

CONSULTATION DRAFT

APPENDIX 1

to the

**General Terms and Conditions for Transmission Network Access
of Trans Austria Gasleitung GmbH****Requirements for the participation in auctions on PRISMA Platform
(hereinafter referred to as “Procedure”)****PREAMBLE**

The scope of this Procedure is to provide all the market participants with a general, transparent and non discriminatory overview on the requirements to participate in TAG GmbH's auctions on PRISMA. In case of any discrepancy between this Procedure and the General Terms and Conditions for Transmission Network Access of Trans Austria Gasleitung GmbH (hereinafter referred to as “GTC”), the GTC shall prevail.

1. Registration

1.1 In order to participate in TAG auctions executed on PRISMA, System User needs to register on TAG GmbH's website by performing the two-steps online registration (the “Online Self-Registration”) as described in the technical rules (“User Manual”) published by TAG GmbH on its website. For Day-Ahead auctions System User shall also stipulate a Day – Ahead capacity contract with TAG GmbH prior to the participation in day-ahead auctions, whereas for Monthly/Quarterly/Yearly auctions (hereinafter referred to as “Long-Term auctions”) the System User shall enter into a Standard Capacity Contract with TAG GmbH after successful participation in the relevant Long-Term auction (“Day-Ahead Capacity Contract” and “Standard Capacity Contract” both hereinafter referred to as “Capacity Contract”).

In order to participate in TAG auctions, System User shall submit its request to TAG GmbH pursuant to the following conditions using the Online Registration Form:

For Day-Ahead: [Online Self-Registration for Day-Ahead capacity in the TAG Pipeline System.](#)

For Long-Term: [Online Self-Registration for “Allocation of \[\(Monthly/Quarterly/Yearly\) period to be inserted\] Capacity available in the TAG Pipeline System starting from \[Date to be inserted\], 06:00 a.m. until \[Date to be inserted\], 06:00 a.m.”.](#)

Above links will be accessible according to the time schedule required by such auctions.

It is understood that the Online Self-Registration shall be considered completed only after both steps have been successfully concluded {*For long-term auctions:* by **[Date to be inserted]** at the latest}. All necessary verifications shall be performed by TAG GmbH thereafter according to Point 2.

If a System User fails to comply with any of the conditions specified in the registration request shall be considered as null and void. This shall also apply in case the System User has given incorrect information. TAG GmbH does not accept any responsibility for any type of incomplete or wrongly submitted information.

After the Online Self-Registration has been completed and verified by TAG GmbH System User will receive an e-mail containing the registration form as pdf-file (“e-Registration Form”).

TAG GmbH will send for all fully completed e-Registration Forms an acceptance notice (“Acceptance Notice”) by e-mail to each System User provided that the security deposit has been received and accounted for by TAG GmbH in accordance with Section IV of the GTC. By transfer of such security deposit each System User agrees and acknowledges unconditionally to accept this Procedure as well as the provisions set forth in the GTC and that it is fully aware of the meaning and content of all the provisions herein.

Requests by System User concerning changes to information (contact person and e-mail) submitted during the Online Self-Registration process are possible on working days and 72 hours prior to the auction event only.

- 1.2 For the participation in TAG auctions a separate registration on PRISMA is required. For more details please refer to the training material published on PRISMA.
- 1.3 Upon successful registration with TAG GmbH and PRISMA, TAG GmbH will approve the System User which receives the status “Bidder”, enabling its participation in the auctions for which the Bidder has registered. After the acceptance by TAG GmbH, Bidder`s users will receive access data from PRISMA, unless Bidder`s users already have such credentials.

TAG GmbH accepts no responsibility in case Bidder`s users do not receive in due time the Access Key (Token), Pin and username from PRISMA, which are a precondition for Bidder`s users participation in TAG auctions. Bidder is entitled to register further users for TAG auctions which TAG GmbH shall approve after receipt of proof of authenticity signed by Bidder`s authorized representatives.

2 Security Deposit, Credit Limit, Temporary Deposit and Capacity Contract

The security deposit for each relevant capacity auction shall be provided according to Section IV of the GTC in force.

In case the System User intends to provide a Cash Deposit the following bank account of Trans Austria Gasleitung GmbH shall be used:

ERSTE GROUP BANK AG

IBAN: AT 91 20111 20050853200 BIC: GIBAATWW

Payment reference: **[To be inserted]**

System User has to specify the payment reference as follows:

For Day-Ahead auctions: "Credit Limit"

For Long-Term auctions: "Auction event held on **[To be inserted]**"

2.1 Day-Ahead Auctions

2.1.1 Security Deposit ("Credit Limit")

In case the System User intends to provide a Bank Guarantee, the form will be sent by TAG GmbH by means of e-mail after completion of the Online Self-Registration. Any change to the wording of such form will not be accepted by TAG GmbH due to transparency and non-discriminatory reasons. Once TAG GmbH has approved the Credit Limit TAG GmbH will publish on its website the Capacity Contract in an area reserved for TAG System Users.

Should the System User fail to fulfil all the mandatory provisions within 15 (fifteen) working days from the submission of the registration at TAG GmbH the registration will be considered as null and void. In such case System User has to repeat the registration process at TAG GmbH, at the System User's discretion.

In case that System User has a credit rating equal or higher than A3 Moody's or equivalent Standard & Poor's or Fitch it does not have to provide a Bank Guarantee or Cash Deposit but has to define a Credit Limit.

2.1.2 Capacity Contract

The Day-Ahead Service is offered by TAG GmbH on basis of a Capacity Contract to be stipulated between TAG GmbH and the System User according to the provisions herein.

- i) The Capacity Contract shall remain in force until **[Date to be inserted]** ("End Date"), whereby the Capacity Contract can be terminated by System User at any time before the End Date upon written notice of termination sent at least 1 (one) week before termination. With the expiration of the Capacity Contract the possibility to bid at TAG auctions on PRISMA will be automatically discontinued. The last auction at which System User is entitled to bid shall be carried out 2 (two) days before either the End Date or the early termination date requested by System User.
- ii) Due to the fact that in case of a cross-border bundled product the same capacity is allocated on both sides, the credit limits as well as the daily fee (reserve price) of both TSOs and the surcharge will be taken into account when performing the Credit Limit check. In case of a Credit Limit over-run PRISMA automatically blocks the submission of bids for TAG auctions (both bundled and unbundled) on PRISMA until the outstanding amounts have been settled or the amount of the Credit Limit has been increased. For avoidance of any doubt, this shall also apply if the invoices were not yet issued at the point of time when the Credit Limit is exhausted. TAG will define a

new Credit Limit on PRISMA as soon as the outstanding amounts are paid or an additional amount is provided.

In case of a cross-border bundled product the block of the bid(s) due to Credit Limit over-run will prevent System User from committing capacity on both sides, regardless of at which side a failure in the Credit Limit check occurs.

According to Article 2 of the Capacity Contract, in case the System User intends to increase the Credit Limit for the Day-Ahead auctions a respective additional security deposit shall be provided. Such increase shall become effective upon receipt and acceptance by TAG GmbH of the request for increase of the Credit Limit.

Thereafter TAG will define a new Credit Limit on PRISMA valid earliest 1 (one) working day after acceptance of the Credit Limit increase and will inform the System User accordingly.

- iii) After the acceptance of the Credit Limit by TAG GmbH, the electronically certified Capacity Contract will be published in an area reserved for TAG System Users. System User has to read and accept all the conditions stated in the Capacity Contract and confirm the acceptance of these conditions electronically. After acceptance the certified Capacity Contract becomes effective ("Effective Date"), whereby the Effective Date inserted in the Capacity Contract will be the same date as the date of the conclusion of the Online Self-Registration. It is understood that the transportation service shall be started earliest 5 (five) working days after the electronic acceptance of the Capacity Contract. For avoidance of any doubt the date of acceptance by System User will not modify the Start-up Date of the Capacity Contract. Notwithstanding of the above, System User has to download the Capacity Contract, have it signed by two authorized representatives and send to TAG GmbH within 15 (fifteen) calendar days.

If TAG GmbH does not receive said Capacity Contract in due time, the validity of the contractual conditions shall not be affected.

According to the provisions stated in the GTC and in the Capacity Contract, TAG GmbH has to receive any other information necessary for the transportation service not later than 5 (five) working days before the start of the transportation service.

2.1.3 Bids as Binding Offers

Each winning bid submitted on PRISMA in the course of a Day-Ahead auction and in compliance with the provisions herein set forth shall constitute a binding offer to commit for a capacity equal to the winning bid "Booked Flow Rate", expressed in kWh/h for a maximum duration of 24 hours on a ship or pay basis with TAG GmbH according to the terms and conditions laid down in the Capacity Contract and in this Procedure.

2.2 Long-Term Auctions

2.2.1 Temporary Deposit

The temporary deposit's value date/transaction date shall be latest [**Date to be inserted**] and the temporary deposit has to be accounted and confirmed by TAG's bank in any case not later than [**Date to be inserted**]. Transactions with value date or transaction date after

[Date to be inserted] are considered not valid in respect of the provisions stated herein and relevant System User will be not entitled to participate in the auction event.

If a Winning Bidder refuses or, for whatever other reasons, fails to enter into the Capacity Contract with TAG GmbH Section IV para.6 GTC shall apply.

Upon Bidder's request TAG GmbH may keep the temporary deposit for upcoming Long-Term auctions, otherwise TAG GmbH will return it to the bank account designated by the Bidder in the Registration Form after the auction event has been concluded.

2.2.2 Capacity Contract

Each Winning Bidder shall enter into a Capacity Contract with TAG GmbH by **[Date to be inserted]** (the "Effective Date" of the Capacity Contract). TAG GmbH will provide the Capacity Contract by appropriate means (e-mail, TAG's web-based Commercial Services Area) to the Winning Bidder together with the form of Bank Guarantee with the relevant amount. Any change to the wording of such form will not be accepted by TAG GmbH due to transparency and non-discriminatory reasons. TAG GmbH shall receive the security deposit and the Capacity Contract duly signed by Winning Bidder(s) not later than **[Date to be inserted]**.

Notwithstanding of the above and according to Article IV.5 of the GTC the System User has the right to select other forms of security deposit.

According to the provisions stated in the GTC and in the Capacity Contract, TAG GmbH has to receive any other information necessary for the transportation service not later than 5 (five) working days before the start of the transportation service.

2.2.3. Bids as Binding Offers

Each winning bid submitted on PRISMA in the course of a TAG auction and in compliance with the provisions herein set forth shall constitute a binding offer to enter into a Capacity Contract on ship or pay basis with TAG GmbH according to the terms and conditions laid down in the Capacity Contract and in this Procedure.

Allocation of Capacity

3 Available Capacity on Offer

3.1 Day-Ahead Capacity

Day-Ahead Auctions will be executed according to the time schedule published on PRISMA.

In case of a bundled product the bundled capacity shall be determined by the smaller capacity of the two capacities offered by the bundling TSOs. The delta between the two offered capacities might be offered by the TSO with the higher available capacity as unbundled capacity.

3.2 Long-Term Auctions

TAG GmbH will perform on PRISMA independent auctions for each Entry and/or Exit point separately starting on **[Date to be inserted]** (CET) according to the Multi-Round-Ascending Clock principle as defined in the CAM Network Code.

The available **[(bundled/unbundled) (monthly/quarterly/yearly) period to be inserted]** capacity for each relevant Entry/Exit Point will be auctioned according to the following table:

[(Month/Quarter/Year) period to be inserted]	Capacity on Offer expressed in kWh/h		
	Entry Baumgarten [FZK/UK]	Exit Arnoldstein [FZK/UK]	Entry Arnoldstein [DZK/UK]
From [Date to be inserted] - to [Date to be inserted]	[Capacity to be inserted]	[Capacity to be inserted]	[Capacity to be inserted]

4 Auction

After the conclusion of the auction, each participant will be automatically notified by e-mail by PRISMA about its result. The result is binding and the transportation service will be treated as ship or pay transportation service.

According to Section IV para.9 GTC, it is in the responsibility of the System User to allocate the awarded capacity to a valid Balance Group in due time.

5 Fee

The Fee to be paid on monthly basis by each successful System User to TAG GmbH is determined by multiplying the TAG GmbH Unit Clearing Price (=TAG GmbH reserve price + TAG GmbH surcharge) with the allocated Capacity pursuant to the Capacity Contract and in accordance with the Gas System Charges Ordinance (GSNE-VO 2013) as published on 19.09.2012 by E-Control and as subsequently amended.

If within the framework of an auction the System User purchases capacity at an auction price higher than the tariffs specified according to 72 et sqq. Natural Gas Act 2011, the System User shall be obliged to pay that auction price for the term of the contract.

For more details please refer to the Capacity Contract and to TAG GmbH's [Tariff Calculator](#).

6 Electronic bidding rules and regulations for the auction

6.1 Scope

- i) The System User(s) take(s) part in the auctions connecting via Internet to the PRISMA website. They will insert their bid according to the General Terms and Conditions for Use of the Primary Capacity Platform PRISMA primary.
- ii) The System User authorizes TAG GmbH to record the contacts by telephone or computerized systems.

6.2 Rules for the Use of the Access data

The direct, indirect, total, partial, voluntary or involuntary divulcation of the access data to third parties is wholly under the responsibility of the System User, who will be liable for any damage suffered by TAG GmbH as a consequence of the divulcation of the access data.

Miscellaneous

7 Reference to Time

Any reference to time shall be construed as to whatever official time in force in Austria (CET).

Working Day in the context of this Procedure refers to every day other than Saturday, Sunday, statutory holidays in Austria, as well as 24 and 31 December.

8 Inconsistency

In case of any inconsistency between this Procedure and the Trans Austria Gasleitung GmbH User Manual, the provisions laid down in this Procedure shall prevail.

In case of any inconsistency between this Procedure and the documentation published on PRISMA concerning TAG`s auctions, the provisions laid down in this Procedure shall prevail.

In the event of any conflict between this Procedure and the Capacity Contract, the Capacity Contract shall prevail.

9 Exclusion of Liability

In addition to Section XXII para.4 GTC, TAG GmbH, including its employees, servants, representatives and agents, shall not be liable for any direct or indirect loss (including loss of profit) damage or cost arising out of or in connection with the use of the Online Auction web application, including reliance upon the information and material contained within said system. TAG GmbH gives no warranty for the Online Auction web application tools (e.g. server) being free of viruses or other dangerous elements and being available without interruptions or at all, except in case such loss, damage or cost arises out of or results from gross negligence or wilful misconduct.

TAG GmbH reserves the right to update at its sole discretion at any time and without prior notice or liability any information directly or indirectly related to this Procedure. While TAG GmbH makes every effort to provide accurate and complete information, various data may change prior to updating. All information is given without warranty, expressed or implied, as to the accuracy, reliability or completeness of furnished data.

TAG GmbH assumes no liability for misprints, for the correctness and completeness of information and entries or for the mode of presentation and informs that System User(s) are solely responsible for any decisions made on the basis of the information provided in the context of this Procedure.

System User(s) connect to the Online Auction web application at its costs and risk, bearing in particular the costs of terminals, telephone and provider charges.

TAG GmbH accepts no liability whatsoever that any information related to the auction event (Procedure, User Manual, Online Auction web application) is complete, accurate or current. This also applies to any links provided directly or indirectly by this Procedure for information purposes.

Any communication or notice required or permitted to be given under this Procedure shall be made in writing (English language shall be used).

TAG GmbH cannot be held responsible for any information which is not in writing.

TAG GmbH accepts no liability whatsoever for the content of third-party websites that can be accessed via links from the TAG GmbH's website. Any access to third-party websites is at the sole responsibility of the user.

By submitting the Registration System User agrees and acknowledges that the auction event is subject to this Procedure and that it is fully aware of the meaning and content of all the provisions herein.

10 Dispute resolution

All disputes arising out or in connection with the provisions laid down in this Procedure shall be finally settled under the most recent version of the Rules of Arbitration of the International Chamber of Commerce (the "Rules") by three arbitrators appointed in accordance with said Rules. The arbitral tribunal shall sit in Vienna; language of the proceedings shall be English. Austrian law (excluding rules and regulations governing conflict of laws) shall be applicable to the dispute in any respect, i.e. also as code of procedure where the Rules are silent.

Except where explicitly otherwise indicated above, all capitalised and uppercases terms shall have the meaning ascribed to them in the GTC and in the Capacity Contract.