baltic Pipe Project.

"Polish OS 2017 Capacity Agreement" shall mean an agreement for OS 2017 Capacity entered into between a Participant and GAZ-SYSTEM S.A., cf. Appendix 4.E (a draft version).

"Short-Term" shall mean a period of less than 12 months.

"Technical Capacity" shall mean the maximum firm capacity that may be offered to the shippers in the given Point, taking into account system integrity and the operational requirements of the relevant system.

"Transmission System Operator" or **"TSO"** shall mean a natural or legal person who carries out the function of gas transmission and is responsible for operating, ensuring the maintenance of, and, if necessary, developing the gas transmission system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the transport of gas. In the context of the OS 2017 Rules, it shall relate to GAZ-SYSTEM S.A. or Energinet.

3. Description of the Baltic Pipe Project

3.1 Overview of the Baltic Pipe Project

The Baltic Pipe Project aims at enabling transportation of gas from Norway to Poland via Denmark and consists of five main components:

1. Norwegian Tie-in
2. Expansion of the Danish Transmission System
3. CS Zealand
4. Offshore Interconnector; and
5. Polish Expansions.

Overview of the Baltic Pipe



3.1.1 Norwegian Tie-in

Energinet and GAZ-SYSTEM S.A. have during a feasibility study in 2016 identified the recommended solution to be a tie-in to Europipe II in the Danish part of the North Sea, a new pipeline to shore (Nybro) and a new gas-receiving terminal. The selection of the recommended solution has been based on cost, time schedule, authority approvals, number of stakeholders, technical complexity, reliability, availability and maintainability, ownership of the installation, project risks, risk and safety during operation, synergies and other issues.

3.1.2 Expansion of the Danish Transmission System

The transmission system across Denmark must be expanded in order to transport the increased gas flow. The capacity of the existing gas transmission system will be utilised. The routing of necessary new pipelines will be parallel to existing pipelines where possible. In other areas, the pipeline route will be optimised with respect of existing buildings and nature protection, etc. The full Expansion of the Danish Transmission System will include around 220 km new gas pipeline located in Jutland, across the waters to Funen, on the island of Funen and on Zealand.

3.1.3 CS Zealand

A new compressor station must be established in South East Zealand, close to the landfall of the Offshore Interconnector for increasing the pressure in the Offshore Interconnector to Poland. The compressor station will be designed for bidirectional operation, i.e. it will be possible to export gas from Denmark to Poland and opposite to export gas from Poland to Denmark.

3.1.4 Offshore Interconnector

Several route options have been evaluated in the feasibility study, and the considered routes are through the German EEZ or through the Swedish EEZ with a recommended landfall location at the north coast in Poland (Niechorze area). The length of the Offshore Interconnector is between 227 and 286 km.

3.1.5 Polish Expansions

The gas transmission system in North Western and Central Poland will require expansion in order to offtake gas coming from the Baltic Pipe and extension of the LNG Terminal.

The detailed scope of the additional investment on Polish side will depend on the results of Open Season 2017.

3.2 General time frame for the implementation of the Baltic Pipe Project

If the total OS 2017 Capacity requested in the Phase 1 Bids is sufficient to pursue the Fast Track Project, both TSOs will begin the preparation of the construction works for the individual main components of the Baltic Pipe. Thereafter the construction will begin, in order to start the provision of gas transmission services in the Baltic Pipe from 1 October 2022.

If the Fast Track Project is not pursued, the provision of transmission services in the Baltic Pipe will take place from 1 October 2024.

4. Overall Description of OS 2017 Capacity

4.1 Overview of Points and OS 2017 Capacity

Relevant Points

The Points included in Open Season 2017 are listed below:

- Entry Point North Sea (Energinet)
- Exit Point Baltic Pipe (DK->PL) (Energinet)
- Entry Point Baltic Pipe (DK->PL) (GAZ-SYSTEM S.A.)
- Exit Point Baltic Pipe (PL->DK) (GAZ-SYSTEM S.A.)

- Entry Point Baltic Pipe (PL->DK) (Energinet)

Type of OS 2017 Capacity

At Entry Point North Sea, OS 2017 Capacity will be offered as unbundled firm capacity on the Danish side of the Norwegian Tie-in. This means that the capacity booking in Open Season 2017 does not include capacity in the Norwegian upstream system.

Relating to the Interconnection Point Denmark and Poland, in the direction of the flow from Denmark towards Poland, OS 2017 Capacity is offered as bundled firm capacity for Exit Point Baltic Pipe (DK->PL) and Entry Point Baltic Pipe (DK->PL).

Relating to the Interconnection Point Denmark and Poland, in the direction of the flow from Poland towards Denmark, OS 2017 Capacity is offered as bundled firm capacity for Exit Point Baltic Pipe (PL->DK) and Entry Point Baltic Pipe (PL->DK).

Technical Capacity

GAZ-SYSTEM S.A. and Energinet envisage that the Points created within the Baltic Pipe shall have the following Technical Capacity:

- Entry Point North Sea (entry to the Danish system): up to 14,201,000 kWh/h
- Entry and Exit Point Baltic Pipe (DK->PL): up to 13,411,000 kWh/h
- Entry and Exit Point Baltic Pipe (PL->DK): up to 3,852,740 kWh/h

Long Term vis-à-vis Short Term

Ninety per cent (90 %) of the envisaged Technical Capacity of the relevant Points will be offered as Long Term capacity, i.e. for a period from 1 (one) to 15 (fifteen) Gas Years. Depending on whether the Fast Track Project is pursued or not, the commencement date for the transmission services in the Baltic Pipe shall not be earlier than Gas Year 2022.

Ten per cent (10 %) of the envisaged Technical Capacity will be reserved for Short Term capacity products. This capacity is expected to be offered in the ordinary auctions conducted by Energinet and GAZ-SYSTEM S.A. in accordance with the CAM NC. The same applies to Long Term capacity offered, but not allocated, within the OS 2017.

OS 2017 Capacity offered

At Entry Point North Sea, the OS 2017 Capacity offered is equal to 12,780,900 kWh/h.

At Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), the OS 2017 Capacity offered is equal to 12,069,900 kWh/h.

At Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), the OS 2017 Capacity offered is equal to 3,467,466 kWh/h.

4.2 Overall timeframe

The overall timeframe for the Open Season 2017 is listed below.

Phase 1	Date and time
Launching of Phase 1	<i>6 June 2017</i>
Information Package 1	<i>9 June 2017</i>
Phase 1 OS 2017 registration	<i>4 weeks from the start date of Phase 1 at 4 p.m.</i>
Confirmation of Phase 1 OS 2017 registration	<i>6 weeks from the start date of Phase 1 at 4 p.m.</i>
Phase 1 Deadline	<i>25 July 2017 (7 weeks from the start date of Phase 1) at 4 p.m.</i>

Phase 2	Date and Time
Launching of Phase 2	<i>5 September 2017</i>
Information Package 2	<i>Until 8 September 2017</i>
Phase 2 OS 2017 registration	<i>4 weeks from the start date of Phase 2 at 4 p.m.</i>
Confirmation of Phase 2 OS 2017 registration	<i>6 weeks from the start date of Phase 2 at 4 p.m.</i>
Phase 2 Deadline	<i>31 October 2017 (8 weeks from the start date of Phase 2) at 4 p.m.</i>
Economic Test	<i>01 November – 30 November 2017</i>
Signing of OS 2017 Capacity Agreements	<i>Q4 2017/Q1 2018, not later than 31 January 2018</i>
Gas transportation	<i>1 October 2022</i>

The overall timeframe might be subject to changes. Such changes may occur, in particular, if the total requested OS 2017 Capacity in the Phase 1 Bids is insufficient to pursue the Fast Track Project, meaning that the Baltic Pipe Project shall be evaluated and potentially changed. OS 2017 Capacity will in that case be offered from Gas Year 2024 if the Baltic Pipe is established.

Moreover, Energinet and GAZ-SYSTEM S.A. may at their sole discretion up to 24 (twenty-four) hours prior to the expiration of any deadline under the OS 2017 Rules extend such deadline.

Notwithstanding the above, Energinet and GAZ-SYSTEM S.A. may at any time prior to the deadline in force from time to time extend the deadline in the event of extraordinary circumstances such as power blackout, breakdown of either TSO's website, strikes, etc.

Changes in deadlines will be published without undue delay in accordance with section 10.2, subject to a prior approval of the national regulatory authority, if necessary.

OS 2017 Capacity will not be made available unless the measures required to provide such OS 2017 Capacity are technically feasible and economically viable and the relevant permits and approvals have been obtained. Relevant conditions precedent upon the fulfillment of which the commencement of gas transportation services in the Baltic Pipe depends are set forth in the drafts of the OS 2017 Capacity Agreements, i.e. in Appendices 3.C and 4.E.

Part II – Open Season 2017

5. Legal basis

These OS 2017 Rules are prepared by Energinet and GAZ-SYSTEM S.A. respecting the principles of transparency and non-discrimination and have been subject to public consultation in the end of 2016. On the Danish side, the Danish Energy Regulatory Authority has approved the split between the OS 2017 Capacity offered as Long Term and Short Term capacity products and the pro-rata mechanism for capacity allocation in case of over-demand, respectively. On the Polish side, the President of ERO approved the capacity allocation methods to be applied by GAZ-SYSTEM S.A. during OS 2017, which are implemented in the OS 2017 Rules.

The OS 2017 Rules respect the provisions of Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas; Regulation 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks; and the CAM NC.

In addition, the OS 2017 Rules are based on the principles of the ERGEG Guidelines for Good Practice for Open Season Procedures of 21 May 2007.

6. Introduction to the OS 2017

A detailed description of the OS 2017 is included in the following sections; however, an overview is contained in this section.

The OS 2017 consists of two phases: Phase 1 in which the Participants may submit a Phase 1 Bid, and Phase 2 in which the Participants may submit a Phase 2 Bid. However, the Phase 1 Bid constitutes an Order to Proceed.

After the Phase 1 Deadline, the TSOs will assess if the total OS 2017 Capacity requested in the Phase 1 Bids is sufficient to pursue the Fast Track Project. These assessments are conducted in accordance with Appendices 3 and 4.

If the Fast Track Project is pursued, the start date for OS 2017 Capacity, subject to bidding in Phase 2, shall be 1 October 2022. The TSOs will commence with or start the Baltic Pipe Project activities (as the case may be) before the OS 2017 Capacity Agreements are entered into.

If the Fast Track Project is not pursued, the start date for OS 2017 Capacity, subject to bidding in Phase 2, shall be 1 October 2024. In this case both TSOs may suspend the Baltic Pipe Project activities, which have already been commenced. Suspended Baltic Pipe Project activities shall be continued and further Baltic Pipe Project activities shall be commenced only after both TSOs have concluded the OS 2017 Capacity Agreements (provided that the Baltic Pipe Project is continued).

The allocation of OS 2017 Capacity will be based on the Phase 2 Bids.

Notwithstanding the fact that the Fast Track Project is pursued or the total OS 2017 Capacity requested in the Phase 2 Bids, conclusion of the OS 2017 Capacity Agreement(s) require(s) a positive outcome of the Economic Test for each of the TSOs. The Economic Test is due after the final allocation following Phase 2.

If the Fast Track Project is pursued due to the request for sufficient OS 2017 Capacity in the Phase 1 Bids: (i) the Danish OS 2017 Capacity Agreement(s) will be concluded following the positive outcome of the Economic Test for each of the TSOs; and (ii) the Polish OS 2017 Capacity Agreements will be concluded following the positive outcome of the Economic Test for each of the TSOs and the obtainment of the corporate approvals of the relevant body of GAZ-SYSTEM S.A. (management board, supervisory board or the general assembly) necessary for the conclusion of the Polish OS 2017 Capacity Agreements by GAZ-SYSTEM S.A. with the Participants to whom the OS 2017 Capacity was allocated as a result of the OS 2017, in line with Appendix 4. The Polish and Danish OS 2017 Capacity Agreement(s) will be subject to conditions precedent.

If the total OS 2017 Capacity requested in the Phase 1 Bids is not sufficient to pursue the Fast Track Project, the conclusion of the Danish OS 2017 Capacity Agreement(s) by Energinet will await the business case approval by the supervisory board of Energinet.

The commencement of gas transportation services on the basis of the OS 2017 Capacity Agreements is conditional upon the conditions precedent set out in the OS 2017 Capacity Agreements.

7. Registration for Open Season 2017

In order to participate in OS 2017, the interested shippers will have to be registered as Participants with Energinet and/or GAZ-SYSTEM S.A., depending on whether the Participant will place bids in the Danish, Polish or both parts of OS 2017. The deadline for forwarding the Open Season

2017 registration form to Energinet (Appendix 3.A) and to GAZ-SYSTEM S.A. (Appendix 4.C), including all required documentation, is four weeks after the publication of the OS 2017 Rules for Phase 1 and four weeks from the start date of Phase 2. Thereafter, both TSOs will assess if the documentation received is sufficient to be registered as Participant.

Registration must be completed with Energinet and/or GAZ-SYSTEM S.A. six weeks after the publication of the OS 2017 Rules for Phase 1 participation and six weeks from the start date of Phase 2 for Phase 2 participation. Energinet and GAZ-SYSTEM S.A. encourage early registration.

If a Participant has been registered for Phase 1, the Participant shall not register again for Phase 2. Only one registration is necessary.

Participation in Phase 1 is not a precondition for participation in Phase 2.

The conditions for registration are set forth in Appendix 3 with regard to participation in the Danish part of OS 2017, and in Appendix 4 with regard to the Polish part of OS 2017. Please note that Participants are subject to credit approvals and possibly to provision of security.

8. Phase 1

Phase 1 is the possibility for the Participant to submit a Phase 1 Bid. A Phase 1 Bid constitutes an Order to Proceed.

8.1 Submission of Phase 1 Bid

The Phase 1 Bid for Entry and Exit Point Baltic Pipe (DK->PL) as well as Entry and Exit Point Baltic Pipe (PL->DK) must be submitted to both Energinet and GAZ-SYSTEM S.A. The Phase 1 Bid for Entry Point North Sea must only be submitted to Energinet.

The OS 2017 Capacity for Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), as well as for Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), is identical in the given direction of the flow due to the fact that OS 2017 Capacity in those Points is offered as bundled capacity. Thus, the Participant shall request identical OS 2017 Capacity with regard to Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), or with regard to Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), for a given Gas Year in the submitted bid forms for Phase 1. In case OS 2017 Capacity requested for Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), or Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), is different for one or more Gas Year(s) in the Phase 1 Bids submitted by a Participant to Energinet and GAZ-SYSTEM S.A. respectively, the Phase 1 Bid with the highest requested OS 2017 Capacity in the given Gas Year(s) shall be reduced by the relevant TSO to the Phase 1 Bid with the lowest requested OS 2017 Capacity for the given Gas Year(s).

The minimum OS 2017 Capacity, which may be requested by a Participant in the Phase 1 Bid, is 1 kWh/h. The Phase 1 Bid must be submitted before the Phase 1 Deadline.

The Phase 1 Deadline is 25 July 2017 at 4 pm.

The Participant will receive a confirmation by email of the receipt of the Phase 1 Bid.

In case the OS 2017 Capacity requested by the Participant in its Phase 1 Bid exceeds the OS 2017 Capacity offered at the relevant Point(s) for any Gas Year, GAZ-SYSTEM S.A. and Energinet shall deem that the Participant has requested the maximum OS 2017 Capacity offered at the Point in question for the given Gas Year.

8.2 Evaluation of the received Phase 1 Bids

After the Phase 1 Deadline, Energinet will assess whether the total requested OS 2017 Capacity in the Phase 1 Bids for Entry Point North Sea and Exit Point Baltic Pipe (DK->PL) is sufficient to pursue the Fast Track Project. Likewise, GAZ-SYSTEM S.A. will assess whether the total requested OS 2017 Capacity in the Phase 1 Bids for Entry Point Baltic Pipe (DK->PL) is sufficient in order to pursue the Fast Track Project. The details of Phase 1 and how the TSOs will evaluate the Phase 1 Bids are described and regulated in Appendix 3 with regard to the Danish part of OS 2017 and in Appendix 4 with regard to the Polish part of OS 2017.

If both TSOs assess that the requested OS 2017 Capacity in the Phase 1 Bids is sufficient for the Fast Track Project, the Fast Track Project will be pursued. In that case, OS 2017 Capacity will be offered starting from 1 October 2022 in Phase 2. Participants, who have submitted Phase 1 Bids, are obliged to submit Phase 2 Bids.

If one or both of the TSOs assess that the requested OS 2017 Capacity in the Phase 1 Bids is not sufficient for the Fast Track Project, the Fast Track Project will not be pursued. In that case, OS 2017 Capacity will be offered starting from 1 October 2024 in Phase 2. The submitted Phase 1 Bids will automatically expire. Thus, Participants who have submitted Phase 1 Bids are under no obligation to bid in Phase 2 under these circumstances.

Following the assessment of the Phase 1 Bids, it will be announced to the individual Participants who requested OS 2017 Capacity in Phase 1 and to the market, whether the Fast Track Project will be pursued or not.

If the Fast Track Project is not pursued, Energinet and GAZ-SYSTEM S.A. may in their sole discretion decide to change certain elements of the OS 2017 Rules in accordance with section 12.

9. Phase 2

In Phase 2 of Open Season 2017, the Participants will submit their Phase 2 Bid for the OS 2017 Capacity offered in Phase 2 and the TSOs will allocate the OS 2017 Capacity, if relevant.

9.1 Submission of the Phase 2 Bid

The Phase 2 Bid must be submitted to both Energinet and GAZ-SYSTEM S.A. for Entry and Exit Point Baltic Pipe (DK->PL) as well as Entry and Exit Point Baltic Pipe (PL->DK). A Phase 2 Bid for Entry Point North Sea must only be submitted to Energinet.

The OS 2017 Capacity for Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), as well as for Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), is identical in the given direction of the flow due to the fact that OS 2017 Capacity in those Points is offered as bundled capacity. Thus, the Participant shall request identical OS 2017 Capacity with regard to Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), or with regard to Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), for a given Gas Year in the submitted bid forms for Phase 2. In case the OS 2017 Capacity requested for Entry Point Baltic Pipe (DK->PL) and Exit Point Baltic Pipe (DK->PL), or Entry Point Baltic Pipe (PL->DK) and Exit Point Baltic Pipe (PL->DK), is different for one and more Gas Year(s) in the Phase 2 Bids submitted by a Participant to Energinet and GAZ-SYSTEM S.A., respectively, the Phase 2 Bid with the highest requested OS 2017 Capacity in the given Gas Year(s) shall be reduced by the relevant TSO to the Phase 2 Bid with the lowest requested OS 2017 Capacity for the given Gas Year(s).

The minimum OS 2017 Capacity, which may be requested by a Participant in the Phase 2 Bid, is 1 kWh/h. The Phase 2 Bid must be submitted before the Phase 2 Deadline.

If the Fast Track Project has been pursued, i.e. OS 2017 Capacity is offered from 1 October 2022, the Participants who have submitted a Phase 1 Bid are obliged to submit a Phase 2 Bid for at

least the same level of OS 2017 Capacity for the same Point(s) and the same Gas Year(s) as in the Phase 1 Bid.

If the Fast Track Project has not been pursued, i.e. OS 2017 Capacity is offered from 1 October 2024, the obligation for the Participant who have submitted a Phase 1 Bid to submit a Phase 2 Bid for at least the same level of OS 2017 Capacity for the same Point(s) and the same Gas Year(s) is dismissed as the Phase 1 Bid expires.

The Phase 2 Deadline is 31 October 2017 at 4 p.m.

The Participant will receive a confirmation by e-mail of the receipt of the Phase 2 Bid.

In case the OS 2017 Capacity requested by the Participant in its Phase 2 Bid exceeds the OS 2017 Capacity offered at the relevant Point(s) in any Gas Year, GAZ-SYSTEM S.A. and Energinet shall deem that the Participant has requested the maximum OS 2017 Capacity offered at the Point(s) in question for the given Gas Year.

9.2 Evaluation of the received Phase 2 Bids, if no over-demand

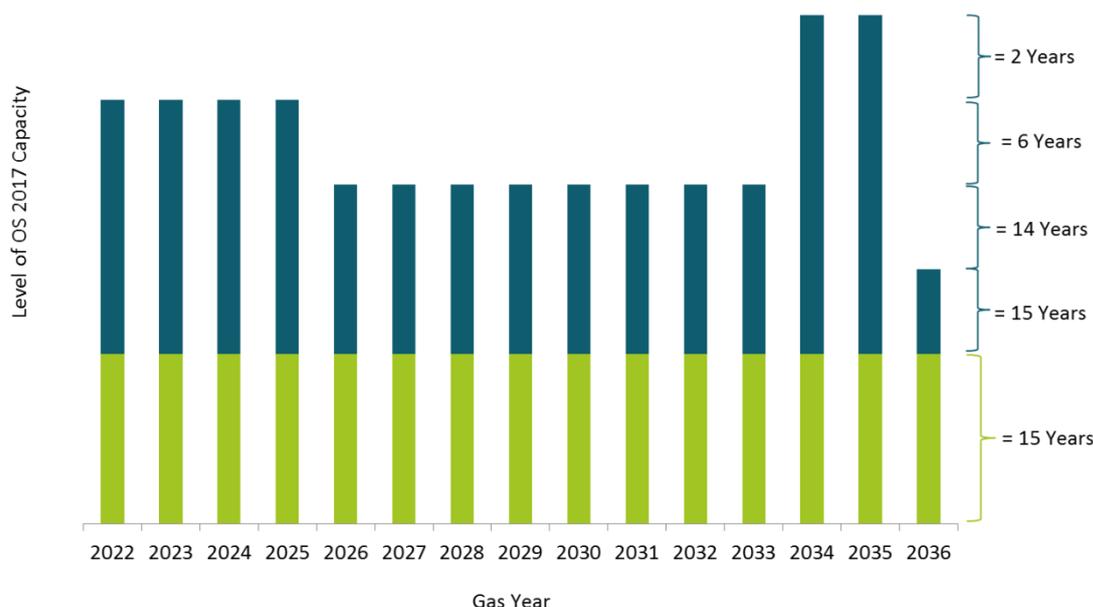
Energinet and GAZ-SYSTEM S.A. shall analyse and treat the received Phase 2 Bids on a non-discriminatory basis. If no over-demand for OS 2017 Capacity for one or more Point(s) is registered, i.e. if the total OS 2017 Capacity requested for the same direction at a given Point for a given yearly standard OS 2017 Capacity product in the Phase 2 Bids does not exceed the offered OS 2017 Capacity at that Point, the Participant will be allocated OS 2017 Capacity equal to its Phase 2 Bid. Energinet and GAZ-SYSTEM S.A. will inform the Participants individually about the result of the allocation of OS 2017 Capacity for the given Gas Year(s), subject to the provisions of these OS 2017 Rules.

9.3 Evaluation of the received Phase 2 Bids, if over-demand

In case the total OS 2017 Capacity requested in Phase 2 Bids in the same direction at a given Point for a given yearly standard OS 2017 Capacity product exceeds the OS 2017 Capacity offered (over-demand) at that Point, OS 2017 Capacity will be allocated in line with the priority of the Phase 2 Bids. If over-demand occurs within a certain priority level, the Phase 2 Bids within this priority level will be subject to the pro-rata mechanism. The pro-rata mechanism shall mean that OS 2017 Capacity shall be allocated proportionally to the requested OS 2017 Capacity for the given yearly standard OS 2017 Capacity products in the Phase 2 Bids of the same priority level.

For a particular Gas Year, the priority shall be given to the Phase 2 Bids which cover the level of OS 2017 Capacity requested by the Participant for the highest number of Gas Years. The priority to a particular Phase 2 Bid shall be given only within the level of OS 2017 Capacity requested for the highest number of Gas Years, and not for the total level of the OS 2017 Capacity requested for the particular Gas Year in this Phase 2 Bid. This means, that if the same level of OS 2017 Capacity is requested by a Participant for all the Gas Years offered within OS 2017, the Phase 2 Bid is considered a bid for 15 yearly standard OS 2017 Capacity products. If different levels of OS 2017 Capacity are requested by a Participant for any or some Gas Years, the level of OS 2017 Capacity requested in the highest number of Gas Years will be considered first as regards the level of priority. Thereafter, the level of OS 2017 Capacity requested in the second-most Gas Years will be considered and so forth.

The priority mechanism of the Phase 2 Bid is illustrated below:



The figure illustrates the Phase 2 Bids received from two Participants: Participant X (illustrated in green) and Participant Y (illustrated in blue). Participant X has submitted a Phase 2 Bid requesting the same level of OS 2017 Capacity in all 15 Gas Years. Participant Y has submitted a Phase 2 Bid for all 15 Gas Years, but with different levels of OS 2017 Capacity in the different Gas Years. Within the level of OS 2017 Capacity requested in all 15 Gas Years the Phase 2 Bid will be considered as a Phase 2 Bid for 15 yearly standard OS 2017 Capacity products. For the levels of OS 2017 Capacity requested for less than 15 Gas Years the Phase 2 Bid will accordingly be considered as Phase 2 Bids for the lesser number of yearly standard OS 2017 Capacity products (the number of yearly standard OS 2017 Capacity products is stated at the right in the figure).

Taking the requested level of OS 2017 Capacity into account, the allocation is handled with the following priority:

- Priority 1: Phase 2 Bids for the highest possible number of yearly standard OS 2017 Capacity products included in the Phase 2 Bid (15 yearly standard OS 2017 Capacity products)
- Priority 2: Phase 2 Bids for 14 yearly standard OS 2017 Capacity products
- Priority 3: Phase 2 Bids for 13 yearly standard OS 2017 Capacity products,
- Etc.

The Phase 2 Bids with the highest priority will be allocated first. Thus, Phase 2 Bids for the highest possible number of yearly standard OS 2017 products included in the Phase 2 Bid, i.e. 15 yearly standard OS 2017 products, will be allocated first the OS 2017 Capacity for the given Gas Year. If the total OS 2017 Capacity requested in the Phase 2 Bids with the highest possible number of yearly standard OS 2017 products exceeds the available OS 2017 Capacity, these Phase 2 Bids are allocated pro-rata, and all Phase 2 Bids for a lower number of yearly standard OS 2017 products included in the Phase 2 Bid are disregarded in the part concerning the request for the given yearly standard OS 2017 product in which over-demand has occurred. If the total OS 2017 Capacity requested in the Phase 2 Bids for the highest possible number of yearly standard OS 2017 products does not exceed the available OS 2017 Capacity, the residual OS 2017 Capacity is then subject to allocation towards Phase 2 Bids for 14 yearly standard OS 2017 products. If the available OS 2017 Capacity is then exceeded, Phase 2 Bids for 14 yearly standard OS 2017 products are subject to pro-rata, and all remaining Phase 2 Bids are disregarded in the part concerning the request for the given yearly standard OS 2017 product in which over-demand has occurred. If the OS 2017 Capacity requested in the Phase 2 Bids for 14 yearly standard OS 2017 products does not exceed the available OS 2017 Capacity, the residual OS 2017 Capacity is then

subject to allocation towards Phase 2 Bids for 13 yearly standard OS 2017 products and so forth, until the allocated capacity equals the available OS 2017 Capacity.

Accordingly, the most secure way to obtain a specific share of OS 2017 Capacity in a given Point is to bid for the highest possible number of yearly standard OS 2017 products (15 yearly standard OS 2017 products).

The result from the pro-rata mechanism will be notified to the Participants individually.

Additional examples:

Example 1:

- *The maximum capacity offered is 100 units*
- *Participant 1 makes a bid for 60 units from 1 October 2022 to 1 October 2037 (15 Gas Years)*
- *Participant 2 makes a bid for 100 units from 1 October 2022 to 1 October 2032 (10 Gas Years)*
- *Participant 3 makes a bid for 50 units from 1 October 2022 to 1 October 2037 (15 Gas Years)*
 - *First step is to consider the bids for the longest duration. In this case it is the bids from Participant 1 (60 units) and Participant 3 (50 units) with a total demand of 110 units. This means that Participant 2's Bid for 10 Gas Years is disregarded.*
 - *Second step is to perform the pro-rata reduction for the bids for 15 Gas Years due to the fact that these bids exceeds the offered maximum capacity*

Allocation result:

- *Participant 1 receives:*
 - *$60/110 \cdot 100 = 55$ units from 1 October 2022 to 1 October 2037 (15 Gas Years).*
- *Participant 3 receives:*
 - *$50/110 \cdot 100 = 45$ units from 1 October 2022 to 1 October 2037 (15 Gas Years).*
- *Participant 2 receives:*
 - *0 units, as there was an over-demand with bid for the longest duration alone.*

Example 2:

- *The maximum capacity offered is 100 units*
- *Participant 1 makes a bid for 20 units from 1 October 2022 to 1 October 2032 (10 Gas Years) and for 5 units from 1 October 2032 to 1 October 2037 (5 Gas Years), which means that the Participant is bidding: 15 units from 1 October 2022 to 1 October 2032 (10 Gas Years) and 5 units from 1 October 2022 to 1 October 2037 (15 Gas Years),*
- *Participant 2 makes a bid for 15 units from 1 October 2022 to 1 October 2037 (15 Gas Years)*
- *Participant 3 makes a bid for 75 units from 1 October 2025 to 1 October 2037 (12 Gas Years)*
 - *First step is to consider the bids for the longest duration. In this case, Participant 1's bid must be split due to the fact that 5 units are requested from 1 October 2022 to 1 October 2037 (15 Gas Years) and 15 units are requested from 1 October 2022 to 1 October 2032 (10 Gas Years).*
 - *Thus, two bids for 15 Gas Years are received, which are Participant 1 (5 units) and Participant 2 (15 units) with a total demand of 20 units. As there is no over-demand for bids for 15 Gas Years, Participant 1 and 2 are allocated capacity equivalent to their bids, i.e. 5 units to Participant 1 and 15 units to Participant 2 from 1 October 2022 to 1 October 2037 (15 Gas Years).*
 - *Second step is to allocate capacity to the Participants with the bids for the sec-*

ond-longest duration. In this case it is Participant 3 with a total demand of 75 units from 1 October 2025 to 1 October 2037 (12 Gas Years).

- Third step is to allocate the rest of the capacity. There is an over-demand for from 1 October 2025 to 1 October 2032 (7 Gas Years) meaning that Participant 1's bid is reduced in this period.

Allocation result:

- Participant 1 receives:
 - 5 units from 1 October 2022 to 1 October 2037 (15 Gas Years)
 - 15 units from 1 October 2022 to 1 October 2025 (3 Gas Years)
 - 5 units from 1 October 2025 to 1 October 2032 (7 Gas Years)
- Participant 2 receives:
 - 15 units from 1 October 2022 to 1 October 2037 (15 Gas Years)
- Participant 3 receives:
 - 75 units from 1 October 2025 to 1 October 2037 (12 Gas Years).

9.4 Reduction of the allocated OS 2017 Capacity

A Participant who has submitted a Phase 2 Bid for Entry Point North Sea, Exit Point Baltic Pipe (DK->PL) and Entry Point Baltic Pipe (DK->PL), with identical bid size, shall, in case the allocation results in a discrepancy of the allocated OS 2017 Capacity at the three Points due to the application of the pro-rata mechanism, be entitled to reduce its allocation of the OS 2017 Capacity at the Point(s) with the highest allocated OS 2017 Capacity, to the allocated OS 2017 Capacity at the Point with the lowest allocation of the three Points.

In case the Participant wishes to make use of such reduction, the Participant shall state in the Phase 2 bid form that the Phase 2 Bids for OS 2017 Capacity at the three Points are interdependent. The reduction will be conducted by the TSOs only upon request of the Participant, therefore, in addition to the statement included in the Phase 2 bid form, the Participant shall inform both Energinet and GAZ-SYSTEM S.A. whether the Participant will exercise such right within ten (10) Business Days from the announcement of the allocation results to the Participant.

After such potential reduction in the allocation results, Energinet and GAZ-SYSTEM S.A. will inform the Participants individually about the final result of the allocation of OS 2017 Capacity subject to the provisions of these OS 2017 Rules.

9.5 Economic Test and conclusion of the OS 2017 Capacity Agreement(s)

After the evaluation of the Phase 2 Bids and the final allocation result, the Economic Test will be conducted. The Economic Test is further described in the Appendices 3 and 4.

The conclusion of the OS 2017 Capacity Agreements requires a positive outcome of the Economic Test for each TSO.

If the received Phase 2 Bids imply a negative outcome of the Economic Test, but a positive outcome may be achieved if the technical parameters of the Baltic Pipe Project are changed, the TSOs are entitled to change the parameters of the Baltic Pipe, in particular the Technical Capacity. If such a change requires a proportionate reduction of the Phase 2 Bids, the TSOs will notify the Participants about it. The Phase 2 Bids shall be reduced proportionally to the OS 2017 Capacity allocated to the Participants. The Participants will be entitled to reject the reduced allocation of OS 2017 Capacity within ten (10) Business Days from receiving the notification. If the reduced allocation is not accepted by the Participant(s), the TSOs are entitled to terminate OS 2017.

If the outcome of the Economic Test for each TSO is positive, Energinet will enter into the Danish OS 2017 Capacity Agreement(s) with the Participants which have been allocated OS 2017 Capacity. GAZ-SYSTEM will enter into the Polish OS 2017 Capacity following the positive outcome of the Economic Test for each TSO and the obtainment of the corporate approvals of the relevant body of GAZ-SYSTEM S.A. (management board, supervisory board or the general assembly), necessary for the conclusion of the Polish OS 2017 Capacity Agreements by GAZ-SYSTEM S.A. with the Participants to whom the OS 2017 Capacity was allocated as a result of the OS 2017, in line with Appendix 4.

If the total OS 2017 Capacity requested in Phase 1 Bids is not sufficient to pursue the Fast Track Project, conclusion of the Danish OS 2017 Capacity Agreement(s) by Energinet will await business case approval by the supervisory board of Energinet.

For the Danish part of OS 2017, Energinet will enter into Danish OS 2017 Capacity Agreement(s) with the Participants, and for the Polish part of OS 2017, GAZ-SYSTEM S.A. will enter into Polish OS 2017 Capacity Agreements with the Participants.

The commencement of gas transmission services is subject to the conditions precedent as set out in the relevant OS 2017 Capacity Agreement(s).

Part III – General Provisions

10. Communication

10.1 Open Season 2017 information

All relevant material relating to Open Season 2017 is available on the following websites:

<https://en.energinet.dk/OpenSeason2017>

<http://en.gaz-system.pl/strefa-klienta/konsultacje-z-rynkiem/aktualne-konsultacje/open-season-baltic-pipe/>

It is the sole responsibility of any shipper interested in participating in OS 2017 to obtain the relevant information and documents and to ensure that the shipper is in possession of all relevant information and documents as well as changes or amendments to such documents as announced on the websites above.

10.2 Announcements in connection with OS 2017

Energinet's and/or GAZ-SYSTEM S.A.'s announcements during OS 2017 will be made on the websites stated in section 10.1.

All Participants will automatically receive an e-mail from Energinet and GAZ-SYSTEM S.A. to the e-mail address stated in the registration form in case Energinet and/or GAZ-SYSTEM S.A. make public any new documents or announcements.

10.3 Dialogue meetings with Energinet and/or GAZ-SYSTEM S.A.

Participants and other interested parties may have dialogue meetings with Energinet and/or GAZ-SYSTEM S.A. upon request.

In such case, Energinet and/or GAZ-SYSTEM S.A. will send the details of such meeting, including date, place and agenda, before the meeting. Any information given by Energinet and/or GAZ-SYSTEM S.A. at such meeting will be published on the "Q&A section" of the OS 2017 websites according to section 10.1 if Energinet and/or GAZ-SYSTEM S.A. finds it relevant due to the principles of non-discrimination and transparency.

10.4 Q&A

Participants may submit written questions to Energinet and/or GAZ-SYSTEM S.A. concerning OS 2017 up to two weeks prior to the Phase 1 Deadline and, after the Phase 1 Deadline, up to two weeks prior to the Phase 2 Deadline.

All questions must be written in English and must be e-mailed to one or both of the below e-mail addresses:

Energinet: openseason2017@energinet.dk

GAZ-SYSTEM S.A.: openseason@gaz-system.pl

All questions and answers will be made public in the "Q&A section" on the websites above in an anonymous form. The Participants shall ensure that the wording of the questions does not make it possible to identify the Participant who has submitted the question.

All communication with Energinet and GAZ-SYSTEM S.A. regarding OS 2017 shall be in English. GAZ-SYSTEM S.A. shall also allow for communication regarding OS 2017 in Polish. In case of any discrepancy between the English and the Polish versions, the English version shall prevail. Any comments in Polish shall not apply and will not be taken into account for the Danish part of Open Season 2017.

11. Expenses

All expenses of the Participant arising out of or in connection with the participation in Open Season 2017, in particular the preparation, registration and submission of the bidding forms, as well as expenses arising in connection with all later enquiries, discussions, provision of security etc., shall be of no concern to Energinet or GAZ-SYSTEM S.A. This applies to any outcome of the OS 2017.

12. Amendments

If the total OS 2017 Capacity requested in the Phase 1 Bids is not sufficient to pursue the Fast Track Project, Energinet and GAZ-SYSTEM S.A. reserve the right to change the OS 2017 Rules, i.e. in respect of Points, capacities, timeframe, economic criteria and all other matters concerning the Baltic Pipe Project, before the Phase 2.

Energinet's access to make changes in the Appendices applicable to participation in the Danish part of OS 2017 and the Danish OS 2017 Capacity Agreement is regulated in Appendices 3 and 3.C. In case the total OS 2017 Capacity requested in the Phase 1 Bids is sufficient to pursue the Fast Track Project, this access is limited to clarification of the matters stated in Appendices 3 and 3.C, which are still pending.

Such changes will be announced at Energinet's and GAZ-SYSTEM S.A.'s OS 2017 websites and an e-mail regarding the announcement will be sent to the Participants, subject to a prior approval of competent authorities, if necessary. Notwithstanding the latter, it is the sole responsibility of the Participants to be updated on the information regarding the OS 2017.

After the start date of Phase 2, the TSOs cannot make changes to the OS 2017 Rules, except if changes are necessary in order to comply with applicable laws and regulations or by order by the national regulatory authorities or another public authority. Such changes will be published without undue delay in accordance with section 10.2, subject to a prior approval of competent authorities, if necessary.

13. Confidentiality

Energinet and GAZ-SYSTEM S.A. will treat all information obtained from the Participants during OS 2017 as confidential. Energinet and GAZ-SYSTEM S.A. undertake to use the information obtained during OS 2017 exclusively for the purpose of OS 2017. Notwithstanding the latter, Energinet and GAZ-SYSTEM S.A. may use the Phase 1 Bids or Phase 2 Bids for future planning of expansions of infrastructure.

Further, Energinet and GAZ-SYSTEM S.A. may disclose the information if required by law, by court decision, by administrative decision, or if the information is in the public domain at the time of disclosure. The TSOs will not disclose information that is considered business secrets, unless obliged to do so by law. In the latter situation, the TSO will inform the Participant of a disclosure or to the extent required by law consult the Participant in order to determine if the information is considered business secrets before the information is potentially disclosed. Based on such consultation, the TSO decides if the information is to be disclosed.

In addition, Energinet and GAZ-SYSTEM S.A. may disclose the information in an aggregated and anonymous form to third parties if required in order to continue with the Baltic Pipe Project. Such disclosure can be to market participants, during the planned meetings, workshops, etc., as well as to relevant authorities in order to achieve approvals or to contracting parties that are involved in the construction of expansions related to the Baltic Pipe Project.

Further, Energinet and GAZ-SYSTEM S.A. may disclose the information to any consultant or advisor retained by Energinet and GAZ-SYSTEM S.A. for the Baltic Pipe Project. Prior to making any such disclosures, Energinet and GAZ-SYSTEM S.A. shall obtain an undertaking of confidentiality from each such person; enforceable by the respective TSO, substantially in the same form and content of section 13.

14. Priority of the OS 2017 Rules

These OS 2017 Rules have been prepared in an English version and a Polish version. The Polish version is a non-legally binding translation. No discrepancies between the two versions are intended. However, if discrepancies are found in the wording of the two versions, the English legally binding version shall prevail.